



Bedfordshire Police

Compassionate | Courageous | Inclusive | Professional | Proud

The Chief Constable for Bedfordshire Police DRAFT STATEMENT OF ACCOUNTS

2025/2026

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Narrative Report

The Narrative Report pulls together in a single document information on the budget preparation process, final accounts, performance information, medium term financial plans and other contextual information such as workforce numbers and strategic risks. I hope you find it helpful, I would welcome feedback on the content so that we can continue to improve and enhance next year's narrative report on the 2025/26 accounts.

Bedfordshire Police continues to meet its police officer baseline target of 1,466 officers ending 2025/26 20 officers above this baseline. The government has introduced the neighbourhood policing guarantee effective from 2025/26. This is similar to the previous uplift programme but targeted at increasing police officers, police community support officers and special constables working directly in neighbourhoods and local communities. As part of the Government's Neighbourhood Policing Guarantee, the extra officers will increase police visibility, especially in town centres, and ensure every urban and rural neighbourhood has a named officer, this has resulted in 30 additional police officers and 8 PCSO's working in Neighbourhood Policing during 2025/26.

In Bedfordshire the implications of delivering a service to meet increasing demand and complexity whilst operating with finite resources is fully appreciated. Considerable work is focused on challenging the effectiveness and efficiency of our service, constantly driving to ensure our resources are directed to the highest priority areas and as a result have embedded the Priority Based Budgeting process.

As a police service we try to anticipate demand and ensure our strategic plans address the changing landscape both in the scope and complexity of crime but also the technology and equipment available to enhance the delivery of our service. We also always have to be prepared for the unexpected and be ready for an immediate response whatever the circumstances.

The Statement of Accounts has been prepared in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA). It therefore aims to provide information to help the reader:

- Understand the overarching financial position of the PCC (and the Force)
- Have confidence that the PCC has spent public money wisely and it has been accounted for in an appropriate manner
- Be assured that the financial position of the PCC (and Group) is sound and secure

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

The structure of this Narrative Report is set out below.

1. Explanation of the PCC and Group
2. Introduction to Bedfordshire Police
3. Financial performance
4. Non-financial performance
6. Summary and conclusion

1. EXPLANATION OF THE PCC AND GROUP

The Police & Crime Commissioner (PCC) and the Chief Constable are established as separate legal entities.

The PCC is elected by the public every four years to secure the maintenance of an efficient and effective police force and to hold the chief constable to account for the exercise of his functions and those of persons under his direction and control.

The Chief Constable has a statutory responsibility for the control, direction and delivery of operational policing services in the Bedfordshire Police area.

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

The Net Revenue Budget for 2025/26 was £155.774 million, of which £152.898 million was delegated to the Chief Constable.

2. AN INTRODUCTION TO BEDFORDSHIRE POLICE FORCE

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

At 477 square miles and with 750,000 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 30% 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 17.5 million passengers in 2025, an increase of 4.9%, 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 2026 the force recorded 51,360 crimes (a decrease of 1.7 per cent) and answered more than 246,000 calls for service (999 and 101 calls). We attended over 68,000 incidents, 32,050 of which were classed as Immediate Response.

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. 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.

Bedfordshire Police's community, response and investigation teams serve the unitary authorities of Luton, Bedford and Central Bedfordshire from two operational hubs. Strategic leadership of regional intelligence and investigation helps the Force meet risks linked to extremism and organised crime.

Bedfordshire still has one of the lowest net budgets of all English police forces. Bedfordshire is addressing its challenges through internal change and service-leading collaborations with neighboring and regional police forces.

The force is has made considerable efficiencies by collaborating large areas of its business with neighboring Cambridgeshire and Hertfordshire. This includes functions such as Protective Services which encompasses everything from the Beds, Cambs and Herts Major Crime Unit to Roads Policing, Scientific Services and Firearms as well as support services departments. Meanwhile Bedfordshire is also proud to be the lead force for the Eastern Region Special Operations Unit (ERSOU) and Eastern Region Counter Terrorism Policing Unit. The force continues to look at opportunities that can be achieved through working with the 7 Eastern Region forces (Existing Tri-force associations plus Norfolk, Kent Essex and Suffolk).

The Force has now fully embedded its Priority Based Budgeting process which provides the Force with an overall costed service catalogue that allows for a full understanding of the service we would deliver for less or what opportunities and benefits we would get for additional investments and resources.

3. FINANCIAL PERFORMANCE

a. Revenue Budget 2025/26

The increase in the size of the net revenue budget of £6.607M in 2025/26 compared to 2024/25 was made possible by the decision to raise Council Tax by £14, the maximum allowed without a local referendum, and by the increase in Home Office Police Grant of £3.1M which mainly covered the pay award made in September 2024. In addition there were ring fenced grants provided to cover the increased police pension contribution rate and grants tied into maintaining officer numbers.

b. Revenue Outturn 25/26

The total 2025/26 Revenue Budget allocated by the PCC for Bedfordshire to the Chief Constable for operational policing and support functions was £152.898M, including £0.425M transferred from reserves; actual expenditure amounted to £154.077M.

The over spend for the year of £0.754M arose in the following areas:

| | £'M |
|---------------------------------------|--------------|
| Police Pay | 2.979 |
| Police Overtime | -1.335 |
| Staff Costs (inc Agency and Overtime) | 0.828 |
| Non-Staff Costs | 0.591 |
| Externally Funded & Income | -1.223 |
| Collaboration | -0.535 |
| Grants | -0.551 |
| Contribution to Reserves | 0 |
| Total | 0.754 |

The outturn position of the Chief Constable includes different elements to that reported in the financial accounts and a full reconciliation of the reported outturn to the financial accounting surplus / deficit is shown at group level in the PCC's Group accounts.

c. Outlook – Medium Term Financial Plan

The increase in the size of the net revenue budget of £6.607M in 2025/26 compared to 2024/25 was made possible by the decision to raise Council Tax by £14, the maximum allowed without a local referendum, and by the increase in Home Office Police Grant of £3.1M which mainly covered the pay award made in September 2024.

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 on reserves to assist in balancing the budget, and it is likely that consideration will need to be given to the replenishment of these reserves over the 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 £7.7M via special grant for Operation Boson and Costello which is a similar level of funding as 2025/26 for 75% and 80% of the costs respectively.
- The 2026/27 budget incorporates a use of reserves of £1.098M
- The Council Tax increase was capped at £18.50 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 2026/27 provided Home Office grant of £96.3M, and a further £16.4M of ring-fenced grants. Whilst the overall funding increase, based upon the maximum increase in Band D Council Tax is 4.2%, of which 3.2% relates to increase in Grants, this was less than had been expected, particularly in light of the fact that September 2025 pay award, of 4.2%, is required to be funded from this increase. In addition, due to this announcement, the Commissioner is unable to provide the sustainability in capital expenditure and reserves that he had incorporated within his Medium-Term Revenue and Capital strategies. 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 £18.50 for a band D household.

In considering the 2026/27 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 budget provides for a headcount of 1486 police officers, 1151 staff and 50 PCSO's

For illustrative purposes we have shown a budget gap from 2027/28 onwards, noting that this could be closed using reserves or additional savings which are being worked on in 26/27 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 Indicative | 2027/28 Estimated | 2028/29 Estimated | 2029/30 Estimated |
|----------------------------|-----------------------|----------------------|----------------------|----------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Estimated draft budget (a) | 172,908 | 179,137 | 184,130 | 189,863 |
| Estimated funding (b) | 167,942 | 175,779 | 182,128 | 186,873 |
| Shortfall (a-b) | 4,966 | 3,358 | 2,002 | 2,990 |
| Savings | -4,966 | -1,250 | 0 | -400 |
| Grant increases | 0 | 0 | 0 | 0 |
| Budget Shortfall | 0 | 2,108 | 2,002 | 2,590 |

d. Capital

In addition to spending on day to day activities, the PCC incurs expenditure on land and buildings, information technology and other items of plant and equipment which have a longer term life.

The PCC has approved a Capital Programme costing £28 million over the next four years, which will provide the Force with appropriate infrastructure and assets to deliver innovative policing strategies with fewer resources.

The Capital Programme will be funded through a combination of borrowing, capital grants, revenue contributions, capital receipts and PCC reserves.

e. Accounting Changes compared to 2025/26

The draft accounts for 2025/26 are prepared based on balances in the 2024/25 final accounts which have been given a disclaimed audit opinion, this is as a direct result of the local authority audit backlog.

The Chief Constables Net Cost of Services which is chargeable to the general fund increased by £8.8M. This is largely due to increased employee expenditure brought about by pay increases of 4.75% in 24/25 and 4.2% in 25/26 for both staff and officers and by the uplift in officer numbers. The large variance reported against Corporate and Business Support Gross Expenditure relates to accounting adjustments for pensions (£8.6M Chief Constable).

f. Pension Liabilities

The balance sheet includes a liability of £837M which is the commitment that the Chief Constable for Bedfordshire has in the long-term, to pay retirement benefits. This liability has a substantial impact on the net worth of the Chief Constable as recorded in the balance sheet, resulting in a negative overall balance of £847M.

The Police Officer pension scheme is an unfunded scheme administered by the Chief Constable, meaning there are no assets built up to meet the pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. Both police officers and the employer (i.e. the Chief Constable) make annual contributions which are paid into the Police Pension Fund. Pensions are paid from the Fund. The Home Office funds the difference between actual pension payments and pensions income through an annual top-up grant.

Police staff are eligible to join the Local Government Pension Scheme (LGPS) administered by Bedfordshire Borough Council. This is a funded scheme whereby assets are invested to help fund future liabilities. In 2025/26 the Group paid an

employer's contribution representing 18.3% of pensionable pay plus a monetary amount of £631,000 which was informed by the last valuation in April 2022, which reported a funding level of 100%.

4. NON-FINANCIAL PERFORMANCE

What We Want To Achieve

The Chief Constable's Control Strategy sets out what the force wants to achieve and directly supports the delivery of the Commissioner's Police & Crime Plan. It sets out strategic objectives for delivery to enable the force to achieve its vision of becoming a well-respected, high performing, efficiently run police service working together to protect people, fight crime and keep Bedfordshire safe. It is broken down further into the Annual Delivery Plan 2025/26.



