



# Statement of Accounts 2021-22 – Unaudited

## The Chief Constable of Nottinghamshire

(Draft V2 as at 16<sup>th</sup> February 2024)



NOTTINGHAMSHIRE  
**POLICE**  
PROUD TO SERVE

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# CHIEF FINANCE OFFICER'S NARRATIVE REPORT



## CHIEF FINANCE OFFICER'S NARRATIVE REPORT

### NOTTINGHAMSHIRE

Nottinghamshire is a diverse County. It has a mixture of affluent communities and those developing from being former mining areas. The County's major urban area of the City and surrounding conurbation is mainly in the south with the majority of the north and east of the County being rural.

There is a population of approximately 1.2 million within the City and County.

The majority of properties across the City and County fall within Council Tax bands A and B.

Nottinghamshire is one of five regional forces in the East Midlands and works closely with the others to provide a seamless and efficient service.

The Police and Crime Commissioner determines the level of funding allocated to the Chief Constable for the provision of police services within Nottinghamshire.

The amount of funding available for distribution by the Commissioner is reliant on both Central Government funding and the amount received from local Council Tax payers.

The amount received from Central Government is reducing in real terms year on year, which creates the need for the Commissioner to raise Council Tax by the maximum amount available to ensure real term spending power is not reduced.

However, during 2020/21 the Government announced investment in policing to recruit 20,000 additional police officers over the next three financial years. Nottinghamshire's element of this increase will be 359 additional police officers. It is expected that the additional funding of this element only will be met by the Government in full.

Brexit and Covid-19 will continue to create uncertainty, as well as the ongoing war in Ukraine. These factors may impact on police funding in the future, the results of which are not currently quantified.

### GOVERNANCE

The Commissioner is responsible for the totality of policing within the policing area; with operational policing being the responsibility of the Chief Constable.

This responsibility is discharged in accordance with statutory requirements, the Oath of Police Officers, the Police Discipline Code, Police Regulations and the Scheme of Delegation.

There is joint responsibility with the Commissioner for ensuring that public money is safeguarded. To discharge this accountability the Commissioner and senior officers must put in place proper procedures for the governance and stewardship of the resources at their disposal.

## Our Priorities

Engage our  
Communities

Create a Service that  
Works for Local People

Become an  
Employer of Choice

## Our Mission Statement

**'Working with partners and the communities we serve to make Nottinghamshire a safe, secure place to live, work and visit'**



## PERFORMANCE

The Force has a dedicated workforce of around 4,100 officers and staff, who are supported by a growing army of hundreds of special constables, cadets and volunteers.

Local policing is complemented by a range of support units and departments that operate across the Force. These include the control room, where staff answer 999 and non-emergency telephone calls, our roads policing section, criminal justice, crime investigation, force intelligence, our dogs' section, the forensics officers who work in our scientific support unit and the team that plans for major events and emergencies.

The graphic on page 10 demonstrates the level of demand on policing in 2021-22 and examines future demand expectations moving forward in 2022-23.

### Achievements 2021-22

#### Responding to the public

We answered 88.7% of calls within 10 seconds, ranking second nationally, and 99.1% of calls within 60 seconds demonstrating the success of our call management model.

2021-22 saw the opening of a new contact management unit at force headquarters. This provides our staff with state-of-the-art facilities from which to answer calls from the public, quickly assess the information and dispatch the most appropriate resource to respond.

Call levels have returned to pre-pandemic levels and, as a result, the capacity and capability of our contact management staff to deal with incoming demand requires monitoring. Additionally, we are three years into a six-year contract with SAAB SAFE, the force's command and control Information Technology (IT) system, which will necessitate a suitability review imminently.

To manage future demand, proposals under consideration include the placement of an additional sergeant to oversee our digital desk performance, Abnormal Loads Team and management of hate crime, a review and potential increase of staffing within the Crime Audit Team in light of increasing demand following the HMIC inspection, and an increase in Police Emergency Call Handlers (PECHs) as a result of the success of our 'live chat' / SOH options, coupled with increasing calls for service via traditional methods.

Within the last year, cognisant of our youthful workforce, we have implemented a number of innovations to encourage best practice and information sharing, including the creation of a bespoke Microsoft Teams channel, and we took the opportunity to recognise the excellent work our response teams undertake on a daily basis by supporting a national 'week of action', which was very well-received.

As demand on our officers has increased post-pandemic, so has the regularity with which officers are being deployed from city to county and vice versa. While the ability of our workforce to be agile in the face of emerging demand is key, we recognise there are challenges in providing officer continuity for victims in these circumstances.

The necessity to occasionally travel across the county to meet demand is also made more difficult by an increasing shortage in response vehicles; a consequence of the car industry experiencing a widespread shortage of parts.

## PERFORMANCE (continued)

### Prevention and Deterrence

The Operation Reacher arm of the neighbourhood policing model has continued to add value by contributing to public order events and the re-emergence of the night-time economy (NTE) in the last year. Since their inception in October 2020, our Reacher teams are responsible for over 4,000 arrests, nearly 1,700 drug seizures, 850 weapon recoveries, the removal of in excess of 1,300 illegally driven vehicles from the county's roads and seized cash to the value of £1.4m. Their pro-active impact on the disruption of criminal behaviour cannot be overstated.

The police also chair the city's partnership safety working group, improving safety via partnership and community collaboration. This group was instrumental in Nottingham retaining its Purple Flag status for the 14<sup>th</sup> consecutive year. We also secured funding via 'Safer Streets 4', which will be successfully directed toward preventing Violence Against Women and Girls (VAWG) within the NTE.

We are introducing two new priority crime teams, with a focus on tackling retail crime across the county. Supported by Designing Out Crime Officers from our neighbourhood policing hub, the teams offer businesses advice to help mitigate the threat of theft-related offences, and target high-harm offenders to reduce the risk they pose.

Our knife crime team is now embedded within neighbourhood policing. Their deployments are based on a tasking system that prioritises according to risk and, during 2021 alone, the team patrolled 30,000 miles, seized £555,000 in drugs and cash, and were responsible for more than 35 years' worth of custodial sentences. The team has also taken 131 knives off the streets in the last 12 months.

Neighbourhood policing standard grade demand, managed within our management incident team, continues to expand, and does create an area of risk over the coming year. High staff turnover, largely due to officers progressing into detective constable roles, has impacted on our ability to manage incoming community demand, given the length of training time required to make new recruits independently competent. We are drawing up proposals to succession plan for this in the next 12 months.

We predict the introduction of Power BI, the force's new self-service demand analysis system, will prove invaluable for our neighbourhood policing teams given its enhanced functionality. The system can quickly and accurately break down crime types based on geographical parameters and highlight key trends and modus operandi (MO) to help better understand, and target demand.

### Investigations

Our Digital Multimedia Evidence Unit (DMEU) is well staffed to process incoming demand. In Q1 of 2022/23, the department saw a monthly average of 293 jobs submitted and completed 325.

One of the biggest completed projects during the last year was the successful completion of the new Nottingham custody suite, which saw the closure of our previous main site at Bridewell. This new site provides an improved working environment for our custody staff and mitigates risk to people under investigation while they are in the suite. Within the planning for the new custody suite, we worked closely with partner agencies to ensure that we were able to accommodate a wide variety of services to match the projected needs of our detainees.

## PERFORMANCE (continued)

This includes the provision of a dedicated wing to accommodate detainees with vulnerabilities. The new, award-winning, suite, and the provisions planned into it, have been positively received by our independent custody visitors and we are continually working with their feedback to improve our services.

We continue to train frontline officers in the submission of appropriate intelligence and have launched the College of Policing-led Intelligence Professionalism Programme (IPP) within the Force Intelligence Bureau (FIB). 86 of our 120 staff are already inducted into the scheme, and we anticipate it will take approximately 18 months for our staff to complete the package.

### Protecting Vulnerable People

In 2021-22 we reorganised the department that leads on stalking offences and installed a temporary stalking order post to increase the effectiveness of our work in this emerging area. We have also signed up to the national Screening Assessment for Stalking and Harassment (SASH) tool, which has been rolled out across the force in the last year.

During the Covid-19 pandemic, and in line with the national picture, we saw a slight decrease in the volume of Domestic Abuse (DA) calls we received. We predicted we would return to pre-pandemic levels following lockdown but, over the last year, demand has increased beyond predictions. For example, we have encountered a 17% increase in high-risk DA over the last 12 months. This heightened demand then translates to increased work volume with the Multi-Agency Risk Assessment Conference (MARAC) system, which now considers 231 cases per month, compared to 75 in 2018/2019.

Demand has increased within the safeguarding world over the last 12 months. Child safeguarding cases increased by 38.4% in 2021-22, although we consider this may have been driven by training delivered to frontline officers who are now better placed to understand child vulnerability. Adult safeguarding returned to pre-pandemic levels, having fallen by almost 50% during the Covid lockdown. We predict that safeguarding demand will increase over the coming year with response and neighbourhood officers becoming increasingly aware of, and keen to address, the vulnerability signals of both children and adults.

### Managing Offenders

Our proactive efforts remain key to safeguarding the Nottinghamshire public from drug-related offending. Our Operation Guardian initiative, which disrupts the supply, distribution and use of Class A drugs within the city centre night-time economy and is proven to reduce violent crime by 27%, has been so successful it has now been shared as best practice to other forces around the country. Our dedicated drugs expert witnesses have completed 503 reports for crown court in the last year and spent 63 days giving evidence to support the prosecution and conviction of those involved in the drug industry.

While it is estimated only 10-15% of fraud offences are ever reported, we have seen a 33% increase in demand over the last year, which has tested our resilience in this area. However, our fraud team has risen to the challenge and recorded some excellent work over the last year. Over the last six months alone, the fraudulent transfer of more than £500,000 has been prevented, courtesy of the relationships our team has developed with local banks. They have served 17 disruption notices on individuals who have been identified as money mules; an emerging form of exploitation.



## PERFORMANCE (continued)

There are currently 18 identified active county lines in Nottinghamshire, which represents a 50% increase from 2020-21. The majority of these lines export to neighbouring counties and see young people carrying drugs, cash and weapons. We have a tracking system that records and monitors children who are vulnerable to county lines activity and, with improved information sharing agreements, we are now able to identify children involved in county lines activity earlier, which enhances our intelligence picture and increases opportunities to divert them away from the exploitation.

### Force wide functions

Over the last year, our professional standards directorate (PSD) has seen an increase in demand across all areas, which demonstrates both the increased confidence of the public and staff members to report matters of concern and the ability of the department to record and respond accordingly. Within the CMU area of business, between February 2021 and March 2022, we have managed a workload of 1,168 complaints, of which 661 were of a more serious or complex nature, 98 matters relating to conduct and recorded 508 other reports which did not meet the investigation threshold.

The Mini-Police programme has now spread to 25 primary schools in the county, focused predominantly towards inner city establishments, with 1,070 pupils actively engaged in the scheme. A further 72 schools remain on a waiting list, with work almost complete to produce online material that can be supported by local neighbourhood officers.

As part of Op Uplift the force was initially allocated an uplift of 357 officers between 2020-21 and 2022-23. We recruited 237 new officers in 2020-21, and a further 158 officers in 2021-22. Such was our success that central government provided funding for an additional 50 new recruits during the 2022-23 financial year.

Power BI is being introduced into the force and the performance team is assisting with the development of interactive dashboards. The first product, a self-briefing tool, which has recently been trialled with a selection of neighbourhood policing teams, will be officially launched in October. This will provide immediate, interactive, and up-to-date, information at the touch of a button and will revolutionise the way we analyse and react to data on crime and anti-social behaviour; from a force-wide perspective down to individual streets and communities.

Our Archives and Exhibits (A&E) force armoury has moved from headquarters (HQ) to the old Oxclose Lane custody suite, allowing us to make better use of our estate, and we are working with the CPS to implement an adaption to the existing cannabis retention policy to minimise the number of plants we physically retain within the organisation. The force currently pays an external agency to test all firearms we recover. Over the coming year, with a view to reducing costs and decreasing waiting times, we will explore opportunities to train our own staff to undertake that testing.

Recently the team has overseen the completion of the joint building project with Nottinghamshire Fire and Rescue Service at Sherwood Lodge HQ, which has extended the collaboration with our emergency service partner. The 50 cell Nottinghamshire Custody Centre based next to our existing Radford Road police station in the city has also been opened, and a brand-new sexual assault referral centre (SARC), specifically designed to put victims at ease by looking less like a traditional police building, has been constructed in Nottingham.

The population of Nottinghamshire is approximately 1,161,100 people policed by 2385 officers.

Across Nottinghamshire, there is approximately one police officer for every 487 members of the public.

