



NOTTINGHAMSHIRE
POLICE
PROUD TO SERVE

Draft Statement of Accounts 2023-24

The Chief Constable of Nottinghamshire

(V1 30/05/2024)

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NOTTINGHAMSHIRE

Nottinghamshire is a diverse County. It has a mixture of affluent communities and those developing from being former mining areas.

The population of the county is primarily based around the city of Nottingham and the towns of Mansfield, Worksop, and Newark-on-Trent. Nottingham is a major sporting centre and is home to several global companies and two universities.

Our population of approximately 1.2 million is ethnically diverse with 12% identifying as coming from Black, Asian, and other minority ethnic communities which, coupled with our student groups, creates a vibrant place to live, work and visit.

We work closely with established and emerging communities to robustly tackle issues such as hate crime, to form relationships and build reassurance, and ensure our organisation better represents the population we serve.

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 Taxpayers.

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.

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 was 359 additional police officers.

This increase was fully funded by Government via the grant mechanism, as well as additional performance grant for those achieving their uplift allocation. Nottinghamshire achieved its uplift targets one year ahead of uplift timetable, maximising its performance grants. During 2023-24 we also temporarily went above our local target, as we were incentivised by Government to do more to support the national achievement of the 20,000 target. We were given 2 additional targets in batch one, an allocational of 30 additional PCs, then later in the year a batch 2 target of 20 more PCs. We ended the year achieving both targets, generating an additional £1.8m in grant income.

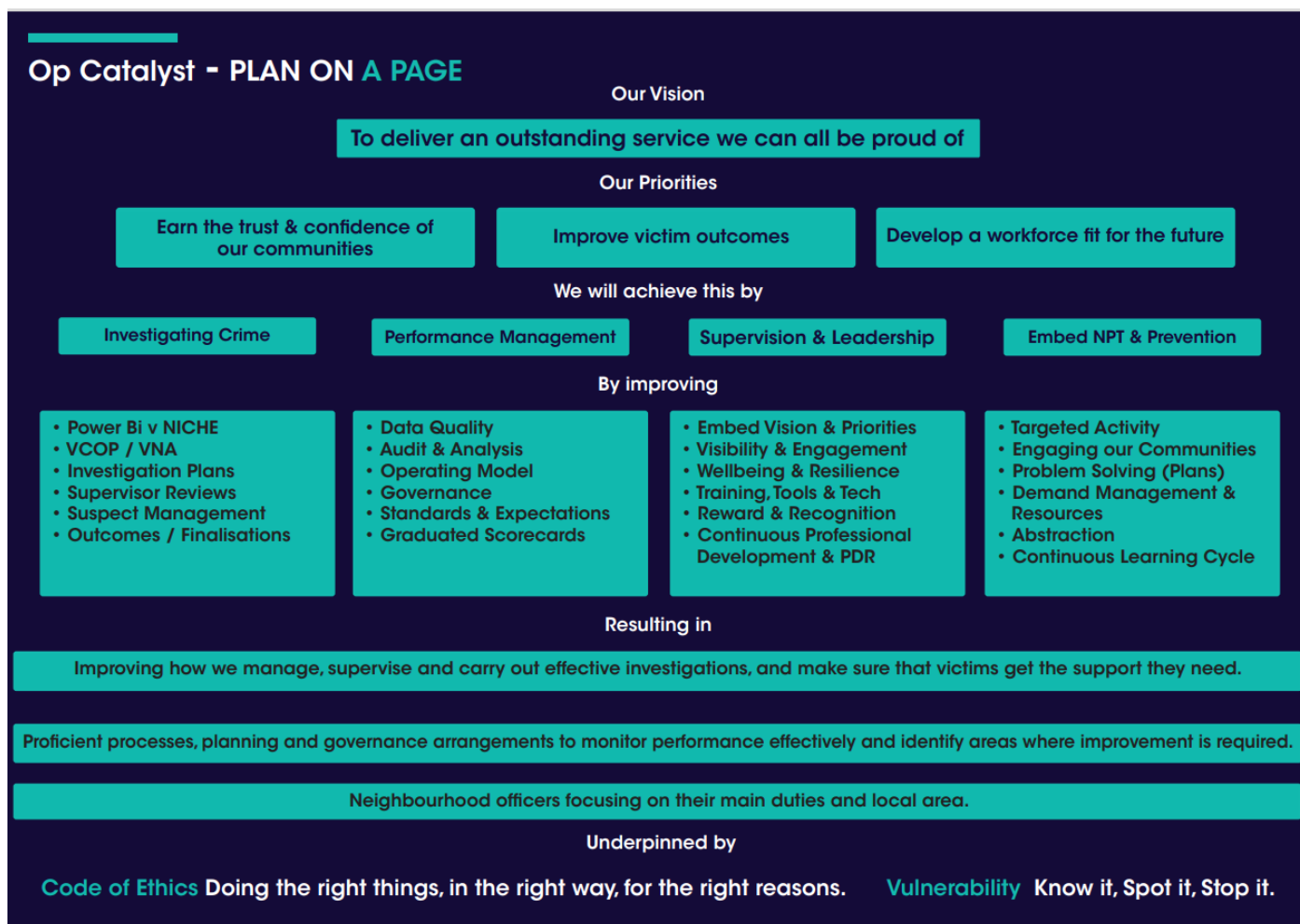
GOVERNANCE

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.

THE CHIEF CONSTABLE’S BUSINESS MODEL



PERFORMANCE

The Force has a dedicated workforce of around 4,200 officers and staff, who are supported by an 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 7 demonstrates the level of demand on policing in 2023.

FINANCE 2023-24

The latest Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection report (April 2022) identified that Nottinghamshire Police makes the best use of the finance we have available, and our plans are both ambitious and sustainable.

The report placed particular focus on the coordination between our corporate policies, referring to how well-aligned our financial plan was with other key business areas including our workforce strategy.

Since the PEEL report we have continued to build on these foundations within finance and further developed the intrinsic links to the operational activities of the force to ensure value for money is achieved and financial sustainability is maintained.

In April 2022 we transitioned away from the arrangement with the Multi-Force Shared Services (MFSS) to bring back the transactional elements of finance, learning and development, payroll, and human resource management. This change allowed for greater autonomy over our systems and processes, facilitating enhanced working practices, and realising financial benefits and efficiencies.

The Finance Department now manages all processes in-house through a dedicated set of suitably qualified and experienced professionals, with a clear developmental focus on ensuring we are equipped with the right skills to be able to discharge our duties in the most effective way.

While we have embedded our new in-house model, we constantly strive to find further improvements, thereby ensuring the function develops to provide optimal support to the organisation. Key progression areas include financial training for budget-holders with limited previous experience of managing public money and further streamlining of our internal processes which could lead to cashable and non-cashable efficiencies.

ACHIEVEMENTS 2023-24

Levels of recorded crime remaining significantly lower than the 2019-20 Police and Crime Plan baseline, with overall crime down 5% compared to the baseline year, and Nottinghamshire maintains one of the strongest levels of call answering performance in the country, with 92% of all 999 calls being answered within 10 seconds and, 89% of 101 calls answered within 60 seconds.

We achieved our March 2023 officer recruitment target a year ahead of schedule, and added an additional temporary 50 PCs, funded by additional government grants during the year. Nottinghamshire now having the highest number of officers in force in over a decade. This has helped to ensure that Nottinghamshire maintains a visible, accessible and responsive police service.

Nottinghamshire Police's operating model regarding Child Exploitation changed in November 2023, and the CARE team (Child at Risk of Exploitation Team) was created within Public Protection. The aim of the CARE team was to create a holistic approach to Child Exploitation and incorporate both Child Sexual Exploitation (CSE) and Child Criminal Exploitation (CCE) within one department with strategic oversight to improve the quality of service we deliver and enhance our provision to safeguard children at risk of wider 'exploitation'.

Within the Serious & organised Crime (SOC) department we have established a new Money Laundering Team and increased our ability to conduct a greater number of proactive financial investigations. The team is already proving its worth with some impressive early results, it has executed 15 warrants in the last financial year with more planned. A recent case has seized cash / goods and property restraint to the value of approximately £4,000,000, subject to house

and property valuations. We continue to investigate similar cases; this will provide a significant financial boost for Nottinghamshire Police via the proceeds of crime share arrangements with Government.

In November 2023 the force established a new department within Local Policing, The Prevention Hub. The Prevention Hub is a joint partnership between multiple departments within the force to provide clear direction, governance, and leadership in preventing crime and disorder, the hub is responsible for developing and delivering prevention strategies throughout the city and county. With the departments activities spanning across the entire force, the Prevention Hub plays a critical role in fighting crime and keeping the public safe. The aim of the hub aligns with the aims of the National Policing Prevention Strategy: fewer victims, fewer offences, and less demand on policing, achieved by addressing underlying causes and using partnership-oriented problem solving.