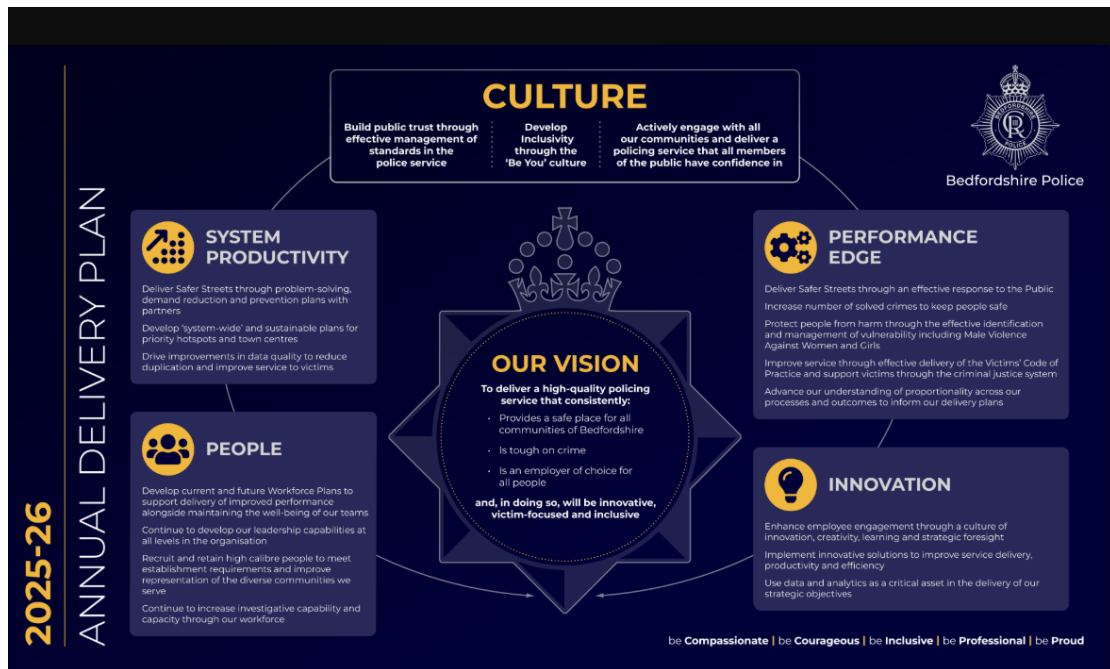
The main risks the Chief Constable faces in achieving these objectives are:

- If the level of funding over the Medium Term results in further budget reductions and in particular reductions to frontline police officers there may be a resultant deterioration in the services the force can provide to the public.
- If the Force fails to understand future specialise skill, training and accreditation requirements and upskill its people , it may fail to deliver effective and legitimate services and adequately support officers and staff.
- If the Force fails to adequately recruit a diverse, inclusive, and representative workforce, develop leaders and manage the attrition of experienced people it may fail to retain appropriately skilled staff.
- If the force is insufficiently sensitive both internally and externally, to Equality, Diversity, and Inclusion then it may fail to operate in a fair and ethical manner and may fail to maintain community cohesion.

The risk register is regularly reviewed at senior officer level, the force Executive Board acts as the Strategic Risk Management Board, the Strategic Risk Register is also reviewed quarterly by the Joint Audit Committee.

The Commissioner holds the Chief Constable to account for the delivery of service through monthly Performance and Governance Board Meetings and regular one to one update meetings.

An Annual Delivery Plan is produced each year to provide more tactical annual delivery objectives to help take the Force towards delivering the Control Strategy and achieving our vision.



Bedfordshire Police's Control Strategy provides the basis for prioritising the Force's energy, resources, intelligence requirements, policing operations and improvement initiatives, to effectively deliver the Force's Purpose of protecting people and fighting crime together.

Informed by the Chief Constable's Strategic Plan and with input from the Command Team, functional leads, subject matter experts, Community Safety Partnership managers and their analysts we have then determined the priority areas as set out in the Control Strategy. The documents are entirely evidence based and reflect the challenges we face in Bedfordshire and the areas we want to improve.

The Control Strategy informs:

- How we deploy our resources
- How we task
- How we focus our partnership activity
- Where we focus our intelligence gathering
- Where we focus our training and knowledge building

The table below shows performance in key Control Strategy priorities and cross cutting themes, for the twelve months from 1st April 2025 to 31st March 2026, with an indication of the direction of travel.

| Crime Groups L4 | Crimes Per Day | | | Recorded Crimes | | | Solved Crimes | | | Solved Crime Rates | | |
|--------------------------------------|----------------|----------------|----------------|-----------------|----------------|---------------|---------------|----------------|---------------|--------------------|----------------|---------------|
| Crime Groups L4 | Previous Year | Current Period | % Change | Previous Year | Current Period | Change | Previous Year | Current Period | % Change | Previous Year | Current Period | Change |
| Homicide | 0.0 | 0.0 | ↓ -84.6% | 13 | 2 | ↓ -11 | 12 | 3 | ↓ -75.0% | 92.3% | 150.0% | ↑ 57.7% |
| Death/Injury by Unlawful Driving | 0.2 | 0.2 | ↓ -5.0% | 60 | 57 | ↓ -3 | 30 | 22 | ↓ -26.7% | 50.0% | 38.6% | ↓ -11.4% |
| Violence with Injury | 13.9 | 13.5 | ↓ -2.9% | 5,063 | 4,916 | ↓ -147 | 680 | 672 | ↓ -1.2% | 13.4% | 13.7% | ↑ 0.2% |
| Violence without Injury | 23.1 | 24.5 | ↑ 6.3% | 8,415 | 8,942 | ↑ 527 | 784 | 873 | ↑ 11.4% | 9.3% | 9.8% | ↑ 0.4% |
| Stalking and Harassment | 14.0 | 14.3 | ↑ 2.6% | 5,098 | 5,233 | ↑ 135 | 434 | 469 | ↑ 8.1% | 8.5% | 9.0% | ↑ 0.4% |
| Rape | 2.1 | 2.3 | ↑ 5.7% | 778 | 822 | ↑ 44 | 53 | 58 | ↑ 9.4% | 6.8% | 7.1% | ↑ 0.2% |
| Other Sexual Offences | 3.9 | 4.0 | ↑ 3.6% | 1,409 | 1,460 | ↑ 51 | 127 | 135 | ↑ 6.3% | 9.0% | 9.2% | ↑ 0.2% |
| Robbery - Business | 0.1 | 0.7 | ↑ 458.1% | 43 | 240 | ↑ 197 | 9 | 35 | ↑ 288.9% | 20.9% | 14.6% | ↓ -6.3% |
| Robbery - Personal | 1.4 | 1.5 | ↑ 10.7% | 504 | 558 | ↑ 54 | 35 | 60 | ↑ 71.4% | 6.9% | 10.8% | ↑ 3.8% |
| Burglary - Residential | 3.9 | 3.2 | ↓ -17.0% | 1,413 | 1,173 | ↓ -240 | 173 | 180 | ↑ 4.0% | 12.2% | 15.3% | ↑ 3.1% |
| Burglary - Community and Business | 2.7 | 2.3 | ↓ -14.2% | 992 | 851 | ↓ -141 | 162 | 111 | ↓ -31.5% | 16.3% | 13.0% | ↓ -3.3% |
| Theft from a Vehicle | 6.9 | 6.3 | ↓ -9.5% | 2,536 | 2,294 | ↓ -242 | 44 | 40 | ↓ -9.1% | 1.7% | 1.7% | ↑ 0.0% |
| Theft of a Vehicle | 4.6 | 3.5 | ↓ -24.6% | 1,677 | 1,265 | ↓ -412 | 60 | 36 | ↓ -40.0% | 3.6% | 2.8% | ↓ -0.7% |
| Vehicle Interference | 2.3 | 2.2 | ↓ -6.9% | 856 | 797 | ↓ -59 | 24 | 46 | ↑ 91.7% | 2.8% | 5.8% | ↑ 3.0% |
| Theft from the Person | 1.3 | 1.1 | ↓ -16.5% | 490 | 409 | ↓ -81 | 7 | 8 | ↑ 14.3% | 1.4% | 2.0% | ↑ 0.5% |
| Bicycle Theft | 1.4 | 1.5 | ↑ 2.8% | 527 | 542 | ↑ 15 | 8 | 10 | ↑ 25.0% | 1.5% | 1.8% | ↑ 0.3% |
| Shoplifting | 17.1 | 14.0 | ↓ -18.2% | 6,242 | 5,109 | ↓ -1,133 | 1,194 | 1,247 | ↑ 4.4% | 19.1% | 24.4% | ↑ 5.3% |
| Other Theft | 10.9 | 10.8 | ↓ -1.0% | 3,973 | 3,932 | ↓ -41 | 93 | 101 | ↑ 8.6% | 2.3% | 2.6% | ↑ 0.2% |
| Arson | 0.6 | 0.5 | ↓ -9.2% | 207 | 188 | ↓ -19 | 17 | 7 | ↓ -58.8% | 8.2% | 3.7% | ↓ -4.5% |
| Criminal Damage | 11.3 | 11.2 | ↓ -1.5% | 4,132 | 4,070 | ↓ -62 | 295 | 290 | ↓ -1.7% | 7.1% | 7.1% | ↓ -0.0% |
| Trafficking of Drugs | 1.1 | 3.2 | ↑ 178.8% | 416 | 1,160 | ↑ 744 | 259 | 309 | ↑ 19.3% | 62.3% | 26.6% | ↓ -35.6% |
| Possession of Drugs | 3.4 | 3.5 | ↑ 1.8% | 1,256 | 1,278 | ↑ 22 | 901 | 1,104 | ↑ 22.5% | 71.7% | 86.4% | ↑ 14.6% |
| Possession of Weapons | 1.4 | 1.7 | ↑ 18.6% | 527 | 625 | ↑ 98 | 239 | 312 | ↑ 30.5% | 45.4% | 49.9% | ↑ 4.6% |
| Public Order | 12.0 | 11.2 | ↓ -7.0% | 4,384 | 4,078 | ↓ -306 | 432 | 470 | ↑ 8.8% | 9.9% | 11.5% | ↑ 1.7% |
| Miscellaneous Crimes Against Society | 3.4 | 3.7 | ↑ 9.2% | 1,244 | 1,359 | ↑ 115 | 266 | 265 | ↓ -0.4% | 21.4% | 19.5% | ↓ -1.9% |
| Total | 143.2 | 140.7 | ↓ -1.7% | 52,255 | 51,360 | ↓ -895 | 6,338 | 6,863 | ↑ 8.3% | 12.1% | 13.4% | ↑ 1.2% |

6. SUMMARY AND CONCLUSION

The PCC and Chief Constable have a strong track record of effective financial management. The budgeting process is very thorough with rigorous challenge from both the Chief Constable's and the PCC and is very much linked to the Police and Crime Plan and the Force priorities.

