

The Police and Crime Commissioner for Wiltshire and Swindon

Draft Group Statement of Accounts

Wiltshire and Swindon



These are considered draft accounts as they have not yet been subject to external audit

2025/26

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Narrative Report

The Police and Crime Commissioner (PCC) for Wiltshire is required to publish an Annual Group Statement of Accounts, which consolidates the financial results of both the PCC and the Chief Constable (CC) as separate legal entities. The Statement is presented in a format which complies with International Financial Reporting Standards (IFRS), the Code of Practice on Local Authority Accounting 2025/26 and the Accounts and Audit Regulations 2015.

The Statement of Accounts which follow disclose the 2025/26 financial results for the Police and Crime Commissioner for Wiltshire and Swindon (PCC) and for the Group accounts (PCC and Chief Constable). Comparative figures for 2024/25 are also shown. The Chief Constable for Wiltshire Statement of Accounts is available separately.

The Statement of Accounts also reflect the local arrangements in place for Wiltshire Police and the guidance and regulations provided through the Police Reform and Social Responsibility Act 2011, the Financial Management Code of Practice for the Police Service 2019, Financial Regulations for the Police and Crime Commissioner for Wiltshire and Swindon's Group and the scheme of delegation between the Police and Crime Commissioner and the Chief Constable.

The Office of the Police and Crime Commissioner for Wiltshire and Swindon and the Chief Constable for Wiltshire Police.

The Police Reform and Social Responsibility Act 2011 sets out requirements for the Office of the Police and Crime Commissioner for Wiltshire and Swindon (OPCC) and the Chief Constable for Wiltshire (CC) as two separate legal entities (corporations sole).

The Chief Constable is responsible for maintaining the King's peace and holds office under the Crown but is appointed by and accountable to the Police and Crime Commissioner (PCC) for the delivery of efficient and effective policing through suitable management of available resources. The PCC exercises their responsibilities through the governance framework, defined in the joint Force and PCC Annual Governance Statement (AGS), as explained in detail within this report. The PCC is furthermore held accountable by the Police and Crime Panel on behalf of the wider public.

Governance arrangements ensure the effective discharge of the monitoring officer and head of paid service functions. The monitoring officer ensures legal compliance, while the Chief Executive of the OPCC, as head of paid service, manages staff and supports operational policing.

For accounting purposes, the concept 'substance over form' requires that the economic substance of transactions and events must be recorded in the financial statements rather than just their legal form to present a true and fair view of the affairs of the entity. These accounts are produced in line with this concept and present the entity's financial position as set out in its financial regulations, scheme of delegations and other local arrangements.

The Chief Constable for Wiltshire has full operational control of Officers and staff except for the OPCC staff, and the related costs are disclosed in the Chief Constable's accounts and the Group Comprehensive Income and Expenditure Statement. This includes the Pensions costs.

The Police and Crime Commissioner has strategic control of all assets and liabilities and is responsible for establishing reserves and controlling all Cashflow. Due to this all balances or transactions recognised in the Group's Balance Sheet, Movement in Reserves Statement or Cashflow Statement are the responsibility of the Police and Crime Commissioner of Wiltshire. All income is recognised in the Comprehensive Income and Expenditure Statement of the Police and Crime Commissioner.

Although the Police and Crime Commissioner is responsible for all assets and liabilities, to comply with accounting and audit requirements, the pension liabilities are required to be disclosed in the Chief Constable's Balance Sheet. To recognise the fact that the Police and Crime Commissioner has ultimate responsibility for these long-term liabilities there is a long-term pension creditor in his Balance Sheet of equivalent value to the pension liability. To represent the Chief Constable's use of the PCC's assets, the CC receives charges equivalent to the running costs and capital financing incurred by the PCC. This charge is recognised in the Comprehensive Income and Expenditure Statements.

Internal audit arrangements conform with CIPFA standards and provide independent scrutiny of governance, risk management, and internal controls. Where deviations occur, alternative measures ensure equivalent assurance. External audit processes are fully supported, with timely responses to findings and recommendations reviewed by the Audit and Risk Committee.

Strategic Objectives & Performance

The Commissioner's Police and Crime Plan 2025-2029 set out the four key policing priorities for the next four years:

Priority 1: A Police Service that Meets Community Needs

- Enhancing visibility and responsiveness in your neighbourhoods.
- Building trust and confidence in Wiltshire Police.

Priority 2: Reducing Violence and Serious Harm

- Tackling domestic abuse, sexual violence, and organised crime head-on.
- Proactively addressing issues that cause the greatest harm.

Priority 3: Tackling Crimes that Matter Most to Communities

- Reducing anti-social behaviour, rural crime, and improving road safety.

Priority 4: Improving the Experience of Victims and Delivering Justice

- Supporting victims throughout their journey.
- Ensuring justice is served efficiently and compassionately.

The Chief Constable is allocated a revenue budget and is responsible for operational planning to deliver these priorities.

The revenue budget consists of just over 85% staffing which, alongside reductions in funding and change in demand, leads to new challenges in the way policing needs to be delivered. Wiltshire Police has invested in new technology and remains focused on partnerships and collaborations that will bring costs down and improve effectiveness. Further details of joint operations are available in the notes to the accounts.

In response to the Commissioner's key policing priorities, the Chief Constable has set out a Strategic Plan for the force.

The plan focuses on delivery across five key areas:

- Serving our communities, keeping them safe and preventing crime
- Delivering high standards of crime investigation and service for victims
- Delivering an efficient, effective, affordable and sustainable police operating model, configured to meet demand
- To embed a culture of organisational learning and continuous improvement
- Attract, retain, develop and inspire our workforce, supported by high standards of leadership and professionalism.

Delivery in these areas is underpinned by four key foundations – people, resources, communities and partnerships. Furthermore, these important foundations will also support the vision of being a progressive and inclusive organisation, proud to deliver a consistently professional police service, built on trust, understanding and respect. This is a three-year plan, supported by annual one-page delivery plans that align with it and are reviewed each year to reflect the evolving needs of our communities, rising demands, and emerging issues or threats.

Events that Impact the 2025/26 Accounts:

Impacts of Inflation and High Interest Rates

The UK continued to experience higher than target inflationary pressure of 3.3% (Consumer Price Index) in the twelve months to the end of March 2026 against the BoE (Bank of England) target of 2.0%. Meanwhile, the BoE reduced interest rates from 4.5% in April 2025 to 3.75% by the end of March 2026.

The following narrative outlines how the organisation has managed these conditions, continued to deliver effective operational policing, and the impact on the PCC's finances.

Impact of Funding Levels

In December 2025 the provisional funding settlement was announced by the Home Office which reported a combined increase of 6.7% from 2024/25. This increase was needed to fund both the Government's Neighbourhood Policing Guarantee and Policing Uplift initiatives, as well as cover the increased costs of providing policing. Therefore, through considered planning it was recognised that a further package of efficiencies of £5.6m would be required to ensure that the 2025/26 Budget would be balanced.

