



The Police & Crime
Commissioner for
Bedfordshire and the Police
& Crime Commissioner for
Bedfordshire Group

STATEMENT OF ACCOUNTS

2024/2025

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Narrative Report

Management Overview

The Police Reform and Social Responsibility Act 2011 replaced Police Authorities with Police & Crime Commissioners (PCCs) and created two corporate soles, the Police & Crime Commissioner and the Chief Constable for Bedfordshire Police. For accounting purposes the PCC for Bedfordshire and the Chief Constable of Bedfordshire Police are known as the PCC for Bedfordshire Group.

This Narrative Report covers information about the PCC for Bedfordshire as a local authority and its activities.

The Policing Environment

We are dedicated to "protecting people and fighting crime together".

At 477 square miles and with 717,000 people Bedfordshire is one of England's smallest (yet most diverse), counties and faces complex crime challenges more usually seen in large metropolitan cities. The population has grown by 25% since 2002 and the population is currently still growing faster than the population of England and Wales.

More than half of its residents live in its largest towns Luton and Bedford which have diverse and often transient communities, alongside smaller market towns and rural parishes.

London Luton Airport handled 16.7 million passengers in 2024 and remains one of the busiest airports in the UK. The M1 and A1(M) motorways traverse the county. Two principle railway lines connect people with the heart of London in less than an hour.

Bedfordshire has a complex mix of volume crime, serious crimes, drugs, gangs and terrorism threats. Every day our officers meet threats, harm and risks like those in large cities. The year to March 2025 the force recorded 52,303 crimes (an increase of 4.7 per cent) and answered more than 241,000 calls for service.

We employ in the region of 1,460 Police Officers, 1,180 police staff and 47 Police Community Support Officers (PCSOs).

Among all English police forces, Bedfordshire receives one of the lowest Government grants per head of population, and is in the lowest quartile for budget and police officers per head of population, and for council tax levels.

Due to our limited resources, we have a Control Strategy to prioritise how we respond to crime - with protecting vulnerable people the primary focus. There is also a desire to reduce the increasing demand through 999 and 101 calls by offering digital solutions and signposting people to more appropriate agencies. As an organisation we are striving to be innovative to enhance productivity and allow technology to deal with demand that doesn't require human intervention.

However, despite our relatively small size, we lead joint protective services (Armed Policing, Dogs, Roads Policing, Major Crime etc) for Bedfordshire, Cambridgeshire and Hertfordshire and are the lead force for the Eastern Region Special Operations Unit – a co-ordinated approach from the seven forces to tackle serious and organised crime, and terrorism.

Bedfordshire Police continue to improve its community policing model through engagement with residents and preventing crime by early intervention and problem-solving before issues escalate. You can find out what's happening in your area here:

[Your area | Bedfordshire Police \(beds.police.uk\)](https://beds.police.uk)

Alongside local issues, policing nationally faces new and emerging crime such as cyber-crime, child sexual exploitation and 'county line' drug supply and associated criminality.

The Police and Crime Commissioner has responsibility for the totality of policing within Bedfordshire, allocating the policing budget to the Chief Constable on behalf of the taxpayer. A statutory requirement of this role is to publish a Police & Crime Plan which sets out the priorities for Bedfordshire Police and community safety in the county. The Commissioner holds the Chief Constable to account for the efficient and effective delivery of the Plan to ensure local people receive a policing service they are satisfied with and have trust and confidence in.

The Police and Crime Commissioner has taken a mission based approach to the Police and Crime Plan, these are a small number of ambitious, long term goals on which the PCC will concentrate resources and political capital:

1. Prevention. Working as a partnership to prevent crime
2. Tackle Serious Crime, reduce serious and organised crime as well as serious youth violence.
3. Tackle Violence against Women and Children
4. Re-invigorating Local Policing
5. Excellence - Deliver an excellent police service to improve public confidence
6. Victims – Put victims at the heart of the criminal justice system

Underlying these key missions are a number of commitments from the PCC which have been compiled as a result of the PCC's engagement with local communities to establish their priorities. The progress of these commitments are reviewed by the Police & Crime Panel, whose role is to support and challenge the PCC's work. The Panel consists of eleven local councillors and two independent members of the public. The PCC's key achievements are provided in the Non-Financial Performance Review section of this Narrative Report. The main risks which the PCC faces are identified on the OPCC Strategic Risk Register, they are:

- If financial resources are insufficient to meet the policing needs of Bedfordshire, then the PCC may fail to provide sufficient funding to the Chief Constable to deliver an efficient and effective policing provision.
- If the OPCC does not build and establish an effective and value for money team then the OPCC may fail to deliver the Police and Crime Plan
- If the PCC fails to effectively commission support services and monitor commissioned services for victims of crime then the PCC may fail to deliver against the PCCs mission 'Putting victims at the heart of the CJ system'.
- If the public do not understand the role of the PCC this could lead to a loss of trust and confidence from the public, confusion for the public, lead to complaints and damage the reputation of the PCC/OPCC/Bedfordshire Police.

- If the Commissioner fails to work effectively in partnership with local community safety and criminal justice partners the PCC may fail to deliver the Police and Crime Plan
- If the Commissioner fails to meet the requirements/ expectations of the Police and Crime Panel it may lead to a loss of confidence in his ability to lead the delivery the Police and Crime Plan.
- If the PCC does not work in partnership with the Chief Constable then the PCC will be unable to effectively hold the Chief Constable to account, fulfil the statutory responsibilities and deliver the objectives of the Police and Crime Plan.

The risk register is regularly reviewed both within the PCC's office and by the Joint Audit Committee, each risk has a senior officer lead and a board lead, this governance ensures mitigating actions are constantly reviewed.

Financial Performance

The forecast year-end revenue outturn reported in February 2025 was an estimated overspend of £1.5M. The final position is an overspend of £3.1M after the planned use of earmarked reserves of £2.329M and £0.137M from the Road safety Reserve. There are often variances that occur in the final quarter, and it is common for these to offset each other. This year however Bedfordshire Police faced some one-off extraordinary costs that had a negative impact on the outturn position amounting to £1.6M.

- It was hoped that the restructure of the Office of the Police & Crime Commissioner could be managed within existing budgets, but the redundancy and associated costs amounted to £0.254M which accounts for the OPCC's share of the year end overspend.
- The Service needed to place £0.255M into an insurance provision to fund future claims that were live at year end and did not exceed the Aggregate Stop Loss, which had to be increased across the South East and Eastern Region Insurance Consortium.
- Beds Police experienced a spike in the level of costs for Forensics in the final quarter, the majority of this was because of late invoicing of complex submissions that had taken a long time to process, this added a further £0.2M to the year-end position.
- There was a need to medically retire some officers during the year and the cost of these had been factored into the forecasts, however, towards the end of the year additional cases were resolved adding a further £0.250M to the outturn position.
- The Service has worked hard to attract new officers and to increase retention levels. Due to improved levels of intakes the officer establishment was actually exceeded in the final quarter, which will greatly assist in the delivery of the 2025/26 recruitment targets and Neighbourhood Policing Guarantee. This, along with overtime costs added a further £0.642M to the final outturn position.

Controls were put in place to reduce overtime spend and the early signs are that this will be achieved in the 2025/26 financial year. These factors have given a year-end overspend of **£3.143M**, of which £0.236M relates to an overspend for the PCC after

using £0.136M from reserves and the Service had a overspend of £2.907M after planned use of reserves of £2.329M.

Revenue Expenditure was as follows:

	£'M
Net Expenditure before Reserve Transfers	154.775
Planned Transfers to / From Reserves	-2.465
Net Expenditure	152.310

Revenue Expenditure Met from Budgeted Grants:	£'M
Home Office Grant	82.103
11/12 Council Tax Freeze Grant	0.751
Council Tax Benefit Subsidy Grant	3.886
Council Tax	62.427
	149.167

Net (Surplus) or Deficit for the year (Revenue Budget) 3.143

The budget variances for the year arose in the following areas:

	£'M
Police Pay	3.705
Police Overtime	1.534
Staff Costs (inc Agency and Overtime)	-0.151
Non-Staff Costs	-0.489
Externally Funded & Income	-0.933
Collaboration	0.707
Grants	-1.168
PCC's Office	0.236
Contribution to Reserves	-0.298
Total	3.143

Transfers (to) / from other useable reserves comprised:

	£'M	£'M
Transfer to ERSOU Reserve	-0.806	
Transfer from Road Safety Reserve	0.136	
Budgeted Contribution from Reserves	2.144	
Transfer Funding to Op Kenova Reserve	-0.306	
Transfer to Regional Property Reserve	-0.010	
<i>Budgeted Transfers included in Outturn Reporting</i>		1.158
Use of Police Fund (One Off / Exceptional Costs)		1.091
Use of Insurance Reserve		0.254
Use of Budget Reserve		1.798
Net transfer from General Fund Reserves		4.301
Transfer from Capital Grants Unapplied		0
Net transfer from Usable Reserves		4.301

Capital Expenditure

Capital expenditure made by the PCC for Bedfordshire Group amounted to £6.399M this includes capital expenditure made on behalf of regional units for which Home Office Grants are provided. The capital expenditure is £0.249M higher than the original programme, of this £1.113M relates to the aforementioned innovation projects and the remaining balance of £0.864M relates to delays to existing projects that cause an in-year underspend but this total will need to be carried forward to the 2025/6 capital programme when the projects will be completed

The financing of Capital Expenditure was as follows:

	£'M
External Borrowing	5.600
Capital Receipts	0.006
Direct Revenue Financing	0.036
Other External Resources	0.131
Total (as per approved capital programme)	5.773
Home Office Counter Terrorism Grant	0.570
Regional Organised Crime Unit Revenue Contributions	0.055
Regional Capital Reserve	0.001
Total Including Regional Commitments	6.399

Use of Reserves

The reduction in reserves identified above for funding capital and revenue expenditure results in a usable reserves balance of £6.963M, detailed in Note 9.

Treasury Management

Treasury Management covers borrowings, investment, interest rate exposures, cash balances, cash flow forecasting and banking relationships. The Chartered Institute of Public Finance and Accountancy (CIPFA) has published a Code of Practice entitled 'Treasury Management in the Public Services' and the PCC for Bedfordshire has adopted the Code as part of its Financial Regulations. In compliance with the Code requirements, Treasury Management operations are carried out within an annually approved Treasury Strategy Statement which sets and reports on the PCC for Bedfordshire's prudential indicators.

Borrowing of £8.5M was made from the PWLB in 2024/25. Of this £5.599M was used to part fund the capital programme, £2.581M was to offset short term internal borrowing that had financed previous capital programmes and £0.320M was used to repay a loan that came to fruition, as well as offsetting the capital receipt for Greyfriars which has not yet been concluded. The borrowing was taken out in December 2024, £4.5M at an interest rate of 4.85% and £4.0M in March 2025 at an interest rate of 4.83%. Both loans were taken for under 5 years and it is hoped that interest rates will have fallen by the time the debts mature, allowing for more favourable refinancing options.

Key Strengths and Resources

The PCC for Bedfordshire group continues to deal with significant change and is supported by a significant number of experienced staff and officers. They continue to provide innovative solutions and effective project management in order to progress collaborative projects and this expertise is considered a key strength.

Bedfordshire Police is driving innovation work in using AI in investigative environments. Following the force's recent win at the National AI Awards for its work on auto redaction, both Bedfordshire Police and the Eastern Region Special Operations Unit (ERSOU) have been recognised for innovative use of cutting-edge technology at this year's NPCC Digital, Data and Technology Awards, after being shortlisted in several categories. Overall, Bedfordshire was shortlisted in more categories than any other force, from a total of 110 nominations. The NECTAR project was shortlisted for the Innovation Award, which recognises individuals or teams using innovative approaches to address policing challenges. This AI-powered programme is used to scan multiple connected systems across ERSOU for information, create documents, summarise intelligence reports, and perform phone data analysis – all in a fraction of the time it would take manually. The force continues to roll out NECTAR tools to intelligence teams in order to enhance the way it manages and exploits intelligence across the organisation, this is a significant milestone in the force's digital transformation journey.

Non-Financial Performance

Police and Crime Commissioner for Bedfordshire, John Tizard, provides an Annual Report to the Police and Crime Panel setting out his achievements against his Police and Crime Plan. The report will be scrutinised at the meeting which takes place on 8th July and the meeting details and Annual Report can be read here:

[Police and Crime Panel Meetings](#)

Corporate Reporting Structure

Monitoring the performance of the force has been one of the PCC's key areas of focus, the primary mechanism has been through the Performance and Governance Board,

held monthly, at which agreed objectives and outcomes have been measured. During these meetings the force provides strategic updates to the PCC on:

- Performance
- Finance
- Change
- Estates
- Inspections
- Risk
- Culture
- Report on priorities progress – Police and Crime Plan

Operational performance is reviewed in the Chief Constable's narrative report.

Medium Term Financial Plan

The increase in the size of the net revenue budget of £9.229M in 2024/25 compared to 2023/24 was made possible by the decision to raise Council Tax by £13, the maximum allowed without a local referendum, and by the increase in Home Office Police Grant of £4.6M which mainly covered the pay award made in September 2023. In addition there were ring fenced grants provided to cover the increased police pension contribution rate and grants tied into maintaining officer numbers.

The medium-term financial plan covering the next four years, between 2026/27 and 2029/30, that is constantly being reviewed, also places reliance, based upon the outturn for 2025/26 for the replenishment of reserves over this same period. It is helpful to be aware of some specific context in relation to the current financial environment as highlighted below.

- Bedfordshire Police has received a Special Police Grant, in relation to its Boson capability since 2018/19, providing additional funding in support of targeted operations against the use of Guns and Gangs in Bedfordshire and Luton. In addition the force received Special Police Grant funding for Op Costello and similar bids have been submitted for the new financial year. The force has been awarded £7.2M via special grant for Operation Boson and Costello which is a similar level of funding as 2024/25 for 75% and 80% of the costs respectively.
- The 2025/26 budget incorporates a use of reserves of £0.425M
- The Council Tax increase was capped at £14 per Band D property
- An increasing percentage of the annual budget is spent on areas of policing delivered by collaborated units. While this has provided savings for the Force and increased resilience, the priorities for Bedfordshire within those service areas that are collaborated have to be considered alongside those of Hertfordshire and Cambridgeshire Constabularies.

The funding settlement for 2025/26 provided Home Office grant of £89.8M, and a further £12.3M of ring-fenced grants. While this was announced as an increase of 6.1% compared to the previous year the reality is that once national insurances increases and pay awards had been considered the increase reduces considerably. This placed the emphasis on the Commissioner to raise additional funds via the local precept to fund other inflationary elements of the budget and for the Chief Constable to make savings where he can. The PCC decision to increase Council Tax by the maximum amount equated to £14 for a band D household.

In considering the 2025/26 budget the Commissioner has continued to utilise the maximum amount of funding he can generate to ensure a better service is provided to the public of Bedfordshire as set out in the Police & Crime Plan. The maintenance of officer numbers remains a priority, due to the ring-fenced grant that requires the Chief Constable to achieve a headcount of 1,466 by the end of the financial year, and failure to do so will result in financial penalties

For illustrative purposes we have shown a budget gap from 2026/27 onwards, noting that this could be closed using reserves or additional savings which are being worked on in 25/26 via the Priority Based Budgeting process of budget challenge and collaboration budget process. The Government has committed to review the funding formula within the period covered by the medium-term plan so the figures used must only be considered as provisional.

	2026/27 Estimated	2027/28 Estimated	2028/29 Estimated	2029/30 Estimated
	£'000	£'000	£'000	£'000
Estimated draft budget (a)	169,706	175,682	181,907	187,835
Estimated funding (b)	165,429	173,086	179,406	184,122
Shortfall (a-b)	4,277	2,596	2,501	3,713
Savings	-1,892	-250	0	0
Grant increases	0	0	0	0
Budget Shortfall	2,385	2,346	2,501	3,713

Opportunities for additional commercial income (outside of the Medium-Term Financial Plan).

Future opportunities for non-core grant and council tax funding are minimal and are likely to reduce in the future. Cost recovery and cost reduction processes are likely to be more effective than revenue generating activities. The following five routes are available for the PCC for generation of non-core income:

<i>Bids and Grants</i>	The Bedfordshire PCC can, individually or alongside regional PCCs, bid for funds to enable Police and Crime Plan outcomes, and objectives in the Chief Constable's Long-Term and Annual Delivery plans. Grants come mainly from government sources, for example the Police Transformation Fund. Such funds are becoming scarcer and more prescriptive in their outcome requirements.
<i>Sponsorship and donations</i>	During 24/25 sponsorship of £3,200 was received for force staff awards night.
<i>Trading</i>	In favourable circumstances income can be generated by offering spare places on training courses, at a suitable charge, to members of other police forces or suitable organisations. No income is currently expected from such trading activities.
<i>Special Police Services</i>	The provision of Special Police Services (SPS) at the request of any person under Section 25 of the Police Act 1996 (as amended) makes such services subject to payment of charges as determined by the

PCC. SPS generally relate to policing a one-off event (for example a pop concert) or a series of events (for example football matches).

The outcome from *Ipswich Town Football Club Company Limited and The English Football League v The Chief Constable of Suffolk Constabulary [2017] EWCA 1484 judgment*, reduced the ability of police force to supply SPS on public land, thus reducing income from SPS. Accompanied by a natural movement by customers away from engaging SPS from police forces, this will tend drive towards zero income over the long term.

Infrastructure development expenditure The PCC has applied for funding to meet the increased policing requirements of the area, via Section 106 and also via applications relating to the Universal Studios future site.

Background Information to the Statement of Accounts & Significant Transactions

This set of accounts sets out the income and expenditure and the financial position of the PCC for Bedfordshire Group and the PCC for Bedfordshire for the year ending 31 March 2025.

The 2024/25 Statement of Accounts is prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting 2024/25 (the Code). The accounts also reflect the following frameworks and regulations:

- The Police Reform and Social Responsibility Act 2011 (the Act)
- Financial Regulations for the PCC for Bedfordshire Group
- The scheme of delegation between the PCC and the Chief Constable

The PCC for Bedfordshire retains control of the non – current assets transferred to them by the Police Reform Act and in addition, receives all income and funding and makes all payments for the Group from their Police Fund. The Commissioner has not set up a separate bank account for the Chief Constable but instead delegates a budget within which the Chief Constable exercises day to day control. It is recognised that in exercising day-to-day direction and control the Chief Constable will undertake activities and incur expenditure to allow the police force to operate effectively. It is therefore appropriate for the income and expenditure associated with the day to day direction and control to be shown in the Chief Constable's Comprehensive Income and Expenditure Statement, with the resources consumed by the Chief Constable being offset by an intra-group transfer of resources from the Commissioner. In turn the assets and liabilities associated with this income and expenditure are recognised in the Chief Constable's balance sheet.

As per the CIPFA Code the reporting headings in the Expenditure & Funding Analysis and the Comprehensive Income & Expenditure Statement reflect the internal reporting headings within the organisation.

Bedfordshire is the lead force for the Counter Terrorism Policing Unit (CTP), covering Bedfordshire, Hertfordshire, Cambridgeshire, Essex, Kent, Norfolk and Suffolk. Police Officers and Staff working in the unit are shown in the PCC's group accounts, in 2024/25 the costs of running the unit were £23.96M which are fully grant funded by a government grant payable to the PCC. Assets utilised by the unit are shown on the balance sheet for the PCC for Bedfordshire.

The Chief Constable's Movement in Reserves Statement consists only of the unusable reserves associated with the timing differences between financing and recognition of the employee's liabilities, both for pensions and for accumulated absences, required by statute. All other reserves are held by the Commissioner who has not delegated responsibility for these reserves to the Chief Constable.

The Accounts of the Police & Crime Commissioner (PCC) for 2024/25 will be the basis for the Audit Opinion. They consist of:

- (i) **Statement of Responsibilities** – this includes the financial responsibilities of the Police & Crime Commissioner and the Chief Finance Officer to the PCC.
- (ii) **Annual Governance Statement** – this statement is a statutory document which sets out how the PCC has ensured that it has proper arrangements for governance of its affairs allowing it to effectively exercise its functions including the arrangements for the management of risk, during the financial year.
- (iii) **Comprehensive Income and Expenditure Statement** – this statement shows the accounting cost in the year of providing services in accordance with accounting standards, rather than the amount to be funded from taxation. Police & Crime Commissioners raise taxation to cover expenditure in accordance with regulations which will be very different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.
- (iv) **Movement in Reserves Statement** – this statement shows the movement in the year on the different reserves held by the PCC and the Group, analysed into usable reserves and other reserves. The surplus or deficit on the Provision of Services line shows the accounting cost of providing the services, more details of which are shown in the Comprehensive Income and Expenditure Statement. This is different from the statutory amount required to be charged to the General Fund Balance. The Net Increase / Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves are undertaken.
- (v) **Balance Sheet** – the balance sheet shows the value as at the balance sheet date of the assets and liabilities recognised by the PCC and the Group. The net assets (assets less liabilities) are matched by the reserves held by the Police & Crime Commissioner Group. Reserves are reported in two categories:
 - Usable reserves - reserves that the PCC for Bedfordshire may use to provide services subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the capital receipts reserve that may only be used to fund capital expenditure or repay debt).
 - Unusable reserves - This category includes reserves that hold unrealised gains and losses, for example the revaluation reserve, where amounts would only become available to provide services if the assets are sold and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

- (vi) **Cash Flow Statement** – the Cash Flow Statement shows the changes in cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which operations of the PCC are funded by way of taxation and grant income or from the recipients of services provided by the PCC for Bedfordshire. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the PCC’s future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital.
- (vii) **Notes to the Accounts** – This sets out the accounting policies adopted by the PCC in order for the reader to understand the basis on which the PCC’s transactions are presented. The notes also provide a detailed analysis of the summarised financial information in the financial statements, including the Expenditure and Funding Analysis. These notes form part of the financial statements.

Pension Reserves

The balance sheet includes a liability of £858M which is the commitment that the PCC for Bedfordshire Group has in the long-term, to pay retirement benefits. This liability has a substantial impact on the net worth of the PCC for Bedfordshire Group as recorded in the balance sheet, resulting in a negative overall balance of £833M.

However, statutory arrangements for funding the deficit mean that the year-end financial position of the PCC for Bedfordshire remains sound as the deficit of the Local Government Pension Scheme (LGPS) will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary. Finance is only required to be raised to cover police pensions when the pensions are actually paid. Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pensions fund for the year is less than amounts payable, the PCC for Bedfordshire must annually transfer an amount required to meet the deficit to the pension fund. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by central government pension top-up grant. If however the pension fund is in surplus for the year, the surplus is required to be transferred from the pension fund to the PCC for Bedfordshire who in turn must then repay the amount to central government.

The accounts have been prepared on the assumption that the PCC for Bedfordshire Group will continue in existence for the foreseeable future in accordance with the going concern concept, this is accepted based on the fact that the negative balance sheet position relates entirely to the pension deficit and will be made good by increased pension contributions from employees and from the Home Office.

Changes compared to 2023/24

The draft accounts for 2024/25 are prepared based on balances in the 2023/24 final accounts which have been given a disclaimed audit opinion, this is as a direct result of the local authority audit backlog which will mean that it will take several accounting years for audit opinions to return to the previous levels of assurance.

The Chief Constables Net Cost of Services which is chargeable to the general fund increased by £8.M. This is largely due to increased employee expenditure brought about by pay increases of 7.5% in 23/24 and 4.75% in 24/25 for both staff and officers and by the uplift in officer numbers previously discussed, as well as innovation costs, for which the funding is recognised in the PCCs accounts. In addition, our regional capabilities increased with funding for that also shown in the PCC's accounts. Overall the Group cost of services chargeable to the general fund increased by £4.221M as shown in the Expenditure and Funding Analysis at Note 1.

The accounting adjustments affecting the surplus and deficit on the provision of services remained similar overall to 2023/24 with increases for depreciation and impairment and decreases relating to pension adjustments, these accounting adjustments are shown in the Expenditure and Funding Analysis and related notes and explained more at Note 37 Pension Schemes.

The implementation of IRFS16 has meant leases have been brought onto the balance sheet for 2024/25 – use of the transitional exemptions in the CIPFA code have meant that comparatives have not been restated for this change in accounting policy.