The latest medium term financial plan, which covers the four-year period 2026/27 to 2029/30, identifies the need for further cash savings. During the last three years the force has made great strides in recruiting additional police officers under the national Police Uplift programme and now has the largest number of police officers it has ever had.

Despite these financial challenges the PCC and Chief Constable look to continue their journey of improved service delivery as well as continue to raise the issue of funding for Bedfordshire Police not being commensurate with the level and complexity of demand that the force faces.

The financial outlook remains challenging but there is confidence that the PCC, Chief Constable and their respective leadership teams will continue to deliver strong and effective financial management in order to maintain an appropriate level of funding for essential operational services.

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, Bedfordshire Police, Police Headquarters, Woburn Road, Kempston, Bedford, MK43 9AX.

Any person interested also has a statutory right to inspect the accounts at Bedfordshire Police Headquarters before the completion of each annual audit as publicly advertised.

Statement of Responsibilities

The Chief Constable's Chief Finance Officer Responsibilities

The Chief Finance Officer is responsible for the preparation of the Chief Constable 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 Chief Constable as at the 31 March 2026 and its income and expenditure for the year then ended.



Philip Wells
Chief Finance Officer to the Chief Constable & Police & Crime Commissioner
30 June 2026

The Chief Constable's Responsibilities

The Chief Constable is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers (the 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

Trevor Rodenhurst
Chief Constable of Bedfordshire Police

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 2026, including plans for the financial year 2026/27.

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 Unmanageable Debt and the Integrity Health Check and Vetting Review Policies and procedures on Gifts and Hospitality and Business Interests. Notifications of disclosable interests are published on the PCC's 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 Assistant 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.

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 MPs 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. A member of the Force Executive represents 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 2026/27 Annual Delivery Plan, published in June 2026, outlines the Force's new Mission of Prevent, Respond and Solve, and strategic objectives around Performance, People and Culture, Innovation and System Productivity. The plan was published after the Force Vision events when this was launched and communicated to all staff and officers. Progress against the Annual Delivery Plan is evaluated through agreed measures and reviewed via the Force Executive Board.

The Chief Constable has updated the Force Vision with a continuing focus on performance edge, people and culture, system productivity and innovation. In May 2026, the Chief Constable launched a new Force Mission, "Prevent, Respond, Resolve", to give a focused context to the activities of all officers and staff.

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 includes 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.

Chief Officers have promoted a learning environment climate focussed on continuous service improvement, recognising the importance of independence 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 inspection processes.

The PCC has structured 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 Officer) with updates by exception to the Force Executive Board.

An Assistant Chief Constable chairs monthly Force Performance Board, which reports 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.

The second Assistant Chief Constable chairs the monthly Strategic People Board, which reports into the Force Executive Board. The Strategic People Board provides leadership and co-ordination to align people processes to operational demand, organisational values and long-term workforce planning. It provides direction, challenge and accountability across the full workforce lifecycle.

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 Joint Head of Information Management. 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 Deputy 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. 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 2025/26 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.
- *The PCC published the 2024/25 Annual Report on 8th July 2025, giving an outline of progress made against the previous PCC's strategic objectives from the Police and Crime Plan. The 2025/26 Annual Report will be reported to the Police and Crime Panel on 7th July 2026.*
- *The PCC presented the budget and council tax proposals for 2025/26 to the Police and Crime Panel on 3rd February 2026. The Panel voted to accept the increase - [Precept \(Council Tax\) Information](#)*
- *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 2026/27 by the PCC in early 2026. As part of the annual budget process the Priority Based Budgeting outcomes were also considered.

The PCC, Chief Constable and Deputy Chief Officer 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 2025/26 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 on their audits for 23/24 or 24/25, due to the opening balances being disclaimed by previous auditors. The necessary Build Back Assurance work is ongoing by KPMG to provide themselves with the necessary assurance to issue an audit opinion for the 25/26 statement of accounts.

The 2025/26 unaudited financial statements will be signed by the CFO for both the PCC and Chief Constable on 30 June 2026 and published on that same day in order to meet the draft publication deadline for 2025/26 of 30th June 2026.

f) His 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, as assessed through the 2023/25 PEEL Assessment Framework..

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'.

HMICFRS conducted their next PEEL inspection of Bedfordshire (as part of their 2025/27 PEEL Assessment Framework) between January and June 2026. The inspection report is expected to be published in autumn 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 Officer and attended by all the key business area leads provides internal oversight and guidance to the PEEL assessment programme.

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

The Force submitted its 2026 Force Management Statement to HMICFRS in May 2026. 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's risk register is reviewed at its Senior Leadership Team meeting and 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 Officer 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 seven times in 2025/26. Key activities undertaken by the Panel during the year included reviewing and scrutinising the PCC's Annual Report for the 2024/25 year presented on 8th July 2025; approve the Annual Plan Activity Report for 2024/25 (September 2025) and scrutiny and consideration of the PCC's 2026/27 budget and council tax precept proposals (February 2026). 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 / ACO, who reports directly to the Deputy Chief Officer of Bedfordshire, exercises overall command of the regional crime and counter terrorism functions. The joint ACC / ACO 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 2025/26, 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 2026/27, there is no guarantee that such grant funding will continue. 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 HMICFRS 2023/25 PEEL Assessment Framework showed that Bedfordshire was the worst funded police force in England and Wales (per 1000 population), even when the special grants were included.
- The organisation incurred a budget overspend of £0.554M during 2025/26, after the planned use of £0.425M earmarked reserves and £0.086M from the Road safety Reserve. The Service put controls in place around overtime spend, delayed the intake of officers and only recruited to essential staff roles during the year to reduce the overspend (estimated at £2.8M during the year). These controls achieved their objectives without significantly affecting the performance of the Force. A significant rate refund relating to Greyfriars Police Station brought the overspend down in the final quarter of the year.
- Out of the 7 Bedfordshire only internal audit reports issued during the year all 7 received positive assurance opinions and the follow up of agreed actions was reported with good progress. Of the 5 collaborated audits that took place 2 received negative assurance opinions, these were BCH Cyber Security and BCH Business Continuity which had 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.

Trevor Rodenhurst

Chief Constable of Bedfordshire Police

Philip Wells

Chief Finance Officer

Comprehensive Income and Expenditure Statement

This statement recognised the financial resources consumed at the request of the Chief Constable in exercising day-to-day direction and control of the police force for the financial year, presented using accounting standards rather than amounts being funded from taxation.

The Comprehensive Income & Expenditure Statement includes the intra-group transfer of funding from the PCC to the Chief Constable to cover resources consumed; the resulting balance of Total Comprehensive Income & Expenditure reflects the movement in employees' liability during the year. The accompanying notes form part of these financial statements.

| 2024/25 | | | | 2025/26 | | | Notes |
|-------------------------------|--------------------------|-----------------------------|--|-------------------|----------------|-----------------|-------|
| Gross Expenditure (Re-stated) | Gross Income (Re-stated) | Net Expenditure (Re-stated) | | Gross Expenditure | Gross Income | Net Expenditure | |
| £'000 | £'000 | £'000 | | £'000 | £'000 | £'000 | |
| 105,312 | -372 | 104,940 | Policing | 107,896 | -358 | 107,538 | |
| 69,217 | -3,684 | 65,533 | Collaborated Units | 71,925 | -4,244 | 67,681 | |
| 25,833 | -9,078 | 16,755 | Corporate & Support Services | 16,993 | -6,548 | 10,445 | |
| 200,362 | -13,134 | 187,228 | Cost of Services | 196,814 | -11,150 | 185,664 | |
| | | 0 | Other Operating Income & Expenditure | | | 0 | |
| | | 44,323 | Financing & Investment Income & Expenditure | | | 47,453 | 8 |
| | | -209,214 | PCC Funding for Financial Resources Consumed | | | -217,523 | 3 |
| | | 22,337 | (Surplus) or Deficit on Provision of Services | | | 15,594 | |
| | | -111,681 | Re-measurements of the net defined benefit liability | | | -36,645 | |
| | | -111,681 | Other Comprehensive Income & Expenditure | | | -36,645 | |
| | | -89,344 | Total Comprehensive Income & Expenditure | | | -21,051 | |

Movement in Reserves Statement

This statement shows the movement in the 2023/24 and 2024/25 financial years on the reserves held by the Chief Constable. The only transactions shown are those that relate to the Pensions Reserve and the Accumulated Absences Reserve (reflecting movements relating to staff and officers under the direction and control of the Chief Constable). All other reserves are held by the Commissioner. The accompanying notes form part of these financial statements.

| | Total Usable Reserves (Police Fund) | Unusable Reserves | Total Reserves |
|---|-------------------------------------|-------------------|----------------|
| | £'000 | £'000 | £'000 |
| Balance as at 31st March 2024 | 0 | 957,844 | 957,844 |
| <u>Movement In Reserves during 2024/25</u> | | | |
| (Surplus) or deficit on provision of services | 22,337 | 0 | 22,337 |
| Other Comprehensive Income & Expenditure | 0 | -111,681 | -111,681 |
| Total Comprehensive Income & Expenditure | 22,337 | -111,681 | -89,344 |
| Adjustments between accounting basis & funding basis under regulations (note 7) | -22,337 | 22,337 | 0 |
| (Increase) / Decrease in Year | 0 | -89,344 | -89,344 |
| Balance as at 31 st March 2025 | 0 | 868,500 | 868,500 |
| <u>Movement In Reserves during 2025/26</u> | | | |
| (Surplus) or deficit on provision of services | 15,594 | 0 | 15,594 |
| Other Comprehensive Income & Expenditure | 0 | -36,645 | -36,645 |
| Total Comprehensive Income & Expenditure | 15,594 | -36,645 | -21,051 |
| Adjustments between accounting basis & funding basis under regulations (note 9) | -15,594 | 15,594 | 0 |
| (Increase) / Decrease in Year | 0 | -21,051 | -21,051 |
| Balance as at 31 st March 2026 | 0 | 847,449 | 847,449 |