Our youth outreach team has increased its establishment from 1 worker and 1 apprentice in 22/23 to 1 coordinator, 2 workers and 1 apprentice in 24/25. Together, they deliver initiatives to groups who would not engage with a more formal, uniformed cadet programme. We are proud that over 2023/2024 our Youth Outreach worker team have worked with 197 young people on a 1-2-1 basis.

We have reviewed our mini police programme and we currently have 13 schools actively engaged in the initiative involving more than 649 students. We now have five junior (academic years 7 to 11) and 2 Senior Cadet bases (academic years 12 and 13) in the county with 17% being from our BAME communities. These are supported by the SEIOs and volunteer leaders. We currently have 82 PSVs across the force and 97 special constables and over 2023 our specials completed a total of 19,409 hours.

We were one of the first forces in the country to offer a voluntary sobriety tagging scheme and have been successful in securing funding which in turn has led to a contract with SCRAM to track these until 2025. The scheme has seen 1806 monitored days between 1st May 2023-1st April 2024 with a 'sober day' rate of 93% over a total of 45 individuals.

Following the successful delivery of Op Grip in 23/24 over 15 hotspots areas, the force has received £1.5m from the Home Office Hotspot response fund to target serious violence and ASB hotspots. 18 areas have been identified across Nottinghamshire and will benefit from hotspot patrolling and partnership problem-oriented activity to reduce crime rates and improve feeling of safety.

We have developed and delivered foundation, practitioner and advanced practitioner problem-orientated policing (POP) training. Foundation level POP is delivered to all new cohorts of PCs and PCSOs. A total of 125 officers have had this form of foundation POP delivery during 23/24. In addition, the Prevention Hub have delivered training to 299 people within Neighbourhood Policing Teams (NPT). This program is delivered annually and has a module covering POP. There are 8 further dates planned in for 24/25 that will accommodate 400 people and will prioritise those that were unable to take up the CPD training in 23/24.

69 people have attended the 1-day Problem Solving Practitioner training, and 34 people have attended the 2-day Problem Solving Advanced Practitioner program, this includes NPT Sgts and CID DSs.

Furthermore, the implementation of the 'what works surgery', held every 6 weeks at different locations across the force has been established for 9 months to offer expert POP support and guidance to officers and staff who need it. Each Crime Safety Partnership (CSP) area now has a dedicated ASB and Problem-Solving PC who works alongside the NPT, to support POP work for their most complex problems and offer real time guidance to staff who are still unsure on POP.

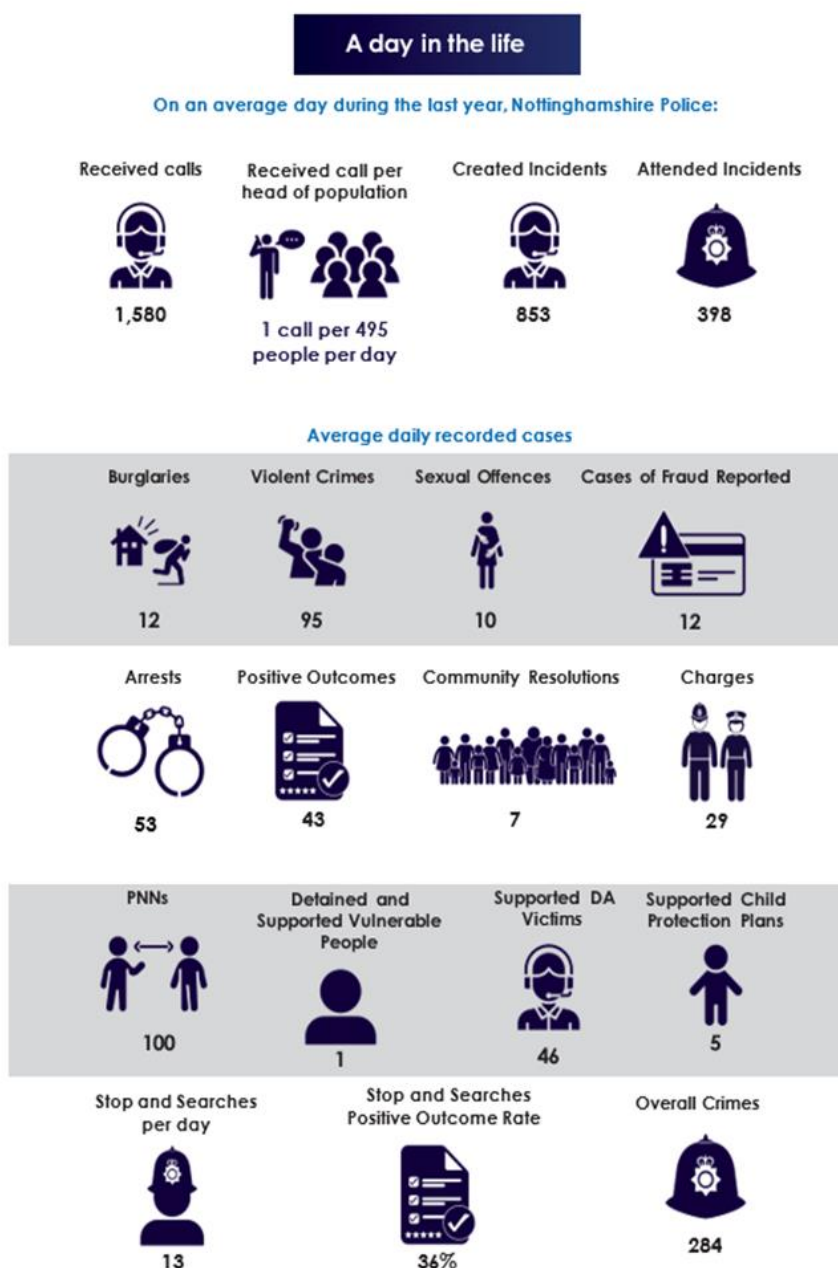
Within the Safeguarding team, we have developed Op Saltash, to check compliance with domestic Violence Protection Orders (DVPOs) and Stalking Protection Orders (SPOs). In March 2023 11 victim care checks and 10 suspect compliance checks were completed.

Using the Monckton-Smith homicide timeline a cohort (known as DASROV) of medium and standard risk victims have been identified for additional support and safety planning. 29 individuals have been supported since the implementation of the cohort up to March 2023.

There has been a 4.9% increase in Crimestoppers reporting in the last financial year reflecting a more engaged community willing to report intelligence to Nottinghamshire Police.

The average time to locate a missing person was 15.55 hours in 2023. Nottinghamshire is 4th nationally for locating children, with 68.5% located within 0-8 hrs and 4th for adults locating 73.2% adults in 0-8 hrs.

DEMAND ON POLICING - Nottinghamshire Police Typical day in 2023



FINANCIAL PERFORMANCE

The outturn for the Force is £244.5m which is an underspend of £9.6m against the original budget.

There are five unprecedented areas of income generation that have contributed towards the underspend and an increase in IS stock values transferred to the balance sheet which, in line with our accounting policies, results in a net reduction in expenditure in 2023/24.

	<u>£'000</u>
Operation Safeguard	(2,111)
Interest	(3,505)
Uplift Batch 1 & 2 Grant	(1,830)
IT Stock Take	(1,880)
UK Football Policing	(250)
HO Software Licence	(357)
	<u>(9,932)</u>

The PCC agreed for a transfer to an earmarked reserve of £1,830k to off-set the salary costs of the additional batch 1 and 2 officers, this will be utilised in 2024-25 to fund these temporary additional employee costs arising in that year.

Income from interest and Op Safeguard was also identified as being significantly higher than budgeted, agreement in principle was agreed early in the year to use this windfall to make an additional Direct Revenue Financing (DRF) contribution, which will reduce future years capital charges and reduce the any medium-term funding gap. An additional DRF of £5,000k was subsequently agreed by the PCC.

Operation Perth which is an investigation into failures at Nottingham University Hospitals Midwifery Services. The operation is classed by the Home Office as applicable to apply for a Special Police Grant, the Home Office indication is that 85% of the first years costs will be met by the grant, this leaves £470k to be met by the force in 2024/25. The operation is expected to last several years and to ensure this is fully funded the PCC agreed a reserve is created from the underspend towards meeting the multiyear costs of the operation of £2,281k.

Operation Catalyst is the result of an HMICFRS inspection which identified that the force needs to improve how it manages and carries out effective investigations to make sure that victims get the support they need and to improve our planning and governance processes. The force has initiated work involving external contractors and the creation of a dedicated team to help meet this demand. It was agreed to create a reserve of £500k to meet these unbudgeted costs during 2024/25.

Therefore, the full amount of underspend is utilised as detailed:

<u>Proposed allocation of underspend</u>	
	<u>£'000</u>
Uplift Batch 1 and 2	1,830
DRF (additional)	5,000
Operation Perth	2,281
Operation Catalyst	500
	<u>9,611</u>

This results in no contribution to or from the general reserve as a result of the Chief Constables activities.

The force continues to seek ways to improve its financial monitoring processes with its spending departments and the force wide 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.