2024/25 saw a significant reduction in creditors balances due to a change in process as an earlier settle up with collaboration partners was agreed during the year. This directly resulted in additional cashflow needs which were not foreseen at the year start.

Short Term borrowing increased during the year as discussed above, in order to finance capital and reduce internal borrowing provided previously to finance earlier capital programmes when cashflow allowed.

Further information

Additional information on revenue and capital expenditure is detailed in the notes to the accounts. Further information may be obtained from:

Chief Finance Officer to the Police & Crime Commissioner
The Office of the Police & Crime Commissioner for
Bedfordshire
Police Headquarters
Woburn Road
Kempston
Bedford MK43 9AX

Any person interested also has a statutory right to inspect the Accounts at Police Headquarters, Woburn Road, Kempston, Bedford MK43 9AX before the completion of each annual Audit, as publicly advertised.

Statement of Responsibilities

The Police and Crime Commissioner Chief Finance Officer's Responsibilities

The Police and Crime Commissioner's Chief Finance Officer is responsible for the preparation of the PCC for Bedfordshire'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:

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

I certify that the Statement of Accounts gives a true and fair view of the financial position of the Police & Crime Commissioner for Bedfordshire Group as at the 31 March 2025 and its income and expenditure for the year then ended.



Philip Wells
Chief Finance Officer to the Police & Crime Commissioner for Bedfordshire
26 February 2026

The Police & Crime Commissioner's Responsibilities

The Police & Crime Commissioner is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers (the Police and Crime Commissioner's Chief Finance Officer) has the responsibility for the administration of those affairs;
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- to ensure that there is an adequate annual governance statement;
- to approve the statement of accounts.

I approve the Statement of Accounts



John Tizard
Police & Crime Commissioner for Bedfordshire
26 February 2026

Annual Governance Statement

This Annual Governance Statement explains how the Police and Crime Commissioner (PCC) and Chief Constable for Bedfordshire Police have complied with their published corporate governance framework for the year ended 31 March 2025, including plans for the financial year 2025/26.

A glossary of terms is provided at the end of the Statement of Accounts.

SCOPE OF RESPONSIBILITY

Following the introduction of the Police Reform and Social Responsibility Act 2011 (the 2011 Act), the PCC and Chief Constable were established on 22 November 2012 as separate legal entities ('corporations sole') which means they are both entitled to own assets and employ staff. However, the 2011 Act gives PCCs responsibility for the totality of policing within their force area and requires them to hold their force Chief Constable to account for the operational delivery of policing.

Under the 2011 Act, the PCC is recipient of all funding, including government grant, precept and other sources of income related to policing and crime reduction, and all funding for a force must come via the PCC. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, who provides professional advice and recommendations to the PCC. However, the PCC is ultimately accountable to the public for the management of the Police Fund.

The PCC is responsible for ensuring his business is conducted in accordance with the law and proper standards and, consequently, that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. Both the PCC and Chief Constable are required to, and have, appointed chief financial officers who each have a fiduciary duty to the local taxpayer for securing the efficient use of public funds. Under the Local Government Act 1999 the PCC makes arrangements to secure continuous improvement in the way his functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the PCC is responsible for putting in place proper arrangements for the governance of his affairs and facilitating the exercise of his functions, which includes ensuring a sound system of internal control is maintained and that arrangements are in place for the management of risk. In exercising this responsibility, the PCC places reliance on the Chief Constable to support the governance and risk management processes.

The Chief Constable is accountable to the law for the exercise of police powers and to the PCC for the delivery of efficient and effective policing, management of resources and expenditure by the police force. At all times the Chief Constable, his police officers and staff remain operationally independent in the service of the public. In discharging his overall responsibilities, the Chief Constable is responsible for establishing and maintaining appropriate risk management processes, governance arrangements and ensuring that there is a sound system of internal control which facilitates the effective exercise of these functions.

The Policing Protocol Order 2011 requires both the PCC and Chief Constable to abide by the seven principles of personal conduct set out in 'Standards in Public Life: First Report of the Committee on Standards in Public Life' (commonly known as the 'Nolan Principles'), i.e. 'Selflessness', 'Integrity', 'Objectivity', 'Accountability', 'Openness', 'Honesty' and 'Leadership'. The Nolan Principles are incorporated into the College of Policing 'Code of Ethics' that applies to every individual who works in policing, including the Chief Constable and OPCC.

https://www.college.police.uk/What-we-do/Ethics/Ethics-home/Documents/Code_of_Ethics.pdf

In addition, from an organisational perspective, the PCC and Chief Constable have approved and adopted a Code of Corporate Governance (the Code) which is consistent with the principles of the CIPFA / SOLACE guidance 'Delivering Good Governance in Local Government' <http://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>

This Annual Governance Statement explains how the PCC and Chief Constable have complied with the Code and the requirements of Regulation 6 of the Accounts and Audit Regulations 2015 to conduct a review of the effectiveness of the system of internal control.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. The fundamental function of good governance in the public sector is to ensure that entities (i.e. the PCC and Chief Constable) achieve their intended outcomes whilst always acting in the public interest.

The governance framework comprises the systems and processes, and culture and values by which the PCC and Chief Constable discharge their responsibilities and through which the police service accounts to and engages with the community. It enables the PCC to monitor the achievement of his strategic objectives and to consider whether these objectives have led to the delivery of appropriate, cost-effective services, including achieving value for money.

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

THE GOVERNANCE FRAMEWORK

The key elements of the systems and processes that comprise the governance arrangements that have been put in place for the PCC and the Force include:

A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

The PCC and the Chief Constable have developed and approved a 'Joint Corporate Governance Framework' which clarifies the working relationship between the PCC, Chief Constable, and their respective staff. This includes the code of corporate governance, the scheme of delegation and financial regulations. The Framework is informed by the requirements of 'The Good Governance Standard for Public Services' and is consistent with the seven Nolan Principles of standards in public life.

The national police service Code of Ethics sets and defines the exemplary standards of behaviour for everyone who works in policing, placing an absolute duty on officers

and staff. The Code applies to everyone in policing, officers, staff, volunteers, and contractors. It applies both on and off duty. It guides behaviour within the organisation as much as it informs how to deal with those outside.

Measures are in place to ensure that the PCC and employees of the Office of the PCC (OPCC) and the Force are not influenced by prejudice, bias, or conflicts of interest in dealing with different stakeholders. This includes the Anti-Fraud, Bribery and Corruption Policy and guidance on the acceptance of gifts, loans, and hospitality. Notifications of disclosable interests and a register of gifts and hospitality are published on the PCC's and the force website.

The PCC and Chief Constable have transparent and accessible arrangements for dealing with complaints received from the public.

Bedfordshire Police, Cambridgeshire Constabulary and Hertfordshire Constabulary have a Professional Standards Department (PSD) whose role is to uphold the ethical and professional standards of the three police forces by managing the application of police misconduct regulations, and the administration of complaints by members of the public against police officers and police staff below the rank of Chief Constable. Complaints against the Chief Constable are dealt with by the PCC. The independent Bedfordshire Police and Crime Panel (PCP) handles formal complaints made against the PCC.

The Deputy Chief Constable has regular monthly updates with PSD to consider conduct cases that are under investigation and the PCC conducts random dip sampling of cases.

Both the PCC and Chief Constable demonstrate respect for the rule of law and comply with relevant laws and regulations. Both have access to in-house legal advice to provide assurance of the same and guidance upon lawful decision making. The PCC is independent of Force management and operational decision-making, which is the responsibility of the Chief Constable. Established mechanisms ensure that legal and regulatory breaches and misuse of power are dealt with effectively. The PCC and Chief Constable (and all other individuals who work in policing) are subject to the College of Policing's Code of Ethics, which are consistent with the Nolan principles.

The Chief Executive (Head of Paid Service) is designated as a Statutory Officer, also undertaking the Monitoring Officer function, thereby providing independent assurance that all OPCC and Force decision-making adheres to legal, ethical and regulatory requirements. These responsibilities are formally defined within the organisation's Financial Regulations, which identify the Chief Executive as one of the key officers responsible for ensuring robust corporate governance, system integrity and appropriate internal controls across both the OPCC and the wider policing environment.

The PCC and Chief Constable create the conditions for all members of the OPCC and Force to be able to discharge their responsibilities in accordance with good practice. Guidance originating from the College of Policing and NPCC is disseminated through the OPCC and/or the Office of the Chief Constable. Similarly, best practice for PCCs is obtained via the Association of Police and Crime Commissioners (APCC), Association of Policing and Crime Chief Executives (APAC²E) and Police and Crime Commissioners Treasurers' Society (PACCTS) and is disseminated amongst the OPCC.

A Force Vetting Manager and team within the Professional Standards Department ensures compliance with relevant national vetting standards.

B. Ensuring openness and comprehensive stakeholder engagement

The PCC has a statutory responsibility to consult the Chief Constable and obtain the views of the community and victims of crime about the policing of the Force area and must have regard to their views as well as the priorities of responsible authorities within Bedfordshire and relevant government bodies before issuing a Police and Crime Plan.

The Police and Crime Plan must be published by the end of the financial year in which the PCC is elected and, in Bedfordshire, is reviewed as necessary and appropriate on an annual basis to ensure it remains relevant and fit for purpose. In so doing, the PCC is helping to ensure that local policing services address the priorities of local communities and that the Force is being held to account for the way services are delivered to the public.

Following his election in May 2024, the PCC published his Police and Crime Plan in October 2024, focusing on October 2024 to March 2025. He published a Strategic Update to the Plan in spring 2025, focusing on 2025 to 2028. The PCC's Police and Crime Plan sets out his strategic policing and crime reduction priorities and key aims, and how these will be delivered. His Plan is supported by the Force's Annual Delivery Plan, the OPCC's Strategic Delivery Plan and the Financial Strategy. The Police and Crime Plan has due regard to the Strategic Policing Requirement as issued by the Home Secretary and is developed in consultation with the Chief Constable, informed by the views of the local community, victims of crime and the priorities of other key stakeholders.

The independent Bedfordshire Police and Crime Panel meets regularly to review and scrutinise the decisions and actions of the PCC and his performance in delivering the objectives contained in his Police and Crime Plan. It also meets specifically to consider the PCC's proposed annual council tax precept, Police and Crime Plan, Annual Report, and any proposed appointment to the roles of Deputy PCC, where applicable, Chief Constable, OPCC Chief Executive and OPCC Chief Finance Officer.

Arrangements have been agreed and implemented for the PCC to hold the Chief Constable to account for Force performance and compliance with other requirements, including a schedule of formal Performance & Governance Boards and weekly one to one accountability meetings with the Chief Constable. Once a month one of these accountability meetings is formally minuted and the minutes are published both externally and to the Police and Crime Panel as part of the overall accountability process. The PCC's transparency of holding the Chief Constable to account has been enhanced through publication of the recording and minutes from the unrestricted section of the Performance & Governance Board and the sharing of the meeting itself on social media. These arrangements have been strengthened even further in 2023/24 by the PCC chairing these meetings.

The Framework of Corporate Governance defines the parameters for decision making, including delegations, financial regulations, and contract regulations. The PCC has published his policy statement on decision making. All formal and significant PCC decisions taken in accordance with this policy are published on his website and are presented to the Police and Crime Panel on a bi-monthly basis.

The PCC proactively publishes information to maintain openness and transparency with the public on this same website; in doing so he also meets his obligations under the Elected Local Policing Bodies (Specified Information) Order 2011 and, as a public authority, under the Freedom of Information Act 2000.

Key information about the Force, including the Annual Delivery Plan is published on the Bedfordshire Police website. Information about neighbourhood policing, partnerships and sponsors, corporate events and public misconduct or special case

hearings is also published, including details of upcoming hearings and how to attend. The site also allows for crimes and road traffic incidents to be reported, feedback to be given or complaints made.

The PCC and Chief Constable regularly attend local authority council meetings across Bedfordshire and provide formal briefings to constituency MPs on topical policing and crime issues at both a local and national level. The Chief Constable, and his management team, meet monthly with the local MPs to discuss local issues and the PCC meets with MP's quarterly. In addition, the Police and Crime Panel acts as a two-way mechanism to enable local authority Panel representatives to inform the PCC of their local policing and crime matters of importance to their respective authorities, and to brief their authorities of the activities and initiatives of the PCC (and the Panel).

The PCC works with and part-funds local authority Community Safety Partnerships, Youth Offending Teams and Drug and Alcohol Teams across Bedfordshire to support crime reduction and community safety activities in their local areas. Such activities are aligned to the PCC's strategic priorities and key aims, as set out in his Police and Crime Plan, and are funded from the PCC's Community Safety Fund. Through working in partnership, these activities help the PCC to deliver his strategic objectives and support partners in achieving their local priorities.

The PCC is Chair of the Bedfordshire Local Criminal Justice Board which meets quarterly to consider and discuss the performance of the local criminal justice system and any issues or initiatives being addressed individually and collectively by the criminal justice agencies. The Bedfordshire Deputy Chief Constable and Assistant Chief Constable represent the Force on the Board.

The Force has appropriate mechanisms for engaging with a variety of external organisational stakeholders. The Chief Constable attends regular meetings with the chief executives of all statutory partners sharing strategic information sharing and briefings for all key partners, including local authorities, blue light services, and health providers. In addition, senior police officers engage with the local authority commensurate to their geographic area, including their Community Safety Partnership.

Both the PCC and Chief Constable are members of the Strategic Alliances for the three force Collaboration of Bedfordshire, Cambridgeshire, and Hertfordshire as well as the seven force Eastern Region Alliance.

The OPCC and Chief Constable communication and engagement strategies explain how local people can interact with the PCC and the Chief Constable to ensure that their views inform decision making, accountability and future direction.

In so doing, the PCC is helping to ensure that local policing services address the priorities of local communities and that the Force is being held to account for the way services are delivered to the public and at what cost. Furthermore, the decisions and actions of the PCC are subject to regular review and scrutiny by the Police and Crime Panel.

The Chief Constable has a statutory duty to make arrangements for obtaining the views of persons within each neighbourhood about crime and disorder in that neighbourhood. Force engagement with the public takes place on many levels, from daily street contact and phone calls through to attendance at public meetings and formal surveys in relation to service priorities, levels and quality. Community Forums have been established across the force area and are active partnerships between the public, statutory and voluntary agency partners, and local policing teams. In addition, the Force has active social media outlets including Facebook and X. The Beds Alert system also enables electronic public engagement.

C. Defining outcomes in terms of sustainable service and economic benefits

The PCC's Police and Crime Plan sets out his strategic policing and crime reduction priorities and key aims, and how these will be delivered.

The Chief Constable's most recent Annual Delivery Plan, published in April 2025, outlines the organisation's organisational themes and operational objectives, taking account of the PCC's Police and Crime Plan, the Government's national Beating Crime Plan and Strategic Policing Requirement, outcomes from HMICFRS inspections and other local and national factors. Progress against the Annual Delivery Plan is assessed through focussed evaluation measures, and reviewed via the Force Executive Board and Learning, Demand and Futures Board.

The Chief Constable has updated the Force Vision with a continuing focus on culture, system productivity, people, performance edge and innovation.

The organisation is committed to the identification and consideration of collaboration opportunities with regards systems, processes, and resourcing to sustain service delivery and increase the capacity and resilience of the organisation without diminishing capability and access to specialist services. Major partnerships and consortia involving the Force and the PCC are governed by formal collaboration agreements under Section 22A of the Police Act 1996, or by Memoranda of Understanding, as appropriate. Joint collaboration oversight boards provide strategic oversight and an approval process for intended service outcomes to be delivered for collaboration activity. These collaboration boards comprise Chief Officers and the PCC from each Force area participating in the collaboration. There are also partnership arrangements in place with other agencies and stakeholders to manage vulnerability caused by the changing crime landscape, including MASHs.

The Medium-Term Financial Plan (MTFP) and Capital Programme ensure that planned activities to support the objectives of the PCC and Chief Constable are financially sustainable in the longer term. The MTFP, through the embedded Priority Based Budgeting (PBB) process identifies where savings and efficiencies can be achieved, and hence more resources directed to priority areas. Service delivery is reviewed within the Chief Constable's Force's Executive Board, which has been changed to include governance of all areas associated with: Change and Continuous Improvement Board, Performance Board and Learning, Demand and Futures Board.

Risk and business continuity matters are managed through a governance framework at a local and strategic level, to manage and mitigate threats to service delivery.

The Force and PCC have duties to consider the impact on equality of proposed changes to policies, procedures, and practices. Equality Impact Assessments are routinely undertaken by Bedfordshire Police for policies and change programmes to assess impact internally and externally for staff, stakeholders, and the public.

D. Determining the actions necessary to achieve the intended outcomes

The Force planning cycle has four phases, scan, plan do & review and incorporates strategic assessments of demand, assets and intelligence, the Annual Delivery Plan, the annual Force Management Statement, financial plans, and workforce plans. Priority activities, measures and intended outcomes are proposed and approved through the Chief Constable's Management Team (Force Executive), with regular updates provided to the PCC's Performance & Governance Board.

The Chief Constable maintains MTFPs, which form the basis of the annual budgets and provide a framework for the evaluation of future proposals. These are accompanied by mid-term workforce plans, managed by the People Portfolio.

Decision-making at all levels of the Force is undertaken within the framework of the National Decision Model, which has the Code of Ethics at its core. The National Decision Model was introduced to ensure a greater focus on delivering the mission of policing, acting in accordance with values, enhancing the use of discretion, reducing risk aversion, and supporting the appropriate allocation of limited policing resources as the demand for them increases. Both are now fully embedded in the Force, to ensure officers have the tools to act lawfully in their decision making and to enable them to use their full powers for the benefit of citizens, communities, and other stakeholders.

With regards to change programmes, Force change proposals are governed through the Change and Continuous Improvement Board, which co-ordinates and prioritises proposals, assessing them against the organisation's strategic objectives, capacity, and financial capability. These are overseen by the Force Executive Board. Each proposal is captured through an application, then if appropriate a business case. Projects and programmes requiring the support of a collaborated unit to deliver, are governed through a joint Programme Management Office (PMO) with representation from all Forces.

The PCC and Chief Constable's joint system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. These financial controls are subject to review as part of the annual audit programme.

The Chief Constable produces a MTFP and a Capital Programme which are reviewed throughout the financial year alongside the OPCC's reserves to provide an effective framework for decision making. The MTFP and Capital Programme are closely aligned to the PCC's Police and Crime Plan and the Force Annual Delivery Plan. The PCC approves the MTFP and the Capital Programme as well as the annual budgets.

The Police and Crime Panel must review the PCC's proposed council tax precept and make recommendations to the PCC before he formally sets the annual budget in February of each year. Formal budget monitoring is undertaken regularly throughout the year. It is presented to the PCC's Performance & Governance Board as well as being reviewed regularly at the Force Executive Board.

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

The PCC and Chief Constable ensure that their statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the organisation. Specialist advice, in areas such as taxation, legal and treasury management, is sourced externally, as this is more practical and cost-effective. The PCC and Chief Constable use the annual staff appraisal process to focus individual employee contributions towards corporate objectives and measures, and to facilitate continuous professional development.

Chief Officers have clearly defined leadership roles and are responsible for implementing strategy and managing the delivery of services within their respective portfolios.

Officers and staff manage their performance and continuous development through the Performance Development Review framework. An annual assessment of competencies and objectives linked to Annual Delivery Plan outcomes is supported by regular conversations throughout the year and a requirement for officers and staff to undertake Continuous Professional Development, as applicable. The framework also allows for the management of unsatisfactory performance or attendance where

it is identified. The Force has a stated Health and Wellbeing Strategy, along with a workforce plan focussed on recruitment, retention, and resilience.

The Force continues to build on its success towards building a workforce that is more representative of the communities it serves and has further invested resources into its attraction and engagement to sustain the developments in this area.

Chief Officers have promoted a learning environment climate focussed on continuous service improvement, recognising the importance of independent and peer review when needed. Integral to this is the identification of lessons learned, recommendations and identified areas for improvement through end of project / programme closure reports undertaken before transitioning to business as usual, results analysis, individual management reviews, serious case reviews and HMICFRS audit / inspection processes.

The PCC restructured the staffing within the OPCC to ensure it has the necessary capability and capacity to support delivery of his Police and Crime Plan and his statutory functions, such as commissioning services for victims and witnesses.

The PCC reviews the workload and performance of his office via the internal OPCC Strategic Delivery Plan, which allows him to identify workload priorities and staffing capacity needs in accordance with the delivery of his strategic priorities.

The PCC is a member of the national Association of Police and Crime Commissioners (APCC). The Chief Constable and his fellow chief officers are members of the National Police Chiefs' Council (NPCC).

F. Managing risks and performance through robust internal control and strong public financial management

The Chief Constable, officers and staff all recognise that risk management is an integral part of their daily function, in operational, corporate and change environments. The management of risk is governed through the Force Executive Board. The Board is responsible for ensuring strong oversight of strategic risk management and business continuity processes including taking ownership of strategic risk issues; delegating actions to appropriate managers; and accepting strategic risk report updates and recommendations flowing from the Force Executive Board.

The PCC and Chief Constable monitor service delivery effectively via their respective performance regimes.

The PCC has a duty to hold the Chief Constable to account for the performance of the Force generally. The PCC has therefore implemented an effective scrutiny and oversight function. He holds a monthly Performance & Governance Board at which the Chief Constable, and his management team, are required to demonstrate that the Force is performing against the strategic priorities and key aims in the PCC's Police and Crime Plan, the Home Secretary's Strategic Policing Requirement, and the Force's own Plan. Similarly, the PCC holds weekly accountability meetings with the Chief Constable to review and discuss more regularly the general performance of the Force against topical national, regional, and local issues.

The Force maintains an internal process to track implementation of actions from HMICFRS inspections, which is monitored through the Learning, Demand and Futures Board (chaired by the Director of Strategic Services) and the PEEL Task & Finish Group (chaired by the Deputy Chief Constable) with updates by exception to the Force Executive Board.

The Assistant Chief Constable chairs monthly Performance Boards, which report into the Force Executive Board, at which the Chief Constable reviews performance of the Force against plans. Gold Groups are set up to manage specific areas of vulnerability or performance as necessary, for example in response to a critical incident.

A Joint Audit Committee (JAC) operates in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) guidance and the Home Office Financial Management Code of Practice. The JAC's main role is to provide assurance to the PCC and Chief Constable that the corporate internal control and governance framework, including risk management, is operating effectively. It does this by providing an annual report to the PCC and Chief Constable. The JAC meets in public, with reports and minutes placed on the PCC's website.

Effective counter-fraud and anti-corruption arrangements are in place and are monitored, in the main, by the Professional Standards Department. The Anti-Fraud, Bribery and Corruption Policy is updated regularly and is considered and endorsed by the JAC before formal publication.

The Internal Audit Team provides assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control.

The Force manages its information in accordance with the Data Protection Act 2018 and the General Data Protection Regulation, the Freedom of Information Act 2000 and the Code of Practice on the Management of Police Information and is overseen by the Information Management Governance Board chaired by the Deputy Chief Constable. The BCH Information Management Department (IMD) leads on information compliance for Bedfordshire Police, Cambridgeshire Constabulary and Hertfordshire Constabulary and ensures that appropriate policies and procedures are in place. The IMD is also responsible for providing guidance on lawful sharing of information with partners and completion of Data Protection Impact Assessments and maintains a library of Information Sharing Agreements. Information Asset Owners have been appointed to manage the risks to specific information types, supported by a network of data guardians. NCALT training packages on the Code of Practice on the Management of Police Information and the Government Security Classification policy are mandatory for all officers, staff and volunteers who have access to information and completion rates are monitored by the Information Governance Board.

The PCC and Chief Constable's joint system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability.

The Chief Constable produces a MTFP and a Capital Programme which are regularly reviewed during each financial year and form the basis of the annual budgets, to provide an effective framework for decision making. Formal budget monitoring is undertaken regularly throughout the year, reviewed by the Force Executive, and presented to the PCC's Performance & Governance Board.

The Chief Internal Auditor reports jointly to the PCC's Chief Finance Officer and the Chief Constable's Assistant Chief Officer (the current postholder, who is also the CFO for the Chief Constable was confirmed in post by the Police and Crime Panel in February 2023. Prior to this the CFO from Bedfordshire Fire and Rescue Service held the post). The Chief Internal Auditor provides a regular update to the JAC and provides an independent opinion on the adequacy and effectiveness of the risk management, control and governance processes.

The financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer of the PCC and the Chief Financial Officer of the Chief Constable.

G. Implementing good practices in transparency, reporting and audit to deliver effective accountability

The PCC and the Chief Constable attempt to strike a balance between providing the right amount of information to satisfy transparency demands and enhance effective public scrutiny whilst not being too onerous to provide and for users to easily access and understand.

The PCC's decisions and actions are scrutinised by the Police and Crime Panel, which includes reviews of significant documentation produced by the OPCC for the benefit of the public. Decisions of significant public interest made by the PCC are published in accordance with a template that ensures they are easy to access and interrogate. Similarly, public reports are compiled in accordance with best practice and scrutinised by the JAC.

The PCC complies with the Elected Local Policing Bodies (Specified Information) Order 2011 and publishes required information on the OPCC website.

The PCC reports at least annually on performance, value for money, and the stewardship of resources to stakeholders in a timely and understandable way.

The PCC and Chief Constable maintain a process to assess the extent to which the organisation is applying the principles contained in the Joint Corporate Governance Framework and publish the results of that assessment in the Annual Governance Statement, including an action plan for improvement and evidence to demonstrate good governance in action.

The PCC and Chief Constable ensure that the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar entities.

The PCC and Chief Constable ensure that all accepted recommendations for corrective action made by external audit are acted upon.

The Internal Audit function has direct access to the PCC, Chief Constable and the JAC, and provides assurance about the organisation's governance arrangements. The JAC monitors progress with regards to timely implementation of agreed internal audit report actions.

Both the PCC and Force are subject to external independent scrutiny and review, through the external audit of their financial statements, systems, and management arrangements, and through the inspection of policing performance by HMICFRS. The resultant audit and inspection reports are published on the PCC's website.

HMICFRS is charged with independently assessing the effectiveness, efficiency and legitimacy of police forces and fire and rescue services, in the public interest. The PCC is required to publish a response to formal reports issued by HMICFRS. The Force engages fully with the cycle of Police Effectiveness, Efficiency and Legitimacy (PEEL) inspections, Joint Targeted Area Inspections and Thematic Inspections as required.

The PCC and Chief Constable make best use of peer challenge, reviews and inspections from regulatory bodies and professional partners (e.g. College of Policing) and implement agreed recommendations.

When working in partnership, the PCC and Chief Constable ensure that the arrangements for accountability are clear and that the need for wider public accountability has been recognised.

ARRANGEMENTS FOR REVIEW OF EFFECTIVENESS

The PCC and Chief Constable are responsible for reviewing the adequacy and effectiveness of the governance framework on at least an annual basis. This includes:

a) The Police and Crime Commissioner

The PCC has the following key statutory duties and powers to:

- produce and publish a Police and Crime Plan that sets out the PCC's policing and crime objectives;
- set the annual policing budget and council tax precept;
- secure the maintenance of an efficient and effective police force;
- hold the Chief Constable to account for the exercise of their functions and of those personnel under their direction and control;
- have regard to the relevant priorities of, and act in co-operation with, responsible authorities in exercising their crime and disorder reduction responsibilities, including the making of related grants to any person;
- make arrangements with criminal justice bodies to provide an efficient and effective criminal justice system for the Force area;
- commission victims' services;
- power to take on the responsibility for the governance of fire and rescue services within the Force area; and
- produce and publish an annual report.

The following key governance activities took place during 2024/25 and demonstrate how the PCC has discharged these powers and duties during that year:

- The PCC allocated Community Safety Funds to help improve community safety and crime prevention across Bedfordshire. These were reported to the Police and Crime Panel.
- The previous PCC published the 2023/24 Annual Report in July 2024, giving an outline of progress made against the previous PCC's strategic objectives from the Police and Crime Plan. The 2024/25 Annual Report will be reported to the Police and Crime Panel on 8th July 2025.
- During the autumn of 2024 the PCC worked closely with the Chief Constable to update the MTFP (2025/26 to 2028/29). The PCC presented the budget and council tax proposals for 2025/26 to the Police and Crime Panel on 4th February 2025. The Panel voted to accept the £14 increase in Band D council tax.
- The PCC is actively engaged in the oversight and scrutiny of key collaboration activities (e.g. BCH and seven Force Alliances, Chiltern Transport Consortium, and the National Police Air Service).
- Monthly Performance & Governance Board, supplemented by regular private and informal liaison meetings between the PCC and Chief Constable, to enable the PCC to hold the Chief Constable to account.

b) The Force

The Force Executive Board meets monthly to govern and monitor Force strategy, policies, performance, and progress against the annual delivery plan. The Joint Chief Officers Board (for the BCH Alliance) meets monthly to provide similar governance for areas of collaboration.

Key discussions during the year include review of the MTFP, Capital Programme and the PCC reserves as part of the annual budget cycle. The financial plans were considered several times, and the associated decisions facilitated the formal approval of the Revenue Budget and Capital Programme 2025/26 by the PCC in early 2025. As part of the annual budget process the Priority Based Budgeting outcomes were also considered.

The PCC, Chief Constable and Deputy Chief Constable attend regular seven force collaboration boards for oversight of regional collaboration such as PEQF and the Emergency Services Network, as well as the operational elements of ERSOU.

The Force's Strategic Services and Improvement Department continues to draw together corporate and strategic elements of the organisation. The over-arching function is to provide a central point of co-ordination, governance, strategy, policy, and guidance development, change delivery, and the provision of internal evaluation of delivery including the identification of opportunities for continuous improvement.

c) The Joint Independent Audit Committee

Quarterly meetings of the JAC consider external audit and internal audit plans; updates of the Force and OPCC strategic risk registers; and written briefings on other assurance issues from the OPCC and Force. JAC members can attend Force working groups as observers to gain a greater understanding of current governance, operational and risk activities and to assist their judgment of the adequacy of the overall Joint Corporate Governance Framework. In addition, the JAC Members have at least one development day per annum to allow them to be provided with more detail on various aspects of the Force and OPCC.

d) Internal audit

The annual report of the Chief Internal Auditor for 2024/25 contained the following assurance statement on the overall adequacy and effectiveness of the internal control environment for both the PCC and Chief Constable:

The organisation has an adequate and effective framework for risk management, governance and internal control.

However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

e) External audit

On 24th March 2023 BDO, the external auditor, issued an unqualified audit opinion in respect of the 2020/21 statement of accounts to both the PCC and the Chief Constable since then there have been delays to the audits meaning delays to publication of the final accounts. This was due to the national backlog.

The Government took measures to “reset” the system through a backstop date of 30 September 2024, where local authorities were required to publish accounts for all outstanding years up to and including 2022/23 with disclaimed audit opinions being issued if the audits could not be finalised in time. This meant that accounts for 21/22

and 22/23 were given disclaimed opinions in order to meet this backstop date. New auditors for 23/24 were KPMG who were not then able to issue an opinion, despite the audit for 23/24 being undertaken, due to the opening balances being disclaimed by previous auditors.

The 2024/25 unaudited financial statements will be signed by the CFO for both the PCC and Chief Constable on 27 June 2025 and published on that same day in order to meet the draft publication deadline for 2024/24 of 30th June 2025.

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

In 2018/19, HMICFRS adopted an integrated approach to the PEEL inspection programme, combining the effectiveness, efficiency, and legitimacy strands into a single inspection. From 2021 forces receive one of five graded judgements in their inspected service areas: outstanding; good; adequate; requires improvement; inadequate. The report from the most recent (autumn 2024) PEEL inspection of Bedfordshire, published in January 2025, gave graded judgements in nine aspects:

- **Good** in Recording data about crime.
- **Adequate** in Police powers and public treatment.
- **Adequate** in Preventing crime.
- **Adequate** in Responding to the public.
- **Adequate** in Protecting vulnerable people.
- **Adequate** in Managing offenders.
- **Adequate** in Developing a positive workplace.
- **Adequate** in Leadership and force management.
- **Requires improvement** in Investigating crime.

These judgements place Bedfordshire Police around the average of all police forces in England and Wales to have had their 2023/25 PEEL inspection report published by May 2025.

Disrupting serious and organised crime was subject to a separate PEEL report assessing the eastern regional response to serious and organised crime (covering seven eastern Region force including Bedfordshire and published May 2023) and received a grading of 'good'.

Preparations are underway for the next PEEL inspection of Bedfordshire, with the main on-site inspection fieldwork scheduled for May and June 2026.

Areas for improvement from inspection activities are managed through a dedicated tracker, governed by the Force's Learning, Demand and Futures Board, chaired by the Director of Strategic Services.

A monthly task and finish group chaired by the Deputy Chief Constable and attended by all the key business area leads provides oversight and guidance to the next phase of the PEEL assessment programme (2025/27).

The full list of HMICFRS publications is shown on the HMICFRS website.

The Force submitted its 2025 Force Management Statement to HMICFRS in April 2025. This comprised; a strategic assessment of current and future demands; a strategic assessment of workforce and non-workforce assets; and force and collaboration plans to manage and mitigate future demand. The Force continues to

be heavily engaged in national co-ordination of the Force Management Statement process.

g) Risk management and business continuity

The strategic risk registers for the PCC and Chief Constable are updated quarterly and reviewed by the Joint Audit Committee. The PCC risk register is reviewed at its Senior Leadership Team meeting. The Force risk register is reviewed by the Learning, Demand & Futures Board and the Force Executive Board.

h) Health and Safety and Environmental Management

Bedfordshire Police have a Health & Safety Board that meet on a quarterly basis. The purpose of the Board is to initiate, promote, maintain, and review measures of health and safety of all those that work for, or engage with, Bedfordshire Police. The Bedfordshire Health & Safety Board feeds into the BCH Health & Safety Board.

The Bedfordshire Deputy Chief Constable chairs a BCH Health and Safety Board to ensure that appropriate measures are in place and all officers and staff have been required to complete mandatory training on specific areas of Health and Safety. The Force has allocated co-ordination of Health and Safety issues for Bedfordshire to the Director of the Strategic Services Improvement Department. The Bedfordshire Strategic Risk Register contains a specific Health and Safety strategy risk to ensure ongoing monitoring or strategic Health and Safety issues.

i) Ethics and Integrity

A protocol between the PCC and Chief Constable provides the PCC with overview and scrutiny of complaints handling by the Force.

All complaints against the Chief Constable are reported to the PCC's Performance & Governance Board and any complaints against the PCC are reported to the Police and Crime Panel.

The Chief Constable continues to promote the fundamental importance of Bedfordshire Police officers and staff employing the highest professional standards, principles which are embodied and enforced through the Code of Ethics. All new Officers and staff receive training on the Code of Ethics as part of their induction.

j) Bedfordshire Police and Crime Panel

The independent Police and Crime Panel met six times in 2024/25. Key activities undertaken by the Panel during the year included reviewing and scrutinising the outgoing PCC's Annual Report for the 2023/24 year presented on 4th June 2024; consider the new Commissioner's proposals in relation to his Police and Crime Plan (September 2024) and scrutiny and consideration of the PCC's 2025/26 budget and council tax precept proposals (February 2025). Over and above these specific activities, the Panel continued to receive and consider regular reports on the delivery of the Police and Crime Plan strategic priorities and key aims, including the contribution made by other partner agencies, and on matters of topical interest to the Panel.

k) Collaboration and partnership working

The Strategic Alliance Summit oversees and scrutinises the work of the existing collaborative functions (i.e. Joint Protective Services, Organisational Support and

Operational Support) as well as an overview of the national developments and their impact on Bedfordshire, Cambridgeshire & Hertfordshire.

With Bedfordshire having host force status for Joint Protective Services the PCC's Chief Executive attend the JPS Governance Boards (chaired by the Bedfordshire DCC) on his behalf.

The Eastern Region Special Operations Unit (ERSOU), hosted by Bedfordshire, brings together the current regional organised crime units under one structure. It is operationally aligned with the eastern Region Counter Terrorism Investigation Unit (CTIU). A joint ACC, who reports directly to the Deputy Chief Constable of Bedfordshire, exercises overall command of the regional crime and counter terrorism functions. The joint ACC also represents serious organised crime at the Eastern Region Governance Board and nationally with the National Crime Agency and other key stakeholders

Arrangements for the Review of Effectiveness - Conclusion

Throughout 2024/25, the PCC, Force, Joint Independent Audit Committee, internal and external auditors, and HMICFRS all contributed to a comprehensive system of assurance that highlights both areas of good practice and opportunities for further improvement. Implementation of improvements will be monitored and reported in the next annual review, this underpins continuous organisational learning as the organisation prepares for future challenges and inspections.

This sustained focus on scrutiny supports our commitment to the CIPFA principles by promoting ethical leadership, informed decision-making, strong internal control, and demonstrable accountability to the public we serve.

SIGNIFICANT GOVERNANCE ISSUES

It should be noted that significant operational issues continuing to face the organisation are not necessarily a result of weaknesses within the internal control and governance framework.

- The PCC continues to receive Special Grants for Operations Boson and Costello. However, these are time limited grants and whilst continuation funding has been agreed for 2025/26 and is expected in 2026/27. Bedfordshire Police continues to be, inappropriately funded to tackle the disproportionate demands it faces in relation to gun, gang and knife crime and organised crime groups. These grants are likely to reduce over the forthcoming years placing additional funding pressures on the Force.
- The organisation incurred a budget overspend of £3.143M during 2024/25 which has had a significant impact on reserve levels. The over spend in relation to one-off costs associated with operational issues during the year such as changes to legislation in relation to dangerous dogs, the national increase in operational demand in relation to the summer demand and one-off large scale incidents such as Cleat Hill and the tragic triple murder, will mean there is a need to ensure that reserves are replenished within the Medium Term.
- Out of the 8 Bedfordshire only internal audit reports issued during the year all 8 received positive opinions and the follow up of agreed actions was reported with reasonable progress. Of the 5 collaborated audits that took place, 2 received negative assurance opinions. Innovation Framework had a minimal assurance opinion provided and BCH Planning Process had a partial assurance provided.

Despite the improved funding position for Bedfordshire, through time-limited Special Grants, there remains a need, based upon the fact that the complexity and level of demand in Bedfordshire is not commensurate with the way in which policing is funded, for both the PCC and Chief Constable to continue with their focus on continuing to express the need for a new funding formula that takes this into account. In the meantime there is also a need to ensure that time-limited specific funding is put on a long-term footing until a revised national funding formula is in place.



John Tizard
PCC for Bedfordshire
26 February 2026

Philip Wells
Chief Finance Officer
26 February 2026

Comprehensive Income and Expenditure Statement

The Police and Crime Commissioner for Bedfordshire Group

2023/24				2024/25			
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure	Notes
£'000	£'000	£'000		£'000	£'000	£'000	
88,381	-572	87,809	Policing	100,131	-315	99,816	
63,723	-29,562	34,161	Collaborated Units	69,217	-31,700	37,517	
42,374	-29,934	12,440	Corporate / Support Services	37,724	-29,755	7,969	
4,876	-2,747	2,129	Office of the Police & Crime Commissioner	5,253	-2,391	2,862	
199,354	-62,815	136,539	Cost of Services	212,325	-64,161	148,164	
		-10,506	Other Operating Income & Expenditure			-8,541	10
		43,607	Financing & Investment Income & Expenditure			44,663	11
		-142,859	Taxation & Non-Specific Grant Income			-154,469	12
		26,782	(Surplus) or Deficit on Provision of Services			29,817	
		-269	(Surplus) or deficit on revaluation of non-current assets			-105	
		-21,263	Re-measurements of the net defined benefit liability			-111,523	
		-21,532	Other Comprehensive Income & Expenditure			-111,628	
		5,250	Total Comprehensive Income & Expenditure			-81,811	

The Police and Crime Commissioner for Bedfordshire

2023/24				2024/25			Notes
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure	
£'000	£'000	£'000		£'000	£'000	£'000	
0	-230	-230	Policing	0	-116	-116	
0	-26,288	-26,288	Collaborated Units	0	-28,016	-28,016	
5,200	-19,016	-13,816	Corporate & Support Services	6,710	-20,504	-13,794	
4,876	-2,747	2,129	Office of the Police & Crime Commissioner	5,253	-2,391	2,862	
10,076	-48,281	-38,205	Cost of Services	11,963	-51,027	-39,064	
		-10,506	Other Operating Income & Expenditure			-8,541	10
		169	Financing & Investment Income & Expenditure			340	11
		-142,859	Taxation & Non-Specific Grant Income			-154,469	12
		193,784	PCC Funding for Financial Resources Consumed			209,214	5
		2,383	(Surplus) or Deficit on Provision of Services			7,480	
		-269	(Surplus) or Deficit on revaluation of non-current assets			-105	
		-199	Re-measurements of the net defined benefit liability			158	
		-468	Other Comprehensive Income & Expenditure			53	
		1,915	Total Comprehensive Income & Expenditure			7,533	

Movement in Reserves Statement for the Year Ended 31 March 2025 - Group

The Group	General Fund Balance	Capital Receipts Reserve	Capital Grant Unapplied	Total Usable Reserves	Unusable Reserves	Total PCC Group Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 st April 2024	-11,100	0	-164	-11,264	924,884	913,620
<u>Movement In Reserves during 2024/25</u>						
Total Comprehensive Income & Expenditure	29,817	0	0	29,817	-111,628	-81,811
Adjustments between accounting basis & funding basis under regulations	-25,516	0	0	-25,516	25,516	0
Net (Increase)/Decrease	4,301	0	0	4,301	-86,112	-81,811
Balance as at 31 st March 2025	-6,799	0	-164	-6,963	838,772	831,809

Movement in Reserves Statement for the Year Ended 31 March 2025 – Commissioner

The Commissioner	General Fund Balance	Capital Receipts Reserve	Capital Grant Unapplied	Total Usable Reserves	Unusable Reserves	Total PCC Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 st April 2024	-11,097	0	-164	-11,266	-32,961	-44,224
<u>Movement In Reserves during 2024/25</u>						
Total Comprehensive Income & Expenditure	7,480	0	0	7,480	53	7,533
Adjustments between accounting basis & funding basis under regulations	-3,182	0	0	-3,182	3,182	0
Net (Increase)/Decrease	4,298	0	0	4,298	3,235	7,533
Balance as at 31 st March 2025	-6,799	0	-164	-6,968	-29,727	-36,691

Movement in Reserves Statement for the Year Ended 31 March 2024 – Group

The Group - Restated	General Fund Balance	Capital Receipts Reserve	Capital Grant Unapplied	Total Usable Reserves	Unusable Reserves	Total PCC Group Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 st April 2023	-11,459	0	-1,293	-12,752	921,122	908,370
<u>Movement In Reserves during 2023/24</u>						
Total Comprehensive Income & Expenditure	26,782	0	0	26,782	-21,532	5,250
Adjustments between accounting basis & funding basis under regulations	-26,423	0	1,129	-25,294	25,294	0
Net (Increase)/Decrease	359	0	1,129	1,488	3,762	5,250
Balance as at 31 st March 2024	-11,100	0	-164	-11,264	924,884	913,620

Movement in Reserves Statement for the Year Ended 31 March 2024 – Commissioner

The Commissioner - Restated	General Fund Balance	Capital Receipts Reserve	Capital Grant Unapplied	Total Usable Reserves	Unusable Reserves	Total PCC Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 st April 2023	-11,456	0	-1,293	-12,754	-33,387	-46,139
<u>Movement In Reserves during 2023/24</u>						
Total Comprehensive Income & Expenditure	2,383	0	0	2,383	-468	1,915
Adjustments between accounting basis & funding basis under regulations	-2,024	0	1,129	-895	895	0
Net (Increase)/Decrease	359	0	1,129	1,488	427	1,915
Balance as at 31 st March 2024	-11,097	0	-164	-11,266	-32,961	-44,224

Balance Sheet

The PCC for Bedfordshire and Group

The Commissioner	The Group		The Commissioner	The Group	
As at 31st March 2024	As at 31st March 2024		As at 31st March 2025	As at 31st March 2025	
£'000	£'000		£'000	£'000	Notes
		Property Plant & Equipment			
62,012	62,012	- Land and Buildings	61,571	61,571	13
5,760	5,760	- Vehicles	5,721	5,721	13
7,280	7,280	- Furniture & Equipment	6,200	6,200	13
462	462	Intangible Assets	1,776	1,776	14
305	305	Investment Property	300	300	13
0	0	Right of Use Assets	4,810	4,810	36
75,819	75,819	Total Long Term Assets	80,378	80,378	
5,000	5,000	Short Term Investments	4,000	4,000	15
1,260	1,260	Assets Held for Sale	1,260	1,260	13
0	64	Inventories	0	61	
26,496	38,331	Short Term Debtors	25,873	34,562	17
4,496	4,496	Cash & Cash Equivalents	5,500	5,500	18
37,252	49,151	Current Assets	36,633	45,383	
-12,176	-49,236	Short Term Creditors	-15,418	-46,369	22
0	0	Short Term Borrowing	-8,364	-8,364	15
-17,113	-	Intra-group Creditor*	-12,753	-	5
-29,289	-49,236	Current Liabilities	-36,535	-54,733	
-	-700	Provisions	-	-899	
-39,559	-39,559	Long Term Borrowing	-39,375	-39,375	15
0	0	Long Term Creditors	-4,411	-4,411	22
-	-949,096	Liability relating to Defined Benefit Pension Schemes	-	-858,152	37
-39,559	-989,355	Long Term Liabilities	-43,786	-902,837	
44,223	-913,620	Net Assets	36,690	-831,809	
-11,264	-11,264	Usable Reserves	-6,963	-6,963	9
-32,960	924,884	Unusable Reserves	-29,728	838,772	23
-44,224	913,620	Total Reserves	-36,691	831,809	

*The Intra-group creditor is shown to reflect the amount due to the Chief Constable in order to support the overall liabilities which have been incurred under the Chief Constable's day to day control. As this is balanced by an Intra-group debtor on the Chief Constable's balance sheet there is no effect on the group.



Philip Wells
Chief Finance Officer
26 February 2026

Cash Flow Statement

As at 31 st March 2024			As at 31 st March 2025		
The Commissioner	The Group		The Commissioner	The Group	
£'000	£'000		£'000	£'000	Notes
-2,383	-26,782	Net surplus or (deficit) on the provision of services	-7,480	-29,817	24
9,067	33,466	Adjust net surplus or deficit on the provision of services for noncash movements	6,403	28,740	24
-2,002	-2,002	Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	-705	-705	24
4,682	4,682	Net cash flows from Operating Activities	-1,782	-1,782	
-9,379	-9,379	Investing Activities	-4,694	-4,694	25
2,539	2,539	Financing Activities	7,480	7,480	26
-2,158	-2,158	Net increase or (decrease) in cash and cash equivalents	1,004	1,004	
6,654	6,654	Cash and cash equivalents at the beginning of the reporting period	4,496	4,496	18
4,496	4,496	Cash and cash equivalents at the end of the reporting period	5,500	5,500	18

Notes to the Accounts

Note 1 Expenditure & Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with the generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the forces departments. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income & Expenditure Statement.

The Police and Crime Commissioner for Bedfordshire Group

2023/24				2024/25			
Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income & Expenditure Statement		Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income & Expenditure Statement	Notes
£'000	£'000	£'000		£'000	£'000	£'000	
87,809	0	87,809	Policing	99,816	0	99,816	
34,260	-98	34,162	Collaborated Units	37,572	-55	37,517	
14,834	-2,395	12,439	Corporate & Support Services	3,184	4,785	7,969	
2,156	-27	2,129	Office of the Police & Crime Commissioner	2,708	154	2,862	
139,059	-2,520	136,539	Cost of Services	143,280	4,884	148,164	
-138,700	28,943	-109,757	Other Income & Expenditure	-138,980	20,633	-118,347	
359	26,423	26,782	(Surplus) or Deficit	4,300	25,517	29,817	
11,459			Opening General Fund Balance	11,100			
-359			Less/ Plus Surplus or (Deficit) on General Fund Balance in Year.	-4,300			
11,100			Closing General Fund Balance as at 31 March	6,799			

The Police and Crime Commissioner for Bedfordshire – Expenditure & Funding Analysis

2023/24			2024/25				
The Police & Crime Commissioner			The Police & Crime Commissioner				
Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income & Expenditure Statement		Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income & Expenditure Statement	Notes
£'000	£'000	£'000		£'000	£'000	£'000	
-230	0	-230	Policing	-116	0	-116	
-26,288	0	-26,288	Collaborated Units	-28,016	0	-28,016	
-20,988	7,172	-13,816	Corporate & Support Services	-24,246	10,452	-13,794	
2,156	-27	2,129	Office of the Police & Crime Commissioner	2,708	154	2,862	
-45,350	7,145	-38,205	Cost of Services	-49,670	10,606	-39,064	
45,709	-5,121	40,588	Other Income & Expenditure	53,970	-7,426	46,544	
358	2,024	2,383	(Surplus) or Deficit on Provision of Services	4,300	3,180	7,480	
11,458			Opening General Fund Balance	11,100			
-358			Less/ Plus Surplus or (Deficit) on General Fund Balance in Year.	-4,300			
11,100			Closing General Fund Balance as at 31 March	6,799			

Notes to the Accounts Continued

Note 2 Accounting Policies

A. General

The Statement of Accounts summarises the transactions for the 2024/25 financial year and the position of the Group as at 31 March 2025. It has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, supported by International Financial Reporting Standards (IFRS) which is recognised by statute as representing proper accounting practice. The Income and Expenditure Statement is presented as per the Service Reporting Code of Practice published annually by CIPFA.