## STATEMENTS ABOUT DEMAND ON POLICING 2022

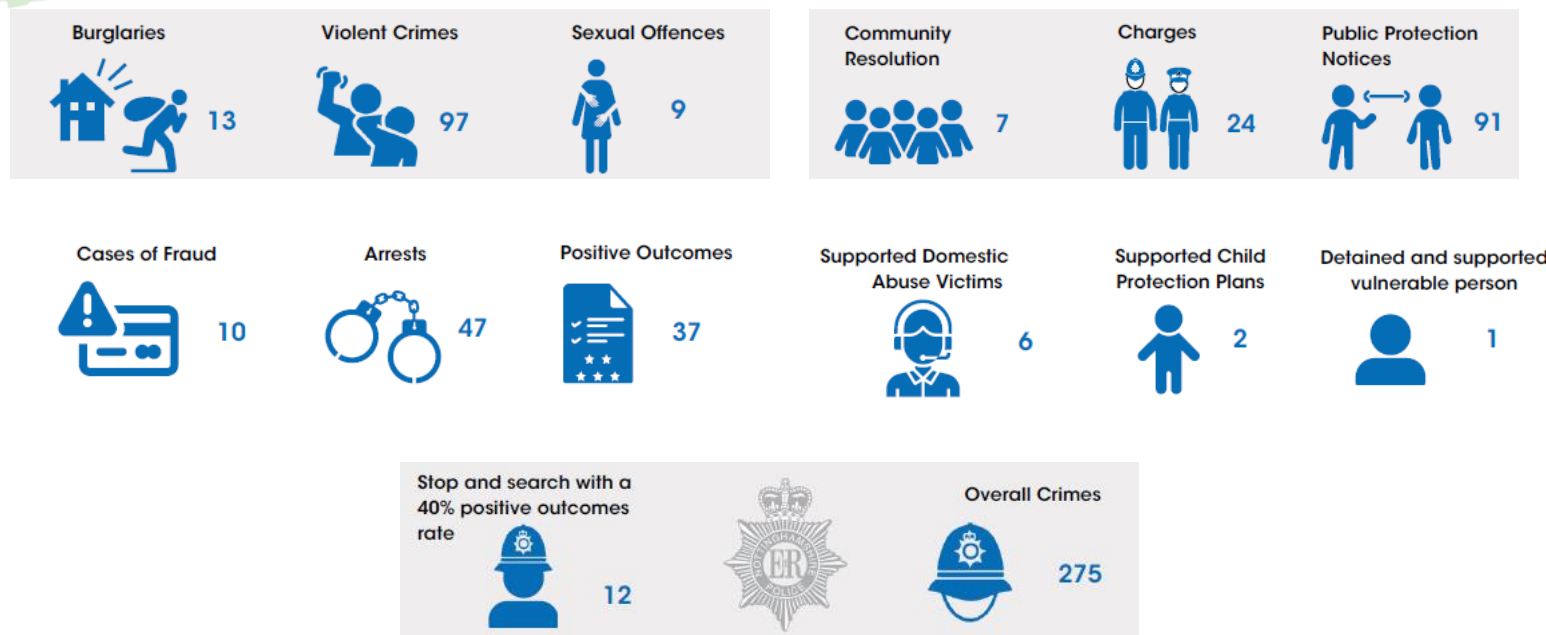


NOTTINGHAMSHIRE  
**POLICE**  
PROUD TO SERVE

On a typical day last year, Nottinghamshire Police:



Average daily recorded cases



## FINANCIAL PERFORMANCE

The outturn for the Force is £226.2m which is an underspend of £1.6m against the original budget.

The budget was set to provide for a £3.8m contribution to fund capital expenditure.

Improvements to monitoring processes continue to develop and the outturn is reviewed monthly.

Any changes are reported to the Force Executive board with requests for the approval of virements. The rolling five year planning model is updated if future years are impacted.

The actual outturn was in line with monthly monitoring during the year, with the main area of underspend being transport following the cessation of the Forces Public finance Initiative (PFI) contract, as well as receiving significantly more income via Home Office grants than budgeted to support our Safer Streets programme.

Performance over previous years has been:

2016-17 an underspend of £1.0m  
 2017-18 an underspend of £2.5m  
 2018-19 an overspend of £0.8m  
 2019-20 an overspend of £0.3m  
 2020-21 an overspend of £0.1m  
 2021-22 an underspend of £1.6m

The medium term financial plan assumptions have been adjusted accordingly to reflect past and this year's performance.

## 2021-22 Expenditure v Budget Analysis

Nottinghamshire Police Group Outturn Position 2021-22.

Net Expenditure Budget	Budget £m	Efficiencies Allocation £m	Working Budget £m	Outturn £m	Variance £m
Employee	189.8	(0.6)	189.2	189.1	(0.1)
Premises	7.6	(0.3)	7.3	7.5	0.2
Transport	4.7	-	4.7	3.4	(1.3)
Communications & Computing	10.0	(0.9)	9.1	9.5	0.4
Supplies & Services	9.7	(0.2)	9.5	10.7	1.2
Partnership & Collaborations	17.0	-	17.0	16.9	(0.1)
Capital Financing	7.9	-	7.9	9.9	2.0
Income	(16.3)	(0.5)	(16.8)	(20.7)	(3.9)
OPCC	5.4	-	5.4	5.4	-
<b>Total Net Expenditure</b>	<b>235.8</b>	<b>(2.5)</b>	<b>233.3</b>	<b>231.7</b>	<b>(1.6)</b>

Notes:

Over spends are shown as + numbers, whilst under spends are shown as ( ) numbers.  
 No adjustments have been made for rounding.

## FINANCIAL PERFORMANCE (continued)

### Employee Costs

This was £189.1m for the year which was an under-spend of £0.1m against the budget.

This under-spend is supported by the impact of long serving officer retirees and dynamic assessments of cohort start dates. An additional £3.2m was spent on officer overtime owing in the main to elected bank holidays, mutual aid and covid.

The continued success in meeting the uplift targets led to the budget for officer FTE increasing to 140 from 100, with some of these additional costs offset by achieving 100% of the Home Office's performance uplift grant (£1.8m).

Savings in other employee costs due to staff vacancies (£2.1m), training budget savings (£45k) and reduced medical retirements (£695k) as well as core uplift grant, uplift performance grants allocations contributed to this net position.

### Premises

This was £7.5m for the year which was an over-spend of £0.2m against the budget.

The over-spend reflects increased costs for utilities, cleaning, rents and rates for Bridewell which was retained longer than budgeted.

Costs relating to buildings that were retained longer than planned were off-set by savings in rent for Phoenix House, EMAS Carlton and Hucknall. There were also savings for reactive maintenance as planned works for Byron House did not go ahead.

### Transport

This was £3.4m for the year which was an under-spend of (£1.3m) against the budget.

Net savings of (£767k) were realised in the year as a result of exiting the vehicle PFI scheme, with some additional employee and capital costs showing in other expenditure categories.

Further savings were made due to not replacing speed camera vehicles (£250k), however this was offset by additional fuel £132k and insurance £83k costs.

### Communications & Computing

Costs were £9.5m for the year which was an over-spend of £0.4m against the budget.

The over-spend was due to investments in the Digital Evidence Management System (DEMS), as well as MFSS system replacements.

Savings were made following a review of hardware and license requirements, and decommissioning of redundant network lines, off-setting the over-spends on system investments.

Cost has been incurred due to the increase in IT kit in respect of officer numbers, this will be offset by income from Uplift.

## FINANCIAL PERFORMANCE (continued)

### Supplies & Services

Costs were £10.7m which was an over-spend of £1.2m against the budget, mainly due to increased insurance contributions £709k as claims rose during the year, and increased vehicle recovery costs £246k.

The increases were offset in part by a (£224k) saving on legal fees.

### Partnership & Collaboration

This was £16.9m for the year which was an under-spend of (£0.1m) against the budget.

Savings have been realised in a number of areas including (£300k) on funding regional ESN posts, (£240k) regional outturn position revisions, and (£50k) from structural changes to Learning & Development and Prosecutions. These savings are offset by an increase in collaboration costs of £300k due to funding formula cost share arrangements not being reviewed as expected.

Multi Force Shared Service costs have reduced by (£245k) owing to staff numbers decreasing ahead of the exit of multiple forces from the scheme.

### Capital Financing

This was £9.9m for the year, which was an over-spend of £2m against the budget.

An additional £1.3m direct revenue financing charge was made, from a culmination of sale of write off vehicles and in year opportunities to reduce future capital expenditure.

The MRP has reduced by (£499k) which offsets a transfer of £500k to the IT reserve to protect against unbudgeted supply chain issues expected in future years.

Other net transfer to reserves (mainly in respect of the camera safety project) £676k were offset with additional interest earned during the year (£255k).

### Income

This was £20.7m for the year, which was an increase in income of (£3.9m).

(£1,699k) grant income in respect of knife crime, stalking protection orders, armed response, cybercrime, witness care, Covid and ARIS.

(£813k) mutual aid assistance including COP26 and G7.

(£405k) officer secondment income.

(£270k) additional partnership income.

(£245k) vehicle recovery.

Much of the additional income is offset with costs in other spend areas, particularly officer overtime.



**FINANCIAL PERFORMANCE (continued)****2021-22 Efficiencies**

The force delivered efficiencies of £7.3m in the year, well in excess of its target of £2.5m. This performance helped in advancing the recruitment of Uplift PC numbers ahead of Governments target, and will assist in adding sustainability to the forces medium term planning assumptions. Details of the efficiencies achieved are detailed in the following table.

Net Expenditure Budget	Efficiencies Allocation £m	Outturn £m	Variance £m
Staff Pay & Allowances	0.6	2.3	+1.7
Premises	0.3	0.3	-
Communications & Computing	0.9	1.1	+0.2
Supplies & Services	0.2	0.5	+0.3
Transport	-	0.8	+0.8
Partnership & Collaborations	-	1.0	+1.0
Income	0.5	1.3	+0.8
<b>Total</b>	<b>2.5</b>	<b>7.3</b>	<b>+4.8</b>

**FINANCIAL PERFORMANCE (continued)****2022-23 Budget Breakdown**

The proposed revenue budget for 2022-23 is £247.7m as detailed below:-

Net Expenditure Budget	£m
Employee	199.1
Premises	8.4
Transport	4.4
Communications & Computing	10.8
Supplies & Services	10.7
Partnership & Collaborations	26.5
Capital Financing	9.6
Income	(21.8)
Efficiencies (not allocated in above)	-
Net use of reserves	-
<b>Total Net Expenditure</b>	<b>247.7</b>

## OUTLOOK

Due to the previous economic climate the Government had made significant reductions in public sector finances over many years with annual real term reductions of over £50m since 2010 for policing in Nottinghamshire. This has resulted in significant operational efficiencies with permanent new ways of working now embedded. The drive for efficiency in operations is at the heart of the Force management team, and new streamlined enabling services provide cost effective services, but with the focus on directing any available resources to the front line.

Financial settlements in 2018-19 and 2019-20 established a new baseline spend, but with a shift from central funding to local funding via Council Tax. This makes the Force more accountable to their local taxpayers, who are at the forefront for financing annual inflation and any additional expenditure.

Locally the Police & Crime Commissioner has fully supported maintaining policing resources and has used their council tax setting freedoms to the full. The Chief Constable has played his part in maximising the use of resources and has delivered efficiencies such that all additional Council Tax funding has been used to increase police numbers as well as additional funding for Operation Uplift.

The Prime Minister then announced in November 2019 that by 2023-24 there will be 20,000 additional police officers across the country, of which 357 posts would be in Nottinghamshire.

This news was welcomed by both the PCC and Chief Constable and plans were immediately put in place to achieve this uplift as soon as was practical. Such was our success, central government have provided funding for an additional 50 new recruits during 2022-23.

Our current projections show officer numbers will be 2,428 by March 2023, representing a 21% increase on 2019/20 figures. Plans are such that despite the Nov-20 announcement of a years delay in achieving national uplift, Nottinghamshire will remain at least 12 months ahead of schedule.

The settlement announcement for 2021-22 provided additional resources to achieve the uplift target, mainstreamed the pensions funding gap grant and allowed for a £10 increase in precept to cover the cash impact of inflationary pressures, which the Commissioner supported.

This approach of using the precept to fund inflationary pressures was signalled as the likely way forward, with baseline grant being cash limited. It is assumed that this baseline will however be uplifted for the revenue costs of the uplift targets in the respective future years.

The increases needed to maintain resources in real terms will be funded by the local taxpayer via increased Council Tax precepts but in themselves are still insufficient to meet the increasing demands and investment required to maintain Police Services, even after allowing for the uplift numbers, therefore on-going efficiency targets will be required.

## OUTLOOK (continued)

We continue to develop the future strategy for corporate IT services with Op Regain successfully achieving the schedule with go live implementation in April 2022. This project is to ensure future systems are fit for purpose and provide value for money in the area that the External Auditor has previously qualified our VFM judgement.

Efficiency savings will be required each year of the medium term plan but the level of savings required at £7.5m are considered to be well within the normal level of business efficiency that we would expect as part of our business as usual plans. The Force has outline plans for the achievement of these efficiencies.

Sufficient on-going review and risk management is in place such that if funding levels anticipated are not forthcoming then delivery of the minimum policing model is achievable in a time frame that does not jeopardise a sustainable policing level.

The Annual Budget, Operational Models, and this Medium Term plan are sufficiently robust to ascertain that policing in Nottinghamshire is above the levels required to provide an adequate police service and that the Force is sufficiently resourced to ensure this on an on-going and sustainable basis.

### **Covid-19:**

Following successful vaccination rollouts and booster plans, the United Kingdom appears to be in a strong position in the fight against Covid-19, and as such further restrictions on the public are not anticipated. This in turn has led to a sharp increase in demand on the force in dealing with domestic, child and sexual abuses, with levels significantly higher than pre-pandemic levels.

### **War in Ukraine:**

As Russia's invasion of Ukraine which began in February 2022 continues, the stability of Europe and indeed the World are under pressure as economies navigate their way through significant disruption to global food supplies, as well as gas and oil. This has caused substantial inflation to which the force is not immune, particularly with regards utility costs for the estates and vehicle fuel.

### **Cost of Living Crisis:**

The culmination of the effects of Brexit, Covid-19, and the ongoing war in Ukraine have caused a high level of volatility in markets as the government attempts to control rampant inflation whilst mitigating against a prolonged recession. Although schemes are in place to support the public with the rising costs, particularly energy, the vast majority of the public can expect to be in worse financial position.

Pay awards are therefore expected to be at higher levels than seen previously as the force looks to support its employees, as well as retain staff in the face of continued low unemployment rates across the country.

We recognise that there remains uncertainty over how long these significant difficulties will remain and therefore the total costs which will be incurred as a result. However, we are confident that the impact can be managed going forward without the use of the Major Incident Reserve and that there will be minimal impact on the general reserve balance.

The assumptions contained within the current Medium Term Financial Plan will be reviewed and revised as necessary during the next budget setting round.

## WHO WORKS FOR NOTTINGHAMSHIRE POLICE

Nottinghamshire Police (together with the Office of the Police and Crime Commissioner) employs approximately 2,385 police officers, 151 PCSOs, 143 specials and 1,395 staff in full-time and part-time positions.

Active recruitment plans for 2022-23 include positive action to continue to improve the diversity and reflect more closely that of the County.

Nottinghamshire pay an apprenticeship levy equating to 0.5% of the total pay bill. This can be utilised to pay for apprenticeship training and to accredit specific specialist roles to a professional standard, including degree level.