Out-turn expenditure over the 3 previous years has been:

- 2020-21 an overspend of £0.1m
- 2021-22 an underspend of £1.6m
- 2022-23 an underspend of £2.5m

2023-24 EXPENDITURE vs BUDGET ANALYSIS

Net Expenditure Budget	Budget £m	Efficiency Allocation £m	Working Budget £m	Outturn £m	Variance £m
Employee	209.4	-	209.4	221.3	11.9
Partnership & Collaborations	18.3	(1.9)	16.4	15.6	(0.8)
Communications & Computing	14.7	(1.3)	13.4	10.4	(3.0)
Premises	11.1	(0.3)	10.8	9.7	(1.2)
Supplies & Services	15.0	(0.7)	14.3	13.8	(0.5)
Capital Financing	4.5	-	4.5	7.4	2.9
Transport	3.5	(0.4)	3.1	2.9	(0.2)
Income	(17.8)	-	(17.8)	(36.5)	(18.7)
Total Net Expenditure	258.7	(4.6)	254.1	244.5	(9.6)

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

Individual efficiency savings are made direct to departmental budgets to ensure that these are delivered. The force has managed and monitored business benefits for several years using a dynamic approach. As reliance on benefits, in particular long term cashable savings, becomes intrinsic in our ability to afford the needs and demands of the public and balance our budgets the Finance Department have developed a detailed evidenced based process to better identify, quantify, qualify, and report on savings.

Employee Costs

This was £221.3m for the year which was an over-spend of £11.9m against the budget.

The pay award for both Officers and Staff was 7% against an estimated 2.0%, this along with an increased number of transferees and holding both PC and PCSO numbers above establishment created an extra cost of £12.7m, much of this was offset by additional grant income, and staff vacancies.

Overtime was £1.6m above budget, this was due to additional demand and more activity undertaken via overtime, generally this was funded by grants or other income.

Staffing vacancies were over 8% as the Force struggled to recruit in a difficult marketplace especially for specialist roles, the budgeted rate was 3%. This created an underspend of £(2.6)m.

A decision to refund past members for pension administrative costs (scheme sanction charge) incorrectly recharged to them of £0.6m was mainly off-set by less costs in respect of ill health retirements £(0.4)m.

Partnerships & Collaboration

This was £15.6m and was £(0.8)m underspent mainly due to underspends in collaboration activities managed by other regional forces.

Communications & Computing

Costs were £10.4m for the year which was an underspend of £(3.0)m against the budget.

Following a review of operating practices, the value of stock holding became material, and this value was recognised in the management accounts for the first time in the previous year. During 2023-24 £1.8m of IT equipment was added to stock, as due to timings of arrivals and other demands these were not issued in year. In line with accounting practices this spend was not recognised in this year's accounts but will be recognised as expenditure when issued. This resulted in an underspend of over £(1.8)m, which in turn resulted in a reduction in the use of the asset replacement reserve, as shown in capital financing.

An in-year review of licences, obsolete software, and reduced demand for other products resulted in savings of £(0.6m), with other minor savings totalling almost £(0.6m).

Premises

This was £9.7m for the year which was an underspend of (£1.2m) against the budget mainly due to energy cost increases being less than budgeted.

Supplies & Services

Costs were £13.8m which was an underspend of £(0.5)m against the budget.

Additional pension administrative costs, as a result of the McCloud judgement was £0.3m.

Other savings of £(0.7)m were as a result of reduced inventory replacement costs as equipment is lasting longer than planned.

Capital Financing

This was £7.4m for the year, which was an overspend of £2.9m against the budget.

The additional spend was due to allocations to reserves, mainly because of additional income earned in trading activities and proceeds of crime recoveries of £1.3m, as well as reduced transfers from the asset replacement reserves (see Comms & Computing), £1.8m off set by minor reductions in capital costs and contributions to the Bad Debt Provision £0.2m.

Transport

This was £3.1m for the year which was £(0.2m) under, mainly due to fuel cost increases being less than budgeted.

Income

This was £(36.5)m for the year, which was an increase in income of (£18.7m) compared to budget.

The Force received additional Government Grants in respect of the pay award of £(5.9)m and £(3.5m) additional income as a result of changing interest rates and more proactive treasury management.

Home Office payments for the provision of cells for the prison service (Op Safeguard) saw an additional income of £(2.1)m, as well as further Home Office grants for agreeing to increase our officer uplift target £(1.8)m. In addition, other grants and donations totalled £(1.6)m.

Income from seconded officers was an additional £(1.0)m. Fee earning activities generated £(1.4)m over the amount budgeted, mutual aid generated £(0.4)m more, and prosecution income was £(0.3)m higher, with other minor income changes of £(0.7)m.

2024-25 BUDGET BREAKDOWN

The proposed revenue budget for 2024-25 is £283.1m as detailed below:

Net Expenditure Budget	£m
Employee	237.3
Partnership & Collaborations	(18.1)
Communications & Computing	(14.9)
Premises	(10.9)
Supplies & Services	17.0
Capital Financing	5.8
Transport	3.2
Income	(24.1)
Total Net Expenditure	283.1

OUTLOOK

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 their part in maximising the use of resources and has delivered both efficiencies and performance improvements.

The Prime Minister 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. These officers were recruited in full for the 2022-23 Financial year, over one year ahead of the Governments target. Indeed, additional funding for a temporary additional 50 new recruits was received and delivered during 2023-24.

The settlement announcement for 2024-25 provided additional resources to maintain the uplift target and allowed for a £13 increase in precept to cover the cash impact of inflationary pressures, which the Commissioner supported.

This increase is needed to maintain resources in real terms 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.

A balanced and robust budget has been set and approved for 2024/25 with a net revenue expenditure of £283.1m, this includes £24.0m received in specific income and £5.2m in efficiencies and savings.

£2.0m of efficiencies due to service redesigns, removal of temporary posts and ending of fixed term contracts. £2.5m has been identified from investment income and reduced interest paid on loans, and £0.7m arising through savings from premises, comms and computing, supplies and services, and increased income

It is of note that Pay and Allowances has seen a £25m growth in cost through factoring in the pay award, as well as the increments to officers and staff, restructures, and pension scheme contribution rate changes. There have been some £3m contract and insurance cost increases and a further £2m relating to general inflationary pressures. In addition, some £1.8m of demand pressures and investment to improve performance are included in the budget for 2024-25 to accommodate the challenges ahead. It is also expected that £3m of additional cost for NUH Maternity Investigation (Op Perth) that should be met by a combination of special grant funding and use of reserves.

The below table shows our projected financial expenditure over the next four years alongside the full time equivalent (FTE) resources planned for that period:

	2024/25	2025/26	2026/27	2027/28
Net Revenue Expenditure £m	290	303	311	317
Officers	2367*	2337	2337	2337
Staff	1467	1465	1465	1465
PCSOs	150	150	150	150

* Officers are 30 above establishment as part of the Uplift Programme request for additional capacity

Key Points of Note:

- Officer numbers are maintained at the level recruited through the Police Uplift Programme;
- Projections regarding officer leavers are based on existing knowledge and previous data to aid effective planning of recruitment via the identified routes. This is aligned to our Strategic Workforce Plan;
- Staff and PCSO numbers are projected to remain static in medium-term planning based on current assumptions;
- The net revenue expenditure is based on detailed planning and calculated in conjunction with all departments, as detailed later in this chapter;
- Through a mixture of demand and inflationary pressures, other non-pay budgets, such as overtime, training, and estates, are projected to increase.

To maintain a balanced budget efficiency savings will be required each year of the 5-year medium term plan but the level of savings required at £17.9m over this period are 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.

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.

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 2,455 police officers, 167 PCSOs, 85 specials and 1,494 staff in full-time and part-time positions.

Active recruitment plans for 2023-24 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.

Ethnicity	Headcount	%
Asian/Asian British	137	3.26
Black/Black British	49	1.17
Mixed	82	1.95
White/White British	3898	92.79
Other	7	0.17
Not Stated	0	0.00
Not known/provided	28	0.67
Total	4201	100.00

Self-Declared Disability	Headcount	%
No/not specified	3817	90.86
Yes	384	9.14
Total	4201	100.00

Gender	Headcount	%
Male	2281	54.30
Female	1920	45.70
Total	4201	100.00

Age Band	Headcount	%
25 & under	596	14.19
26-40	1666	39.66
41-55	1543	36.73
56 & over	396	9.43
Total	4201	100.00

PRINCIPLE 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 Environment Act 2021 targets	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.	Force has engaged specialists to review current activity and assist in development of a sustainability strategy. New strategy to be approved July 2024.