The accounting convention adopted is historical cost, modified by the revaluation of certain categories of non-current assets.

The Chief Constable's Accounting Policies are disclosed separately in their Statement of Accounts.

The accounts are prepared on a going concern basis; that is, on the assumption that the functions of the PCC/CC will continue in operational existence for the foreseeable future from the date that the accounts are authorised for issue. In carrying out a Going Concern assessment the PCC has taken into account its statutory duty to allocate assets and funds to the Chief Constable. The PCC/CC has considered known and expected government funding and determined that it has sufficient liquidity from its ability to access short term investments and sufficient general fund balances and reserves to continue to deliver services. As a result, the PCC/CC are satisfied that they can prepare their accounts on a going concern basis. The PCC/CC's detailed assessment has considered the following:

- We have a history of strong and effective financial management;
- We have carried out a self-assessment against the new CIPFA Financial Management Code;
- We have an efficient and effective internal audit service that reports jointly to the PCC CFO and the Force Assistant Chief Officer. Quarterly update reports are presented to the Joint Internal Audit Committee. The annual report of the Chief Internal Auditors for 2024/25 reported that the organisation has an adequate and effective framework for risk management, governance and internal control.
- We produce and publish a detailed annual financial strategy, capital strategy, reserves strategy and a treasury management strategy statement;
- We produce a 4 year medium term financial plan as well as a 4 year capital plan;
- We have an embedded Priority Based Budgeting model that allows service to move with the funding envelope;
- The medium term financial plan has been revised given the increasing likelihood of a budget overspend in 2025/26, plans for reserves have been stress tested for a number of scenarios and the organisation plans to include significant contributions to reserves over the period of 2026/27 to 2027/28.
- We are maintaining our general reserve to 2% of the net revenue expenditure and we have maintained a budget reserve to assist with smoothing funding deficits over the medium term;
- The CFO publishes a Section 25 report (Local Government Act 2003) analysis within the annual budget report highlighting all key issues and concerns;
- The Annual Governance Statement for 2024/25 has not identified any significant areas weakness in governance or internal control that require immediate attention during 2024/25

Based on all of the above, the PCC does not consider that there is a material uncertainty in respect of its ability to continue as a going concern for the period to 28 February 2027.

B. Cost Recognition and Intra-Group Adjustment

All contracts are held in the name of the PCC for Bedfordshire and the PCC pays for all expenditure including salaries of police officers, PCSOs and police staff. There is no transfer of cash between the PCC and Chief Constable, the Chief Constable does not have a bank account into which monies can be received or paid from. Costs are recognised in the Chief Constable's accounts to reflect the resources consumed and generated in the direction and control of day to day policing at the request of the Chief Constable.

In addition, the Chief Constable's accounts reflect the employment and post-employment liabilities in accordance with IAS19 which states that liabilities relating to these benefits should follow the cost of employment. The Chief Constable's Total Comprehensive Income and Expenditure reflects the movement in the Chief Constable's unusable reserves as all other net expenditure is met by a transfer of resources from the PCC and no usable reserves are held by the Chief Constable.

C. Recognition of Non-Current Assets

Expenditure on the acquisition, creation or enhancement of non-current assets is capitalised provided that it is probable that the future economic benefits or service potential associated with the item will flow to the PCC for Bedfordshire for more than one year and the cost of the item can be measured reliably. The expenditure is capitalised on an accruals basis and a 'de-minimis' capitalisation value of £10K is applied to individual projects.

Expenditure that maintains, but does not add to, an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged to the Comprehensive Income and Expenditure Statement when it is incurred.

D. Measurement of Non-Current Assets

Assets are initially measured at cost, comprising:

- The purchase price.
- Any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The PCC for Bedfordshire does not capitalise borrowing costs incurred.

Land and Buildings are valued as at 31st March 2025 on the basis of current value as required by CIPFA. Investment properties are valued on the basis of fair value. These valuations have been prepared in accordance with the RICS Appraisal and Valuation Standards ('the red book') and undertaken by Gerald Eve LLP. Full revaluations are undertaken at three yearly intervals, with a yearly review of interim values.

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of an impairment loss previously charged to a service.

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

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, that carrying amount of the asset is written down against that balance (up to the value of the accumulated gains).

- Where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset or the balance remaining after write out to the Revaluation Reserve is written down against the relevant service line in the Comprehensive Income and Expenditure Statement.

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

Furniture and equipment are held at depreciated historical cost. Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the authority can be determined by reference to an active market. In practice, no intangible asset held by the authority meets this criterion, and they are therefore carried at cost less accumulated depreciation and any accumulated impairment loss.

Intangible assets consist of purchased software licences which are capitalised when expenditure can be measured reliably, attributed to the asset and is restricted to that incurred in the development phase (research expenditure cannot be capitalised).

Vehicles are held at historical cost less depreciation, the useful lives and estimated residual values of the vehicle fleet are based on the values held in the vehicle fleet management system and these values are reviewed annually.

Where expenditure on non-current assets qualifies as capital expenditure for statutory purposes, depreciation/amortisation, impairment losses and disposal gains are not permitted to have an impact on the general fund balance. The gains and losses are therefore reversed out of the Police Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and the Capital Receipts Reserve.

E. Impairment of Non-Current Assets

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

The impairment loss can be charged to the Revaluation Reserve up to the value of the accumulated gains. Where there is no balance or insufficient balance in the Revaluation Reserve the carrying value of the asset or the balance remaining after write out to the Revaluation Reserve is written down against the relevant service line in the Comprehensive Income and Expenditure Statement.

IAS 36 – Impairment of Non-Current Assets requires all impairments, including those that relate to a ‘clear consumption of economic benefits’ to be recognised in the revaluation reserve up to the amount in the revaluation reserve for each respective asset.

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

F. Disposal of Non-Current Assets

When it becomes probable that the carrying value of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Subsequent gains in fair value are recognised only up to the amount of any previously recognised losses. Depreciation is not charged on Assets Held for Sale.

When an asset is disposed of, the value of the asset in the balance sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals are credited to the same line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains in the Revaluation Reserve are transferred to the Capital Adjustment Account. Amounts in excess of £10K are categorised as capital receipts which are required to be appropriated to the Usable Capital Receipts reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

G. Depreciation

Depreciation is provided for on all non-current assets by allocating the value of the asset over the assets useful life. An exception is made for assets without a determinable useful life (i.e. freehold land), assets that are not yet available for use (i.e. works in progress), assets that are investment properties or held for sale.

Depreciation is calculated on the following basis:

Buildings

In accordance with IAS 16 – Non Current Assets, the usable lives of buildings have been assessed and depreciated on a straight line basis dependent on their useful lives as estimated by the valuers.

Vehicles, Plant, Furniture and Equipment

Depreciation is charged in full on plant, furniture and equipment commencing the year after acquisition on a straight line basis over 5 years and assuming a nil residual value. For vehicles, depreciation is charged on a straight line basis over their useful lives after taking into account their estimated residual values.

Jointly Controlled Assets

The Comprehensive Income and Expenditure Statement is charged with depreciation on assets held by the Eastern Region Special Operations Unit according to the agreed contribution of each arrangement. Assets are held in each authority's balance sheet at their relevant share of depreciated historical cost or depreciated to existing use value.

Intangible Assets

Intangible assets (purchased software licences) are amortised on a straight line basis over 5 years, commencing the year after acquisition and assuming a nil residual value.

The PCC for Bedfordshire has decided that for new components of non-current assets to be recognised and depreciated separately they must be greater than 15% of the value of the non-current asset. No new capital purchases meet this criterion and therefore depreciation is based on the components given by the valuers.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

H. Charges to Revenue for Non-Current Assets

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

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

The PCC for Bedfordshire is not required to raise council tax to cover depreciation, impairment losses or amortisations. However, the PCC for Bedfordshire has a statutory duty to make a prudent annual provision from revenue to contribute towards the reduction in its overall borrowing requirement. Depreciation, impairment losses and amortisations are therefore replaced by the Minimum Revenue Provision (MRP) in the General Fund Balance, by way of an adjusting transaction within the Capital Adjustment Account.

For capital expenditure incurred before 1 April 2020 the MRP will be calculated as 4% of the capital financing requirement for those assets. For capital expenditure purchased after 1 April 2020 the asset life method will be used and MRP will be based on a percentage corresponding with the assets estimated life and the capital financing requirement of those assets. The combination of these options provide for a reduction in the borrowing need over approximately the asset's life.

I. Revenue Recognition

Specific grants & contributions which result in the Commissioner providing additional resources to the Chief Constable in the budget are included in the Commissioner's Comprehensive Income and Expenditure Statement as well as all non-specific government grants. Other fees, charges and service income are recognised in the Chief Constable's Comprehensive Income and Expenditure Statement as these are generated within the Chief Constable's budget by staff under their operational direction and control. It is a requirement of IFRS15 Revenue from Contracts with Customers that revenue is recognised only once the performance criteria in the contract are met, service contracts are subject to an annual review of performance criteria to ensure any necessary adjustment are made.

J. Debtors and Creditors

The PCC for Bedfordshire's accounts are maintained on the basis of receipts and payments converted at the year end to income and expenditure by bringing creditors and debtors of material significance into account. Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made. Where revenue and expenditure has been recognised but cash has not been received or paid a creditor or debtor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled the balance of

debtors is written down and a charge made to revenue in financing and investing income and expenditure for the income that might not be collected.

The following exceptions are applied consistently and their effect is not material on the accounts from one year to the next.

- Overtime paid to Police staff which has been claimed after the end of the financial year is not accrued;
- Travel and other employee expenses claimed after the end of the financial year have not been accrued.

As all payments are made by the PCC on the Chief Constable's behalf, the creditors and debtors recognised on the Chief Constable's balance sheet will need to be financed by the PCC, therefore an intra-group debtor is recognised in the Chief Constable's balance sheet and an intra-group creditor on the PCC's balance sheet to show that the liability ultimately rests with the PCC.

K. Funds Held on behalf of Third Parties

The PCC for Bedfordshire holds funds seized from individuals whilst enquiries are conducted under the Proceeds of Crime Act 2002. The PCC for Bedfordshire will either return or repay these funds (to the courts or the individual) on conclusion of the enquiries. The balance of Third Party funds held is shown in the notes to the accounts.

L. Provisions and Contingent Liabilities

Provisions are made when an event has taken place that gives the PCC for Bedfordshire group a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the group becomes aware of the obligation, and measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. If it becomes less than probable that a transfer of economic benefits will be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment is expected to be recovered from a third party (i.e. from an insurance claim), this is only recognised as income if it is virtually certain that reimbursement will be received if the PCC for Bedfordshire group settles the obligation.

A contingent liability arises where an event has taken place that gives the Chief Constable a possible obligation the existence of which will only be confirmed by the occurrence of uncertain future events not wholly within the organisations control. Contingent liabilities also arise in circumstance where a provision would otherwise be made but the recognition criterion above is not met. A contingent liability is not recognised on the balance sheet but disclosed in the notes to the accounts.

M. Reserves

Usable Reserves are amounts set aside from the General Fund Balance in the Movement of Reserves Statement for future policy purposes or contingencies. When expenditure to be

financed from a reserve is incurred, it is charged to the Surplus/Deficit on Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so there is no net charge against council tax for the expenditure. Additionally certain unusable reserves are kept to manage the accounting processes for non-current assets, short term compensated absences and retirement benefits and those that do not represent useable resources for the PCC for Bedfordshire.

N. Police Fund

This is the main Fund into which the precept, government grants and other income are paid and from which the cost of providing services is met. The balance on the Fund represents the accumulated surplus of the PCC for Bedfordshire's revenue income over expenditure.

O. Capital Receipts

Capital Receipts are principally the proceeds from the sale of non-current assets. Insurance income from vehicle write-offs is also treated as Capital Receipts. Capital Receipts are used to augment the capital resources of the PCC for Bedfordshire. Receipts less than £10K are treated as de-minimis and included in the Comprehensive Income and Expenditure Statement.

P. Value Added Tax (VAT)

VAT is included in the accounts of the PCC for Bedfordshire, whether of a capital or revenue nature, only to the extent that it is not recoverable. VAT receivable is excluded from income.

Q. Government Grant and Contributions

The PCC for Bedfordshire receives two main grants from the Government to support general revenue expenditure. These are the Police Grant and a share of the National Non Domestic Rate Pool. These grants are credited to the Comprehensive Income and Expenditure Statement in the year to which they relate. The PCC for Bedfordshire also receives a number of additional specific grants from Government to help finance specific policing initiatives.

Government Grants are recognised as due to the PCC for Bedfordshire when there is reasonable assurance that:

- The PCC for Bedfordshire will comply with the conditions attached to the payments, and
- The grants or contributions will be received.

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

Monies advanced as grants or contributions for which conditions have not been satisfied are carried in the balance sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line or Taxation and Non-Specific Grant Income (non ring fenced grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

When capital grants are credited to the Comprehensive Income and Expenditure Statement they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Account. Amounts in the Capital Grants Unapplied Account are transferred to the Capital Adjustment Account once they have been applied.

R. Pensions

The PCC for Bedfordshire group participates in two Pension Schemes. Both Schemes provide members with defined benefits related to pay and service.

(ii) Police Officers – Police Pension Scheme

This Scheme is 'unfunded'. The charge to the Accounts represents the applicable IAS19 charges as determined by the Actuary. The Code of Practice requires separate statements to be produced which are shown at

(ii) Other Employees – Local Government Pension Scheme (LGPS)

Subject to certain qualifying criteria, police staff are eligible to join the Local Government Pension Scheme administered by Bedford Borough Council. The Scheme is 'funded' and all group pension costs are charged to the Chief Constable or PCC's Accounts according to the relevant employer.

The figures included within the Accounts are based on the IAS19 requirements, that an organisation should account for retirement benefits when it is committed to give them, even if the actual giving will be many years in the future. Injury benefits paid under both police pension schemes are disclosed separately. These payments are unfunded and are paid directly by the PCC for Bedfordshire Group. Injury awards are subject to the same treatment as police pension schemes, with the movement on the liability being attributable to any change in interest cost and re-measurement gains / losses.

This obligation to pay pensions benefits in the future is recognised as a liability in the PCC for Bedfordshire's Group balance sheet. In the Group Comprehensive Income and Expenditure Statement, transactions are recorded that indicate the change over the year in the pension liability. The transactions are not cash-based but are instead actuarially calculated amounts that reflect more accurately the true changes in the scheme's long-term liabilities.

- The attributable defined benefit liabilities of each scheme should be 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, based on assumptions about mortality rate, employee turnover rates and projections of projected earnings for current employees.
- Liabilities for the payment of future injury benefits are based on current and projected injury statistics (including an element for serving police officers) as determined by the actuary.
- Liabilities are discounted to their value at current prices using a discount rate based on the indicative rate of return on high quality corporate bonds determined by the actuaries.
- In the case of the local government scheme, which is a funded scheme, the scheme assets are deducted in determining the overall liability.
- Quoted securities held as scheme assets are valued at their bid value at the latest available date.

The change in the net pension liability is analysed into the following components of the group financial statements:

- The current service cost (the increase in liabilities as a result of years of service earned this year) is debited to the Comprehensive Income and Expenditure Statement and included with the Net Cost of Services
- The past service cost (the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years) is debited to the Comprehensive Income and Expenditure Statement and included with the Net Cost of Services
- Interest cost (the expected increase in the present value of liabilities during the year as they move one year closer to being paid) is debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. Expected return on assets (the annual investment return on the fund assets attributable to the PCC for Bedfordshire) is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.
- Interest Income on assets (the annual investment return on the fund assets attributable to the group) is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.
- Gains / losses on settlements (the result of actions to relieve the PCC for Bedfordshire of liabilities or events that reduce the expected long term return) are debited / credited to the Comprehensive Income and Expenditure Statement.
- Re-measurements of the net defined benefit liability / asset are debited / credited to the appropriate reserve. This includes an amount for actuarial gains / losses and estimated returns on plan assets which arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions.
- The employers contributions made in the year are not accounted for as an expense.

The above balances and transactions are included in the accounts to provide a more informative picture of the Group pension schemes. Although to ensure there is no impact on the level of council tax the account is adjusted through an appropriation from reserves.

S. Officers' Emoluments

Officers' Emoluments are disclosed in the accounts on a cash basis of gross pay as notified in the P60s to the Inland Revenue and including taxable benefits within the P11Ds. The figures contained within the Comprehensive Income and Expenditure Statement, however, are prepared on an accruals basis in accordance with proper accounting practices.

T. Financial Liabilities

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

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

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

The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised. Therefore the amount shown in the Balance Sheet is the outstanding principal repayable and interest is charged to the Comprehensive Income and Expenditure Statement.

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

U. Financial Assets

Investments are limited to approved investments as specified in the Local Authority (Capital Finance) (Approved Investment) Regulations 1990 and are contained within the PCC for Bedfordshire's Treasury Management Strategy. These Investments are recognised on the Balance Sheet when the PCC for Bedfordshire becomes a party to the contractual provisions of a financial instrument and initially measured at fair value and carried at their amortised cost. Therefore the amount shown in the Balance Sheet is the outstanding principal receivable and interest receivable is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The fair value as at year end is also disclosed in the notes to the accounts.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. Any gains and losses that arise on the de-recognition of the asset are credited /debited to the Financing and Investment Income and Expenditure line.

As the PCC currently holds no re-classifiable available for sale financial assets no separation of amounts in the Other Comprehensive Income and Expenditure is required under IAS1.

V. Group Accounts

The PCC for Bedfordshire has to determine whether it has interests in subsidiaries, associates or joint arrangements. The PCC for Bedfordshire has interests in joint arrangements and as a result is required to disclose these arrangements. For 2022/23 this applies to:

- Regional Organised Crime Unit (ROCU)
- Bedfordshire, Cambridgeshire and Hertfordshire collaborated units.

These are Joint Operations under IFRS11. Assets purchased by Joint Operations are shared between the parties and each recognises only their own share on their balance sheet. The Joint Operation does not involve the establishment of a separate entity and the PCC for Bedfordshire accounts only for its share of the joint assets, liabilities, income and expenses that it incurs in respect of its interest in the joint operation identified above.

W. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Any fixed term investments are usually made for 3 to 6 months and the PCC for Bedfordshire includes those within Short Term Investments instead of Cash Equivalents.

X. Leases

The Authority as lessee

Finance leases

The authority classifies contracts as leases based on their substance. Contracts and parts of

contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use. The Code expands the scope of IFRS 16 *Leases* to include arrangements with nil consideration, peppercorn or nominal payments.

Initial Measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date, if later). The leases are typically for fixed periods in excess of one year but may have extension options. The authority initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the authority's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include:

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured using the prevailing index or rate as at the adoption date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the authority is reasonably certain to exercise
- lease payments in an optional renewal period if the authority is reasonably certain to exercise an extension option
- penalties for early termination of a lease, unless the authority is reasonably certain not to terminate early.

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received. However for peppercorn nominal payments or nil consideration leases, the asset is measured at fair value.

Subsequent Measurement

The right-of-use asset is subsequently measured using the fair value model. The authority considers the cost model to be a reasonable proxy except for:

- assets held under non-commercial leases
- leases where rent reviews do not necessarily reflect market conditions
- leases with terms of more than five years that do not have any provision for rent reviews
- leases where rent reviews will be at periods of more than five years.

For these leases, the asset is carried at a revalued amount. In these financial statements, right-of use assets held under index-linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or nil consideration leases have been valued using market prices or rentals for equivalent land and properties.

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption. The lease liability is

subsequently measured at amortised cost, using the effective interest method.

The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate
- there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee
- the authority changes its assessment of whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the income statement.

As permitted by the Code, the authority excludes leases:

- for low-value items that cost less than £10,000 when new, provided they are not highly dependent on or integrated with other items, and
- with a term shorter than 12 months (comprising the non-cancellable period plus any extension options that the authority is reasonably certain to exercise and any termination options that the authority is reasonably certain not to exercise).

Lease Expenditure

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straightline depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low-value items or shorter than 12 months are expensed.

Depreciation and impairments are not charges against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

The authority as lessor

Finance leases

Where the authority grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether property, plant and equipment or assets held for sale) is written off to the other operating expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the authority's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (ie netted off against the carrying value of the asset at the time of disposal), matched by a lease (long-term debtor) asset in the Balance Sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received), and
- finance income (credited to the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund balance to the capital receipts reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund balance to [the deferred capital receipts reserve (England and Wales) or capital receipts reserve (Scotland)] in the Movement in Reserves Statement. [When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the capital receipts reserve (England and Wales).]

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

Operating leases

Where the authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the other operating expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease or where this is initiated by a service to the individual service, even if this does not match the pattern of payments (eg there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying value of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

Y. Benefits Payable during Employment

Short-term employee benefits such as wages and salaries, paid annual leave and time owed for current employees are recognised as an expense in the year in which employees render service to the PCC for Bedfordshire Group. An accrual is made against the services in the Surplus / Deficit on Provision of Services for the cost of leave earned by employees but not taken before the year end. The accumulated cost is carried entirely as a liability on the Chief Constable's balance sheet, due to the low number of employees employed by the PCC there is no accrual made for the cost of leave earned but not taken in relation to the PCC's employees, this is judged not to be material and this judgement is kept under review.

Z. Termination Benefits

Termination benefits are amounts payable as a result of a decision to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the relevant service line in the Comprehensive Income and Expenditure Statement once a valid expectation of redundancy is created.

AA. Events after the Reporting Period

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

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

- Those that indicate 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 to the accounts of the nature of the events and their estimated financial effect.

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

BB. Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the PCC for Bedfordshire's financial performance.

CC. Prior Period Adjustments

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the PCC for Bedfordshire's financial position or performance. Where a change is made it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always applied.

Changes in accounting estimates are applied prospectively, i.e. in the current and future year affected by the change. Where material errors are discovered in prior period figures they are corrected retrospectively by amending opening balances and comparative amounts.

DD. Council Tax and non-domestic rates

Billing authorities act as agents, collecting council tax and non-domestic rates (NDR) on behalf of the major preceptors (including government for NDR) and, as principals, collecting council tax and NDR for themselves. Billing authorities are required by statute to maintain a separate fund (i.e. the collection fund) for the collection and distribution of amounts due in respect of council tax and NDR. Under the legislative framework for the collection fund, billing authorities, major preceptors and central government (for NDR) share proportionately the risks and rewards that the amount of council tax and NDR collected could be less or more than predicted.

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement (CIES) is the authority's share of accrued income for the year. However, regulations determine the amount of council tax and NDR that must be included in the authority's General Fund. Therefore, the difference between the income included in the CIES and the amount required by regulation to be credited to the General Fund is taken to the collection fund adjustment account and included as a reconciling item in the Movement in Reserves Statement.

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

Where debtor balances for the above are identified as impaired because of a likelihood arising from a past event that payments due under the statutory arrangements will not be made, the asset is written down and a charge made to the taxation and non-specific grant

income and expenditure line in the CIES. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

Note 3: Accounting Standards that have been Issued but have not yet been adopted

The standards introduced by the 2025/26 Code where disclosures are required in the 2024/25 financial statements are changes to the measurement of non-investment assets and interpretations of IAS16 Property Plant and Equipment and IAS38 Intangible Assets

These changes include setting out three revaluation processes for operational property, plant and equipment, requiring indexation for tangible non-investment assets and a requirement to value intangible assets using the historical cost approach. These have the same effect as requiring a change in accounting policy due to an amendment to standards, which would normally be disclosed under IAS 8. However, the adaptations also include a relief from the requirements of IAS 8 following a change in accounting policy as confirmed in paragraph 3.3.1.4.