Impact on Service Provision

During 2025/26, overall demand for policing remained stable, however the nature of crime is gradually changing to more complex crime including higher levels of fraud and violence against women and girls. In addition, for wider context, Wiltshire is managing significant workload relative to its size and workforce when compared with similar forces across the UK.

Despite the ongoing pressures on operational functions, controls that were put into place during 2024/25 continued to ensure that spend remained within Budget (including overtime). This has resulted in general reserves being protected during 2025/26 and the introduction of a new capital reserve to support the further investments required in 2026/27 to drive further efficiency and effective policing.

Impact on the Financials of the Police and Crime Commissioner

The gradual decrease in interest rates has led to a lower return on the PCC's investments than previously anticipated of £0.830m in 2025/26 (2024/25: £0.949m), which ultimately led to further funding pressures during the year. Due to capital requirements in 2025/26 being funded from a combination of Capital Receipts and Revenue Cost of Capital (RCCO) contributions there was no further requirement to arrange further internal or external borrowing. This is expected to change in 2026/27 with the purchase of the land upon which to build the southern hub to be funded through external borrowing.

As in 2024/25, higher than planned interest rates and inflation continue to impact the PCC's assets. Asset values are affected by volatile market conditions, including the depreciated replacement cost with residual values reviewed each year and reflect changes in market prices. Any assets held for sale, which must be completed within one year, can be adversely impacted where interest rates remain uncertain and therefore delaying any potential sale.

The Fair Value of Financial Instruments have also remained stable in year with similar interest rates used in the discounting calculation. The fair value of the PCC's outstanding Public Works Loan Board (PWLB) borrowing at 31 March 2026 was £1.2m compared with a fair value of £1.2m at March 2025 for the same level of borrowing. The same also applies to the PCC's PFI liabilities. In simplified terms, if we were to take out these loans today the cost would be similar, and this valuation does not affect the Balance Sheet or Comprehensive Income and Expenditure Statement.

Funding

The total amount of the PCC's net cost of policing for 2025/26 was £147.065m (2024/25: £156.780m).

Debt Position

The Capital Strategy for 2025/26 set out a need for borrowing to finance future Capital plans.

There was no further borrowing taken out during 2025/26; planned borrowing for 2026/27 is £2.0m specifically to fund the remaining balance on the southern hub land purchase. The intention for 2026/27 is to borrow from the Public Works Loan Board (PWLB) at a fixed interest rate. Current borrowing includes an amount of £1.2m of internal financing which has been temporarily utilised to avoid external borrowing at the current higher interest rates. It is expected that this amount will be re-financed from external borrowing once the current rates become more beneficial.

Future Finances

Medium-term strategic plans were reported to the Executive Leadership Group in January 2026. These identified a shortfall of £4.6m for 2026/27. Within a wider Transformation programme targeted with delivering a new target operating model for Wiltshire Police, a Financial Efficiency Programme (FEP) was introduced to deliver efficiencies through the further rationalisation of Estates and staffing mix.

Summary of the 2025/26 Financial Year – Capital Expenditure

Capital expenditure in 2025/26 was £2.847m compared to an approved budget of £8.446m. Slippage of £5.599m was experienced at 31st March 2026, £5.202m of this slippage relates to the Estates strategy and £0.397m relates to IT projects. In 2025/26 the Police and Crime Commissioner's approved capital programme is funded from capital receipts and Revenue Contributions to Capital Outlay.

Future Capital Expenditure

An extensive review of Capital projects has resulted in a total original capital budget of £6.854m as of 1 April 2026. The largest spends within the capital plan relate to the purchase of the land for the southern hub, general estates strategy and IT projects.

Financial Position

The Police and Crime Commissioner's total net revenue spend for 2025/26 was £159.464m (2024/25: £158.428m).

As at 31 March 2026, the Police and Crime Commissioner reported negative net assets of £810.996m (2024/25: negative £808.619m). This position is explained primarily by the requirement to account for pension liabilities under International Accounting Standard (IAS) 19 – Employee Benefits.

All pensions must be accounted for in line with International Accounting Standard (IAS) 19, and in doing this, the PCC's liabilities do considerably exceed the assets, this is not considered to be an issue for as long as the Police and Crime Commissioner's Group remains a going concern or any successor remains liable for the future pension costs. It is also worthwhile noting that with all Police Pension Schemes being unfunded (i.e. no assets are held to fund future costs) that this position will be reflected in all Police Group accounts.

The actuaries, Hymans Robertson LLP (Police Officers Pension Scheme) and Barnett Waddingham (Local Government Pension Scheme), have valued the Pension Funds for 2025/26. The combined outcome is an increase in Pension Scheme liabilities of £1.500m (2024/25: Decrease £117.443m).

The increase in liabilities is in part made up the effect of restricting the pension fund surplus for the Local Government Pension Scheme (LGPS) at year end of £69.384m (2024/25: £54.781m). In line with IFRIC 14 the pension asset has been limited to the lower of the:

- the surplus in the defined benefit plan, and
- the asset ceiling.

In line with the guidance the value of the LGPS has been limited to the asset ceiling. More details can be found in the Pension note (Note 30).

If the Pensions liabilities under IAS 19 had not been included, the net assets of the Police and Crime Commissioner would stand at £43.404m as at 31 March 2026 (2024/25: £44.281m):

2024/25 £000	Financial Position as at 31 March	2025/26 £000
56,834	Buildings, Vehicles, IT and Equipment Assets owned	53,918
25,634	Cash at Bank, Investments and money due from customers	31,377
82,467	Total Assets	85,295
-19,584	Amounts due to be paid out in the next year	-25,164
-1,669	Long-term Borrowings	-1,618
-16,933	Amount due to be paid out for PFIs over the next 20 years	-15,109
-38,186	Total Liabilities	-41,891
44,281	Total Net Assets	43,404

The General & Earmarked Reserve balance at 31 March 2026 is £9.436m (2024/25: £7.421m). These provide financial resilience and may be utilised to manage significant one-time costs or funding shortfalls in future years.

Summary of the Police and Crime Commissioner's Group Revenue Expenditure 2025/26

Actual 2024/25 £m		Actual 2025/26 £m
80.145	General Government grants	82.937
73.527	Income received from the Collection Fund	78.469
0.272	Reserve transfer for expected shortfall in Council Tax	
153.944	Approved NRE budget	161.407
1.349	Non-ringfenced Pay Award grant	0.000
20.574	Home Office top-up grant	21.643
175.867	Income from Government grant and local taxpayers	183.050
-156.780	Net Cost of Services	-147.065
	Adjustment for Notional Sums included above	
-6.468	- Pensions (IAS 19)	-14.910
5.741	- Capital Financing	4.481
-0.639	- Employee Benefits Accrual (IAS 19)	-0.187
-1.062	- Minimum Revenue Provision	-1.132
4.624	Net Contributions to Reserves	1.607
-20.574	Payment to Police Pension Fund to meet Deficit	-21.643
0.710		4.201
-0.570	Less Net Interest payable and similar charges	-0.651
0.140	Surplus/(Deficit) Transferred to/from the General Reserve	3.550

The table above summarises the Income and Expenditure and identifies any change in the general reserve. The recognised format of this statement does not allow an underspend or overspend to be clearly identified. The provisional revenue outturn reported to the Police and Crime Commissioner in April 2026 identifies a net underspend of £3.550m in the accounts (2024/25: underspend of £0.140m). The table below shows the underspend and how it relates to the surplus transferred to the general reserve.