2	Accounts Completion	Statutory deadlines for review, audit and completion not being met. Force is unable to demonstrate accountability to stakeholders in line with statutory requirements.	Increased number of resources in the Finance Department associated with the production of the final accounts. Ongoing oversight by the Chief Officer Team. Monthly reporting into Force Executive Board. Quarterly reporting into joint independent audit committee (JIAC).
3	Implementation of requirements of the National Race Action Plan (RAP).	Nottinghamshire Police acknowledge all aspects of the RAP, and we are working to improve our service delivery both internally and externally in line with the recommendations.	Establishment of the Strategic Race Action Plan Group Recruitment of a Strategic Race Action Plan independent coordinator. Establishment of a powers board which assesses disproportionality and use of police force. Establishment of a strategic engagement group.
4	IS Infrastructure	The IS infrastructure across the organisation is being carefully observed as a result of a number of system failures. Potential deficiencies must be resolved in order for incoming demand to be serviced effectively.	Corporate Services have placed additional resource in to fully understand the issues and support a long-term strategic remedy. A review of system infrastructure undertaken by specialists which has identified an action plan for improvement. Additional growth in staffing agreed for 2024-25 budget.
5	Loss of public confidence	Breaches of trust and professional standards by serving officers nationally have resulted in a loss of confidence in the police service. Grading of “requires improvement” in the PEEL Inspection 2020/21 report could further lead to loss of trust and confidence. Engaged status – HMICFRS accelerated areas for concern.	Training packages rolled out encouraging officers and staff to take action and identify concerning behaviour. Implementation of governments Violence against Women and Girls Strategy and Action Plan and improvements in community engagement. Regular audits to ensure effective governance and outcomes fed into the Data Quality Board. Rapid response to HMICFRS AFI’s and reporting to Government via PPOG
6	Recruitment	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.	Release of response officers through tactical workforce planning and university candidates sought for graduate investigator scheme with fast track to DC.

		<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>Lack of Firearms trained officers impacts ability to maintain our patrol plan.</p>	<p>Proactive staff wellbeing monitoring through career conversations and mental health initiatives.</p> <p>Tracking new officer numbers for Op Uplift.</p> <p>Greater use of overtime and recruitment of specialist transferees.</p>
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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 2024. 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 2023-24; 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.

AUDIT REPORT AND OPINION

INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE FOR NOTTINGHAMSHIRE

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AUDIT REPORT AND OPINION

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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 the groups affairs to secure economic, efficient, and effective use of resources and safeguard its assets.
- 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 2024.

In preparing the Statement of 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 Nottinghamshire Office of the Police and Crime Commissioner as at 31 March 2024 and its income and expenditure for the year ended 31 March 2024.

Approval: The Statement of Accounts were approved by the members of the authority meeting as a whole.

M Kimberley, CPFA
Chief Finance Officer, Nottinghamshire Police

K Meynell
Nottinghamshire Police Chief Constable

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 and compliance with the Joint Code of Governance Framework. This approach has then been reviewed against the CIPFA/SOLACE governance framework guidance and its seven principles. The statement explains how the Force has complied with the Code and also meets the requirements of Accounts and Audit (England) Regulations 2015, which requires all relevant bodies to prepare an annual governance statement.

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.

1.3 The role of the Chief Finance Officer

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. 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.

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, and 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 Independent Audit Committee for comment. Delivery of the plan is via external engagement of an appropriately trained and experienced organisation, currently this is provided by Mazars. Award of the work was via a competitive tendering exercise.

In respect of external audit, progress reports are provided to the Panel by the external auditor 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.

On 4th November 2023 the Force's Chief Finance Officer also undertook the role of Interim Chief Finance Officer for Nottinghamshire Combined Fire Authority. There was a joint agreement agreed by the Chief Constable with the Chief Fire Officer, and no issues of conflict were identified. On 5th March 2024 this Interim Chief Finance Officer role ceased.

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 has been effective and supports the aims of the OPCC (Office of the Police and Crime Commissioner), 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
- A Regional Governance Statement

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

The following shows how compliance with the Joint Code of Governance aligns with the seven principles set out in the CIPFA/SOLACE Framework:

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 'Our Pledge' and the Force PROUD values. The Force continually reinforces the Code of Ethics and expected standards of professional behaviour; guidance and advice are sent to officers and staff using a combination of intranet articles and the Chief's vlog.
- The revised Code of Ethics has been delivered in line with the national roll out, utilising the College of Policing (COP) products. We have complemented the roll out with inputs to our Strategic leaders and a bespoke vlog by the Chief Constable. The Code of Ethics sits at the centre of the National Decision Model, so is explicitly referenced, and considered in any decision-making situation.
- 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 have developed a matrix to assess the risk posed by reported notifiable association as well as other factors such as the Abuse of Position for Sexual Purpose risk matrix, business interests, gifts and hospitality and complaints. 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.
- The Ethics forum is held quarterly. It raises issues over learning, standards and provides 'safety of voice' to Staff and Officers to raise ethical dilemmas. Attendees include representatives from all staff associations, Police Federation, BPA, LGBT+ and NEWS.

- 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 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.
- There are clear processes in place around confidential reporting 'Whistleblowing' outlined in the Professional Standards Reporting Procedure which was published in 2021. Staff can report corruption or misconduct confidentially to PSD using a number of methods including via the confidential reporting line/online portal; Integrity Messenger.
- The new Integrity Messenger system (built in force) now features increased functionality for sharing screen shots, photographs, etc and better user interface. It includes the most up to date security and encryption. The force is also signed up to the Crimestoppers national anti-corruption and abuse hotline which allows members of the public to report concerns anonymously. The force has recruited a Corruption Prevention Officer who provides advice and guidance internally but also externally to ensure organisations are aware of the Standards of Professional Behaviour and how to report any concerns.
- 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 OPCC provides an independent review function when complainants are unhappy with the outcome of a complaint investigation/handling.
- The outcome of misconduct proceedings are published on the Force Intranet to reinforce standards and learning. The Meetings and Hearings (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 Police Staff Misconduct Policy provides a clear framework for all police staff in terms of expected standards of conduct.
- 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.
- 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.
- Assurance reporting is submitted to the Joint Independent Audit Committee (JIAC) bi-annually relating to complaint recording and the nature of complaints.
- Bi-annually, a report on IOPC investigations is presented at the Joint Independent Audit Committee (JIAC) to inform the OPCC of the Force's application of the IOPC Statutory Guidance.
- Standards are governed by the quarterly Learning, Ethics and Integrity Boards, chaired by the Assistant Chief Constable (ACC). Its remit is to provide a forum to discuss key areas of learning and mandatory compliance with Force values.
- An Ethics Board is held to consider and discuss ethical issues in an advisory and consultative capacity. It considers issues raised at the Learning, Ethics and Integrity Board and any matters which are referred from officers, staff, or external groups. A PSD representative attends this meeting chaired by Assistant Chief Constable.
- Student officers also 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 Student officers also receive an input on ethical decision making, complementing the inputs from PSD and the training provided on the National Decision Model.
- The Ethics forum is held quarterly. It raises issues over learning, standards and provides 'Safety of Voice' to Staff and Officers to raise ethical dilemmas. Attendees include representatives from all staff associations, Police Federation, BPA, LGBT+ and NEWS (Nottinghamshire Empowering Women to Succeed).
- Ethical Dilemmas can be referred in various established accessible routes for employees, and all panel meetings are held on Microsoft Teams improving ease of access. Issues raised are then escalated to the Learning, Ethics and Integrity board which is chaired by the Assistant Chief Constable. Outcomes, including minutes, agendas, and updates, are promoted on the Force's Intranet, providing feedback into the

organisation. Trainees and first line supervisors receive an input from the Ethics lead on decision making in policing and the purpose of the ethics forum in supporting the organisation and its employees.

- 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 the Joint Code of Corporate Governance and Working Together document, which is published on the OPCC's website.
- 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 and delegations.
- The Force fully complies with the approved National Authorised Approach to Vetting (2021) as supported by the Code of Practice for Vetting (2023) which is consistently applied across the whole of Policing. This ensures that all Officers and staff are appropriately vetted before employment, and that all are then subject to regular vetting reviews in line with the code of practice.

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 OPCC The Independent Community Scrutiny Panel (ICSP) meets on a quarterly basis. The purpose of the panel will be to scrutinise and provide challenge to the force from a community perspective and with a particular focus Stop and Search and use of force within these encounters.
- The Nottinghamshire Youth Commission enables young people to have a say and raise concerns on police and crime issues. The Notts YC work with the Police and Crime Commissioner and Senior Police Officers to hear the opinions, thoughts and feelings of young people which can in turn inform future working practices.
- The Force uses the Notts Alert system to carry out surveys with our communities. This enables them to help shape local policing priorities in their area. 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. Additional annual surveys are carried out by the OPCC and the annual 'Police and Crime Survey' is used by Neighbourhood teams to identify key areas of focus such as types of anti-social behaviour that are of concern to the local community.
- Nottinghamshire Police record and store 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 a 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 Inspection has been undertaken throughout the year but we are yet to receive our formal report. However, on 11th March the Force received 2 Accelerated Causes of Concern in relation to Investigations and Performance Management, and an additional Cause of Concern regarding Neighbourhoods. Immediately the Force put in place comprehensive action plans to address the actions raised.
- 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.
- In accordance with the Freedom of Information (FoI) Act, the force is working towards full compliance in respect of the publication scheme. This will include pro-actively publishing FoI information. This ensures transparency and encourages increased confidence from and accountability to the public and stakeholders.
- Both Independent Advisory Group (IAG) and Independent Community Scrutiny Panel (ICSP) Chairs are invited to attend the Force's Use of Powers Board, providing broader oversight of powers and processes which might threaten community confidence and cohesion and to share this insight with their respective groups for further consideration.