Balance Sheet

| As at 31 st March 2025 | | As at 31 st March 2026 | Note |
|--------------------------------------|---|--------------------------------------|------|
| £'000 | | £'000 | |
| 0 | Non-Current Assets | 0 | |
| 60 | Inventories | 62 | |
| 8,689 | Short Term Debtors & Payments in Advance | 10,771 | 12 |
| 12,753 | Intra –group Debtors | 11,533 | 12 |
| 21,502 | Current Assets | 22,366 | |
| -30,951 | Short Term Creditors | -31,547 | 13 |
| -30,951 | Current Liabilities | -31,547 | |
| -858,152 | Liability Relating to Defined Benefit Pension Schemes | -837,412 | 24 |
| -899 | Provisions | -856 | |
| 0 | Long Term Creditors | 0 | |
| -859,051 | Non-Current Liabilities | -838,268 | |
| | | | |
| -868,500 | Net Assets | -847,449 | |
| 868,500 | Unusable Reserves | 847,449 | 14 |
| 868,500 | Total Equity | 847,449 | |

The balance sheet sets out the assets, liabilities and reserves at the year end. As previously mentioned the Chief Constable does not own any non-current assets these all remain under the direction and control of the PCC for Bedfordshire and are therefore shown in the PCC for Bedfordshire's Group accounts. However the Chief Constable is deemed to hold the employment liabilities associated with the employees under their direction and control which are matched by a negative unusable reserve. In addition working capital balances are recognised relating to expenditure consumed and income generated under the control of the Chief Constable, these are matched by an Intra-group Debtor to reflect the amount due from the Commissioner in order for the Chief Constable to meet these overall liabilities. The accompanying notes form part of these financial statements.

Philip Wells
Chief Finance Officer to the Chief Constable

Cash Flow Statement

| As at 31 st March 2025 | | As at 31 st March 2026 | Note |
|--------------------------------------|--|--------------------------------------|------|
| £'000 | | £'000 | |
| -22,337 | Net surplus or (deficit) on the provision of services | -15,594 | |
| 22,337 | Adjust net surplus or deficit on the provision of services for noncash movements | 15,594 | 15 |
| 0 | Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities | 0 | |
| 0 | Net cash flows from Operating Activities | 0 | |
| 0 | Investing Activities | 0 | |
| 0 | Financing Activities | 0 | |
| 0 | Net increase or (decrease) in cash and cash equivalents | 0 | |
| 0 | Cash and cash equivalents at the beginning of the reporting period | 0 | |
| 0 | Cash and cash equivalents at the end of the reporting period | 0 | |

This statement reflects that all cash balances are held by the Police & Crime Commissioner. The accompanying notes form part of these financial statements.

Notes to the Accounts

Note 1: Accounting Policies

A. General

The Statement of Accounts summarises the transactions for the 2025/26 financial year and the position of the Chief Constable as at 31st March 2026. It has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom for 2025/26, supported by International Financial Reporting Standards (IFRS) which is recognised by statute as representing proper accounting practice.

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 Audit Committee. The annual report of the Chief Internal Auditors for 2025/26 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 updated and continues to be updated according to 2026/27 spending plans, 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 2025/26 has not identified any significant areas weakness in governance or internal control that require immediate attention during 2025/26

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 31 January 2028.

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. Debtors and Creditors

The Chief Constable 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 needs to be recognised in the relevant financial year, but cash has not been paid a creditor or debtor for the relevant amount, is recorded in the group Balance Sheet.

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

- (i) Overtime paid to Police staff which has been claimed after the end of the financial year is not accrued;
- (ii) Utility charges and similar quarterly payments are charged so that four payments appear in each year's accounts. Payments are not apportioned between financial years. For monthly accounts, twelve payments are charged during the year;
- (iii) Travel 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.

D. Pensions

As part of the terms and conditions of employment the Group offers retirement benefits for Police Officers and Staff. Both Schemes provide members with defined benefits related to pay and service.

(i) 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 Note 24.

(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 the applicable IAS19 charges included in the accounts are determined by two separate Actuarial Reports for the Chief Constable and for the Commissioner's employees.

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 police pension schemes are disclosed separately. These payments are unfunded and are paid directly by the group. Injury awards are subject to the same treatment as police pension schemes, with the movement on the liability being attributable to any change in interest cost and actuarial gains / losses.

This obligation to pay pensions benefits in the future is recognised as a liability in the Chief Constable for Bedfordshire's balance sheet. In the 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 following items should be noted:

- 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:

- 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 as part of Corporate Costs.
- 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 as part of Corporate Costs.
- 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.
- 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 group of liabilities or events that reduce the expected long term return) are debited / credited to the Comprehensive Income and Expenditure Statement as part of Corporate Costs.
- 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 employer's 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 Chief Constable's pension schemes and this liability is matched by an unusable reserve.

E. Officers' Emoluments

Officers' Emoluments are disclosed in Note 16 to 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.

F. VAT

VAT is included in the accounts of the Chief Constable for Bedfordshire, only to the extent that it is not recoverable. VAT receivable is excluded from income.

G. 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. 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 as a liability on the Chief Constable's balance sheet and reversed out of the General Fund Balance by a credit to the Accumulating Compensated Absences Adjustment Account in the Movement in Reserves Statement. 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.

H. 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.

I. 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.

J. 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 Chief Constable for Bedfordshire's financial performance.

K. Joint Operations

Joint operations are activities undertaken by the Chief Constable for Bedfordshire in conjunction with other third parties that involve the joint use of assets and resources, rather than the establishment of a separate entity. The Comprehensive Income & Expenditure Statement is debited with the expenditure it incurs from the activity of the operation. As the PCC receives all funding, any grant receivable from the structure of the arrangement will be credited to the Comprehensive Income and Expenditure Statement of the PCC. The PCC then credits the Chief Constable with an equivalent amount through the intra-group funding. Assets purchased by Joint Operations are shared between the parties and each recognises only their own share on their balance sheet.

L. Overheads and Support Services

The costs of overheads and support services are shown in the areas they are budgeted for and managed within the organisation. The Expenditure and Funding Analysis and the Comprehensive

Income & Expenditure Statement reflect the headings to which the organisation reports expenditure to the senior decision makers within the organisation.

M. Provisions, Contingent Liabilities and Contingent Assets

Provisions are made when an event has taken place that gives the Chief Constable for Bedfordshire 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 Chief Constable for Bedfordshire 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.

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.

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 an uncertain future event not wholly within the organisations control. Contingent liabilities also arise in circumstances 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.

N. 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 for the prior period.

O. 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 is 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.

Note 2 Expenditure and 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 excepted 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 excepted accounting practices is presented more fully in the Comprehensive Income & Expenditure Statement.

| 2024/25 | | | | 2025/26 | | | Notes |
|---|---|--|--|--|--|---|-------|
| Net Expenditure Chargeable to the General Fund (Re-stated) | Adjustments between the Funding and Accounting Basis (Re-stated) | Net Expenditure in the Comprehensive Income & Expenditure Statement (Re-stated) | | Net Expenditure Chargeable to the General Fund | Adjustments between the Funding and Accounting Basis | Net Expenditure in the Comprehensive Income & Expenditure Statement | |
| £'000 | £'000 | £'000 | | £'000 | £'000 | £'000 | |
| 104,940 | 0 | 104,940 | Policing | 107,538 | 0 | 107,538 | |
| 65,588 | -55 | 65,533 | Collaborated Units | 67,725 | -44 | 67,681 | |
| 22,422 | -5,667 | 16,755 | Corporate & Support Services | 26,503 | -16,058 | 10,445 | |
| 192,950 | -5,722 | 187,228 | Net Cost of Services | 201,766 | -16,102 | 185,664 | |
| -192,950 | 28,059 | -164,891 | Other Income & Expenditure | -201,766 | 28,509 | -173,257 | |
| 0 | 22,337 | 22,337 | (Surplus) or Deficit | 0 | 15,594 | 15,594 | |
| 0 | | | Opening General Fund Balance | 0 | | | |
| 0 | | | Less/ Plus Surplus or (Deficit) on General Fund Balance in Year. | 0 | | | |
| 0 | | | Closing General Fund Balance as at 31 March | 0 | | | |

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Note 3: PCC Funding for Resources Consumed / Intra-Group Adjustments

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> | 2025/26 | 2024/25 |
|---|-----------------|-----------------|
| | £'000 | £'000 |
| Net Cost of Services (Chief Constable) | -185,663 | -187,228 |
| Financing & Investment Income & Expenditure | -47,453 | -44,323 |
| Actuarial (gain) / loss on pension assets / liabilities | 36,645 | 111,681 |
| <u>Adjust for Movement in Unusable Reserves:</u> | | |
| Pensions Reserve | -20,740 | -90,944 |
| Accumulated Absences Reserve | -312 | 1,600 |
| Total Funding Transfer | -217,523 | -209,214 |

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 in the form of an Intra-group creditor / debtor.

| Intra-group Debtor / Creditor | 31 March 2026 | 31 March 2025 |
|---|---------------|---------------|
| | £'000 | £'000 |
| Chief Constable's Creditors & Receipts in Advance | 21,581 | 21,065 |
| Chief Constable's Provisions | 856 | 899 |
| Chief Constable's Current assets (excluding PCC Debtor) | -10,904 | -9,211 |
| Total Owing to Commissioner | 11,533 | 12,753 |

This has the effect of showing working capital on the Chief Constable's balance sheet which is then supported by the Commissioner.

The following table shows the movement through the intra-group account:

| Intra-group Adjustments | The Chief Constable £'000 | The Commissioner £'000 | The Group £'000 |
|---|------------------------------|---------------------------|--------------------|
| Comprehensive Income & Expenditure Statement – 2024/25 | | | |
| PCC Funding for Resources Consumed | -209,214 | 209,214 | 0 |
| Comprehensive Income & Expenditure Statement – 2025/26 | | | |
| PCC Funding for Resources Consumed | -217,523 | 217,523 | 0 |
| Balance Sheet – 2024/25 | | | |
| Intra Group Creditor / Debtor | 12,753 | -12,753 | 0 |
| Balance Sheet – 2025/26 | | | |
| Intra Group Creditor / Debtor | 11,533 | -11,533 | 0 |

Note 4: Standards Issued but not yet Adopted

The standards introduced by the 2026/27 Code where disclosures are required in the 2025/26 financial statements, in accordance with the requirements of paragraph 3.3.4.3 of the Code, are amendments to FRS 102 The Financial Reporting Standard, amendments to the Classification and Measurement of Financial Instruments and amendments to IFRS 9 and IFRS 7 around contracts relating to nature-dependant electricity. This is not expected to have any impact on the Chief Constables accounts.