### Overall Equality Characteristics

Gender	Headcount	%
Male	2,237	54.91
Female	1,837	45.09
<b>Total</b>	<b>4,074</b>	<b>100.00</b>

Age Band	Headcount	%
25 and under	567	13.92
26-40	1,628	39.96
41-55	1,527	37.48
56 or over	352	8.64
<b>Total</b>	<b>4,074</b>	<b>100.00</b>

Self-Declared Disability	Headcount	%
No/not specified	3,928	96.42
Yes	146	3.58
<b>Total</b>	<b>4,074</b>	<b>100.00</b>

Ethnicity	Headcount	%
Asian/Asian British	140	3.44
Black/Black British	48	1.18
Mixed	76	1.87
White/White British	3,777	92.71
Other	5	0.12
Not Stated	23	0.56
Not known/provided	5	0.12
<b>Total</b>	<b>4,074</b>	<b>100.00</b>



## PRINCIPAL RISKS

A risk management strategy is in place to identify and evaluate risk. There are clearly defined steps to support better decision making through the understanding of risk, whether a positive opportunity or threat and the likely impact. The risk management processes are subject to regular review and updates. The key strategic notes relevant to the statement of financial accounts are:

RISK		IMPACT	MITIGATION
1	Environmental Efficiency	Government directive to improve environmental efficiency to net zero. The speed of change as well as demand and cost increases make the target difficult to achieve.	<p>Reducing size of estate by sharing work spaces with Fire Service, Ambulance Service, and the Council.</p> <p>Ensuring new building projects are more energy efficient.</p> <p>Increasing use of solar panels on police premises.</p>
2	Accounts Completion	<p>Statutory deadlines for review, audit and completion not being met.</p> <p>Force is unable to demonstrate accountability to stakeholders in line with statutory requirements.</p>	<p>Increased number of resources in the Finance Department associated with the production of the final accounts.</p> <p>Ongoing oversight by the Chief Officer Team.</p> <p>Monthly reporting into Force Executive Board.</p> <p>Quarterly reporting into joint independent audit committee (JIAC).</p>
3	Governance and Information Risk Return (GIRR)	Lack of GIRR accreditation increasing the risk of corporate information becoming compromised, leading to monetary penalties and reputational damage.	<p>6 month secondments into Information Management Lead and Data Protection Officer posts.</p> <p>Assistance from neighbouring forces Derbyshire and Northants.</p> <p>Plans in place to renew accreditation.</p>

## PRINCIPAL RISKS (continued)

RISK	IMPACT	MITIGATION
4	<p>Procurement and supply chain</p> <p>Transfer of Procurement services from MINT back into force could result in delays in contracts being issued and re-negotiated.</p> <p>Lack of computer chips and vehicle parts mean the force may be unable to supply laptops to new officers and vehicle access may be restricted.</p>	<p>Prioritising of workload and regular meetings with Chief Officer Team and active recruitment for key procurement vacancies.</p> <p>Re-distribution of laptops according to role and stock piling where available, as well as ordering of vehicles in advance to protect against stretched lead times.</p>
5	<p>Loss of public confidence</p> <p>Breaches of trust and professional standards by serving officers nationally have resulted in a loss of confidence in the police service.</p> <p>Grading of “requires improvement” in the PEEL Inspection 2020/21 report could further lead to loss of trust and confidence.</p>	<p>Training packages rolled out encouraging officers and staff to take action and identify concerning behaviour.</p> <p>Implementation of governments Violence against Women and Girls Strategy and Action Plan and improvements in community engagement.</p> <p>Regular audits to ensure effective governance and outcomes fed into the Data Quality Board.</p>
6	<p>Recruitment</p> <p>High number of new inexperienced officers as a result of Op Uplift which could add extra pressure to existing officers as new officers are trained.</p> <p>Lack of detectives nationally leading to an inadequate level of service as well as loss of staff and recruitment challenges due to the cost of living crisis.</p>	<p>Release of response officers through tactical workforce planning and university candidates sought for graduate investigator scheme with fast track to DC.</p> <p>Proactive staff wellbeing monitoring through career conversations and mental health initiatives.</p> <p>Tracking new officer numbers for Op Uplift.</p>

## Explanation of Accounting Statements

The Statement of Accounts sets out the Chief Constable's income and expenditure for the year and its financial position at 31 March 2022. It comprises core and supplementary statements, together with disclosure notes. The format and content of the financial statements are prescribed by the CIPFA Code of Practice on Local Authority Accountancy in the United Kingdom 2021-22; which in turn is underpinned by International Financial Reporting Standards.

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

Figures in these accounts are rounded appropriately, generally to the nearest £1,000. Due to this there may appear to be minor inconsistencies or apparent arithmetic errors.

## The Core Statements

- **The Comprehensive Income and Expenditure Statement**  
This records all income and expenditure for the year.
- **The Movement in Reserves Statement**  
This is a summary of the changes to reserves during the course of the year.
- **The Balance Sheet**  
This is a “snapshot” of the assets, liabilities, cash balances and reserves at the year end.
- **The Cash Flow Statement**  
This shows the reasons for changes in cash balances.

## The Supplementary Financial Statements

- **The Notes to the Accounts**  
These provide more detail about the accounting policies and individual transactions.















## STATEMENT OF RESPONSIBILITIES

### The Responsibilities of the Chief Constable

The Chief Constable is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. The Chief Constable has designated this undertaking to the Chief Finance Officer (CFO).
- Manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets.
- Ensure that there is an adequate Annual Governance Statement.
- Approve the Statement of Accounts.

### The Responsibilities of the Chief Finance Officer

The Chief Finance Officer is responsible for the preparation of the Statement of Accounts in accordance with proper accounting practices as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom. The statement is required to present fairly, the financial position of the Chief Constable as at the accounting date and its Income and Expenditure for the year ended 31 March 2022.

In preparing the accounts the CFO has:

- Selected suitable accounting policies then applied them consistently.
- Made judgements and estimates that are reasonable and prudent.
- Complied with the Code of Practice.
- Kept proper records that are up to date.
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

### Certification

I certify that in my opinion this Statement of Accounts present a true and fair view of the financial position of the Chief Constable as at 31 March 2022 and its income and expenditure for the year ended 31 March 2022.

**M. Kimberley, FCPFA**  
Chief Finance Officer Nottinghamshire Police

### Approval

The Statement of Accounts was approved by the members of the authority meeting as a whole.

**K. Meynell**  
Nottinghamshire Police Chief Constable

# Nottinghamshire Police

## Annual Governance Statement 2021-22



NOTTINGHAMSHIRE  
**POLICE**  
PROUD TO SERVE

### 1.0 Introduction

#### 1.1 Scope of responsibility

Nottinghamshire Police is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Force has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised.

In discharging this overall responsibility, Nottinghamshire Police (hereafter referred to as the Force) is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

The Chief Constable of Nottinghamshire Police and the Police and Crime Commissioner (PCC) for Nottinghamshire have adopted a Joint Code of Corporate Governance, which is consistent with the principles of the CIPFA 2016 Edition Framework 'Delivering Good Governance in Local Government'. A copy of the Code of Governance can be obtained from the Nottinghamshire Office of Police and Crime Commissioner (NOPCC) website at <http://www.nottinghamshire.pcc.police.uk>.

This Statement has been prepared following an assessment of the key elements of the governance framework, including the role of those responsible for the development and maintenance of the governance environment. The statement explains how the Force has complied with the Code and also meets the requirements of Accounts and Audit (England) Regulations 2011, regulation 4(3), which requires all relevant bodies to prepare an annual governance statement.

The Statement also identifies how any changes made to governance as a result of Covid-19 have been put in place and how this has impacted on governance arrangements during the year.

#### 1.2 The purpose of the governance framework

The governance framework comprises the systems and processes, culture and values by which the Force is directed and controlled and the activities through which it accounts to and engages with the community. It enables the Force to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

## 2.0 The Governance Framework

The principles which form the basis of the Governance Framework and how they are applied within the Force are described in the following sections. The Chief Constable and Chief Finance Officer have put in place management and reporting arrangements to enable them to be satisfied that the approach to the corporate governance arrangements have been effective and supports the aims of the OPCC, these include;

- The Governance Framework and the principals included within this
- A Risk Management Strategy and arrangements to embed this within the organisation
- The Scheme of Delegation
- The Financial Regulations
- Contract Standing Orders
- The PROUD values
- The Annual Budget setting process

This list is not exhaustive but covers the main documents that set the culture of the method of operation of governance within the organisation.

### 2.1 Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, respecting the rule of the law

- All officers, staff and volunteers are committed to the Code of Ethics, which find expression in the Force PROUD values.
- The Force continually reinforces the Code of Ethics and expected standards of professional behaviour; guidance and advice is sent to officers and staff using a combination of intranet articles and the Chief's fortnightly video blog.
- The Code of Ethics sits at the centre of the National Decision Model, so is explicitly referenced, and considered in any decision-making situation.
- Student officers receive a copy of the Code of Ethics on day one of their training and receive an input from PSD regarding The Standards of Professional Behaviour (SoPB) ethics and values. Throughout training many of the subjects are linked back to the Code of Ethics and the SoPB.
- A PSD led initiative promoting and encouraging interaction with Ethical Dilemmas for staff and officers, which also provides guidance, is linked across to the Ethics Intranet page.
- The Force have embedded the College of Policing's Competency Values Framework (CVF) which sets out nationally recognised behaviours and values into the Leadership Programme.
- The Force refer to the Home Office Guidance in relation to Police Officer Misconduct for procedures relating to misconduct, unsatisfactory performance and attendance of police officers and special constables.
- The Police Staff Misconduct Policy provides a clear framework for all police staff in terms of expected standards of conduct, professional behaviour and the likely consequence of failure in meeting those standards. This was rewritten and published in July 2021 and falls in line with the new Police Misconduct Regulations 2020 providing parity for staff.

- There are clear processes in place around confidential reporting ‘Whistleblowing’ outlined in the Professional Standards Reporting Procedure. A new ‘Whistleblowing’ policy has been written and published. Staff can report breaches confidentially to PSD confidentially. There has been a reinvigoration of Integrity Messenger and Crimestoppers to ensure officer/staff feel able to report confidentially.
- There are robust mechanisms in place with respect to the governance of complaints in Force. Complaints are managed in accordance with statutory guidance provided by the Independent Office for Police Conduct (IOPC).
- The Force has dedicated reasonable and proportionate handlers (Sergeants) Complaints and Learning Sergeants, embedded within local policing. Their purpose is to deliver learning from complaints back to the workforce thus creating a learning culture rather than a punitive one. Guidance around local resolutions is available on the intranet.
- Assurance reporting is submitted to the Joint Audit and Scrutiny Panel (JASP) on a regular basis relating to complaint recording and the nature of complaints.
- Bi-annually, a report on IOPC investigations is presented at the JASP to inform the OPCC of the Force’s application of the IOPC Statutory Guidance.
- Standards are governed by the quarterly Organisation Risk, Learning, Standards and Integrity Board, chaired by the Deputy Chief Constable (DCC). Its remit is to provide a forum to discuss key areas of learning and identify emerging strategic opportunities and risks, whilst monitoring compliance with Force values.
- The outcome of misconduct proceedings are published to reinforce standards and learning. A Meetings and Hearings (M&H) Officer has been appointed. All outcomes are published on the Force Intranet and the M&H Officer provides a quarterly update on the position of the Force regarding Misconduct and this is disseminated to the Chief Officer Team, Police Federation and Staff Associations.
- The Force has a Strategic Threat Assessment identifying the risks from corruption and control strategy plans underpin this. Specifically, the Force has a comprehensive plan in place to tackle Abuse of Position of Trust for a Sexual Purpose. Audited meetings take place to discuss the Counter Corruption Unit approach to Abuse of Position of Trust for a Sexual Purpose. A risk matrix exists with a cohort of individuals monitored within the organisation.
- An Ethics Board is held to consider and discuss ethical issues in an advisory and consultative capacity. It considers issues raised at the Organisation Risk, Learning, Standards, and Integrity Board and any issues which are referred from officers, staff, or external groups. A PSD representative attends this meeting chaired by the Deputy Chief Constable.
- A procedure is in place for the monitoring of business interests and additional employment for police officers and police staff. The Business Interest Policy was rewritten and published in June 2021.
- Business Interests, Additional Employment and Notifiable Associations are reviewed annually within the Integrity Health check, this forms part of the Career Conversations process.
- The Force have developed a matrix to assess the risk posed by reported notifiable association, this assists the Force in identifying those of greatest risk to the integrity of the Force.
- A Statement of Personal and Pecuniary Interests is completed as part of the Annual Governance Statement process by Chief Officers.
- A register of Refused and Approved Business Interests is published on the Force website.
- A record of gifts gratuities and hospitality is published on the Force website.



- The Chief Constable ensures that financial affairs for their force are properly administered having regard to value for money, probity, legality, and appropriate standards, with reference to the Financial Regulations and contract standing orders agreed by the PCC as set out in Part B of Joint Code of Corporate Governance and Working Together document.
- There are documented processes and controls in place around the Prevention of Fraud and Corruption in the Procurement Process to mitigate risks in relation to procurement fraud.
- The Force is compliant with the CIPFA statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable (2012), as per the CFO job description.

## 2.2 Principle B: Ensuring openness and comprehensive stakeholder engagement

- The Office of the Police and Crime Commissioner (OPCC) is accountable to local people and draws on this mandate to set and shape the strategic objectives for the Force area in consultation with the Chief Constable, taking into account the Strategic Policing Requirement.
- The Force's Neighbourhood Policing Priority Survey in 2019/20 was Nottinghamshire Police's biggest public consultation exercise in a decade, giving the public an opportunity to help shape local policing priorities in their area and was branded locally as #NottsMatters. Subsequently, each Neighbourhood Team has a process whereby they review the Community Survey Data and Priorities through their Local Policing Priority Setting (LPPS) meeting and update these on the Force Website on a quarterly basis and this process is continuing.
- Consultation and engagement are undertaken with local residents and business communities and forms part of key decision making processes. Formal engagement mechanisms delivered in the community include Victim Satisfaction Surveys, the OPCC's quarterly crime survey, Neighbourhood Watch Meetings, Neighbourhood priority surveys, Locality Boards, Neighbourhood engagement activity/meetings, Key Individual Networks (KINs) and Independent Advisory Groups (IAGs).
- Nottinghamshire Police record and store our problem-solving plans on the Empowering Communities Inclusion and Neighbourhood Management System (ECINS) on purpose-built Scanning Analysis Response and Assessment (SARA) templates for all involved parties to contribute individually and record the work they do on specific problem.
- Sharing good examples of 'what works' enables us to focus on tried and tested interventions and approaches to crime prevention and problem solving. Our Inspectors and Sergeants populate a 'what works' review document with examples of good practice review by a quarterly What Works Board.
- The HMICFRS PEEL 2020/21 report was received in April 2022. The areas for improvement that have been identified in the report are being managed by the Deputy Chief Constable with actions being implemented through existing force structures. Areas of strength will also continue to be shared and developed further.
- Single Online Home (SOH) is designed to offer the public an easy to use, digital platform where they can communicate effectively with their local police force, including the reporting of crimes. Communities are empowered by convenient access to the information, advice, and services they need. Nottinghamshire joined the platform in July 2022 along with a number of other Forces. This means we can offer a range of nationally consistent online services to the public, but with our own local identity. Essentially, SOH is a 'digital front counter' or digital 101 service.