2024/25 £m	Description	2025/26 £m
156.780	Net Cost of Services	147.065
6.468	Notional Sums Adjustment – Pensions (IAS 19)	14.910
-5.741	Notional Sums Adjustment – Capital Financing	-4.481
0.639	Notional Sums Adjustment – Employee Benefits (IAS 19)	0.187
1.062	Notional Sums Adjustment – MRP	1.132
0.570	Add Net Interest payable in year	0.651
-1.349	Add Non-ringfenced Pay Award Grant	0.000
158.428	Revised Cost of Service	159.464
153.944	Approved NRE Budget	161.407
4.624	Reserves Transfers	1.607
158.568	Total Approved Budget	163.014
0.140	Surplus/(Deficit) Transferred to/from the General Reserve	3.550

The main features of the accounts are:

- **The Annual Governance Statement** – gives an assessment of internal control procedures.
- **The Statement of Accounting Policies** – explains the basis of the figures in the accounts.
- **The Comprehensive Income and Expenditure Statement** – summarises the income and expenditure on Police services and brings together all the recognised gains and losses of the Police and Crime Commissioner’s Group accounts in the year.
- **The Movement in Reserves Statement** – shows the movement in the year on the different reserves held by the Police and Crime Commissioner, analysed into ‘usable’ (can be applied to fund expenditure) and ‘unusable’ reserves.
- **The Balance Sheet** – sets out the financial position of the Police and Crime Commissioner and the Group at 31 March 2026.
- **The Cash Flow Statement** – consolidates the total movement of the Police and Crime Commissioner’s funds.
- **The Police Pensions Fund Account** – summarises Pensions movements for the year.

Statement of Responsibilities for the Statement of Accounts

The Police and Crime Commissioner is required:

- To make arrangements for the proper administration of its financial affairs and to ensure that one of its officers (Chief Finance Officer) has the responsibility for the administration of those affairs.
- To manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- To approve the Statement of Accounts.

I confirm that these accounts have my approval

P Wilkinson
Police and Crime Commissioner for Wiltshire and Swindon
Date:

The Chief Finance Officer

The Chief Finance Officer is responsible for the preparation of the Statement of Accounts for the Police and Crime Commissioner for Wiltshire and Swindon's Group in accordance with proper practice as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom ("the Code of Practice").

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

- Selected suitable accounting policies and applied them consistently.
- Made judgements and estimates that were reasonable and prudent.
- Complied with the Code.

The Chief Finance Officer has also:

- Ensured that proper accounting records were kept up-to-date.
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that I believe the Statement of Accounts presents a true and fair view of the financial position of the Police and Crime Commissioner for Wiltshire and Swindon and the Group as at 31 March 2026 and its income and expenditure for the year ended 31 March 2026. Events that have occurred after the balance sheet date have been considered to the date of approval.

Chief Finance Officer's Statement – Draft Accounts (Unaudited)

The draft Statement of Accounts for the year ended 31 March 2026 has been prepared in accordance with the requirements of the Accounts and Audit Regulations 2015. Based on the information provided to date, and within the constraints of the time and access available, I am not aware of any material misstatements within these draft accounts. However, due to the limited opportunity to review working papers and the final version of the statements prior to publication, I am unable to provide the level of assurance that would ordinarily accompany my review at this stage. These draft accounts are therefore published on the understanding that they are subject to change and further assurance as part of the statutory audit and final sign-off process.

G Papworth
S.151 Officer and Chief Finance Officer (OPCC)
Date:

For further information concerning any items contained in this Statement, please write to Chief Finance Officer, Police HQ, London Rd, Devizes, Wiltshire, SN10 2DN, or telephone (01380) 734023.

Joint Annual Governance Statement 2025/26

Police and Crime Commissioner for Wiltshire and Swindon and the Chief Constable for Wiltshire Police

This statement confirms the position as of 31 March 2026 for the two corporations sole, the Police and Crime Commissioner (PCC) and Chief Constable of Wiltshire Police, govern both jointly and separately.

Context

The principal statutory legal framework within which the corporations sole operate is:

- Police Reform and Social Responsibility Act 2011.
- Policing Protocol Order 2011.
- Financial Management Code of Practice for the Police (Home Office, 2018).
- Strategic Policing Requirement.
- Code of Ethics.
- Victims' Legislation.

The position as of 31 March 2026.

Introduction

This Joint Annual Governance Statement (AGS) sets out how the Police and Crime Commissioner for Wiltshire and Swindon and the Chief Constable of Wiltshire Police have ensured robust governance arrangements are in place during 2025/26.

It outlines how the organisations comply with the principles of good governance as defined in the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government (2016)* and how these arrangements support the effective delivery of services and achievement of objectives.

Scope of Responsibilities

The Police and Crime Commissioner (PCC) and the Chief Constable (CC) are responsible for ensuring that their business is conducted according to the law and proper standards, ensuring that public money remains safeguarded, appropriately accounted for, and used economically, efficiently, and effectively.

The PCC is responsible for the governance and oversight of policing in Wiltshire and holds the Chief Constable (CC) to account for the operational delivery of policing services.

By law, the PCC must appoint a Chief Executive (CEO), who is also the Head of Paid Service, to ensure that the PCC's functions are properly co-ordinated and that staff and management arrangements are appropriately organised. The CEO also fulfils the statutory role of Monitoring Officer and must report on any matters they consider to be unlawful or to amount to maladministration.

The CC is responsible for maintaining the King's Peace and has direction and control over all police matters, including the governance of the Force and the allocation of resources to police officers and staff.

By law, both the PCC and the CC must appoint a Chief Financial Officer (CFO) who is responsible for the proper administration of financial affairs. The PCC's CFO is also the Section 151 Officer and has specific statutory duties to ensure that proper financial administration arrangements are in place.

