



THE CHIEF CONSTABLE OF NORTH YORKSHIRE

DRAFT STATEMENT OF ACCOUNTS 2025/26
covering the period 1st April 2025 to 31st March 2026

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THE NARRATIVE REPORT

The Narrative Report pulls together in a single document information on the budget preparation process, final accounts, performance information, medium term financial plans and other contextual information such as workforce numbers and strategic risk. The Narrative Report provides how North Yorkshire Police has used its resources to achieve its desired outcomes in line with its objectives and strategies.

Making the best use of resources is a key element of North Yorkshire Police Plan on a Page, where

- an operating model is in place to best meet current and future demand, with resources aligned to the priorities and risks of the Force identified through the Plan on a Page, Force Management Statement (FMS) and performance risks.
- the prioritisation budget setting process along with Priority-Based Budgeting (PBB) and innovation, demand, productivity and efficiency work will ensure optimal resource allocation and reinvestment into priority areas.

These Statement of Accounts have been prepared in accordance with the requirements of the Code of Practice (Code) published by the Chartered Institute of Public Finance and Accountancy (CIPFA). These statements are produced with the aim of providing information to help the reader:

- Understand the overarching financial position of North Yorkshire Police.
- Have confidence that the Chief Constable has spent public money wisely and it has been accounted for in an appropriate manner.
- Be assured that the financial position of the Chief Constable is sound and secure.

The style and format of the accounts complies with CIPFA standards and is similar to that of previous years.

1. AN INTRODUCTION TO NORTH YORKSHIRE

North Yorkshire Police is England's largest policing county covering 8,320km² and is the fifth largest geographic area of responsibility in England and Wales whilst being the 15th smallest force in terms of police officer numbers. It covers a population of over 818,300 people (ONS Census 2021) from diverse social, economic, cultural and religious backgrounds.

The North Yorkshire force area covers City of York, Selby, Scarborough, Ryedale, Hambleton, Richmondshire, Harrogate and Craven. The Districts are responsible for local policing services across the Force that address local priorities. Specialist departments deliver the full range of other force-wide policing functions.

Some of our services are delivered in collaboration with other forces including the Counter Terrorism Policing North East (CTPNE), the Yorkshire and the Humber Regional Organised Crime Unit, the Yorkshire and the Humber Scientific Support Services and the National Police Air Service.

Demand and workload in North Yorkshire and policing generally is increasing in volume and also complexity. 999 calls are at the highest ever level. The challenging areas currently in policing include increasing complexity of crime and investigations in a digital age, safeguarding, in particular those crimes which disproportionately impact on violence against women and girls and the links between serious and organised crime, violence and vulnerability. All this is within the context of a reduction in Government funding with concerns about the long-term pressures with the increased demand and involvedness of policing activity.

North Yorkshire has robust and sound financial management practices. Comprehensive financial reports were submitted to the Chief Officer Team on a monthly basis during 2025/26. The Medium Term Financial Plan (MTFP) are refreshed annually, decisions are taken based on current and future financial information. The YNYCA Deputy Mayor received budget monitoring and financial forecasting information at Quarterly Executive Boards. Regular meetings take place between the North Yorkshire Police Chief Finance Officer and YNYCA Deputy Chief Finance Officer for the Police and Crime Function. This provides a stable platform for 2025/26 for which these statement of accounts are prepared.

2. GOVERNANCE STRUCTURE

The first Elected Mayor of York and North Yorkshire, David Skaith (the Mayor) took up office on 7 May 2024, at which time, the functions of North Yorkshire Police and Crime Commissioner (PCC) were transferred by Parliamentary (Election of Mayor and Functions) Order 2023 to the Mayor.

The Mayor is responsible for the formal oversight of North Yorkshire Police, including provision of all funding, setting the precept, performance scrutiny and delivery against the Police and Crime Plan. The Mayor is also responsible for holding the Chief Constable to account for ensuring North Yorkshire Police is run efficiently and effectively. Operational decision-making on day-to-day policing matters and the employment of police staff remains the responsibility of the Chief Constable. The Mayor's Police and Crime function responsibilities are delegated to the North Yorkshire Deputy Mayor for Policing, Jo Coles.

Under the legislative framework and local arrangements, the Mayor is the recipient of funding relating to policing and crime reduction and allocates budget to North Yorkshire Police from the Mayoral Policing Fund. As the Mayor is not a Corporation Sole, York and North Yorkshire Combined Authority (YNYCA) has overall responsibility for entering into contracts and establishing the contractual framework under which the Chief Constable's officers and staff operate. Under the legislative framework and local arrangements, YNYCA owns all the assets utilised by North Yorkshire Police and the functions and decisions relating to such properties, rights and liabilities are exercised and made by the Mayor. Any receipts arising from such properties, rights and liabilities are to be paid into the Mayoral Policing Fund. The Mayor can delegate decisions in respect of assets and liabilities and does this through a scheme of delegation.

The movement on the Mayoral Policing Fund is disclosed in the notes to the Statement of Accounts of the York and North Yorkshire Combined Authority.

3. THE CHIEF CONSTABLE

The Chief Constable was established as a Corporation Sole under the Police Reform and Social Responsibility Act 2011 (PRSRA). The Chief Constable is a separate legal entity, distinct from the York and North Yorkshire Combined Authority (YNYCA) Police and Crime Functions and has operational independence where each has specific roles and responsibilities under the PRSRA and The York and North Yorkshire Combined Authority (Election of Mayor and Functions) Order 2023.

The primary function of the Chief Constable is the exercise of operational policing duties under the Police Act 1996. He holds office under the Crown but is appointed by the Mayor of YNYCA, who delegates responsibility to the Deputy Mayor, and the Chief Constable is accountable to the Mayor for the delivery of an efficient and effective police force in North Yorkshire.

The Chief Constable ultimately has a statutory responsibility for maintaining the King's peace and, to do this, has direction and control over police officers and police staff employees. It is recognised that in exercising day to day direction and control, the Chief Constable will undertake activities, incur expenditure and generate income to allow the police service to operate effectively.

The Chief Constable fulfils his statutory responsibilities for delivering an efficient and effective police force within an annual budget which is set by the Mayor in consultation with the Chief Constable.

As a separate legal entity, the Chief Constable is required to prepare a set of statutory accounts for policing North Yorkshire which recognises all the financial transactions incurred during 2025/26.

YNYCA, as the statutory body for the Mayor, has ultimate control over the Chief Constables' resources and has to prepare consolidated group accounts. Expenditure in respect of operational policing, police officer and police staff employee costs are shown in the Chief Constable's Statement of Accounts, whilst the funding sources (i.e., Central Government Police Grant, local council tax precept income, and income from third parties) are shown in the consolidated group accounts of YNYCA. It is appropriate that a distinction is made between the financial impact of the day-to-day direction and control exercised by the Chief Constable and the overall strategic control of the Mayor.

4. STRATEGIC PLAN

The Policing Strategy summarised below in 'Our Plan on a Page 2024-2029' sets out the strategic direction for North Yorkshire Police. The strategy is an enabler to deliver the YNYCA Police and Crime Plan; 'York and North Yorkshire are safe places for all'.

Our Plan on a Page 2024 - 2029



Why we exist

To provide an outstanding service to the people of York and North Yorkshire to keep them safe, and feeling safe.

What we do

Prevent and reduce crime and antisocial behaviour.

Effectively respond to, investigate and solve crimes, and manage offenders.

Safeguard the vulnerable and support victims of crime.

What we have to be good at:

Focus on prevention
 We focus on prevention and early intervention through evidence-based problem solving.

Community engagement
 We have a strong presence in neighbourhoods and communities, understand and are responsive to their needs, and build public trust and confidence.

Investigative standards
 We deliver the highest investigative standards, build quality case files and provide the best victim care.

Improve processes
 We work as one team across our force to improve our internal processes and reduce bureaucracy and inefficiency.

Professional & ethical standards
 We operate with the highest level of professional and ethical standards.

Partnerships
 We work effectively with our partners and have focussed collaboration frameworks and governance in place.

Use of data
 We collect and develop accurate data and use it to understand demand and performance to make evidence-based decisions.

Finance management and business planning
 We use sound business judgement and effective financial management to provide the best value for money for our communities.

Innovation
 We create a culture of innovation in which we support our people to seek better ways of working and apply their innovative ideas.

What we have to invest in:

Training
 Training and development to equip our people with the leadership and practical operational skills they need.

Technology
 Delivering effective mobile policing, digitally enabled operations, and efficient systems and processes.

Estate
 Modernising and maintaining our estate, working environment and assets.

Support Services
 Proactive, responsive support services that are strategically aligned.

Our foundation, our people:

Through our leadership we make North Yorkshire Police a brilliant place to work

People are proud to work here, and we attract, recruit and retain the best.

We are anti-discriminatory, inclusive and representative of our communities.

We make sure our people feel valued, support their wellbeing, and help them to build resilience.

5. FINANCIAL PERFORMANCE

a. Economic Climate

The UK's economic climate in 2025/26 has continued to be shaped by persistent inflationary pressures and fluctuating interest rates. At the beginning of 2025/26, UK inflation stood at 3.5%, while the Bank of England's interest rate was 4.5%, falling to 4.25% and 4% during Qtr2 and Qtr3 of 2025/26 and ending at 3.75% at the 31 March 2026. Inflation remained above target at 3.8% in July 2025 dropping to 3.4% in December 2025 and 3% in January 2026 before rising to 3.3% in March 2026. Whilst 2024/25 and 2025/26 have seen a gradual reduction in the level of inflation, that started in 2023/24, this simply means a slower increase in costs and does nothing to reverse the increases in the cost base from inflation in October 2022 at 11.1%.

The Bank of England has maintained a gradual approach to interest rate cuts, with economists predicting a pause in reductions due to global trade disruptions and uncertainty. Whilst it is expected that interest rates and inflation will continue to stabilise at more normal levels during 2026/27 external factors, including geopolitical tensions and trade policies, continue to influence the UK's financial outlook, and thus savings will need to be identified for 2026/27 and beyond.

The 2025 Comprehensive Spending Review (CSR) outlines the government's financial priorities, focusing on security, health, and economic renewal. Government departmental budgets are set to grow by 2.3% annually in real terms, though the actual increase between 2025/26 and 2028/29 for policing is 1.7%. Interestingly, according to the Spending Review (SR), police spending power will increase by an average of 2.3% per year in real terms, over the SR period of 2023-24 to 2028-29. This funding is used to support frontline policing levels and help restore public confidence. £200m was allocated in 2025/26 to reflect the Government's Plan for Change commitment to put an additional 13,000 police officers, PCSOs, and special constables into neighbourhood policing roles over the course of this parliament. An additional £50m was added for 1,750 FTE in 2026/27, bringing the total growth by the end of March 2027 to 4,750 FTE. For NYP an additional 32 Officers and 20 PCSOs were brought into Force in 2025/26 with the addition of a further 17 officers in 2026/27.

The 2025 CSR prompts the government zero-based review to eliminate inefficiencies, which aligns with North Yorkshire's approach during 2025/26 to identify high spend areas and adopt priority-based budgeting supported by Savings and Efficiency Board and Innovation Board driving improvement processes across all areas to reduce spend.

Efficiencies and Savings are a requirement of the CSR which focuses on the use of automation, AI, improving processes and understanding strategic workforce planning. Workforce planning and the mix of officers, staff, PCSOs and Specials will be key in this budget pressure environment.

The CSR confirmed that the government aims to improve policing with a real terms funding increase which would be delivered from government grant and precept. Due to this reliance on precept the treasury is placing significant focus on Force MTFPs to determine the needs of all forces.

The North Yorkshire Police Budget for 2025/26 and beyond identified the requirement for planned savings to be achieved to balance the budget position. The ever changing demands presented to the Force have to be met within same budget envelope. Delivery of action plans is needed to realise these savings and will be monitored closely throughout the year and engagement in innovative ideas, process efficiencies, increased automation and the use of AI continues to be investigated and adopted. At this stage we anticipate needing to make further savings over the next three years Medium Term Financial Plan to ensure a balanced position. The Force is committed to shaping the delivery of frontline service in a way which is financially sustainable for the future.

NYP continues to focus on driving down crime, demand, problem solving, right care right person to support keeping people safe and feeling safe.

With regards to this statement of accounts, it should be noted that the financial challenges being faced do not impact on the 'going concern' for the production of the accounts. The Code of Practice requires that all Police Force's produce their accounts on a going concern basis.

b. Financial Management

The majority of the funding available to the Chief Constable is provided from YNYCA Police and Crime Function; this defines the budgetary constraints in which the Force works. Despite the significant level of unknowns around various areas of future funding, YNYCA Police and Crime Function's approach is to provide a stable financial platform so the Force can enable good strategic planning, decision making and ultimately service delivery against the Police and Crime Plan.

The Medium Term Financial Plan (MTFP) 2025/26 to 2029/30 shows a balanced position when the 2025/26 budget was approved by the Deputy Mayor in February 2025.

The extract below shows the budget envelope the Force will operate within over the next 4 years.

Budget 2025/26 to 2029/30	Original Budget 2025/26	Proposed Budget 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30
Police Force Planned Expenditure					
Pay	£000s	£000s	£000s	£000s	£000s
Police Pay	117,207	119,077	122,260	125,064	127,751
Police Overtime	4,577	3,745	3,488	3,529	3,561
PCSO Pay (incl Overtime)	6,512	6,005	6,168	6,315	6,443
Staff Pay (incl Overtime)	52,220	51,259	52,302	53,432	54,542
Pay Total	180,516	180,087	184,219	188,339	192,297
Non-Pay Budgets					
Other Non Salary	3,029	4,264	4,116	2,952	2,972
Injury and Medical Police Pensions	4,477	4,477	4,482	4,462	4,462
Premises	5,705	5,949	6,074	6,199	6,324
Supplies and Services	28,417	29,118	30,232	31,057	32,017
Transport	3,226	3,254	3,310	3,440	3,463
Non-Pay Total	44,854	47,061	48,213	48,111	49,237
Total Planned Force Expenditure	225,370	227,148	232,432	236,450	241,535

All the assumptions underpinning the current MTFP will be revisited and updated as work continues on the next 2027/28 budget cycle. As referenced above, the UK economy since 2022 has gone through a significantly higher period of inflation. Higher than expected pay awards in 2023/24 (7%), 2024/25 (4.75%) and 2025/26 (4.2%) due to inflation staying stronger for longer adversely impact on the MTFP.

Over the last three budget cycles the immediate pressures have been managed through careful cost reduction, use of staff vacancy factors and a use of reserves. The medium to longer term direction is to continue to focus on savings becoming more efficient through demand and productivity changes.

The savings and efficiency approach builds on understanding the value for money profiles as to where the Force is an outlier with its expenditure, adopting a priority-based budgeting exercise across the Force and targeting new ways of working along with evaluating resources whilst introducing technological innovations. Savings and Efficiency Board links with the innovation work around improving processes for efficient working, launched in December 2024. This builds on the 'prioritisation of need' approach that the Force engaged with during 2025/26 budget setting commenced in July 2024 which has grown through the Business and Financial Planning Cycle and continues for 2027/28 budget setting. These initiatives assist in mitigating the impact of the funding challenges, however with the current level of forecast funding, difficult decisions are required regarding functions and the services they provide.

c. Revenue Outturn 2025/26

The following table provides a high-level comparison between the approved budget and actual expenditure for the Chief Constable for 2025/26. The Cost of Police Services is under the direction and control of the Chief Constable:

2025/26	Budget	Actual	Variation
NET SERVICE EXPENDITURE	£'000	£'000	£'000
Total Employee Related Costs	178,280	179,528	1,248
Premises Related Expenditure	5,591	5,478	(113)
Supplies and Services	28,956	26,668	(2,288)
Transport Related Expenditure	3,349	3,341	(8)
Other Service Expenditure	8,928	10,062	1,134
Cost of Police Services	225,104	225,077	-27

The Cost of Police Services in the above table is different to the Cost of Police Services reported in the Comprehensive Income and Expenditure Statement (CIES) at £202,626 shown on page 19, which is prescribed by the Code of Practice (Code). The difference is primarily made up of accounting adjustments required by the Code incorporating items such as pension assets and liabilities and accumulated absences.