Note 5: Note to the Expenditure & Funding Analysis.

Adjustments between Accounting and Funding Basis

| Chief Constable – 2025/26 | Adjustments for Capital Purposes £'000 | Net Change for the Pensions Adjustments £'000 | Other Differences £'000 | Total Adjustments £'000 |
|--|---|--|----------------------------|----------------------------|
| Policing | 0 | 0 | 0 | 0 |
| Collaborated Units | -44 | 0 | 0 | -44 |
| Corporate / Support Services | -3,143 | -12,603 | -312 | -16,058 |
| Cost of Services | -3,187 | -12,603 | -312 | -16,102 |
| Other Income & Expenditure from the Expenditure & Funding Analysis | 3,187 | 28,509 | 0 | 31,696 |
| Difference between General Fund surplus or deficit and Comprehensive Income & Expenditure Statement Surplus or Deficit on the Provision of Services | 0 | 15,906 | -312 | 15,594 |

| Chief Constable – 2024/25 | Adjustments for Capital Purposes £'000 | Net Change for the Pensions Adjustments £'000 | Other Differences £'000 | Total Adjustments £'000 |
|--|---|---|-------------------------------|-------------------------------|
| Policing | 0 | 0 | 0 | 0 |
| Collaborated Units | -55 | 0 | 0 | -55 |
| Corporate / Support Services | -2,199 | -5,068 | 1,600 | -5,667 |
| Cost of Services | -2,254 | -5,068 | 1,600 | -5,722 |
| Other Income & Expenditure from the Expenditure & Funding Analysis | 2,254 | 25,805 | 0 | 28,059 |
| Difference between General Fund surplus or deficit and Comprehensive Income & Expenditure Statement Surplus or Deficit on the Provision of Services | 0 | 20,737 | 1,600 | 22,337 |

Note 6: Expenditure & Income Analysed by Nature

| | 2025/26 £'000 | 2024/25 £'000 |
|--|------------------|------------------|
| Expenditure / Income | | |
| Expenditure | | |
| Employee benefits expenses* | 164,458 | 165,650 |
| Other services expenses | 32,356 | 34,716 |
| Pension Interest Costs and Expected Return on Assets* | 47,452 | 44,328 |
| TOTAL EXPENDITURE | 244,266 | 244,694 |
| Income | | |
| Fees, charges and other service income | -11,149 | -13,143 |
| Funding from Police & Crime Commissioner | -217,523 | -209,214 |
| TOTAL INCOME | -228,672 | -222,357 |
| Surplus or Deficit on the Provision of Services | 15,594 | 22,337 |

*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.

Note 7: Adjustments Between Accounting Basis & Funding Basis

This note details the adjustments that are made to the Chief Constable's available resources in the Total Comprehensive Income and Expenditure Statement in accordance with proper accounting practice.

| 2025/26 – Usable Reserves | | | | |
|---|--------------------|---------------------------------|--|--------------------------------------|
| | Police Fund | Capital Receipts Reserve | Capital Grant Unapplied Account | Movement in Unusable Reserves |
| | £'000 | £'000 | £'000 | £'000 |
| Adjustments involving the Compensated Absences Adjustment Account: | | | | |
| Amount by which officer remuneration charged to Comprehensive Income & Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements | 312 | 0 | 0 | 312 |
| 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 | -60,244 | 0 | 0 | 60,244 |
| Employer's pension contributions and direct payments to pensioners | 44,338 | 0 | 0 | -44,338 |
| TOTAL ADJUSTMENTS | -15,594 | 0 | 0 | 15,594 |

| 2024/25 – Usable Reserves | | | | |
|---|--------------------|---------------------------------|--|--------------------------------------|
| | Police Fund | Capital Receipts Reserve | Capital Grant Unapplied Account | Movement in Unusable Reserves |
| | £'000 | £'000 | £'000 | £'000 |
| Adjustments involving the Compensated Absences Adjustment Account: | | | | |
| Amount by which officer remuneration charged to Comprehensive Income & Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements | -1,600 | 0 | 0 | 1,600 |
| 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 | -61,989 | 0 | 0 | 61,989 |
| Employer's pension contributions and direct payments to pensioners | 41,252 | 0 | 0 | -41,252 |
| TOTAL ADJUSTMENTS | -22,337 | 0 | 0 | 22,337 |

Note 8: Financing & Investment Income & Expenditure

| 2024/25 £'000 | | 2025/26 £'000 |
|------------------|---|------------------|
| 44,190 | <i>Pensions Interest Cost and Expected Return on Pension Assets – Police Pensions</i> | 47,320 |
| 140 | <i>Pensions Interest Cost and Expected Return on Pension Assets – LGPS</i> | 133 |
| -7 | Impairment Allowance Adjustment– Doubtful Debts | 1 |
| 44,323 | Total | 47,453 |

Note 9: 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 Chief Constable 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 Chief Constable 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 10: 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 judgements 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:

- Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Actuaries are used to make these judgements and provide the estimates of pension assets and liabilities, the details of which are detailed at note 24 along with a sensitivity analysis of the key assumptions used. Actuaries also identify the risks of participating in a defined benefit pension scheme which is 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 11: Financial Instruments

Categories of Financial Instruments

The borrowings and investments disclosed in the balance sheet are made up of the following categories of financial instruments, all are valued at amortised cost.

| Financial Assets | 31 March 26 | | 31 March 25 | |
|-------------------------------|---------------------|---------------|---------------------|---------------|
| | The Chief Constable | | The Chief Constable | |
| | Non Current | Current | Non Current | Current |
| | £'000 | £'000 | £'000 | £'000 |
| <u>Debtors:</u> | | | | |
| Amortised Cost | 0 | 5,501 | 0 | 3,583 |
| <u>Investments:</u> | | | | |
| Amortised Cost | 0 | 0 | 0 | 0 |
| <u>Cash</u> | | | | |
| Amortised Cost | 0 | 0 | 0 | 0 |
| Total Financial Assets | 0 | 5,501 | 0 | 3,583 |
| Non Financial Assets | 0 | 14,721 | 0 | 17,859 |
| Total | 0 | 20,222 | 0 | 21,442 |

| Financial Liabilities | 31 March 26 | | 31 March 25 | |
|------------------------------------|---------------------|---------------|---------------------|---------------|
| | The Chief Constable | | The Chief Constable | |
| | Non Current | Current | Non Current | Current |
| | £'000 | £'000 | £'000 | £'000 |
| <u>Creditors:</u> | | | | |
| Amortised Cost | 0 | 16,439 | 0 | 15,973 |
| <u>Borrowings:</u> | | | | |
| Amortised Cost | 0 | 0 | 0 | 0 |
| Total Financial Liabilities | 0 | 16,439 | 0 | 15,973 |
| Non Financial liabilities | 0 | 15,108 | 0 | 14,978 |
| Total | 0 | 31,547 | 0 | 30,951 |

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 2025/26 and all remain at amortised cost.

Income and Expense Gains and Losses

All interest income and expenditure relates to the Commissioners accounts.

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 Chief Constable | | | |
|--------------------------------------|-------------------------|---------------------|-------------------------|---------------------|
| | 31 March 26 | | 31 March 25 | |
| | Carrying Value £'000 | Fair Value £'000 | Carrying Value £'000 | Fair Value £'000 |
| <i>Financial Liabilities:</i> | | | | |
| PWLB Borrowing | 0 | 0 | 0 | 0 |
| Creditors | 16,439 | 16,439 | 15,973 | 15,973 |
| <i>Loans and Receivables:</i> | | | | |
| Short-Term Investments | 0 | 0 | 0 | 0 |
| Debtors | 5,501 | 5,501 | 3,583 | 3,583 |
| Instant Access Bank Deposit Accounts | 0 | 0 | 0 | 0 |
| Imprest & Cash | 0 | 0 | 0 | 0 |

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.

No financial instruments have been re-classified during 2025/26.

Note 12: Debtors & Payments In Advance

| 31 March 25 £'000 | | 31 March 26 £'000 |
|----------------------|--|----------------------|
| 646 | Trade Receivables | 2,695 |
| 0 | Less Expected Credit Losses | -1 |
| 0 | Council Tax | 0 |
| 3,245 | Other Receivables | 3,203 |
| 4,798 | Prepayments | 4,874 |
| 8,689 | Short Term Debtors at 31st March | 10,771 |
| 12,753 | Amount Owed by PCC | 11,533 |
| 21,442 | Total Amounts Due within 1 Year | 22,304 |

Note 13: Creditors

The creditors of the Chief Constable for Bedfordshire can be analysed as follows:

| 31 March 25 £'000 | | 31 March 26 £'000 |
|----------------------|---|----------------------|
| -3,804 | Trade Payables | -1,851 |
| -16,189 | Other Payables - Capital & Revenue | -19,123 |
| -457 | Other Payables - Employees | -289 |
| -154 | Receipts in Advance | -248 |
| -10,348 | Short Term Accumulating Absences | -10,036 |
| -30,951 | Short Term Creditors 31st March | -31,547 |

Note 14: Unusable Reserves

| 2024/25 £'000 | | 2025/26 £'000 |
|------------------|------------------------------------|------------------|
| 7,162 | Pensions Reserve – LGPS | 962 |
| 850,990 | Pensions Reserve – Police Pensions | 836,450 |
| 10,348 | Accumulated Absences Account | 10,036 |
| 868,500 | Total Unusable Reserves | 847,449 |

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. Although the costs of employment benefits are shown in the Chief Constable's accounts the PCC funds this by way of an intra-group adjustment and maintains this un-usable reserve.

| 2024/25 £'000 | | 2025/26 £'000 |
|------------------|---|------------------|
| 8,748 | Balance at 1st April | 10,348 |
| -8,748 | Cancellation of accrual made at the end of the preceding year | -10,348 |
| 10,348 | Amounts accrued at the end of the current year | 10,036 |
| 10,348 | Balance at 31st March | 10,036 |