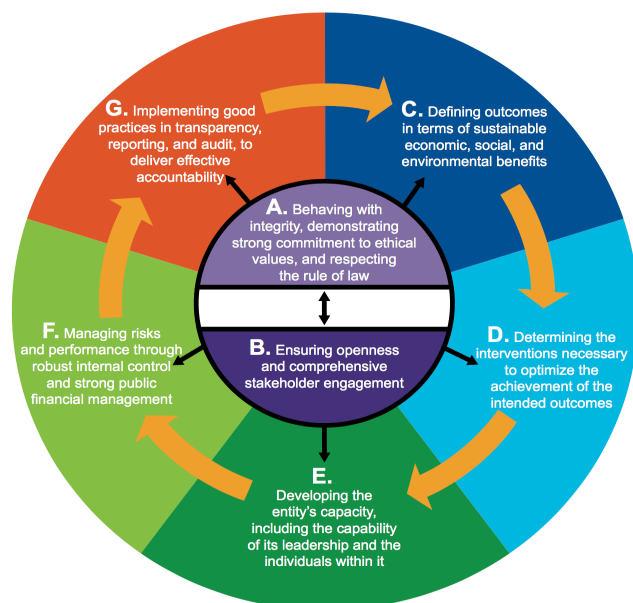
Both corporations sole must ensure their business is conducted in accordance with the law and proper standards, and that public money is safeguarded, accounted for, and used efficiently and effectively.

The Purpose of the Corporate Governance Framework

The corporate governance framework comprises systems, processes, culture, and values that direct and control organisational activity. It enables the PCC and Chief Constable to monitor performance and deliver the Police and Crime Plan and associated policing priorities while upholding principles of transparency, accountability, and integrity.

The Governance Framework

The jointly agreed Code of Corporate Governance is built around the seven core principles of good governance. These principles underpin all policies and decisions, ensuring ethical leadership, effective risk management, stakeholder engagement, and efficient use of resources. Oversight is provided through internal controls, financial regulations including external audit and the work of the Joint Independent Governance, Risk and Audit Committee (JIGRAC).



Communicating the Police and Crime Plan

Making Wiltshire Safer, the PCC's Police and Crime Plan 2025 - 2029, has been developed through public engagement and strategic analysis. It sets clear outcomes and priorities and is communicated via digital channels, printed materials, and direct engagement with communities and partners. The Chief Constable aligns operational delivery to the Plan through performance management, ensuring priorities are translated into measurable actions including the strategic plans on a page.

Delivering the Framework

The delivery of the governance framework is achieved through integrated structures, systems, and behaviours within both the OPCC and Wiltshire Police. Key components include:

- A jointly maintained Scheme of Corporate Governance setting out decision-making responsibilities, financial limits, and delegations which has been reviewed and updated during 2025/26
- Regular oversight through formal governance boards, including attendance by senior officers and the PCC to review performance, risks, financial management, and strategic decisions
- A clear set of policies and procedures, including anti-fraud, whistleblowing, and complaints processes, ensuring ethical and lawful conduct
- Routine scrutiny and assurance via internal audit provide by SWAP (South West Audit Partnership), external audit provided by Bishop Fleming and Force audit by HMICFRS (His Majesty's Inspectorate of Constabulary and Fire & Rescue Services)
- Further Force governance and oversight provided by the Joint Independent Governance, Risk and Audit Committee (JIGRAC). This is a specialised, independent committee designed to provide advice, assurance, and recommendations to the Police and Crime Commissioner (PCC) and the Chief Constable
- The embedding of ethical values through the Code of Ethics, reinforced via leadership, training, and workforce development initiatives
- Shared operational and strategic planning frameworks, including Medium-Term Financial Strategies, capital and resource planning, and business continuity planning
- Regular review and monitoring of corporate risks, informed by an active risk management strategy
- Mechanisms for effective community engagement, including public consultations, Independent Advisory Groups, and formal engagement through the Police and Crime Panel
- Annual assessments, including this statement, that enable reflection, learning, and improvement in the application of governance

These processes collectively ensure that the governance framework is not static but embedded into the culture and day-to-day practices of both organisations.

Key Roles, Responsibilities and Delegations

The PCC and Chief Constable maintain a clear division of responsibilities, codified in the Policing Protocol Order 2011 and local governance schemes. Delegations to senior officers are outlined in the Scheme of Delegation and enable timely decision-making and operational responsiveness. The Chief Executive (Monitoring Officer), Chief Finance Officers (PCC and Force), and operational leaders play vital roles in upholding these delegations.

Standards of Conduct

Both organisations operate in accordance with the Nolan Principles and the College of Policing's Code of Ethics. Registers of interests, anti-fraud policies, whistleblowing procedures, and disciplinary frameworks are in place and regularly reviewed. Conduct is monitored by internal mechanisms and independently scrutinised through the Joint Independent Governance, Risk and Audit Committee (JIGRAC).

Contract and Risk Management

Contract management is governed by Financial and Contract Regulations, with oversight provided by the Chief Executive of the Office of the Police and Crime Commissioner (OPCC). During 2025/26, the OPCC introduced a new procurement governance process, jointly supported by the Force, and established a dedicated procurement team reporting through the OPCC CFO to the OPCC CEO. These changes will continue to embed new processes and strengthen routine contract governance during 2026/27. Benefits realised during 2025/26 included the introduction of a contract pipeline, identification of key contracts nearing expiry, increased scrutiny of new procurements, and improved compliance with the Procurement Act (2023), which came into force on 24th February 2025.

The OPCC and the Force continue to receive specialist support on procurement, contract law, and tendering through a collaboration arrangement with South West Police Procurement Services (SWPPS).

Risk is managed through integrated risk registers, assurance frameworks, and business continuity plans. Significant risks are escalated to senior leaders and reviewed by JIGRAC.

Role of the JIGRAC

The Joint Independent Governance, Risk and Audit Committee (JIGRAC) provides independent expertise, guidance and assurance on the adequacy of the governance and control frameworks. It reviews financial reporting, risk management, and internal and external audit findings, and supports continuous improvement in governance arrangements.

The Police and Crime Panel (PCP) scrutinises and supports the work of the Police and Crime Commissioner, including review of the proposed precept, budget and Police and Crime Plan. The OPCC CFO ensures that the Panel receives the financial information required to support that scrutiny.

Statutory and Policy Compliance

The PCC and Chief Constable ensure compliance with all relevant legislation, including the Police Reform and Social Responsibility Act 2011, Equality Act 2010, General Data Protection Regulation (GDPR), and Freedom of Information Act 2000. Regular training, internal audit, and legal advice contribute to maintaining compliance.

Complaints Procedures

Complaints processes are compliant with national frameworks. The PCC has oversight of complaints against the Chief Constable, while the Force's Professional Standards Department manages complaints against officers and staff. The OPCC provides a public complaints and correspondence function, with quarterly reporting and scrutiny mechanisms in place.

Community Engagement

The OPCC and Wiltshire Police engage widely and frequently with the public through consultations, surveys, social media, community forums, and outreach initiatives. Feedback is used to shape policy, inform priorities, and ensure services are responsive to public need.

Partnerships & Collaborations

The OPCC and Wiltshire Police work through a broad range of statutory and collaborative partnerships at local, regional and national level. These arrangements support delivery of the Police and Crime Plan, strengthen safeguarding and community safety, and help ensure that shared priorities are translated into coordinated action across agencies. There are requirements of both the PCC and Wiltshire Police to collaborate in general and on specific areas.