Further information on The Expenditure and Funding Analysis in Note 6, page 30, of the accounts shows how annual expenditure is used and funded from resources (government grants and precept) by North Yorkshire's Chief Constable in comparison with those resources consumed or earned in accordance with generally accepted accounting practices required by the Code. It shows how this expenditure is allocated for decision making processes.

d. Balance Sheet

The Balance Sheet is a snapshot of the Chief Constable's assets, liabilities, cash balances and reserves at the balance sheet date. A high-level summary is provided below.

2024/25	Balance Sheet	2025/26
£'000		£'000
0	Long Term Assets	0
1,124	Current Assets	1,027
(3,984)	Current Liabilities	(4,397)
(1,286,340)	Long Term Liabilities	(1,265,172)
(1,289,200)	Net Liabilities	(1,268,542)
(1,289,200)	Total Reserves	(1,268,542)

On 31 March 2026, the Chief Constable had negative net assets of £1.268 billion. The main reason for the negative assets is the pension liabilities associated with the unfunded police officer pension scheme of £1.265 billion. The police officer pension scheme is underwritten by the Home Office who provide an annual top-up grant to fund the difference between pension payments and income from employee and employer contributions. There is no current deficit in the Local Government Pension Scheme (LGPS) but all surplus and deficits are managed through future employee and employer contributions.

6. NON-FINANCIAL PERFORMANCE

His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) PEEL (police effectiveness, efficiency, and legitimacy) inspection report published in 2026 demonstrated North Yorkshire Police's continuous improvement in many areas since the HMICFRS inspections in 2022 and 2024. HMICFRS graded the Force as 'good' in six areas of policing reflecting the efficiency, effectiveness and legitimacy of the services North Yorkshire Police provide. It is acknowledged there are still some

areas for improvement however the Force is working towards its aspiration of becoming an outstanding force.

Strategic planning, demand management and financial management are part of Leadership question one in PEEL which was graded as Good as part of this assessment, an improvement from adequate in 2024. The report outlined that the Force displays an effective approach to financial management and its plans are prudent. The forecasts in its Medium Term Financial Plan are based on realistic assumptions about future funding and expenditure.

The new Plan on a Page 2024-2029 launched in July 2024 defines in clear, unambiguous terms our purpose as an organisation – that is to keep the people of York & North Yorkshire safe and feeling safe. It articulates the three things the Force must do: prevent crime and disorder; investigate crime and offenders and do it well; look after the vulnerable and provide the best service to victims of crime. The Force is looking at a midpoint review of the plan to ensure that it is focussed on the road to become an Outstanding force.

The Performance Management Framework is aligned to key performance questions developed as part of our new Plan on a Page. Each of these questions are supported by quantitative and qualitative data that ensures that we understand what we are doing well, where we need to improve and where we are on that journey. Data is the golden thread that runs through governance at all levels ensuring that we can celebrate improved performance and embed a culture of accountability for delivery.

The Force continues to engage with the new National Police Performance Team and respond to requests for additional data to support the national policing picture.

This year has seen the continued implementation of organisational redesign work including the implementation of the Neighbourhood Policing Review and the Volume Crime Review.

Investment in technology improvements has enabled the delivery of effective services including Digital Interview Recording, Body Worn Video, Law Enforcement Data Service (LEDS) to replace PNC, and a workforce management tool for the Force Control Room.

Over the past year a new Values & Behaviours Framework has been launched, as has a Leadership Academy with an additional focus on developing Senior Leaders and identifying leaders of the future.

The approach over the past year to 31 March 2026 has started to deliver positive results for the communities the Force serves. These include:

- over 96% of 999 calls were answered within SLA. Average answer time continues to reduce further to 3 seconds from 7 seconds the previous year.
- increased SLA performance for 101's by nearly 5% year on year, and 21% compared to the year before and reduced call answer time by a further 57 seconds compared to the same period last year.
- remaining above national target of 80% on resource deployment for Immediate incidents and Priority grade performance has remained consistent throughout the financial year.
- Outstanding suspects volumes continue to decrease and the arrest rate has a direct impact on detection rates.
- The Force has maintained both positive outcome rates from March 2025 and have the 3rd highest charge/summons rate nationally (at end of Dec 2025).
- NYP has seen a 3.5% reduction in total crime down from last year, equating to 816 less victims compared to previous year, with the lowest crime rate per 1000 overall across all 43 forces.
- The Force continue to see some of the highest levels of public confidence in any police force in the UK.

7. PEOPLE / WORKFORCE

Police Officers - The Core Budget for Police Pay for 2025/26 was set based on delivering 1,644 FTE Police Officers throughout the year plus 32 Neighbourhood Police Officers. This includes the expected FTE impact of Uplift targets, which require NYP to maintain a headcount of 1673. In order to secure the Home Office funding attached to these, it was stipulated that the headcount be maintained at September

and March checkpoints. At 31st March 2026 the Force had a headcount of 1,698 officers, exceeding the uplift target.

Police Community Support Officers - The Core Budget for PCSO Pay for 2025/26 was set based on delivering 136.4 FTEs throughout the year. The Core Budget for PCSO Pay for 2025/26 reflects 101.68 Neighbourhood PCSOs plus an additional 20 funded by Neighbourhood Policing Grant. In addition, the budget provides for 14.72 other PCSOs across other areas including Rural Task Force and the Initial Enquiry Team. The actual at 31st March 2026 was 123.6 FTE. On average, 117.5 FTE PCSOs were employed throughout 2025/26; the reduction below 136.4 is mainly due to the 20 PCSOs joining NYP halfway through the year.

Office Staff - The budget for Staff Pay for 2025/26 was set based on 1,227 FTEs (excluding OPFCC and Commissioned Services). An allowance for 120 vacancies means the budget had sufficient funding to support a staff establishment of 1,107 FTEs. At 31st March the Force had 1,115.4 FTE in employment. This is a vacancy factor of 111.56. The vacancies sit within Support Services (38 FTEs) and across the operational Force (73.56FTEs).

The Force Diversity, Equity and Inclusion Strategy ‘.....wants the workforce to thrive and feel part of a cohesive group with equal status and rights’; to achieve this the workforce must ‘understand and be representative of the communities we serve’. Therefore, the strategy seeks to improve ethnic minority and gender representation in the workforce. The following show the trends and progress made in both areas.

Ethnic Minority Representation

Improvement in ethnic minority representation in the workforce is a key measure in the Force Inclusion Strategy. The Census 2021 identified that in North Yorkshire, persons from an ethnic minority background account for 7% of the population. The tables below provide the latest position in relation to ethnic minority representation for Police Officers, Police Staff, Police Community Safety Officers and Specials and how this has changed over time. The latest position indicates that 10.47% of Specials and 2.68% of the Force workforce are currently from an ethnic minority background which represents an increase compared to previous updates. Small improvements are reported across Police Officers and Police Staff.

Type	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Officer	1.74% (24)	2.29% (34)	2.55% (38)	2.39% (38)	2.85% (45)	2.73% (43)	2.66% (44)
Staff	1.64% (18)	1.4% (14)	1.52% (16)	1.73% (19)	1.75% (19)	2.23% (24)	2.41% (27)
PCSO	0.55% (1)	0.87% (2)	0.42% (1)	0.49% (1)	0.55% (1)	0% (0)	0% (0)
Special	3.5% (4)	3% (3)	4.8% (5)	7% (7)	7.6% (6)	9.63% (8)	10.47% (9)
Total	1.7% (47)	1.89% (53)	2.07% (60)	2.17% (65)	2.43% (71)	2.6% (75)	2.68% (80)

The Census 2021 also identifies that in relation to gender in North Yorkshire, females account for 50.7% of the population. The tables below provide the latest position in relation to gender for Police Officers, Police Staf, PCSOs.

The latest workforce statistics indicate that 38.83% of Police Officers, 63.81% of Police Staff and 50% of PCSOs are female where in all three areas small increases of females is shown each year.

Breakdown by Gender

OFFICERS

Gender	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Male	65.87% (907)	65.22% (966)	63.35% (942)	63.77% (1012)	63.87% (1006)	62.82% (990)	61.17% (1013)
Female	34.13% (470)	34.78% (515)	36.65% (546)	36.23% (575)	36.13% (569)	37.18% (586)	38.83% (643)
Total	1377	1481	1487	1587	1575	1576	1656

STAFF (excluding PCSOs)

Gender	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Male	40.96% (449)	41% (410)	40.37% (426)	40.45% (445)	37.22% (402)	35.65% (384)	36.19% (406)
Female	59.04% (647)	59% (589)	59.63% (629)	59.55% (655)	62.78% (678)	64.35% (693)	63.81% (715)
Total	1096	999	1055	1100	1080	1077	1121

PCSOs

Gender	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Male	49.72% (91)	49.56% (114)	50% (120)	49% (99)	48.35% (88)	48% (72)	50% (60)
Female	50.28% (92)	50.44% (116)	50% (120)	51% (103)	51.65% (94)	52% (77)	50% (60)
Total	183	230	240	202	182	150	120

8. PRINCIPAL RISKS

North Yorkshire Police operates an embedded risk management process which helps it protect itself and make the most of opportunities by mitigating potential threats. Identifying, assessing and prioritising potential threats, and their likely impact, means being better prepared to deal with events should they occur. A clear understanding of risk management therefore presents North Yorkshire Police with opportunities to introduce innovative ways of delivering its services, with better outcomes for the community.

The Force risks are managed and monitored through the quarterly Risk, Assurance and Improvement Board chaired by the Deputy Chief Constable. There are clearly defined steps to support better decision making through the understanding of risks, whether a positive opportunity or a threat and the likely impact.

The Chief Constable's Chief Officer Team actively manages these and during 2025/26 bi-monthly updates were provided to the YNYCA Deputy Mayor responsible for the Police and Crime Functions at Executive Board, and the Joint Independent Audit Committee. A number of risks relating to effective financial control and planning processes are listed on the Principal and Force Risk Register as detailed below:

Risk Area	Description	Current risk category	Mitigating Actions	Target risk category
Principal Risk Register	Failure to ensure effective financial control and financial planning processes		The MTFP reports over a 4 year period and along with monthly, quarterly monitoring and production of annual final accounts being overview by internal and external audit along with the governance process to manage changing demands - financial management is engaged with throughout the force.	
Force Risk Register	Limited supplies and price volatility - critical and key equipment and services (for example ICT hardware and vehicles) that are required to enable continuity of services impacts on service affordability and provision		Although outside the direct control of the force, the budget is monitored monthly to COT and quarterly to Executive Board to ensure costs remain within the budget envelope and all are sighted on under and overspends.	
Force Risk Register	Current inflationary pressures - are sustained beyond the life of the Medium Term Financial Plan resulting in a need to consider alternative service delivery models		Scrutiny throughout the year and to the MTFP to ensure costs remain within assumption /budget. Robust contract management to ensure value for money is achieved in contract negotiations.	

9. PENSIONS

As part of the terms and conditions of officers and employees, CCNY offers retirement benefits in accordance with national agreements and schemes and participates in a number of pension schemes.

- A Local Government Pension Scheme (LGPS) for police staff, administered by North Yorkshire Council. These are funded defined benefit schemes, meaning that CCNY and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.
- Three Police Pension Schemes for police officers operate, 1987 Scheme, 2006 Scheme and 2015 Scheme, where these are unfunded defined benefit schemes, meaning that there are no investment assets built up to meet the pension liabilities, but finance is only required to be raised to cover police pensions when the pensions are actually paid. Funding arrangements for the Police Pension Fund are detailed in the Police Pension Fund Accounts on page 58.

Although pension benefits will not actually be payable until employees retire, CCNY has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement and details are provided in Statement of Accounts Note 19, page 44. The liabilities show the underlying commitments that CCNY has in the long run to pay retirement benefits. The total liability has a substantial impact on the net worth of CCNY as recorded in the Balance Sheet and results in a negative overall balance. However, statutory arrangements for funding the deficit mean that the financial position of CCNY remains healthy.

10. SUMMARY AND CONCLUSION

North Yorkshire Police deliver effective financial management to support the delivery of the Chief Constable's Plan on a Page during 2025/26 and the YNYCA's Police and Crime Plan. The Chief Officer team is fully engaged with the budgeting process for 2027/28 to ensure resources are directed to priority areas with the Strategic Planning Day in July 2026 focusing on this preparation.

The Force is in a growing stronger position as evidenced by the Force Management Statement and also the HMICFRS PEEL inspection report published in March 2026 with the next inspection being on a two year cycle. The Force continue to see some of the highest levels of public confidence in any police force in the UK with the aspiration of North Yorkshire Police becoming an outstanding force and the workforce being aligned to address priority and risk.

Funding remains a challenge for the Force and Force performance, with concerns about the long-term pressures with the increased demand and complexity of policing activity. The Savings & Efficiency Board, Innovation Board and the approach using Priority Based Budgeting continue for the 2027/28 budget setting process to help mitigate the funding challenges.

11. EXPLANATION OF ACCOUNTING STATEMENTS

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

The Statements reflect the current legislative framework, central to which is the Police Reform and Social Responsibility Act 2011.

Fundamentally, YNYCA is responsible for the finances of the whole Group and controls the assets, the majority of liabilities and the reserves. YNYCA receives all the income and funding and makes all payments to the Chief Constable. In turn, the Chief Constable has a duty to fulfil prescribed functions under the Police Reform and Social Responsibility Act 2011 within the annual budget set by YNYCA in consultation with the Chief Constable.

The **Core Statements** are:

- **Comprehensive Income and Expenditure Statement (CIES):** shows the cost for the year of providing services. York and North Yorkshire Combined Authority receives all income which is, therefore, excluded from the Chief Constable's Statement.

- **Movement in Reserves Statement (MiRS):** shows the movement of reserves during the year, analysed between usable and unusable reserves. The Chief Constable has no usable reserves. Unusable reserves are those that have been created to reconcile the accounting entries required to comply with the Code with those that must be statutorily charged to the General Fund Balance for council tax setting purposes. These cannot be used to support local expenditure.
- **Balance Sheet (BS):** sets out the assets, liabilities and reserves of the Chief Constable as of 31 March each year.
- **Cash Flow Statement (CFS):** summarises the movements in cash and cash equivalents during the year. All the changes in cash and cash equivalents are presented in the YNYCA accounts, so this statement simply shows the net surplus or deficit on the provision of services adjusted for non-cash movements.
- **Accounting Policies:** explain the basis of the preparation of figures in the accounts. The accounts can only be properly appreciated if the policies that have been followed in dealing with material items are explained. Changes in policies from previous years have been clearly shown.

A Glossary of key terms can be found at the end of this publication.

