



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

**DRAFT
STATEMENT OF ACCOUNTS**

2025/2026

Table of Contents

TABLE OF CONTENTS.....	2
NARRATIVE REPORT.....	3
STATEMENT OF RESPONSIBILITIES.....	15
ANNUAL GOVERNANCE STATEMENT.....	16
COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT.....	32
MOVEMENT IN RESERVES STATEMENT FOR THE YEAR ENDED 31 MARCH 2025 - GROUP.....	34
MOVEMENT IN RESERVES STATEMENT FOR THE YEAR ENDED 31 MARCH 2025 – COMMISSIONER.....	35
MOVEMENT IN RESERVES STATEMENT FOR THE YEAR ENDED 31 MARCH 2024 – GROUP.....	36
MOVEMENT IN RESERVES STATEMENT FOR THE YEAR ENDED 31 MARCH 2024 – COMMISSIONER.....	37
BALANCE SHEET.....	38
CASH FLOW STATEMENT.....	39
NOTES TO THE ACCOUNTS.....	40
NOTE 1 EXPENDITURE & FUNDING ANALYSIS.....	40
NOTES TO THE ACCOUNTS CONTINUED.....	42
POLICE PENSION FUND ACCOUNTING STATEMENT.....	110
EXTERNAL ADVISERS.....	112
GLOSSARY OF TERMS.....	113

Narrative Report

Management Overview

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

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

The Policing Environment

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

At 477 square miles and with over 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 over 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. We employ in the region of 1,491 Police Officers, 1,153 police staff and 46 Police Community Support Officers (PCSOs).

Among all English police forces, Bedfordshire receives one of the one of the lowest Government grants per head of population, with one of the highest percentage increases in population.

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

However, despite our relatively small size, we lead joint protective services (Armed Policing, Dogs, Roads Policing, Major Crime, Scientific Services) for Bedfordshire, Cambridgeshire and Hertfordshire and are the lead force for the Eastern Region

Special Operations Unit – a co-ordinated approach from the seven forces to tackle serious and organised crime, and terrorism.

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

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

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

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

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

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

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

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

complaints and damage the reputation of the PCC/OPCC/Bedfordshire Police.

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

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

Financial Performance

The forecast year-end revenue outturn reported in January 2026 was an estimated overspend of £1.1M. The final position is an overspend of £0.554M after the planned use of earmarked reserves of £0.425M and £0.086M from the Road Safety Reserve. A significant rate refund relating to Greyfriars Police Station brought the overspend down in the final quarter of the year.

- 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 bring the estimated overspend down from £2.8M during the year. These controls achieved their objectives and did not significantly impact the performance of the Force.
- The OPCC supplemented the Community Safety Fund by using the monies from the Police Property Act to fund the donations made to charity during the year. It is proposed that the underspend generated by this decision is placed into reserve for future use.

These factors have given a year-end overspend of **£0.554M**, of which £0.200M relates to an underspend for the PCC after a net contribution to reserves of £0.138M and the Service had a overspend of £0.754M after planned use of reserves of £0.425M.

Revenue Expenditure was as follows:

	<u>£'M</u>
Net Expenditure before Reserve Transfers	156.465
Planned Transfers to / From Reserves	-0.137
Net Expenditure	<u>156.328</u>

Revenue Expenditure Met from Budgeted Grants:	<u>£'M</u>
Home Office Grant	85.159
11/12 Council Tax Freeze Grant	0.751
Council Tax Benefit Subsidy Grant	3.886
Council Tax	65.978
	<u>155.774</u>

Net (Surplus) or Deficit for the year (Revenue Budget) 0.554

The budget variances for the year 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
PCC's Office	-0.200
Contribution to Reserves	0
Total	0.554

Transfers (to) / from other useable reserves comprised:

	£'M	£'M
Transfer to ERSOU Reserve	-0.446	
Transfer from Road Safety Reserve	0.086	
Budgeted Contribution from Reserves	0.425	
Transfer to Budget Carry Forward Reserves	-0.224	
Transfer Funding from Op Kenova Reserve	0.306	
Transfer to Regional Property Reserve	-0.010	
<i>Budgeted Transfers included in Outturn Reporting</i>		0.137
Use of Police Fund		0.554
Net transfer from General Fund Reserves		0.691
Transfer from Capital Grants Unapplied		0
Net transfer from Usable Reserves		0.691

Capital Expenditure

Capital expenditure made by the PCC for Bedfordshire Group amounted to £15.887M this includes capital expenditure made on behalf of regional units for which Home Office Grants are provided. The force only capital outturn was £4.469M which is £2.446M lower than the original programme, of this £1.830M relates to capital projects that have been carried forward into the following financial year and the remaining £0.616M relates to savings that have been made by procurement practices or items that have been dropped from the programme.

The financing of Capital Expenditure was as follows:

	£'M
External Borrowing	3.677
Capital Receipts	0
Direct Revenue Financing	0.792
Total (as per approved capital programme)	4.469
Home Office Counter Terrorism and ERSOU Grant	11.374
Regional Organised Crime Unit Revenue Contributions	0.044
Regional Capital Reserve	0
Total Including Regional Commitments	15.887

Use of Reserves

The reduction in reserves identified above for funding capital and revenue expenditure results in a usable reserves balance of £6.271M, detailed in Note 9.

Treasury Management

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

Borrowing of £8.3M was made from the PWLB in 2025/26. Of this £3.677M was used to part fund the 25/26 capital programme, £0.623M used to repay prior year internal borrowing and the remaining £4M was to re-finance loans that were taken out on a shorter than asset life basis for the 21/22 and 22/23 capital programme. Loans of £4.364M were repaid during the year leaving the total PWLB borrowing at £47M as it was in March 25.

The borrowing was taken out in May 2025, £4.0M at an interest rate of 4.62% and £4.3M in February 2026 at an interest rate of 4.67%. Both loans were taken for under 5 years and it is hoped that interest rates will have fallen by the time the debts mature, allowing for more favourable refinancing options.

Key Strengths and Resources

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

Bedfordshire Police is driving innovation work in using AI in investigative environments. The NECTAR project was shortlisted for the Innovation Award, which recognises individuals or teams using innovative approaches to address policing challenges. This AI-powered programme is used to scan multiple connected systems across ERSOU for information, create documents, summarise intelligence reports, and perform phone data analysis – all in a fraction of the time it would take manually. The force continues to roll out NECTAR tools to intelligence teams in order to enhance the way it manages and exploits intelligence across the organisation, this is a significant milestone in the force's digital transformation journey.

Non-Financial Performance

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

[Police and Crime Panel Meetings](#)

Corporate Reporting Structure

Monitoring the performance of the force has been one of the PCC's key areas of focus, the primary mechanism has been through the Performance and Governance Board, held monthly, at which agreed objectives and outcomes have been measured. During these meetings the force provides strategic updates to the PCC on:

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

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

Medium Term Financial Plan

The increase in the size of the net revenue budget of £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 National Insurance increase plus grants tied into maintaining officer numbers.

The medium-term financial plan covering the next four years, between 2027/28 and 2029/30, that is constantly being reviewed, also places reliance, based upon the outturn for 2026/27 for the replenishment of reserves over this same period. It is helpful to be aware of some specific context in relation to the current financial environment as highlighted below.

- Bedfordshire Police has received a Special Police Grant, in relation to its Boson capability since 2018/19, providing additional funding in support of targeted operations against the use of Guns and Gangs in Bedfordshire and Luton. In addition the force received Special Police Grant funding for Op Costello and similar bids have been submitted for the new financial year. The force has been awarded £7.7M 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

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

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

<i>Bids and Grants</i>	The Bedfordshire PCC can, individually or alongside regional PCCs, bid for funds to enable Police and Crime Plan outcomes, and objectives in the Chief Constable's Long-Term and Annual Delivery
------------------------	--

	plans. Grants come mainly from government sources, for example the Police Transformation Fund. Such funds are becoming scarcer and more prescriptive in their outcome requirements.
<i>Sponsorship and donations</i>	During 25/26 sponsorship of £20,400 was received for force staff awards night, running the Dragons Den force ideas event and for the Police Unity Tour.
<i>Trading</i>	In favourable circumstances income can be generated by offering spare places on training courses, at a suitable charge, to members of other police forces or suitable organisations. No income is currently expected from such trading activities.
<i>Special Police Services</i>	<p>The provision of Special Police Services (SPS) at the request of any person under Section 25 of the Police Act 1996 (as amended) makes such services subject to payment of charges as determined by the PCC. SPS generally relate to policing a one-off event (for example a pop concert) or a series of events (for example football matches).</p> <p>The outcome from <i>Ipswich Town Football Club Company Limited and The English Football League v The Chief Constable of Suffolk Constabulary [2017] EWCA 1484 judgment</i>, reduced the ability of police forces to supply SPS on public land, thus reducing income from SPS. Since SPS can now only be provided on private land this reduces opportunities for income in this area.</p>
<i>Infrastructure development expenditure</i>	The PCC has applied for funding to meet the increased policing requirements of the area, via Section 106 and also via applications relating to the Universal Studios future site.

Background Information to the Statement of Accounts & Significant Transactions

This set of accounts sets out the income and expenditure and the financial position of the PCC for Bedfordshire Group and the PCC for Bedfordshire for the year ending 31 March 2026.

The 2025/26 Statement of Accounts is prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting 2025/26 (the Code). The accounts also reflect the following frameworks and regulations:

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

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

and Expenditure Statement, with the resources consumed by the Chief Constable being offset by an intra-group transfer of resources from the Commissioner. In turn the assets and liabilities associated with this income and expenditure are recognised in the Chief Constable's balance sheet.

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

Bedfordshire is the lead force for the Counter Terrorism Policing Unit (CTP), covering Bedfordshire, Hertfordshire, Cambridgeshire, Essex, Kent, Norfolk and Suffolk. Police Officers and Staff working in the unit are shown in the PCC's group accounts, in 2025/26 the costs of running the unit were £22.944M which are fully grant funded by a government grant payable to the PCC. Assets utilised by the unit are shown on the balance sheet for the PCC for Bedfordshire.