- The Force has a strategic Independent Advisory Group, which represents different community groups across Nottinghamshire. They provide a service to the Force in three core areas: critical incidents, building trust and confidence, and advising on strategies, policies, and procedures. The Force has many systems in place for the collection of local survey information that is used to shape the direction of service delivery.
- The Nottinghamshire Youth Justice Commission enables young people to support, challenge and inform the work of the elected Police and Crime Commissioner for Nottinghamshire and Nottinghamshire Police. It allows young people to get involved and have their say about policing and crime where they live.
- The OPCC has implemented an Independent Community Scrutiny Panel (ICSP). Panel members have been recruited by the OPCC and vetted. The panel has had its first meeting and it will continue to meet quarterly. The purpose of the panel will be to scrutinise and provide challenge to the force from a community perspective and with a particular focus on powers and processes which might threaten community confidence and cohesion.
- In accordance with the Freedom of Information (FoI) Act, the website is updated pro-actively with force information in a FoI Disclosure Log. This ensures transparency and encourages increased confidence from and accountability to the public and stakeholders. We are preparing for Single Online Home so once this is implemented all FoI responses will continue to be published to the website.
- Publication scheme monitoring, review and assurance is reported to the Joint Audit and Scrutiny Panel on an annual basis to provide a current Force position on the Publication Scheme Requirements. This report, along with all other JASP reports, is available to view on the OPCC website.
- The Force contributes to the OPCC's Annual Report to provide assurance on what has been delivered against the Make Notts Safe Plan.

### City

- There are strong governance processes in place for the City partnerships. Each of the partnerships under the One Nottingham umbrella, including the Crime Drugs Partnership (CDP), have clear terms of reference including a defined purpose, arrangements for information sharing, community engagement and governance and finance.
- The CDP Plan 2022-25 sets out the overall aims, delivery, and performance framework of the partnership to deliver the 'Safer Nottingham' agenda of the 'Nottingham City Strategic Council Plan 2021-23'. The Partnership Plan has been developed with regards to the priorities of the Police and Crime Commissioner.
- There is a robust governance framework in place to oversee the delivery of the Plan. This is directed by the Partnership Board, which provides strategic governance of the partnership.

### County

- The three statutory Community Safety Partnerships (CSPs) are responsible for the delivery of local community safety strategies and action plans. The Safer Nottinghamshire Board (SNB) Delivery Groups support the SNB and CSPs to implement the community safety strategies.
- Each of the three CSPs in the County produces performance information on a monthly basis. This includes reporting on current performance against targets, comparison against most similar force peers and performance of Partnership Plus areas. The SNB Performance Group brings together the CSP Chairs to discuss performance risks and highlights.

- Section 22A of the Police Act 1996 provides for a collaboration agreement to be made between Police and Crime Commissioners or between commissioners and chief officers from more than one force area. There are a range of established collaborations in place for a number of specialist front line policing operations that provide services across the Midlands region, including Nottinghamshire. These arrangements are reviewed on a regular basis by respective Chief Constables and Police and Crime Commissioners.

### 2.3 Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits

- The 'Make Notts Safe' Plan sets out the vision, values, strategic priorities, and outcomes together with a performance framework in line with requirements under the Police Reform and Social Responsibility Act 2011.
- At a national level, the Force works to the Strategic Policing Requirement (SPR) which is issued by the Home Office to articulate current national threats and the appropriate national policing capabilities required to counter those threats.
- The 'Make Notts Safe Plan' is informed by the Police and Crime Needs Assessment (PCNA) which is used as a planning and priority setting tool. The document highlights key trends, issues, risks and threats in the crime community safety and criminal justice environment.
- The 'Make Notts Safe' Plan to March 2025 includes priority commitments to achieve value for money and keep collaboration opportunities for policing under review, support changes in policy and practice that help to reduce our carbon footprint and enable our buildings, fleet, and workforce to become more energy efficient.
- The Force plays an active part in working with the OPCC to refresh the 'Make Notts Safe' Plan each year to set out what activities will be undertaken to deliver the PCC's key strategic priority themes.
- The strategic priorities set out in the 'Make Notts Safe' Plan are aligned to the Force's Annual Departmental Assessment (ADA), business planning process.
- The force provides regular updates to the OPCC at their public Accountability Meetings on the progress made against the force activities. Reports are made available on the Nottinghamshire County Council website.
- The force has a robust governance framework in relation to performance. The monthly Corporate Performance Review (CPR) meeting (chaired by the Chief Superintendent for Corporate Services) and the Operational Performance Review (OPR) meeting (chaired by the ACC Crime) are forums for thematic leads to discuss key areas of corporate organisational performance, identify any emerging opportunities and risks and make decisions about future planning. The Force Performance Board oversees key areas of performance, both organisational and operational, and is a forum in which to identify any emerging strategic opportunities and risks arising from OPR and CPR.
- From a national perspective, the Force is cognisant of the CJ National Scorecard, which brings together data from partners across the justice system (police, CPS and the Courts) and the Digital Crime Performance Pack, which provides data on police performance against the National Crime and Policing Measures referenced in the Beating Crime Plan. The ACC Crime chairs a CJ Strategic Board, which in turn reports into a multi-agency CJ Group, which is chaired by the PCC.
- A Performance and Insight Report is provided to the Strategic Resources and Performance meeting every 2 months to ensure that the Police and Crime Commissioner is aware of current performance in line with the strategic priority themes, as set out in the 'Make Notts Safe' Plan.

- Collaboration agreements are in place to outline how business will be undertaken jointly to reduce cost, increase capability, and/or increase resilience to protect local people.
- All activity in response to audit and inspectorate recommendations is monitored via 4Action, an action management system. Progress against activity is reported to the Joint Audit and Scrutiny Panel on a quarterly basis.
- A Medium-Term Financial Strategy builds on the proposed budget for 2022-23 and incorporates plans to meet changes in available financing with the need to meet current and future commitments.
- Regular Capital and Revenue reports are provided to the Force Executive Board (FEB) and OPCC to provide an update on the Force's budgetary position and to comply with good financial management and Financial Regulations. This is reviewed and updated regularly to remain flexible for future requirements.

## 2.4 Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

- There is a robust planning cycle in place which incorporates partnership, Force and OPCC strategic assessments, public consultation, refresh of the 'Make Notts Safe' Plan and the Force Delivery Framework, departmental planning via Annual Departmental Assessments (ADAs) and the annual budget process.
- The Medium-Term Financial Strategy is a live document to facilitate the demands and changes that can occur within the police so that we can remain operationally on the front foot. The budgeting and long-term planning process is intrinsically linked to the business planning cycle to create a joined-up approach identifying opportunities and risks that are present, and, on the horizon.
- In the previous HMICFRS PEEL Report (2018) it was recommended that the Force should improve its approach to planning within Information Services to ensure there is a clear vision and direction which links to operational planning. In response the Force created a Prioritisation Matrix, which reports into the Futures Board. This has ensured that ICT planning is closely aligned to future and wider change programmes, so current and future demand can be effectively managed.
- Nottinghamshire Police have published a new Digital Strategy, aligned with the National Digital, Data and Technology Strategy 2020-2030 for Policing and built on the foundation of the national blueprint. The Nottinghamshire Police Digital Strategy sets out our ambitions for how technology will support the Force to deliver on the Nottinghamshire Police vision. A number of nationally-led programmes and capabilities that support UK Policing, by developing nationally consistent services and capabilities enabled by technology. This includes the Force onboarding with Single Online Home.
- Each Head of Department completes an Annual Departmental Assessment (ADA) as part of the annual planning cycle. The ADA is a planning tool used to assess current structure, processes, and cost, considering the current operating context. Options for change are proposed which are aligned to the Strategic Priority Themes.
- Budget meetings with departmental heads take place to ensure future budgets account for any project savings or spend within the department.
- Business change remains responsive to threats and opportunities which present themselves throughout the year as part of the risk management process.

- Where a change proposal is approved, a comprehensive analysis of approved change proposals is progressed in the form of an options appraisal (business case) which is presented to the Futures Board for decision. The business case will indicate how intended outcomes would be achieved and any risks associated with those options.
- Business change continues to be assessed according to viability and desirability throughout the project lifecycle. Governance is flexible and responsive so that outputs can be adapted to changing circumstances. This is monitored by the Futures Board, chaired by the DCC.
- The Force is continuing to develop the role of the Business Benefits Officer. This role was introduced into Force in 2020 to that its governance arrangements for managing current and future demand track benefits, including how it has reinvested savings.
- Decisions for change are, in part, informed by the HMICFRS' Value for Money (VfM) Profile, which is published on an annual basis. The Force benchmarks its functions against others in its Most Similar Group (MSG) to determine whether VfM is being achieved. Generally, over time, the Force has moved from average/upper quartile to below average/lower quartile for many of our enabling services.
- All business change is governed according to the Force Corporate Portfolio Management Office (PMO) Framework and Guidance which sets out in detail the governance framework, roles and responsibilities and project management methodology in order to plan, delegate, monitor and control all aspects of the business change portfolio.
- The business change governance framework provides a robust reporting structure, which includes project boards, Futures Boards, and the FEB. The framework ensures that oversight and scrutiny is carried out by the relevant authority in a proportionate manner providing assurance that decisions are open and accountable, and that public money is spent wisely.
- Decision making is recorded as part of minutes, action plans and decision logs. Key decisions from FEB are communicated to the organisation through VLOGs by the DCC. This ensures the Force's decision-making processes are transparent.
- A forward plan for FEB is maintained to outline what information is required for each strategic meeting, the Senior Responsible Officer (SRO) and expected timescales.

## 2.5 Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

- The DCC Chairs a Strategic Workforce Planning and Training Priorities Meeting. The purpose is to provide strategic overview and direction regarding workforce planning, including establishment levels, workforce mix, skills, and capabilities.
- HMICFRS recommended, in both the 2018 and 2021/22 PEEL Inspection reports, that the Force needs to understand fully its workforce capabilities, to identify any gaps, and put plans in place to address them. This is being progressed as an area for improvement through a training needs analysis, which is being undertaken on a departmental basis to ensure the workforce is adequately skilled and the appropriate training is scheduled. We have also instigated a skills audit across the organisation to ensure we are able to compare training levels against demand. This work will be a core part of the role of the Force's new Resourcing Advisor when they begin in post in the coming months.
- Career Conversations forms part of the application process for police promotion boards effective on all 2021 and 2022 processes.
- For transferees new to the organisation there is a one-day induction course, which is complemented by additional specialist training where required.

- Our new talent management programme, 'Career Conversation' has been embedded, which replaces the PDR process. Conversations clearly captures talent across the force via a career matrix grading system. This is reviewed at a governance meeting chaired by the ACC to ensure consistency across the organisation. Leadership and development training initiatives will become targeted around talent matching.
- For staff single appointments a clear and refreshed induction process has also been developed and is available on the intranet.
- Student officers go through initial training, including induction into the organisation.
- We have also developed a Welcome Pack for all new officers and staff and for our fire partners transferring to our joint HQ.
- The Force has embedded the Competency Value Framework (CVF) which aims to support all policing professionals, setting out nationally recognised behaviours and values. The six competencies and four values of the CVF are embedded into the Force's leadership development programme, recruitment processes and internal assessment procedures.
- The roles and authorities of the PCC, the Chief Constable and their respective officers are set out in the Joint Code of Corporate Governance and Working Together document. The document outlines how the parties will work together in cooperation to ensure that effective and efficient delivery of policing services. This was reviewed during 2018.
- The governance structure is underpinned by a statutory framework which incorporates the Police Reform and Social Responsibility Act 2011, the Policing Protocol Order 2011, and the Financial Management Code of Practice, amongst other legislation.
- The Scheme of Delegation sets out the delegation of responsibility from the PCC to their staff and delegation to the Chief Constable and their own staff in the exercise of their statutory responsibilities.
- Clear roles and responsibilities are delegated to Chief Officers. The Chief Financial Officer, as Section 151 Officer, has an up-to-date job description and person specification which outlines their responsibilities.
- A new police staff role has been recruited to improve continual professional development programs for Sergeants, Inspectors, Senior Investigating Officers (SIOs) and Detectives. This role has introduced more professional and efficient systems to accredit Detectives (PIP2 and investigations managers/supervisors) as well as providing CPD events for Sergeants, Inspectors, SIOs and Detectives.
- The Force recognise and promotes the benefits of collaborative working and continues to work in a number of regional collaborations as well as collaborations with Nottinghamshire Fire and Rescue.

**Area for improvement:** The Force should improve its understanding of resource and workforce capability.

## 2.6 Principle F: Managing risks and performance through robust internal control and strong public financial management

- The Risk Management approach was redeveloped in 2018 for the Force to adopt a more sophisticated approach linking risks to our governance methods and internal audit processes.
- The Force and OPCC have agreed a joint policy for the management of risk, in line with the Cabinet Office approved Management of Risk (MoR) approach.
- An update on risk management is provided to FEB bi-annually to inform them of the level of Strategic Risks and to provide assurance as to the effectiveness of risk management arrangement as well as providing an oversight of key themes emerging at departmental level.