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.

| 2024/25 £'000 | Pension Reserve Local Government Scheme | 2025/26 £'000 |
|------------------|--|------------------|
| 7,696 | Balance at 1st April | 7,162 |
| 890 | Re-measurements of the net defined benefit liability. | -2,038 |
| 8,571 | 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 | 6,584 |
| -9,995 | Employer's pension contributions and direct payments to pensioners payable in the year | -10,746 |
| 7,162 | Balance at 31st March | 962 |

| 2024/25 £'000 (Re-stated) | Pension Reserve Police Pension Scheme | 2025/26 £'000 |
|---------------------------------|--|------------------|
| 941,400 | Balance at 1st April | 850,990 |
| -112,823 | Re-measurements of the net defined benefit liability | -34,608 |
| 53,670 | 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 | 53,660 |
| -31,257 | Employer's pension contributions and direct payments to pensioners payable in the year | -33,592 |
| 850,990 | Balance at 31st March | 836,450 |

Note 15: Cash Flow Statement – Operating Activities

| 2024/25 | | 2025/26 |
|---------------------|--|---------------------|
| The Chief Constable | | The Chief Constable |
| £'000 | | £'000 |
| 22,337 | Net surplus or deficit on the provision of services | 15,594 |
| -199 | Contributions (to) / from provisions | 43 |
| 0 | Depreciation & Impairment | 0 |
| -20,737 | IAS 19 pension adjustments | -15,905 |
| -4 | Increase / (decrease) stock | 2 |
| -3,146 | Increase / (decrease) debtors | 2,082 |
| -4,360 | Increase / (decrease) debtors – Inter Company | -1,220 |
| 6,109 | (Increase)/ decrease in creditors | -596 |
| -22,337 | Adjust net surplus or deficit on the provision of services for non-cash movement | -15,594 |
| - | Remove profit / loss on sale of non-current assets | - |
| 0 | Net cash flows from operating activities | 0 |

Note 16: Officers 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 | Remuneration Band | The Chief Constable |
|---------------------|--------------------|---------------------|
| 2024/25 | £ | 2025/26 |
| 295 | 50,000 to 54,999 | 311 |
| 264 | 55,000 to 59,999 | 290 |
| 189 | 60,000 to 64,999 | 194 |
| 115 | 65,000 to 69,999 | 127 |
| 55 | 70,000 to 74,999 | 75 |
| 17 | 75,000 to 79,999 | 23 |
| 11 | 80,000 to 84,999 | 3 |
| 9 | 85,000 to 89,999 | 7 |
| 6 | 90,000 to 94,999 | 6 |
| 9 | 95,000 to 99,999 | 3 |
| 4 | 100,000 to 104,999 | 9 |
| 1 | 105,000 to 109,999 | 0 |
| 1 | 110,000 to 114,999 | 0 |
| 0 | 115,000 to 119,999 | 3 |
| 0 | 130,000 to 134,999 | 1 |
| 1 | 140,000 to 144,999 | 0 |
| 977 | | 1052 |

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 17: 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 |
|-------------------|-----------------------------------|-----------------------------------|--|--|
| £150,000-£200,000 | 2 | 0 | 2 | £370,000 |
| £100,000-£150,000 | 1 | 0 | 1 | £111,400 |
| £80,000-£100,000 | 2 | 0 | 2 | £181,400 |
| £60,000-£80,000 | 1 | 0 | 1 | £74,900 |
| £40,000-£60,000 | 5 | 0 | 5 | £254,900 |
| £20,000-£40,000 | 8 | 0 | 8 | £221,800 |
| <£20,000 | 10 | 0 | 10 | £39,000 |
| Total | 29 | 0 | 29 | £1,253,400 |

In addition and as a result of collaboration agreements, Bedfordshire contributed towards exit packages for Hertfordshire and Cambridgeshire of £333K and £94K respectively. These were exit packages incurred in restructuring collaborated units and funded by existing cost sharing principles.

Exit Packages 2024/25

| 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 |
|-----------------|-----------------------------------|-----------------------------------|--|--|
| £60,000-£80,000 | 2 | 0 | 2 | £138,100 |
| £40,000-£60,000 | 0 | 0 | 0 | £0 |
| £20,000-£40,000 | 2 | 1 | 3 | £87,200 |
| <£20,000 | 6 | 0 | 6 | £45,300 |
| Total | 10 | 1 | 11 | £259,500 |

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 forming new collaborated units and funded by existing cost sharing principles.

Note 18: Senior Officers and Relevant Police Officers Remuneration

| | Salary, fees and allowances | Employers Pension Contribution | Reimbursement of Expenses | Benefit in Kind | Total |
|--|-----------------------------|--------------------------------|---------------------------|-----------------|---------|
| | £ | £ | £ | £ | £ |
| Chief Constable | 223,203 | 0 | 0 | 3,324 | 226,527 |
| Deputy Chief Constable (Note 2) | 110,020 | 34,986 | 1,077 | 0 | 146,083 |
| Deputy Chief Officer (Note 5) | 31,317 | 4,482 | 0 | 404 | 36,202 |
| Assistant Chief Constable - A | 149,785 | 48,577 | 219 | 2,802 | 201,382 |
| Assistant Chief Constable – B | 149,895 | 49,012 | 0 | 3,970 | 202,877 |
| Assistant Chief Constable – C (Note 3) | 42,847 | 14,730 | 0 | 0 | 57,578 |
| Assistant Chief Constable – D (Note 4) | 10,487 | 3,351 | 0 | 328 | 14,166 |
| Chief Constable's Chief Finance Officer (Note 1) | 132,393 | 22,782 | 0 | 2,054 | 157,229 |

Notes

Note 1: For period 01/04/25 to 30/11/25 this was a joint CC CFO and PCC CFO role.

Note 2: Role undertaken from 01/04/25 to 30/11/25

Note 3: Role undertaken from 01/12/25 to 31/03/26

Note 4: Role undertaken from 15/12/25 to 31/03/26

Note 5: From 01/12/25 to 31/03/26 this was a joint DCO / CCCFO / PCCCFO role

Senior Officers and Relevant Police Officers Remuneration 2024/25

| | Salary, fees and allowances | Employers Pension Contribution | Reimbursement of Expenses | Benefit in Kind | Total |
|---|-----------------------------|--------------------------------|---------------------------|-----------------|---------|
| | £ | £ | £ | £ | £ |
| Chief Constable (Note 1) | 198,607 | 23,830 | 0 | 2,856 | 225,293 |
| Deputy Chief Constable (Note 1) | 161,894 | 51,521 | 2,947 | 0 | 216,362 |
| Assistant Chief Constable – A | 133,124 | 43,956 | 590 | 1,021 | 178,691 |
| 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: Role undertaken 01/04/24 to 02/10/24 and 04/11/2024 to 31/03/25

Note 2: Includes period as Temporary Chief Constable 03/10/2024 to 03/11/24

Note 19: External Audit Fees

External audits were provided by KPMG.

| 2024/25 | | 2025/26 |
|---------|------------------------------|---------|
| £'000 | | £'000 |
| 53,510 | Audit Fee Re Chief Constable | 55,007 |

Note 20: 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 capital grant and transfer from the revenue budget.

The income and expenditure statement for the units is shown below:

| 2025/26 | Beds | Cambs | Essex | Herts | Kent | Norfolk | Suffolk | Total |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Revenue Grant | -1,276 | -1,611 | -3,131 | -2,289 | -1,909 | -1,824 | -1,409 | -13,449 |
| Capital Grant | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Running Costs | 3,960 | 5,006 | 6,559 | 7,114 | 6,524 | 5,664 | 4,378 | 39,205 |
| Depreciation | 110 | 123 | 78 | 187 | 55 | 146 | 116 | 815 |
| Surplus / Deficit | 2,794 | 3,518 | 3,506 | 5,012 | 4,670 | 3,986 | 3,085 | 26,571 |