Note 4: Events after the Reporting Period

The Draft Statement of Accounts was authorised for issue by the Chief Finance Officer on 30 June 2025. Events after the balance sheet date have been considered for inclusion in the accounts up to the authorised for issue date.

Non adjusting Balance Sheet Event

The specialist training facility at Monks Wood required for the BCH Operational Support Unit (OSU) has been a feature of the capital programme in recent years. Whilst work continued to progress throughout 2024/25 to achieve a final design and contracted price the decision to cease the project has been taken in June 2025 due to the tightening financial climate and the estimated cost of the scheme becoming unaffordable.

Cambridgeshire Constabulary have incurred £1.7m expenditure on the project to 31st March including planning, preparation, surveys, and design costs and additional costs are accruing in 2025/26 whilst the project is closed and contractors stood down.

The business case for this capital project was agreed on the basis that Cambridgeshire would continue to own the property with a licence arrangement being provided to Bedfordshire Police and Hertfordshire Constabulary for use of the newly created asset. Bedfordshire Police and Hertfordshire Constabulary have provided assurance to underwrite their share of the overall project costs incurred by Cambridgeshire Constabulary to date should the project not complete. Bedfordshire's share of the costs have been agreed at £0.590M.

There are no adjusting events.

Note 5: Intra-Group Funding Arrangements between the Commissioner & Chief Constable

The background and principles that underpin the accounting arrangement and create the need for an intra-group adjustment are explained in the Explanatory Foreword.

Under the current arrangements the Chief Constable does not hold any cash or reserves. However a budget is delegated to the Chief Constable for which the Chief Constable has operational control of the associated income and expenditure. It is felt that to accurately reflect the financial impact of the day-to-day control exercised by the Chief Constable over policing Bedfordshire it is necessary to capture the income and expenditure associated with their delegated budget on their own Comprehensive Income and Expenditure Statement.

As a consequence the associated assets and liabilities relating to these balances are also required to be shown on the Chief Constable's balance sheet.

The Commissioner has undertaken to fund the resources consumed by the Chief Constable and makes all payments from the police fund. In order to reflect this position in the accounts the funding from the Commissioner offsets all expenditure on the Chief Constable's Comprehensive Income & Expenditure Statement to leave just the movement on unusable reserves which is reflected in the Chief Constable's Movement in Reserves Statement.

The following table shows the calculation of the funding provided to the Chief Constable:

<i>PCC Funding provided to the Chief Constable for Resources Consumed</i>	2024/25	2023/24
	£'000	£'000
Net Cost of Services (Chief Constable)	187,228	174,745
Financing & Investment Income & Expenditure	44,323	43,438
Actuarial (gain) / loss on pension assets / liabilities	-111,681	-21,064
<u>Adjust for Movement in Unusable Reserves:</u>		
Pensions Reserve	90,944	-1,721
Accumulated Absences Reserve	-1,600	-1,615
Total Funding Transfer	209,214	193,784

In practice instead of transferring this funding to the Chief Constable the Commissioner makes all payments on their behalf, therefore an element of the resources consumed by the Chief Constable remain unpaid at the year end. This leaves the Chief Constable with its own current liabilities which after deduction of current assets is supported by the Commissioner.

Intra-group Debtor / Creditor	31 March 25 £'000	31 March 24 £'000
Chief Constable's Creditors & Receipts in Advance	20,603	28,311
Chief Constable's Provisions	899	700
Chief Constable's Current assets (excluding PCC Debtor)	-8,749	-11,898
Total Owing to Commissioner	12,753	17,113

This has the effect of showing working capital balances on the Chief Constable's balance sheet which are then supported by the Commissioner. The following table shows the movement through the intra-group account:

Intra-group Adjustments	The Chief Constable	The Commissioner	The Group
	£'000	£'000	£'000
<i>Comprehensive Income & Expenditure Statement – 2023/24</i>			
PCC Funding for Resources Consumed	-193,784	193,784	0
<i>Comprehensive Income & Expenditure Statement – 2024/25</i>			
PCC Funding for Resources Consumed	-209,214	209,214	0
<i>Balance Sheet – 2023/24</i>			
Intra Group Creditor / Debtor	17,113	-17,113	0
<i>Balance Sheet – 2024/25</i>			

Intra Group Creditor / Debtor	12,753	-12,753	0
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Note 6: Note to the Expenditure & Funding Analysis

Adjustments between Accounting and Funding Basis

Group – 2024/25	Adjustments for Capital Purposes	Net Change for the Pensions Adjustments	Other Differences	Total Adjustment
	£'000	£'000	£'000	£'000
Policing	0	0	0	0
Collaborated Units	-55	0	0	-55
Corporate & Support Services	4,515	-5,068	5,338	4,785
Office of the Police & Crime Commissioner	0	154	0	154
Cost of Services	4,460	-4,914	5,338	4,884
Other Income & Expenditure from the Expenditure & Funding Analysis	-441	25,494	-4,418	20,635
Difference between General Fund surplus or deficit and Comprehensive Income & Expenditure Statement Surplus or Deficit on the Provision of Services	4,019	20,580	920	25,519

Group – 2023/24	Adjustment for Capital Purposes	Net Change for the Pensions Adjustments	Other Differences	Total Adjustment
	Policing	0	0	0
Collaborated Units	-98	0	0	-98
Corporate & Support Services	4,028	-9,999	3,576	-2,395
Office of the Police & Crime Commissioner	0	-27	0	-27
Cost of Services	3,930	-10,026	3,576	-2,520
Other Income & Expenditure from the Expenditure & Funding Analysis	-2,082	32,789	-1,764	28,943
Difference between General Fund surplus or deficit and Comprehensive Income & Expenditure Statement Surplus or Deficit on the Provision of Services	1,848	22,763	1,812	26,423

PCC – 2024/25	Adjustments for Capital Purposes	Net Change for the Pensions Adjustments	Other Differences	Total Adjustments
	£'000	£'000	£'000	£'000
Policing	0	0	0	0
Collaborated Units	0	0	0	0
Corporate & Support Services	6,714	0	3,738	10,452
Office of the Police & Crime Commissioner	0	154	0	154
Cost of Services	6,714	154	3,738	10,606
Other Income & Expenditure from the Expenditure & Funding Analysis	-2,695	-311	-4,418	-7,424
Difference between General Fund surplus or deficit and Comprehensive Income & Expenditure Statement Surplus or Deficit on the Provision of Services	4,019	-157	-680	3,182

PCC – 2023/24	Adjustments for Capital Purposes	Net Change for the Pensions Adjustments	Other Differences	Total Adjustments
	£'000	£'000	£'000	£'000
Policing	0	0	0	0
Collaborated Units	0	0	0	0
Corporate & Support Services	5,210	0	1,962	7,172
Office of the Police & Crime Commissioner	0	-27	0	-27
Cost of Services	5,210	-27	1,962	7,145
Other Income & Expenditure from the Expenditure & Funding Analysis	-3,362	5	-1,764	-5,121
Difference between General Fund surplus or deficit and Comprehensive Income & Expenditure Statement Surplus or Deficit on the Provision of Services	1,848	-22	198	2,024

Adjustments for Capital Purposes

Adjustments for capital purposes column adds in depreciation and impairment and revaluation gains and losses in the service line as well as adjusting for the transfer of income on disposals of assets / amounts written off / capital grants.

The statutory charges for financing capital i.e Minimum Revenue Provision and other revenue contributions to capital are deducted from the income and expenditure as these are not chargeable under generally excepted accounting practices. This deduction for revenue contributions includes the amount of capital expenditure funded from general

fund reserves during the year.

Net Change for the Pension Adjustments

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

Other Differences

The charge under taxation and non-specific grant income and expenditure represents the difference between what is chargeable under statutory regulations for council tax and income recognised under generally excepted accounting practices in the Code.

Also included are the adjustments for staff benefits, such as untaken leave, which is recognised in the Comprehensive Income and Expenditure Statements but is not permitted to be charged to the general fund in the year.

Note 7: Expenditure and Income Analysed by Nature

The income and expenditure for the PCC Group and for the PCC is analysed below:

Police & Crime Commissioner Group	2024/25	2023/24 (Re-stated)
Expenditure / Income	£'000	£'000
Expenditure		
Employee benefits expenses*	167,606	156,466
Other services expenses	38,007	37,688
Depreciation, amortisation, impairment*	6,714	5,210
Loss on disposal of assets	220	141
Interest payments (loans)	1,380	1,046
Pensions Interest Cost and Expected Return on Pension Assets	44,328	43,436
TOTAL EXPENDITURE	258,255	243,987
Income		
Fees, charges and other service income	-16,753	-17,746
Government grants and contributions	-147,697	-140,977
Income from council tax	-62,973	-57,636
Interest & Investment income	-1,015	-846
TOTAL INCOME	-228,438	-217,205
Surplus or Deficit on the Provision of Services	29,817	26,782

*This line item for 2023/24 has been restated to correct inconsistencies between the previously disclosed amounts and the rest of the financial statements. This was a disclosure error only. There is no impact on the amounts reported in primary statements for the year ended 31 March 2025 from this matter.

Police & Crime Commissioner	2024/25	2023/24
Expenditure / Income	£'000	£'000
Expenditure		
Employee benefits expenses*	1,956	1,807
Other services expenses	3,291	3,073
Depreciation, amortisation, impairment*	6,714	5,210
Loss on disposal of assets	220	141
Interest payments	1,380	1,046
Funding made to Chief Constable	209,214	193,784
TOTAL EXPENDITURE	222,775	205,061
Income		
Fees, charges and other service income	-3,610	-3,219
Government grants and contributions	-147,697	-140,977
Income from council tax	-62,973	-57,636
Interest & Investment income	-1,015	-846
TOTAL INCOME	-215,295	-202,678
Surplus or Deficit on the Provision of Services	7,480	2,383

Note 8: Adjustments - Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the PCC for Bedfordshire in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the PCC for Bedfordshire to meet future capital and revenue expenditure.

2024/2025 – Usable Reserves	General Fund	Capital Receipt Reserve	Capital Grant Unapplied Account	Movement in Unusable Reserves
	£'000	£'000	£'000	£'000
Adjustments involving the Capital Adjustments Account:				
<i>Reversal of items debited/credited to the Comprehensive Income & Expenditure Statement</i>				
Charges for depreciation, impairment & amortisation of non- current assets	-6,709	0	0	6,709
Revaluation gains / losses on Property, Plant and Equipment	-5	0	0	5
Capital grants & contributions applied to capital financing	705	0	-705	0
Amounts of non- current assets written off on disposal as part of the gain/loss on disposal to Comprehensive Income & Expenditure Statement	-265	0	0	265
<i>Insertion of items not debited / credited to the Comprehensive Income & Expenditure Statement</i>				
Statutory Provision for the financing of capital investment	2,164	0	0	-2,164
Capital expenditure charged against the Police Fund	91	0	0	-91
Adjustments involving the Capital Receipts Reserve:				
Transfer of cash sale proceeds credited to the Comprehensive Income & Expenditure Statement	0	0	0	0
Use of capital receipts reserve to finance new capital expenditure	0	6	705	-711
Transfer from Deferred Capital Receipts Reserve on Receipt of Cash	0	-6	0	6
Adjustments involving the Collection Fund Adjustment Account:				
Amount which council tax income credited to the Comprehensive Income & Expenditure Statement is different from council tax income calculated in accordance with statutory requirements	545	0	0	-545
Adjustments involving the pensions reserves:				
Reversal of items relating to post-employment benefits debited or credited to the Provision of Services in the Comprehensive Income & Expenditure Statement	-135	0	0	135
Employer's pension contributions and direct payments to pensioners	292	0	0	-292
TOTAL ADJUSTMENTS – COMMISSIONER	-3,182	0	0	3,182
Adjustments involving the Compensated Absences Adjustment Account for the Chief Constable:				
Amount by which officer remuneration charged to Comprehensive Income & Expenditure Statement on an accruals basis is different from remuneration in the year in accordance with statutory requirements	-1,600	0	0	1,600
Adjustments involving the pensions reserves for the Chief Constable:				
Reversal of items relating to post-employment benefits debited or credited to the Provision of Services in the Comprehensive Income & Expenditure Statement	-61,989	0	0	61,989
Employer's pension contributions and direct payments to pensioners	41,252	0	0	-41,252
TOTAL ADJUSTMENTS – CHIEF CONSTABLE	-22,337	0	0	22,337
TOTAL ADJUSTMENTS - GROUP	-25,519	0	0	25,519

Left 2023/2024 – Usable Reserves	General Fund	Capital Receipt Reserve	Capital Grant Unapplied Account	Movement in Unusable Reserves
	£'000	£'000	£'000	£'000
Adjustments involving the Capital Adjustments Account:				
<i>Reversal of items debited/credited to the Comprehensive Income & Expenditure Statement</i>				
Charges for depreciation, impairment & amortisation of non- current assets	-5,200	0	0	5,200
Revaluation gains / losses on Property, Plant and Equipment	-10	0	0	10
Capital grants & contributions applied to capital financing	2,002	0	-2,002	0
Amounts of non- current assets written off on disposal as part of the gain/loss on disposal to Comprehensive Income & Expenditure Statement	-187	0	0	187
<i>Insertion of items not debited / credited to the Comprehensive Income & Expenditure Statement</i>				
Statutory Provision for the financing of capital investment	1,119	0	0	-1,119
Capital expenditure charged against the Police Fund	427	0	0	-427
Adjustments involving the Capital Receipts Reserve:				
Transfer of cash sale proceeds credited to the Comprehensive Income & Expenditure Statement	0	0	0	0
Use of capital receipts reserve to finance new capital expenditure	0	8	3,131	-3,139
Transfer from Deferred Capital Receipts Reserve on Receipt of Cash	0	-8	0	8
Adjustments involving the Collection Fund Adjustment Account:				
Amount which council tax income credited to the Comprehensive Income & Expenditure Statement is different from council tax income calculated in accordance with statutory requirements	-198	0	0	198
Adjustments involving the pensions reserves:				
Reversal of items relating to post-employment benefits debited or credited to the Provision of Services in the Comprehensive Income & Expenditure Statement	-201	0	0	201
Employer's pension contributions and direct payments to pensioners	223	0	0	-223
TOTAL ADJUSTMENTS – COMMISSIONER	-2,025	0	1,129	896
Adjustments involving the Compensated Absences Adjustment Account for the Chief Constable:				
Amount by which officer remuneration charged to Comprehensive Income & Expenditure Statement on an accruals basis is different from remuneration in the year in accordance with statutory requirements	-1,614	0	0	1,614
Adjustments involving the pensions reserves for the Chief Constable:				
Reversal of items relating to post-employment benefits debited or credited to the Provision of Services in the Comprehensive Income & Expenditure Statement	-60,494	0	0	60,494
Employer's pension contributions and direct payments to pensioners	37,709	0	0	-37,709
TOTAL ADJUSTMENTS – CHIEF CONSTABLE	-24,399	0	0	24,399
TOTAL ADJUSTMENTS – GROUP	-26,424	0	1,129	25,295

Note 9: Transfers to / from Earmarked Reserves

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

	Balance at 31 March 2023	Transfer Out 2023/24	Transfer In 2023/24	Balance at 31 March 2024	Transfer Out 2024/25	Transfer In 2024/25	Balance at 31 March 2025	Purpose of the Earmarked Reserve
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Devolved Budget Reserves	-2,359	643	-425	-2,141	2,141	0	0	This reserve contains under spending which has been earmarked for use in the following year.
Budget Reserve	-3,055	500	0	-2,555	1,798	0	-757	This reserve contains funds to be used to bridge the anticipated future budget gap.
Insurance Reserve	-1,132	0	0	-1,132	254	0	-879	This provides for partial self-funding of insurance (combined liability, motor vehicle, fidelity guarantee)
Capital Expenditure Reserve	0	-261	261	0	0	0	0	To hold capital receipts until they are used to finance capital expenditure.
Regional Organised Crime	0	0	-318	-318	190	0	-128	This reserve contains underspending which is for use within the Regional Organised Crime area
Road Safety Reserve	-471	96	-11	-386	137	0	-248	Holds income generated in excess of expenditure by the Camera, Tickets and Collisions Unit which is ring fenced for re-investment in road safety activities.
Op Kenova Reserve	-164	164	0	0	0	-307	-307	Holds the balance of income provided for Operation Kenova on behalf of Police Service Northern Ireland.
National Serious & Organised Crime	0	0	0	0	0	-995	-995	Funding provided to Bedfordshire to be allocated Nationally as per National Crime Priorities
Sixhills Sink Fund	-78	0	-13	-91	0	-10	-101	This reserve holds regional funds held for the purposes of property maintenance of the shared property.
Earmarked Reserves	-7,258	1,142	-506	-6,625	4,520	-1,312	-3,415	
Police Fund	-4,198	0	-277	-4,475	0	1,091	-3,384	
General Fund Balance	-11,456	1,142	-783	-11,100	4,520	-221	-6,799	
Capital Grants Unapplied	-1,293	3,132	-2,002	-164	706	-706	-164	
Capital Receipts Reserve	0	18	-18	0	6	-6	0	
Total Usable Reserves	-12,752	4,292	-2,803	-11,264	5,232	-933	-6,963	

Note 10: Other Operating Income and Expenditure

The PCC for Bedfordshire 2023/24	The Group 2023/24		The PCC for Bedfordshire 2024/25	The Group 2024/25
£'000	£'000		£'000	£'000
142	142	Loss on Disposal of Non-Current Assets – Vehicles	220	220
0	0	Gain on Disposal of Non-Current Assets – Land and Buildings	0	0
0	0	Gain / Loss on Disposal / Reclassification of Non-Current Assets – Buildings	0	0
-10,647	-10,647	Pension Top Up Grant Received from Home Office	-8,761	-8,761
-10,506	-10,506	Total	-8,541	-8,541

Note 11: Financing and Investment Income and Expenditure

The PCC for Bedfordshire 2023/24	The Group 2023/24		The PCC for Bedfordshire 2024/25	The Group 2024/25
£'000	£'000		£'000	£'000
1,046	1,046	Interest Payable	1,193	1,191
0	0	Lease Interest Costs	197	197
0	0	Discount Unwound	-10	-10
-19	-12	Impairment Allowance	0	-7
0	42,650	Pensions Interest Cost and Expected Return on Pension Assets – Police Pensions	0	44,190
-27	-27	Income from Investment Property	-26	-26
10	10	Impairment of Investment Property	5	5
5	786	Pensions Interest Cost and Expected Return on Pension Assets – LGPS	-4	138
-846	-846	Interest Receivable	-1,015	-1,015
169	43,607	Total	340	44,663

Note 12: Taxation and Non-Specific Grant Income

The PCC for Bedfordshire 2023/24	The Group 2023/24		The PCC for Bedfordshire 2024/25	The Group 2024/25
£'000	£'000		£'000	£'000
-57,636	-57,636	Council Tax Income	-62,973	-62,973
-28,064	-28,064	Formula Funding	-28,640	-28,640
-3,886	-3,886	Council Tax Subsidy	-3,886	-3,886
-751	-751	Council Tax Freeze Grant	-751	-751
-49,404	-49,404	Non Ring-fenced Government Grants	-53,463	-53,463
0	0	Donated Assets	-135	-135
-2,002	-2,002	Capital Grants and Contributions	-705	-705
-1,116	-1,116	Pension Grant	-3,916	-3,916
-142,859	-142,859	Total	-154,469	-154,469

Note 13: Property, Plant and Equipment

The PCC for Bedfordshire holds all the Group's property, plant and equipment.

(i) Movements on Balances

2024/25

	Tangible Assets			
	Land & Buildings	Vehicles	Furniture & Equip	Total
	£'000	£'000	£'000	£'000
Book Value as at 1 st April 2024	69,750	11,951	16,890	98,591
Impairment Gains (Losses) recognised in Revaluation Reserve	105	0	0	105
Impairment Gains (Losses) reversed in Surplus / Deficit on Provision of Service	-13	0	0	-13
Additions	1,805	1,660	1,468	4,933
Disposals	0	-1,181	0	-1,181
Written Out	0	0	-4,118	-4,118
Gross Book Value as at 31st March 2025	71,647	12,430	14,240	98,317
Depreciation and Impairment as at 1 st April 2024	-7,738	-6,191	-9,610	-23,539
Depreciation for year	-2,338	-1,419	-2,548	-6,305
Disposals	0	901	0	901
Written Out on Reval / Disposal	0	0	4,118	4,118
Depreciation and Impairment as at 31 st March 2025	-10,076	-6,709	-8,040	-24,825
Net Book Value as at 31 st March 2024	62,012	5,760	7,280	75,052
Net Book Value as at 31 st March 2025	61,571	5,721	6,200	73,492

Comparative Movements in 2023/24

	Tangible Assets			
	Land & Buildings	Vehicles	Furniture & Equip	Total
	£'000	£'000	£'000	£'000
Book Value as at 1 st April 2023	65,150	10,478	16,848	92,476
Impairment Gains (Losses) recognised in Revaluation Reserve	269	0	0	269
Impairment Gains (Losses) reversed in Surplus / Deficit on Provision of Service	433			433
Additions	3,898	2,050	2,298	8,246
Disposals	0	-577	0	-577
Written Out	0	0	-2,256	-2,256
Gross Book Value as at 31st March 2024	69,750	11,951	16,890	98,591
Depreciation and Impairment as at 1 st April 2023	-5,850	-5,254	-8,958	-20,062
Depreciation for year	-1,888	-1,327	-2,908	-6,123
Disposals	0	390	0	390
Written Out on Reval / Disposal	0	0	2,256	2,256
Depreciation and Impairment as at 31 st March 2024	-7,738	-6,191	-9,610	-23,539
Net Book Value as at 31 st March 2023	59,300	5,224	7,890	72,414
Net Book Value as at 31 st March 2024	62,012	5,760	7,280	75,052

Investment Property

During 2024/25 the Former Leagrave Police Station remained an investment property.

	£'000
Gross Book Value as at 31 st March 2024	305
Revaluation Gains / (Losses)	-5
Disposal / Reclassification	0
Additions & Subsequent Expenditure	0
Gross Book Value as at 31 st March 2025	300

Asset Held for sale

During 2024/25 the Greyfriars premises remained Held for Sale:

	£'000
Gross Book Value as at 31st March 2024	1,260
Re-Categorised from Surplus Asset	0
Revaluation Gains / (Losses)	0
Depreciation	0
Gross Book Value as at 31st March 2025	1,260

The value is the valuers opinion given that the sale price is not yet realised.

(ii) Capital Commitments

At 31st March 2025 the PCC for Bedfordshire has authorised expenditure in 2025/26 and in future years of £25.771M under its Capital Programme, of which £0.090M had been contractually committed on the following projects:

	2024/25 £M	2023/24 £M
Firing Range Upgrades	-	£0.015
Door Replacements	£0.037	
Luton Custody CCTV	£0.083	-
Luton Custody Refurbishment	£0.098	
Airport Base	-	£0.075
TOTAL	£0.218	£0.090

(iii) Revaluation Assumptions

The PCC for Bedfordshire's operational freehold properties were valued at 31st March 2025 by external valuers, Newmark Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the terms of the Valuation – Global Standards (December 2024 edition) and the national standards and guidance set out in the UK national supplement (October 2023 edition). The valuation of each property was on the basis of fair value, subject to the following assumptions:

- For owner occupied property: the property would be sold as part of the continuing business.

The valuers' opinion of fair value was primarily derived using the Depreciated Replacement Cost (DRC) approach, because the specialised nature of the assets means that there are no market transactions of this type. For non-specialised assets valuers have had regard to the available evidence derived from transactions of comparable properties in their respective locations or other valuation approaches.

Other significant assumptions applied in estimating fair value are:

- That depreciated historical cost is used as a proxy for fair value of furniture and equipment. In addition this policy is applied to enhancement expenditure funded by capital grant to regional premises not owned by the PCC.
- The residual value and useful life of all vehicles are estimated by the Chiltern Transport Consortium and depreciated on a straight line basis over the expected life of the vehicle as a proxy for fair value.