- A Strategic Risk Report is provided to the JASP bi-annually to keep the Board informed as to the level of strategic risk within the Force and NOPCC and provide assurance as to the effectiveness of risk management arrangements.
- The quarterly Organisational Risk, Learning, Standards, and Integrity Board provides an organisation wide forum for thematic leads and heads of department to discuss key areas of learning and identify any emerging strategic opportunities and risks. Business Continuity is also managed within this forum.
- JASP receives an annual report on business continuity, which includes progress made against the business continuity testing timetable and a proposed schedule of forthcoming testing.
- A Performance and Insight Report is regularly presented to the Strategic Resources and Performance Meeting to ensure that the Police and Crime Commissioner is aware of current performance in line with the Police and Crime priorities. This report is made available on the OPCC website.
- Since 2019/20 all projects have been closed with a formal end project report from the Project Manager/Lead that includes the content of a post implementation review (PIR). PIRs have been introduced and are scheduled for medium and large projects and all staff restructures including the 2018 Force Restructure and 2018 Analytical Restructure PIRs that were completed during 2020/21.
- The Financial Performance and Insight Report, including revenue and capital budget monitoring are reported to the FEB monthly. This is also presented at the Strategic Resources and Performance quarterly meeting.
- Decision making protocol is illustrated in the Joint Scheme of Delegation which is part of the Joint Code of Governance and Working Together document.
- A forward plan of 'Decisions of Significant Public Interest' is provided to the Police and Crime Panel on a regular basis in the interests of accountability and transparency, this is made available on the Nottinghamshire County Council website.
- In accordance with the Financial Management Code of Practice for the police service, issued by the Home Office, the PCC and the Chief Constable established a Joint Audit and Scrutiny Panel (the Panel) in 2013. The role of the Panel is to advise the PCC and Chief Constable on the adequacy of the corporate governance and risk management arrangements in place and the associated control environment, advising according to good governance principles and proper practices.
- The Panel complies with best practice as outlined in Audit Committees: Practical Guidance for Local Authorities and the Police (CIPFA, 2013).
- The Panel also assists the OPCC and the Chief Constable in fulfilling their responsibility for ensuring value for money and they oversee an annual programme of scrutiny of key areas of policing activity on behalf of the OPCC.
- The Force's Financial Regulations are designed to establish overarching financial responsibilities, to confer duties, rights and powers upon the PCC, the Chief Constable, and their statutory officers and to provide clarity about the financial accountabilities of groups or individuals. They apply to every member and officer of the service and anyone acting on their behalf.
- The Annual Statement of Accounts is published on the OPCC website and includes accounting policies and the report of the auditors.
- The Annual Audit letter is report to the Joint Audit and Scrutiny Panel on an annual basis.
- The Treasury Management Strategy and annual report are reported annually to the Joint Audit and Scrutiny Panel.
- Internal Audit, Review and Inspection Monitoring and assurance and improvement outcomes are presented to the Joint Audit and Scrutiny Panel at every meeting.

- In compliance with CIPFA guidance, the NOPCC and the Force have appointed a Head of Internal Audit. This role is contracted out to Mazars, who are responsible for the organisation's internal audit service, on behalf of the CFO, including drawing up the internal audit strategy and annual plan and giving the internal annual audit opinion.
- An internal audit on Core Financial System Assurance found the Force to have satisfactory assurance in relation to General Ledger, Cash, Bank and Treasury Management, Payments and Creditors, Income and Debtors, Payroll and 'other (cross cutting themes).'
- Regular reporting is made to JASP on legislative compliance with the Freedom of Information Act and Data Protection Act legislation.
- Following the Force's exit from the Multi Force Shared Service (MFSS) arrangement, contracts were awarded in March 2021 to ABSS for the finance solution and Midland HR for payroll, human resources, and learning & development. A stage 2 plan from April 2022 to September 2022 for the Regain project is in place and is overseen by the DCC. Mazars conducted an internal audit of Project Regain for Q1 and Q2 in 2021. The findings of the audit were that there are well established governance arrangements in place along with good controls for the sign-off of key milestones within the programme.
- The Force's Operational Performance Review Meeting (OPR) provides an organisation-wide forum for thematic leads to discuss key areas of operational performance, identify any emerging opportunities and risks, and make decisions about future planning and activity.
- Mazars undertook an internal audit on the Force's approach to risk management in February 2021 and the following recommendations were included in their report:

**Recommendation 1:** The Force should ensure that a thorough review is undertaken of the Force's departmental risk registers, so that risks that are inherent to the respective departments are identified and scored, as stated in the Risk Management Strategy.

**Recommendation 2:** The Force should ensure that all risk registers are complete and that appropriate controls are recorded for each risk. Where risk controls are being reviewed, the Force should ensure that interim controls are in place to effectively monitor risks.

**Recommendation 3:** The Force should ensure that further training is provided to users of the JCAD system to ensure that appropriate controls are recorded to mitigate the risks identified.

**Recommendation 4:** Furthermore, the Force should ensure that where controls and other risk mitigation activities are inserted that these are reviewed to ensure their appropriateness.

**Recommendation 5:** The Force could consider introducing guidance for users of the JCAD system, which outlines a criterion for controls and risk mitigation activities.

**Recommendation 6:** The Force should ensure the meeting minutes for the Organisational Risk, Learning, Standards and Integrity Board are well documented, which demonstrate at the very least:

- The registers presented;
- The risks discussed; and
- The decisions reached / action plans devised.



## 2.7 Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

- The PCC and Chief Constable's functions are set out in the Police Reform and Social Responsibility Act 2011. The functions are undertaken in line with the Policing Protocol Order 2011 to achieve the outcomes of the Police and Crime Plan.
- Both the PCC and the Chief Constable have appointed Chief Financial Officers. The responsibilities of the CFOs for both the PCC and the Chief Constable are clearly set out in line with the Financial Management Code of Practice (Home Office, 2013).
- The JASP operates within the CIPFA guidance and in accordance with the Financial Management Code of Practice.
- A programme of internal audit is commissioned and undertaken which reflects published guidance and standards. This is available on the OPCC website.
- Progress reports against the Internal Audit Plan are submitted on a timely basis to the JASP along with the findings from audits completed to date.
- Police officers, police staff operate within force policies and procedures; the corporate governance framework; disciplinary regulations; codes of conduct and the Code of Ethics. Assurance is provided via the Force and OPCC governance framework.
- The Police and Crime Panel scrutinise the actions and decisions of the Police and Crime Commissioner and makes sure information is available for the public. The Force provides reports in accordance with the Police and Crime Panel work programme including specific focus on each of the seven Strategic Priority Themes included in the Police and Crime Plan.
- The Annual Governance Statement assesses the extent to which the organisation is applying the principles contained within the CIPFA framework. This is published for public scrutiny alongside the Statement of Accounts.
- The Force has a robust process to capture HMICFRS recommendations and track through their lifecycle to formulate the Audit and Inspection Report. This is prepared and presented to the JASP on a quarterly basis. This process includes reporting on Super Complaints, which is determined by HMICFRS and the National Police Chiefs Council (NPCC).
- The Force has an established reporting procedure for our response to HMICFRS recommendations to be received by the NOPCC in line with the timescales dictated in the Police and Crime Bill.
- A policy and procedure framework are required to ensure that corporate documentation is reviewed on a timely basis; this is an area for improvement.
- Existing collaborations have an established supporting governance structure and formal Collaboration Agreements as per Section 22A of the Police Act 1996.
- The OPCC has introduced Accountability Meetings, with the purpose of providing the public, and other external stakeholders, with confidence that the PCC is effectively supporting, challenging and holding the Chief Constable to account for delivering efficient and effective and policing services. It also monitors progress in delivering the objective of the Commissioners Police and Crime Plan and setting the strategic direction of local policing services.

## 2.8 Update on the recommendations from the Inspection Visit to Police Custody Suites

- All the recommendations, and the areas for improvement, continue to be implemented by the ACC Local Policing and through the Custody HMICFRS Action Plan Review meeting, which is chaired by the DCC.
- HMICFRS conducted an unannounced custody inspection re-visit in September 2019 and found that the Force had made significant progress in relation to the above recommendations. HMICFRS have confirmed they will undertake a further inspection when the new custody suite is embedded.

## 2.9 Update on the recommendations from the Crime Data Integrity Inspection 2018

- The Force has continued to address the recommendations outlined in the 2018 HMICFRS inspection. It was re-inspected in 2021 under the new Integrated PEEL approach, which incorporated Crime Data Integrity together with Crime Investigations. Further areas for improvement, regarding crime data integrity, were included in the 2021/22 PEEL Inspection report. Progression of the work for each of the AFIs is being overseen by the DCC.

## 2.10 Covid-19

Since the first lockdown various new measures have been introduced to support different ways of working. These are demonstrated in the following areas:

**Use of technology:** The force has continued rolling out Microsoft Teams to enable conference facilities and meetings to continue to take place. We also introduced Cisco Jabba, an internal interactive piece of software to allow greater communication across the organisation, reducing internal meetings and the requirement for attendees to travel. The greater use of technology has allowed home working for employees who have had to self-isolate. We continued issuing laptops to staff enabling greater flexibility during lockdown. There is potential for the force to consider further agile working across the organisation to increase efficiency and reduce costs. This is of particular benefit to the Police travel plan outlined in the new joint Police and fire service headquarters plans.

**Working with partners:** We have continued our partnership working using technology. Microsoft Teams and other forums have enabled these meetings to continue, and the Force is looking to use this means of communication as a permanent arrangement.

**Policies/procedures:** To manage the challenges of the pandemic the Force reviewed a number of policies and procedures related to workforce wellbeing and amended these where appropriate.

**Domestic Abuse Safe and Support:** Introduced in May 2020 to ensure that victims who declined to engage with partner agencies were still safe and well with access to any support they need during lockdown restrictions. This process ensured a consistent, transparent, and auditable process of engaging with medium risk domestic abuse victims. Due to the success of this programme, it will continue post lockdown alongside the usual domestic abuse victim satisfaction surveys.

**HMICFRS Policing in the Pandemic report:** The Force was inspected during 2020 on its response to Covid-19 and the thematic report was published in April 2021. Nottinghamshire Police is praised in the report for the use of VLOGs and the content about vulnerability to update staff and officers about how to identify concerns. The report also highlights the Force's redeployment of staff from other safeguarding teams to add to our online paedophile investigation capabilities.

**Operation Bion Gold Group:** A Gold group was chaired by the ACC Local Policing on a weekly basis to monitor the Force response to the pandemic during the critical months. This has now been superseded by Gold Groups taking place when deemed necessary by the ACC. Departmental Heads provided updates on their areas of business in this context and business continuity testing and planning are discussed. Updates are also reported from the Strategic Coordinating Group (SCG) and the Tactical Coordination Group (TCG). Emerging issues are also raised through this forum.

## 2.11 Brexit

There are no significant risks or issues relating to Brexit for the organisation.

### 3.0 Chief Finance Officer Role

- As a key member of the leadership team, the Chief Financial Officer (CFO) helps to develop and implement strategy, resource, and deliver the PCC's strategic objectives sustainably and in the public interest.
- On 22nd December 2021 the Force's Chief Finance Officer also undertook the role of Interim Chief Finance Officer. There is a joint protocol in place to manage any conflicts relating to this joint role and the link to the Force and OPCC.
- The CFO is actively involved and able to bring influence to bear, on all business decisions to ensure immediate and longer-term implications, opportunities and risks are fully considered and aligned with the financial strategy.
- The CFO leads and encourages the promotion and delivery of good financial management so that public money is always safeguarded and is used appropriately, economically, efficiently, and effectively.
- The CFO and Chief Constable agree the Force's risk based Internal Annual Audit Plan for delivery each year and this is presented to the Joint Audit and Scrutiny Panel for comment. Delivery of the plan is via external engagement of an appropriately trained and experienced organisation, currently this is provided by Mazar's. Award of the work was via a competitive tendering exercise.
- In respect of external audit, progress reports are provided to the Panel by Ernst Young to provide a summary of the work they plan to undertake for the audit year, together with a high-level assessment of the risks that have been considered as part of the initial planning process.
- The CFO is required to maintain continuous professional development to ensure they maintain knowledge, skills, and experience to enable them to fulfil the duties and statutory obligations of the post.
- With effect from 1st January 2021 a role of Head of Finance was created to assist the CFO in the delivery of their duties. This role also acts as deputy to the CFO.

## 4.0 Review of Effectiveness/Internal Audit Opinion

- Nottinghamshire Police has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework. The review of effectiveness is informed by the work of the Chief Officer Team, the Heads of Departments and other senior managers within the Force who have responsibility for the development and maintenance of the systems of internal control. It is also informed by the reports of the Force's internal auditors and external inspectorates, such as HMICFRS.
- Where weaknesses in internal controls have been identified, improvement actions have been established, which will be addressed during the forthcoming financial year. Outcomes will be monitored by the FEB and the Joint Audit and Scrutiny Panel, on a quarterly basis.
- From the Internal Audit work undertaken in compliance with the Public Sector Internal Audit Standards (PSIAS) for the year ending 31st March 2022, our overall opinion is that generally effective processes are in place for Wellbeing, Business Continuity, Core Financials, Health and Safety, Firearms Licensing and Performance Management. We have, however, identified weaknesses in respect of Archive & Exhibits, Payroll, GDPR, Information Assurance, Risk Management and Business Change that require addressing.
- The draft Ernst and Young ISA260 for 2019-20 was presented to the Joint Audit and Scrutiny Panel in November 2021. In relation to value for money risks identified in their audit planning report, they reported that they were yet to complete their procedures in relation to the Force's arrangements to secure economy, efficiency and effectiveness in our use of resources. Subsequently it is now expected that the Value for Money judgment will have an exception in respect of financial reporting.
- The draft ISA260 also reported that they did not identify any new significant deficiencies in the design or operation of an internal control that might result in material misstatement in our financial statements of which we are not aware.

**Area for improvement:** The Force should consider improvements to ensure financial reporting deadlines are met and that standards of working papers are improved. To address this, the Force has recently recruited additional support to assist with the process of the closure of the accounts.