- Publication scheme monitoring, review and assurance is reported to the Joint Independent Audit Committee (JIAC) on an annual basis to provide a current Force position on the Publication Scheme Requirements. This report, along with all other JIAC progress update reports, is available to view on the OPCC website.
- The Nottingham and Nottinghamshire Violence Reduction Partnership (VRP) facilitates quarterly stakeholder engagement reference group events involving representatives across the community and voluntary and public sectors and has a diverse volunteer pool of Community Ambassadors who are community leaders, activists and lived experience representatives who cascade information to communities across Nottingham and Nottinghamshire as well as feeding back on emerging needs from those communities.
- The VRP has a strong partnership with local VCS bodies including the Ending Youth Violence Network which is made up of over 100 organisations dedicated to reducing serious youth violence.
- The force provides regular updates to the OPCC at their public Accountability meetings on the progress made against the force activities. Accountability Board reports are available 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. Performance data is presented at the Strategic Performance and Insight meeting and comprehensive updates are presented at the Police and Crime Panel, both on a quarterly basis.

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 OPCC 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 produce performance information monthly. The OPCC oversees reporting on current performance against targets, comparison against most similar force peers and performance of Partnership Plus areas. For consistency, the CSP performance information mirrors that of the Force Operational Performance Review. The SNB Performance Group brings together key CSP stakeholders to discuss performance risks and highlights.

Region

- 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.

Area for improvement:

The Force should ensure its contracts register is published and updated on a regular basis (monthly or quarterly) and consider procuring a software solution allowing for the automated updating of the contracts register.

The Force should ensure that contract award notices awarded over £30,000 are published on Contracts Finder and consider procuring a software solution allowing for automated publishing.

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.
- This 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, 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.
- 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 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 organisational performance, identify any emerging opportunities and risks, and make decisions about future planning. The Improving Outcomes Board, chaired by the DCC, oversees key areas of performance, both organisational and operational, and is a forum in which to identify any emerging strategic opportunities and risks.
- 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, chaired by the PCC.
- A Performance and Insight Report is provided to the Strategic Resources and Performance meeting every quarter 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.
- 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 Independent Audit Committee (JIAC) on a quarterly basis.
- A Medium-Term Financial Strategy builds on the proposed budget for 2024-25 and incorporates plans to meet changes in available financing with the need to meet current and future commitments, this includes information from both the Recourse Strategy and Treasury Management Strategy.
- 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.

Area for improvement:

The level at which a project requires a formal Project Board should be clearly defined, and the responsibilities of a Project Board with regards to setting up and maintaining a project board should be clearly defined.

All projects that require a Project Board should have a Terms of Reference.

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, departmental planning via 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.
- Nottinghamshire Police have a Digital Strategy, aligned with the National Digital, Data and Technology Strategy 2020-2030 for Policing and built on the foundation of the national blueprint.
- Technology is a fundamental enabler, providing the capability upon which business improvements can be realised. The aspirations in our local Digital Strategy are fast becoming deliverables, coupled with rapid changes in the technology arena, in the Policing sector and local aspirations to deliver innovation, drives us to revisit and review the strategy; an incremental version is expected in quarter 2.
- We continue to ensure we take an enterprise view on delivering best value on our investments, contracts and through our negotiations with suppliers and service providers. Managing our revenue budgets for technology and service refresh/replacements over a 5-year horizon, ensures that we identify opportunities for efficiency, review requirements with the business areas and start negotiations sooner to get the best deals, to achieve the best outcomes commercially, financially and that fit with our enterprise architecture and strategic goals.
- The business change governance framework provides a robust reporting structure, which includes project boards, Tactical Futures Board and 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.
- 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 Head of People Services 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. The Force also undertakes an active role in the Strategic Workforce Planning Maturity Assessment.
- Our 'Career Conversation' process has been embedded, which replaces the PDR process. Conversations clearly capture 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.
- Career Conversations form part of the application process for police promotion boards effective on all processes in 2023 and 2024 and will continue.
- 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 Force has also started delivering sessions to our workforce to explain CVF in more detail and aid understanding.
- 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 Service.
- There are 3 staff posts in place 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. Our Leadership Academy has been launched and works closely with our Learning & Development team to ensure targeted training at first and second line managers and the delivery of CPD.

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

- 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.
- The Annual Statement of Accounts is published on the OPCC website and includes accounting policies and the report of the auditors. The force is currently experiencing delays in the audit of its draft accounts for 2020-2021, 2021-2022 and 2022-2023 accounts.
- A forward plan of 'Decisions of Significant Public Interest' is provided to the Accountability Board on a monthly basis in the interests of accountability and transparency, this is made available on the OPCC website.
- The Force and OPCC have 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 has been provided to FEB monthly 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.
- The quarterly Learning, Ethics 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.
- 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 review of the Force's approach to strategic risk management was undertaken in 2022 and a new governance process was introduced outlining a defined method for escalating risks to a strategic level. Risks are now discussed at all Senior Management Team meetings and escalated to the Risk Working Group (RWG) if they are unable to be managed. In the RWG, these emerging risks are discussed and agreed if they need to be escalated to the Strategic Risk Board, chaired by the DCC. Once a risk is added to the Strategic Risk Register it is then reviewed by FEB on a quarterly basis. This Risk Register also receives independent scrutiny at the Joint Independent Audit Committee (JIAC).
- 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. An internal audit on Core Financial System Assurance found the Force to have limited assurance in relation to Income and Debtors, recommendations by the auditors were accepted and an improvement plan agreed.
- 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. In 2022 this panel was renamed, the Joint Independent Audit Committee (JIAC).
- 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.
- A Strategic Risk Report is provided to the Joint Independent Audit Committee (JIAC) bi-annually to keep the Board informed as to the level of strategic risk within the Force and OPCC and provide assurance as to the effectiveness of risk management arrangements.
- Joint Independent Audit Committee (JIAC) receives an annual report on business continuity, which includes progress made against the business continuity testing timetable and a proposed schedule of forthcoming testing.
- Internal Audit, Review and Inspection Monitoring and assurance and improvement outcomes are presented to the Joint Independent Audit Committee quarterly.
- The Annual Audit letter where available is reported to the Joint Independent Audit Committee (JIAC) on an annual basis.

- 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 Treasury Management Strategy and annual report are reported annually to the Joint Independent Audit Committee (JIAC).
- Regular reporting is made to Joint Independent Audit Committee (JIAC) on legislative compliance with the Freedom of Information Act and Data Protection Act legislation.

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

- 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 Joint Independent Audit Committee (JIAC) operates within the CIPFA guidance and in accordance with the Financial Management Code of Practice.
- Progress reports against the Internal Audit Plan are submitted on a timely basis to the Joint Independent Audit Committee (JIAC) along with the findings from audits completed to date.
- 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 Joint Independent Audit Committee (JIAC) on a quarterly basis. This process includes reporting on Super Complaints, which is determined by HMICFRS and the National Police Chiefs Council (NPCC).
- 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 Make Notts Safe Plan and setting the strategic direction of local policing services.
- A programme of internal audit is commissioned and undertaken which reflects published guidance and standards. This is presented to JIAC at the start of the financial year and progress is monitored throughout the year. Papers are available to view on the OPCC website.
- 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 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.
- A policy and procedure framework are required to ensure that corporate documentation is reviewed on a timely basis.
- The Force provides reports in accordance with the Make Notts Safe Plan work programme including specific focus on the Commissioner's documented priorities.

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

- 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. They have confirmed they will undertake a further inspection when the new custody suite is embedded.
- A further internal audit was conducted by Mazars in July 2023 and the force received Limited Assurance. Recommendations were given in relation to the Annual Fire Drill, Adherence to Policies and Guidance, Detainee Complaints, Forensic Testing Surface, Detainees' Privacy and Individual Detainee Needs.

- The Custody Board was established in 2022, led by the Local Policing ACC. This board discusses and addresses KPIs, Health and Safety and any outstanding recommendations from HMICFRS and internal audits. This will continue under the new role of Superintendent within Custody.

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

- The force 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.

3.0 Review of Effectiveness and the 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 JIAC, 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 2023, the Internal Auditors (Mazars) opinion is as follows:

*'On the basis of our internal audit work, our opinion on the framework of governance, risk management, and control is **Moderate** in its overall adequacy and effectiveness. This opinion is provided on the basis that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control. Certain weaknesses and exceptions were highlighted by our internal audit work, in particular limited assurance opinions were provided during the period in respect of Procurement & Supply Chain and Project Efficiency.'*

- Due to delays in completing the audits for 2020-21, 2021-22 and 2022-23 draft ISAs 260 have not yet been issued, although the VFM opinions are still expected to have an exception in respect of financial reporting due to the delays in preparing the Statement of Accounts.