(iv) Depreciation

Straight line depreciation has been applied to the following useful lives in the calculation of depreciation:

- Land & Buildings – Between 5 years (capital works to leased building) and 70 years.
- Vehicles – Between 2 and 9 years.
- Plant & Equipment – 5 years.

Note 14: Intangible Assets

The PCC for Bedfordshire accounts for its purchased software licences as intangible assets, to the extent that the software licence was purchased as part of the initial installation and set-up cost of the software. A useful life of 5 years is assigned to all intangible assets and their carrying amount is amortised on a straight-line basis. The amortisation of £0.152M is charged to the Comprehensive Income & Expenditure Statement in 2024/25

The PCC for Bedfordshire currently has no Internally Generated Assets as defined by IAS38 (Intangible Assets). The movement on intangible asset balances during the year is as follows:

	2023/24	2024/25
	£'000	£'000
Historical Cost	1,340	1,197
Accumulated Amortisation	-795	-735
Net carrying amount at start of year	545	462
Additions – Purchases	135	1,466
Assets re-classified	0	0
Amortisation for the period	-218	-152
Net carrying amount at end of year	462	1,776
Comprising:		
Gross carrying amounts	1,197	2,197
Accumulated amortisation	-735	-421

Assets and depreciation written out in the year amounted to £0.465M.

Note 15: Financial Instruments

Categories of Financial Instruments

The following categories of Financial Instruments are carried in the balance sheet, all

are valued at amortised cost.

Financial Assets	31 March 2024		31 March 2024		31 March 2025		31 March 2025	
	The Chief Constable (re-stated)		The Commissioner (re-stated)		The Chief Constable		The Commissioner	
	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Debtors:</u>								
Amortised Cost	0	7,111	0	4,927	0	3,583	0	4,748
<u>Investments:</u>								
Amortised Cost	0	0	0	5,000	0	0	0	4,000
<u>Cash</u>								
Amortised Cost	0	0	0	4,496	0	0	0	5,500
Total Financial Assets	0	7,111	0	14,423	0	3,583	0	14,248
Non Financial Assets	0	4,724	0	21,570	0	5,106	0	21,125
Total	0	11,835	0	35,992	0	8,689	0	35,373
Financial Liabilities	31 March 2024		31 March 2024		31 March 2025		31 March 2025	
	The Chief Constable		The Commissioner (re-stated)		The Chief Constable		The Commissioner	
	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Creditors:</u>								
Amortised Cost	0	-23,629	0	-8,223	0	-15,973	-4,411	-2,854
<u>Borrowings:</u>								
Amortised Cost	0	0	-39,559	0	0	0	-39,375	-8,364
Total Financial Liabilities	0	-23,629	-39,559	-8,223	0	-15,973	-43,786	-11,218
Non Financial liabilities	0	-13,430	0	-3,954	0	-14,978	0	-12,564
Total	0	-37,059	-39,559	-12,177	0	-30,951	-43,786	-23,782

Borrowings represents the amount owing to external lenders in respect of loans. The maturity period for these loans is between one and fifty years and the borrowing is from the Public Works Loan Board (PWLb).

Short-term Investments are temporary surplus funds, invested short term with those financial institutions included within the PCC for Bedfordshire's approved lending list.

Trade Debtors and Creditors relate to balance sheet amounts (excluding payments in advance and receipt in advance) adjusted for statutory debtors and creditors.

The PCC for Bedfordshire has not reclassified any financial instruments during 2024/25 and all remain at amortised cost.

Income and Expense Gains and Losses

All interest income and expenditure relates to the Commissioners accounts.

	2023/24			2024/25		
	Financial Liabilities measured at amortised cost	Financial assets	Total	Financial Liabilities measured at amortised cost	Financial assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Interest Expense - Paid	1,046	0	1,046	1,193	0	1,193
Total expense in surplus or deficit on the provision of services	1,046	0	1,046	1,193	0	1,193
Interest Income	0	-846	-846	0	-1,015	-1,015
Total income in surplus or deficit on the provision of services	0	-846	-846	0	-1,015	-1,015
Net (gain) / loss for the year	1,046	-846	200	1,193	-1,015	178

Fair Value of Assets and Liabilities

Financial liabilities and financial assets represented by loans and receivables are carried in the Balance Sheet at amortised cost. Their fair value has been calculated below by calculating the net present value of the future cash flows using the following assumptions:

- The discount rate used is the applicable market rate on 31st March using bid prices where applicable.
- For fixed term deposits it is assumed that interest is received on maturity.
- The new borrowing rate at 31 March has been used as the discount factor for PWLB borrowing.
- 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 liabilities and assets carried in the Balance Sheet at amortised cost is as follows:

	The Commissioner				The Chief Constable			
	31 March 2025		31 March 2024		31 March 2025 (Re-stated)		31 March 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<i>Financial Liabilities:</i>								
<i>PWLB Borrowing</i>	47,739	32,531	39,559	25,930	0	0	0	0
<i>Creditors</i>	7,265	7,265	8,223	8,223	15,973	15,973	23,629	23,629
<i>Loans and Receivables:</i>								
<i>Short-Term Investments</i>	4,000	4,000	5,000	5,000	0	0	0	0
<i>Debtors</i>	4,748	4,748	4,927	4,927	3,583	3,583	6,732	6,732

Instant Access Bank Deposit Accounts	5,435	5,435	4,431	4,431	0	0	0	0
Imprest & Cash	65	65	65	65	0	0	0	0

The differences between carrying amount and fair value for PWLB borrowing is due to several of the PCC for Bedfordshire’s larger loans being taken out at lower interest rates than those available in the market at 31 March 2025. In arriving at the fair value of PWLB borrowing the current certainty rate for new borrowing from the PWLB is used to calculate the fair value of each loan. However there is no active market for these loans, Code guidance suggests that in these circumstances fair value should be measured from the PWLB perspective, assessing the price that they would be able to secure if they were to sell the loans in an orderly market transaction. The valuation basis uses Level 2 Inputs – I,e inputs other than quoted prices that are observable for the financial liability.

The carrying value of short term trade receivables and payables, short term investments and cash balances is deemed to be a reasonable approximation of fair value.

Note 16: Nature and Extent of Risks Arising from Financial Instruments

The PCC’s activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the PCC
- Liquidity risk – the possibility that the PCC might not have funds available to meet its commitments and make payments
- Re-financing risk – the possibility that the PCC might be required to renew a financial instrument on maturity at disadvantageous interest rates or terms
- Market risk – the possibility that financial loss might arise for the PCC as a result of changes in such measures as interest rate and stock market movements

Overall Procedures for Managing Risk

The PCC’s overall risk management procedures focus on the unpredictability of financial markets and are structured to implement suitable controls to minimise these risks. The procedures for risk management are set out through a legal framework in the *Local Government Act 2003* and the associated regulations. These require the PCC to comply with the CIPFA Prudential Code, the CIPFA Code of Practice on Treasury Management in the Public Services and Investment Guidance issued through the Act. Overall these procedures require the PCC to manage risk in the following ways:

- by formally adopting the requirements of the CIPFA Code of Practice on Treasury Management;
- by adopting the Treasury Policy Statement and the treasury management clauses within Financial Regulations;
- by approving a Treasury Management Strategy for the forthcoming year setting out its criteria for both investing and selecting investment counterparties in compliance with the Government Guidance;

- by approving annually in advance prudential and treasury indicators for the following three years limiting:
 - The PCC's overall borrowing;
 - Its maximum and minimum exposures to fixed and variable rates;
 - Its maximum and minimum exposures for the maturity structure of its debt;
 - Its maximum annual exposures to investments maturing beyond a year.

These are required to be reported and approved at or before the PCC's annual council tax setting budget meeting or before the start of the year to which they relate. These items are reported with the annual treasury management strategy which outlines the detailed approach to managing risk in relation to the PCC's financial instrument exposure.

The annual treasury management strategy which incorporates the prudential indicators is approved annually the PCC Strategic Board.

Credit Risk

All direct investments are made by the Commissioner and may only be to those organisations included in the approved lending list, will be for a period of less than 365 days and cannot be more than £9M to an individual counter party. In compiling the lending list certain criteria have been applied and credit ratings (which the PCC for Bedfordshire receives as part of the service from Link Asset Services) are considered.

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

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

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

The PCC's maximum exposure to credit risk in relation to its investments in individual banks during 2024/25 of £14M cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of recoverability applies to all of the PCC's deposits but there was no evidence at the 31 March 2025 that this was likely to crystallise. As at 31st March 2025 £4M was held in a fixed term deposit with other funds placed in instant access accounts.

No breaches of the PCC's counterparty criteria occurred during the reporting period and the PCC does not expect any losses from non-performance by any of its' counterparties in relation to deposits.

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors. The PCC does not generally allow credit for customers, however the past due amount can be analysed by age as follows:

	31 March 2025	31 March 2024
	£'000	£'000
Less than 30 days	663	2,699
30-60 days	0	676
60-90 days	0	0
Over 90 days	0	0
Total	663	3,375

The following analysis summarises the PCC for Bedfordshire Group's potential maximum exposure to credit risk, based on experience of default and non-collectability over the last five financial years:

	Amount as at 31 March 2025	Historical experience of default	Estimated maximum exposure to default and non- collectability
	£'000	%	£'000
Deposits with banks and financial institutions	5,435	-	-
Customers	663	0.18	1

The expected credit losses included in the accounts of £0.001M are calculated according to expectations and communications in respect of individual balances owing at 31st March 2025.

Liquidity Risk

The PCC for Bedfordshire seeks to minimise liquidity risk by securing adequate available sources of short term financing and by effective cash flow forecasting and monitoring.

The PCC for Bedfordshire maintains several instant access accounts which are used to meet the day to day fluctuations in income and expenses. The force's Treasury Strategy ensures that limits are in place for the amount of funds invested in each banking group.

Short term borrowing, within the PCC for Bedfordshire's borrowing limits, may be undertaken through the money markets when necessary to cover expenditure pending the receipt of income.

Currently all borrowing is through the PWLB thereby minimising the potential liquidity risks. The maturity analysis of the PCC for Bedfordshire borrowing is as follows:

31 March 2024	Analysis of PWLB Loans by Maturity	31 March 2025
£'000		£'000
10,259	Less than 10 years	18,439
4,000	Between 10 and 15 years	4,000
0	Between 15 and 20 years	2,500
2,500	Between 20 and 25 years	0
22,800	Over 25 Years	22,800
39,559	Total	47,739

All trade and other payables are due to be paid in less than one year.

Market Risk

The PCC for Bedfordshire seeks to minimise market risk by maintaining reliable sources of information regarding market conditions to allow for informed assessment of treasury transactions. The PCC for Bedfordshire employs the services of Link Asset Services to advise on Treasury Management issues.

The PCC for Bedfordshire does not make direct investments that are subject to market fluctuations (e.g. gilts, certificates of deposit etc.).

Cash flow forecasts are regularly monitored to ensure the PCC for Bedfordshire's financing targets are met.

Loans and short-term investment balances shown in the balance sheet are at fixed rates and therefore not affected by market fluctuations as at 31 March 2024. A rise in interest rates would reduce the fair value of the loans; however borrowings are not carried at fair value so any notional gain arising from a commitment to pay interest to lenders below current market rates would not impact on the Surplus or Deficit on the Provision of Services.

Re-financing Risk

The PCC maintains a significant debt and investment portfolio. Whilst the cash flow procedures above are considered against the refinancing risk procedures, longer term risk to the PCC relates to managing the exposure to replacing financial instruments as they mature.

The approved prudential indicator limits for the maturity structure of debt and the limits placed on investments placed for greater than one year in duration are the key parameters used to address this risk. The PCC's approved treasury and investment strategies address the main risks and OPCC staff address the operational risks within the approved parameters. This includes:

- monitoring the maturity profile of investments to ensure sufficient liquidity is available for the PCC's day to day cash flow needs, and the spread of longer term investments provide stability of maturities and returns in relation to the longer term cash flow needs.

- monitoring the maturity profile of financial liabilities and amending the profile through either new borrowing or the rescheduling of the existing debt
- monitoring interest rates available to ensure any re-financing is carried out whilst interest rates are most favourable.

Note 17: Debtors & Payments In Advance

31 March 2024			31 March 2025	
Commissioner	Group		Commissioner	Group
£'000	£'000		£'000	£'000
575	3,375	Trade Receivables	16	662
0	-9	Less Expected Credit Losses	0	0
2,731	2,731	Council Tax	10,414	10,414
23,190	28,017	Other Receivables	15,438	18,683
0	4,217	Prepayments	4	4,802
26,496	38,331	Balance at 31st March	25,873	34,562

Note 18: Cash and Cash Equivalents

The balance of cash and cash equivalents is made up of the following elements:

	As at 31st March 2024	As at 31st March 2025	Movement in the year
	£'000	£'000	£'000
Cash in hand	65	65	0
Bank current accounts	4,413	4,417	4
Euro bank Account	18	18	0
Total Group Cash and Cash Equivalents	4,496	4,500	4

Note 19: Funds Held on Behalf of Third Parties

The PCC for Bedfordshire holds cash and property seized from individuals whilst enquiries are conducted. The PCC for Bedfordshire will either return or repay these funds (to the courts or the individual) on conclusion of the enquiries. Therefore, these funds are excluded from the PCC for Bedfordshire's income and expenditure but balances are held in the PCC bank accounts and recognised as creditors.

As at 31 March 2025 the balance of these funds was £3.138M (£2.479M at 31 March 2024).

Note 20: Critical Judgements In Applying Accounting Policies

In applying the accounting policies the PCC for Bedfordshire has had to make certain judgements and assumptions about complex transactions or those involving uncertainty about future events.

- In order to apply the group accounting requirements the relationship between the PCC and Chief Constable has been assessed. The PCC remains in control of all assets and reserves however it is judged that the Chief

Constable has sufficient operational control over staff and delegated budgets that this expenditure and associated income is shown on the Comprehensive Income and Expenditure Statement for the Chief Constable.

- The PCC for Bedfordshire is involved in various joint arrangements with other forces. These arrangements are judged to be joint operations due to the joint management and decision making structure of the agreement. The PCC for Bedfordshire's share of transactions and balances are consolidated into the financial statements in accordance with the CIPFA Code of Practice.
- The accounting arrangements for the Counter Terrorism Policing (CTP) are not judged to be a joint arrangement as although it is governed by a management board and decisions made on a unanimous basis, the unit is entirely grant funded therefore decisions regarding the level of funding and hence the service provided are not entirely made by the forces involved.

Note 21: Assumptions Made about the Future & Other Estimation Uncertainties

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported as assets and liabilities as at the balance sheet date and the income and expenses reported during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The key assumptions and areas of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Property, Plant & Equipment is depreciated over the useful lives of the assets which are dependent on assumptions regarding the length of time the asset will be in operational use for, these vary for different classes of assets. The property valuation is also based on assumptions around how the buildings will be used in future years and price indexes which are broad estimates and subject to fluctuation. Depreciation on Land and Buildings is calculated on useful lives estimated by valuers at the start of the year, when depreciation on these buildings is estimated using useful lives in the valuation report issued for March 2025 this results in a depreciation reduction of £125K.
- The fair value of loans is calculated using the discount rate (see Note 15 Financial Instruments). If the discount rate increased by 1% then fair value of loans would be £30.173M instead of £32.531M.
- Estimation of the net liability to pay pensions depends on a number of complex assumptions relating to the discount rate used, the rate at which salaries increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A sensitivity analysis is shown at note 37 and the risks of participating in a defined benefit pension scheme are provided by the actuaries and shown below:

Risk	Comment
Investment risk	The fund may hold investments in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long term, the short-term volatility can cause additional funding to be required if a deficit emerges.
Interest rate risk	The fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way.
Inflation risk	All of the benefits under the fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation.
Longevity risk	In the event that the members live longer than assumed a deficit will emerge in the fund. This may be mitigated by a longevity insurance contract if held by the fund. There are also other demographic risks.
Climate risk	Climate risk can be grouped into two categories; Physical and Transitional risks. Physical risks are direct risks associated with an increased global temperature such as heatwaves and rising sea levels. Transitional risks are the costs of transitioning to a low carbon economy. These risks will manifest themselves in many of the other risks detailed above which the fund is exposed to, for example investment returns may be affected.
Regulatory risk	Regulatory uncertainties could result in benefit changes to past or future benefits which could result in additional costs.
Orphan risk	As many unrelated employers participate in each fund, there is an orphan liability risk where employers leave the fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers in that fund.

Note 22: Creditors & Receipts in Advance

The creditors of the PCC for Bedfordshire and PCC for Bedfordshire Group can be analysed as follows:

The Commissioner 31 March 2024	The Group 31 March 2024 (restated)		The Commissioner 31 March 2025	The Group 31 March 2025
£'000	£'000		£'000	£'000
-1,096	-4,128	Trade Payables	-1,174	-4,977
-8,202	-32,852	Other Payables - Capital & Revenue	-2,709	-18,897
0	-563	Other Payables - Employees	-	-458
-2,116	-2,116	Council Tax	-9,729	-9,728
-762	-829	Receipts In Advance	-1,806	-1,961
0	-8,748	Short Term Accumulating Absences	-	-10,348
-12,176	-49,236	Short Term Creditors 31st March	-15,418	-46,369
-17,113	0	Amount owed to Chief Constable	-12,753	-
0	0	Short Term Borrowing	-8,364	-8,364
-29,289	-49,236	Total Amounts Due within 1 Year	-36,535	-54,733
0	0	Long Term Leases	4,411	4,411
0	0	Total Amounts Due after 1 Year	4,411	4,411

Note 23: Unusable Reserves

The Commissioner 31 March 2024	The Group 31 March 2024		The Commissioner 31 March 2025	The Group 31 March 2025
£'000	£'000		£'000	£'000
-4,277	-4,277	Revaluation Reserve	-4,267	-4,267
-28,825	-28,825	Capital Adjustment Account	-25,058	-25,058
0	7,696	Pensions Reserve – LGPS	0	7,162
0	941,400	Pensions Reserve – Police Pensions	0	850,990
142	142	Collection Fund Adjustment Account	-403	-403
0	0	Deferred Capital Receipts Reserve	0	0
0	8,748	Accumulated Absences Account	0	10,348
-32,960	924,885	Total Unusable Reserves	-29,728	838,772

Revaluation Reserve

This reserve records the gains made by the PCC for Bedfordshire arising from increases in the value of its Property Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost
- Used in the provision of services and the gains are consumed through depreciation, or
- Disposed of and the gains are realised.

The reserve contains only revaluations made since April 2007, accumulated gains arising before that date have been consolidated into the balance on the capital adjustment account.

The Commissioner 2023/24	The Group 2023/24		The Commissioner 2024/25	The Group 2024/25
£'000	£'000		£'000	£'000
-4,132	-4,132	Balance at 1 st April	-4,277	-4,277
-359	-359	Upward revaluation of assets	-105	-105
0	0	Asset Disposal	0	0
100	100	Downward revaluation of assets and impairment losses not charged to the Surplus / Deficit on the Provision of Services - PPE	5	5
0	0	Downward revaluation of assets and impairment losses on reclassification.	0	0
114	114	Difference between fair value depreciation and historical cost depreciation	110	110
-4,277	-4,277	Balance at 31 st March	4,267	4,267

Deferred Capital Receipts Reserve

The deferred capital receipts reserve holds the capital funds due from the National Police Air Service. These funds will be applied to capital financing and recognised in the Usable Capital Receipts Reserve as they are received.

The Commissioner 2023/24	The Group 2023/24		The Commissioner 2024/25	The Group 2024/25
£'000	£'000		£'000	£'000
-8	-8	Balance at 1 st April	0	0
-10	-10	Amount credited to reserve	-6	-6
18	18	Amount released to finance capital	6	6
0	0	Discount Unwound / Revaluation following payments made	0	0
0	0	Balance at 31 st March	0	0

Collection Fund Adjustment Account

This account records the difference between the council tax incomes included in the Income and Expenditure Account and the council tax incomes actually received as required by regulation.

The Commissioner 2023/24	The Group 2023/24		The Commissioner 2024/25	The Group 2024/25
£'000	£'000		£'000	£'000
-56	-56	Balance at 1 st April	142	142
198	198	Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	-545	-545
142	142	Balance at 31 st March	-403	-403

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising for the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions.

The Commissioner 2023/24 Restated	The Group 2023/24 Restated		The Commissioner 2024/25	The Group 2024/25
£'000	£'000		£'000	£'000
-29,411	-29,411	Balance at 1 st April	-28,825	-28,825
-427	-427	Revenue Contributions Applied	-92	-92
-8	-8	Capital Receipts Applied	-16	-16
-3,132	-3,132	Government Grants Released	-705	-705
0	0	Contribution applied in year	0	0
-1,119	-1,119	MRP	-2,165	-2,165
5,085	5,085	Depreciation and Impairment	6,596	6,596
187	187	Non-current assets written off on disposal	280	280
0	0	Movement in donated assets account	-131	-131
-28,825	-28,825	Balance at 31 st March	-25,058	-25,058

Accumulated Absences Account

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

The Commissioner 2023/24	The Group 2023/24		The Commissioner 2024/25	The Group 2024/25
£'000	£'000		£'000	£'000
0	7,134	Balance at 1 st April	0	8,748
0	-7,134	Cancellation of accrual made at the end of the preceding year	0	-8,748
0	8,748	Amounts accrued at the end of the current year	0	10,348
0	8,748	Balance at 31 st March	0	10,348

Pensions Reserves

The pension reserves absorb the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Chief Constable for Bedfordshire accounts for post-employment benefits in their Comprehensive Income and Expenditure Statement as the benefits are earned by employees under their control accruing years of service, updating their liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. The debit balance on the Chief Constable and Group Pension Reserves therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Group has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

The Commissioner 2023/24	The Group 2023/24		The Commissioner 2024/25	The Group 2024/25
£'000	£'000		£'000	£'000
		Pension Reserve – Local Government Scheme		
221	20,806	Balance at 1 st April	0	7,696
-204	-13,207	Actuarial (gains) or losses on pensions assets and liabilities	154	1,044
205	9,059	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of services in the Comprehensive Income and Expenditure Statement	138	8,709
-222	-8,962	Employer's pension contributions and direct payments to pensioners payable in the year	-292	-10,287
0	7,696	Balance at 31 st March	0	7,162

Notes to the Accounts

The Commissioner 2023/24	The Group 2023/24		The Commissioner 2024/25	The Group 2024/25
£'000	£'000		£'000	£'000
		Pension Reserve – Police Pension Scheme		
0	926,790	Balance at 1st April	0	941,400
0	-8,320	Actuarial (gains) or losses on pensions assets and liabilities	0	-112,823
0	51,900	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of services in the Comprehensive Income and Expenditure Statement	0	53,670
0	-28,970	Employer's pension contributions and direct payments to pensioners payable in the year	0	-31,257
0	941,400	Balance at 31st March	0	850,990

Note 24: Cash Flow Statement – Operating Activities

2023/24			2024/25	
The Commissioner	The Group		The Commissioner	The Group
£'000	£'000		£'000	£'000
2,383	26,782	Net (surplus) or deficit on the provision of services	7,480	29,817
0	113	Contributions (to)/from provisions	0	-199
-5,210	-5,210	Depreciation & Impairment	-6,714	-6,714
22	-22,763	IAS 19 pension adjustments	158	-20,579
-187	-187	Carrying Amount of non-current assets sold	-280	-280
0	-4	Increase / (decrease) stock	0	-4
-8,177	-6,371	Increase / (decrease) debtors	-623	-3,769
4,827	956	(Increase)/decrease creditors	-3,242	2,867
0	0	Donated Assets	135	135
0	0	Financing Cost - Lease Liabilities	-197	-197
-342	0	(Increase) / decrease creditors – Inter Company	4,360	0
-9,067	-33,466	Adjust net surplus or deficit on the provision of services for non-cash movement	-6,403	-28,740
0	0	Remove proceeds of sale of non-current assets included in investing activities	0	0
2,002	2,002	Remove Capital Grants included in investing activities	705	705
-4,682	-4,682	Net cash flows from operating activities	1,782	1,782

The cash flows for operating activities include the following items:

2023/24			2024/25	
The Commissioner	The Group		The Commissioner	The Group
£'000	£'000		£'000	£'000
-846	-846	Interest Received	-1,015	-1,015
1,046	1,046	Interest Paid	1,193	1,193

Note 25: Cash Flow Statement – Investing Activities

2023/24			2024/25	
The Commissioner	The Group		The Commissioner	The Group
£'000	£'000		£'000	£'000
8,381	8,381	Purchase of property, plant and equipment, and intangible assets	6,399	6,399
3,000	3,000	Purchase of short term investments	0	0
0	0	Proceeds from the sale of property, plant and equipment, and intangible assets	0	0
-	-	Proceeds from short-term investments	-1,000	-1,000
-2,002	-2,002	Other Receipts from Investing Activities	-705	-705
9,379	9,379	Net cash flows from investing activities	4,694	4,694

Note 26: Cash Flow Statement – Financing Activities

2023/24			2024/25	
The Commissioner	The Group		The Commissioner	The Group
£'000	£'000		£'000	£'000
-3,000	-3,000	Cash receipts of short and long term borrowing	-8,500	-8,500
461	461	Repayments of short and long term borrowing	320	320
0	0	Cash payments for the reduction of outstanding liabilities relating to leases or PFI contracts	700	700
-2,539	-2,539	Net cash flows from financing activities	-7,480	-7,480

Note 27: Officer's Remuneration

The number of employees whose remuneration, excluding pension contributions and redundancy payments, was £50,000 or more in bands of £5,000 as shown below.