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

The Accounts of the Police & Crime Commissioner (PCC) for 2025/26 will be the basis for the Audit Opinion. They consist of:

- (i) **Statement of Responsibilities** – this includes the financial responsibilities of the Police & Crime Commissioner and the Chief Finance Officer to the PCC.
- (ii) **Annual Governance Statement** – this statement is a statutory document which sets out how the PCC has ensured that it has proper arrangements for governance of its affairs allowing it to effectively exercise its functions including the arrangements for the management of risk, during the financial year.
- (iii) **Comprehensive Income and Expenditure Statement** – this statement shows the accounting cost in the year of providing services in accordance with accounting standards, rather than the amount to be funded from taxation. Police & Crime Commissioners raise taxation to cover expenditure in accordance with regulations which will be very different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.
- (iv) **Movement in Reserves Statement** – this statement shows the movement in the year on the different reserves held by the PCC and the Group, analysed into usable reserves and other reserves. The surplus or deficit on the Provision of Services line shows the accounting cost of providing the services, more details of which are shown in the Comprehensive Income and Expenditure Statement. This is different from the statutory amount required to be charged to the General Fund Balance. The Net Increase / Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves are undertaken.
- (v) **Balance Sheet** – the balance sheet shows the value as at the balance sheet date of the assets and liabilities recognised by the PCC and the Group. The

net assets (assets less liabilities) are matched by the reserves held by the Police & Crime Commissioner Group. Reserves are reported in two categories:

- Usable reserves - reserves that the PCC for Bedfordshire may use to provide services subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the capital receipts reserve that may only be used to fund capital expenditure or repay debt).
- Unusable reserves - This category includes reserves that hold unrealised gains and losses, for example the revaluation reserve, where amounts would only become available to provide services if the assets are sold and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

(vi) **Cash Flow Statement** – the Cash Flow Statement shows the changes in cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which operations of the PCC are funded by way of taxation and grant income or from the recipients of services provided by the PCC for Bedfordshire. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the PCC's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital.

(vii) **Notes to the Accounts** – This sets out the accounting policies adopted by the PCC in order for the reader to understand the basis on which the PCC's transactions are presented. The notes also provide a detailed analysis of the summarised financial information in the financial statements, including the Expenditure and Funding Analysis. These notes form part of the financial statements.

Pension Reserves

The balance sheet includes a liability of £837M which is the commitment that the PCC for Bedfordshire Group has in the long-term, to pay retirement benefits. This liability has a substantial impact on the net worth of the PCC for Bedfordshire Group as recorded in the balance sheet, resulting in a negative overall balance of £803M.

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

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

Changes compared to 2024/25

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 which will mean that it will take several accounting years for audit opinions to return to the previous levels of assurance.

The Chief Constables Net Cost of Services which is chargeable to the general fund increased by £8.8M. 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) and depreciation and impairment (£1M Group and PCC). Overall the Group cost of services chargeable to the general fund increased by £3.955M as shown in the Expenditure and Funding Analysis at Note 1.

The accounting adjustments affecting the surplus and deficit on the provision of services gave rise to some substantial variances year on year, the most significant of which is due to the accounting adjustment required for pensions between the employer contributions and the current service costs. These accounting adjustments are shown in the Expenditure and Funding Analysis and related notes and explained more at Note 39 Pension Schemes.

Investment balances reduced during the year as a result of the prior year call on reserves meaning this balance was utilised at year end to assist with cash flow demands.

Short Term borrowing reduced during the year as £4.364M of PWLB loans were repaid in order to reduced interest costs, £4M was re-financed which moved this balance into Long Term Borrowing and £3M borrowed for 3 months to meet regional cashflow demands. Long Term Borrowing increased by the re-financing above and the 2025/26 capital borrowing.

Further information

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

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

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

Statement of Responsibilities

The Police and Crime Commissioner Chief Finance Officer's Responsibilities

The Police and Crime Commissioner's Chief Finance Officer is responsible for the preparation of the PCC for Bedfordshire's statement of accounts in accordance with proper practices as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

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

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

I certify that the Statement of Accounts gives a true and fair view of the financial position of the Police & Crime Commissioner for Bedfordshire Group as at the 31 March 2026 and its income and expenditure for the year then ended.



Philip Wells

Chief Finance Officer to the Police & Crime Commissioner for Bedfordshire
30 June 2026

The Police & Crime Commissioner's Responsibilities

The Police & Crime Commissioner is required:

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

I approve the Statement of Accounts

John Tizard
Police & Crime Commissioner for Bedfordshire

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.

John Tizard
PCC for Bedfordshire

Philip Wells
Chief Finance Officer

Comprehensive Income and Expenditure Statement

The Police and Crime Commissioner for Bedfordshire Group

2024/25				2025/26			
Gross Expenditure (Re-stated)	Gross Income (Re-stated)	Net Expenditure (Re-stated)		Gross Expenditure	Gross Income	Net Expenditure	Notes
£'000	£'000	£'000		£'000	£'000	£'000	
105,312	-488	104,824	Policing	107,976	-500	107,476	
69,217	-31,700	37,517	Collaborated Units	71,925	-33,400	38,525	
32,543	-29,582	2,961	Corporate / Support Services	22,721	-29,160	-6,439	
5,253	-2,391	2,862	Office of the Police & Crime Commissioner	4,752	-2,272	2,480	
212,325	-64,161	148,164	Cost of Services	207,374	-65,332	142,042	
		-8,541	Other Operating Income & Expenditure			-9,687	10
		44,663	Financing & Investment Income & Expenditure			48,453	11
		-154,469	Taxation & Non-Specific Grant Income			-172,230	12
		29,817	(Surplus) or Deficit on Provision of Services			8,578	
		-105	(Surplus) or deficit on revaluation of non-current assets			-405	
		-111,523	Re-measurements of the net defined benefit liability			-36,716	
		-111,628	Other Comprehensive Income & Expenditure			-37,121	
		-81,811	Total Comprehensive Income & Expenditure			-28,543	

The Police and Crime Commissioner for Bedfordshire

2024/25				2025/26			Notes
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure	
£'000	£'000	£'000		£'000	£'000	£'000	
0	-116	-116	Policing	80	-142	-62	
0	-28,016	-28,016	Collaborated Units	0	-29,156	-29,156	
6,710	-20,504	-13,794	Corporate & Support Services	5,728	-22,612	-16,884	
5,253	-2,391	2,862	Office of the Police & Crime Commissioner	4,752	-2,272	2,480	
11,963	-51,027	-39,064	Cost of Services	10,560	-54,182	-43,622	
		-8,541	Other Operating Income & Expenditure			-9,687	10
		340	Financing & Investment Income & Expenditure			1,000	11
		-154,469	Taxation & Non-Specific Grant Income			-172,230	12
		209,214	PCC Funding for Financial Resources Consumed			217,523	5
		7,480	(Surplus) or Deficit on Provision of Services			-7,016	
		-105	(Surplus) or Deficit on revaluation of non-current assets			-405	
		158	Re-measurements of the net defined benefit liability			-71	
		53	Other Comprehensive Income & Expenditure			-476	
		7,533	Total Comprehensive Income & Expenditure			-7,492	

Movement in Reserves Statement for the Year Ended 31 March 2026 - Group

The Group	General Fund Balance	Capital Receipts Reserve	Capital Grant Unapplied	Total Usable Reserves	Unusable Reserves	Total PCC Group Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 st April 2025	-6,799	0	-164	-6,963	838,772	831,809
<u>Movement In Reserves during 2025/26</u>						
Total Comprehensive Income & Expenditure	8,578	0	0	8,578	-37,121	-28,543
Adjustments between accounting basis & funding basis under regulations	-7,887	0	0	-7,887	7,887	0
Net (Increase)/Decrease	691	0	0	691	-29,234	-28,543
Balance as at 31 st March 2026	-6,108	0	-164	-6,272	809,538	803,266

Movement in Reserves Statement for the Year Ended 31 March 2026 – Commissioner

The Commissioner	General Fund Balance	Capital Receipts Reserve	Capital Grant Unapplied	Total Usable Reserves	Unusable Reserves	Total PCC Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 st April 2025	-6,799	0	-164	-6,968	-29,727	-36,691
<u>Movement In Reserves during 2025/26</u>						
Total Comprehensive Income & Expenditure	-7,016	0	0	-7,016	-476	-7,492
Adjustments between accounting basis & funding basis under regulations	7,707	0	0	7,707	-7,707	0
Net (Increase)/Decrease	691	0	0	691	-8,183	-7,492
Balance as at 31 st March 2026	-6,108	0	-164	-6,277	-37,911	-44,183

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

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

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

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

Balance Sheet

The PCC for Bedfordshire and Group

The Commissioner	The Group		The Commissioner	The Group	
As at 31st March 2025	As at 31st March 2025		As at 31st March 2026	As at 31st March 2026	
£'000	£'000		£'000	£'000	Notes
		Property Plant & Equipment			
61,571	61,571	- Land and Buildings	62,420	62,420	13
5,721	5,721	- Vehicles	5,855	5,855	13
6,200	6,200	- Furniture & Equipment	5,675	5,675	13
1,776	1,776	Intangible Assets	1,640	1,640	14
300	300	Investment Property	290	290	13
0	0	Surplus Property	10,609	10,609	13
4,810	4,810	Right of Use Assets	2,653	2,653	36
80,378	80,378	Total Long Term Assets	89,143	89,143	
4,000	4,000	Short Term Investments	-	-	15
1,260	1,260	Assets Held for Sale	1,226	1,226	13
0	61	Inventories	0	62	
25,873	34,562	Short Term Debtors	24,335	35,106	17
5,500	5,500	Cash & Cash Equivalents	2,936	2,936	18
36,633	45,383	Current Assets	28,497	39,330	
-15,418	-46,369	Short Term Creditors	-8,618	-40,165	22
-8,364	-8,364	Short Term Borrowing	-3,000	-3,000	15
-12,753	-	Intra-group Creditor*	-11,533	-	5
-36,535	-54,733	Current Liabilities	-23,151	-43,165	
-	-899	Provisions	-	-856	
-39,375	-39,375	Long Term Borrowing	-47,675	-47,675	15
-4,411	-4,411	Long Term Creditors	-2,631	-2,631	22
-	-858,152	Liability relating to Defined Benefit Pension Schemes	-	-837,412	39
-43,786	-902,837	Long Term Liabilities	-50,306	-888,574	
36,690	-831,809	Net Assets	41,183	-803,266	
-6,963	-6,963	Usable Reserves	-6,272	-6,272	9
-29,728	838,772	Unusable Reserves	-37,911	809,538	23
-36,691	831,809	Total Reserves	-44,183	803,266	

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

Philip Wells
Chief Finance Officer

Cash Flow Statement

As at 31 st March 2025			As at 31 st March 2026		
The Commissioner	The Group		The Commissioner	The Group	
£'000	£'000		£'000	£'000	Notes
-7,480	-29,817	Net surplus or (deficit) on the provision of services	7,016	-8,578	24
6,403	28,740	Adjust net surplus or deficit on the provision of services for noncash movements	-39	15,555	24
-705	-705	Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	-11,374	-11,374	24
-1,782	-1,782	Net cash flows from Operating Activities	-4,397	-4,397	
-4,694	-4,694	Investing Activities	-514	-514	25
7,480	7,480	Financing Activities	2,347	2,347	26
1,004	1,004	Net increase or (decrease) in cash and cash equivalents	-2,564	-2,564	
4,496	4,496	Cash and cash equivalents at the beginning of the reporting period	5,500	5,500	18
5,500	5,500	Cash and cash equivalents at the end of the reporting period	2,936	2,936	18