Inspection of the Accounts:

- Under Sections 25 and 26 of the Local Audit and Accountability Act 2014 (the Act) interested parties and local government electors have the right to inspect CCNY's accounts and supporting documents, and to question the auditor, or make objections to the matters contained in them. The times at which the accounts are deposited for inspection are advertised on both the Commissioner's and the Chief Constable's websites.
- Every effort has been made to ensure the accuracy of these accounts and compliance with accounting requirements.
- The CCNY's external auditors are:
Forvis Mazars LLP, Bank Chambers, 26 Mosley Street, Newcastle upon Tyne, NE1 1DF

12. ACKNOWLEDGEMENTS

The production of the Statement of Accounts would not have been possible without the exceptionally hard work and dedication of staff in Finance who have led in the preparation of this document. Gratitude is expressed to all colleagues in support services and all operational areas across the Force for following financial regulations and guidance to provide good financial management and value for money to North Yorkshire. Thanks also go to Finance for all their support during the financial year.



Louise Branford-White
Director of Finance and Chief Finance Officer to the Chief Constable
Date: 29/06/2026

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STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Responsibilities of the Chief Constable of North Yorkshire are

- a) to make arrangements for the proper administration of their financial affairs and to secure that one of their officers has the responsibility for the administration of those affairs. In this Authority that officer is the Chief Constable's Chief Finance Officer;
- b) to manage their affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- c) to approve the Statement of Accounts.

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

In preparing this statement of accounts, the Chief Finance Officer has:

- a) selected suitable accounting policies and then applied them consistently;
- b) made judgements and estimates that were reasonable and prudent;
- c) complied with the Code of Practice;
- d) kept proper accounting records which are up to date;
- e) taken reasonable steps for the prevention and detection of fraud and other irregularities.

Approval of the Statement of Accounts

I certify that the financial statements set out on pages 17 to 60 present a true and fair view of the financial position of the Chief Constable of North Yorkshire at 31 March 2026 and its income and expenditure for the year then ended.

Signed:



Date: 29th June 2026

Louise Branford-White

Director of Finance and North Yorkshire Chief Constable's Chief Finance Officer

The Statement of Accounts was approved by the Chief Constable of North Yorkshire

Signed:



Date: 29th June 2026

Tim Forber

Chief Constable of North Yorkshire

MOVEMENT IN RESERVES STATEMENT 2025/26

	General Fund Balance £000	Earmarked General Fund Reserves £000	Capital Receipts Reserve £000	Capital Grants Unapplied Reserve £000	Total Usable Reserves £000	Unusable Reserves (Note 11) £000	Total Authority Reserves £000
Balance at 1 April 2025	-	-	-	-	-	(1,289,200)	(1,289,200)
Movements in Reserves during 2025/26							
(Surplus) or Deficit on Provision of Services	(50,905)	-	-	-	(50,905)	-	(50,905)
Other Comprehensive Income and Expenditure	-	-	-	-	-	71,563	71,563
Total Comprehensive Income and Expenditure	(50,905)	-	-	-	(50,905)	71,563	20,658
Adjustments between accounting basis & funding basis under regulations (Note 5)	50,905	-	-	-	50,905	(50,905)	-
Net increase/(decrease) before transfers to earmarked reserves	-	-	-	-	-	20,658	20,658
Transfers to / (from) Earmarked Reserves	-	-	-	-	-	-	-
Increase / (Decrease) in 2025/26	-	-	-	-	-	20,658	20,658
Balance at 31 March 2026 carried forward	-	-	-	-	-	(1,268,542)	(1,268,542)

MOVEMENT IN RESERVES STATEMENT 2024/25

	General Fund Balance £000	Earmarked General Fund Reserves £000	Capital Receipts Reserve £000	Capital Grants Unapplied Reserve £000	Total Usable Reserves £000	Unusable Reserves (Note 11) £000	Total Authority Reserves £000
Comparative Year:							
Balance at 7 May 2024	-	-	-	-	-	(1,370,480)	(1,370,480)
Movements in Reserves during 2024/25							
(Surplus) or Deficit on Provision of Services	(41,625)	-	-	-	(41,625)	-	(41,625)
Other Comprehensive Income and Expenditure	-	-	-	-	-	122,906	122,906
Total Comprehensive Income and Expenditure	(41,625)	-	-	-	(41,625)	122,906	81,281
Adjustments between accounting basis & funding basis under regulations (Note 5)	41,625	-	-	-	41,625	(41,625)	-
Net increase/(decrease) before transfers to earmarked reserves	-	-	-	-	-	81,281	81,281
Transfers to / (from) Earmarked Reserves	-	-	-	-	-	-	-
Increase / (Decrease) in 2024/25	-	-	-	-	-	81,281	81,281
Balance at 31 March 2025 carried forward	-	-	-	-	-	(1,289,200)	(1,289,200)

COMPREHENSIVE INCOME & EXPENDITURE STATEMENT
2025/26

2024/25			2025/26			
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
	(8,119)	(8,119)	Other Income		(8,748)	(8,748)
134,580		134,580	Salary Costs	158,506		158,506
3,522		3,522	Other Non Salary Employee Costs	3,737		3,737
6,123		6,123	Police Injury & Remedy Pension Costs	5,733		5,733
5,215		5,215	Premises Costs	5,402		5,402
25,611		25,611	Supplies & Services	26,882		26,882
2,983		2,983	Transport Costs	3,341		3,341
10,220		10,220	Financial Costs	7,775		7,775
		-	Project Costs			-
<u>188,254</u>	<u>(8,119)</u>	<u>180,136</u>	Cost of Police Services	<u>211,374</u>	<u>(8,748)</u>	<u>202,626</u>
			Non-Distributed Costs:			
4		4	* Past Service Costs (Note 19)	312		312
	(196,861)	(196,861)	* Intragroup Funding (Note 12)		(223,173)	(223,173)
<u>188,258</u>	<u>(204,980)</u>	<u>(16,721)</u>	Net Cost Of Services	<u>211,686</u>	<u>(231,921)</u>	<u>(20,235)</u>
			Financing & Investment Income & Expenditure (Note 13)	89,247	(18,107)	71,140
72,205	(13,859)	58,347				
			(Surplus) or Deficit on Provision of Services			<u>50,905</u>
			<u>41,625</u>			
			Other Comprehensive Income and Expenditure			
			(Surplus) or deficit on remeasurements of defined benefit liability (Note 11a)			(71,563)
		(122,906)	Other Comprehensive (Income) and Expenditure			<u>(71,563)</u>
		<u>(122,906)</u>				
			Total Comprehensive (Income) and Expenditure			<u>(20,658)</u>
		<u>(81,281)</u>				

A comparison between expenditure funded by government grants and precept and resources consumed in accordance with accepted accounting principles is provided in the Expenditure and Funding Analysis (Note 6)

CASHFLOW STATEMENT FOR YEAR ENDED 31st MARCH 2026

2024/25 £000		2025/26 £000
41,625	Net deficit / (surplus) on the provision of services	50,905
	Adjustments to net deficit / (surplus) on the provision of services for non-cash movements:	
-	(Increase) / decrease in provisions	-
(41,956)	Movement in pension liability (Note 19)	(50,395)
-	Increase / (decrease) in debtors	-
330	(Increase) / decrease in creditors	(413)
(14)	Increase / (decrease) in inventories	(84)
(41,640)		(50,892)
	Adjustments for items included in the net deficit / (surplus) on the provisions of services that are investing and financing activities:	
(15)	Net cash flows from Operating Activities	13
(15)	Net (increase) or decrease in cash and cash equivalents	13
16	Cash and cash equivalents at the beginning of the reporting period (Note 8)	31
31	Cash and cash equivalents at the end of the reporting period (Note 8)	18

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of Significant Accounting Policies

(a) General and Changes in Accounting Policy

These financial statements are prepared in accordance with the Accounts and Audit (England) Regulations 2015 and proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (the Code) supported by International Financial Reporting Standards (IFRS) and statutory guidance.

The accounts have been prepared on a going concern basis using a historical cost convention, modified by the revaluation of certain categories of non-current assets and financial instruments.

(b) Accounting Concepts

The code requires an authority to disclose its significant accounting policies in the notes to the financial statements. This is to have two elements:

- Disclosure of the measurement basis (or bases) used in the preparation of the financial statements. CCNY uses the convention of historical cost modified by the use of current and fair value for particular categories of assets and liabilities as set out in the relevant policies below.
- Disclosure of the other accounting policies used that are relevant to an understanding of financial statements.

The figures presented within the financial statements are rounded to the nearest £1,000 to assist in making them easier to read and understand. The numbers within the financial statements may appear not to add up, however this does not require rectification, it being due to rounding of numbers within electronic spreadsheets used in the construction of the statements. The Code allows for the rounding of numbers as long as the level of such is disclosed and the effect is neither material to the resenatation, nor hinders the requirement to present a true and fair view of the financial position of CCNY.

Information is defined as material by the Code if omitting or misstating it could influence decisions that users make on the basis of financial information about CCNY.

Balance Sheet

All payments on behalf of CCNY are made by YNYCA (Police and Crime Function) from the Police Fund and all income and funding is received by YNYCA (Police & Crime Function). YNYCA (Police & Crime Function) has the responsibility for managing the financial relationships with third parties and has legal responsibilities for discharging the contractual terms and conditions of suppliers.

Based on the statutory powers and responsibilities as designated by the Act, and the local agreements and practice in place, and taking account of the guidance included in the Code, it has been determined that substantially all the assets and reserves of CCNY are recognised on the YNYCA Balance Sheet. Each balance sheet includes the assets and liabilities arising from transactions included in the relevant CIES.

Comprehensive Income and Expenditure Statement (CIES)

Under the Act, CCNY is responsible to YNYCA (Police & Crime Function) for the day to day provision of policing functions, including the direction and control of police officers. Staff providing Corporate Support Services (comprising Information Communications and Technology, Estates, Transport and Logistics, Corporate Communications, Legal Services and Finance) are under the direction and control of YNYCA (Police & Crime Function).

Expenditure related to the provision of policing services by officers and staff under the direction and control of CCNY appears in the CCNY CIES. Expenditure related to the provision of Corporate Support Services appears in the Group CIES and is then recharged to CCNY, so that all of the cost of Police Services appears in the CCNY CIES. The cost of Police Services is funded by a recharge to YNYCA (Police & Crime Function).

Intra-Group Charges

YNYCA (Police & Crime Function) makes charges to CCNY:

- for the use of Long-Term Assets, equivalent to the debits made to the YNYCA (Police & Crime Function) CIES for the impairment, depreciation, amortisation and revaluation of the assets;
- for the provision of Corporate Support Services.

CCNY makes charges to YNYCA (Police & Crime Function):

- for the cost of policing services.

(c) Charges for the long term use of assets

Long-term Assets are assets that have physical substance and are held for use in the provision of services for more than one financial period.

Based on the statutory powers and responsibilities as designated by the Act, and the local agreements and practice in place, and taking account of the guidance included in the Code, it has been determined that all the Long-Term Assets are recognised on the Group Balance Sheet.

YNYCA (Police & Crime Function) makes a charge to CCNY for the use of Long-Term Assets. This charge is equivalent to the debits made to the Group CIES for the impairment, depreciation, amortisation and revaluation of the assets.

(d) Grants and Contributions

Whether paid on account, by instalments or in arrears, third party contributions and donations are recognised as due to CCNY when there is reasonable assurance that:

- CCNY will comply with conditions attached to the payments, and
- the contributions will be received.

Amounts recognised as due to CCNY are not credited to the Comprehensive Income and Expenditure Statement (CIES) until conditions attached to the contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as contributions for which conditions have not been satisfied are carried in the Balance Sheet as receipts in advance within Creditors. When no conditions exist or have been satisfied, the contribution is credited to the relevant service line in the CIES.

Police Pension Top-Up Grant

The top-up grant receivable from YNYCA (Police & Crime Function) in respect of the Police Pension Fund is credited to the Police Pension Fund Accounts and does not appear in the CCNY CIES. This treatment is in line with the requirements of the Police Pension Fund Regulations 2007 (SI 1932/2007) (updated by SI 1887/2008).

(e) Cash and Cash Equivalents

Cash and Cash Equivalents include cash-in-hand and deposits that are repayable on demand. Cash equivalents are defined as deposits which:

- are repayable on demand or maturing within three months of the date of acquisition;
- are readily convertible to known amounts of cash; and
- are not subject to a significant risk of change in value.

(f) Leases

CCNY does not have any leases. All leases are reflected in the Group accounts.

(g) Accruals of Income and Expenditure

The CCNY accounts are maintained on an accruals basis in accordance with the Code of Practice. That is, sums due to or payable by the Authority during the period are included in the accounts whether or not the cash has actually been received or paid in the period.

(h) Inventories

Inventories are included in the Balance Sheet at average prices. Obsolete and slow moving items are written off during the year and reduce the value of inventories shown in the Balance Sheet.

This treatment differs from the requirements of the Code, which requires stocks to be shown at the lower of cost and net realisable value. It is considered that this difference in treatment does not have a material effect on the accounts.

All inventories comprise supplies that are intended for use in the provision of services.

(i) Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions

CCNY has no provisions. All provisions are reflected in the Group accounts.

(ii) Contingent Liabilities

A contingent liability arises where an event has taken place that gives CCNY a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of CCNY. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Material contingent liabilities are not recognised in the Balance Sheet but disclosed in a note.

(iii) Contingent Assets

A contingent asset arises where an event has taken place that gives CCNY a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of CCNY. Material contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

(j) Financial Instruments

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. They are recognised in the Balance Sheet only when CCNY is committed to the contractual provisions of a financial instrument. The only exceptions are trade debtors and creditors when CCNY recognises these transactions on delivery or receipt.

Loans and Receivables

Loans (financial liabilities) and Receivables (financial assets) are measured at fair value and carried at their amortised cost. Annual charges or credits to the Comprehensive Income and Expenditure Statement (CIES) in the period are based on the carrying amount of the loan or receivable multiplied by the effective rate of the instrument. This means that for all the borrowing that CCNY has, the amount presented in the Balance Sheet is the outstanding principal (plus accrued interest); and interest charged or credited to the CIES is the amount payable or receivable for the period according to the loan agreement. For CCNY investments, the amount presented in the Balance Sheet is the outstanding principal receivable and interest credited to the CIES is the amount receivable for the period.

CCNY has not given any financial guarantees.

CCNY has not had any gains or losses on the repurchase or early settlement of borrowing, nor any premiums or discounts on financial liabilities.

CCNY does not hold any financial assets measured at fair value.

Immaterial Transaction Costs

Immaterial transaction costs that the Code would usually require to be applied to adjust a financial instrument's initial carrying amount are written off immediately to Surplus or Deficit on the Provision of Services line in the CIES.

CCNY has not made any soft loans and no assets have been identified as impaired. There have not been any gains or losses arising on the de-recognition of a Financial Asset.

CCNY has not transferred any financial assets.

Compliance

In compliance with CIPFA guidance, CCNY has:

- Adopted CIPFA's Treasury Management in the Public Services: Code of Practice.

• Set treasury management indicators to control key financial instrument risks in accordance with CIPFA's Prudential Code.

(k) Exceptional and Extraordinary items and Prior Period Adjustments

Exceptional and extraordinary items are disclosed on the face of the Comprehensive Income and Expenditure Statement and fully explained in the notes to the financial statements.

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future periods affected by the change, and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about CCNY's financial position or performance. Where a change is made, it is accounted for retrospectively by adjusting the opening balances and comparative amounts for the prior period as if the new policy had been applied.

(l) Reserves

Certain reserves (Unusable) are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for CCNY. These reserves are explained in the relevant notes to the financial statements.

(m) Employee Benefits

(i) Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the period end. They include such benefits as wages and salaries, annual leave, flexitime, time-off in-lieu and re-rostered rest days and are recognised as an expense for services in the year in which employees render service. An accrual is made for the costs earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the relevant service line in the CIES and then reversed out through the Movement in Reserves Statement.