Key statutory partnerships include Community Safety Partnerships, safeguarding arrangements for children and adults, domestic abuse and serious violence partnerships, youth justice and reducing reoffending arrangements, and wider criminal justice and victim-focused forums. Typically the OPCC utilise the arrangements to shape strategic direction, convenes and commissions activity, and ensures alignment with local priorities, while the Force contributes operational leadership, intelligence, problem-solving and day-to-day delivery.

In addition to these statutory arrangements, the OPCC and the Force work with regional forces and wider public sector partners where collaboration improves resilience, efficiency or service delivery, including through established regional collaboration structures. Formal agreements and governance arrangements are used where required to provide clarity of purpose, accountability and oversight.

Review of effectiveness in 2025/26

The delivery of the governance framework is achieved through integrated structures, systems, and behaviours within both the OPCC and Wiltshire Police as detailed in the AGS.

The key components of the governance framework are wide ranging and are detailed below, all of which have been in place throughout the 2025/26 period.

- The role of Police and Crime Commissioner
- The role of Chief Constable
- The role of Chief Executive & Monitoring Officer
- The role of Chief Financial Officers (OPCC & Force)
- The Scheme of Governance
- PCC governance and accountability structures (Executive Management Team & PCCs Executive Leadership Team)
- The Joint Independent Governance and Risk Audit Committee (JIGRAC)
- The Police and Crime Panel
- Wiltshire Police Chief Officer Group (COG)
- The OPCC's Executive Leadership Team
- Transparent Decision Notices and log
- Performance Reporting
- Risk Management
- Professional Standards
- Procurement governance

As Wiltshire Police exited the Engage monitoring process in May 2024, the Force has focused on addressing the areas for improvement (AFIs) across operational and corporate service functions. During 2025/26, a further PEEL inspection was carried out by HMICFRS, concluding in December 2025, with findings published in April 2026. This included continued open and transparent engagement with the HMICFRS inspectorate throughout 2025/26.

The joint PCC and Force view is that positive progress has been made in addressing the AFIs from the 2024 PEEL report. In addition, the necessary governance, reporting, and plans are in place to continue driving improvement. Progress against this is reported to the PCC. The OPCC has a clear management and performance structure that oversees all aspects of its strategic direction, service delivery, performance, resource and risk management. This is overseen by the Chief Executive, who reports progress to the PCC.

To respond to a key AFI relating to strategy, Wiltshire Police communicated its strategic priorities and deliverables for the next three years in order to successfully support delivery of the PCC's Police and Crime Plan.

To underpin delivery of the strategic plan, the annual business planning process operates across all departments and informs the production of in-year plans on a page (POAP), which are cascaded to the workforce. These then form the basis for departmental, functional, and team-level strategy and planning.

More detailed strategy is shared with stakeholders, HMICFRS and the wider public through the annual Force Management Statement (FMS). The FMS sets out how POAP will be delivered across the Force, including the development of new system capabilities, implementation of the digital, data and technology (DDaT) strategy, and embedding procurement processes. The FMS also supports OPCC scrutiny and assurance over key Force activities, including monthly reviews of progress and performance.

During 2025/26, the Force continued to deliver governance through four strategic boards covering People, Change, Improvement and Performance. In addition, the Financial Review Programme (FRP), which targeted delivery of £5.2m of in-year efficiencies, was supported by a dedicated board. Following completion of the programme and delivery of benefits, the FRP board was consolidated in January 2026 into the newly created Transformation Board.

The performance framework informs the OPCC and Wiltshire Police through a range of key performance indicators (KPIs) and bespoke departmental scorecards presented via a business intelligence product (CLIQ). In addition, standard monthly reports are provided to each governance board at strategic and tactical level to demonstrate performance, highlight issues, and drive further improvement. An internal operational audit and assessment capability continues to be provided through a third party (SWAP Internal Audit Services). Internal audit focuses on areas where inherent risk exists, identifying improvements for the Force to implement to strengthen governance and, ultimately, support improved operational performance.

PEEL Inspection

Throughout Q1 to Q3 2025/26, HMICFRS carried out the full assessment of Force effectiveness, efficiency, and legitimacy. This comprehensive work concluded towards the end of Q3 with draft findings shared during December 2025. The full report was published in April 2026.

AFIs have been tracked monthly through the Strategic Improvement Board (SIB), which forms part of the overall Force governance framework and is chaired by the Deputy Chief Constable (DCC). This has ensured that performance has been closely monitored, issues are addressed, and open engagement with HMICFRS has been maintained. Minutes and actions from the SIB are circulated to support clarity of ownership and a focus on agreed deadlines.

Feedback and early indications, prior to the formal publication in April 2026, have been positive in relation to closing long-standing AFIs and demonstrating improvement in Force performance.

Financial Planning

During 2025/26, enhanced budget monitoring reporting was delivered in-year in all but two of the twelve periods, including all business-critical reporting periods. This included a revenue forecast to year-end, incorporating evaluated risks and opportunities. This enabled a transparent and responsive approach to managing expenditure with the Chief Officer Group (COG) and through direct engagement with the OPCC, including monitoring the impact of unbudgeted (but approved) pressures and additional efficiencies.

The development of the Mid Term Financial Strategy (MTFS) began early in 2025, to allow greater focus, including aligning on the national & regional level assumptions, early indications of funding settlement from June 2025 onwards and alignment with force priorities from the FMS. A full review of the first draft was completed in November 2025, with the agreement of a further efficiency programme requirement for 2026/27 to close a funding gap of £4.6m. The focus on MTFS was to achieve financial sustainability and stability from 2027/28 onwards.

During 2025/26, reserves were reviewed and simplified to reduce the number of reserves covering historic risks and ensure that the general reserve is enhanced to circa 2.0% of NRE. Whilst this level of general reserve remains low against the national average (circa 3.5% of NRE) the MTFS includes the steady growth of this general reserve by 2030/31 to 2.2% of NRE. This will be reviewed again through the 2026/27 MTFS in close consultation with the OPCC with approval from the PCC.

Through the careful control and monitoring through Budget Monitoring in 2025/26 and the delivery of a positive revenue variance to Budget, the reserves were protected. This was a key objective delivered through a common understanding and approach between Force and OPCC. This approach has enabled the introduction of a capital reserve for 2026/27 to provide greater resilience in capital funding where the timing of capital receipts is not certain.

Public Engagement & Transparency

Throughout 2025/26, both the Office of the Police and Crime Commissioner (OPCC) and the Force maintained a commitment to transparency and public engagement in financial planning. During the precept consultation period (December 2024 to February 2025), which informed the 2025/26 budget setting process, multiple media releases were issued to inform residents about proposed budget allocations and to invite public feedback.

The OPCC and the Force also provided opportunities for community input through online surveys, Facebook Live sessions, and public forums involving the Chief Constable and the PCC, thereby ensuring that the views of Wiltshire residents informed policing priorities, budget setting for the Force and the OPCC, and the precept element of Council Tax.

The Police and Crime Commissioner presented the budget to the Police and Crime Panel, reflecting the community's input and financial considerations. All relevant documents, including budget proposals and consultation outcomes, were made accessible on the OPCC website, which is regularly updated to ensure transparency.