Notes to the Accounts

Note 1 Expenditure & Funding Analysis

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

The Police and Crime Commissioner for Bedfordshire Group

2024/25 (Re-stated)				2025/26			
Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income & Expenditure Statement		Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income & Expenditure Statement	Notes
£'000	£'000	£'000		£'000	£'000	£'000	
104,824	0	104,824	Policing	107,476	0	107,476	
37,572	-55	37,517	Collaborated Units	38,569	-44	38,525	
-1,824	4,785	2,961	Corporate & Support Services	-1,230	-5,209	-6,439	
2,708	154	2,862	Office of the Police & Crime Commissioner	2,420	60	2,480	
143,280	4,884	148,164	Cost of Services	147,235	-5,193	142,042	6
-138,980	20,633	-118,347	Other Income & Expenditure	-146,544	13,080	-133,464	6
4,300	25,517	29,817	(Surplus) or Deficit	691	7,887	8,578	6
11,100			Opening General Fund Balance	6,799			
-4,300			Less/ Plus Surplus or (Deficit) on General Fund Balance in Year.	-691			9
6,799			Closing General Fund Balance as at 31 March	6,108			9

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

2024/25			2025/26				
The Police & Crime Commissioner			The Police & Crime Commissioner				
Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income & Expenditure Statement		Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income & Expenditure Statement	Notes
£'000	£'000	£'000		£'000	£'000	£'000	
-116	0	-116	Policing	-62	0	-62	
-28,016	0	-28,016	Collaborated Units	-29,156	0	-29,156	
-24,246	10,452	-13,794	Corporate & Support Services	-27,733	10,849	-16,884	
2,708	154	2,862	Office of the Police & Crime Commissioner	2,420	60	2,480	
-49,670	10,606	-39,064	Cost of Services	-54,531	10,909	-43,622	
53,970	-7,426	46,544	Other Income & Expenditure	55,222	-18,616	36,606	
4,300	3,180	7,480	(Surplus) or Deficit on Provision of Services	691	-7,707	-7,016	
11,100			Opening General Fund Balance	6,799			
-4,300			Less/ Plus Surplus or (Deficit) on General Fund Balance in Year.	-691			
6,799			Closing General Fund Balance as at 31 March	6,108			

Notes to the Accounts Continued

Note 2 Accounting Policies

A. General

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

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

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

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

- We have a history of strong and effective financial management;
- We have carried out a self-assessment against the new CIPFA Financial Management Code;
- We have an efficient and effective internal audit service that reports jointly to the PCC CFO and the Force Assistant Chief Officer. Quarterly update reports are presented to the Joint 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. Recognition of Non-Current Assets

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

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

D. Measurement of Non-Current Assets

Assets are initially measured at cost, comprising:

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

The PCC for Bedfordshire does not capitalise borrowing costs incurred.

Land and Buildings are valued as at 31st March 2026 on the basis of current value as required by CIPFA. Investment properties are valued on the basis of fair value. These valuations have been prepared in accordance with the RICS Appraisal and Valuation Standards ('the red book') and undertaken by Gerald Eve LLP. Full revaluations are undertaken at five yearly intervals, with a yearly review of interim values based on indexation, relevant indices are provided by the valuers.

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

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

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

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

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

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

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

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

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

E. Impairment of Non-Current Assets

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

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

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

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

F. Disposal of Non-Current Assets

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

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

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

G. Depreciation

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

Depreciation is calculated on the following basis:

Buildings

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

Vehicles, Plant, Furniture and Equipment

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

Jointly Controlled Assets

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

Intangible Assets

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

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

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

H. Charges to Revenue for Non-Current Assets

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

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

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

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

I. Revenue Recognition

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

J. Debtors and Creditors

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

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

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

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

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

K. Funds Held on behalf of Third Parties

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

L. Provisions and Contingent Liabilities

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

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

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

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

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

M. Reserves

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

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

N. Police Fund

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

O. Capital Receipts

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

P. Value Added Tax (VAT)

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

Q. Government Grant and Contributions

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

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

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

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

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

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

R. Pensions

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

(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

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

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

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

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

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

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

- The current service cost (the increase in liabilities as a result of years of service earned this year) is debited to the Comprehensive Income and Expenditure Statement and included with the Net Cost of Services

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

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

S. Officers' Emoluments

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

T. Financial Liabilities

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

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

Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised. Therefore the amount shown in the Balance Sheet is the outstanding principal repayable and interest is charged to the Comprehensive Income and Expenditure Statement.

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

U. Financial Assets

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

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

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

V. Group Accounts

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

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

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

W. Cash and Cash Equivalents

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

X. Leases

The Authority as lessee

Finance leases

The authority classifies contracts as leases based on their substance. Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to

direct its use. The Code expands the scope of IFRS 16 *Leases* to include arrangements with nil consideration, peppercorn or nominal payments.

Initial Measurement

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

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

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

Subsequent Measurement

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

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

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

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption. The lease liability is subsequently measured at amortised cost, using the effective interest method.

The liability is remeasured when:

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

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

As permitted by the Code, the authority excludes leases:

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

Lease Expenditure

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

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

The authority as lessor

Finance leases

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

Lease rentals receivable are apportioned between:

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

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

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

Operating leases

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

Y. Benefits Payable during Employment

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

Z. Termination Benefits

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

AA. Events after the Reporting Period

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

- Those that provide evidence of conditions that existed at the end of the reporting period. The Statement of Accounts is adjusted to reflect such events.
- Those that indicate conditions that arose after the reporting period. The Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect disclosure is made in the notes to the accounts of the nature of the events and their estimated financial effect.

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

BB. Exceptional Items

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

CC. Prior Period Adjustments

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

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

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

DD. Council Tax and non-domestic rates

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

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

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

Where debtor balances for the above are identified as impaired because of a likelihood arising from a past event that payments due under the statutory arrangements will not be made, the asset is written down and a charge made to the taxation and non-specific grant income and expenditure line in the CIES. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

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

The standards introduced by the 2026/27 Code where disclosures are required in the 2025/26 financial statements, in accordance with the requirements of CIPFA Code are:

- a) Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage assets) issued in March 2024
- b) Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) issued in May 2024
- c) Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024
- d) Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) issued in December 2024.

Note 4: Events after the Reporting Period

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.

There are no adjusting or non adjusting events.

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

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

Under the current arrangements the Chief Constable does not hold any cash or reserves. However a budget is delegated to the Chief Constable for which the Chief Constable has operational control of the associated income and expenditure. It is felt that to accurately reflect the financial impact of the day-to-day control exercised by the Chief Constable over policing Bedfordshire it is necessary to capture the income and expenditure associated with their delegated budget on their own Comprehensive Income and Expenditure Statement. As a consequence the associated assets and liabilities relating to these balances are also required to be shown on the Chief Constable's balance sheet.

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

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

<i>PCC Funding provided to the Chief Constable for Resources Consumed</i>	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.

Intra-group Debtor / Creditor	31 March 26 £'000	31 March 25 £'000
Chief Constable's Creditors & Receipts in Advance	21,581	20,603
Chief Constable's Provisions	856	899
Chief Constable's Current assets (excluding PCC Debtor)	-10,904	-8,749
Total Owing to Commissioner	11,533	12,753

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

Intra-group Adjustments	The Chief Constable £'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 6: Note to the Expenditure & Funding Analysis

Adjustments between Accounting and Funding Basis

Group – 2025/26	Adjustments for Capital Purposes	Net Change for the Pensions Adjustments	Other Differences	Total Adjustment
	£'000	£'000	£'000	£'000
Policing	0	0	0	0
Collaborated Units	-44	0	0	-44
Corporate & Support Services	2,595	-12,603	4,799	-5,209
Office of the Police & Crime Commissioner	0	60	0	60
Cost of Services	2,551	-12,543	4,799	-5,193
Other Income & Expenditure from the Expenditure & Funding Analysis	-11,058	28,520	-4,382	13,080
Difference between General Fund surplus or deficit and Comprehensive Income & Expenditure Statement Surplus or Deficit on the Provision of Services	-8,507	15,977	417	7,887

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

PCC – 2025/26	Adjustments for Capital Purposes	Net Change for the Pensions Adjustments	Other Differences	Total Adjustments
	£'000	£'000	£'000	£'000
Policing	0	0	0	0
Collaborated Units	0	0	0	0
Corporate & Support Services	5,738	0	5111	10,849
Office of the Police & Crime Commissioner	0	60		60
Cost of Services	5,738	60	5,111	10,909
Other Income & Expenditure from the Expenditure & Funding Analysis	-14,245	11	-4,382	-18,616
Difference between General Fund surplus or deficit and Comprehensive Income & Expenditure Statement Surplus or Deficit on the Provision of Services	-8,507	71	729	-7,707

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

Adjustments for Capital Purposes

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

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

fund reserves during the year.

Net Change for the Pension Adjustments

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

Other Differences

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

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

Note 7: Expenditure and Income Analysed by Nature

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

Police & Crime Commissioner Group	2025/26	2024/25 (Re-stated)
Expenditure / Income	£'000	£'000
Expenditure		
Employee benefits expenses*	166,469	167,606
Other services expenses	35,177	38,007
Depreciation, amortisation, impairment*	5,738	6,714
Loss on disposal of assets	238	220
Interest payments (loans)	1,848	1,380
Pensions Interest Cost and Expected Return on Pension Assets	47,452	44,328
TOTAL EXPENDITURE	256,922	258,255
Income		
Fees, charges and other service income	-15,093	-16,753
Government grants and contributions	-167,171	-147,697
Income from council tax	-65,249	-62,973
Interest & Investment income	-831	-1,015
TOTAL INCOME	-248,344	-228,438
Surplus or Deficit on the Provision of Services	8,578	29,817

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

Police & Crime Commissioner	2025/26	2024/25
Expenditure / Income	£'000	£'000
Expenditure		
Employee benefits expenses*	2,011	1,956
Other services expenses	2,821	3,291
Depreciation, amortisation, impairment*	5,738	6,714
Loss on disposal of assets	238	220
Interest payments	1,848	1,380
Funding made to Chief Constable	217,523	209,214
TOTAL EXPENDITURE	230,179	222,775
Income		
Fees, charges and other service income	-3,944	-3,610
Government grants and contributions	-167,171	-147,697
Income from council tax	-65,249	-62,973
Interest & Investment income	-831	-1,015
TOTAL INCOME	-237,195	-215,295
Surplus or Deficit on the Provision of Services	-7,016	7,480