(ii) Termination Benefits

Termination benefits are amounts payable as a result of a decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept voluntary redundancy, and are charged on an accruals basis to the relevant service or, where applicable, to the Non-Distributed Costs line in the CIES when there is a demonstrable commitment to the termination of the employment of an employee or group of employees or to the making of an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable 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 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.

(n) Pensions

Officers and staff participate in pension schemes, with separate schemes for police officers and for police staff. All schemes provide members with defined benefits (retirement lump sums and pensions) related to pay and service.

The main aspects of these pension schemes are:

- (i) The attributable assets of each scheme are included in the Balance Sheet at fair value;
- (ii) The attributable liabilities of each scheme are measured on an actuarial basis using the projected unit credit method - i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc. and projections of earnings for current employees;
- (iii) Scheme liabilities are discounted at a rate that is determined by reference to market yields at the end of the reporting period on high quality corporate bonds;
- (iv) The surplus/deficit in each scheme is the excess/shortfall of the fair value of assets in the scheme over/below the present value of the scheme liabilities;
- (v) The change in the net pensions liability for each scheme is analysed into seven components:

- Current service cost - the increase in liabilities as a result of years of service earned this year. The current service cost is stated net of employees' contributions, so as to reflect the part of the total pensions liabilities that are to be funded by CCNY - allocated in the CIES to the services for which the employees worked;
- Past service costs - the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years - debited to the Surplus or Deficit on the Provision of Services in the CIES as part of Non-Distributed Costs;
- Net interest on the defined benefit liability - the change during the year in the net defined benefit liability or asset that arises from the passage of time - debited to the Financing and Investment Income and Expenditure line in the CIES;
- Return on assets - the annual investment return on the fund assets attributable to CCNY, based on an average of the expected long-term return (excluding any amounts included in the Net interest on the defined benefit liability) - charged to the Pensions Reserve as Other Comprehensive Income and Expenditure;
- Gains or losses on settlements or curtailments - the result of actions to relieve CCNY of liabilities or events that reduce the expected future service or accrual of benefits of employees - debited or credited to the Surplus or Deficit on the Provision of Services in the CIES as part of Non-Distributed Costs;
- Actuarial gains/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. These include movements due to applying an asset ceiling adjustment under IFRIC14 (International Financial Reporting Interpretations Committee) to adjust for the value of the LGPS asset that cannot be realised by CCNY either through refunds or by reducing employer contributions.
- Contributions paid to the fund - cash paid as employer's contributions to the pension fund in settlement of liabilities - not accounted for as an expense.
- Statutory provisions require the General Fund Balance to be charged with the amount payable to the pension funds or directly to pensioners in the year, not the amount calculated in accordance with relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension funds and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.
- A separate statement of Police Pension Fund Accounts is prepared to reflect the transactions in respect of funding for the Police Pension Schemes.

(o) Overheads and Support Services

The cost of overheads and support services are charged to service segments in accordance with CCNY's arrangements for accountability and financial performance. As a single service provider, CCNY charges all such overheads and support service costs to a single segment i.e. Police within the Comprehensive Income and Expenditure Statement (CIES).

(p) Jointly Controlled Operations - Regional Working

CCNY engages in collaborative working in partnership with the other Yorkshire and the Humber forces (YATH) to deliver a number of specific services on a regional basis. The governance for this regional programme of activity is via a Regional Collaboration Board, constituted in accordance with the Heads of Agreement.

The YATH regional programme is a lead force model and each lead force is responsible for the financial administration of the programme they lead.

The participating Forces use their own resources to undertake this venture and the accounting arrangements for regional working are to account for this in line with CIPFA guidance:

- Each participant accounts for the assets it controls, the liabilities it incurs, the expenses that it incurs and the income receivable in relation to amounts re-charged to the venture.

CCNY also engages in collaborative working in partnership with Cleveland and Durham forces for Specialist Operational Services (Evolve). The governance for this programme is via a Joint Governance Board in accordance with a section 22a agreement.

(q) VAT

VAT is included in the accounts only if it is irrecoverable from His Majesty's Revenue and Customs (HMRC). All VAT collected is payable by the Group to HMRC and the majority of VAT paid is recoverable.

(r) Post Balance Sheet Events

Events after the Balance Sheet date are reflected by CCNY up to the date when the Accounts are authorised for issue: Two types of event can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period - the Statement of Accounts is adjusted to reflect such events.

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

(s) International Accounting Standards that have been issued but not yet adopted

At the balance sheet date the following new standards and amendments to existing standards have been published but not yet adopted by the Code of Practice of Local Authority Accounting in the United Kingdom:

- FRS102 The Financial Reporting Standard applicable in the UP and Republic of Ireland (Amendments to Heritage Assets) issued in March 2024
- the Classification and Measurement of Financial Instruments (Amendments to IFRS9 and IFRS7) issued in May 2024
- annual improvements to IFRS accounting standards - Volume 11 issued in July 2024
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS9 and IFRS 7) issued in December 2024.

Note that the standards that are mentioned are not applicable to the CCNY and are not expected to have a significant impact on the authority's accounts in future years.

2. Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, CCNY has had to make certain judgements about complex transactions or those involving uncertainty about future events. The following are the significant management judgements made:

(i) Future government funding

There is a high degree of uncertainty about future levels of funding for police services. However it has been determined that this uncertainty is not sufficient to provide an indication that the assets might be impaired as a result of a need to close facilities and/or reduce levels of service provision.

3. Assumptions Made About The Future and other Major Sources of Estimation Uncertainty

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

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The items in the Balance Sheet at 31 March 2026 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Pensions Liability

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Firms of consulting actuaries are engaged to provide expert advice about the assumptions to be applied.

The actuaries have provided the following sensitivity information:

Impact on Defined Benefit Obligations	Change in Assumptions	
	LGPS	Police Pension Schemes
	£m	£m
Longevity (increase or decrease by 1 year)	4.7	(30.0)
Rate of increase in salaries (increase or decrease by 0.1%)	0.2	1.8
Rate of increase in pensions (increase or decrease by 0.1%)	3.4	17.8
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	(3.7)	(17.8)

Employee Benefits

An accrual has been made for employee benefits outstanding at the year end, comprising flexitime, annual leave and re-rostered rest days. The accrual is estimated based on returns from each department and data captured from the Resource Management system.

Approximately 42% of the liability (£1,427k of £3,370k) relates to rest days in lieu (RDIL). An increase or decrease of 5% in the number of RDIL owed would change the accrual by £71k.

4. Events after the Balance Sheet Date

CCNY has considered events that have occurred since the balance sheet date, up to the date that the accounts have been authorised for issue. No events have been identified which could materially impact on the figures in these financial statements, nor which would require disclosure to maintain the fair presentation of the financial statements.

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5. Adjustments between accounting basis & funding basis under regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by CCNY in the period in accordance with proper accounting practice to arrive at the amounts that are specified by statutory provisions as being available to CCNY to meet future capital and revenue expenditure:

2025/26	Usable Reserves	
	General Fund Balance £000	Capital Receipts Reserve £000
Amounts by which income and Expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the period calculated in accordance with statutory requirements		
Pension costs transferred to/(from) the Pensions Reserve (see Note 11a)	50,395	-
Holiday Pay (transferred to/(from) the Accumulated Absences Adjustment Account (See Note 11b)	510	-
Total Adjustments to Revenue Resources	50,905	-

Comparative figures in 2024/25	Usable Reserves	
	General Fund Balance £000	Capital Receipts Reserve £000
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the period calculated in accordance with statutory requirements		
Pension costs transferred to/(from) the Pensions Reserve (see Note 11a)	41,956	-
Holiday Pay (transferred to/(from) the Accumulated Absences Adjustment Account (See Note 11b)	(331)	-
Total Adjustments to Revenue Resources	41,625	-

Descriptions of the reserves that the adjustments are made against:

General Fund Balance is the main revenue fund from which CCNY's cost of services is met. It represents the accumulated credit balance i.e. the excess of income over expenditure, which provides a working balance to help manage uneven cash flows and avoid unnecessary borrowing. The General Fund balance also includes a contingency element to manage unexpected and consequently unbudgeted events and circumstances.

6. Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how the annual expenditure is used and funded from resources (government grants and precept) by CCNY compared with those resources consumed or earned in accordance with generally accepted accounting practices which is presented more fully in the Comprehensive Income and Expenditure Statement (CIES).

	2025/26		
	Net Expenditure Chargeable to the General Fund Balance	Adjustment between the Funding and Accounting Basis (Note 6a)	Net Expenditure in the CIES
	£000	£000	£000
Other Income	(8,762)	14	(8,748)
Salary Costs	179,178	(20,672)	158,506
Other non Salary employee costs	3,737	0	3,737
Police Injury Pension Costs	5,733	0	5,733
Premises Costs	5,401	0	5,402
Supplies & Services	26,667	215	26,882
Transport Costs	3,341	0	3,341
Financial Costs	597	7,178	7,775
Cost of Police Services	215,891	(13,263)	202,626
Non Distributed Costs	-	312	312
Intragroup Funding	(215,891)	(7,283)	(223,173)
Net Costs of Services	-	(20,235)	(20,235)
Financing and Investment Income and Expenditure	-	71,140	71,140
Surplus or Deficit on the provision of services	-	50,905	50,905

2024/25 Comparative Figures

	2024/25		
	Net Expenditure Chargeable to the General Fund Balance	Adjustment between the Funding and Accounting Basis (Note 6a)	Net Expenditure in the CIES
	£000	£000	£000
Other Income	(8,133)	14	(8,119)
Salary Costs	151,411	(16,831)	134,580
Other non Salary employee costs	3,522	-	3,522
Police Injury Pension Costs	6,123	-	6,123
Premises Costs	5,223	(8)	5,215
Supplies & Services	25,180	431	25,611
Transport Costs	2,983	-	2,983
Financial Costs	456	9,764	10,220
Cost of Police Services	186,766	(6,629)	180,136
Non Distributed Costs	-	4	4
Intragroup Funding	(186,766)	(10,095)	(196,861)
Net Costs of Services	-	(16,721)	(16,721)
Financing and Investment Income and Expenditure	-	58,347	58,347
Surplus or Deficit on the provision of services	-	41,625	41,625

(a) Note to the Expenditure and Funding Analysis

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure amounts:

Current Year	Net change for the		Total Adjustments
	Pensions adjustment (see (i) below)	Other Differences (see (ii) below)	
	£000	£000	£000
Other Income	-	14	14
Salary Costs	(21,071)	399	(20,672)
Premises Costs	-	0	0
Supplies & Services	-	215	215
Financial Costs	-	7,178	7,178
Cost of Police Services	(21,071)	7,807	(13,264)
Non Distributed Costs	312	-	312
Intragroup Funding	-	(7,283)	(7,283)
Net Costs of Services	(20,759)	524	(20,235)
Financing and Investment Income and Expenditure	71,154	(14)	71,140
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	50,395	510	50,905

2024/25 Comparative Figures	Net change for the		Total Adjustments
	Pensions adjustment (see (i) below)	Other Differences (see (ii) below)	
	£000	£000	£000
Other Income	-	14	14
Salary Costs	(16,400)	(431)	(16,831)
Premises Costs	-	(8)	(8)
Supplies & Services	-	431	431
Financial Costs	-	9,764	9,764
Cost of Police Services	(16,400)	9,770	(6,630)
Non Distributed Costs	4	-	4
Intragroup Funding	-	(10,095)	(10,095)
Net Costs of Services	(16,396)	(325)	(16,721)
Financing and Investment Income and Expenditure	58,352	(5)	58,347
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	41,956	(331)	41,625

(i) Net Change for the Pensions Adjustments

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

For services this represents the removal of the employer pension contributions made by the Authority as allowed by statute which are replaced with current and past service costs.

For Financing and investment income and expenditure - the net interest on the defined benefit liability is charged to the CIES.

(ii) Other Differences:

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

For services, this represents the adjustment for timing differences in relation to accumulated staff absences earned but not taken in the period e.g. annual leave entitlement carried forward at 31st March.

Other differences include the impact of the recharges from YNYCA (Police & Crime Function)

	2025/26	2024/25
	£000	£000
Supplies & services	18	7
Project costs	197	424
Financial costs:		
Transfers to provisions	151	98
Use of Long Term Assets	7,028	9,666
	7,394	10,196

From CCNY for charges relating to Democratic Core Costs and Technical Income and Expenditure relating to Investment Properties:

	2025/26	2024/25
	£000	£000
Salary costs	111	101
Income	(14)	(5)
	97	96

	2025/26	2025/26
	£000	£000
From YNYCA (Police & Crime Function)	7,394	10,196
From CCNY	(97)	(96)
	7,297	10,100

(b) Expenditure & Income analysed by nature

CCNY's expenditure and income is analysed as follows:

	2025/26	2024/25
	£000	£000
Expenditure:		
Employee benefits expenses	167,989	144,258
Other service expenses	43,711	44,002
Depreciation, amortisation, revaluations and impairment	0	0
Interest Payments	71,140	58,351
(Gain) or Loss on Disposal of non current assets	-	-
Total expenditure	282,840	246,611
Income:		
Fees, charges & other service income	(8,748)	(8,119)
Interest and investment income	(14)	(5)
Government grants and contributions/Income from Council Tax	(223,173)	(196,861)
Total income	(231,935)	(204,986)
(Surplus) or Deficit on Provision of Services	50,905	41,625

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7. Inventories

2025/26	Uniform £000	Transport inc. Fuel £000	Operational Equipment £000	Other £000	Total £000
Balance at 1st April 2025	830	263	-	-	1,093
Purchases	535	445	-	-	981
Recognised as an expense in period	(608)	(460)	-	-	(1,068)
Written off balances	2	1	-	-	3
Balance at 31st March 2026	759	250	-	-	1,009

All inventories comprise supplies used in the provision of services

2024/25

	Uniform £000	Transport inc. Fuel £000	Operational Equipment £000	Other £000	Total £000
Balance at 6th May 2024	897	210	-	-	1,107
Purchases	413	300	-	-	713
Recognised as an expense in period	(471)	(246)	-	-	(717)
Written off balances	(8)	(1)	-	-	(10)
Balance at 31st March 2025	830	263	-	-	1,093

All inventories comprise supplies used in the provision of services

8. Cash and Cash Equivalents

	31st March 2026 £000	31st March 2025 £000
The balance of Cash and Cash Equivalents is made up of the following elements:		
Cash at bank and in hand	18	31
Cash at bank and in hand	18	31

9. Creditors

	Long Term		Short Term	
	31st March 2026 £000	31st March 2025 £000	31st March 2026 £000	31st March 2025 £000
Other creditors external to Government	-	-	4,397	3,984
Total	-	-	4,397	3,984

10. Termination Benefits

CCNY terminated 2 employees in 2025/26, incurring liabilities of £34k (2024/25 £1k) payable to Senior Officers and staff in the form of compensation for loss of office and enhanced pension benefits (payable directly to the appropriate pension scheme).

The number of exit packages, with total cost per band and total cost of the redundancies, are set out in the table below:

	Number of Compulsory Redundancies	Number of Other Departures	Total no. of exit packages	Total cost of exit packages
	2025/26	2025/26	2025/26	£000 2025/26
£0 - £20,000	1	-	1	2
£20,001 - £40,000	1	-	1	32
£40,001 - £60,000	-	-	-	-
£60,001 - £80,000	-	-	-	-
£80,001 - £100,000	-	-	-	-
£100,001 - £120,000	-	-	-	-
Total	2	0	2	34

2024/25

	Number of Compulsory Redundancies	Number of Other Departures	Total no. of exit packages	Total cost of exit packages
	2024/25	2024/25	2024/25	£000 2024/25
£0 - £20,000	1	0	1	1
£20,001 - £40,000	-	-	-	-
£40,001 - £60,000	-	-	-	-
£60,001 - £80,000	-	-	-	-
£80,001 - £100,000	-	-	-	-
£100,001 - £120,000	-	-	-	-
Total	1	0	1	1

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11. Unusable Reserves

	31st March 2026 £000	31st March 2025 £000
Pensions Reserve	(1,265,172)	(1,286,340)
Accumulated Absences Account	(3,370)	(2,860)
Total Unusable Reserves	(1,268,542)	(1,289,200)

(a) 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. CCNY accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement (CIES) 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 CCNY makes employer's contributions to pension funds or eventually pays 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 CCNY 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.