The Chief Constable	The Commissioner		The Chief Constable	The Commissioner
2023/24	2023/24	Remuneration Band £	2024/25	2024/25
275	1	50,000 to 54,999	295	0
202	1	55,000 to 59,999	264	1
138	0	60,000 to 64,999	189	1
66	1	65,000 to 69,999	115	0
22	0	70,000 to 74,999	55	1
7	2	75,000 to 79,999	17	0
9	0	80,000 to 84,999	11	1
5	0	85,000 to 89,999	9	0
4	0	90,000 to 94,999	6	0
2	0	95,000 to 99,999	9	1
3	0	100,000 to 104,999	4	0
0	0	105,000 to 109,999	1	0
0	0	110,000 to 114,999	1	0
0	0	140,000 to 144,999	1	0
733	5		977	5

The employees in the bandings above do not include the remuneration of the posts of Senior Officers and Relevant Police Officers which are now separately disclosed below as required by the Accounts and Audit Regulations or the redundancy payments now disclosed separately.

Note 28: Exit Packages

All packages are disclosed as per the amounts of remuneration paid to the Chief Constable for Bedfordshire's employees regardless of whether they were funded by collaboration or not.

Cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages in each band	Total cost of exit packages in each band
<i>The Group</i>				
>£100,000	1	-	1	£183,900
£60,000-£80,000	2	-	2	£138,100
£40,000-£60,000	0	1	1	£56,200
£20,000-£40,000	2	1	3	£87,200
<£20,000	9	-	9	£72,200
Total	14	2	16	£537,600

<i>The Commissioner</i>				
>£100,000	1	-	1	£183,900
£40,000-£60,000	-	1	1	£56,200
<£20,000	3	-	3	£26,900
Total	4	1	5	£267,000

In addition and as a result of collaboration agreements, Bedfordshire contributed towards exit packages for Hertfordshire and Cambridgeshire staff of £101K and 4K respectively. These were exit packages incurred in collaborated units and funded by existing cost sharing principles.

Exit Packages 2023/24

Cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages in each band	Total cost of exit packages in each band
<i>The Group</i>				
£40,000-£60,000	2	0	2	£90,400
£20,000-£40,000	3	2	5	£137,400
<£20,000	4	1	5	£50,600
<i>The Commissioner</i>				
-	-	-	-	-
Total	9	3	12	£278,400

In addition and as a result of collaboration agreements, Bedfordshire contributed towards exit packages for Hertfordshire and Cambridgeshire staff of £75K and 31K respectively. These were exit packages incurred in forming new collaborated units and funded by existing cost sharing principles.

Note 29: Senior Officers and Relevant Police Officers Remuneration

	Salary, fees and allowances	Employers Pension Contribution	Reimbursement of Expenses	Benefit in Kind	Total
	£	£	£	£	£
The Commissioner					
The Police & Crime Commissioner - A (Note 2)	65,615	12,008	1,897	0	79,520
The Police & Crime Commissioner - B (Note 3)	7,685	1,406	371	0	9,461
The Deputy Police & Crime Commissioner - A (Note 4)	17,520	3,206	0	0	20,726
The Deputy Police & Crime Commissioner - B (Note 5)	3,368	616	255	0	4,240
The Chief Executive - A (Note 6)	51,317	0	161	0	51,478
The Chief Executive - B (Note 7)	95,826	4,626	263	0	100,715
The Chief Finance Officer to Police & Crime Commissioner (Note 1)	17,782	3,169	0	206	21,157
The Chief Constable					
Chief Constable (Note 8)	198,607	23,830	0	2,856	225,294
Deputy Chief Constable (Note 9)	161,894	51,521	2,947	0	216,362
Assistant Chief Constable – A	133,124	43,956	590	1,021	178,692
Assistant Chief Constable – B	143,276	44,340	937	464	189,017
Chief Constable's Chief Finance Officer	160,041	28,523	0	1,851	190,415

Notes

Note 1: The CFO to the CC was also the CFO to the PCC - estimated allocation 90/10

Note 2: Role undertaken 09/05/24 to 31/03/25

Note 3: Role undertaken 01/04/24 to 08/05/24

Note 4: Role undertaken 05/06/24 to 31/03/25

Note 5: Role undertaken 01/04/24 to 08/05/24

Note 6: Role undertaken 21/10/24 to 31/03/25

Note 7: Role undertaken 01/04/24 to 21/06/2024

Note 8: Role undertaken 01/04/24 to 02/10/24 and 04/11/2024 to 31/03/25

Note 9: Includes period as Temporary Chief Constable 03/10/2024 to 03/11/24

Senior Officers and Relevant Police Officers Remuneration 2023/24

	Salary, fees and allowances	Employers Pension Contribution	Reimbursement of Expenses	Benefit in Kind	Total
	£	£	£	£	£
The Commissioner					
The Police & Crime Commissioner	73,300	13,414	288	0	87,002
The Deputy Police & Crime Commissioner	35,330	6,465	1,325	0	43,120
The Chief Executive	109,316	20,005	0	501	129,822
The Chief Finance Officer to Police & Crime Commissioner (Note 1)	17,252	2,778	0	286	20,316
The Chief Constable					
Chief Constable	193,565	53,883	100	4,392	251,940
Deputy Chief Constable	145,245	40,510	1,886	0	187,641
Assistant Chief Constable – A	127,211	31,447	0	0	158,658
Assistant Chief Constable – B (Note 2)	81,026	24,557	1,464	0	107,047
Assistant Chief Constable – C (Note 3)	96,875	29,311	936	0	127,122
Assistant Chief Constable – D (Note 4)	70,399	16,312	354	0	87,065
Chief Constable's Chief Finance Officer	155,264	25,003	0	2,573	182,840

Notes

Note 1: The CFO to the CC was also the CFO to the PCC - estimated allocation 90/10

Note 2: Role undertaken 08/08/23 to 31/03/24

Note 3: Role undertaken 30/05/23 to 31/03/24

Note 4: Role Undertaken 01/04/23 to 18/10/23

Note 30: Audit Fees

External audits were provided by KPMG LLP to both the PCC for Bedfordshire and to the Chief Constable.

2023/24		2024/25
£'000		£'000
87,037	Audit Fee Re Police & Crime Commissioner	94,866
47,040	Audit Fee Re Chief Constable	53,510
134,077	Total Audit Fees	148,376

Note 31: Eastern Region Organised Crime Unit

The Eastern Region Organised Crime Unit (ROCU) is a joint arrangement between 7 forces – Hertfordshire, Cambridgeshire, Essex, Suffolk, Norfolk, Kent and Bedfordshire to provide one serious and organised crime unit for the eastern region. ROCU is run by a management board where all forces are equally represented and decisions are made with the unanimous consent of all forces.

Expenditure of £3.475M has been consolidated into the Chief Constable’s Income and Expenditure statement. The government grants of £0.796M has been consolidated into the Income and Expenditure Statement for the PCC, and the PCC for Bedfordshire’s share of the total assets purchased (£0.104M) are included on the PCC’s balance sheet financed by a transfer from the revenue budget. The income and expenditure statement for the units is shown below:

2024/25	Beds	Cambs	Essex	Herts	Kent	Norfolk	Suffolk	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Grant	-901	-1,137	-2,215	-1,616	-1,611	-1,278	-985	-9,743
Capital Grant	0	0	0	0	0	0	0	0
Running Costs	3,867	4,879	6,460	6,932	6,300	5,480	4,225	38,143
Depreciation	142	154	99	240	64	187	148	1,034
Surplus / Deficit	3,108	3,896	4,344	5,556	4,753	4,389	3,388	29,434

2023/24	Beds	Cambs	Essex	Herts	Kent	Norfolk	Suffolk	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Grant	-789	-1002	-1979	-1430	-1347	-1127	-872	-8,547
Capital Grant	-7	-8	-17	-12	-18	-10	-7	-80
Running Costs	3,475	4,410	5,578	6,295	5,412	4,962	3,837	33,968
Depreciation	96	105	56	162	34	127	101	681
Surplus / Deficit	2,775	3,505	3,637	5,015	4,080	3,952	3,059	26,022

The following assets/liabilities included on the PCC for Bedfordshire’s balance sheet that relate to ROCU are as follows:

31 March 2024		31 March 2025
£'000		£'000
181	Vehicles	162
150	Plant & Equipment	112
157	Land & Buildings	130
16	Cash	4
504	Net Assets	408
488	Capital Adjustment Account	404
16	Reserve	4
504	Equity	408

In addition there are two buildings purchased jointly by the forces for regional teams, the PCC for Bedfordshire's share of the total value is also included in the balance sheet at £0.819M.

Note 32: Collaborated Units

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

	Beds	Cambs	Herts	Total		Beds	Cambs	Herts	Total
	2023/24	2023/24	2023/24	2023/24		2024/25	2024/25	2024/25	2024/25
	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
Joint Protective Services					Joint Protective Services				
Armed Policing Units	3,812	3,412	4,038	11,262	Armed Policing Units	3,853	3,336	3,849	11,038
					Taser Training	318	401	569	1,288
Dog Units	938	1,156	1,568	3,662	Dog Units	1,122	1,377	1,863	4,362
Major Crime Unit	2,609	3,122	3,868	9,599	Major Crime Unit	2,879	3,433	4,240	10,552
Operational Planning	309	392	560	1,261	Operational Planning	346	437	621	1,404
Jps Command	453	575	820	1,848	Jps Command	426	537	764	1,727
Resilience	95	120	172	387	Resilience	100	126	180	406
Roads Policing Unit	2,843	4,076	5,487	12,406	Roads Policing Unit	3,128	4,464	5,993	13,585
Scientific Services	3,386	4,057	5,420	12,863	Scientific Services	3,736	4,197	5,664	13,597
Total Joint Protective Services	14,445	16,910	21,933	53,288	Total Joint Protective Services	15,908	18,308	23,743	57,959
Operational Support					Operational Support				
Cameras Tickets & Collisions	55	69	92	216	Cameras Tickets & Collisions	18	22	29	69
Custody & Criminal Justice Smt	319	196	575	1,090	Custody & Criminal Justice Smt	347	228	622	1,198
Criminal Justice Unit	461	585	1,003	2,049	Criminal Justice Unit	490	619	980	2,089
Firearms & Explosive Licenses	170	329	268	767	Firearms & Explosive Licenses	216	417	340	973
Ict ****	6,925	8,699	12,481	28,105	ICT**	8,479	10,333	14,548	33,360
Delivery Management Office***	337	428	612	1,377	Joint Strategy & Transformation*	424	535	761	1,721
Total Operational Support Expenditure	8,267	10,306	15,031	33,604	Total Operational Support Expenditure	9,975	12,155	17,280	39,410
Organisational Support					Organisational Support				
Collaboration Team***	62	78	112	252	Corporate Comms	64	81	116	261
Hr L&D	4,786	6,362	9,025	20,173	Hr L&D	5,039	6,445	8,859	20,343
Information Management Depts	980	1,244	1,775	3,999	Information Management Depts	1,066	1,344	1,910	4,320
Professional Standards	1,946	2,118	2,910	6,974	Professional Standards	2,193	2,248	3,258	7,699
Joint Uniform Stores	77	98	140	315	Joint Uniform Stores	91	115	164	370
Finance	31	171	56	258	Finance	36	46	64	146
BCH Payroll	152	193	276	621	BCH Payroll	153	192	273	618
Uplift Programme Board	42	53	75	170	CARM	57	73	103	233
Police Transformation Fund	8	10	15	33	Police Transformation Fund	4	6	7	17
BCH Implementation	26	33	0	59					
Total Organisational Support Expenditure	8,110	10,360	14,384	32,854	Total Organisational Support Expenditure	8,703	10,550	14,754	34,007
Total BCH Net Operating Costs	30,822	37,576	51,348	119,746	Total BCH Net Operating Costs	34,586	41,013	55,777	131,376
Joint Procurement Unit	255	238	471	964	Joint Procurement Unit	208	280	418	906
Pension Dep	191	0	0	191					
Total Net Operating Costs	31,268	37,814	51,819	120,901	Total Net Operating Costs	34,794	41,293	56,195	132,282

Note 33: Analysis of Government Grants

The PCC for Bedfordshire credited the following grants and contributions to their Comprehensive Income & Expenditure Statement:

	<u>2024/25</u> £'000	<u>2023/24</u> <u>Restated</u> £'000
Provision of National Communications Data Service	-	28
Rapid Video Response	-	165
Data Connectivity	482	500
Close Protection - Op Venice	-	118
National Law Enforcement Database	-	81
Hotspot Response	1,465	-
Serious Violence Duty	78	128
Counter Terrorism Policing Grant	23,065	22,323
Special Grant	9,780	10,632
Safer Streets	301	749
ROCU (Beds Share of Joint Regional Grant)	635	577
ROCU - Non Core Grants	267	212
ROCU - National Serious & Organised Crime	2,790	1,900
Criminal Records Bureau Vetting	411	380
Violence Reduction Unit	1,028	1,226
Victim Services Grant (Ministry of Justice)	1,886	1,845
Invigor Funding	20	513
Cyber Grant	256	257
Surge Fund	62	696
Uplift Fund	3,832	2,479
Proceeds of Crime Grant	357	238
Local Communities Fund	31	-
Op Apex / Op Venice (Beds Share, JPS)	30	-
LEDS Grant (Beds Share)	52	-
Op Navette - Serious Violence Disorder	203	-
Pension Remedy	285	-
Other	125	58
Total Credited to Provision of Services	47,441	45,105
Pension Top Up Grant	8,760	10,647
Total Credited to Other Operating Income	8,760	10,647
Police Revenue Grant	53,463	49,404
Pension Grant	3,916	1,116
Council Tax Freeze Grant	751	751
Formula Funding	28,640	28,064
Council Tax Benefit Subsidy	3,886	3,886
Capital Expenditure Grant	705	2,002
Council Tax Precepts	62,973	57,636
Donated Assets	135	-
Total Credited to Taxation & Non Specific Grant	154,469	142,859
Of which were Received In Advance		1,129

Note 34: Related Party Transactions

The Financial Reporting Standard on Related Party Disclosures (IAS 24) and the CIPFA Code of Practice require that material 'related party' transactions with the PCC for Bedfordshire/Force are disclosed in the Statement of Accounts.

Other Public Bodies Subject to Common Control

UK Government exercises some control over the general operations of the PCC for Bedfordshire Group and it is responsible for providing the statutory framework within which the group operates and provides the majority of its funding in the form of grants. Details of grants received from government departments are disclosed in the Comprehensive Income and Expenditure Account and in detail in Note 33.

Material transactions with other public bodies have been disclosed in other notes to the Accounts (see notes 32 - 37).

Officers

A review to determine related party transactions with the PCC for Bedfordshire Group involved all senior members of staff within the group and this identified the following:

- The Police and Crime Commissioner is a Director for BlueLight Commercial Ltd, to which the Chief Constable and Group have paid £37K and received £37K during 2024/25. There were no balances owing to the company as at 31st March 2025.
- The Assistant Chief Constable is a Trustee for charity YouTurn Futures to which the Chief Constable and Group have paid £250K during 2024/25 (£186K 2023/24), £26K was owing as at 31st March 2025 (£5K 2023/24).
- The Assistant Chief Constable for ERSOU, who is deemed to have significant control regarding decision making for the organisation whilst remaining employed by Kent Police, is a Director of the Eastern Region Cyber Resilience Centre to which £1K was owing as at 31st March 2025 (nil 31st March 2024).

Entities Controlled by or Significantly Influenced by the PCC for Bedfordshire.

The PCC for Bedfordshire empowers the Chief Constable as a separate entity via a scheme of governance and all contracts have been entered into in compliance with the Scheme of Governance. A full explanation of this relationship is set out in the Explanatory foreword.

Note 35: Capital Expenditure & Capital Financing.

The total capital expenditure incurred in the year is shown below along with the resources that have been used to finance it. Where capital expenditure is to be financed in future years as charges are applied to revenue as assets are used by the PCC for Bedfordshire, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the PCC for Bedfordshire that has yet to be financed.

	2024/25	2023/24
	£'000	£'000
<u>Opening Capital Financing Requirement</u>	43,955	40,269
<u>Capital Investment</u>		
Property, Plant & Equipment	4,933	8,246
Intangible Assets	1,466	135
<u>Sources of Finance</u>		
Capital Receipts	-6	-18
Government Grants & Contributions	-706	-3,132
<i>Sums set aside from Revenue:</i>		
Direct Revenue Contributions	-91	-427
Minimum Revenue Provision	-1,661	-1,119
<u>Closing Capital Financing Requirement</u>	47,890	43,955
<u>Explanation of Movements in the Year</u>		
Increase (decrease) in underlying need to borrow		
- supported by government assistance		
Increase (Decrease) PWLB Borrowing	8,180	2,539
- unsupported by government assistance		
Increase (Decrease) Internal Borrowing	-4,748	1,146
Assets acquired under finance leases	503	0
Assets acquired under PFI contracts	0	0
<u>Increase / (decrease) in Capital Financing Requirement</u>	3,935	3,685

Note 36: Leases

The PCC for Bedfordshire rents several properties which are categorised as finance leases under IFRS16. Changes to IFRS16 apply from 1st April 2024 meaning that a review of lease arrangements under the new standard has been performed and those re-categorised as finance leases are brought onto the balance sheet as Right of Use Assets as at this date, transitional arrangements mean that restatement of prior year figures are not required.

Right of Use Assets

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

	Vehicles, plant & Equipment	Land and Buildings	Total
	£'000	£'000	£'000
Balance as at 1 April 2024	0	0	0
Revaluations	0	5,050	5,050
Depreciation and Amortisation	0	-240	-240
Additions	0	0	0
Disposals	0	0	0
Balance as at 31 March 2025	0	4,810	4,810

Transactions under leases

The PCC for Bedfordshire incurred the following expenses and cashflows in relation to leases.

	2024/25	2023/24
	£'000	£'000
Comprehensive Income and Expenditure Statement		
Interest Expense of lease liabilities	197	0
Expense relating to short term leases	551	0
Expense relating to exempt low value leases	12	0
Depreciation	236	0
Total	996	0
Cashflow Statement		
Minimum lease payments	1,301	0

Maturity analysis of lease liabilities

Leases are due to be settled over the following time bands (measured on the undiscounted amounts of expected cash payments).

	31 March 2025	31 March 2024
	£'000	£'000
Less than 1 year	846	704
One to five years	3,069	2,832
More than five years	1,468	811
Total Undiscounted liabilities	5,383	4,347

Authority as lessor

The PCC leases out property under operating leases for the following:

- Lease of former Leagrave Police station for community purposes to The Filmer Trust with a remaining term of 3 years.

Transactions under leases

The PCC made the following gains and losses as lessor during the year:

	2024/25	2023/24
	£'000	£'000
Operating Leases		
Total Lease income	26	25

Note 37: Pensions (Comprising of the Police Pension Fund Accounting Statements)

As part of the terms and conditions of employment of its officers and other employees, the Chief Constable for Bedfordshire offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Chief Constable has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement. The costs and liabilities associated with the retirement benefits for police officers are recorded in the Chief Constable's accounts, the corresponding negative pension reserve is held on the Chief Constable's balance sheet.

The Chief Constable for Bedfordshire participates in two pension schemes:

- The Local Government Pension Scheme (LGPS) for police staff, administered by Bedford Borough Council – this is a funded defined benefit final salary scheme, meaning that the PCC for Bedfordshire and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.
- The Police Pension Scheme for Police Officers – this is an unfunded defined benefit final salary scheme administered by the PCC for Bedfordshire Group, meaning that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due. Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pensions fund for the year is less than amounts payable, the police authority must annually transfer an amount required to meet the deficit to the pension fund. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by central government pension top-up grant. If however the pension fund is in surplus for the year, the surplus is required to be transferred from the pension fund to the police authority which then must repay the amount to central government.

Quoted securities held as assets in the LGPS defined benefit pension scheme are valued at bid price.

The costs of retirement benefits are recognised in the Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge that the PCC for Bedfordshire is required to make against Council Tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out through the Movement in Reserves Statement.

Assets and liabilities of the Local Government Pension Scheme have been split between those attributable to the Chief Constable's employees and the Police & Crime Commissioners employees.