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

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

2025/2026 – Usable Reserves	General Fund	Capital Receipt Reserve	Capital Grant Unapplied Account	Movement in Unusable Reserves
	£'000	£'000	£'000	£'000
Adjustments involving the Capital Adjustments Account:				
<i>Reversal of items debited/credited to the Comprehensive Income & Expenditure Statement</i>				
Charges for depreciation, impairment & amortisation of non-current assets	-7,221	0	0	7,221
Revaluation gains / losses on Property, Plant and Equipment	1,483	0	0	-1,483
Capital grants & contributions applied to capital financing	11,374	0	-11,374	0
Amounts of non-current assets written off on disposal as part of the gain/loss on disposal to Comprehensive Income & Expenditure Statement	-316	0	0	316
<i>Insertion of items not debited / credited to the Comprehensive Income & Expenditure Statement</i>				
Statutory Provision for the financing of capital investment	2,351	0	0	-2,351
Capital expenditure charged against the Police Fund	836	0	0	-836
Adjustments involving the Capital Receipts Reserve:				
Transfer of cash sale proceeds credited to the Comprehensive Income & Expenditure Statement	0	0	0	0
Use of capital receipts reserve to finance new capital expenditure	0	0	11,374	-11,374
Transfer from Deferred Capital Receipts Reserve on Receipt of Cash	0	0	0	0
Adjustments involving the Collection Fund Adjustment Account:				
Amount which council tax income credited to the Comprehensive Income & Expenditure Statement is different from council tax income calculated in accordance with statutory requirements	-729	0	0	729
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	-235	0	0	235
Employer's pension contributions and direct payments to pensioners	164	0	0	-164
TOTAL ADJUSTMENTS – COMMISSIONER	7,707	0	0	-7,707
Adjustments involving the Compensated Absences Adjustment Account for the Chief Constable:				
Amount by which officer remuneration charged to Comprehensive Income & Expenditure Statement on an accruals basis is different from remuneration in the year in accordance with statutory requirements	312	0	0	-312
Adjustments involving the pensions reserves for the Chief Constable:				
Reversal of items relating to post-employment benefits debited or credited to the Provision of Services in the Comprehensive Income & Expenditure Statement	-60,244	0	0	60,244
Employer's pension contributions and direct payments to pensioners	44,338	0	0	-44,338
TOTAL ADJUSTMENTS – CHIEF CONSTABLE	-15,594	0	0	15,594
TOTAL ADJUSTMENTS – GROUP	-7,887	0	0	7,887

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

Note 9: Transfers to / from Earmarked Reserves

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

	Balance at 31 March 2024	Transfer Out 2024/25	Transfer In 2024/25	Balance at 31 March 2025	Transfer Out 2025/26	Transfer In 2025/26	Balance at 31 March 2026	Purpose of the Earmarked Reserve
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Devolved Budget Reserves	-2,141	2,141	0	0	0	-224	-224	This reserve contains under spending which has been earmarked for use in the following year.
Budget Reserve	-2,555	1,798	0	-757	425	0	-332	This reserve contains funds to be used to bridge the anticipated future budget gap.
Insurance Reserve	-1,132	254	0	-879	0	0	-879	This provides for partial self-funding of insurance (combined liability, motor vehicle, fidelity guarantee)
Capital Expenditure Reserve	0	0	0	0	0	0	0	To hold capital receipts until they are used to finance capital expenditure.
Regional Organised Crime	-318	190	0	-128	0	-513	-641	This reserve contains underspending which is for use within the Regional Organised Crime area
Road Safety Reserve	-386	137	0	-248	86	0	-162	Holds income generated in excess of expenditure by the Camera, Tickets and Collisions Unit which is ring fenced for re-investment in road safety activities.
Op Kenova Reserve	0	0	-307	-307	307	0	0	Holds the balance of income provided for Operation Kenova on behalf of Police Service Northern Ireland.
National Serious & Organised Crime	0	0	-995	-995	827	-759	-927	Funding provided to Bedfordshire to be allocated Nationally as per National Crime Priorities
Sixhills Sink Fund	-91	0	-10	-101	0	-11	-112	This reserve holds regional funds held for the purposes of property maintenance of the shared property.
Earmarked Reserves	-6,625	4,520	-1,312	-3,415	1,645	-1,507	-3,277	
Police Fund	-4,475	0	1,091	-3,384	554	-	-2,830	
General Fund Balance	-11,100	4,520	-221	-6,799	2,199	-1,507	-6,107	
Capital Grants Unapplied	-164	706	-706	-164	11,374	-11,374	-164	
Capital Receipts Reserve	0	6	-6	0	0	0	0	
Total Usable Reserves	-11,264	5,232	-933	-6,963	13,573	-12,881	-6,271	

Note 10: Other Operating Income and Expenditure

The PCC for Bedfordshire 2024/25	The Group 2024/25		The PCC for Bedfordshire 2025/26	The Group 2025/26
£'000	£'000		£'000	£'000
220	220	Loss on Disposal of Non-Current Assets – Vehicles	238	238
0	0	Gain / Loss on Disposal / Reclassification of Non-Current Assets	0	0
-8,761	-8,761	Pension Top Up Grant Received from Home Office	-9,925	-9,925
-8,541	-8,541	Total	-9,687	-9,687

Note 11: Financing and Investment Income and Expenditure

The PCC for Bedfordshire 2024/25	The Group 2024/25		The PCC for Bedfordshire 2025/26	The Group 2025/26
£'000	£'000		£'000	£'000
1,193	1,191	Interest Payable	1,531	1,531
197	197	Lease Interest Costs	317	317
-10	-10	Discount Unwound	0	0
0	-7	Impairment Allowance	0	1
0	44,190	Pensions Interest Cost and Expected Return on Pension Assets – Police Pensions	0	47,320
-26	-26	Income from Investment Property	-26	-26
5	5	Impairment of Investment Property	9	9
-4	138	Pensions Interest Cost and Expected Return on Pension Assets – LGPS	-1	132
-1,015	-1,015	Interest Receivable	-831	-831
340	44,663	Total	999	48,453

Note 12: Taxation and Non-Specific Grant Income

The PCC for Bedfordshire 2024/25	The Group 2024/25		The PCC for Bedfordshire 2025/26	The Group 2025/26
£'000	£'000		£'000	£'000
-62,973	-62,973	Council Tax Income	-65,249	-65,249
-28,640	-28,640	Formula Funding	-29,701	-29,701
-3,886	-3,886	Council Tax Subsidy	-3,886	-3,886
-751	-751	Council Tax Freeze Grant	-751	-751
-53,463	-53,463	Non Ring-fenced Government Grants	-55,458	-55,458
-135	-135	Donated Assets	0	0
-705	-705	Capital Grants and Contributions	-11,374	-11,374
-	-	National Insurance Grant	-2,538	-2,538
-3,916	-3,916	Pension Grant	-3,273	-3,273
-154,469	-154,469	Total	-172,230	-172,230

Note 13: Property, Plant and Equipment

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

(i) Movements on Balances

2025/26

	Tangible Assets			
	Land & Buildings	Vehicles	Furniture & Equip	Total
	£'000	£'000	£'000	£'000
Book Value as at 1 st April 2025	71,647	12,430	14,240	98,317
Revaluation Gains (Losses) recognised in Revaluation Reserve	405	0	0	405
Revaluation Gains (Losses) reversed in Surplus / Deficit on Provision of Service	1,528	0	0	1,528
Additions	1,286	2,038	1,661	4,985
Disposals	0	-1,812	0	-1,812
Written Out	-8,403	0	-3,252	-11,655
Gross Book Value as at 31 st March 2026	66,463	12,656	12,649	91,768
Depreciation and Impairment as at 1 st April 2025	-10,076	-6,709	-8,040	-24,825
Depreciation for year	-2,370	-1,588	-2,185	-6,143
Disposals	0	-1,496	0	-1,496
Written Out on Reval / Disposal	8,403	0	3,252	11,655
Depreciation and Impairment as at 31 st March 2026	-4,043	-6,801	-6,973	-17,817
Net Book Value as at 31 st March 2025	61,571	5,721	6,200	73,492
Net Book Value as at 31 st March 2026	62,420	5,855	5,676	73,951

Comparative Movements in 2024/25

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

Investment Property

During 2025/26 the Former Leagrave Police Station remained an investment property.

	£'000
Gross Book Value as at 31 st March 2025	300
Revaluation Gains / (Losses)	-10
Disposal / Reclassification	0
Additions & Subsequent Expenditure	0
Gross Book Value as at 31st March 2026	290

Asset Held for sale

During 2025/26 the Greyfriars premises remained Held for Sale:

	£'000
Gross Book Value as at 31st March 2025	1,260
Re-Categorised from Surplus Asset	0
Revaluation Gains / (Losses)	-34
Depreciation	0
Gross Book Value as at 31st March 2026	1,226

Surplus Property

During March 2026 a property was purchased for the regional counter terrorism capability using capital grant provided for this purpose by the Home Office. As at 31st March the property was yet to be made available for use and is held as surplus property until such time that it can be utilised. The property is held at its acquisition cost as a proxy for current value, given that CIPFA guidance does not provide for revaluation and instead stipulates that indexation should be applied the year following acquisition.

	£'000
Gross Book Value as at 31st March 2025	-
Revaluation Gains / (Losses)	0
Disposal / Reclassification	0
Additions & Subsequent Expenditure	10,609
Gross Book Value as at 31st March 2026	10,609

(ii) Capital Commitments

At 31st March 2026 the PCC for Bedfordshire has authorised expenditure in 2026/27 and in future years of £28.293M under its Capital Programme, of which £0.429M had been contractually committed on the following projects:

	2025/26 £M	2024/25 £M
Door Replacements	-	£0.037
Luton Custody CCTV	-	£0.083
Luton Custody Refurbishment	-	£0.098
Taser Equipment	£0.305	-
ICT Comms	£0.124	-
TOTAL	£0.429	£0.218

(iii) Revaluation Assumptions

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

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

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

From 1 April 2025, the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requirements changed in respect of revaluations of property, plant and equipment. Where authorities do not have a rolling programme of revaluations in place and/or the assets are not non-property assets subject to indexation, authorities revalue their assets every five years with annual indexation applied to assets during the four intervening years. Where authorities cannot obtain indices without undue cost or effort, authorities revalue those assets using a quinquennial revaluation with a desktop revaluation in year three.

Full revaluations are carried out in accordance with RICS Red Book requirements, while indexation reflects market-based movements applied in intervening periods. Although the valuation approaches differ, both are treated equally for accounting purposes under the revaluation model.