	2025/26 £000	2024/25 £000
Balance at 1st April	(1,286,340)	(1,367,290)
Remeasurement of the net defined benefit liability	71,563	122,906
Pensions costs transferred to the Pensions Reserve:		
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Service in the CIES	(85,757)	(70,893)
Employer's pensions contributions and payments to pensioners in the period	35,362	28,937
Balance at 31st March	(1,265,172)	(1,286,340)

(b) Accumulating Compensated Absences Adjustment 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, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

	2025/26 £000	2024/25 £000
Balance at 1st April	(2,860)	(3,190)
Settlement/cancellation of accrual made at the end of the preceding year	2,860	3,190
Amounts accrued at the end of the current period	(3,370)	(2,860)
Amount by which officer remuneration charged to the CIES on an accruals basis is different	(510)	331
Balance at 31st March	(3,370)	(2,860)

12. Intragroup Funding	2025/26	2024/25
	£000	£000
Charges from YNYCA (Police & Crime Function) to CCNY		
Charged to appropriate headings as part of Cost of Police Services		
Amounts equivalent to:		
- amounts charged to Income & Expenditure by YNYCA (Police & Crime Function) for Long Term Assets	7,028	9,666
- charges to CCNY for Corporate Support Services	366	530
	<u>7,394</u>	<u>10,196</u>
Charges from CCNY to YNYCA (Police & Crime Function)		
Credited to the same headings as the costs they are recharging, as part of Cost of Police Services		
- Investment Property I&E	(14)	(5)
- Democratic Core costs	111	101
Credited to Net Cost of Services		
- funding provided by YNYCA (Police & Crime Function)	223,173	196,861
	<u>223,270</u>	<u>196,957</u>

13. Financing and Investment Income and Expenditure

	2025/26	2025/26	2025/26	2024/25	2024/25	2024/25
	Expenditure	Income	Total	Expenditure	Income	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Net Pensions interest cost (Note 19)	89,247	(18,093)	71,154	72,197	(13,845)	58,352
Investment Properties	-	(14)	(14)	8	(14)	(5)
	<u>89,247</u>	<u>(18,107)</u>	<u>71,140</u>	<u>72,205</u>	<u>(13,859)</u>	<u>58,347</u>

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14. Officers' Remuneration

(a) Remuneration of Senior Officers

In setting the condition of service of Senior Officers the Chief Constable has regard to the following factors:

- the need to recruit, retain and motivate suitably qualified people to carry out their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- differences in terms and conditions of employment between the public and private sector and taking account of relative job security and value of benefits in kind;
- changes in national pay systems, including flexibility and the reward of success, and job weight in differentiating the remuneration of particular posts;
- the relevant legal obligations, including anti-discrimination legislation regarding age, gender, race, sexual orientation, religion and belief and disability.

Total remuneration of senior police officers comprises elements that are set centrally for all police forces in the UK and other elements that are set locally. Pay elements that are set centrally include base salary, accommodation allowances and pension benefits. Centrally-set elements for serving police officers are determined in accordance with the Police Regulations 2003 (as amended).

For the purposes of this report the senior officers of CCNY comprised the following personnel during the year:

- Chief Constable *
- Deputy Chief Constable *
- Assistant Chief Constables *
- Assistant Chief Officer
- Chief Constable's Chief Finance Officer
- * serving police officers.

Where applicable disclosures are also provided for employees who have fulfilled the above roles on a temporary or acting basis.

The remuneration paid to the Senior Officers in 2025/26 is as follows, set alongside that paid in the period 7th May 2024 to 31st March 2025 for comparison purposes to the previous financial year:

	2025/26	2024/25
	£000	£000
Salaries and short-term benefits	995	779
Post-employment benefits	260	212
Total	1,255	991

(b) Remuneration of Other Employees

Levels of pay for other employees are determined in accordance with the following:

- Police officer remuneration is determined in accordance with the Police Regulations 2003 (as amended);
- Remuneration of support staff is agreed by the Police Support Staff Council.

(c) Remuneration entitlement of Senior Officers

Salary

Basic salary for serving police officers is determined and approved by the Secretary of State for the Home Office each year. Salaries are set for all police officers of all ranks up to and including Chief Constables. Pay reviews are carried out each year and any increases are applicable from 1 September. Pay reviews for other senior officers are agreed with the Police Support Staff Council. Any increases are usually applicable from 1 September.

Other Allowances and Benefits

Other allowances and benefits include allowances and expenses paid, in addition to basic salary, that are chargeable to UK income tax. They comprise the following:

- (a) Accommodation allowance;
- (b) Car available for private use or car allowance paid as additional salary;

Accommodation allowances are a historic payment paid to police officers who resided in their own accommodation as opposed to Police Houses. They are not paid to any police officers joining the Force after April 1995, other than those that may be transferred from other Forces and who are already in receipt of accommodation allowances.

Allowances

For the purposes of the disclosures that follow, amounts disclosed as allowances are those that are included with salary.

The Deputy Mayor and the Chief Constable are committed to ensuring that Chief Officer remuneration terms are clear and lawful and that public policy standards are met.

Benefits in Kind

Benefits in kind include the estimated value of any benefits that are provided to senior officers in forms other than cash. During the year benefits in kind included the cash equivalents of cars provided to senior officers, and relocation allowance in accordance with the Police Regulations, as disclosed to HM Revenue and Customs on form P11D. Benefits in kind do not include business use of private vehicles.

Pension Benefits

The Group makes pension contributions on behalf of Senior Officers and staff who are members of pension schemes. Employer's contributions are at the same rates for all members of the schemes, irrespective of rank or salary, and are determined by the Actuaries.

The pension figure included in the disclosures below represents the value of the employer's pension contribution to the senior officer's pension pot, in whichever scheme they are a member.

Police Officers

Those members of the senior officer team who are also serving police officers are eligible to join the Police Pension Schemes. During 2025/26 senior officers who elected to join were members of the Police Pension Scheme 2015.

The Police Pension Scheme 2015 is a Career Average Revalued Earnings (CARE) scheme rather than a final salary scheme. For each year a member contributes they will earn a fraction of their Pensionable Earnings ($1/55.3$) for that year as earned pension and this will be revalued for each subsequent year until they retire. A member has the option to retire at the normal minimum pension age (55) however, if they were to do so, their pension would be actuarially reduced by reference to the normal pension age (60). At retirement members may opt to give up (commute) part of their pension entitlement in return for a lump sum cash payment. (See Police Pension Fund Account and Note 19 for further information on the Police Pension schemes).

Other Senior Officers

Those members of the Senior Officer team who are not serving police officers are eligible to participate in the Local Government Pension Scheme ("LGPS"). The scheme is a defined benefit scheme, providing pension benefits linked to salary. The scheme provides for an accrual rate of $1/60$ th of salary for each year of service up to 31 March 2014. Thereafter the accrual rate is $1/49$ th. There is no time limit to the amount of service that can be built up but benefits must be taken by age 75. At retirement members may opt to give up (commute) part of their pension entitlement in return for a lump sum cash payment. (See Note 19 for further information on the Local Government Pension Scheme).

A summary of Senior Officer Remuneration for the year ended 31 March 2026 is presented below. For the purposes of comparison to the previous financial year, which covered a shortened 12-months less 36 day period, the total remuneration paid to Senior Officers between 7 May 2024 to 31 March 2025, is set alongside:

	Salary	Benefits in Kind	Allowance	Value of Employers Pension Contribution	Total
	£000	£000	£000	£000	£000
Chief Constable:					
T Forber (01/04/24 to Present)	203	-	-	72	275
Deputy Chief Constable:					
S Bissett (22/12/23 to Present)	152	-	-	54	206
Assistant Chief Constable:					
C Clarke (22/12/23 to Present)	135	-	-	48	183
B Moseley (09/09/24 to Present)	129	42	-	46	217
W Fox (24/02/25 to 15/05/25)	19	-	-	7	26
I Scott (23/06/2025 - 13/07/2025) & (09/03/2026 - 02/04/2026)	20	-	-	7	27
Assistant Chief Officer:					
L Stitt (19/06/23 to Present)	139	-	8	13	160
Chief Constable's CFO* & S151 Officer:					
L Branford-White (01/11/2023 to Present)	108	-	8	10	126
Total	905	42	16	257	1,220

* CFO - Chief Finance Officer

There were no termination benefits paid to Senior Officers in 2025/26 or 2024/25.

A summary of Senior Officer Remuneration for the year ended 31 March 2025 is presented below:

	Salary	Benefits in Kind	Allowance	Value of Employers Pension Contribution	Total
	£000	£000	£000	£000	£000
					to 6 May 2024
Chief Constable:					
T Forber (01/04/24 to Present)	171	-	-	60	231
Deputy Chief Constable:					
S Bissett (22/12/2023 to Present)	128	2	-	45	175
Assistant Chief Constable:					
C Clarke (22/12/2023 to Present)	87	1	-	31	119
B Moseley (09/09/24 to Present)	68	12	-	24	104
W Fox (22/12/2023 to 9/9/24, 24/02/2025 - 1	67	4	-	24	95
E Foskett (14/03/2022 to 10/7/24)	23	-	-	8	31
Managing Director of Enable:					
L Stitt (19/06/2023 to Present)	114	-	7	11	132
Chief Constable's CFO* & S151 Officer:					
L Branford-White (01/11/2023 to Present)	88	-	7	9	104
Total	746	19	14	212	991

* CFO - Chief Finance Officer

(d) Officers and Staff

As at 31 March 2026 a breakdown of the number of persons of each gender was as follows:

	2025/26		2024/25	
	Male	Female	Male	Female
Senior Officers	3	4	3	3
Other Employees	1,477	1,540	1,494	1,523
	1,480	1,544	1,497	1,526

The number of individuals, excluding Senior Officers, who have received total remuneration greater than or equal to £50,000 per annum (in bands of £5,000) are listed below. The figures below represent the amounts paid in each year, taking account of starting and leaving dates, where retiring staff have been replaced during the year, and include officers seconded to other Forces. Total remuneration comprises gross salaries and allowances, taxable benefits as declared to HM Revenue and Customs on form P11D, and any bonus or overtime amounts in relation to the year in question (paid or payable). Total remuneration excludes any termination benefits payable and does not include employer's pension or national insurance contributions.

For the purposes of comparison to the previous financial year, the number of officers between 7 May 2024 and 31 March 2025 is also included in the table below. The table includes 762 police officers as at 31 March 2026 (2024/25 376) at or below the rank of Chief Superintendent.

Total Remuneration	2025/26	2024/25
£50,000 to £54,999	395	195
£55,000 to £59,999	253	112
£60,000 to £64,999	123	57
£65,000 to £69,999	95	17
£70,000 to £74,999	48	7
£75,000 to £79,999	16	8
£80,000 to £84,999	7	3
£85,000 to £89,999	6	3
£90,000 to £94,999	5	4
£95,000 to £99,999	4	-
£100,000 to £104,999	4	-
£105,000 to £109,999	2	1
£110,000 to £114,999	1	-
£115,000 to £119,999	-	-
£120,000 to £124,999	-	-
Total	959	407

15. Other amounts credited/charged to the Comprehensive Income and Expenditure Statement

(a) Sponsorship

The Chief Constable has the power to receive gifts, loans of property and sponsorship on behalf of the Deputy Mayor, up to a limit of 1% of the annual revenue budget (2025/26 limit £2.3m).

During the year £13k (2024/25 £11k) was utilised by CCNY from the sponsorship and donation accounts in reflection of expenditure primarily on focused safety and crime reduction initiatives.

Specific contributions are made under agreements and, if not utilised in the year of receipt, are carried forward. £14k (2024/25 £14k) has been carried forward into 2025/26.

16. Partnership Arrangements

(a) Local Criminal Justice Board (LCJB)

CCNY provides financial management on behalf of the LCJB, which is a combined Board made up of Criminal Justice Agencies.

Expenditure of £0k (2024/25 £3k) has been incurred in 2025/26 and included in these accounts.

(b) Regional Collaboration

Regional Collaboration brings opportunities to the participating Forces across many policing activities whilst retaining local Police Forces, local identity and local accountability.

Yorkshire and the Humber (YATH)

CCNY continues to engage in collaborative working throughout 2025/26 with the other YATH forces (South Yorkshire, West Yorkshire and Humberside). Collaborative activity includes specialist Crime Services, Forensic Services and Underwater Searches.

The Regional Collaboration Board for the YATH collaboration was formed to support Section 23 of the Police Act 1996/Police and Justice Act 2006.

The YATH Regional Collaboration is funded from contributions made by the four participating forces. Where there is deemed to be equal benefit the contribution is based on equal shares. Where benefit is not deemed to be equal, the level of contribution from each Force is dependent upon an assessment of the benefit to be derived from each specific project or initiative, primarily based upon net revenue expenditure proportions.

The YATH programme is a lead force model and each lead force is responsible for the financial administration of the programme they lead. The lead force employs police staff on a permanent, substantive basis and Police Officers are seconded to the lead force. When established the then Police and Crime Commissioners within the Yorkshire and Humberside Region agreed to indemnify the lead force to ensure that any costs are shared between them in the event of any employment tribunal or civil court claims related to regional employment, and this agreement remains unchanged following the transfer of North Yorkshire Police and Crime Commissioner (PCC) functions to the Mayor of North Yorkshire.

The total net expenditure of CCNY during 2025/26 in relation to the Yorkshire and the Humber regional collaboration work was £8.052m (2024/25 £6.682m).

Evolve

CCNY continued to engage in collaborative working throughout 2025/26 with Cleveland and Durham forces for Specialist Operational Services (Evolve). This includes Cold Case Investigation Team and Collaborative Legal Services.

The Joint Governance Board comprises individuals from each of the participating forces. The collaboration is funded from contributions made by the three participating forces. The Evolve programme is a lead force arrangement. The lead force employs some of the staff on a permanent substantive basis, officers and some staff are seconded to the lead force. The total net expenditure of CCNY during 2025/26 in relation to Evolve collaboration was £0.385m (2024/25 £0.375m).

Regional Collaboration costs have had the following impact on the Cost of Police Services shown on the face of the CIES.

	2025/26			2024/25		
	Expenditure	Income	Net Impact	Expenditure	Income	Net Impact
	£'000	£'000	£'000	£'000	£'000	£'000
Employee Salaries	1,233	-	1,233	1,312	-	1,312
Non Salary Employee Costs	0	-	0	2	-	2
Supplies & Services	8,247	-	8,247	6,941	-	6,941
Transport	60	-	60	71	-	71
Non Grant Income	-	(1,105)	(1,105)	-	(1,268)	(1,268)
Total	9,541	(1,105)	8,437	8,326	(1,268)	7,057

17. Audit Fees

CCNY has incurred the following costs in relation to fees payable to the external auditor on behalf of the PSAA, under the Local Audit and Accountability Act 2014 with regard to external audit services carried out under the Code of Audit Practice prepared by the Comptroller and Audit General in accordance with s18 of the 2014 Act.