## 5.0 Improvement actions

The review process to support the production of the Annual Governance Statement identified several improvement actions, which are summarised below. These have been agreed with the respective Divisional and Departmental Heads to address weaknesses identified in the Force's systems of internal control. These issues are significant in that they cover a large proportion of the organisation's activities and/ or are key risk controls and therefore require a corporate solution rather than an individual approach. These are monitored by the Corporate Development Department and reported to the Chief Officer Team to ensure there is senior management oversight of the progress against each of these.

### Areas for improvement 2020-21

URN	Identified improvement action(s):	Update	Lead Officer
1.0	Undertake a full review to address the concerns and recommendations from the HM Inspectorate of Constabulary and Fire and Rescue Services Integrated Peel Inspection 2021/22.	Cause of Concerns and Areas for Improvement continue to be addressed. The force was subject to a full PEEL inspection during 2021 and the final report was published in April 2022.	Various
2.0	Undertake a full review to address the concerns and recommendations from the HM Inspectorate of Prisons and HM Inspectorate of Constabulary and Fire and Rescue Services (Section 2.8).	All actions have been addressed and the force was revisited by HM Inspectorate of Prisons and HM Inspectorate of Constabulary and Fire and Rescue Services in November 2019. The Force was found to have made significant progress.	Chief Inspector Emma Spencer
3.0	Develop a plan to ensure there is improved understanding and use by its officers and staff of the N100 classification, for those reports of rape which are not immediately recorded as a crime; and improve how it collects diversity information from victims of crime and how it uses this to comply with its equality duty (Section 2.9).	All actions have been addressed and additional training given by the Force Crime Registrar. The force has taken a view it complies with its equality duty and, to collect further diversity information, would not follow GDPR.	Paul Cook, Force Crime Registrar

## Internal Audit Annual Assurance 2020-21 Report - Areas of Limited Assurance and No Assurance

Limited Assurance		Lead Officer
1	Information Assurance	Chief Superintendent Donna Lawton
2	Risk Management	Chief Superintendent Donna Lawton

No Assurance		Lead Officer
1	Archives & Exhibits	Chief Superintendent Donna Lawton

Nottinghamshire Police was inspected by HMICFRS during 2020/21 in the following areas:

Inspection Area	Type of Inspection	Outcome
Response to Covid-19	Thematic Inspection	All actions have been addressed and evidence submitted to HMICFRS. Force is awaiting formal sign off by HMICFRS.
Fraud	Thematic Inspection	All actions have been addressed and evidence submitted to HMICFRS. Force is awaiting formal sign off by HMICFRS.
Neurodiversity	CJS Prison, Probation, and Police	Recommendations currently being addressed.

## Chief Constable and Chief Finance Officer Declaration

We propose over the coming year to take steps to address the improvement actions identified above to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvement that were identified in our review of effectiveness and will monitor their implementation as part of our next annual review.

Signed:

Signed:

Kate Meynell  
Chief Constable

Mark Kimberley FCPFA  
Chief Financial Officer



# FINANCIAL STATEMENTS





## Comprehensive Income and Expenditure Statement (CIES)

The Comprehensive Income and Expenditure Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation.

Precepts are made to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure Funding Analysis and the Movement in Reserves Statement.

2020-21				2021-22		
Expenditure	Income (Note 13)	Net		Expenditure	Income (Note 14)	Net
£'000	£'000	£'000		£'000	£'000	£'000
268,770	(29,234)	239,536	Cost of Police Services	295,166	(20,981)	274,185
-	(245,344)	(245,344)	Funding from the Commissioner	-	(264,140)	(264,140)
268,770	(274,578)	(5,808)	<b>Cost of Services</b>	295,166	(285,121)	10,045
60,250	-	60,250	Financing and Investment (Income) and Expenditure	58,634	-	58,634
329,020	(274,578)	54,442	<b>(Surplus) or Deficit on Provision of Services</b>	353,800	(285,121)	68,679
		229,802	Other Comprehensive (Income) and Expenditure			(90,659)
		284,244	<b>Total Comprehensive (Income) and Expenditure</b>			(21,980)

## Movement in Reserves Statement

The Movement in Reserves Statement shows the movement during the year on the different reserves held, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The Chief Constable holds no usable reserves.

The Statement shows how the movements in reserves are broken down between gains and losses incurred in accordance with the Code and the statutory adjustments required to return to the amounts chargeable to Council Tax for the year.

2021-22	Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
<b>Balance at 31 March 2021</b>	-	<b>2,954,701</b>	<b>2,954,701</b>
<b>Movement in reserves during year</b>			
(Surplus) or deficit on the provision of services	68,679	-	<b>68,679</b>
Other Comprehensive (Income) / Expenditure	-	(90,659)	<b>(90,659)</b>
<b>Total Comprehensive Income and Expenditure</b>	<b>68,679</b>	<b>(90,659)</b>	<b>(21,980)</b>
Adjustments between accounting basis and funding basis under regulations	(68,679)	68,679	-
<b>Decrease in year</b>	-	<b>(21,980)</b>	<b>(21,980)</b>
<b>Balance at 31 March 2022</b>	-	<b>2,932,721</b>	<b>2,932,721</b>

2020-21	Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
<b>Balance at 31 March 2020</b>	-	<b>2,670,457</b>	<b>2,670,457</b>
<b>Movement in reserves during year</b>			
(Surplus) or deficit on the provision of services	54,442	-	<b>54,442</b>
Other Comprehensive (Income) / Expenditure	-	229,802	<b>229,802</b>
<b>Total Comprehensive Income and Expenditure</b>	<b>54,442</b>	<b>229,802</b>	<b>284,244</b>
Adjustments between accounting basis and funding basis under regulations	(54,442)	54,442	-
<b>Increase in year</b>	-	<b>284,244</b>	<b>284,244</b>
<b>Balance at 31 March 2021</b>	-	<b>2,954,701</b>	<b>2,954,701</b>

## Balance Sheet

The Balance Sheet gives a value of net worth and corresponding reserves at a particular moment in time. All reserves are unusable and reflect valuation estimates on pensions and employee holiday / time owed.

All non-current assets are owned by the Commissioner and all usable reserves are held by the Commissioner.

31 March 2021 £000		31 March 2022 £000
(4,260)	Short-Term Creditors - Accumulated Absences	(4,408)
<b>(4,260)</b>	<b>Current Liabilities</b>	<b>(4,408)</b>
(2,950,441)	Other Long-Term Liabilities - Pension Liabilities	(2,928,313)
<b>(2,950,441)</b>	<b>Long Term Liabilities</b>	<b>(2,928,313)</b>
<b>(2,954,701)</b>	<b>Net Assets</b>	<b>(2,932,721)</b>
2,954,701	Unusable Reserves	2,932,721
<b>2,954,701</b>	<b>Total Reserves</b>	<b>2,932,721</b>

## Cash Flow Statement

The Cash Flow Statement shows that there are no cash flows through the Chief Constable Entity.

2020-21 £000		2021-22 £000
54,442	Net (surplus) or deficit on the provision of services	68,679
(54,442)	Adjustment to (surplus) or deficit on the provision of services for noncash movements	(68,679)
-	<b>Net cash flows from activities</b>	-



## NOTES TO THE ACCOUNTS



## Notes to the Accounts including Accounting Policies

### Note 1 – General Principles

The Commissioner is a separate entity to the Chief Constable and the relationship is clearly defined in the governance arrangements. The Commissioner is the lead controlling influence in the Group.

The Chief Constable employs staff and officers to provide the policing service in Nottinghamshire and in the achievement of the Commissioner's Plan. The legal status has the Commissioner as the source of transactions and the reality of this is borne out through the level of control exerted.

Annual Statement of Accounts are required to be published under the Accounts and Audit Regulations 2011, in accordance with proper accounting practices.

These practices primarily comprise of the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22 (The Code) and the Best Value Accounting Code of Practice 2021-22, supported by International Financial Reporting Standards (IFRS).

The Accounts have been prepared on a 'going concern' basis. Under The Act, The Chief Constable and the Commissioner are separate 'Corporation Sole' bodies. Both are required to prepare separate Statement of Accounts.

### Note 2 – Going Concern

The concept of a going concern assumes that the functions of the Police and Crime Commissioner and the Force will continue in operational existence for the foreseeable future. The provisions in the Code (Code Of Practice On Local Authority Accounting In The United Kingdom 2021-22) in respect of going concern reporting requirements reflect the economic and statutory environment in which Police and Crime Commissioners and police forces operate.

These provisions confirm that, as Police and Crime Commissioners and police forces cannot be created or dissolved without statutory prescription, they must prepare their financial statements on a going concern basis of accounting.

Police and Crime Commissioners and Chief Constables carry out functions essential to the local community and Police and Crime Commissioners are revenue-raising bodies (with limits on revenue raising powers

arising only at the discretion of central government). If a Police and Crime Commissioner was in financial difficulty, the prospects are thus that alternative arrangements would be made by central government either for the continuation of the functions it provides or for assistance with the recovery of a deficit over more than one financial year. As a result of this, it would not be appropriate for the financial statements to be prepared on anything other than a going concern basis.

## Note 2 – Going Concern (continued)

Accounts drawn up under the Code therefore assume that a Police and Crime Commissioner will continue to operate for the foreseeable future.

Restrictions surrounding Covid-19 within the United Kingdom have now ceased with policing functions more aligned with pre-pandemic activity. It is now anticipated that expenditure as a result of Covid-19 for 2022-23 and beyond will be low and managed within existing budgets.

The overall financial and social outcomes of Covid-19 are not yet fully understood, however, it is anticipated that the effects will exist for the short to medium future and that it will have a significant impact upon the UK and global economy.

The PCC and CC CFOs have carried out a detailed assessment of the likely impact of Covid-19 on the financial position and performance of the CC and PCC & Group during 2020-21 and beyond which has included modelling scenarios considering the impact on:

- Increased expenditure
- Reductions in income
- Cashflow and liquidity
- General fund balances and reserves

The review has considered known and expected government funding and determined that there is sufficient liquidity from the PCCs ability to access short term investments and sufficient general fund balances and reserves to continue to deliver services. As a result, the CC and PCC CFOs are satisfied that they can prepare their accounts on a going concern basis.

### Increased Expenditure

The outturn report for 2021/22 shows a net underspend for the force of (£1,610k) and at the end of 2021/22 the force had incurred additional overtime costs of £257k relating to Covid-19, however this was offset in full by additional income.

### Reductions in income

The speed of recovery of council tax income for the PCC is dependent on external factors surrounding Covid-19 and how quickly activities return to normal, but, in all cases, the PCC is taking a cautious approach to the recovery rate of council tax income.

### Cashflow and Liquidity Risk Exposure:

The treasury function is administered by the PCC and ensures that cash flow is adequately planned and liquidity risk exposure is controlled in accordance with the relevant professional codes.

The Chief Constable does not hold cash or equivalent balances. Those are held by the PCC and are positive at the balance sheet date, have remained positive during 2021-22 and are estimated to be positive throughout 2022-23.

### General Fund Balances and Reserves

The General Fund balance at 31st March 2022 has increased from 2020-21 levels and there are plans to keep this within 2% - 5% of the net budget going forward. The Outturn shows that covid hasn't presented the financial challenge expected due to grants and lower costs and therefore it is unlikely this will directly have an impact on the Medium Term Financial Plan.

It is considered that there is sufficient headroom within these measures and the general balances. For these reasons, the PCC and CC CFOS do not consider that there is material uncertainty in respect of their ability to continue as a going concern for the foreseeable future.



## Notes to the Accounts including Accounting Policies

### Note 3 – Accruals of Income and Expenditure

Revenue is measured at fair value in the year to which it relates, and not when cash payments are made or received. All the expenditure is paid for by the Commissioner, but recognition in the Group and the Chief Constables accounts is based on the economic benefit of resources consumed.

In particular:

- Fees, charges and rents due are accounted for as income at the date of supply
- Supplies are recorded as expenditure when they are used
- Expenditure in relation to services received is recorded as services are received, rather than when payments are made
- Interest receivable on investments and payable on borrowings is accounted for as income or expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract
- Where debts are doubtful, the debt is written off by a charge to the CIES

### Note 4 – Exceptional Items

There are no exceptional items applicable in the year.

## Note 5 – Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

There have been no changes in Accounting Policies, applicable to the Chief Constable in the year.

In applying accounting policies, the Chief Constable has had to make certain judgements about complex transactions or those involving uncertainty about future events. There are no critical judgements made in the Statement of Accounts.

The largest area of estimation included within the accounts is in staff related costs. Accruals for overtime, bonuses, early retirement costs and other one-off payments have been checked retrospectively and found to be reasonable.

## Note 6 – Charges to the CIES for Non-Current Assets

Although the Chief Constable does not directly hold any non-current assets, a charge for depreciation is included as a proxy for using those assets.

## Note 7 – Government Grants and Contributions

All grants, third party contributions and donations are received by the Commissioner.

## Note 8 – Allocation of Costs

The charges to the Comprehensive Income and Expenditure Account reflect the way management decisions are made.

The basis of splitting costs between The Commissioner and the Chief Constable for revenue is based on operational activity of the Chief Constable.

All assets and liabilities belong to the Group apart from the provision for accumulated absences and pension liabilities that relate for the officers and staff that report to the Chief Constable.

The Chief Constable is therefore a single service entity.

## Note 9 – Joint Operations & Associate Entities

These are accounted for in accordance with IAS 31 - Interests in Joint Ventures, according to agreed proportions of use. They are all governed by Section 22 Agreements.

The cost relating to these activities are shown within the accounts. Full details are included within the Group Accounts.

The OPCC's share of Joint Operations (JO's) is as follows:

Ownership %	Arrangement	2021-22		
		Expenditure £000	Income £000	Net £000
27.30%	EM Major Crime	214	(212)	2
27.30%	EM Legal Services	511	(509)	2
34.90%	EM Criminal Justice	167	(167)	-
27.30%	EM Serious Organised Crime	7,741	(7,702)	39
27.30%	EM Occupational Health Unit	515	(521)	(6)
31.42%	EM Learning & Development	435	(432)	3
27.30%	EM Forensics	2,627	(2,592)	35
22.60%	Emergency Services Network (ESN)	97	(1)	96
50.00%	EM Strategic Commercial Unit/MINT	-	-	-
31.04%	Multi Force Shared Service (MFSS)	2,223	(2,223)	-
		<b>14,530</b>	<b>(14,359)</b>	<b>171</b>

The OPCC does not have any Associate Entities in 2021-22.