4.0 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 2023-24

URN	Identified improvement action(s):	Update	Lead Officer
1.0	The Force should improve its understanding of resource and workforce capability.	A revised workforce development plan, incorporating resource and workforce capability has been developed.	Claire Salter, Head of People Services & Organisational Development.
2.0	Implementation of the Internal Audit Recommendations in respect of the Core Financial Systems.	Recommendations implemented and latest internal audit of Core Financial Systems gave a moderate assurance level opinion.	Danny Baker, Head of Finance.

INTERNAL AUDIT ANNUAL ASSURANCE 2023-24 REPORT – AREAS OF LIMITED ASSURANCE AND NO ASSURANCE

Limited Assurance		Date	Lead Officer
1	<p>Procurement and Supply Chain.</p> <p>The Force should ensure its contracts register is published and updated on a regular basis (monthly or quarterly) and consider procuring a software solution allowing for the automated updating of the contracts register.</p> <p>The Force should ensure that contract award notices awarded over £30,000 are published on Contracts Finder and consider procuring a software solution allowing for automated publishing.</p>	May 2025	Andy Househam, Head of Commercial
2	<p>Project Efficiency</p> <p>The level at which a project requires a formal Project Board should be clearly defined, and the responsibilities of a Project Board with regards to setting up and maintaining a project board should be clearly defined.</p> <p>All projects that require a Project Board should have a Terms of Reference.</p>	October 2023	Chief Inspector Pearson

There were no areas of No Assurance.

NOTTINGHAMSHIRE POLICE WAS INSPECTED BY HMICFRS DURING 2023-24 IN THE FOLLOWING AREAS:

Inspection Area	Type of Inspection	Outcome
An Inspection of Armed Policing	Thematic Inspection Awaiting Report	Awaiting Report
An Inspection into how well the Police and other Agencies use Digital forensics in their Investigations	Thematic Inspection Recommendations By December 2023, each force in England and Wales should develop a governance and oversight framework to better understand the local demand for digital forensic services. By September 2023, the National Police Chief's Council and all forces within England and Wales need to include the management of digital forensic kiosks in their governance and oversight frameworks. By November 2024, Chief Constables should integrate digital forensic services under their existing forensic science structure.	Evidence submitted to HMICFRS, recommendations closed
Twenty years on, is MAPPA achieving its objectives? A Joint Thematic Inspection of Multi-Agency Public Protection Arrangements	Thematic Inspection Recommendations Police Forces should ensure:- All MAPPA nominals managed at Levels 2 and 3 are allocated to a suitably trained police offender manager. Workloads for staff managing sexual offenders are reviewed against national expectations and, where found to be excessive, take steps for mitigation and communicate this to affected staff.	Evidence submitted to HMICFRS, recommendations closed
An Inspection of How Well the Police Tackle Serious Youth Violence	Eighteen forces (including Nottinghamshire) Inspected Recommendations By 31 st March 2024, Chief Constables should make sure their Officers are Trained in the use of Home Office Crime Outcome 22. By 31 st March 2024, Chief Constables should make sure their forces, through data collection and analysis, understand the levels of racial disproportionality in serious youth violence in their force areas.	Evidence submitted to HMICFRS, recommendations closed
The Police Response to Burglary, Robbery and other Acquisitive Crime	Thematic Inspection Recommendations By March 2023, forces should make sure their crime scene management practices adhere to the authorised professional	Evidence submitted to HMICFRS, recommendations closed

	<p>practice on managing investigations for SAC or provide a rationale for deviating from it. They should also include:</p> <p>Giving victims timely and appropriate advice during their initial call; and</p> <p>Applying a risk assessment process such as THRIVE, clearly recording it, and flagging those re-victimised for further support.</p> <p>By March 2023, all forces should ensure SAC investigations are subject to effective supervision and direction. This should focus on:</p> <ul style="list-style-type: none"> • making sure supervisors have the capability and capacity to meaningfully supervise investigations; • making sure investigations meet the necessary standard and achieve suitable outcomes that consider the voice or opinion of victims; • applying investigative outcome codes appropriately; and • complying with the Victims' Code and recording evidence of compliance. 	
An Inspection of Vetting, Misconduct, and Misogyny in the Police Service	<p>Thematic Inspection</p> <p>Recommendations</p> <p>Forty-Three recommendations made in relation to Vetting, Misconduct and Misogyny</p>	<p>Evidence submitted for all recommendations, 14 out of 43 recommendations have been verified and closed by HMICFRS</p>
Inspection of Activism and Impartiality in Policing	<p>Thematic Inspection</p>	<p>Interim report received- awaiting final report</p>

ACCELERATED CAUSES OF CONCERN 2023-24:

URN	Identified improvement action(s):	Update	Lead Officer
1	<p>PEEL: Nottinghamshire Police causes of concern</p> <p>Effective Investigations</p> <p>The force needs to improve how it manages, supervises and carries out effective investigations, and make sure that victims get the support they need.</p>	<p>Comprehensive action plan in place, work on-going</p>	<p>ACC Griffin</p>
2	<p>PEEL: Nottinghamshire Police causes of concern</p> <p>Adequate Processes, Planning or Governance Arrangements</p> <p>The force doesn't have adequate processes, planning or governance arrangements in place to monitor performance effectively or identify areas where improvement is required.</p>	<p>Immediate concerns addressed. Work on-going to ensure sustainability and comprehensive workplan</p>	<p>Chief Supt Claire Rukas</p>
3	<p>PEEL: Nottinghamshire Police causes of concern</p> <p>The force needs to make sure that neighbourhood police officers and police community support officers aren't diverted from their main duties to deal with other areas of demand.</p>	<p>Work being managed through Local Policing Board. Work on-going</p>	<p>ACC Hooks</p>

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.

M Kimberley, CPFA
 Chief Finance Officer, Nottinghamshire Police

K Meynell
 Nottinghamshire Police Chief Constable

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.

2022-23			2023-24			
Expenditure	Income (Note 14)	Net		Expenditure	Income (Note 14)	Net
£'000	£'000	£'000		£'000	£'000	£'000
292,233	(27,475)	264,758	Cost of Police Services	262,666	(33,689)	228,977
0	(272,743)	(272,743)	Funding from the Commissioner	0	(286,023)	(286,023)
292,233	(300,218)	(7,985)	Cost of Services	262,666	(319,712)	(57,046)
77,094	0	77,094	Financing and Investment (Income) and Expenditure	91,124	0	91,124
369,327	(300,218)	69,109	(Surplus) or Deficit on Provision of Services	353,790	(319,712)	34,079
		(1,003,782)	Other Comprehensive (Income) and Expenditure			14,068
		(934,673)	Total Comprehensive (Income) and Expenditure			48,147

MOVEMENT IN RESERVES STATEMENT (MIRS)

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.

2023-24	Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2023	0	1,998,048	1,998,048
Movement in reserves during year			
(Surplus) or deficit on the provision of services	34,079	0	34,079
Other Comprehensive (Income) / Expenditure	0	14,068	14,068
Total Comprehensive Income and Expenditure	34,079	14,068	48,147
Adjustments between accounting basis and funding basis under regulations	(34,079)	34,079	0
Decrease in year	0	48,147	48,147
Balance at 31 March 2024	0	2,046,195	2,046,195

2022-23	Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2022	0	2,932,721	2,932,721
Movement in reserves during year			
(Surplus) or deficit on the provision of services	69,109	0	69,109
Other Comprehensive (Income) / Expenditure	0	(1,003,782)	(1,003,782)
Total Comprehensive Income and Expenditure	69,109	(1,003,782)	(934,673)
Adjustments between accounting basis and funding basis under regulations	(69,109)	69,109	0
Increase in year	0	(934,673)	(934,673)
Balance at 31 March 2023	0	1,998,048	1,998,048

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.

2022-23 £000		2023-24 £000
(4,355)	Short-Term Creditors - Accumulated Absences	(3,659)
(4,355)	Current Liabilities	(3,659)
(1,993,693)	Other Long-Term Liabilities - Pension Liabilities	(2,042,536)
(1,993,693)	Long Term Liabilities	(2,042,536)
(1,998,048)	Net Assets	(2,046,195)
1,998,048	Unusable Reserves	2,046,195
1,998,048	Total Reserves	2,046,195

CASHFLOW STATEMENT

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

2022-23 £000		2023-24 £000
69,109	Net (surplus) or deficit on the provision of services	34,079
(69,109)	Adjustment to (surplus) or deficit on the provision of services for noncash movements	(34,079)
0	Net cash flows from activities	0

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 2023-24 (The Code) and the Best Value Accounting Code of Practice 2023-24, 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.

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 2023-24) 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. Accounts drawn up under the Code therefore assume that a Police and Crime Commissioner will continue to operate for the foreseeable future.

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

4. EXCEPTIONAL ITEMS

There are no exceptional items applicable in the year.

5. PRIOR PERIOD ADJUSTMENTS, CHANGES IN ACCOUNTING POLICIES AND ESTIMATE 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.