The Chief Finance Officer of the OPCC oversees the publication of financial information in accordance with audit requirements and in support of accountability. These arrangements demonstrate the OPCC's commitment to public engagement and open communication in relation to financial decision-making.

As part of the commitment to transparency and accountability, both the Police and Crime Commissioner (PCC) and Wiltshire Police comply with the Freedom of Information Act 2000 (FOIA). Freedom of Information requests provide the public with a statutory right to request information held by public authorities, and each request is assessed to determine whether the information is held and whether disclosure is required, subject to any applicable exemption under the Act.

In responding to requests including FOI, Subject Access Requests (SAR), and other forms of disclosure i.e. Environmental Information Regulations (EIR), the first stage is to determine whether the requested information is held by either the OPCC or Wiltshire Police. Where information is held, a further assessment is undertaken to determine whether it is suitable for disclosure under the Act, taking account of any relevant exemptions. Where exemptions may apply, the matter is considered internally, with advice sought from senior leaders or legal advisers as appropriate to ensure compliance with the statutory framework.

All relevant staff are made aware of the procedures and protocols relating to FOI requests and are provided with clear guidance on the appropriate response process. Any concerns regarding disclosure, including the possible application of an exemption, are reviewed collaboratively and subject to oversight by senior management before final decisions are taken.

For specific requests, the relevant member of staff liaises with the appropriate department to confirm whether the information is held and to facilitate disclosure where appropriate. Any concern regarding the potential application of an exemption is addressed promptly in consultation with the relevant managers and legal advisers.

Data Security

Throughout 2025/26, Wiltshire Police continued to invest in contemporary information and communication technologies to enable flexible and secure remote working both within and beyond the traditional workplace. Adoption of core components of the Digital, Data & Technology Policing Programme has further strengthened information management by providing a secure platform aligned to blueprint standards. Specifically, these programmes enable:

- Agile access to information and tasks
- Ways of working that continue to improve outcomes for citizens and protect the most vulnerable
- Enhanced capability to monitor and respond to cyber threats
- Processes that enable digital transfer of material
- Tools to support effective resource management and delivery of specialist capabilities
- A common platform enabling collaboration with other forces and wider partners
- Improved efficiency and interoperability
- Enhanced information access rights and improved access rights management

Unanticipated demand continues to be reviewed through established governance and prioritisation processes. Where necessary, additional resources may be considered and, subject to approval, funded and recruited for specific, time-limited periods.

In relation to data breaches identified during 2025/26, 153 cases were recorded, of which 17 met the threshold for reporting to the Information Commissioner's Office (ICO). Where matters were reported to the ICO, none resulted in enforcement action or criticism of organisational weaknesses or governance arrangements.

The OPCC follows data protection requirements when using Force systems and has aligned relevant policies and procedures for the management of its information.

Internal Audit Annual Opinion

The internal audit service for both the Office of the Police and Crime Commissioner (OPCC) and Wiltshire Police is provided by the South West Audit Partnership (SWAP).

For the prior year of 2024/25, the Head of Internal Audit provided an overall opinion of Limited Assurance. This reflects that internal audit work undertaken during the year identified a generally sound system of governance and internal control, with areas of good practice observed across several core operational and corporate processes. Where control weaknesses were identified, these were not pervasive, and management has accepted and begun implementing agreed recommendations to strengthen arrangements.

For the current year of 2025/26, the Head of Internal Audit has provided an overall opinion of Limited Assurance. This reflects that internal audit work during the year provided ongoing assurance across governance, risk management and internal control. However, the improvements achieved had not yet translated into a change in the overall rolling assessment at that point in the year.

Internal audit delivered a risk based programme covering ICT (shortly to become Digital Data and Technology) asset management, ICT disaster recovery, establishment control, and key financial controls relating to exception reporting. All reports identified areas of weakness and, in some cases, governance gaps, which informed the Limited Assurance opinion. Management has accepted all recommendations and continues to address the issues and associated mitigating actions. Progress is being monitored through the OPCC governance framework and the Joint Independent Governance, Risk and Audit Committee (JIGRAC).

The Head of Internal Audit's Annual Report for 2025/26 also highlighted concerns regarding the visibility of financial information available to senior management and included a recommendation for a periodic KPI and exception reporting pack for senior leaders.

The internal audit function operated in compliance with PSIAS and maintained organisational independence. There were no significant restrictions on scope and no impairment to forming the annual opinion. Follow up work confirmed that a number of prior recommendations were implemented or underway; however, several significant actions remained in progress at year end and form part of the targeted improvement programme during 2026/27.

JIGRAC has exercised its oversight role throughout the year by reviewing internal audit plans and reports, monitoring recommendation implementation and seeking assurance from management on the pace and effectiveness of remedial actions.

Taking this together, the Limited Assurance opinion has been explicitly considered in preparing this Annual Governance Statement and informs the identification of significant governance themes in the following sections.

External Audit Opinion and Basis for Disclaimer

The external auditor issued a disclaimer of opinion on the Police and Crime Commissioner's 2023/24 financial statements. This was primarily due to the prior year (2022/23) audit also receiving a disclaimer, which limited the auditor's ability to obtain sufficient and appropriate audit evidence in relation to opening balances for 2023/24. The 2024/25 audit opinion for the PCC remains disclaimed based on the issues described above but the Chief Constable opinion has been updated to qualified which is one year ahead of the build back assurance timetable. The external auditor did not report any matters of unlawful expenditure or material fraud. Nor were any statutory recommendations or public interest reports issued. Nevertheless, actions to address the underlying governance and financial control weaknesses that contributed to these audit limitations remain ongoing.

Pension Administration

Wiltshire Police outsources its officer pension administration to XPS. During 2025/26, historic issues and outstanding cases reported from 2024/25 relating to the McCloud/Sargeant Remedy are now reduced to 20 (consisting of 3 active members and 17 deferred members), with XPS actively investigating. Outstanding cases relating to the Scheme Sanction Charges issue also reported from 2024/25 have been reduced to 23, which also remain with XPS to close.

Financial Sustainability

The 2025/26 financial year presented a significant challenge in ensuring that expenditure was managed within approved budget and funding levels. This included delivery of the Financial Review Programme, which was intended to secure £5.2 million of efficiencies. Further cost pressures were identified during the year and were managed through new control measures, resulting in a favourable year-end budget outturn. These measures were reviewed and agreed through the existing governance framework and have informed a further review and simplification of governance arrangements for 2026/27. During 2025/26, savings and efficiencies were achieved through a review of capital expenditure, which resulted in the deferral or reduction of investment in Force assets. Decisions relating to capital expenditure were governed through the OPCC governance framework, but this has highlighted a key area for further improvement in 2026/27 to provide greater transparency regarding capital expenditure, capital funding, and the use of reserves.