Index	Average Change	Valuation Change
	%	£’000
BICS – Bedfordshire	4.77	2,232
Savills Land – Urban Development Land - Eastern	-2.73	-291
MSCI Offices – Capital Growth – All Rest of UK	-3.27	-52
Total Indexation applied		1,889

Other significant assumptions applied in estimating fair value are:

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

(iv) Depreciation

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

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

- Plant & Equipment – 5 years.

Note 14: Intangible Assets

The PCC for Bedfordshire accounts for its purchased software licences as intangible assets, to the extent that the software licence was purchased as part of the initial installation and set-up cost of the software. A useful life of 5 years is assigned to all intangible assets and their carrying amount is amortised on a straight-line basis. The amortisation of £0.429M is charged to the Comprehensive Income & Expenditure Statement in 2025/26

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

	2024/25	2025/26
	£'000	£'000
Historical Cost	1,197	2,197
Accumulated Amortisation	-735	-421
Net carrying amount at start of year	462	1,776
Additions – Purchases	1,466	292
Assets re-classified	0	0
Amortisation for the period	-152	-429
Net carrying amount at end of year	1,776	1,639
Comprising:		
Gross carrying amounts	2,197	2,409
Accumulated amortisation	-421	-770

Assets and depreciation written out in the year amounted to £0.080M.

Note 15: Financial Instruments

Categories of Financial Instruments

The following categories of Financial Instruments are carried in the balance sheet, all are valued at amortised cost.

Financial Assets	31 March 2025		31 March 2025		31 March 2026		31 March 2026	
	The Chief Constable (re-stated)		The Commissioner (re-stated)		The Chief Constable		The Commissioner	
	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Debtors:</u>								
Amortised Cost	0	3,583	0	4,748	0	5,501	0	3,729
<u>Investments:</u>								
Amortised Cost	0	0	0	4,000	0	0	0	0
<u>Cash</u>								
Amortised Cost	0	0	0	5,500	0	0	0	2,936
Total Financial Assets	0	3,583	0	14,248	0	5,501	0	6,215
Non Financial Assets	0	5,106	0	21,125	0	5,270	0	20,607
Total	0	8,689	0	35,373	0	10,771	0	26,822
Financial Liabilities	31 March 2025		31 March 2025		31 March 2026		31 March 2026	
	The Chief Constable		The Commissioner (re-stated)		The Chief Constable		The Commissioner	
	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Creditors:</u>								
Amortised Cost	0	-15,973	-4,411	-2,854	0	-16,439	-2,631	-2,095
<u>Borrowings:</u>								
Amortised Cost	0	0	-39,375	-8,364	0	0	-47,675	-3000
Total Financial Liabilities	0	-15,973	-43,786	-11,218	0	-16,439	-50,306	-5,096
Non Financial liabilities	0	-14,978	0	-12,564	0	-15,108	0	-6,523
Total	0	-30,951	-43,786	-23,782	0	-31,547	-50,306	-11,619

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

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

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

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

Income and Expense Gains and Losses

All interest income and expenditure relates to the Commissioners accounts.

	2024/25			2025/26		
	Financial Liabilities measured at amortised cost	Financial assets	Total	Financial Liabilities measured at amortised cost	Financial assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Interest Expense - Paid	1,193	0	1,193	1,531	0	1,531
Total expense in surplus or deficit on the provision of services	1,193	0	1,193	1,531	0	1,531
Interest Income	0	-1,015	-1,015	0	-831	-831
Total income in surplus or deficit on the provision of services	0	-1,015	-1,015	0	-831	-831
Net (gain) / loss for the year	1,193	-1,015	178	1,531	-831	700

Fair Value of Assets and Liabilities

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

- The discount rate used is the applicable market rate on 31st March using bid prices where applicable.
- For fixed term deposits it is assumed that interest is received on maturity.
- The new borrowing rate at 31 March has been used as the discount factor for PWLB borrowing.
- The fair value of trade and other receivables is taken to be the invoiced or billed amount

The fair value of each class of financial liabilities and assets carried in the Balance Sheet at amortised cost is as follows:

	The Commissioner				The Chief Constable			
	31 March 2026		31 March 2025		31 March 2026 (Re-stated)		31 March 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<i>Financial Liabilities:</i>								
<i>PWLB Borrowing</i>	47,675	31,720	47,739	32,531	0	0	0	0
Creditors	4,726	4,726	7,265	7,265	16,439	16,439	15,973	15,973
<i>Loans and Receivables:</i>								
Short-Term Investments	0	0	4,000	4,000	0	0	0	0
Debtors	3,729	3,729	4,748	4,748	5,501	5,501	3,583	3,583
Instant Access Bank Deposit Accounts	2,871	2,871	5,435	5,435	0	0	0	0
Imprest & Cash	65	65	65	65	0	0	0	0

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

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

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

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

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

Overall Procedures for Managing Risk

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

- by formally adopting the requirements of the CIPFA Code of Practice on Treasury Management;
- by adopting the Treasury Policy Statement and the treasury management clauses within Financial Regulations;
- by approving a Treasury Management Strategy for the forthcoming year setting out its criteria for both investing and selecting investment counterparties in compliance with the Government Guidance;
- by approving annually in advance prudential and treasury indicators for the following three years limiting:
 - The PCC's overall borrowing;
 - Its maximum and minimum exposures to fixed and variable rates;

- Its maximum and minimum exposures for the maturity structure of its debt;
- Its maximum annual exposures to investments maturing beyond a year.

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

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

Credit Risk

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

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

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

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

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

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

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

	31 March 2026	31 March 2025
	£'000	£'000
Less than 30 days	2,647	663
30-60 days	13	0
60-90 days	36	0
Over 90 days	0	0
Total	2,696	663

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

	Amount as at 31 March 2026	Historical experience of default	Estimated maximum exposure to default and non- collectability
	£'000	%	£'000
Deposits with banks and financial institutions	2,871	-	-
Customers	2,696	0.04	1

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

Liquidity Risk

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

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

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

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

31 March 2025	Analysis of PWLB Loans by Maturity	31 March 2026
£'000		£'000
18,439	Less than 10 years	20,375
4,000	Between 10 and 15 years	2,000
2,500	Between 15 and 20 years	2,500
0	Between 20 and 25 years	0
22,800	Over 25 Years	22,800
47,739	Total	47,675

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

Market Risk

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

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

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

Loans and short-term investment balances shown in the balance sheet are at fixed rates and therefore not affected by market fluctuations as at 31 March 2026. A rise in interest rates would reduce the fair value of the loans; however borrowings are not carried at fair value so any notional gain arising from a commitment to pay interest to lenders below current market rates would not impact on the Surplus or Deficit on the Provision of Services.

Re-financing Risk

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

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

- monitoring the maturity profile of investments to ensure sufficient liquidity is available for the PCC's day to day cash flow needs, and the spread of longer term investments provide stability of maturities and returns in relation to the longer term cash flow needs.
- monitoring the maturity profile of financial liabilities and amending the profile through either new borrowing or the rescheduling of the existing debt
- monitoring interest rates available to ensure any re-financing is carried out whilst interest rates are most favourable.

Note 17: Debtors & Payments In Advance

31 March 2025			31 March 2026	
Commissioner	Group		Commissioner	Group
£'000	£'000		£'000	£'000
16	662	Trade Receivables	1	2,696
0	0	Less Expected Credit Losses	0	-1
10,414	10,414	Council Tax	5,507	5,507
15,438	18,683	Other Receivables	18,825	22,028
4	4,802	Prepayments	2	4,876
25,873	34,562	Balance at 31st March	24,335	35,106

Note 18: Cash and Cash Equivalents

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

	As at 31st March 2025	As at 31st March 2026	Movement in the year
	£'000	£'000	£'000
Cash in hand	65	65	0
Bank current accounts	4,417	2,854	-1,563
Euro bank Account	18	17	-1
Total Group Cash and Cash Equivalents	4,500	2,936	1,564

Note 19: Funds Held on Behalf of Third Parties

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

As at 31 March 2026 the balance of these funds was £3.108M (£3.138M at 31 March 2025).

Note 20: Critical Judgements In Applying Accounting Policies

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

- In order to apply the group accounting requirements the relationship between the PCC and Chief Constable has been assessed. The PCC remains in control of all assets and reserves however it is judged that the Chief Constable has sufficient operational control over staff and delegated budgets that this expenditure and associated income is shown on the Comprehensive Income and Expenditure Statement for the Chief Constable.

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

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

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

- Property, Plant & Equipment is depreciated over the useful lives of the assets which are dependent on assumptions regarding the length of time the asset will be in operational use for, these vary for different classes of assets. The property valuation is also based on assumptions around how the buildings will be used in future years and price indexes which are broad estimates and subject to fluctuation. Depreciation on Land and Buildings is calculated on useful lives from the 2022 valuation, when depreciation on these buildings is estimated using useful lives from the March 2025 report this would result in a depreciation reduction of £56K.
- The fair value of loans is calculated using the discount rate (see Note 15 Financial Instruments). If the discount rate increased by 1% then fair value of loans would be £29.483M instead of £31.7201M.
- Estimation of the net liability to pay pensions depends on a number of complex assumptions relating to the discount rate used, the rate at which salaries increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A sensitivity analysis is shown at note 39 and the risks of participating in a defined benefit pension scheme are provided by the actuaries and shown below:

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

Note 22: Creditors & Receipts in Advance

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

The Commissioner 31 March 2025	The Group 31 March 2025 (restated)		The Commissioner 31 March 2026	The Group 31 March 2026
£'000	£'000		£'000	£'000
-1,174	-4,977	Trade Payables	-826	-2,677
-2,709	-18,897	Other Payables - Capital & Revenue	-1,888	-21,010
-	-458	Other Payables - Employees	-	-289
-9,729	-9,728	Council Tax	-4,905	-4,905
-1,806	-1,961	Receipts In Advance	-999	-1,247
-	-10,348	Short Term Accumulating Absences	-	-10,036
-15,418	-46,369	Short Term Creditors 31st March	-8,618	-40,164
-12,753	-	Amount owed to Chief Constable	-11,533	-
-8,364	-8,364	Short Term Borrowing	-3,000	-3,000
-36,535	-54,733	Total Amounts Due within 1 Year	-23,151	-43,164
-4,411	-4,411	Long Term Leases	-2,631	-2,631
-4,411	-4,411	Total Amounts Due after 1 Year	-2,631	-2,631

Note 23: Unusable Reserves

The Commissioner 31 March 2025	The Group 31 March 2025		The Commissioner 31 March 2026	The Group 31 March 2026
£'000	£'000		£'000	£'000
-4,267	-4,267	Revaluation Reserve	-4,561	-4,561
-25,058	-25,058	Capital Adjustment Account	-33,676	-33,676
0	7,162	Pensions Reserve – LGPS	0	962
0	850,990	Pensions Reserve – Police Pensions	0	836,450
-403	-403	Collection Fund Adjustment Account	326	326
0	10,348	Accumulated Absences Account	0	10,037
-29,728	838,772	Total Unusable Reserves	-37,911	809,538