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.

7. GOVERNMENT GRANTS AND CONTRIBUTIONS

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

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.

9. JOINT OPERATIONS AND 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) for 2023-24 is as follows:

Ownership	Arrangement	Expenditure	2023-24 Income	Net
%		£000	£000	£000
27.30%	EM Major Crime	233	(233)	0
27.30%	EM Legal Services	621	(632)	(11)
27.30%	EM Serious Organised Crime	8,809	(8,808)	1
27.30%	EM Occupational Health Unit	5	0	5
31.42%	EM Learning & Development	491	(492)	(1)
27.30%	EM Forensics	3,089	(3,079)	10
22.60%	Emergency Services Network (ESN)	4	(4)	0
		13,252	(13,248)	4

The OPCC's does not have any Associate Entities in 2022-23.

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.

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.

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.

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.

2022-23				2023-24		
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
272,743	(7,985)	264,758	Cost of Police Services	286,023	(57,046)	228,977
(272,743)	0	(272,743)	Funding from the Commissioner	(286,023)	0	(286,023)
0	(7,985)	(7,985)	Net Cost of Services	0	(57,046)	(57,046)
0	77,094	77,094	Other (Income) and Expenditure	0	91,124	91,124
0	69,109	69,109	(Surplus) or Deficit on Provision of Service	0	34,079	34,079

2023-24	Net Pensions Statutory Instruments £000	Other Statutory Adjustments £000	Total Adjustments £000
Cost of Police Services	(56,350)	(696)	(57,046)
Net Cost of Services	(56,350)	(696)	(57,046)
Other Income and Expenditure	91,124	0	91,124
Difference between the Statutory Charge and the (Surplus) or Deficit in the Comprehensive Income and Expenditure Statement	34,775	(696)	34,079

2022-23	Net Pensions Statutory Instruments £000	Other Statutory Adjustments £000	Total Adjustments £000
Cost of Police Services	(7,932)	(53)	(7,985)
Net Cost of Police Services	(7,932)	(53)	(7,985)
Other Income and Expenditure	77,094	0	77,094
Difference between the Statutory Charge and the (Surplus) or Deficit in the Comprehensive Income and Expenditure Statement	69,162	(53)	69,109

The Net Change for the Pensions Adjustments in 2023-24 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).

14. INCOME

2022-23 £000	Credited to Services	2023-24 £000
(1,952)	Partnership and Joint Controlled Operations	(2,045)
(588)	PFI Grant	(588)
(4,810)	Recharge of Officers	(5,224)
(20,124)	Other Income	(25,832)
(27,475)	Total	(33,689)

15. INCOME AND EXPENDITURE ANALYSED BY NATURE

2022-23 £000	Nature of Expenditure or Income	2023-24 £000
(27,475)	Service Income	(33,689)
245,530	Employee Expenditure	212,131
46,703	Running Expenses	50,535
(272,743)	Income from Commissioner	(286,023)
0	Pension Interest Income	0
77,094	Pensions Interest Payment	91,124
69,109	(Surplus) or Deficit for Year	34,080

16. ADJUSTMENT BETWEEN ACCOUNTING AND FUNDING BASIS UNDER THE REGULATIONS

2022-23 £000	Adjustment between Accounting and Funding Basis under Regulations	2023-24 £000
69,162	Pension costs (transferred to / (from) the Pensions Reserve)	34,775
0	Pension reserve adjustment of PCC / CC b/f split	0
(53)	Holiday pay (adjustments to the Accumulated Absences reserve)	(695)
69,108	Total Adjustments to Revenue Resources	34,079

17. UNUSABLE RESERVES

2022-23 £000	Type of Reserve	2023-24 £000
1,993,693	Pensions	2,042,536
4,354	Accumulated Absences	3,659
1,998,047	Total	2,046,195

2022-23 £000	Pensions Reserve	2023-24 £000
2,928,314	Balance 1 April	1,993,694
(1,003,782)	Remeasurements of the net defined benefit liability/(asset)	14,068
146,859	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	115,966
(77,697)	Employer's contributions to pensions schemes	(81,191)
1,993,694	Balance 31 March	2,042,537

2022-23		Accumulated Absence Reserve	2023-24	
£000	£000		£000	£000
	4,408	Balance 1 April		4,355
(4,408)		Settlement or cancellation of accrual made at the end of the preceding year	(4,355)	
4,355		Amounts accrued at 31 March 20XX	3,659	
	(53)	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		(695)
	4,355	Balance at 31 March		3,659

18. EXTERNAL AUDIT COSTS

Grant Thornton UK LLP are the appointed external auditors.

The accrued cost is £51k but due to delays in the production of the 2022-23 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.

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. Employees and employers 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.

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 last Police Pension valuation took place in 2020.

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.

19. DEFINED BENEFIT SCHEME (CONTINUED)

2022-23		Pension Fund Comprehensive Income and Expenditure Statement	2023-24	
LGPS £000	Police £000		LGPS £000	Police £000
20,100	49,550	Current Service Cost	8,580	15,950
115	0	Admin Expense	136	0
0	0	Past Service Cost	185	(10)
0	0	(Gain) / loss from curtailments	0	0
4,184	72,910	Net interest expense / (income)	274	90,850
24,399	122,460	Total charged to (Surplus) and Deficit on Provision of Services	9,176	106,790
		Other Costs - Remeasurement of the defined benefit liability		
13,325	0	Return on Assets	(10,165)	0
32,527	158,610	Actuarial (gains) and losses - experience	1,526	65,920
0	(43,490)	Actuarial (gains) and losses arising on changes in demographic assumptions	(3,749)	0
(217,244)	(947,510)	Actuarial (gains) and losses arising on changes in financial assumptions	(8,582)	(42,420)
0	0	Other Actuarial (gains) and losses	0	0
0	0	Asset Ceiling	11,539	0
0	0	Return on plan assets (excluding the amount included in the net interest expense)	0	0
(146,993)	(709,930)	Total charged to the Comprehensive Income and Expenditure Statement	(256)	130,290

2022-23		Pension Fund Movement in Reserves Statement	2023-24	
LGPS £000	Police £000		LGPS £000	Police £000
24,399	122,460	Reversal of net charges made to the (Surplus) or Deficit on the Provision of Services	9,176	106,790
		Amount charged against the general fund balance for pensions in the year:		
(7,497)	0	Employers' contributions payable to the scheme	(9,071)	0
0	(70,200)	Retirement benefits payable to pensioners	0	(72,120)

2022-23		Pensions Assets and Liabilities Recognised in the Balance Sheet	2023-24	
LGPS £000	Police £000		LGPS £000	Police £000
(292,714)	(1,981,410)	Present value of the defined obligation	(297,823)	(2,039,580)
280,431	0	Fair value of plan assets	294,867	0
(12,283)	(1,981,410)	Value of Assets / (Liabilities)	(2,956)	(2,039,580)
(12,283)	(1,981,410)	Net (liability) / assets arising from the defined benefit obligation	(2,956)	(2,039,580)

19. DEFINED BENEFIT SCHEME (CONTINUED)

2022-23		Movement in the Value of Scheme Assets	2023-24	
LGPS	Police Officer Pension Scheme		LGPS	Police Officer Pension Scheme
£000	£000		£000	£000
285,768	0	Opening fair value of scheme assets	280,431	0
7,389	0	Interest income	13,345	0
		Re-measurement gain / (loss):		
(13,325)	0	The return on plan assets, excluding the amount included in the net interest expense	10,165	0
7,497	70,200	Contributions from employer	9,071	72,120
2,884	11,700	Contributions from employees into the scheme	3,184	12,560
(9,668)	(81,900)	Benefits / transfers paid	(9,654)	(84,680)
0	0	Other actuarial gains(losses) on assets	0	0
0	0	Asset Ceiling	(11,539)	0
(115)	0	Admin Expense	(136)	0
280,431	0	Closing value of scheme assets	294,867	0
LGPS	Police Officer Pension Scheme	Movements in the Fair Value of Scheme Liabilities	LGPS	Police Officer Pension Scheme
£000	£000		£000	£000
(452,542)	(2,761,540)		(292,714)	(1,981,410)
0	0	Opening fair value of scheme liabilities		
(20,100)	(49,550)	Analysis adjustment between PCC and CC		
(11,573)	(72,910)	Current service cost	(8,580)	(15,950)
0	(11,700)	Interest cost	(13,620)	(90,850)
(2,884)	0	Contributions from scheme participants	0	(12,560)
		Unusable Reserves	(3,184)	0
		Re-measurement gains and losses:		
(32,527)	(158,610)	- Actuarial gains / (losses) - experience	(1,526)	(65,920)
0	43,490	- Actuarial gains / (losses) from changes in demographic assumptions	3,749	0
217,244	947,510	- Actuarial gains / (losses) from changes in financial assumptions	8,582	42,420
0	0	- Actuarial gains / (losses) other	0	0
0	0	Past service cost	(185)	10
0	0	Gains / (losses) on curtailments	0	0
9,668	81,900	Benefits / transfers paid	9,654	84,680
(292,714)	(1,981,410)	Closing value of scheme liabilities	(297,823)	(2,039,580)
(12,283)	(1,981,410)	Net Pension Balance	(2,956)	(2,039,580)

The liabilities show the underlying commitments that the Force will eventually have for retirement benefits. The total liability of £2,042.5m 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 and the situation will be re-assessed 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 2024 are £9.2m and £28.6m 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 £30.9m (2022-23, -£6.1m). 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 £5.5m and a decrease by the same amount increases the pension liability by £5.7m.