Governance Assurance

Despite the challenges outlined above, governance arrangements in other key areas have remained robust. There is no evidence of a significant breakdown in core financial controls, including those relating to procurement, payroll, and pensions administration. There have been no known instances of unauthorised expenditure, material losses, fraud, or non-compliance with Contract Standing Orders or Financial Regulations. Furthermore, there are no significant concerns to report regarding the effectiveness of governance structures or leadership. A high degree of transparency continues to be maintained in decision-making processes, including those relating to contracts, appointments, and the allocation of budgets.

PEEL Inspection

In the previous 2024 PEEL report, four areas were graded as requiring improvement, namely engaging and treating people fairly, responding to incidents, investigating crime, and protecting vulnerable people. This was the first PEEL inspection undertaken after Wiltshire Police exited the Engage process in 2022. Throughout 2025/26, the HMICFRS inspection team remained regularly engaged with the Force to observe directly how these issues and the associated AFIs were being addressed. The full PEEL report for 2025 was published in April 2026 with significant progress over a number of areas being reported.

Internal Audit Findings and Governance Themes (2025/26)

Whilst no significant governance issues were identified through the internal audit work carried out by SWAP, the most significant themes identified are below. SWAP did acknowledge the ongoing work during 2025/26 which will deliver improvements into 2026/27 around restructuring Finance, segregation of duties in key roles, enhancement of governance structures and improved monitoring at governance boards and JIGRAC.

- Financial Governance and Visibility of Information: specifically, the quality, consistency, timeliness and visibility of financial information to senior management
- Key Financial Controls and Exception Reporting: inconsistent application of controls, limited documented evidence and legacy arrangements continued to present risk until structural changes were embedded
- Procurement and Contract Management: incomplete governance structures, inconsistent contract oversight and lack of clearer ownership and accountability
- Establishment Control and Workforce Governance: gaps in assurance over workforce numbers and changes, risks arising from data integrity and reconciliation issues, and over reliance on manual controls
- ICT and Resilience Arrangements: ICT disaster recovery and asset management and control
- Management of Internal Audit Actions: significant audit actions remaining open at year end and stronger internal processes were required to track, evidence, and escalate delayed actions

JIGRAC's Issues and Concerns (2025/26)

JIGRAC did not identify any single significant governance failure during 2025/26, but it did raise concerns in a number of thematic areas that require sustained improvement beyond the completion of individual actions. These matters will continue to be monitored throughout 2026/27.

- Financial governance and visibility: Further to the internal audit recommendations described, further depth of reporting required to provide decision-ready intelligence particularly around forecasting and budgeting
- Pace and completion of audit actions: clearer milestones and delivery timetables, clearer accountability and evidence of impact. Enhanced tracking and evidence monitoring is also required
- Risk management consistency: addressing inconsistencies around risk identification, escalation and mitigation practices including variable quality and maturity of how risks are articulated and assured
- Procurement and contract oversight: addressing inconsistencies around ownership and oversight, gaps in compliance and variable contract performance monitoring

Conclusion and Assurance Statement

The enhanced governance arrangements in place throughout 2025/26 have been subject to ongoing review and refinement, enabling the Police and Crime Commissioner and the Chief Constable to discharge their respective responsibilities effectively. The joint governance framework has supported improved performance, strengthened financial oversight, and closer strategic alignment, including the continued embedding of the Force's strategic plan and performance management arrangements. Robust mechanisms for risk management, internal control, and public engagement have been embedded and remain under active development.

While the governance framework supported measurable progress during 2025/26, including improved performance oversight and stronger strategic alignment, the limited internal audit opinion for 2024/25 and the external audit position underline the need for continued focus on strengthening financial governance, risk management, and procurement and contract oversight. The PCC and the Chief Constable are satisfied that appropriate improvement plans and oversight arrangements are in place, including enhanced action tracking requested by JIGRAC, and that these will continue to be monitored throughout 2026/27 through established governance boards and JIGRAC.

Catherine Roper Chief Constable
Philip Wilkinson OBE Police and Crime Commissioner for Wiltshire & Swindon
Naji Darwash OPCC Chief Executive
Graham Papworth OPCC Chief Finance Officer (Section 151 Officer)
Robert Thomas Force Chief Finance Officer

**Independent Auditor's Report to the Police and Crime Commissioner for Wiltshire and Swindon
2025/26**

Report on the Audit of the Financial Statements

Content to be added once audit complete

Comprehensive Income and Expenditure Statement for the Police and Crime Commissioner for Wiltshire and Swindon Group 2025/26

This table includes both the Police and Crime Commissioner's and the Chief Constable's analysis.

2024/25 Net Expenditure £'000	See also Notes 7, 8 and 9	2025/26		
		Gross Expenditure £'000	Income £'000	Net Expenditure £'000
149,741	Police Services	169,438	(28,989)	140,449
7,039	Police and Crime Commissioner	9,830	(3,214)	6,616
156,780	Net Cost of Police Services	179,268	(32,203)	147,065
	<i>Other Operating Income & Expenditure:</i>			
(1,481)	Loss/(Gain) on disposal of Non-Current Assets			103
(20,574)	Home Office Top-up Grant Note 30			(21,643)
	<i>Financing & Investment Income & Expenditure:</i>			
1,569	Interest Payable and Similar Items Note 17			1,481
(999)	Interest and Investment Income			(830)
46,224	Net Pensions Interest Note 30			47,667
	<i>Taxation & Non-Specific Grant Income & Expenditure:</i>			
(49,537)	Police Grant			(51,389)
(31,957)	Other General Government Grants			(31,548)
(74,433)	Precepts on Collection Funds			(78,481)
(699)	Other Tax and Non-Specific Grant Income			0
24,892	(Surplus)/Deficit on the Provision of Services			12,424
56	(Surplus)/Deficit on Revaluation of Assets Note 12, 13			(643)
(136,625)	Pension Re-measurement of the net defined benefit liability/(asset) Note 30			(9,404)
(136,570)	Other Comprehensive Income and Expenditure			(10,047)
(111,678)	Total Comprehensive Income and Expenditure			2,377

Comprehensive Income and Expenditure Statement for the Police and Crime Commissioner for Wiltshire and Swindon 2025/26

This table only includes the Police and Crime Commissioner's analysis. The PCC has a net income in his direct accounts for the Net Cost of Services; the Chief Constable's costs of policing are then funded by an intra group transfer of funds.