	2025/26	2024/25
	£'000	£'000
External Audit Fees	60	82
	60	82

The table above represents fees agreed between the Authority and their external auditor. In 2025/26, costs of £5k for additional work relating to prior years were incurred (included in total fees above).

18. Related Party Transactions

CCNY is required to disclose material transactions and balances with related parties - bodies or individuals that have the potential to control or exercise significant influence over CCNY or be controlled or influenced by CCNY. Disclosure of these transactions allows readers to assess the extent to which CCNY might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with CCNY.

CCNY has sound arrangements for internal control and corporate governance (including a scheme of delegations and purchase, contract and procurement regulations) which minimise the potential for a single officer to constrain the actions of CCNY, and which seek to ensure that CCNY obtains value for money in all transactions.

Central Government

Central Government has effective control over the general operations of CCNY. It is responsible for providing the statutory framework within which CCNY operates, provides a substantial part of the funding in the form of grants (via YNYCA (Police & Crime Function)) and prescribes the terms of many of the transactions CCNY has with other parties.

Central Government has a role, together with the Deputy Mayor and the Chief Constable, in the tripartite system of police governance.

Deputy Mayor for North Yorkshire

YNYCA (Police & Crime Function) has control over the general operations of CCNY, although not over the details of operational policing. YNYCA (Police & Crime Function) provides all the CCNY funding.

On 7th May 2024, following the statutory transfer of the Office of the Police Fire and Crime Commissioner (OPFCC) & North Yorkshire Fire and Rescue Service (NYFRS) into York and North Yorkshire Combined Authority, the powers of the Police, Fire and Crime Commissioner (PFCC) to oversee the Police and Fire services in North Yorkshire were transferred to the new Mayor, along with the Commissioner's role as the Fire Authority.

During 2025/26, intragroup transactions to the value of £7,394k were charged from YNYCA (Police & Crime Function) to CCNY. Transactions to the value of £223,270k were charged from CCNY to YNYCA (Police & Crime Function).

Key Management

Key Management of the Group are also classed as related parties. Key Management are considered to be Senior Officers (as defined in note 14) and other persons having the authority and responsibility for planning, directing and controlling the activities of CCNY, including the oversight of these activities.

No interests in related parties have been declared by key management.

No other related party transactions occurred in 2025/26.

19. Defined Benefit Pension Schemes

(a) Participation in Pension Schemes

As part of the terms and conditions of employment of its officers, CCNY makes contributions towards the cost of post employment benefits. Although these benefits will not actually be payable until employees retire, CCNY has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

CCNY participates in four pension schemes:

- (i) **Local Government Pension Scheme** for police staff is administered by North Yorkshire Pension Fund - this is a funded scheme, meaning that CCNY and employees pay contributions into a fund calculated at a level intended to balance the pension liabilities with investment assets. The pension costs which are charged to CCNY's accounts equate to the employer's contributions paid to the fund on behalf of eligible employees. Further costs arise in respect of certain pensions paid to retired employees on an unfunded basis, and cash has to be generated to meet these payments as they fall due.
- (ii) **Police Officer Pension Schemes** - These are unfunded defined benefit schemes, meaning that there are no investment assets built up to meet the pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. Two schemes (1987 & 2006) are final salary schemes and the third scheme (2015) is Career Average Revalued Earnings Scheme. CCNY's participation in the Police Pension Schemes is administered by XPS Group Ltd.

Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pension funds for the year is less than the amounts payable, CCNY must annually transfer to the pension funds an amount required to meet the deficit. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by a central government pension top-up grant which is paid to YNYCA (Police & Crime Function) and transferred to CCNY. If, however, the pension funds are in surplus for the year, the surplus is required to be transferred from the pension funds to CCNY which must then repay the amount to central government, via YNYCA (Police & Crime Function).

Scheme Governance

The Public Service Pensions Act 2013 introduced a formal framework for the governance and administration of public service pension schemes, including the introduction of pension boards. The role of a public service pension board is to assist the Scheme Manager to secure compliance with scheme regulations and with legislation. NYCC as Scheme Manager and administrator for the LGPS in North Yorkshire, has established a Pensions Board for all the schemes comprising the LGPS in North Yorkshire. Membership is drawn from scheme employers and members.

XPS Group Ltd has established a collaborative Police Pension Board for the Police Pension Schemes that they administer, including the Police Pension Schemes for which CCNY is the Scheme Manager. Membership is drawn from scheme employers and members.

The principal risks to CCNY of the Schemes are the longevity assumptions, statutory changes to the schemes, structural (i.e. large scale withdrawals from the changes to the schemes schemes), changes to inflation, bond yields and the performance of the equity investments held by the LGPS. The impact of the assumptions, and how they interact, is detailed within this note. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund the amounts as set out below.

Transactions relating to Retirement and Injury Benefits

CCNY recognises the cost of retirement and injury benefits in the Net Cost of Services when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge CCNY is required to make against council tax is based on the cash payable in the period, so the real cost of benefits is reversed out of the General Fund via the Movement in Reserves Statement (MIRS). The transactions below have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the MIRS during the period:

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Comprehensive Income & Expenditure Statement

	Local Government Pension Scheme 2025/26 £000	Police Pension Scheme 1987 2025/26 £000	Police Pension Scheme 2006 2025/26 £000	Police Pension Scheme 2015 2025/26 £000	Total 2025/26 £000
Net Cost Of Services:					
<i>Service Cost comprising:</i>					
Current Service Cost	5,411	1,030	260	7,590	14,291
Past Service (Cost)/Gain	312	-	-	-	312
Financing and Investment Income and Expenditure:					
Net Interest Expense	(126)	61,410	1,920	7,950	71,154
Total Post Employment Benefits Charged to the Surplus or Deficit on the Provision of Services	5,597	62,440	2,180	15,540	85,757

Other Post Employment Benefits Charged to the CIES

*Remeasurement of the net defined
benefit liability comprising:*

Return on plan assets (excluding the amount included within net interest expense)	(4,612)	-	-	-	(4,612)
Experience gains/(losses) arising	7,270	40,000	5,680	(36,460)	16,490
Actuarial gains/(losses) arising on changes in financial and demographic assumptions	(1,384)	(95,736)	(1,657)	26,414	(72,363)
Changes in effect of the asset ceiling	(11,078)	-	-	-	(11,078)
Total Post Employment Benefits charged to the CIES	(9,804)	(55,736)	4,023	(10,046)	(71,563)

	Local Government Pension Scheme 2025/26 £000	Police Pension Scheme 1987 2025/26 £000	Police Pension Scheme 2006 2025/26 £000	Police Pension Scheme 2015 2025/26 £000	Total 2025/26 £000
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Movement in Reserves Statement

Reversal of net charges to the Surplus
or Deficit for the Provision of
Services for post employment benefits
in accordance with IAS 19

	(5,597)	(62,440)	(2,180)	(15,540)	(85,757)
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Actual Amount charged to the General Fund Balance for pensions in the period

Employers contributions and benefits
payable to pensioners

	4,391	5,094	383	25,494	35,362
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2024/25 Comparative Figures: Comprehensive Income & Expenditure Statement

	Local Government Pension Scheme 2024/25 £000	Police Pension Scheme 1987 2024/25 £000	Police Pension Scheme 2006 2024/25 £000	Police Pension Scheme 2015 2024/25 £000	Total 2024/25 £000
Net Cost Of Services:					
<i>Service Cost comprising:</i>					
Current Service Cost	5,387	900	60	6,190	12,537
Past Service (Cost)/Gain	4	-	-	-	4
Financing and Investment Income and Expenditure:					
Net Interest Expense	(84)	53,760	1,750	6,370	61,796
Total Post Employment Benefits Charged to the Surplus or Deficit on the Provision of Services	5,307	54,660	1,810	12,560	74,337
Other Post Employment Benefits Charged to the CIES					
<i>Remeasurement of the net defined benefit liability comprising:</i>					
Return on plan assets (excluding the amount included within net interest expense)	2,970	-	-	-	2,970
Experience gains/(losses) arising	(729)	6,630	240	(550)	5,591
Actuarial gains/(losses) arising on changes in financial and demographic assumptions	(39,290)	(133,892)	(5,998)	8,471	(170,709)
Changes in effect of the asset ceiling	35,798	-	-	-	35,798
Total Post Employment Benefits charged to the CIES	(1,251)	(127,262)	(5,758)	7,921	(126,350)
Movement in Reserves Statement					
Reversal of net charges to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with IAS 19	(5,307)	(54,660)	(1,810)	(12,560)	(74,337)
Actual Amount charged to the General Fund Balance for pensions in the period					
Employers contributions and benefits payable to pensioners	4,056	5,068	92	19,721	28,937

The amount included in the Balance Sheet arising from CCNY's obligation to meet its defined benefit schemes is as follows:

	Local Government Pension Scheme	Police Pension Scheme 1987	Police Pension Scheme 2006	Police Pension Scheme 2015	Total
	2025/26	2025/26	2025/26	2025/26	2025/26
	£000	£000	£000	£000	£000
Present value of the DBO	(215,364)	(1,120,480)	(39,940)	(113,350)	(1,489,134)
Fair value of plan assets	333,657	0	0	0	333,657
Effect of asset ceiling	(109,695)	-	-	-	(109,695)
Net liability - DBO	8,598	(1,120,480)	(39,940)	(113,350)	(1,265,172)

2024/25 Comparative Figures:

	Local Government Pension Scheme	Police Pension Scheme 1987	Police Pension Scheme 2006	Police Pension Scheme 2015	Total
	2024/25	2024/25	2024/25	2024/25	2024/25
	£000	£000	£000	£000	£000
Present value of the Defined Benefit Obligation	(198,444)	(1,118,870)	(34,120)	(133,350)	(1,484,784)
Fair value of plan assets	312,596	-	-	-	312,596
Effect of asset ceiling	(114,152)	-	-	-	(114,152)
Net liability - Defined Benefit Obligation	-	(1,118,870)	(34,120)	(133,350)	(1,286,340)

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Reconciliation of the Movements in the Fair Value of the Scheme Assets

	Local Government Pension Scheme	Police Pension Scheme 1987	Police Pension Scheme 2006	Police Pension Scheme 2015	Total
	2025/26 £000	2025/26 £000	2025/26 £000	2025/26 £000	2025/26 £000
Opening Fair Value	312,596	-	-	-	312,596
Interest Income	18,093	-	-	-	18,093
<i>Remeasurement loss</i>					
The return on plan assets, excluding the amount included in the interest expense	4,612	-	-	-	4,612
Other	-	61,086	117	(32,754)	28,449
Employer contributions	4,391	5,094	383	25,494	35,362
Employee contributions	3,001	-	-	9,730	12,731
Benefits paid	(9,036)	(66,180)	(500)	(2,470)	(78,186)
Closing Fair Value	333,657	-	-	-	333,657

2024/25 Comparative Figures:	Local Government Pension Scheme	Police Pension Scheme 1987	Police Pension Scheme 2006	Police Pension Scheme 2015	Total
	2024/25 £000	2024/25 £000	2024/25 £000	2024/25 £000	2024/25 £000
Opening Fair Value	301,914	-	-	-	301,914
Interest Income	13,845	-	-	-	13,845
<i>Remeasurement loss</i>					
The return on plan assets, excluding the amount included in the interest expense	(2,970)	-	-	-	(2,970)
Other	-	51,492	168	(25,721)	25,939
Employer contributions	4,056	5,068	92	19,721	28,937
Employee contributions	2,607	-	-	7,530	10,137
Benefits paid	(6,856)	(56,560)	(260)	(1,530)	(65,206)
Closing Fair Value	312,596	-	-	-	312,596

Reconciliation of present value of scheme liabilities

	Funded liabilities	Unfunded liabilities			Total
	Local Government Pension Scheme	Police Pension Scheme 1987	Police Pension Scheme 2006	Police Pension Scheme 2015	
	2025/26	2025/26	2025/26	2025/26	2025/26
	£000	£000	£000	£000	£000
Opening Balance 1 April	(198,444)	(1,118,870)	(34,120)	(133,350)	(1,484,784)
Current Service Cost	(5,411)	(1,030)	(260)	(7,590)	(14,291)
Past Service Cost	(312)	-	-	-	(312)
Interest Cost	(11,346)	(61,410)	(1,920)	(7,950)	(82,626)
Contributions by members	(3,001)	-	-	(9,730)	(12,731)
<i>Re-measurement (gains)/losses:</i>					
Experience (gains)/losses on pension liabilities	(7,270)	(40,000)	(5,680)	36,460	(16,490)
Actuarial (gains)/losses arising on changes in financial / demographic assumptions	1,384	34,650	1,540	6,340	43,914
Benefits paid	9,036	66,180	500	2,470	78,186
Closing Balance 31 Mar	(215,364)	(1,120,480)	(39,940)	(113,350)	(1,489,134)

2024/25 Comparative Figures:

	Funded liabilities	Unfunded liabilities			Total
	Local Government Pension Scheme	Police Pension Scheme 1987	Police Pension Scheme 2006	Police Pension Scheme 2015	
	2024/25	2024/25	2024/25	2024/25	2024/25
	£000	£000	£000	£000	£000
Opening Balance 7 May	(227,004)	(1,196,540)	(38,160)	(132,590)	(1,594,294)
Current Service Cost	(5,387)	(900)	(60)	(6,190)	(12,537)
Past Service Cost	(4)	-	-	-	(4)
Interest Cost	(10,317)	(53,760)	(1,750)	(6,370)	(72,197)
Contributions by members	(2,607)	-	-	(7,530)	(10,137)
<i>Re-measurement (gains)/losses:</i>					
Experience (gains)/losses on pension liabilities	729	(6,630)	(240)	550	(5,591)
Actuarial (gains)/losses arising on changes in financial / demographic assumptions	39,290	82,400	5,830	17,250	144,770
Benefits paid	6,856	56,560	260	1,530	65,206
Closing Balance 31 March	(198,444)	(1,118,870)	(34,120)	(133,350)	(1,484,784)

Asset Ceiling Adjustment

Following the LGPS valuation by the Actuary as at 31st March 2026, it was determined that the fair value of the LGPS scheme outweighed the present value of the plan obligations, resulting in a plan net asset of £118,293,000.□

IAS19 requires that, where a pensions asset exists, it is measured at the lower of:

- (i) the surplus in the defined benefit plan; and
- (ii) the asset ceiling

The asset ceiling is the present value of the maximum economic benefit available to CCNY in the form of refunds or reduced future employer contributions. The Actuary's calculation of the asset ceiling in accordance with IFRIC14 for 2025/26 is £8,598,000. Hence, the net asset of the LGPS is restricted to the lower of £118,293,000 and £8,598,000.

Reconciliation of the LGPS funded status to the Balance Sheet:

	2025/26	2024/25
	£000	£000
Fair Value of Assets	333,657	312,596
Present value of funded defined benefit obligation	(215,364)	(198,444)
Funded status	118,293	114,152
Unrecognised asset (application of asset ceiling)	(109,695)	(114,152)
Asset/Liability recognised on the Balance Sheet	8,598	-

Asset ceiling	8,598	0
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Reconciliation from the opening to closing effect of the asset ceiling adjustment in the period:

	2025/26	2024/25
	£000	£000
Effect of the asset ceiling at 7 May	114,152	74,910
Interest on the effect of the asset ceiling	6,621	3,444
Changes in the effect of the asset ceiling	(11,078)	35,798
Effect of the asset ceiling at 31 March	109,695	114,152

Local Government Pension Scheme assets comprised:

The Police Pension Scheme has no assets to cover its liabilities.