For the police officers' scheme an extra 0.5% on the discounting rate used decreases the liability by £158m with a 0.5% decrease in the rate increasing the liability by the same amount.

Pension Assumptions	LGPS		Police	
	2022-23	2023-24	2022-23	2023-24
Mortality assumptions				
Longevity at 65 retiring today				
Men	20.7 yrs	20.4 yrs	21.9 yrs	21.9 yrs
Women	23.5 yrs	23.3 yrs	23.5 yrs	23.6 yrs
Longevity at 65 retiring in 20 years				
Men	22.0 yrs	21.7 yrs	23.5 yrs	23.6 yrs
Women	25.0 yrs	24.7 yrs	25.0 yrs	25.1 yrs
Rate of inflation				
CPI increases	2.90%	2.90%	2.60%	2.60%
Rate of increase in salaries	3.90%	3.90%	3.85%	3.85%
Rate of increase in pensions	2.90%	2.90%	2.60%	2.60%
Rate for discounting scheme liabilities	4.80%	4.95%	4.65%	4.75%

Value of LGPS Assets at Bid Value	2022-23	2022-23	2023-24	2023-24
	£000	%	£000	%
Equity Investments	163,450	58%	178,320	60%
Gilts	5,796	2%	7,061	2%
Other Bonds	16,609	6%	14,628	5%
Property	33,284	12%	31,346	11%
Cash	14,674	5%	17,753	6%
Inflation-linked pooled fund	14,155	5%	14,999	5%
Infrastructure	22,041	8%	21,317	7%
Unit Trust	10,421	4%	9,442	3%
	280,431	100%	294,867	100%

19. OFFICERS' REMUNERATION

2023-24							
Officers Remuneration	Note	Salary, Fees & Allowances (Note 1) £	Bonuses £	Expenses Allowances (Note 2) £	Compensation for Loss of Office £	Pension Contribution £	Total £
Chief Constable		190,529	0	0	0	57,473	248,002
Deputy Chief Constable		139,454	0	7,000	0	43,231	189,684
Assistant Chief Constable		123,887	0	6,000	0	33,336	163,223
Assistant Chief Constable	3	117,282	800	5,250	0	32,625	155,957
Chief Finance Officer		119,117	0	0	0	21,407	140,524
TOTAL CHIEF CONSTABLE		690,269	800	18,250	0	188,072	897,390

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: G Hooks bonus relates to the Mandatory Bonus Payment Scheme for 24/7 Duty Rota Superintendents/Chief Superintendents & 24/7 Firearms Commander paid in May before promotion to ACC.

2022-23							
Officers Remuneration	Note	Salary, Fees & Allowances (Note 1) £	Bonuses £	Expenses Allowances (Note 2) £	Compensation for Loss of Office £	Pension Contribution £	Total £
Chief Constable - C Guildford	3	128,231	0	5,419	0	37,136	170,786
Chief Constable	4	55,420	0	0	0	16,762	72,182
Deputy Chief Constable	5	34,845	0	1,806	0	0	36,651
Deputy Chief Constable - S Cooper	6	129,872	0	6,742	0	40,260	176,874
Assistant Chief Constable		111,369	0	6,000	0	28,786	146,155
Assistant Chief Constable	7 & 8	104,032	400	5,250	0	28,786	138,468
Chief Finance Officer	9	94,096	0	0	0	15,526	109,621
TOTAL CHIEF CONSTABLE		657,864	400	25,218	0	167,257	850,739

Note 1: Salary, Fees and allowances includes Rent Allowance, Housing Allowance, Compensatory Grant and Compensation for Loss of Office.

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

Note 3: C Guildford left 04/12/2022

Note 4: K Meynell wef 12/12/2022

Note 5: R Barber left 03/07/2022

Note 6: S Cooper DCC wef 22/06/2022

Note 7: G Hooks Temp ACC wef 22/06/2022

Note 8: G Hooks bonus relates to the Mandatory Bonus Payment Scheme for 24/7 Duty Rota Superintendents/Chief Superintendents, paid in May before promotion to ACC

Note 9: The CFO acted as joint CFO for the PCC and CC until Aug 2022, total costs are shown here

20. OFFICERS' REMUNERATION (CONTINUED)

The table below does not include the senior officers in the previous tables, or police officers below the rank of Chief Superintendent.

Employees Remuneration over £50,000		
	2022-23	2023-24
£50,001 to £55,000	19	28
£55,001 to £60,000	8	16
£60,001 to £65,000	5	4
£65,001 to £70,000	2	4
£70,001 to £75,000	1	1
£75,001 to £80,000	0	1
£80,001 to £85,000	3	0
£85,001 to £90,000	1	3
£90,001 to £95,000	1	0
£95,001 to £100,000	0	2
£100,001 to £105,000	0	0
£105,001 to £110,000	0	0
£110,001 to £150,000	0	0
£150,001 to £200,000	0	0
Total	40	59

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 £3.66m (£4.36m 2022-23).

20. OFFICERS' REMUNERATION (CONTINUED)

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.

8 contracts were terminated during the year (8 in 2022-23), incurring costs of £205.9k (£98.7k in 2022-23).

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 2024.

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)	
	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
£0 - £20,000	1	-	5	7	6	6	38	40
£20,001 - £40,000	-	-	2	1	2	1	60	20
£40,001 - £60,000	-	-	-	-	-	-	-	-
£60,001 - £80,000	-	-	-	-	-	-	-	-
£80,001 - £100,000	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	1	-	-	-	1	-	146
Over £150,000	-	-	-	-	-	-	-	-
Total cost included in bandings all included within the CIES	1	1	7	8	8	8	99	206

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.

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.

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.

24. ACCOUNTING STANDARDS ISSUED, NOT ADOPTED

For 2023/24 new standards that have been issued but not adopted relate to:

- IFRS 16 Leases issued in January 2016
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1) issued in January 2020
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) issued in September 2022
- Non-current Liabilities with Covenants (Amendments to IAS 1) issued in October 2022
- International Tax Reform: Pillar Two Model Rules (Amendments to IAS 12) issued in May 2023
- Supplier Finance arrangements (Amendments to IAS 7 and IFRS 7) issued in May 2023

The impact on the financial statements of the PCC and Group is either not applicable or not considered to be material.

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.

ACCOUNTING PERIOD

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.

ACCOUNTING POLICIES

These are a set of rules and codes of practice used when preparing the accounts.

ACCRUALS

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

The Police Reform and Social Responsibilities Act 2011.

ACTUARIAL GAINS AND LOSSES

For a defined benefit pension scheme, the changes in actuarial surpluses or deficits that arise because: Events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses); or the actuarial assumptions have changed.

AUDIT OF ACCOUNTS

An independent examination of the Force's financial affairs

BALANCE SHEET

A statement of the recorded assets, liabilities, and other balances at the end of the accounting period.

BUDGET

The forecast of net revenue and capital expenditure over the accounting period.

CIPFA

The Chartered Institute of Public Finance and Accountancy.

CODE

The CIPFA Code of Practice on Local Authority Accounting governs the content of these accounts.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (CIES)

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.

CONSISTENCY

The concept that the accounting treatment of like items, within an accounting period and from one period to the next, are the same.

CREDITOR

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.

CURRENT SERVICE COST (PENSIONS)

The increase in the present value of a defined benefits pension scheme's liabilities, expected to arise from employee service in the current period.

DEFINED BENEFIT PENSION SCHEME

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

The measure of the cost of wearing out, consumption or other reduction in the useful economic life of the PCC's fixed assets during the accounting period, whether from use, the passage of time or obsolescence through technical or other changes.

DISCRETIONARY BENEFITS (PENSIONS)

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 BALANCE SHEET DATE

Events after the Balance Sheet date are those events, favourable or unfavourable, that occur between the Balance Sheet date and the date when the Statement of Accounts is authorised for issue.

EXPECTED RETURN ON PENSION ASSETS

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.

GOING CONCERN

The concept that the Statement of Accounts is prepared on the assumption that the PCC will continue in operational existence for the foreseeable future.

GOVERNMENT GRANTS

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

Nottinghamshire Office of the Police and Crime Commissioner and its Group.

IFRS

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.

INTEREST COSTS (PENSION)

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

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.

MINIMUM REVENUE PROVISION (MRP)

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.

PAST COSTS (PENSIONS)

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

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.

REMUNERATION

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.

REVENUE EXPENDITURE

The day-to-day expenses of providing services.