| 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 |

Note 21: Bedfordshire, Hertfordshire and Cambridgeshire Strategic Alliance

| | | Beds | Cambs | Herts | Total | | | Beds | Cambs | Herts | Total |
|---|---|---------------|---------------|---------------|----------------|---|---|---------------|---------------|---------|----------------|
| | | 2024/25 | 2024/25 | 2024/25 | 2024/25 | | | 2025/26 | 2025/26 | 2025/26 | 2025/26 |
| | | £'000 | £'000 | £'000 | £'000 | | | £'000 | £'000 | £'000 | £'000 |
| Joint Protective Services | Joint Protective Services | | | | | Joint Protective Services | | | | | |
| Armed Policing Units | Armed Policing Units | 3,853 | 3,336 | 3,849 | 11,038 | Armed Policing Units | 3,918 | 3,395 | 3,919 | | 11,232 |
| Taser Training | Taser Training | 318 | 401 | 569 | 1,288 | Taser Training | 266 | 336 | 478 | | 1,080 |
| Dog Units | Dog Units | 1,122 | 1,377 | 1,863 | 4,362 | Dog Units | 1,062 | 1,304 | 1,764 | | 4,130 |
| Major Crime Unit | Major Crime Unit | 2,879 | 3,433 | 4,240 | 10,552 | Major Crime Unit | 2,960 | 3,533 | 4,366 | | 10,859 |
| Operational Planning | Operational Planning | 346 | 437 | 621 | 1,404 | Operational Planning | 298 | 376 | 535 | | 1,209 |
| Jps Command | Jps Command | 426 | 537 | 764 | 1,727 | Jps Command | 399 | 504 | 716 | | 1,619 |
| Resilience | Resilience | 100 | 126 | 180 | 406 | Resilience | 114 | 140 | 189 | | 443 |
| Roads Policing Unit | Roads Policing Unit | 3,128 | 4,464 | 5,993 | 13,585 | Roads Policing Unit | 3,209 | 4,587 | 6,159 | | 13,955 |
| Scientific Services | Scientific Services | 3,736 | 4,197 | 5,664 | 13,597 | Scientific Services | 3,785 | 4,546 | 5,930 | | 14,261 |
| Total Joint Protective Services | Total Joint Protective Services | 15,908 | 18,308 | 23,743 | 57,959 | Total Joint Protective Services | 16,011 | 18,721 | 24,056 | | 58,788 |
| Operational Support | Operational Support | | | | | Operational Support | | | | | |
| Cameras Tickets & Collisions | Cameras Tickets & Collisions | 18 | 22 | 29 | 69 | Cameras Tickets & Collisions | -165 | -207 | -274 | | -646 |
| Custody & Criminal Justice Smt | Custody & Criminal Justice Smt | 348 | 228 | 622 | 1,198 | Custody & Criminal Justice Smt | 217 | 143 | 395 | | 755 |
| Criminal Justice Unit | Criminal Justice Unit | 490 | 619 | 980 | 2,089 | Criminal Justice Unit | 482 | 609 | 866 | | 1,957 |
| Firearms & Explosive Licenses | Firearms & Explosive Licenses | 216 | 417 | 340 | 973 | Firearms & Explosive Licenses | 578 | 1,084 | 1,253 | | 2,915 |
| Ict | ICT | 8,479 | 10,333 | 14,548 | 33,360 | ICT | 8,591 | 10,673 | 15,014 | | 34,278 |
| Delivery Management Office* | Joint Strategy & Transformation* | 424 | 536 | 761 | 1,721 | Joint Strategy & Transformation* | 192 | 240 | 342 | | 774 |
| Total Operational Support Expenditure | Total Operational Support Expenditure | 9,975 | 12,155 | 17,280 | 39,410 | Total Operational Support Expenditure | 9,895 | 12,542 | 17,596 | | 40,033 |
| Organisational Support | Organisational Support | | | | | Organisational Support | | | | | |
| Collaboration Team | Corporate Comms | 64 | 81 | 116 | 261 | Corporate Comms | 110 | 138 | 196 | | 444 |
| Hr L&D | Hr L&D | 5,039 | 6,445 | 8,859 | 20,343 | Hr L&D | 5,255 | 6,564 | 9,044 | | 20,863 |
| Information Management Depts | Information Management Depts | 1,066 | 1,344 | 1,910 | 4,320 | Information Management Depts | 1,117 | 1,412 | 2,005 | | 4,534 |
| Professional Standards | Professional Standards | 2,193 | 2,248 | 3,258 | 7,699 | Professional Standards | 2,342 | 2,313 | 3,463 | | 8,118 |
| Joint Uniform Stores | Joint Uniform Stores | 91 | 115 | 164 | 370 | Joint Uniform Stores | 99 | 125 | 178 | | 402 |
| Finance | Finance | 36 | 46 | 64 | 146 | Finance | 29 | 37 | 53 | | 119 |
| BCH Payroll | BCH Payroll | 153 | 192 | 273 | 618 | BCH Payroll | 173 | 218 | 311 | | 702 |
| Uplift Programme Board | CARM | 57 | 73 | 103 | 233 | CARM | 61 | 77 | 109 | | 247 |
| Police Transformation Fund | Police Transformation Fund | 4 | 6 | 7 | 17 | Police Transformation Fund | 4 | 5 | 7 | | 16 |
| BCH Implementation | ACC | | | | | ACC | 16 | 21 | 30 | | 67 |
| Total Organisational Support Expenditure | Total Organisational Support Expenditure | 8,703 | 10,550 | 14,754 | 34,007 | Total Organisational Support Expenditure | 8,206 | 10,910 | 15,396 | | 35,512 |
| Total BCH Net Operating Costs | Total BCH Net Operating Costs | 34,586 | 41,013 | 55,777 | 131,376 | Total BCH Net Operating Costs | 35,112 | 42,173 | 57,048 | | 134,333 |
| Joint Procurement Unit | Joint Procurement Unit | 208 | 280 | 418 | 906 | Joint Procurement Unit | Previously this was set up by mistake under ORS, but is actually part of 7 forces. Not to be shown here | | | | |
| Pension Dep | | | | | | | | | | | |
| Total Net Operating Costs | Total Net Operating Costs | 34,794 | 41,293 | 56,195 | 132,282 | Total Net Operating Costs | 35,112 | 42,173 | 57,048 | | 134,333 |

Note 22: 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 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 Chief Constable for Bedfordshire and it is responsible for the majority of funding from the Police & Crime Commissioner in the form of grants. Details of grants received from government departments are disclosed in the Group Accounts.

Material transactions with other public bodies have been disclosed in other notes to the Accounts (see notes 21-22).

Officers

A review to determine related party transactions with the PCC for Bedfordshire Group involved all senior members of staff within the group. The Assistant Chief Constable is a Trustee for charity YouTurn Futures to which the Chief Constable has paid £227K during 2025/26 (£123K 2024/25), no balances were owing as at 31st March 2026 or 31st March 2025.

The Police and Crime Commissioner is a Director for BlueLight Commercial Ltd, to which the Chief Constable paid £21K and received £32K during 2025/26 (paid £37K and received £37K during 2024/25). There were no balances owing to the company as at 31st March 2026 or 31st March 2025.

Entities Controlled by or Significantly Influenced by the Chief Constable 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 23: Events After the Balance Sheet Date

The Draft Statement of Accounts was authorised for issue by the Chief Finance Officer on 30 June 2026. Events after the balance sheet date have been considered for inclusion in the accounts up to the authorised for issue date. No non-adjusting events have taken place as no events have occurred before this date which provided information about conditions existing at 31st March 2026.

Note 24: Changes in Accounting Policies and Prior Year Adjustments

No changes have been made to accounting policies although the breakdown of figures presented in the management reporting headings in both the Expenditure & Funding Analysis and the Comprehensive Income and Expenditure Statement have been restated. This is in order to present the prior period figures under the same management reporting headings as those used in 2025/26 in order to make meaningful comparisons within these headings. The adjustments are to incorporate income and expenditure related to custody facilities at Kempston and Luton into the Policing heading in 24/25 to reflect the internal reporting change made to move this from Corporate and Business Support to Policing, therefore meaningful comparisons can be made in each of the reporting headings.

Expenditure and Funding Analysis

| | 2024/25 - Original Values | | | 2024/25 - Adjustment Values | | 2024/25 Re-stated |
|------------------------------|--|--|---|--|--|---|
| | Expenditure Chargeable to the General Fund | Adjustments between the Funding and Accounting Basis | Net Expenditure in the Comprehensive Income & Expenditure Statement | Adjustment to Expenditure Chargeable to the General Fund | Adjustments between the Funding and Accounting Basis | Net Expenditure in the Comprehensive Income & Expenditure Statement |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Policing | 99,932 | 0 | 99,932 | 5,008 | 0 | 104,940 |
| Collaborated Units | 65,588 | -55 | 65,533 | 0 | 0 | 65,533 |
| Corporate & Support Services | 27,430 | -5,667 | 21,763 | -5,008 | 0 | 16,755 |
| Net Cost of Services | 192,950 | -5,722 | 187,228 | 0 | 0 | 187,228 |

Comprehensive Income and Expenditure Statement

| | 2024/25 - Original Values | | | 2024/25 - Adjustment Values | | 2024/25 Re-stated |
|------------------------------|---------------------------|----------------|-----------------|---------------------------------|----------------------------|---|
| | Gross Expenditure | Gross Income | Net Expenditure | Adjustment to Gross Expenditure | Adjustment to Gross Income | Net Expenditure in the Comprehensive Income & Expenditure Statement |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Policing | 100,131 | -199 | 99,932 | 5,181 | -173 | 104,940 |
| Collaborated Units | 69,217 | -3,684 | 65,533 | 0 | 0 | 65,533 |
| Corporate & Support Services | 31,014 | -9,251 | 21,763 | -5,181 | 173 | 16,755 |
| Net Cost of Services | 200,362 | -13,134 | 187,228 | 0 | 0 | 187,228 |

Note 25: Defined Benefit Pension Schemes

The costs and liabilities associated with the retirement benefits are recorded in the Chief Constable's accounts, the costs are then funded and liabilities guaranteed by the Commissioner via an intra-group adjustment. A negative pension reserve is held on the Commissioner's balance sheet.

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

| | Local Government Pension Scheme | | Police Pension Scheme | |
|--|---------------------------------|--------------|-----------------------|---------------|
| | 2024/25 | 2025/26 | 2024/25 | 2025/26 |
| | £'000 | £'000 | £'000 | £'000 |
| Net Total Cost of Service | | | | |
| Current Service Costs* | 8,336 | 6,346 | 9,480 | 6,340 |
| Past Service Costs/Gains | 93 | 428 | 0 | 0 |
| Losses/Gains on Curtailments & Settlements | 0 | 0 | 0 | 0 |
| Surplus or Deficit on the Provision of Services | | | | |
| Interest Costs | 11,172 | 11,559 | 44,190 | 47,320 |
| Interest on Impact of Asset Ceiling | 740 | 3,404 | 0 | 0 |
| Interest Income on plan assets | -11,770 | -14,830 | 0 | 0 |
| Other Comprehensive Income & Expenditure | | | | |
| <u>Re-measurements:</u> | | | | |
| Actuarial gains and losses arising on changes in demographic assumptions | -526 | 182 | -1,350 | 0 |
| Actuarial gains / losses arising on changes in financial assumptions | -43,959 | -9,835 | -111,690 | -28,930 |
| Other actuarial gains (assets & liabilities) | 0 | -1,009 | 0 | 0 |
| Other experience gains and losses | -387 | 13,007 | 217 | 0 |
| Impact of Asset Ceiling | 42,005 | 5,271 | 0 | -5,678 |
| Return on plan assets (excl amount in net interest expense) | 3,757 | -9,976 | 0 | 0 |
| Total Charge to the Comprehensive Income and Expenditure Statement | 9,461 | 4,547 | -59,153 | 19,052 |
| Movement in Reserves Statement | | | | |
| Reversal of net charges made for retirement benefits in accordance with IAS19* | -8,571 | -6,907 | -53,670 | -53,660 |
| Actual Amounts charged against the General Fund Balance for pensions in the year: | | | | |
| Employers Contributions payable to the pension fund | 9,995 | 10,747 | 29,224 | 31,521 |
| Injury Award Benefits | 0 | 0 | 2,032 | 2,071 |
| *Includes £260K administration costs LGPS 23/24 | | | | |

Assets and Liabilities Recognised in the Balance Sheet

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

| | Funded Liabilities: Local Government Pension Scheme | | Unfunded Liabilities: Police Pension Scheme | |
|--|---|------------|---|----------------|
| | 2024/25 | 2025/26 | 2024/25 | 2025/26 |
| | £'000 | £'000 | £'000 | £'000 |
| Present value of the defined benefit obligation | 198,177 | 212,966 | 850,990 | 836,450 |
| Fair value of plan assets | -248,708 | -278,372 | - | - |
| Closing Impact of Asset Ceiling | 57,693 | 66,368 | - | - |
| Net liability arising from the defined benefit obligation | 7,162 | 962 | 850,990 | 836,450 |

Reconciliation of the movements in the fair value of scheme assets

| | Local Government Pension Scheme | |
|---|---------------------------------|----------------|
| | 2024/25 | 2025/26 |
| | £'000 | £'000 |
| 1st April | 233,051 | 248,708 |
| Expected rate of return / Interest income | 11,770 | 14,830 |
| Re-measurement gains and losses: | | |
| Return on plan assets, excl the amount included in the net interest expense | -3,757 | 9,976 |
| Other | 0 | -323 |
| Actuarial Gains on Assets | 0 | 1,009 |
| Employer contributions | 9,995 | 10,747 |
| Contributions by scheme participants | 3,416 | 3,550 |
| Benefits paid | -5,767 | -10,125 |
| 31st March | 248,708 | 278,372 |

The return on the Fund (on a bid value to bid value basis) for the year to 31 March 2025 is estimated to be 3.37%. The actual return on Fund assets over the year may be different.