Assets in the Local Government Pension Scheme consist of the following categories:

	Quoted 2025/26	Unquoted 2025/26
	£000	£000
Asset Category		
Equities	122,787	-
Property	21,354	-
Government Bonds	65,730	-
Corporate Bonds	25,692	-
Multi Asset Credit	18,351	-
Cash	6,339	-
Other	20,353	53,051
	280,606	53,051

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in the future years dependent on assumptions about mortality rates, salary levels etc. The Local Government Pension Scheme liability has been assessed by AON Limited, and the Police Pensions Schemes' liabilities have been assessed by the Government Actuary Department, both firms of Actuaries.

The estimates for the Local Government Pension Scheme are based upon the latest full valuation of the scheme as at 31st March 2025.

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table below. The sensitivity analyses below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed remains constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme i.e. on an actuarial basis using the projected unit credit method. The methods and type of assumptions used in preparing the sensitivity analysis did not change from those used in the previous period.

The significant assumptions advised by the Actuaries are:

Mortality Assumptions (years):	Local Government Pension Scheme		Police Pension Schemes	
	2025/26	2024/25	2025/26	2024/25
Member aged 65 for current pensioners:				
Males	22.7	21.9	22.0	21.9
Females	24.9	24.5	24.0	23.9
Member aged 45 for future pensioners :				
Males	23.2	22.5	23.4	23.3
Females	25.6	25.2	25.3	25.2
Rate of CPI inflation %	2.80	2.50	2.95	2.70
Rate of increase in salaries %	4.05	3.75	3.70	3.45
Rate of increase in pensions %	2.80	2.50	2.95	2.70
Rate for discounting scheme liabilities %	6.20	5.80	6.10	5.65
Rate for CARE revaluation %	2.80	2.50	4.20	3.95

Impact on Defined Benefit Obligation:	Local Government Pension Scheme		Police Pension Schemes	
	£m	£m	£m	£m
	increase	decrease	increase	decrease
Longevity (increase or decrease in one year)	4.7	(5.0)	(30.0)	30.0
Rate of inflation (increase or decrease by 0.1%)	3.4	(3.4)	17.8	(17.8)
Rate of increase in salaries (inc/dec by 0.1%)	0.2	(0.2)	1.8	(1.8)
Rate of increase in pensions (inc/dec by 0.1%)	3.4	(3.4)	17.8	(17.8)
Rate of discounting scheme liabilities (inc/dec by 0.1%)	(3.7)	3.7	(17.8)	17.8

Impact on CCNY Cash Flows

Local Government Pension Scheme

The objectives of the schemes are to keep employers' contributions at as constant a rate as possible. The Council has agreed a strategy with the Scheme's actuary to achieve a funding level of 100% over the long term. Funding levels are monitored on a quarterly basis. The next triennial valuation is due to be completed on 31st March 2025.

CCNY anticipates to pay £1.7m contributions into the Local Government Pension Scheme in the 12 month period to 31st March 2027. The weighted average duration of the defined benefit obligation for scheme members is 17.2 years in 2025/26 (17.4 years 2024/25).

Police Pension Schemes

The Police Pension Schemes have no assets to cover their liabilities. Finance is only required to be raised to cover Police Officers' pensions when the pensions are actually due to be paid. Regular monitoring of movements relating to retirements is carried out in order to accurately forecast when retirements will occur.

CCNY anticipates to pay £26.5m contributions into the Police Pension Schemes in the year to 31st March 2026.

CCNY's pension liability as at 31st March 2026 calculated by its Actuaries, in accordance with IAS19, of £1,273,770,000 shows the underlying commitments that CCNY has in the long term to pay retirement benefits. The liability has a substantial impact on the net worth reported in the Balance Sheet. The impact results in a negative net worth of £1,268,542. However, statutory arrangements in place for funding the deficit mean that the financial position of CCNY remains healthy because;

- (i) finance is only required to be raised to cover Police pensions when the pensions are actually due to be paid. Regular monitoring of movements relating to retirements is carried out in order to accurately forecast when retirements and payments will occur.
- (ii) any deficit on the LGPS will be made good by increased contributions over the remaining working life of employees, as assessed by the Scheme Actuary.

20. Financial Instruments

- (a) CCNY has adopted CIPFA's Treasury Management in the Public Services Code of Practice and has a set of treasury management indicators to control key financial instrument risks in accordance with CIPFA's Prudential Code.

Categories of Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet:

Financial Assets	Non Current		Current		Total
	Investments	Debtors	Cash & Cash Equivalents	Debtors	
	31st March 2026	31st March 2026	31st March 2026	31st March 2026	31st March 2026
	£000	£000	£000	£000	£000
Measured at Amortised Cost	-	-	18	-	18
Total	-	-	18	-	18
Financial Liabilities	Non Current		Current		Total
	Borrowings	Creditors	Borrowings	Creditors	
	31st March 2026	31st March 2026	31st March 2026	31st March 2026	31st March 2026
	£000	£000	£000	£000	£000
Measured at Amortised Cost	-	-	-	-	-
Total	-	-	-	-	-

2024/25 Comparative Figures:

Financial Assets	Non Current		Current		Total
	Investments	Debtors	Cash & Cash Equivalents	Debtors	
	31st March 2025	31st March 2025	31st March 2025	31st March 2025	31st March 2025
	£000	£000	£000	£000	£000
Measured at Amortised Cost	-	-	31	-	31
Total	-	-	31	-	31
Financial Liabilities	Non Current		Current		Total
	Borrowings	Creditors	Borrowings	Creditors	
	31st March 2025	31st March 2025	31st March 2025	31st March 2025	31st March 2025
	£000	£000	£000	£000	£000
Measured at Amortised Cost	-	-	-	-	-
Total	-	-	-	-	-

There have not been any reclassifications of Financial Assets or Financial Liabilities as a result of the implementation of IFRS9.

(b) Income, Expense, Gains and Losses

CCNY did not have any income, expense, gains or losses in relation to financial instruments (2024/25 £nil).

(c) Fair Value of Assets and Liabilities Carried at Amortised Cost

Financial assets and financial liabilities are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments, using the following assumptions:

- For Public Works Loan Board (PWLB) and other loans payable, the discount rate used is the PWLB rate for new borrowing;
- No early repayment or impairment is recognised;
- Where an instrument has a maturity of less than 12 months or is a trade or other receivable, the fair value is taken to be the carrying amount or the billed amount;
- The fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair value of each class of financial assets and liabilities carried in the balance sheet at amortised cost is disclosed below:

	31st March 2026		31st March 2025	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
Cash and Cash Equivalents	18	18	31	31
Financial Assets - carried at amortised cost	18	18	31	31

	31st March 2026		31st March 2025	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value (Restated) £000
Other Creditors	-	-	-	-
Financial Liabilities - carried at amortised cost	-	-	-	-

Short Term Creditors are carried at cost as this is a fair approximation of their value.

	Quoted prices in active markets for identical assets Level 1 £000	Other significant observable inputs Level 2 £000	Significant unobservable inputs Level 3 £000	Fair Value as at 31st March 2025 £000
Financial Assets	0	0	0	0
Creditors	-	-	-	-
Financial Liabilities	0	0	0	0

Transfers between Levels of the Fair Value Hierarchy

There were no transfers between levels of the hierarchy during the period.

21. Nature and Extent of Risks Arising from Financial Instruments

CCNY manages financial risks in conjunction with YNYCA, as part of the YNYCA Group:

Key Risks

The Combined Authority's activities expose it to a variety of financial risks. The key risks are:

- (a) Credit Risk** - the possibility that other parties might fail to pay amounts due.
- (b) Liquidity risk** - the possibility that it might not have funds available to meet its commitments to make payments.
- (c) Market risk** - the possibility that financial loss might arise as a result of changes in such measures as interest rates movements.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. The procedures are set through a legal framework in the Local Government Act 2003 and associated regulations. These require the Authority to comply with CIPFA's Prudential Code & Treasury Management in the Public Services Code of Practice (both revised in 2021).

Overall, these procedures require the Combined Authority to manage risk in the following ways:

- Adopt the requirements of the Code of Practice;
- Approve annually in advance prudential indicator limits for the following three years regarding:
 - Affordability of the Authority's capital investment plans including its borrowing limits;
 - Treasury Management, for example the maturity structure of borrowing; and
 - Maximum annual exposures to investments maturing beyond a year.
- Approve an investment strategy for the forthcoming year setting out the criteria for both investing and selecting investment counterparties in compliance with Government guidance.
- Approve a capital strategy for the forthcoming year setting out the context within which capital expenditure and investment decisions are made alongside how capital financing and treasury management activity contribute to the provision of services.

The Annual Treasury Management Strategy includes these procedures in order to manage the risks of the Authority's Financial Instrument exposure. It is approved by those charged with governance before the beginning of the financial year. In addition, it is a primary requirement that, as a minimum, a mid year review and a performance return report on the Group's investment and borrowing activity is produced.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures from customers. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined in the Treasury Management Strategies for 2025/26. North Yorkshire Council make short term investments of some of the Group entity's daily balances under a Service Level Agreement, other balances are invested by North Yorkshire Police's finance team. All credit ratings of counterparties are monitored daily. The Group's investment priorities are security first, liquidity second and then yield (return).

Loans and Receivables:

Cash invested on 31st March 2026 would be classified within the Balance Sheet as cash and cash equivalents due to it being either callable on demand, or in a maximum of three months notice. Due to the default risk of the investments being extremely low, nil impairment under IFRS 9 would be deemed appropriate. No cash was invested in 2025/26, consistent with previous years.

Debtors:

The Combined Authority does not generally allow credit for Customers. Information disclosed by Company Liquidators is circulated within the Authority by the Finance Team to ensure that such companies are not granted a chargeable service. The Authority had the following exposure to credit risk at 31st March 2026 based upon experience of default and uncollectability over the last three years adjusted to reflect current and forecast market conditions (i.e. the simplified approach):

	Gross Value	Impairment Value	Net Value
	31 Mar 2026	31 Mar 2026	31 Mar 2026
	£000	£000	£000
Deposits with Banks and Financial Institutions - CCNY	18	-	18
Total	18	-	18

2024/25 Comparative Figures:

	Gross Value	Impairment Value	Net Value
	31 Mar 2025	31 Mar 2025	31 Mar 2025
	£000	£000	£000
Deposits with Banks and Financial Institutions - CCNY	31	-	31
Total	31	-	31

(b) Liquidity Risk

The Group manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through a comprehensive cash flow management system, as required by the CIPFA Code of Practice. This seeks to ensure that cash is available when needed.

The Combined Authority has ready access to borrowings from the money markets to cover day to day cashflow needs whilst the PWLB provides access to longer term funds. There is, therefore, no significant risk that it will be unable to meet commitments under financial instruments. The approved prudential indicator 'Limits for the Maturity Structure of Debt' is the key parameter used to address risk and is used in planning when new loans are to be taken and, when it is economic to do so, making early loan repayments.

All sums owing are due to be paid in less than one year.

(c) Market Risk

Interest Rate Risk

The Combined Authority is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Group. For instance, a rise in interest rates would have the following effects:

- Borrowings at fixed rates - the fair value of the liabilities for borrowings will fall.
- Investments at variable rates - the interest income credited to the Surplus or Deficit on the Provision of Services will rise.

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

The Combined Authority has a number of strategies for managing interest rate risk. The main strategy for borrowing over periods undertaking new borrowing is to take advantage of the lowest rates possible whilst also focusing on periods where there is currently no concentration of debt so as to achieve a balanced spread over the debt maturity profile. The debt position is reviewed as part of the annual budget setting process. This review also considers whether internal borrowing using cash balances be used as an alternative to new external borrowing. The use of internal borrowing which runs down investments maximises short term savings and reduces exposure of low interest rates on investments, and the credit risk of counterparties.

Price Risk

The Combined Authority does not invest in equity shares and thus has no exposure to losses arising in movement in the price of shares.

Foreign Exchange Risk

The Group has no financial assets or liabilities denominated in foreign currencies and thus has no exposure to gains or losses arising from movements in exchange rates.

22. Contingent Assets and Liabilities

Civil and Employment Claims:

CCNY has not made provision in these accounts for the potential outcome of legal proceedings pending conclusion in relation to Civil and Employment Claims where it is not considered probable that a payment or a transfer of economic benefits will be required to settle the obligations.

Regional Collaboration:

CCNY has agreed to indemnify other Regional Police and Crime Commissioners for its share of any costs in the event of any employment tribunal or civil court claims related to regional employment. This indemnity is unlimited. At this time, it is not possible to predict the value or timing of any obligations falling due as a result of this indemnity.

Pension Schemes:

Court of Appeal judgement - Virgin Media v NTL Pension Trustees II Limited

In June 2023 the High Court ruled in the case of Virgin Media Limited v NTL Pension Trustees II Ltd. The ruling was that certain pension scheme rule amendments were invalid if they were not accompanied by the correct actuarial confirmation. The High Court ruling was subsequently appealed, however in a judgement delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court.

In June 2025, the Government announced that it would “introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards.” This legislation was enacted on 29th April 2026, meaning that pension schemes will now be able to obtain written confirmation from an actuary about the benefit changes that were previously made and apply that confirmation retrospectively without making the plan amendments void, if the changes meet the necessary standards.

There was considerable uncertainty around the Virgin Media case including the impact on public service pension schemes. As the Pension Schemes Act 2026 has only recently come into force it remains unclear whether any additional liabilities might arise, and if so, how they would be reliably measured.

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POLICE PENSION FUND
ACCOUNT FOR PERIOD ENDED 31 MARCH 2026

<u>2024/25</u>		<u>2025/26</u>
£'000		£'000
CONTRIBUTIONS AND BENEFITS		
Contributions receivable		
From Employer:		
(23,304)	Normal	(26,679)
	- Early Retirement	-
(8,439)	From Members	(9,672)
(191)	Remedy Adjustments	(196)
(954)	Reimbursement for Unabated Pensions	-
<u>(32,888)</u>		<u>(36,547)</u>
Transfers in		
(16)	Individual transfers in from other schemes	(60)
Benefits payable		
46,171	Pensions	53,044
8,307	Commutations & lump sum retirement benefits	12,438
328	Death grants & dependants gratuities	247
<u>54,806</u>		<u>65,729</u>
Payments to and an account of leavers		
40	Refund of contributions	33
	- Individual transfers out to other schemes	4
Deficit / (Surplus) for the period before top up grant		
<u>21,943</u>	receivable from/payable to Central Government	<u>29,159</u>
(21,943)	Top up grant receivable from Government	(29,159)
<u>-</u>	Net amount payable / (receivable) for the period	<u>-</u>

POLICE PENSION FUND
NET ASSETS STATEMENT FOR PERIOD ENDED 31 MARCH 2025

<u>2024/25</u>		<u>2025/26</u>
£000	Note	£000
0	5	0
<u>0</u>		<u>0</u>
Total Assets		
0	6	0
<u>0</u>		<u>0</u>
Net Assets		

NOTES TO THE PENSION FUND ACCOUNTS

1. Accounting Policies

The Pension Fund Accounts have been prepared in accordance with the IFRS Code and on an accruals basis. This means that sums due to or from the Pension Fund are included as they fall due, whether or not the cash has been received or paid. The accounting convention adopted is historical cost.

2. Operation of Police Pension Schemes

CCNY operates three Pension Schemes for police officers. These are unfunded defined benefit schemes, meaning that there are no investment assets built up to meet the pension liabilities and cash has to be generated to meet actual pension payments as they eventually fall due. The second scheme was introduced in April 2006, with the intention that joint contributions of employers and employees would finance the full costs of pension liabilities. All police officers recruited from April 2006 to April 2015 become members of the 2006 scheme and the previous scheme has been closed to new members. The third scheme came into effect for officers recruited on or after April 2015. A number of officers have been transferred from the previous schemes in the year and will continue to do so moving forward based on calculated taper dates.