Revaluation Reserve

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

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

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

The Commissioner 2024/25	The Group 2024/25		The Commissioner 2025/26	The Group 2025/26
£'000	£'000		£'000	£'000
-4,277	-4,277	Balance at 1 st April	-4,267	-4,267
-105	-105	Upward revaluation of assets	-670	-670
0	0	Asset Disposal	0	0
5	5	Downward revaluation of assets and impairment losses not charged to the Surplus / Deficit on the Provision of Services - PPE	275	275
0	0	Downward revaluation of assets and impairment losses on reclassification.	0	0
110	110	Difference between fair value depreciation and historical cost depreciation	101	101
-4,267	-4,267	Balance at 31 st March	-4,561	-4,561

Collection Fund Adjustment Account

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

The Commissioner 2024/25	The Group 2024/25		The Commissioner 2025/26	The Group 2025/26
£'000	£'000		£'000	£'000
142	142	Balance at 1 st April	-403	-403
-545	-545	Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	729	729
-403	-403	Balance at 31 st March	326	326

Capital Adjustment Account

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

The Commissioner 2024/25 Restated	The Group 2024/25 Restated		The Commissioner 2025/26	The Group 2025/26
£'000	£'000		£'000	£'000
-28,825	-28,825	Balance at 1 st April	-25,058	-25,058
-92	-92	Revenue Contributions Applied	-836	-836
-16	-16	Capital Receipts Applied	0	0
-705	-705	Government Grants Released	-11,374	-11,374
0	0	Contribution applied in year	0	0
-2,165	-2,165	MRP	-2,351	-2,351
6,596	6,596	Depreciation and Impairment	7,116	7,116
0	0	Revaluation Gains	-1,493	-1,493
280	280	Non-current assets written off on disposal	317	317
-131	-131	Movement in donated assets account	3	3
-25,058	-25,058	Balance at 31 st March	-33,676	-33,676

Accumulated Absences Account

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

The Commissioner 2024/25	The Group 2024/25		The Commissioner 2025/26	The Group 2025/26
£'000	£'000		£'000	£'000
0	8,748	Balance at 1 st April	0	10,348
0	-8,748	Cancellation of accrual made at the end of the preceding year	0	-10,348
0	10,348	Amounts accrued at the end of the current year	0	10,036
0	10,348	Balance at 31 st March	0	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.

The Commissioner 2024/25	The Group 2024/25		The Commissioner 2025/26	The Group 2025/26
£'000	£'000		£'000	£'000
		Pension Reserve – Local Government Scheme		
0	7,696	Balance at 1 st April	0	7,162
154	1,044	Actuarial (gains) or losses on pensions assets and liabilities	-71	-2,109
138	8,709	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	235	6,819
-292	-10,287	Employer's pension contributions and direct payments to pensioners payable in the year	-164	-10,910
0	7,162	Balance at 31 st March	0	962

Notes to the Accounts

The Commissioner 2024/25	The Group 2024/25		The Commissioner 2025/26	The Group 2025/26
£'000	£'000		£'000	£'000
		Pension Reserve – Police Pension Scheme		
0	941,400	Balance at 1st April	0	850,990
0	-112,823	Actuarial (gains) or losses on pensions assets and liabilities	0	-34,608
0	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	0	53,660
0	-31,257	Employer's pension contributions and direct payments to pensioners payable in the year	0	-33,592
0	850,990	Balance at 31st March	0	836,450

Note 24: Cash Flow Statement – Operating Activities

2024/25			2025/26	
The Commissioner	The Group		The Commissioner	The Group
£'000	£'000		£'000	£'000
7,480	29,817	Net (surplus) or deficit on the provision of services	-7,016	8,578
0	-199	Contributions (to)/from provisions	0	43
-6,714	-6,714	Depreciation & Impairment	-5,738	-5,738
158	-20,579	IAS 19 pension adjustments	-71	-15,976
-280	-280	Carrying Amount of non-current assets sold	-317	-317
0	-4	Increase / (decrease) stock	0	2
-623	-3,769	Increase / (decrease) debtors	-1,538	544
-3,242	2,867	(Increase)/decrease creditors	6,800	6,204
135	135	Donated Assets	0	0
-197	-197	Financing Cost - Lease Liabilities	-317	-317
4,360	0	(Increase) / decrease creditors – Inter Company	1,220	0
-6,403	-28,740	Adjust net surplus or deficit on the provision of services for non-cash movement	39	-15,555
0	0	Remove proceeds of sale of non-current assets included in investing activities	0	0
705	705	Remove Capital Grants included in investing activities	11,374	11,374
1,782	1,782	Net cash flows from operating activities	4,397	4,397

The cash flows for operating activities include the following items:

2024/25			2025/26	
The Commissioner	The Group		The Commissioner	The Group
£'000	£'000		£'000	£'000
-1,015	-1,015	Interest Received	-831	831
1,193	1,193	Interest Paid	1,531	1,531

Note 25: Cash Flow Statement – Investing Activities

2024/25			2025/26	
The Commissioner	The Group		The Commissioner	The Group
£'000	£'000		£'000	£'000
6,399	6,399	Purchase of property, plant and equipment, and intangible assets	15,888	15,888
0	0	Purchase of short term investments	0	0
0	0	Proceeds from the sale of property, plant and equipment, and intangible assets	0	0
-1,000	-1,000	Proceeds from short-term investments	-4,000	-4,000
-705	-705	Other Receipts from Investing Activities	-11,374	-11,374
4,694	4,694	Net cash flows from investing activities	514	514

Note 26: Cash Flow Statement – Financing Activities

2024/25			2025/26	
The Commissioner	The Group		The Commissioner	The Group
£'000	£'000		£'000	£'000
-8,500	-8,500	Cash receipts of short and long term borrowing	-4,300	-4,300
320	320	Repayments of short and long term borrowing	4,364	4,364
0	0	Temporary Inter-Local Authority Borrowing	-3,000	-3,000
700	700	Cash payments for the reduction of outstanding liabilities relating to leases or PFI contracts	589	589
-7,480	-7,480	Net cash flows from financing activities	-2,347	-2,347

Note 27: Officer's Remuneration

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

The Chief Constable	The Commissioner	Remuneration Band £	The Chief Constable	The Commissioner
2024/25	2024/25		2025/26	2025/26
295	0	50,000 to 54,999	311	2
264	1	55,000 to 59,999	290	0
189	1	60,000 to 64,999	194	0
115	0	65,000 to 69,999	127	1
55	1	70,000 to 74,999	75	3
17	0	75,000 to 79,999	23	0
11	1	80,000 to 84,999	3	0
9	0	85,000 to 89,999	7	0
6	0	90,000 to 94,999	6	1
9	1	95,000 to 99,999	3	0
4	0	100,000 to 104,999	9	0
1	0	105,000 to 109,999	0	0
1	0	110,000 to 114,999	0	0
0	0	115,000 to 119,999	3	0
0	0	130,000 to 134,999	1	0
1	0	140,000 to 144,999	0	0
977	5		1052	7

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

Note 28: Exit Packages

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

Cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages in each band	Total cost of exit packages in each band
<i>The Group</i>				
£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

Notes to the Accounts

£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
<i>The Commissioner</i>				
None	0	-	0	£0
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 staff of £333K and £94K respectively. These were exit packages incurred in 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
<i>The Group</i>				
>£100,000	1	-	1	£183,900
£60,000-£80,000	2	-	2	£138,100
£40,000-£60,000	0	1	1	£56,200
£20,000-£40,000	2	1	3	£87,200
<£20,000	9	-	9	£72,200
Total	14	2	16	£537,600
<i>The Commissioner</i>				
>£100,000	1	-	1	£183,900
£40,000-£60,000	-	1	1	£56,200
<£20,000	3	-	3	£26,900
Total	4	1	5	£267,000

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

Note 29: Senior Officers and Relevant Police Officers Remuneration

	Salary, fees and allowances	Employers Pension Contribution	Reimbursement of Expenses	Benefit in Kind	Total
	£	£	£	£	£
The Commissioner					
The Police & Crime Commissioner	73,300	13,414	1,375	0	88,089
The Deputy Police & Crime Commissioner	22,287	4,079	16	0	26,381
The Chief Executive	117,819	0	67	0	117,885
The Chief Finance Officer to Police & Crime Commissioner (Note 1)	24,400	4,465	0	0	28,865
The Chief Constable					
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
	£	£	£	£	£
The Commissioner					
The Police & Crime Commissioner - A (Note 2)	65,615	12,008	1,897	0	79,520
The Police & Crime Commissioner - B (Note 3)	7,685	1,406	371	0	9,461
The Deputy Police & Crime Commissioner - A (Note 4)	17,520	3,206	0	0	20,726
The Deputy Police & Crime Commissioner - B (Note 5)	3,368	616	255	0	4,240
The Chief Executive - A (Note 6)	51,317	0	161	0	51,478
The Chief Executive - B (Note 7)	95,826	4,626	263	0	100,715
The Chief Finance Officer to Police & Crime Commissioner (Note 1)	17,782	3,169	0	206	21,157
The Chief Constable					
Chief Constable (Note 8)	198,607	23,830	0	2,856	225,294
Deputy Chief Constable (Note 9)	161,894	51,521	2,947	0	216,362
Assistant Chief Constable – A	133,124	43,956	590	1,021	178,692
Assistant Chief Constable – B	143,276	44,340	937	464	189,017
Chief Constable's Chief Finance Officer	160,041	28,523	0	1,851	190,415

Notes

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

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

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

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

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

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

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

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

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

Note 30: Audit Fees

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

2024/25		2025/26
£'000		£'000
94,866	Audit Fee Re Police & Crime Commissioner	97,521
53,510	Audit Fee Re Chief Constable	55,007
148,376	Total Audit Fees	152,528

Note 31: Eastern Region Organised Crime Unit

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

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

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

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

31 March 2025		31 March 2026
£'000		£'000
162	Vehicles	147
112	Plant & Equipment	80
130	Land & Buildings	121
4	Cash	314
408	Net Assets	662
404	Capital Adjustment Account	348
4	Reserve	314
408	Equity	662

There are also two buildings purchased jointly by the forces for regional teams, the PCC for Bedfordshire's share of the total value is also included in the balance sheet at £0.819M, as well as the Tempsford Property shown entirely the PCC for Bedfordshire's balance sheet at this time (see surplus assets note 13).