## Note 10 – Provisions

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

## Note 11 – VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

## Note 12 – Resources used in Provision of Police Services

Although all transactions during the year are solely within the Accounts of the Commissioner and all assets are owned and controlled by the Commissioner, the Chief Constable uses resources to provide policing.

It includes the cost of depreciation on assets owned as a proxy for the rental value. It includes all adjustments required under IFRS for accrued employee benefits and pension costs.

### Note 13 – Expenditure Funding Analysis

This statement shows how annual expenditure is used and funded from annual resources (government grants and Council Tax).

This is compared with the CIES which includes economic resources consumed or earned in accordance with generally accepted accounting practices.

2020-21				2021-22		
Net Expenditure Chargeable to the General Fund £000	Adjustments £000	Net Expenditure in the CIES £000		Net Expenditure Chargeable to the General Fund £000	Adjustments £000	Net Expenditure in the CIES £000
245,344	(5,808)	<b>239,536</b>	Cost of Police Services	264,140	10,045	<b>274,185</b>
(245,344)	-	<b>(245,344)</b>	Funding from the PCC	(264,140)	-	<b>(264,140)</b>
-	<b>(5,808)</b>	<b>(5,808)</b>	<b>Net Cost of Services</b>	-	<b>10,045</b>	<b>10,045</b>
-	60,250	60,250	Other (Income) and Expenditure	-	58,634	58,634
-	<b>54,442</b>	<b>54,442</b>	<b>(Surplus) or Deficit on Provision of Service</b>	-	<b>68,679</b>	<b>68,679</b>

**Note 13 – Expenditure Funding Analysis (continued)**

<b>2021-22</b>	<b>Net Pensions Statutory Instruments £000</b>	<b>Other Statutory Adjustments £000</b>	<b>Total Adjustments £000</b>
Cost of Police Services	8,768	1,276	<b>10,045</b>
<b>Net Cost of Services</b>	<b>8,768</b>	<b>1,276</b>	<b>10,045</b>
Other Income and Expenditure	58,634	-	<b>58,634</b>
<b>Difference between the Statutory Charge and the (Surplus) or Deficit in the Comprehensive Income and Expenditure Statement</b>	<b>67,403</b>	<b>1,276</b>	<b>68,679</b>

<b>2020-21</b>	<b>Net Pensions Statutory Instruments £000</b>	<b>Other Statutory Adjustments £000</b>	<b>Total Adjustments £000</b>
Cost of Police Services	(6,519)	711	<b>(5,808)</b>
<b>Net Cost of Police Services</b>	<b>(6,519)</b>	<b>711</b>	<b>(5,808)</b>
Other Income and Expenditure	60,250	-	<b>60,250</b>
<b>Difference between the Statutory Charge and the (Surplus) or Deficit in the Comprehensive Income and Expenditure Statement</b>	<b>53,731</b>	<b>711</b>	<b>54,442</b>

The Net Change for the Pensions Adjustments in 2021-22 is the replacement of pension contributions with IAS 19 pension related expenditure and income.

This is the current service costs and past service costs. For other income and expenditure this is the net interest on the defined benefit liability, which is charged to the CIES.

Other Differences – represents the difference in accumulated absences charged to the CIES and amounts paid for taxation purposes (being accrued leave).

## Note 14 – Income

2020-21 £000	Credited to Services	2021-22 £000
(1,044)	Partnership and Joint Controlled Operations	(1,355)
(1,540)	PFI Grant	(588)
(1,645)	Recharge of Officers	(3,208)
(25,005)	Other Income	(15,830)
<b>(29,234)</b>	<b>Total</b>	<b>(20,981)</b>

## Note 15 – Income and Expenditure Analysed by Nature

2020-21 £000	Nature of Expenditure or Income	2021-22 £000
(29,234)	Service Income	(20,981)
223,407	Employee Expenditure	249,800
45,363	Running Expenses	45,365
(245,344)	Income from Commissioner	(264,140)
-	Pension Interest Income	-
60,250	Pensions Interest Payment	58,634
<b>54,442</b>	<b>(Surplus) or Deficit for Year</b>	<b>68,678</b>



## Note 16 – Adjustment between Accounting and Funding Basis under the regulations

2020-21 £000	Adjustment between Accounting and Funding Basis under the regulations	2021-22 £000
53,731	Pension Cost (transferred to/(from) the Pension Reserve	68,533
-	Pension Reserve Adjustment of PCC / CC b/f split	-
710	Holiday pay (adjustments to the Accumulated Absences Reserve)	147
<b>54,442</b>	<b>Total</b>	<b>68,680</b>

## Note 17 – Unusable Reserves

31 March 2021	Type of Reserve	31 March 2022
£000		£000
2,950,441	Pensions	2,928,313
4,261	Accumulated Absences	4,408
<b>2,954,702</b>	<b>Total</b>	<b>2,932,721</b>

31 March 2021	Pensions Reserve	31 March 2022
£000		£000
2,666,907	<b>Balance 1 April</b>	2,950,440
-	Analysis adjustment between PCC and CC	-
229,802	Remeasurements of the net defined benefit liability/(asset)	(90,659)
128,502	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	143,046
(74,771)	Employer's contributions to pensions schemes	(74,513)
<b>2,950,440</b>	<b>Balance 31 March</b>	<b>2,928,314</b>

31 March 2021		Accumulated Absence Reserve	31 March 2022	
£000	£000		£000	£000
(3,550)	3,550	<b>Balance 1 April</b>	(4,260)	4,260
4,260		Settlement or cancellation of accrual made at the end of the preceding year	4,408	
	710	Amounts accrued at 31 March 2022		147
		Amount by which officer remuneration charged to the comprehensive income and expenditure statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements		
	<b>4,260</b>	<b>Balance at 31 March</b>		<b>4,408</b>

## Note 18 – External Audit Costs

Ernst and Young LLP are the appointed external auditors.

The accrued cost is £0.139m (£0.069m accrued in 2020-21), but due to delays in the production of the accounts and increased external audit scrutiny, these costs may be increased once the audit of accounts has been completed.

As these figures are not material, any additional costs will be charged to the financial year in which they are paid and the accounts will not be updated for the payments.

## Note 19 – Defined Benefit Pension Scheme

The employer makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the value of this is included within the CIES. The total value of the liability is carried on the Balance Sheet. The statutory arrangements ensure that funding will meet payments. Actuarial gains and losses are charged to the Pension Reserve.

Full pensions notes are included within the Group accounts. Summary information relating to the Chief Constable entity is included here. The Chief Constable information is extracted on a pro rata basis.

Employees are members of two separate defined benefits pension schemes providing retirement lump sums and pensions, earned whilst employed by the Group. There is a scheme for staff and one for officers.

### The Local Government Pensions Scheme:

The Local Government Pensions Scheme (LGPS) for staff is administered by Nottinghamshire County Council. This is a funded scheme, meaning that the Group and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets. This scheme is a multi-employer scheme and the underlying assets and liabilities cannot be directly identified with individual employers. Therefore assets and liabilities are incorporated within these accounts on an apportioned basis at fair value. The figures are calculated by Barnett Waddingham (Actuaries), based on membership data as at 31 March 2022 for members receiving funded benefits and for any members receiving unfunded benefits.

### The Police Pension Scheme:

The Police Pension Scheme for police officers is an unfunded scheme, meaning that there are no investment assets built up to meet the pension liabilities and cash has to be generated to meet actual pension payments as they eventually fall due. Under the Police Pension Fund Regulations 2007, the Group must transfer amounts to reduce the balance on the Pension Fund to zero. This is via the Pension Top-up grant from the Home Office. Conversely a surplus would be paid over. Employee's and employer's contribution 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. The figures are based on a detailed valuation using information as at 31 March 2020.

## Note 19 – Defined Benefit Pension Scheme (continued)

When assessing the potential implications of McCloud on the IAS19 liabilities, the actuary has considered those members with benefits in the 2015 scheme who were former members of the 1987 and 2006 schemes. The actuary has calculated the additional liability arising had these members not ceased to accrue benefits in the 1987 and 2006 schemes on 1 April 2015 (or after this date if their start date in the 2015 Scheme was tapered) and had continued instead to accrue final salary benefits in the 1987 and 2006 Schemes. The actuary has also included the impact for those who retired after joining the 2015 Scheme. Whilst members who left the service over this period and took deferred benefits were considered, the actuary concluded the effects are not material.

The costs emerging are sensitive to the underlying assumptions. The impact of an increase in scheme liabilities arising from McCloud/Sargeant judgment will be measured through the pension valuation process, which determines employer and employee contribution rates. The next Police Pension valuation took place in 2020 with implementation of the results planned for 2023-24 and forces will need to plan for the impact of this on employer contribution rates alongside other changes identified through the valuation process.

The impact of an increase in annual pension payments arising from McCloud/Sargeant is determined through The Police Pension Fund Regulations 2007. These require a police authority to maintain a police pension fund into which officer and employer contributions are paid and out of which pension payments to retired officers are made. If the police pension fund does not have enough funds to meet the cost of pensions in year the amount required to meet the deficit is then paid by the Secretary of State to the police authority in the form of a central government top-up grant.

## Note 19 – Defined Benefit Pension Scheme (continued)

2020-21		Pension Fund  Comprehensive Income and Expenditure Statement	2021-22	
LGPS £000	Police £000		LGPS £000	Police £000
16,102	52,020	Current Service Cost	21,839	60,430
92	-	Admin Expense	140	-
38	-	Past Service Cost	872	-
-	-	(Gain) / loss from curtailments	-	-
3,530	56,720	Net interest expense / (income)	4,769	54,430
<b>19,762</b>	<b>108,740</b>	<b>Total charged to (Surplus) and Deficit on Provision of Services</b>	<b>27,621</b>	<b>114,860</b>
		<b>Other Costs - Remeasurement of the defined benefit liability</b>		
(42,140)	-	Return on Assets	(20,892)	-
(4,129)	(133,920)	Actuarial (gains) & losses – experience	(15,806)	24,460
(3,762)	-	Actuarial (gains) & losses arising on changes in demographic assumptions	(21,795)	-
124,372	289,380	Actuarial (gains) & losses arising on changes in financial assumptions	(23,863)	(35,620)
-	-	Other Actuarial (gains) and losses	2,857	-
-	-	Return on plan assets (exc amount included in the net interest expense)	-	-
<b>94,104</b>	<b>264,200</b>	<b>Total charged to the Comprehensive Income and Expenditure Statement</b>	<b>(51,879)</b>	<b>103,700</b>

### Note 19 – Defined Benefit Pension Scheme (continued)

2020-21		Pension Fund  Movement in Reserves Statement	2021-22	
LGPS £000	Police £000		LGPS £000	Police £000
19,762	108,740	Reversal of net charges made to the (Surplus) or Deficit on the Provision of Services	28,186	114,860
(7,451)	-	<b>Amount charged against the general fund balance for pensions in the year:</b>		
		Employers' contributions payable to the scheme	(7,333)	-
-	(67,320)	Retirement benefits payable to pensioners	-	(67,180)

2020-21		Pensions Assets and Liabilities  Recognised in the Balance Sheet	2021-22	
LGPS £000	Police £000		LGPS £000	Police £000
(487,108)	(2,725,020)	Present value of the defined obligation	(452,542)	(2,761,540)
261,688	-	Fair value of plan assets	285,768	-
(225,421)	(2,725,020)	Value of Assets / (Liabilities)	(166,774)	(2,761,540)
<b>(225,421)</b>	<b>(2,725,020)</b>	<b>Net (liability) / assets arising from the defined benefit obligation</b>	<b>(166,774)</b>	<b>(2,761,540)</b>

## Note 19 – Defined Benefit Pension Scheme (continued)

2020-21		Pension Fund	2021-22	
LGPS £000	Police Officer Pension Scheme £000		LGPS £000	Police Officer Pension Scheme £000
212,833	-	Opening fair value of scheme assets	261,688	-
4,350	-	Interest income	5,351	-
		<b>Re-measurement gain / (loss):</b>		
42,140	-	The return on plan assets, excluding the amount included in the net interest expense	20,892	-
7,451	67,320	Contributions from employer	7,333	67,180
2,569	10,920	Contributions from employees into the scheme	2,684	11,310
(7,562)	(78,240)	Benefits / transfers paid	(9,182)	(78,490)
-	-	Other actuarial gains(losses) on assets	(2,857)	-
(92)	-	Admin Expense	(140)	-
<b>261,688</b>	-	<b>Closing value of scheme assets</b>	<b>285,769</b>	-

2020-21		Pension Fund	2021-22	
LGPS £000	Police Officer Pension Scheme £000		LGPS £000	Police Officer Pension Scheme £000
		<b>Movements in the Fair Value of Scheme Liabilities</b>		
<b>(351,600)</b>	<b>(2,528,140)</b>	<b>Opening balance at 1 April</b>	<b>(487,108)</b>	<b>(2,725,020)</b>
-	-	Analysis adjustment between PCC and CC	-	-
(16,102)	(52,020)	Current service cost	(21,839)	(60,430)
(7,880)	(56,720)	Interest cost	(10,120)	(54,430)
(2,569)	(10,920)	Contributions from scheme participants	(2,684)	(11,310)
		<b>Re-measurement gains and losses:</b>		
4,129	133,920	- Actuarial gains / (losses) - experience	15,806	(24,460)
3,762	-	- Actuarial gains / (losses) from changes in demographic assumptions	21,795	-
(124,372)	(289,380)	- Actuarial gains / (losses) from changes in financial assumptions	23,863	35,620
-	-	- Actuarial gains / (losses) other	(565)	-
(38)	-	Past service cost	(872)	-
7,562	78,240	Benefits / transfers paid	9,182	78,490
<b>(487,108)</b>	<b>(2,725,020)</b>	<b>Balance as at 31 March</b>	<b>(452,542)</b>	<b>(2,761,540)</b>

## Note 19 – Defined Benefit Pension Scheme (continued)

The liabilities show the underlying commitments that the Force will eventually have for retirement benefits. The total liability of £2,928m has a substantial impact on the net worth of the Balance Sheet. Statutory accounting arrangements to fund the deficit neutralise the effect on taxpayers. Finance is only required when the pensions are actually paid.