The charge in the CCNY accounts represents net cost of pensions and other benefits paid, after deducting contributions receivable from members. Members contribution rates vary between 10.38% and 14.22% of pensionable pay.

3. Funding of Police Pension Schemes

The funding arrangements for Police Pension Schemes changed on 1 April 2006 and again on 1 April 2015. Before 1 April 2006 the schemes did not have a percentage of pensionable pay type of contribution, rather CCNY was responsible for paying pensions of former employees on a pay-as-you-go basis. Under the new funding arrangements the schemes remain unfunded but CCNY no longer meets the pension outgoings directly, instead CCNY pays an employer's contribution, based on a percentage of pay, into the Pension Fund. Each individual Police and Crime Commissioner in England and Wales is required by legislation to operate a Pension Fund for police officers and the amounts that must be paid into and paid out of the Pension Fund are specified by regulation.

Under the new arrangements, the Pension Fund will be balanced to nil at the end of the year by either paying over to YNYCA the amount by which amounts receivable by the Fund for the year exceeded the amounts payable or by receiving cash from YNYCA equal to the amount by which the amount payable from the pension fund for the year exceeded the amount receivable. With effect from 1 April 2015 the Home Office does not fund the whole of the difference between payments and receipts and CCNY is required to make an additional contribution calculated according to regulations. YNYCA will either pay an amount equal to the amount received from the Pension Fund to the Home Office or receive a pension top-up grant from the Home Office equal to the amount paid to the Pension Fund.

4. Liabilities in Relation to Retirement Benefits

The Pension Fund Accounts do not take account of liabilities to pay pensions and other benefits after the period end. Details of the liabilities for retirement benefits attributable to CCNY at 31st March 2026, and of the basis for assessing those liabilities, are included in note 19 to the CCNY Accounts.

The present value of the Police Pension Scheme liabilities, based on the most recent full valuation of the scheme (as at 31 March 2020) and updated to the balance sheet date are disclosed below.

	31 March 2026	31 March 2025
	£'000	£'000
Police Pension Scheme 1987	(1,120,480)	(1,118,870)
Police Pension Scheme 2006	(39,940)	(34,120)
Police Pension Scheme 2015	(113,350)	(133,350)
Total present value of liabilities	<u>(1,273,770)</u>	<u>(1,286,340)</u>

Full details of the liabilities for retirement benefits attributable to the group at 31st March 2026, and the basis for assessing those liabilities, are included in Note 19 to the CCNY Accounts.

5. Debtors

	31 March 2026	31 March 2025
	£'000	£'000
Short Term - Other Local Authorities	<u>-</u>	<u>-</u>

6. Creditors

Short Term - General	<u>-</u>	<u>-</u>
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GLOSSARY OF TERMS

ACCOUNTING PERIOD: The period of time covered by the accounts, normally a period of twelve months commencing on 1st April and ending as at the balance sheet date, 31st March.

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

ACCRUED BENEFITS: The benefits for service up to a given point in time, whether vested rights or not.

ACTUARIAL GAINS AND LOSSES: For a defined benefit scheme, the changes in actuarial deficits or surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation (experience gains or losses) or the actuarial assumptions have changed.

ACTUARIAL VALUATION: A valuation of assets held, an estimate of the present value of benefits to be paid and an estimate of required future contributions, by an actuary, on behalf of a pension fund.

AGENCY SERVICES: The provision of services by a Mayoral Police and Crime Function or Police and Crime Commissioner or Chief Constable (the agent) on behalf of another Mayoral Police and Crime Function or Police and Crime Commissioner or Chief Constable, which is legally responsible for providing those services. The responsible Mayoral Police and Crime Function or Police and Crime Commissioner or Chief Constable reimburses the Mayoral Police and Crime Function or Police and Crime Commissioner or Chief Constable providing the service.

AMORTISED COST: The cost of an intangible asset after amortisation, which is the systematic allocation of the depreciable amount of an asset over its useful life.

ANNUAL GOVERNANCE STATEMENT: Describes the governance framework incorporating the systems and processes, culture and values by which the organisation is directed and controlled and the activities through which it accounts to and engages with the community.

APPROPRIATIONS: Amounts transferred to or from revenue or capital reserves.

ASSET: An item which has a monetary value. For example: land and buildings, vehicles, equipment, cash.

AUDIT: An independent examination of the organisation's activities, either by internal audit or by the organisation's external auditors.

AUDIT COMMISSION: An independent body established under the Local Government Finance Act 1982. It is the responsibility of the Audit Commission to appoint external auditors to Police and Crime Commissioners and Chief Constables.

BALANCES: The total general balances available are the accumulated surplus of income over expenditure which enable operation without borrowing until the first precept and grant payments are received in the early part of the financial year. Balances are also used to cover any unexpected expenditure during the financial year.

BALANCE SHEET: This sets out the financial position of an organisation on a particular date. It shows the balances and reserves at the organisation's disposal, its long-term indebtedness, the fixed and net current assets employed in its operations and summarised information on any fixed assets held.

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

CAPITAL EXPENDITURE: Expenditure on new assets or on the enhancement of existing assets so as to prolong their life or enhance market value.

CAPITAL FINANCING CHARGES: The repayment of loans and interest used to pay for capital projects.

CAPITAL GRANT: Grant from Central Government used to finance specific schemes in the capital programme. Where capital grants are receivable these are used, as far as possible, to finance capital expenditure to which they relate in the year that the grant is received.

CAPITAL RECEIPTS: The proceeds from the sale of an asset, which may be used to finance new capital expenditure or to repay outstanding loan debt, as laid down within rules set by Central Government.

CAPITAL RESERVE: Created to provide an alternative source of financing for capital expenditure and to ensure some stability in the level of capital programmes that can be financed.

CASH FLOW STATEMENT: This summarises the cash receipts and payments of the organisation arising from transactions for both revenue and capital purposes.

CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTANCY (CIPFA): This is the professional institute that develops and promotes proper accounting practice for Local Government, including Police Services, in England and Wales.

COLLECTION FUND: A fund administered by each District Council in which individuals' council tax payments are paid. The Mayoral Police and Crime Function or Police and Crime Commissioner raises a precept on the fund to finance part of their net revenue expenditure.

COMPREHENSIVE INCOME AND EXPENDITURE ACCOUNT: This summarises the resources generated and consumed for the year and shows how the costs have been financed

COLLECTION FUND ADJUSTMENT ACCOUNT: The account through which to implement the accruals basis for recording the precept in these accounts without affecting the bottom line for taxpayers.

CONSISTENCY : The concept that the accounting treatment of like items is the same from one accounting period to the next.

CONTINGENCY: The sum of money set aside to meet unforeseen expenditure or liabilities.

CONTINGENT LIABILITY: A contingent liability is either:

- a possible obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the organisation's control, or

- a present obligation arising from past events where it is not probable that a transfer of economic benefits will be required or the amount of the obligation cannot be measured with sufficient reliability.

CONSUMER PRICE INDEX (CPI): the official measure of inflation of consumer prices of the United Kingdom. It is a statistical estimate constructed using the prices of a sample of consumer goods, purchased by households whose prices are collected periodically.

COUNCIL TAX: This is a banded local property tax levied on domestic properties, based on the relative market values of property as at 1st April 1991, which helps to fund local services.

CREDIT APPROVAL: Authorisations given by Central Government to local authorities, which enable them to finance capital expenditure by borrowing or other credit arrangements such as leasing.

CREDITORS: Individuals or organisations to whom money is owed at the end of the financial year, for works done, goods received or services rendered.

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.

CURRENT SERVICE COSTS (PENSIONS): The increase in the present value of a defined benefit scheme's liabilities expected to arise from the employee's service in the current period.

CURTAILMENT: For a defined benefit pension scheme, an event that reduces the expected years of future service of present employees or reduces for a number of employees the accrual of defined benefits for some or all of their future service.

DEBTORS: Individuals or organisations from whom money is owed at the end of the financial year for works done, goods received or services rendered.

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.

DEFERRED PENSIONS: Relate to individuals who have ceased to be active members but are entitled to benefits payable at a later date.

DEFINED BENEFIT SCHEME: A pension scheme which defines the benefits independently of the contributions payable and the benefits are not directly related to the investments of the scheme.

DEPRECIATION: An annual charge to reflect the extent to which an asset has been worn out or consumed during the financial year.

DIRECT REVENUE FINANCING: Resources provided from the revenue budget to finance the cost of capital projects.

DISCRETIONARY BENEFITS: Retirement benefits which the employer has no legal, contractual or constructive obligation to award and which are awarded under discretionary powers.

EARMARKED RESERVES: These reserves represent monies set aside that can only be used for a specific purpose.

EXPECTED RATE OF RETURN ON PENSION ASSETS: For a funded defined benefit 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.

EXTRAORDINARY ITEMS: Material items, possessing a high degree of abnormality, which derive from events or transactions that fall outside ordinary activities and are not expected to recur.

FINANCE AND OPERATING LEASE: A Finance lease transfers all of the risks and rewards of ownership of a fixed asset to the lessee. If these leases are used, the assets acquired have to be included within the fixed assets in the balance sheet at the market value of the asset involved. With an operating lease the ownership of the asset remains with the leasing company and an annual rent is charged to the relevant service revenue account.

FINANCIAL REGULATIONS: A written code of procedures approved by the Mayoral Police and Crime Function or Police and Crime Commissioner, intended to provide a framework for proper financial management.

FIXED ASSETS: Tangible assets that yield benefits for a period of more than one year.

GAD: The Government Actuaries Department, which provides estimates of the liabilities of the Police Pension Scheme.

GOING CONCERN: The concept that an organisation will remain in operational existence for the foreseeable future, in particular that the revenue accounts and balance sheet assume no intention to curtail significantly the scale of operations.

GOVERNMENT GRANTS: Assistance by government and inter-government agencies and similar bodies, towards either revenue or capital expenditure to support the cost of provision of the organisation's services. These may be given towards the costs of specific defined schemes or to support general expenditure, and may have conditions relating to the activities of the organisation.

IMPAIRMENT: A reduction in the value of an asset on the balance sheet occurring as a result of a change in the condition and consumption of the asset or as a result of market conditions.

INTEREST INCOME: The money earned from the investment of surplus cash.

INTEREST COSTS (PENSIONS): 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 settlement.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS): Standards and Interpretations for the presentation and preparation of financial statements adopted by the International Accounting Standards Board (IASB). They comprise:

- (a) International Financial Reporting Standards;
- (b) International Accounting Standards; and
- (c) Interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or

the former Standing Interpretations Committee (SIC).

INVENTORIES: The amount of unused or unconsumed stocks held in expectation of future use. When use will not arise until a later accounting period, it is appropriate to carry forward the amount to be matched to the use or consumption when it arises.

INVESTMENTS (PENSION FUND): The investments of a Pension Fund will be accounted for in the statements of that Fund. However, sponsoring bodies are also required to disclose, as part of disclosures relating to retirement benefits, the attributable share of pension scheme assets associated with their underlying obligations.

MATERIALITY: the concept that the Statement of Accounts should include all amounts which, if omitted or mis-stated, could be expected to lead to distortion of the financial statements to a reader of those statements.

MINIMUM REVENUE PROVISION (MRP): The statutory minimum amount which a Mayoral Police and Crime Function or Police and Crime Commissioner is required to set aside on an annual basis as a provision to redeem debt.

NATIONAL NON-DOMESTIC RATES (NNDR): also known as business rates, this is a tax on properties not used for domestic purposes, such as shops, factories, offices and police stations. Business Rates collected by Local Authorities are the way that those who occupy non-domestic properties contribute to the cost of local services.

NON-OPERATIONAL ASSETS: Non-operational assets are fixed assets held but not directly occupied or used in the delivery of services. They include surplus properties awaiting disposal and assets that are under construction.

OPERATIONAL ASSETS: Fixed assets held and occupied, used or consumed in the direct delivery of those services for which they have either a statutory or discretionary responsibility.

OUTTURN: The actual amount spent in the financial year.

PAST SERVICE COST: For 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.

PAYMENTS IN ADVANCE: These represent payments prior to the financial year end for supplies and services received by the organisation after the financial year end.

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

POLICE GRANT: An unringfenced grant paid by the government to Mayoral Police and Crime Function or Police and Crime Commissioner towards the costs of delivering police services.

PRECEPT: The income which the Mayoral Police and Crime Function or Police and Crime Commissioner requires the District Council to raise from Council Tax on behalf of the Mayoral Police and Crime Function or Police and Crime Commissioner.

PROVISION: An amount set aside to provide for a liability that is likely to be incurred but where the exact amount or the date on which it will arise are uncertain.

PUBLIC WORKS LOAN BOARD (PWLb): A government agency which provides longer-term loans to local authorities at interest rates only slightly higher than those at which the government itself can borrow.

PRUDENCE: the concept that revenue is not anticipated but is recognised only when realised in the form of either cash or assets, the ultimate cash realisation of which can be assessed with reasonable certainty.

RECEIPTS IN ADVANCE: These represent income received prior to the financial year end for supplies and services provided by the organisation after the financial year end.

RELATED PARTIES: Two or more parties are related when at any one time during the financial period:

- one party has direct or indirect control of the other party; or
- the parties are subject to common control from the same source; or
- one party has influence over the financial and operations policies of the other party to an extent that the other party might be inhibited from pursuing at all times its own separate interests; or
- the parties, in entering a transaction, are subject to influence from the same source to such an extent that one of the parties to the transaction has subordinated its own separate interests.

RESERVES: Monies set aside that do not fall within the definition of provisions.

RETAIL PRICE INDEX (RPI): a measure of inflation published monthly by the Office for National Statistics. It measures the change in the cost of a representative sample of retail goods and services.

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 EXPENDITURE: the day-to-day expenses of providing services. It is usually of a constantly recurring nature and produces no permanent asset, e.g. salaries, wages, supplies and services and debt charges.

REVALUATION RESERVE: This account represents the difference between the current valuation of fixed assets and the historic costs of those assets. This Account came into effect 1 April 2007.

REVENUE CONTRIBUTIONS TO CAPITAL: Contribution from the Comprehensive Income and Expenditure Statement to finance capital expenditure and thus reduce the requirement to borrow.

SCHEME LIABILITIES: The liabilities of a defined benefit scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employee is committed to provide for service up to the valuation date.

SETTLEMENT: An irrevocable action that relieves the employer (or the defined benefit scheme) of the primary responsibility for a pension obligation and eliminates significant risks relating to the obligations and the assets used to effect the settlement.

SHORT TERM INVESTMENT: deposits of temporary surplus funds with banks or similar institutions.

SPONSORSHIP: The voluntary provision of non-public funds, services, equipment or other resources that enable the enhancement or extension the normal service provided.

STATEMENT OF ACCOUNTING POLICIES: This explains the basis of the figures in the accounts. The accounts can only be properly appreciated if the policies that have been followed in dealing with material items are explained. Changes in policies from previous years have been clearly shown.

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS: This explains the responsibilities of both the Chief Constable and Chief Constable's Chief Finance Officer in respect of the Statement of Accounts.

TRANSFER VALUES: Payment made by one pension scheme to another in respect of accrued pension rights when a member of a scheme changes pensionable employment.

TREASURY MANAGEMENT POLICY (TMP): This is a policy adopted to manage investments, cash flows, and banking transactions. It governs the control of risks associated with these activities and the pursuit of optimum investment return balanced with security of investment.

USEFUL LIFE: the period over which CCNY will derive benefits from the use of a non current asset.

WORK IN PROGRESS: The cost of work done on an uncompleted project at the balance sheet date.

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