Note 32: Collaborated Units

		Beds	Combs	Herts	Total			Beds	Combs	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	Joint Protective Services				
Armed Policing Units	Armed Policing Units	3,853	3,336	3,849	11,038	Armed Policing Units	Armed Policing Units	3,918	3,395	3,919	11,232
Taser Training	Taser Training	318	401	569	1,288	Taser Training	Taser Training	266	336	478	1,080
Dog Units	Dog Units	1,122	1,377	1,863	4,362	Dog Units	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	Major Crime Unit	2,960	3,533	4,366	10,859
Operational Planning	Operational Planning	346	437	621	1,404	Operational Planning	Operational Planning	298	376	535	1,209
Jps Command	Jps Command	426	537	764	1,727	Jps Command	Jps Command	399	504	716	1,619
Resilience	Resilience	100	126	180	406	Resilience	Resilience	114	140	189	443
Roads Policing Unit	Roads Policing Unit	3,128	4,464	5,993	13,585	Roads Policing Unit	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	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	Total Joint Protective Services	16,011	18,721	24,056	58,788
Operational Support	Operational Support					Operational Support	Operational Support				
Cameras Tickets & Collisions	Cameras Tickets & Collisions	18	22	29	69	Cameras Tickets & Collisions	Cameras Tickets & Collisions	-165	-207	-274	-646
Custody & Criminal Justice Smt	Custody & Criminal Justice Smt	348	228	622	1,198	Custody & Criminal Justice Smt	Custody & Criminal Justice Smt	217	143	395	755
Criminal Justice Unit	Criminal Justice Unit	490	619	980	2,089	Criminal Justice Unit	Criminal Justice Unit	482	609	866	1,957
Firearms & Explosive Licenses	Firearms & Explosive Licenses	216	417	340	973	Firearms & Explosive Licenses	Firearms & Explosive Licenses	578	1,084	1,253	2,915
Ict	ICT	8,479	10,333	14,548	33,360	ICT	ICT	8,591	10,673	15,014	34,278
Delivery Management Office*	Joint Strategy & Transformation*	424	536	761	1,721	Joint Strategy & Transformation*	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	Total Operational Support Expenditure	9,895	12,542	17,596	40,033
Organisational Support	Organisational Support					Organisational Support	Organisational Support				
Collaboration Team	Corporate Comms	64	81	116	261	Corporate Comms	Corporate Comms	110	138	196	444
Hr L&D	Hr L&D	5,039	6,445	8,859	20,343	Hr L&D	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	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	Professional Standards	2,342	2,313	3,463	8,118
Joint Uniform Stores	Joint Uniform Stores	91	115	164	370	Joint Uniform Stores	Joint Uniform Stores	99	125	178	402
Finance	Finance	36	46	64	146	Finance	Finance	29	37	53	119
BCH Payroll	BCH Payroll	153	192	273	618	BCH Payroll	BCH Payroll	173	218	311	702
Uplift Programme Board	CARM	57	73	103	233	CARM	CARM	61	77	109	247
Police Transformation Fund	Police Transformation Fund	4	6	7	17	Police Transformation Fund	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	Total Organisational Support Expenditure	9,206	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	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	Joint Procurement Unit				
Pension Dep											
Total Net Operating Costs	Total Net Operating Costs	34,794	41,293	56,195	132,282	Total Net Operating Costs	Total Net Operating Costs	35,112	42,173	57,048	134,333

Previously this was set up by mistake under ORS, but is actually part of 7 forces. Not to be shown here

Note 33: Analysis of Government Grants

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

	<u>2025/26</u> £'000	<u>2024/25</u> £'000
Neighbourhood Policing	1,803	-
Pay Award Grant	1,081	-
Data Connectivity	1,150	482
Audit Build Back Grant	62	-
Domestic Abuse / Naneems Law	54	-
Hotspot Response	1,465	1,465
Serious Violence Duty	78	78
Counter Terrorism Policing Grant	24,714	23,065
Special Grant	7,264	9,780
Safer Streets	0	301
ROCU (Beds Share of Joint Regional Grant)	901	635
ROCU - Non Core Grants	375	267
ROCU - National Serious & Organised Crime	1,671	2,790
Criminal Records Bureau Vetting	471	411
Violence Reduction Unit	1,245	1,028
Victim Services Grant (Ministry of Justice)	1,901	1,886
Invigor Funding	63	20
Cyber Grant	230	256
Surge Fund	28	62
Uplift Fund	4,736	3,832
Proceeds of Crime Grant	524	357
Local Communities Fund	0	31
Op Apex / Op Venice (Beds Share, JPS)	47	30
Operational Support (Beds Share)	118	-
Project Darklink	51	-
LEDS Grant (Beds Share)	0	52
Op Ford	74	-
Op Navette - Serious Violence Disorder	0	203
Pension Remedy	102	285
Other	53	125
Total Credited to Provision of Services	50,261	47,441
Pension Top Up Grant	9,925	8,760
Total Credited to Other Operating Income	9,925	8,760
Police Revenue Grant	55,458	53,463
Pension Grant	3,273	3,916
National Insurance Grant	2,538	-
Council Tax Freeze Grant	751	751
Formula Funding	29,701	28,640
Council Tax Benefit Subsidy	3,886	3,886
Capital Expenditure Grant	11,374	705
Council Tax Precepts	65,249	62,973
Donated Assets	0	135
Total Credited to Taxation & Non Specific Grant	172,230	154,469
Of which were Received In Advance		

Note 34: Related Party Transactions

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

Other Public Bodies Subject to Common Control

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

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

Officers

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

- The Police and Crime Commissioner is a Director for BlueLight Commercial Ltd, to which the Chief Constable and Group have paid £21K (£37K 2024/25) and received £32K during 2025/26 (£37K 2024/25). There were no balances owing to the company as at 31st March 2026.
- The Assistant Chief Constable is a Trustee for charity YouTurn Futures to which the Chief Constable and Group have paid £264K during 2025/26 (£250K 2024/25), £22K was owing as at 31st March 2026 (£26K 2024/25).

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

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

Note 35: Capital Expenditure & Capital Financing.

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

	2025/26	2024/25
	£'000	£'000
<u>Opening Capital Financing Requirement</u>	47,890	43,955
<u>Capital Investment</u>		
Property, Plant & Equipment	15,595	4,933
Intangible Assets	292	1,466
<u>Sources of Finance</u>		
Capital Receipts	0	-6
Government Grants & Contributions	-11,374	-706
<i>Sums set aside from Revenue:</i>		
Direct Revenue Contributions	-836	-91
Minimum Revenue Provision	-2,079	-1,661
<u>Closing Capital Financing Requirement</u>	49,488	47,890
<u>Explanation of Movements in the Year</u>		
Increase (decrease) in underlying need to borrow		
- supported by government assistance		
Increase (Decrease) PWLB Borrowing	-64	8,180
- unsupported by government assistance		
Increase (Decrease) Internal Borrowing	1,390	-4,748
Assets acquired under finance leases	272	503
Assets acquired under PFI contracts	0	0
<u>Increase / (decrease) in Capital Financing Requirement</u>	1,598	3,935

Note 36: Leases

The PCC for Bedfordshire rents several properties which are categorised as finance leases under IFRS16. Changes to IFRS16 apply from 1st April 2024 meaning that a review of lease arrangements under the new standard has been performed and those re-categorised as finance leases are brought onto the balance sheet as Right of Use Assets as at this date.

Right of Use Assets

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

	Vehicles, plant & Equipment	Land and Buildings	Total
	£'000	£'000	£'000
Balance as at 1 April 2025	0	4,810	4,810
Impairment Gain / Losses relating to lease amendments	0	-132	-132
Depreciation and Amortisation	0	-648	-648
Additions	0	0	0
Disposals	0	-1,376	1,376
Balance as at 31 March 2026	0	2,654	2,654

Transactions under leases

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

	2025/26	2024/25
	£'000	£'000
Comprehensive Income and Expenditure Statement		
Interest Expense of lease liabilities	317	197
Expense relating to short term leases	313	551
Expense relating to exempt low value leases	0	12
Depreciation	648	236
Total	1,278	996
Cashflow Statement		
Minimum lease payments	902	1,301

Maturity analysis of lease liabilities

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

	31 March 2026	31 March 2025
	£'000	£'000
Less than 1 year	829	846
One to five years	2,872	3,069
More than five years	848	1,468
Total Undiscounted liabilities	4,549	5,383

Authority as lessor

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

- Lease of former Leagrave Police station for community purposes to The Filmer Trust with a remaining term of 2 years.

Transactions under leases

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

	2025/26	2024/25
	£'000	£'000
Operating Leases		
Total Lease income	26	26

Note 37: Contingent Liability

Motorway Speed Enforcement (Op Cabin) - The Department for Transport (DfT) has confirmed that National Highways is responsible for funding financial redress arising from erroneous speed enforcement linked to certain managed motorway cameras enforced on their behalf by Bedfordshire Police. While police forces are involved in supporting the administration of the redress scheme, no liability resulting from this redress is expected to fall to the Chief Constable or the Police and Crime Commissioner. At the date of approval of these financial statements, the redress scheme has not yet been fully implemented, and the final scope remains subject to further approval therefore no provision has been recognised in these accounts and instead this matter is disclosed as a contingent liability.

Note 38: Changes in Accounting Policies and Prior Period 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.

The Expenditure & Funding Analysis (Group):

	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	99,816	0	99,816	5,008	0	104,824
Collaborated Units	37,572	-55	37,517	0	0	37,517
Corporate & Support Services	3,184	4,785	7,969	-5,008	0	2,961
Office of the PCC	2,708	154	2,862	0	0	2,862
Net Cost of Services	143,280	4,884	148,164	0	0	148,164

The Comprehensive Income and Expenditure Statement (Group):

	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	-315	99,816	5,181	-173	104,824
Collaborated Units	69,217	-31,700	37,517	0	0	37,517
Corporate & Support Services	37,724	-29,755	7,969	-5,181	173	2,961
Office of the Police & Crime Commissioner	5,253	-2,391	2,862	0	0	2,862
Net Cost of Services	212,325	-64,161	148,164	0	0	148,164

Note 39: Pensions (Comprising of the Police Pension Fund Accounting Statements)

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

The Chief Constable for Bedfordshire participates in two pension schemes:

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

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

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

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

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

GROUP	Local Government Pension Scheme		Police Pension Scheme	
	2024/25	2025/26	2024/25	2025/26
	£'000	£'000	£'000	£'000
Net Total Cost of Service				
Current Service Costs	8,478	6,455	9,480	6,340
Past Service Costs/Gains	93	560	0	0
Losses/Gains on Curtailments & Settlements	0	0	0	0
Surplus or Deficit on the Provision of Services				
Interest Costs	11,341	11,738	44,190	47,320
Interest on Impact of Asset Ceiling	754	3,459	0	0
Interest Income on plan assets	-11,957	-15,065	0	0
Other Comprehensive Income & Expenditure				
<u>Re-measurements:</u>				
Actuarial gains and losses arising on changes in demographic assumptions	-533	183	-1,350	0
Actuarial gains / losses arising on changes in financial assumptions	-44,614	-10,068	-111,690	-28,930
Other actuarial gains (assets & liabilities)		-1,177	0	0
Impact of Asset Ceiling	42,647	5,731	0	0
Other experience gains and losses	-273	13,030	217	-5,678
Return on plan assets (excl amount in net interest expense)*	3,817	-10,135	0	0
Total Charge to the Comprehensive Income and Expenditure Statement	9,753	4,711	-59,153	19,052
Movement in Reserves Statement				
Reversal of net charges made for retirement benefits	-8,709	-7,147	-53,670	-53,660
Actual Amounts charged against the General Fund Balance for pensions in the year:				
Employers Contributions payable to the pension fund	10,287	10,911	29,224	31,521
Injury Award Benefits	0	0	2,032	2,071

*Admin Costs of £255K is included in Current Service Costs

PCC	Local Government Pension Scheme	
	2024/25	2025/26
	£'000	£'000
Net Total Cost of Service		
Current Service Costs	142	109
Past Service Costs/Gains	0	132
Losses/Gains on Curtailments & Settlements	0	0
Surplus or Deficit on the Provision of Services		
Interest Costs	169	179
Interest Impact on Asset Ceiling	14	55
Interest Income on plan assets	-187	-235
Other Comprehensive Income & Expenditure		
<u>Re-measurements:</u>		
Actuarial gains and losses arising on changes in demographic assumptions	-7	1
Actuarial gains / losses arising on changes in financial assumptions	-655	-233
Other actuarial gains (assets & liabilities)	0	-168
Other experience gains and losses	114	23
Impact of Asset Ceiling	642	-36,274
Return on plan assets (excl amount in net interest expense)*	60	-159
Total Charge to the Comprehensive Income and Expenditure Statement	292	-36,570
Movement in Reserves Statement		
Reversal of net charges made for retirement benefits in accordance with IAS19*	-138	-240
Actual Amounts charged against the General Fund Balance for pensions in the year:		
Employers Contributions payable to the pension fund	292	164

* Admin cost of £5K is included in Current Service costs

Assets and Liabilities Recognised in the Balance Sheet

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

GROUP	Funded Liabilities: Local Government Pension Scheme		Unfunded Liabilities: Police Pension Scheme	
	2025/26	2024/25	2025/26	2024/25
	£'000	£'000	£'000	£'000
Present value of the defined benefit obligation	216,150	201,259	836,450	850,990
Fair value of plan assets	-283,003	-252,722	-	-
Impact of Asset Ceiling	67,815	58,625	-	-
Net liability arising from the defined benefit obligation	962	7,162	836,450	850,990

PCC	Funded Liabilities: Local Government Pension Scheme	
	2025/26	2024/25
	£'000	£'000
Present value of the defined benefit obligation	3,184	3,082
Fair value of plan assets	-4,631	-4,014
Impact of Asset Ceiling	1,447	932
Net liability arising from the defined benefit obligation	0	0

Reconciliation of the movements in the fair value of scheme assets

GROUP	Local Government Pension Scheme	
	2025/26	2024/25
	£'000	£'000
1st April	252,722	236,832
Expected rate of return / Interest income	15,065	11,957
Re-measurement gains and losses:		
Return on plan assets, excluding the amount included in the net interest expense	10,135	-3,817
Other	-328	-256
Actuarial Gains on Assets	1,177	0
Employer contributions	10,911	10,287
Contributions by scheme participants	3,624	3,487
Benefits paid	-10,303	-5,768
31st March	283,003	252,722

PCC	Local Government Pension Scheme	
	2025/26	2024/25
	£'000	£'000
1st April	4,014	3,781
Expected rate of return / Interest income	235	187
Re-measurement gains and losses:		
Return on plan assets, excluding the amount included in the net interest expense	159	-60
Other	-5	-4
Actuarial Gains on Assets	168	
Employer contributions	164	292
Contributions by scheme participants	74	71
Benefits paid	-178	-253
31st March	4,631	4,014

Reconciliation of present value of the scheme liabilities

GROUP	Funded Liabilities: Local Government Pension Scheme		Unfunded Liabilities: Police Pension Scheme	
	2025/26	2024/25	2025/26	2024/25
	£'000	£'000	£'000	£'000
1st April	201,259	229,304	850,990	941,400
Current service cost	6,127	8,222	6,340	9,480
Interest cost	11,738	11,341	47,320	44,190
Contributions by scheme participants	3,624	3,487	8,086	7,617
Re-measurement (gains) and losses:				
▪ Actuarial gains / losses arising from changes in demographic assumptions	183	-533	0	-1,350
▪ Actuarial gains / losses arising from changes in financial assumptions	-10,068	-44,614	-28,930	-111,690
▪ Other actuarial gains / losses	0	0	0	0
▪ Other experience gains / losses	13,030	-273	-5,678	217
Benefits paid	-10,303	-5,768	-41,678	-38,874
Past service cost (including curtailments)	560	93	0	0
Losses / (gains) on settlements	0	0	0	0
31st March	216,150	201,259	836,450	850,990

PCC	Funded Liabilities: Local Government Pension Scheme	
	2025/26	2024/25
	£'000	£'000
1st April	3,082	3,505
Current service cost	104	138
Interest cost	179	169
Contributions by scheme participants	74	71
Re-measurement (gains) and losses:		
▪ Actuarial gains / losses arising from changes in demographic assumptions	1	-7
▪ Actuarial gains / losses arising from changes in financial assumptions	-233	-655
Other actuarial gains / losses	0	0
Other experience gains / losses	23	114
Benefits paid	-178	-253
Past service cost (including curtailments)	132	0
Losses / (gains) on settlements	0	0
31st March	3,184	3,082

Reconciliation of the opening and closing surplus / (deficit)

GROUP	Funded Liabilities: Local Government Pension Scheme		Unfunded Liabilities: Police Pension Scheme	
	2025/26	2024/25	2025/26	2024/25
	£'000	£'000	£'000	£'000
Opening Surplus (deficit)	-7,162	-7,696	-850,990	-941,400
Current Service Cost	-6,455	-8,478	-6,340	-9,480
Contributions by employer	10,911	10,287	33,592	31,257
Past Service Costs	-560	-93	0	0
Interest Cost	-11,738	-11,341	-47,320	-44,190
Interest on Impact Asset Ceiling	-3,459	-754	0	0
Expected Return on Assets	15,065	11,957	0	0
Re-measurement Gains / (losses)	2,436	-1,044	34,608	112,823
31st March	-962	-7,162	-836,450	-850,990

PCC	Funded Liabilities: Local Government Pension Scheme	
	2025/26	2024/25
	£'000	£'000
Opening Surplus (deficit)	-0	-0
Current Service Cost	-109	-142
Contributions by employer	164	292
Past Service Costs	-132	0
Interest Cost	-179	-169
Expected Return on Assets	235	187
Interest on Impact Asset Ceiling	-55	-14
Other Actuarial Gains / (losses)	0	0
Re-measurement Gains / (losses)	76	-154
31st March	0	0

Local Government Pension Scheme assets comprised:

2024/25				2025/26		
CC	PCC	Group	Asset Type	CC	PCC	Group
£'000	£'000	£'000		£'000	£'000	£'000
153,908	2,398	156,306	Equities	170,881	2,851	173,732
47,108	734	47,842	Bonds	57,311	956	58,267
40,228	627	40,855	Property	46,066	769	46,835
8,200	128	8,328	Cash	4,574	76	4,650
249,444	3,887	253,331	Total	278,832	4,652	283,484

The final asset allocation of the Fund assets is likely to be different from that shown due to estimation techniques. The overall Group share of the Fund assets is approximately 7.07%.

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

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, an independent firm of actuaries. The Police Pension scheme liabilities have been assessed using the Government Actuary Department's IAS19 spreadsheet (GFS) which has been designed to satisfy the disclosure requirements contained within the CIPFA Code of Practice.

The significant assumptions used by the actuaries are:

	Local Government Pension Scheme		Police Pension Scheme	
	2025/26	2024/25	2025/26	2024/25
	%	%	%	%
Long-term expected rate of return on assets in the scheme:				
Mortality Assumptions:				
Longevity at 65 for current pensioners				
- Men	21.2	21.1	22.0	21.9
- Women	23.9	24.0	24.0	23.9
Longevity at 65 for future pensioners				
- Men	22.8	22.2	23.4	23.3
- Women	25.6	25.5	25.3	25.2
Rate of inflation - CPI	2.90	2.85	2.95	2.70
Rate of increase in salaries	3.90	3.85	3.70	3.45
Rate of CARE revaluation			4.20	3.95
Rate of increase in pensions	2.90	2.85	2.95	2.70
Rate for discounting scheme Liabilities	6.25	5.90	6.10	5.65
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 demographic assumptions have remained the same as the actuaries have again used assumptions proposed in the 2020 valuation and ONS 2022, actuarial gains have been recognised of £34.560M which are largely due to the increased discount rate, however some of the gains due to the discount rate have been partly offset by losses due to the pension and salary inflation increases.

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 2025

model. This gives rise to a valuation loss of £0.183M for the Group and £0.001M for the PCC.

The majority of the actuarial gains for 25/26 result from the expected return on assets, however the accounting standards state that if an employer has an accounting surplus, it should only be recognised to the extent that it is able to recover the surplus either through reduced contributions in the future, or through refunds.

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

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

Sensitivity analysis	£000s	£000s	£000s	£000s	£000s
Adjustment to discount rate	+0.5%	+0.1%	0.0%	-0.1%	-0.5%
Present value of total obligation	2,913	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

Sensitivity Analysis for the Police Scheme:

	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 £837M 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 £803M. However, statutory arrangements for funding the deficit mean that the financial position of the PCC for Bedfordshire Group remains healthy:

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

Police Pension Fund Accounting Statement

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

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

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

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

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	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

Notes to the Accounts

2024/25			2025/26	
£'000	£'000		£'000	£'000
	0	(Surplus) / Deficit for the year		0

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

2024/25			2025/26	
£'000	£'000		£'000	£'000
0		Unpaid Pension Benefits	0	
0		Amount Owing from the general fund	0	
	0	Net Current Assets and Liabilities		0

External Advisers

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

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

(i) **Financial Administration**

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

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

(ii) **Banking**

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

Glossary of Terms

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

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

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

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

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

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

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

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

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

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

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

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

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

DEBTOR – Money owed to the PCC for Bedfordshire.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PUBLIC WORKS LOAN BOARD (PWLb) – A Government agency which provides longer term loans to Local Authorities at interest rates only slightly higher than those at which the Government itself can borrow.

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

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

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

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

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

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

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

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