The deficit on the local government scheme has been recovered by increased monetary contributions for three years until this year. The situation will be re-assessed for the next three years based on an actuarial valuation report.

The total contributions expected to be made to the Staff Pension Scheme and the Police Officer Pension Scheme in the year ending 31 March 2023 are £7.7m and £26.9m respectively.

The expected return on scheme assets is determined by considering the expected returns available on the assets with the current investment policy:

- Expected yields on fixed interest investments are based on gross.
- Redemption yields as at the Balance Sheet date.

Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

The actual return on scheme assets in the year was £26.2m (2020-21, £46.5m). The pension liability is sensitive to changes and the actuaries give an indication of this.

For the LGPS an increase of 0.1% on the discounting rate used decreases the pension liability by £10.9m and a decrease by the same amount increases the pension liability by £11.3m.

For the police officers scheme an extra 0.5% on the discounting rate used decreases the liability by £262m with a 0.5% decrease in the rate increasing the liability by the same amount.

Pension Assumptions	LGPS		Police	
	2020-21	2021-22	2020-21	2021-22
<b>Mortality assumptions</b>				
<b>Longevity at 65 retiring today</b>				
Men	21.6 yrs	20.7 yrs	22.0 yrs	22.1 yrs
Women	24.3 yrs	23.5 yrs	23.7 yrs	23.8 yrs
<b>Longevity at 65 retiring in 20 years</b>				
Men	22.9 yrs	21.9 yrs	23.7 yrs	23.8 yrs
Women	25.7 yrs	24.9 yrs	25.3 yrs	25.4 yrs
<b>Rate of inflation</b>				
CPI increases	2.85%	3.20%	2.40%	3.00%
Rate of increase in salaries	3.85%	4.20%	4.15%	4.75%
Rate of increase in pensions	2.85%	3.20%	2.40%	3.00%
Rate for discounting scheme liabilities	2.05%	2.60%	2.00%	2.65%



## Note 19 – Defined Benefit Pension Scheme (continued)

Value of LGPS Assets at Bid Value	31 March 2021 £000	31 March 2021 %	31 March 2022 £000	31 March 2022 %
Equity Investments	166,730	64	171,463	60
Gilts	9,261	4	5,715	2
Other Bonds	19,560	7	22,862	8
Property	27,760	11	36,007	13
Cash	13,989	5	5,715	2
Inflation-linked pooled fund	10,202	4	16,003	6
Infrastructure	14,186	5	28,005	10
Unit Trust	-	-	-	-
	<b>261,688</b>	<b>100</b>	<b>285,769</b>	<b>100</b>

## Note 20 – Officers’ Remuneration

2021-22							
Officers Remuneration 2021-22	Note	Salary, Fees & Allowances  (Note 1) £	Bonuses  £	Expenses Allowances  (Note 2) £	Comp for Loss of Office  £	Employer’s Pension Contribution  £	Total  £
Chief Constable – C Guildford		180,215	-	8,000	-	54,593	<b>242,808</b>
Deputy Chief Constable		132,081	-	7,000	-	-	<b>139,081</b>
Assistant Chief Constable – S Cooper		119,220	-	6,000	-	36,958	<b>162,178</b>
Assistant Chief Constable	3 & 4	102,052	400	4,081	-	28,442	<b>134,975</b>
Temporary Assistant Chief Constable	5	48,457	-	2,750	-	13,394	<b>64,601</b>
Chief Finance Officer	6	83,333	-	-	-	13,750	<b>97,083</b>
<b>TOTAL CHIEF CONSTABLE</b>		<b>665,358</b>	<b>400</b>	<b>27,831</b>	-	<b>147,138</b>	<b>840,726</b>

Note 1: Salary, Fees and allowances includes Rent Allowance, Housing Allowance and Compensatory Grant.

Note 2: Expenses Allowances include taxable expenses such as car allowances and medical expenses.

Note 3: Temp ACC wef 27/07/21

Note 4: Bonus relates to the Mandatory Bonus Payment Scheme for 24/7 Duty Rota Superintendents/Chief Superintendents, paid in May before promotion to ACC

Note 5: Temp ACC left 15/09/21

Note 6: The CC CFO acted as joint CFO for the PCC and CC wef 21/12/21, total costs are shown here.

## Note 20 – Officers’ Remuneration (continued)

2020-21							
Officers Remuneration 2020-21	Note	Salary, Fees & Allowances (Note 1) £	Bonuses £	Expenses Allowances (Note 2) £	Compensation for Loss of Office £	Employer’s Pension Contribution £	Total £
Chief Constable – C Guildford		178,425	-	9,639	-	54,038	<b>242,102</b>
Deputy Chief Constable		135,792	-	7,513	-	-	<b>143,304</b>
Assistant Chief Constable – S Cooper		118,009	-	6,725	-	36,583	<b>161,316</b>
Assistant Chief Constable	3	93,133	-	5,032	-	28,015	<b>126,180</b>
Temporary Assistant Chief Constable	4	94,316	300	1,851	-	29,111	<b>125,578</b>
Chief Finance Officer		65,772	-	386	-	10,852	<b>77,011</b>
<b>TOTAL CHIEF CONSTABLE</b>		<b>685,446</b>	<b>300</b>	<b>31,145</b>	<b>-</b>	<b>158,600</b>	<b>875,491</b>

Note 1: Salary, Fees and allowances includes Rent Allowance, Housing Allowance and Compensatory Grant.

Note 2: Expenses Allowances include taxable expenses such as mileage, car allowances, medical expenses and mortgage interest payments relating to relocation.

Note 3: ACC left 10/01/21.

Note 4: Temp ACC wef 11/01/21.

The table below does not include the senior officers in the previous tables.

Employees Remuneration over £50,000		
	2020-21	2021-22
£50,001 to £55,000	11	18
£55,001 to £60,000	4	4
£60,001 to £65,000	3	3
£65,001 to £70,000	-	1
£70,001 to £75,000	1	-
£75,001 to £80,000	2	4
£80,001 to £85,000	-	1
£85,001 to £90,000	1	-
£90,001 to £95,000	1	1
£95,001 to £100,000	-	-
£100,001 to £105,000	-	-
£105,001 to £110,000	-	-
£110,001 to £150,000	-	-
£150,001 to £200,000	-	-
<b>Total</b>	<b>23</b>	<b>32</b>

### Benefits Payable during Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. This includes salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars).

An accrual is made for the cost of holiday entitlements or any form of leave, (e.g. time off in lieu earned, but not taken before the year-end), which an employee can carry forward into the next financial year.

The accrual is made at the payment rates applicable in the following accounting year, being the period in which the employee takes the benefit. The amount included on the balance sheet is £4.4m (£4.3m 2020-21).

## Termination Benefits

Termination benefits are payable as a result of a decision to terminate an employee's employment before the normal retirement date or an acceptance of voluntary redundancy. These are charged to the CIES when the Group is demonstrably committed to the decision.

2 contracts were terminated during the year (7 in 2020-21), incurring costs of £12.3k (£100k in 2020-21).

Other departures agreed cover voluntary redundancies and compromise agreements. There were no material payments in relation to injury awards during the year ended 31 March 2022.

Exit Packages								
Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band (£000)	
	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
£0 - £20,000	-	-	6	2	6	2	71	12
£20,001 - £40,000	-	-	1	-	1	-	29	-
£40,001 - £60,000	-	-	-	-	-	-	-	-
£60,001 - £80,000	-	-	-	-	-	-	-	-
£80,001 - £100,000	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	-	-	-	-	-	-	-
Over £150,000	-	-	-	-	-	-	-	-
<b>Total cost included in bandings all included within the CIES</b>	-	-	<b>7</b>	<b>2</b>	<b>7</b>	<b>2</b>	<b>100</b>	<b>12</b>

## Note 21 – Related Parties

The Chief Constable is required to disclose material transactions with related parties. These are bodies or individuals that have the potential to control or influence the organisation or vice versa. Disclosure of these transactions allows transparency to the extent that the Chief Constable might have been constrained in its ability to operate independently, or might have secured the ability to limit another party's ability to bargain freely.

The Commissioner as the parent corporation asserts a significant influence over the Chief Constable.

Central Government has significant influence over the general operations of the Chief Constable, as it is responsible for providing the statutory framework within which it operates.

Senior managers complete a declaration of personal interests because they influence decision making.

Joint arrangements and collaborations are areas where significant influence can be exerted by all parties.

Other Local authorities with whom partnership working is important, for instance within the area of anti-social behaviour may be an influencing factor.

## Note 22 – Contingent Liabilities

A contingent liability arises where a past event gives a possible obligation which depends on the outcome of uncertain future events not wholly in the control of the Chief Constable/Group. As usable reserves/liabilities are met by the Group such liabilities are not recognised in the Chief Constables accounts.

Contingent liabilities also arise in circumstances where a provision or reserve would otherwise be made, but there is not the level of certainty on either likelihood or value. Contingent liabilities are not recognised in the Balance Sheet.

Any liabilities arising would be fully met by The Commissioner and Group.

## Note 23 – Reserves

These accounts do show unusable reserves such as pensions and accumulated absences.

However, as all the assets are held solely in the Group accounts, where a useable reserve is recognised, hence are therefore only shown in the Group accounts. As such no useable reserves are held by the Chief Constable.

## Note 24 – Accounting Standards Issued, Not Adopted

For 2021/22 new standards that have been issued but not adopted relate to;

- Definition of a Business: Amendments to IFRS 3 Business Combinations
- Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7
- Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

These changes were issued after the new CIPFA Code Of Practice for Local Authority Accounts was published but the impact on the financial statements of the Chief Constable is either not applicable or not considered to be material.

## Note 25 – Events after the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date on which the Statement of Accounts are 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 are indicative of conditions that arose after the reporting period – the Statement of Accounts are not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

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



# GLOSSARY



## GLOSSARY

ACCOUNTING PERIOD	ACCOUNTING POLICIES	ACCRUALS
The period of time covered by the accounts, normally a period of twelve months commencing on 1 April. The end of the accounting period is the Balance Sheet date.	These are a set of rules and codes of practice used when preparing the accounts.	Sums included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31 March.
ACT	ACTUARIAL GAINS AND LOSSES	AUDIT OF ACCOUNTS
The Police Reform and Social Responsibilities Act 2011.	<p>For a defined benefit pension scheme, the changes in actuarial surpluses or deficits that arise because:</p> <p>Events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses); or the actuarial assumptions have changed.</p>	An independent examination of the Force's financial affairs.
BALANCE SHEET	BUDGET	CIPFA
A statement of the recorded assets, liabilities and other balances at the end of the accounting period.	The forecast of net revenue and capital expenditure over the accounting period.	The Chartered Institute of Public Finance and Accountancy.

CODE	COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (CIES)	CONSISTENCY
The CIPFA Code of Practice on Local Authority Accounting governs the content of these accounts.	The account of the Force that reports the net cost for the year of the functions for which it is responsible and demonstrates how that cost has been financed from precepts, grants and other income.	The concept that the accounting treatment of like items within an accounting period and from one period to the next are the same.
CREDITOR	CURRENT SERVICE COST (PENSIONS)	DEFINED BENEFIT PENSION SCHEME
Amount owed by the Force for work done, goods received or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.	The increase in the present value of a defined benefits pension scheme's liabilities, expected to arise from employee service in the current period.	Pension schemes in which benefits received by the participants are independent of the contributions paid and are not directly related to the investments of the scheme.
DEPRECIATION	DISCRETIONARY BENEFITS (PENSIONS)	EVENTS AFTER THE BALANCE SHEET DATE
The measure of the cost of wearing out, consumption or other reduction in the useful economic life of the Force's fixed assets during the accounting period, whether from use, the passage of time or obsolescence through technical or other charges.	Retirement benefits, which the employer has not legal, contractual or constructive obligation to award and are awarded under the Authority's discretionary powers such as the Local Government (Discretionary Payments) Regulations 1996.	Events after the Balance Sheet date are those events, favourable or unfavourable, that occur between the Balance Sheet date when the Statement of Accounts is authorised for issue.

EXPECTED RETURN ON PENSION ASSETS		GOING CONCERN	GOVERNMENT GRANTS
For a funded defined benefit scheme, this is the average rate of return, including both income and changes in fair value but net of scheme expenses, which is expected over the remaining life of the related obligation on the actual assets held by the scheme.		The concept that the statement of Accounts is prepared on the assumption that the Force will continue in operational existence for the foreseeable future.	Grants made by the Government towards either revenue or capital expenditure in return for past or future compliance with certain conditions relating to the activities of the Force. These grants may be specific to a particular scheme or may support the revenue spend of the Authority in general.
GROUP	IFRS	INTEREST COSTS (PENSION)	
Nottinghamshire Office of the Police and Crime Commissioner and its Group.	International Financial Reporting Standards are developed by the International Accounting Standards Board (IASB) and regulate the preparation and presentation of Financial Statements. Any material departures from these Standards would be disclosed in the notes to the Accounts.	For a defined benefit scheme, the expected increase during the period of the present value of the scheme liabilities because the benefits are one period closer to settlement.	
MATERIALITY	MINIMUM REVENUE PROVISION (MRP)	PAST COSTS (PENSIONS)	
The concept that the Statement of Accounts should include all amounts which, if omitted, or mis-stated, could be expected to lead to a distortion of the financial statements and ultimately mislead a user of the accounts.	The minimum amount which must be charged to the revenue account each year in order to provide for the repayment of loans and other amounts borrowed by the Force.	For a defined benefit pension scheme, the increase in the present value of the scheme liabilities related to the employee service in prior periods arising in the current period as a result of the introduction of, or improvement to retirement benefits.	

PRIOR YEAR ADJUSTMENT	REMUNERATION	REVENUE EXPENDITURE
<p>Material adjustments applicable to previous years arising from changes in accounting policies or from the correction of fundamental errors. This does not include normal recurring corrections or adjustments of accounting estimates made in prior years.</p>	<p>All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as those sums are chargeable to UK income tax) and the money value of any other benefits. Received other than in cash. Pension contributions payable by the employer are excluded.</p>	<p>The day-to-day expenses of providing services.</p>