The transactions below are included in the Group Comprehensive Income and Expenditure Statement during the year:

GROUP	Local Government Pension Scheme		Police Pension Scheme	
	2023/24	2024/25	2023/24	2024/25
	£'000	£'000	£'000	£'000
Net Total Cost of Service				
Current Service Costs	8,156	8,478	9,250	9,480
Past Service Costs/Gains	117	93	0	0
Losses/Gains on Curtailments & Settlements	0	0	0	0
Surplus or Deficit on the Provision of Services				
Interest Costs	10,664	11,341	42,650	44,190
Interest on Impact of Asset Ceiling	0	754	0	0
Interest Income on plan assets	-9,878	-11,957	0	0
Other Comprehensive Income & Expenditure				
<u>Re-measurements:</u>				
Actuarial gains and losses arising on changes in demographic assumptions	-2,391	-533	0	-1,350
Actuarial gains / losses arising on changes in financial assumptions	-7,319	-44,614	-19,770	-111,690
Other actuarial gains (assets & liabilities)	0		0	0
Impact of Asset Ceiling	15,224	42,647	0	0
Other experience gains and losses	681	-273	11,450	217
Return on plan assets (excl amount in net interest expense)*	-19,402	3,817	0	0
Total Charge to the Comprehensive Income and Expenditure Statement	-4,148	9,753	43,580	-59,153
Movement in Reserves Statement				
Reversal of net charges made for retirement benefits	-9,059	-8,709	-51,900	-53,670
Actual Amounts charged against the General Fund Balance for pensions in the year:				
Employers Contributions payable to the pension fund	8,962	10,287	26,888	29,224
Injury Award Benefits	0	0	2,081	2,032
*Admin Costs of £255K is included in Current Service Costs				

PCC	Local Government Pension Scheme	
	2023/24	2024/25
	£'000	£'000
Net Total Cost of Service		
Current Service Costs	200	142
Past Service Costs/Gains	0	0
Losses/Gains on Curtailments & Settlements	0	0
Surplus or Deficit on the Provision of Services		
Interest Costs	159	169
Interest Impact on Asset Ceiling	0	14
Interest Income on plan assets	-154	-187
Other Comprehensive Income & Expenditure		
<u>Re-measurements:</u>		
Actuarial gains and losses arising on changes in demographic assumptions	-35	-7
Actuarial gains / losses arising on changes in financial assumptions	-164	-655
Other actuarial gains (assets & liabilities)	0	0
Other experience gains and losses	19	114
Impact of Asset Ceiling	276	642
Return on plan assets (excl amount in net interest expense)*	-300	60
Total Charge to the Comprehensive Income and Expenditure Statement	1	292
Movement in Reserves Statement		
Reversal of net charges made for retirement benefits in accordance with IAS19*	-205	-138
Actual Amounts charged against the General Fund Balance for pensions in the year:		
Employers Contributions payable to the pension fund	222	292

* Admin cost of £4K is included in Current Service costs

Assets and Liabilities Recognised in the Balance Sheet

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

GROUP	Funded Liabilities: Local Government Pension Scheme		Unfunded Liabilities: Police Pension Scheme	
	2024/25	2023/24	2024/25	2023/24
	£'000	£'000	£'000	£'000
Present value of the defined benefit obligation	201,259	229,304	850,990	941,400
Fair value of plan assets	-252,722	-236,832	-	-
Impact of Asset Ceiling	58,625	15,224	-	-
Net liability arising from the defined benefit obligation	7,162	7,696	850,990	941,400

PCC	Funded Liabilities: Local Government Pension Scheme	
	2024/25	2023/24
	£'000	£'000
Present value of the defined benefit obligation	3,082	3,505
Fair value of plan assets	-4,014	-3,781
Impact of Asset Ceiling	932	276
Net liability arising from the defined benefit obligation	0	0

Reconciliation of the movements in the fair value of scheme assets

GROUP	Local Government Pension Scheme	
	2024/25	2023/24
	£'000	£'000
1st April	236,832	202,070
Expected rate of return / Interest income	11,957	9,878
Re-measurement gains and losses:		
Return on plan assets, excluding the amount included in the net interest expense	-3,817	19,402
Other	-256	-264
Settlements	0	0
Employer contributions	10,287	8,962
Contributions by scheme participants	3,487	3,112
Benefits paid	-5,768	-6,328
31st March	252,722	236,832

PCC	Local Government Pension Scheme	
	2024/25	2023/24
	£'000	£'000
1st April	3,781	3,075
Expected rate of return / Interest income	187	154
Re-measurement gains and losses:		
Return on plan assets, excluding the amount included in the net interest expense	-60	300
Other	-4	-4
Employer contributions	292	222
Contributions by scheme participants	71	85
Benefits paid	-253	-51
31st March	4,014	3,781

Reconciliation of present value of the scheme liabilities

GROUP	Funded Liabilities: Local Government Pension Scheme		Unfunded Liabilities: Police Pension Scheme	
	2024/25	2023/24	2024/25	2023/24
	£'000	£'000	£'000	£'000
1st April	229,304	222,876	941,400	926,790
Current service cost	8,222	7,892	9,480	9,250
Interest cost	11,341	10,664	44,190	42,650
Contributions by scheme participants	3,487	3,112	7,617	7,036
Re-measurement (gains) and losses:				
▪ Actuarial gains / losses arising from changes in demographic assumptions	-533	-2,391	-1,350	0
▪ Actuarial gains / losses arising from changes in financial assumptions	-44,614	-7,319	-111,690	-19,770
▪ Other actuarial gains / losses	0	0	0	0
▪ Other experience gains / losses	-273	681	217	11,450
Benefits paid	-5,768	-6,328	-38,874	-36,006
Past service cost (including curtailments)	93	117	0	0
Losses / (gains) on settlements	0	0	0	0
31st March	201,259	229,304	850,990	941,400

PCC	Funded Liabilities: Local Government Pension Scheme	
	2024/25	2023/24
	£'000	£'000
1st April	3,505	3,296
Current service cost	138	196
Interest cost	169	159
Contributions by scheme participants	71	85
Re-measurement (gains) and losses:		
▪ Actuarial gains / losses arising from changes in demographic assumptions	-7	-35
▪ Actuarial gains / losses arising from changes in financial assumptions	-655	-164
Other actuarial gains / losses	0	0
Other experience gains / losses	114	19
Benefits paid	-253	-51
Past service cost (including curtailments)	0	0
Losses / (gains) on settlements	0	0
31st March	3,082	3,505

Reconciliation of the opening and closing surplus / (deficit)

GROUP	Funded Liabilities: Local Government Pension Scheme		Unfunded Liabilities: Police Pension Scheme	
	2024/25	2023/24	2024/25	2023/24
	£'000	£'000	£'000	£'000
Opening Surplus (deficit)	-7,696	-20,806	-941,400	-926,790
Current Service Cost	-8,478	-8,156	-9,480	-9,250
Contributions by employer	10,287	8,962	31,257	28,970
Past Service Costs	-93	-117	0	0
Interest Cost	-11,341	-10,664	-44,190	-42,650
Interest on Impact Asset Ceiling	-754			
Expected Return on Assets	11,957	9,878	0	0
Gains & Losses on Settlements	0	0	0	0
Re-measurement Gains / (losses)	-1,044	13,207	112,823	8,320
31st March	-7,162	-7,696	-850,990	-941,400

PCC	Funded Liabilities: Local Government Pension Scheme	
	2024/25	2023/24
	£'000	£'000
Opening Surplus (deficit)	-0	-221
Current Service Cost	-142	-200
Contributions by employer	292	222
Past Service Costs	0	0
Interest Cost	-169	-159
Expected Return on Assets	187	154
Interest on Impact Asset Ceiling	-14	
Other Actuarial Gains / (losses)	0	0
Re-measurement Gains / (losses)	-154	204
31st March	0	0

Local Government Pension Scheme assets comprised:

2023/24				2024/25		
CC	PCC	Group	Asset Type	CC	PCC	Group
£'000	£'000	£'000		£'000	£'000	£'000
143,288	2,312	145,600	Equities	153,908	2,398	156,306
42,498	686	43,184	Bonds	47,108	734	47,842
33,409	539	33,948	Property	40,228	627	40,855
14,755	238	14,993	Cash	8,200	128	8,328
233,950	3,775	237,725	Total	249,444	3,887	253,331

The final asset allocation of the Fund assets is likely to be different from that shown due to estimation techniques. The overall Group share of the Fund assets is approximately 6.96%.

The table below shows the asset breakdown for the total fund:

Asset breakdown		31 March 2025	
		% Quoted	% Unquoted
Fixed Interest Government Securities	UK	-	-
	Overseas	-	-
Index Linked Government Securities	UK	-	-
	Overseas	-	-
Corporate Bonds	UK	-	-
	Overseas	5%	-
Equities	UK	-	-
	Overseas	-	8%
Property		-	5%
Absolute return portfolio		4%	-
Hedge fund		-	-
Private Equity		-	2%
Infrastructure		-	11%
Unit trust		-	47%
Commodities		-	-
Derivatives		-	-
Private Debt		-	3%
Multi-Asset Credit		-	10%
Climate Opportunities		-	0%
Cash/Temporary Investments		-	3%
Net Current Assets	Debtors	-	-
	Creditors	-	-
Total		9%	91%

In relation to the LGPS the suitability of various types of investments has been considered as has the need to diversify investments to reduce the risk of being invested in too narrow a range, however a large proportion of assets relate to equities which have remained at a consistent level.

Basis for estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The Borough Council Fund liabilities have been assessed by Barnett Waddingham, an independent firm of actuaries. The Police Pension scheme liabilities have been assessed using the Government Actuary Department's IAS19 spreadsheet (GFS) which has been designed to satisfy the disclosure requirements contained within the CIPFA Code of Practice.

The significant assumptions used by the actuaries are:

	Local Government Pension Scheme		Police Pension Scheme	
	2024/25	2023/24	2024/25	2023/24
	%	%	%	%
Long-term expected rate of return on assets in the scheme:				
Mortality Assumptions:				
Longevity at 65 for current pensioners				
- Men	21.1	21.1	21.9	21.9
- Women	24.0	23.9	23.9	23.6
Longevity at 65 for future pensioners				
- Men	22.2	22.2	23.3	23.6
- Women	25.5	25.5	25.2	25.1
Rate of inflation - CPI	2.85	2.85	2.70	2.60
Rate of increase in salaries	3.85	3.85	3.45	3.85
Rate of CARE revaluation			3.95	3.85
Rate of increase in pensions	2.85	2.85	2.70	2.60
Rate for discounting scheme Liabilities	5.90	4.95	5.65	4.75
Take-up of option to convert annual pension into retirement lump sum (pre April 08 service)	50	50		-
Take-up of option to convert annual pension into retirement lump sum (post April 08 service)	75	75		-

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

For the Police Pension Scheme losses have resulted from updated demographic assumptions as the actuaries have used assumptions proposed in the 2020 valuation and ONS 2022 (losses of £1.35M relating to demographic assumptions form part of the overall actuarial gain of £112.823M).

The LGPS actuaries have adopted a set of demographic assumptions that are consistent with those used for the most recent fund valuation carried out as at 31 March 2022 except for an update of the CMU projection model to the CMI 2023

model. This gives rise to a valuation gain of £0.533M for the Group and £0.007M for the PCC.

The majority of the actuarial gains for 24/25 result from the expected return on assets, however the accounting standards state that if an employer has an accounting surplus, it should only be recognised to the extent that it is able to recover the surplus either through reduced contributions in the future, or through refunds.

Therefore an asset ceiling is applied and this moves the fund from a surplus to a deficit once more.

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

Sensitivity analysis	£000s	£000s	£000s	£000s	£000s
Adjustment to discount rate	+0.5%	+0.1%	0.0%	-0.1%	-0.5%
Present value of total obligation	2,670	2,895	2,955	3,017	3,284
Projected service cost	71	87	92	96	116
Adjustment to long term salary increase	+0.5%	+0.1%	0.0%	-0.1%	-0.5%
Present value of total obligation	2,972	2,958	2,955	2,952	2,939
Projected service cost	92	92	92	92	92
Adjustment to pension increases and deferred revaluation	+0.5%	+0.1%	0.0%	-0.1%	-0.5%
Present value of total obligation	3,276	3,015	2,955	2,896	2,677
Projected service cost	116	96	92	87	71
Adjustment to life expectancy assumptions		+1 Year	None		-1 Year
Present value of total obligation		3,026	2,955		2,885
Projected service cost		95	92		88

Sensitivity Analysis for the Police Scheme:

	Police Pension Scheme	
	Approx. Increase to Employer Liability	
	%	£'000
Change in assumptions at 31 March 2024		
0.5% increase in Real Discount Rate	-7.5%	-63,000
1 year increase in member life expectancy	2.0%	18,000
0.5% increase in the Salary Increase Rate	1.0%	8,000
0.5% increase in the Pension Increase Rate	7.5%	64,000

The discount rate is based on high quality corporate bond yields of which there are very few in the market with a sufficiently long duration so an additional margin is added by the actuaries.

Impact on Cash Flows

The liabilities show the underlying commitments that the PCC for Bedfordshire Group has in the long-term to pay retirement benefits. The liability of £851M has a substantial impact on the net worth of the PCC for Bedfordshire Group as recorded in the balance sheet, resulting in a negative overall balance of £833M. However, statutory arrangements for funding the deficit mean that the financial position of the PCC for Bedfordshire Group remains healthy:

- The deficit of the LGPS will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.
- Finance is only required to be raised to cover police pensions when the pensions are actually paid.

Police Pension Fund Accounting Statement

The accounting policies for the Police Pension fund are disclosed in the main accounting policies and the long term pension obligations are shown separately on the balance sheet.

The Police Pension fund financing arrangements require separate accounting statements for the police pension fund. These arrangements require the Chief Constable for Bedfordshire to credit the police pensions fund with officer and employer contributions, incoming transfers and other contributions specified by the regulations. Payments made from the account include pension payments, lump sums and transfers out to other schemes. There are no investment assets held and the fund is balanced to nil each year by receipt of a top-up grant from the Home Office to cover any deficit, or paying over any surplus to the Home Office.

Employees and employers contributions levels are based on percentages of pensionable pay set nationally by the Home Office and subject to triennial revaluation by the Government Actuary's Department.

There are three separate pension schemes, for which membership is based on length of service and age. Benefits and contributions rates vary for each scheme according to members personal circumstances and pay rates. The retirement age and benefits are different for each scheme. A Fund Account for all three schemes combined is shown below:

2023/24			2024/25	
£'000	£'000		£'000	£'000
		Contributions receivable		
		- From Employer		
-16,573		Normal	-19,996	
0		Early Retirements for Ill-Health	-468	
-7,003		- From members of the Pension Scheme	-7,745	
	-23,576			-28,209
		Transfers in		
	-33	- Individual Transfers in from Other Schemes		-8
		Benefits Payable		
30,613		- Pensions	31,997	
3,550		- Commutations and Lump Sums	4,785	
	34,163			36,782
		Payments to and on Account of Leavers		
	0	- Individual Transfers out to Other Schemes		40
	94	-Pension Refunds		155
	10,647	Sub-Total: Net amount receivable for the year before top-up grant		8,760
	-10,647	Top-Up Grant Receivable from Police Fund		-8,760

Notes to the Accounts

2023/24			2024/25	
£'000	£'000		£'000	£'000
	0	(Surplus) / Deficit for the year		0

The table below shows the Net Assets held by the Pension Fund, there are no net assets as all are held on the PCC Group Balance Sheet as all payments are made by the PCC Group.

2023/24			2024/25	
£'000	£'000		£'000	£'000
0		Unpaid Pension Benefits	0	
0		Amount Owing from the general fund	0	
	0	Net Current Assets and Liabilities		0

External Advisers

The specialist nature and complexity of certain financial activities make it prudent for the PCC for Bedfordshire to enhance the available internal expertise by using the services of external advisers.

External advisers have been appointed to provide additional advice and guidance in the following areas:

(i) **Financial Administration**

Financial services provided to the PCC for Bedfordshire Group during 2024/25 include the following:

- Internal Audit – RSM Risk Assurance Services LLP
- Tax – RSM
- Pensions - XPS
- Treasury Management Advice –MUFG Corporate Markets

(ii) **Banking**

Banking services and advice are provided by National Westminster Bank plc.

Glossary of Terms

ACCRUAL – A sum included in the final accounts to cover income or expenditure attributable to an accounting period for goods supplied and received or work done, but for which payment has not been received/made by the end of the period.

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.

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

AGENCY SERVICES – The provision of services by one body (the agent) on behalf of another that is legally responsible for providing the service.

BUDGET – A statement of the PCC for Bedfordshire's forecast of net revenue and capital expenditure over a specified period of time.

CAPITAL EXPENDITURE – Spending on assets (e.g. land, buildings roads etc.) which adds to and not merely maintains the value of an existing non-current asset. Expenditure that does not fall within the definition must be charged to the Income and Expenditure Account.

CAPITAL RECEIPTS – The money from the sale of land or other assets. Capital receipts can be used to pay for new capital expenditure, within rules set down by the Government, or to repay outstanding loans. They cannot be used to finance revenue expenditure.

CARRY FORWARDS – Service under/overspendings that under the PCC for Bedfordshire's Devolved Budget Management Scheme, may be carried forward to the following year.

CIPFA – The Chartered Institute of Public Finance and Accountancy. This is the professional body responsible for accountants working in the public service. The Institute provides financial and statistical information on local government and public finance matters. CIPFA is a privately funded body with charitable status.

CONTINGENT LIABILITY – A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more future events not within the PCC for Bedfordshire's control.

CREDITOR – An amount owed by the PCC for Bedfordshire to suppliers for work done or goods received for which payment has not yet been made.

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

CURTAILMENT – For a defined benefit scheme, an event that reduced 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.

DEBTOR – Money owed to the PCC for Bedfordshire.

DEFINED BENEFIT SCHEME – a pension scheme other than a defined contribution scheme. The scheme rules define the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme.

DEPRECIATION – The measure of the wearing out, consumption, or other reduction in the useful economic life of a non-current asset, whether arising from use, passage of time or obsolescence through technological or other changes.

DIRECT REVENUE FINANCING – Resources provided from the PCC for Bedfordshire's revenue budget to finance the cost of capital projects.

EARMARKED RESERVES – Those elements of the Police Fund that have been set aside, "earmarked", for specific services.

EMOLUMENTS – All taxable sums paid to or received by an employee including the value of any benefits received other than in cash.

FINANCIAL REGULATIONS – A written code of procedures approved by the PCC for Bedfordshire, intended to provide a framework for proper financial management.

FINANCIAL YEAR – The period covered by a set of financial accounts - the Police Authority financial year commences 1 April and finishes 31 March the following year.

FINANCIAL REPORTING STANDARDS (FRS) – These standards are developed by the Accounting Standards Board and regulate the preparation and presentation of financial statements. Any material departures from these standards should be disclosed in notes to the accounts.

GOVERNMENT GRANTS – Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in the form of cash or transfers of assets to an Authority in return for past or future compliance with certain conditions relating to the activities of the PCC for Bedfordshire.

GROSS EXPENDITURE – The total cost of providing the PCC for Bedfordshire's services before taking into account income.

IMPAIRMENT – A reduction in the value of a non-current asset on the Balance Sheet due to lack of maintenance or change of use.

INCOME – Amounts due to an organisation that have been or are expected to be received.

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

INVESTMENTS – A long-term investment is an investment that is intended to be held for use on a continuing basis in the activities of the PCC for Bedfordshire for 365 days or more. A short-term investment occurs when surplus funds are invested for 364 days or fewer.

LIABILITIES – Money owed to individuals or organisations that will be paid at some time in the future.

MINIMUM REVENUE PROVISION (MRP) – The minimum amount which must be charged each year to the PCC for Bedfordshire's Police Fund and set aside as provision for credit liabilities, as required by the Local Government and Housing Act 1989.

NATIONAL NON-DOMESTIC RATES (NNDR) – A levy on businesses, based on a national rate in the pound set by the government, multiplied by the 'rateable value' of the premises they occupy. Collected by billing authorities in line with national criteria and then redistributed among all local authorities and police authorities on the basis of population.

NET BOOK VALUE – The amount at which non-current assets are included in the balance sheet, i.e. their historical cost less the cumulative amounts provided for depreciation.

NON CURRENT ASSET – An asset that has value beyond one financial year.

OPERATIONAL ASSETS – Non-current assets held and occupied, used or consumed by the Police Authority in the direct delivery of those services for which it has either a statutory or discretionary responsibility. All Police Authority non-current assets are classified as operational assets.

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.

POLICE FUND – The main account of a Police Authority. Income from government grants and the Precept is paid into the fund and day-to-day spending on services is paid for from the fund. The year end balances on the fund are the general reserves (or balances) maintained as a matter of prudence.

POLICE GRANT – The term used to specify all government grants to the PCC for Bedfordshire other than revenue support grant.

PRECEPTS – The demands made by the PCC for Bedfordshire on the local councils to finance the PCC for Bedfordshire's expenditure.

PROVISION – An amount, set aside in the accounts, for liabilities that are likely to be incurred but the amounts or the dates on which they 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.

RELATED PARTY TRANSACTIONS – The transfer of assets or liabilities or the performance of services, to or for a related party, irrespective of whether a charge is made.

RESERVES – These consist of Usable and Unusable Reserves. Usable Reserves are monies set aside by the PCC for Bedfordshire that do not fall within the definition of provisions. Unusable Reserves are created to absorb the timing differences of the accounting entries required by the CIPFA Code.

REVENUE EXPENDITURE – The day-to-day running costs incurred by an Authority in providing services.

REVENUE SUPPORT GRANT (RSG) – A grant paid by central government in aid of Authority services in general, as opposed to specific grants, which may only be used for a specific purpose.

UNFUNDED PENSION SCHEME – A scheme where the costs of pensions and other benefits, after accounting for employees' contributions in the year, are charged to the Income and Expenditure account e.g. Police Pension Scheme.

USEFUL LIFE – A term used to express the period over which the PCC for Bedfordshire will derive benefits from the use of a non-current asset. This is then used in calculating the depreciation charge for that asset.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE POLICE AND CRIME COMMISSIONER FOR BEDFORDSHIRE

REPORT ON THE AUDIT OF THE GROUP AND COMMISSIONER'S FINANCIAL STATEMENTS

Disclaimer of opinion

We were engaged to audit the core financial statements of the Police and Crime Commissioner for Bedfordshire ("the Commissioner") for the year ended 31 March 2025 on pages 32 to 113 which comprise the Group and Commissioner Comprehensive Income and Expenditure Statement, Group and Commissioner Balance Sheet, Group and Commissioner Movement in Reserves Statement, Group and Commissioner Statement of Cash Flows, and the related notes, including the Expenditure and Funding Analysis and the accounting policies in note 1.

We do not express an opinion on the financial statements. Due to the significance of the matters described in the Basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for disclaimer of opinion

The Accounts and Audit (Amendment) Regulations 2024 (the "Amendment Regulations") require the Commissioner to publish its financial statements and our opinion thereon for the year ended 31 March 2025 by 27 February 2026 (the "Backstop Date").

We have been unable to obtain sufficient appropriate audit evidence over a number of areas of the financial statements as we have been unable to perform the procedures that we consider necessary to form our opinion on the financial statements ahead of the Backstop Date.

These areas were for both the Group and the Commissioner:

- the police pension fund accounting statement, provisions and the balance of, and movements in, usable and unusable reserves for the years ended 31 March 2024 and 31 March 2025.
- the disclosed comparative figures for short term accumulating absences within short term creditors, the carrying value of property, plant and equipment, the disclosures of Officers' remuneration, and Exit Packages and Senior Officers and Relevant Police Officers Remuneration for the year ended 31 March 2024.
- the net assets as at 1 April 2023, and therefore whether there were any consequential effects on the disclosed comparative income and expenditure for the year ended 31 March 2024.

Any adjustments from the above matters would have a consequential effect on the Group's and the Commissioner's net assets and the split between usable reserves and unusable reserves as at 31 March 2025 and 31 March 2024 and on their income and expenditure and cash flows for the years then ended.

Fraud and breaches of laws and regulations – ability to detect

As stated in the Disclaimer of opinion section of our report, we do not express an opinion on the financial statements due to the reasons described in the Basis for disclaimer of opinion section of our report.

Other information

The Chief Finance Officer (the "Section 151 Officer") is responsible for the other information, which comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. Any opinion on the financial statements would not

cover the other information and we do not express an opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Due to the significance of the matters described in the *Basis for disclaimer of opinion* section of our report, and the possible consequential effect on the related disclosures in the other information, whilst in our opinion the other information included in the Statement of Accounts for the financial year is consistent with the financial statements, we are unable to determine whether there are material misstatements in the other information.

The Chief Finance Officer's and Joint Audit Committee's responsibilities

As explained more fully in the statement set out on page 15, the Section 151 Officer is responsible for the preparation of financial statements in accordance with CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 and that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group's and the Commissioner's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the government of the intention to either cease the services provided by the Group and the Commissioner or dissolve the Group and the Commissioner without the transfer of their services to another public sector entity.

The Joint Audit Committee of the Commissioner is responsible for overseeing the Commissioner's financial reporting process.

Auditor's responsibilities

Our responsibility is to conduct an audit of the financial statements in accordance with International Standards on Auditing (UK), and to issue an auditor's report. However, due to the significance of the matter described in the *Basis for disclaimer of opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

Report on the Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice published by the National Audit Office in November 2024 on behalf of the Comptroller and Auditor General (the "NAO Code of Audit Practice"), we are required to report to you if we identify any significant weaknesses in the arrangements that have been made by the Commissioner to secure economy, efficiency, and effectiveness in its use of resources.

We have nothing to report in this respect.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Commissioner is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are required under section 20(1) of the Local Audit and Accountability Act 2014 to be satisfied that the Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. We are also not required to satisfy ourselves that the Commissioner has achieved value for money during the year.

We planned our work and undertook our review in accordance with the NAO Code of Audit Practice and related statutory guidance, having regard to whether the Commissioner had proper arrangements in place to ensure financial sustainability, proper governance and to use information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

We are required by Schedule 2 to the NAO Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 and Schedule 7 of the Local Audit and Accountability Act 2014; or
- we make written recommendations to the Commissioner under Section 24 and Schedule 7 of the Local Audit and Accountability Act 2014; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in this respect.

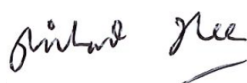
THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the members of the Commissioner, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the members of the Commissioner, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Commissioner and the members of the Commissioner, as a body, for our audit work, for this report, or for the opinions we have formed.

DELAY IN CERTIFICATION OF COMPLETION OF THE AUDIT

We are unable to certify that we have completed the audit of the Police and Crime Commissioner for Bedfordshire for the year ended 31 March 2025 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the NAO Code of Audit Practice for the following reasons:

- As at the date of this audit report, we are unable to confirm that we have completed our work in respect of the Authority's Whole of Government Accounts consolidation pack for the year ended 31 March 2025 because we have not received confirmation from the NAO that the NAO's audit of the Whole of Government Accounts is complete; and
- The certification of completion of the audit has not yet been issued in respect of the year ended 31 March 2024.



Richard Lee

for and on behalf of KPMG LLP

Chartered Accountants
1 St Peter's Square,
Manchester
M2 3AE
27th February 2026