Reconciliation of present value of the scheme liabilities

| | Funded Liabilities: Local Government Pension Scheme | | Unfunded Liabilities: Police Pension Scheme | |
|--|---|----------------|--|----------------|
| | 2024/25 | 2025/26 | 2024/25 | 2025/26 |
| | £'000 | £'000 | £'000 | £'000 |
| 1st April | 225,799 | 198,177 | 850,990 | 941,400 |
| Current service cost* | 8,084 | 6,023 | 6,340 | 9,480 |
| Interest cost | 11,172 | 11,559 | 47,320 | 44,190 |
| Contributions by scheme participants | 3,416 | 3,550 | 8,086 | 7,617 |
| Re-measurement (gains) and losses: | | | | |
| ▪ Actuarial gains / losses arising from changes in demographic assumptions | -526 | 182 | 0 | -1,350 |
| ▪ Actuarial gains / losses arising from changes in financial assumptions | -43,959 | -9,835 | -28,930 | -111,690 |
| ▪ Other actuarial gains / losses | 0 | 0 | 0 | 0 |
| Other experience gains / losses | -387 | 13,007 | -5,678 | 217 |
| Benefits paid | -5,515 | -10,125 | -41,678 | -38,874 |
| Past service cost (including curtailments) | 93 | 428 | 0 | 0 |
| Losses / (gains) on settlements | 0 | 0 | 0 | 0 |
| 31st March | 198,177 | 212,966 | 836,450 | 850,990 |

Reconciliation of the opening and closing surplus / (deficit)

| | Funded Liabilities: Local Government Pension Scheme | | Unfunded Liabilities: Police Pension Scheme | |
|-------------------------------------|---|---------------|--|-----------------|
| | 2024/25 | 2025/26 | 2024/25 | 2025/26 |
| | £'000 | £'000 | £'000 | £'000 |
| Opening Surplus (deficit) | -7,696 | -7,162 | -941,400 | -850,990 |
| Current Service Cost | -8,336 | -6,346 | -9,480 | -6,340 |
| Contributions by employer | 9,995 | 10,747 | 31,257 | 33,592 |
| Past Service Costs | -93 | -428 | 0 | 0 |
| Interest Cost | -11,172 | -11,559 | -44,190 | -47,320 |
| Interest Income on Plan Assets | 11,770 | 14,830 | | 0 |
| Interest on Impact of Asset Ceiling | -740 | -3,404 | 0 | 0 |
| Re-measurement Gains / (losses) | -890 | 2,360 | 112,823 | 34,608 |
| 31st March | -7,162 | -962 | -850,990 | -836,450 |

Local Government Pension Scheme assets comprised:

| Asset breakdown | 31 Mar 2026 | | 31 Mar 2025 | |
|-----------------|----------------|-------------|----------------|-------------|
| | £000s | % | £000s | % |
| Equities | 170,881 | 61% | 153,908 | 62% |
| Bonds | 57,311 | 21% | 47,108 | 19% |
| Property | 46,066 | 17% | 40,228 | 16% |
| Cash | 4,574 | 2% | 8,200 | 3% |
| Total | 278,832 | 100% | 249,444 | 100% |

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

| Asset breakdown | | 31 March 2026 | |
|----------------------------|-----------|---------------|------------|
| | | % Quoted | % Unquoted |
| Corporate Bonds | UK | - | - |
| | Overseas | 7% | - |
| Equities | UK | - | - |
| | Overseas | - | 7% |
| Property | | - | 5% |
| Private Equity | | - | 3% |
| Infrastructure | | - | 12% |
| Unit trust | | - | 51% |
| Private Debt | | - | 3% |
| Multi-Asset Credit | | - | 10% |
| Climate Opportunities | | - | 1% |
| FX Forward | | - | 2% |
| Cash/Temporary Investments | | - | 0% |
| Net Current Assets | Debtors | - | 0% |
| | Creditors | - | -0% |
| Total | | 7% | 93% |

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 LLP, an independent firm of actuaries. The Police Pension scheme liabilities have been assessed using the Government Actuary Department's IAS19 spread sheet (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 | 2025/26 | 2024/25 | 2025/26 |
| | % | % | % | % |
| Long-term expected rate of return on assets in the scheme: | | | | |
| Mortality Assumptions: | | | | |
| Longevity at 65 for current pensioners | | | | |
| - Men | 21.1 | 21.2 | 21.9 | 22.0 |
| - Women | 24.0 | 23.9 | 23.9 | 24.0 |
| Longevity at 65 for future pensioners | | | | |
| - Men | 22.2 | 22.8 | 23.3 | 23.4 |
| - Women | 25.5 | 25.6 | 25.2 | 25.3 |
| Rate of inflation – CPI | 2.85 | 2.90 | 2.70 | 2.95 |
| Rate of increase in salaries | 3.85 | 3.90 | 3.45 | 3.70 |
| Rate of CARE revaluation | | | 3.95 | 4.20 |
| Rate of increase in pensions | 2.85 | 2.90 | 2.70 | 2.95 |
| Rate for discounting scheme Liabilities | 5.90 | 6.25 | 5.65 | 6.10 |
| 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.

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 on £0.526M.

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.

| 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 | 2,913 | 3,143 | 3,205 | 3,268 | 3,542 |
| Projected service cost | 69 | 84 | 89 | 93 | 113 |
| Adjustment to long term salary increase | +0.5% | +0.1% | 0.0% | -0.1% | -0.5% |
| Present value of total obligation | 3,207 | 3,205 | 3,205 | 3,205 | 3,203 |
| Projected service cost | 89 | 89 | 89 | 89 | 89 |
| Adjustment to pension increases and deferred revaluation | +0.5% | +0.1% | 0.0% | -0.1% | -0.5% |
| Present value of total obligation | 3,548 | 3,272 | 3,205 | 3,146 | 2,914 |
| Projected service cost | 115 | 93 | 89 | 84 | 67 |
| Adjustment to life expectancy assumptions | | +1 Year | None | | - 1 Year |
| Present value of total obligation | | 3,287 | 3,205 | | 3,125 |
| Projected service cost | | 92 | 89 | | 85 |

| | Police Pension Scheme | |
|---|--|---------|
| | Approx. Increase to Employer Liability | |
| | % | £'000 |
| Change in assumptions at 31 March 2026 | | |
| 0.5% increase in Real Discount Rate | -6.5% | -45,000 |
| 1 year increase in member life expectancy | 2.5% | 18,000 |
| 0.5% increase in the Salary Increase Rate | 0.5% | 5,000 |
| 0.5% increase in the Pension Increase Rate | 6.5% | 45,000 |

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 £858M 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 Chief Constable's 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 revaluation by the Government Actuary's Department every 4 years.

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. An Accounting Statement for all three schemes combined is shown below:

| 2024/25 | | | 2025/26 | |
|---------|---------------|---|---------|---------------|
| £'000 | £'000 | | £'000 | £'000 |
| | | Contributions receivable | | |
| | | - From Employer | | |
| -19,996 | | Normal | -21,169 | |
| -468 | | Early Retirements for Ill-Health | -407 | |
| -7,745 | | - From members of the Pension Scheme | -8,091 | |
| | -28,209 | | | -29,667 |
| | | Transfers in | | |
| | -8 | - Individual Transfers in from Other Schemes | | -26 |
| | | Benefits Payable | | |
| 31,997 | | - Pensions | 32,988 | |
| 4,785 | | - Commutations and Lump Sums (Including amounts payable following Milne vs. GAD legal case) | 6,558 | |
| | 36,782 | | | 39,546 |
| | | Payments to and on Account of Leavers | | |
| | 40 | - Individual Transfers out to Other Schemes | | 0 |
| | 155 | -Pension Refunds | | 72 |
| | 8,760 | Sub-Total: Net amount receivable for the year before top-up grant | | 9,925 |
| | -8,760 | Top-Up Grant Receivable from Police Fund | | -9,925 |
| | 0 | (Surplus) / Deficit for the year | | 0 |

External Advisors

The specialist nature and complexity of certain financial activities make it prudent for the Chief Constable 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 during 2024/25 include the following:

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

(ii) **Banking**

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

Glossary of Terms

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

CIPFA – The Chartered Institute of Public Finance and Accountancy (CIPFA) 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.

FINANCIAL REGULATIONS – A written code of procedures 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.

GROSS EXPENDITURE – This is the total cost of providing services before taking into account income.

INCOME – Amounts due to an organisation that has been or is expected to be received.

POLICE FUND – The main account of a Police and Crime Commissioner is known as the Police Fund. 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.

RESERVES – The Chief Constable holds only Unusable Reserves which absorb the timing differences of the accounting entries required by the CIPFA Code, these are not cash backed reserves.

REVENUE EXPENDITURE – The day-to-day running costs incurred by a local policing body in providing services.

INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE FOR
BEDFORDSHIRE POLICE – PENDING AUDIT