2024/25 Net Expenditure £'000	See also Notes 7, 8 and 9	2025/26		
		Gross Expenditure £'000	Income £'000	Net Expenditure £'000
(27,871)	Police Services	0	(28,989)	(28,989)
7,039	Police and Crime Commissioner	9,830	(3,214)	6,616
(20,832)	Net Cost of Police Services before intra group funding	9,830	(32,203)	(22,373)
177,611	Intra Group Funding for Chief Constable's Net Service Cost			169,438
156,779	Net Cost of Police Services			147,065
	<i>Other Operating Income & Expenditure:</i>			
(1,481)	Loss/(Gain) on disposal of Non-Current Assets			103
(20,574)	Home Office Top-up Grant Note 30			(21,643)
	<i>Financing & Investment Income & Expenditure:</i>			
1,569	Interest Payable and Similar Items Note 17			1,481
(999)	Interest and Investment Income			(830)
46,224	Intra Group Funding (Net Pensions Interest) Note 30			47,667
	<i>Taxation & Non-Specific Grant Income & Expenditure:</i>			
(49,537)	Police Grant			(51,389)
(31,957)	Other General Government Grants			(31,548)
(74,433)	Precepts on Collection Funds			(78,481)
(699)	Other Tax and Non-Specific Grant Income			0
(136,625)	Intra Group Funding (Pensions re-measurement of the net defined benefit liability/(asset)) Note 30			(9,404)
(111,734)	(Surplus)/Deficit on the Provision of Services			3,020
56	(Surplus)/Deficit on Revaluation of Assets Note 12, 13			(643)
56	Other Comprehensive Income and Expenditure			(643)
(111,678)	Total Comprehensive Income and Expenditure			2,377

Movement in Reserves Statement for the Police and Crime Commissioner for Wiltshire and Swindon Group

	General Fund	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves Note 23	Unusable Reserves Note 24	Total Reserves
	£000	£000	£000	£000	£000	£000
Balance as at 1 April 2024 Brought Forward	12,274	0	5	12,279	(933,949)	(921,670)
Movement in reserves during 2024/25						
Total Comprehensive Income and Expenditure	(24,892)	0	0	(24,892)	137,944	113,052
Adjustments between accounting basis and funding basis under regulations Note 8	20,039	2,576	(5)	22,610	(22,610)	0
Increase/(Decrease) in 2024/25	(4,853)	2,576	(5)	(2,282)	115,334	113,052
Balance as at 31 March 2025 Carried Forward	7,421	2,576	0	9,997	(818,615)	(808,618)
Balance as at 1 April 2025 Brought Forward	7,421	2,576	0	9,997	(818,615)	(808,618)
Movement in reserves during 2025/26						
Total Comprehensive Income and Expenditure	(12,424)	0	0	(12,424)	10,047	(2,377)
Adjustments between accounting basis and funding basis under regulations Note 8	14,439	0	0	14,439	(14,439)	0
Increase/(Decrease) in 2025/26	2,015	0	0	2,015	(4,392)	(2,377)
Balance as at 31 March 2026 Carried Forward	9,436	2,576	0	12,012	(823,007)	(810,995)

Movement in Reserves Statement for the Police and Crime Commissioner for Wiltshire and Swindon

	General Fund	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves Note 23	Unusable Reserves Note 24	Total Reserves
	£000	£000	£000	£000	£000	£000
Balance as at 1 April 2024 Brought Forward	12,274	0	5	12,279	(933,949)	(921,670)
Movement in reserves during 2024/25						
Total Comprehensive Income and Expenditure	111,734			111,734	1,318	113,052
Adjustments between accounting basis and funding basis under regulations Note 8	(116,587)	2,576	(5)	(114,016)	114,016	0
Increase/(Decrease) in 2024/25	(4,853)	2,576	(5)	(2,282)	115,334	113,052
Balance as at 31 March 2025 Carried Forward	7,421	2,576	0	9,997	(818,615)	(808,618)
Balance as at 1 April 2025 Brought Forward	7,421	2,576	0	9,997	(818,615)	(808,618)
Movement in reserves during 2025/26						
Total Comprehensive Income and Expenditure	(3,019)			(3,019)	643	(2,376)
Adjustments between accounting basis and funding basis under regulations Note 8	5,035	0	0	5,035	(5,035)	(0)
Increase/(Decrease) in 2025/26	2,016	0	0	2,016	(4,392)	(2,377)
Balance as at 31 March 2026 Carried Forward	9,437	2,576	0	12,013	(823,007)	(810,995)

Balance Sheet for the Police and Crime Commissioner for Wiltshire and Swindon and the Group as at 31 March 2026

PCC			PCC Group	
£000	£000		£000	£000
31-Mar-25	31-Mar-26		31-Mar-25	31-Mar-26
49,804	45,953	Property, Plant & Equipment	49,804	45,953
1,718	1,804	Right of Use Assets	1,718	1,804
1,168	18	Investment Property	1,168	18
1,474	558	Intangibles	1,474	558
1,300	800	Assets Under Construction	1,300	800
55,464	49,133	Total Long-term Assets	55,464	49,133
949	1,065	Inventories	949	1,065
20,833	19,356	Short Term Debtors	20,833	19,356
0	3,000	Short Term Deposits (up to one year)	0	3,000
3,851	7,956	Cash & Cash Equivalents	3,851	7,956
1,370	4,785	Assets Held for Sale (under one year)	1,370	4,785
27,004	36,162	Total Current Assets	27,004	36,162
(1,055)	(1,189)	Finance Lease Liability	(1,055)	(1,189)
(50)	(51)	Short Term Borrowings	(50)	(51)
(17,774)	(22,108)	Short Term Creditors	(17,774)	(22,108)
(705)	(1,815)	Provisions (under one year)	(705)	(1,815)
(19,584)	(25,164)	Total Current Liabilities	(19,584)	(25,164)
(16,933)	(15,109)	Finance Lease Liability	(16,933)	(15,109)
(1,669)	(1,618)	Long-term Borrowing	(1,669)	(1,618)
0	0	Liability Related to Defined Benefit Pension Scheme	(852,900)	(854,400)
(852,900)	(854,400)	Pension Intra Group Creditor	0	0
(871,502)	(871,127)	Total Long-term Liabilities	(871,502)	(871,127)
(808,619)	(810,996)	Total Net Assets	(808,619)	(810,996)
9,997	12,011	Usable Reserves	9,997	12,011
(818,615)	(823,008)	Unusable Reserves	(818,615)	(823,008)
(808,619)	(810,996)	Total Reserves	(808,619)	(810,996)

G Papworth
Chief Finance Officer (PCC) and S.151 Officer
Date:

Cash Flow Statement for the Police and Crime Commissioner for Wiltshire and Swindon and the Group 2025/26

2024/25 £000	See also Note 19	2025/26 £000
	<u>Operating Activities</u>	
73,527	Taxation	78,469
49,537	Police Main Grant	51,389
31,957	Other General Government Grant	31,548
32,527	Cash Received for Goods and Services	34,166
949	Interest Received	830
188,496	Cash Inflows Generated from Operating Activities	196,402
(143,751)	Cash Paid to and on behalf of Employees	(149,324)
(44,312)	Cash Paid for Goods and Services	(35,915)
(1,619)	Interest Paid	(1,459)
(189,682)	Cash Outflows from Operating Activities	(186,699)
(1,185)	Net Cash Flows from Operating Activities	9,704
	<u>Investing Activities</u>	
(5,250)	Purchase of Non-Current Assets	(2,847)
5,855	Proceeds from Sale of Non-Current Assets	0
5,000	Purchase of Short-term and Long-term Investments	0
0	Other Receipts from Investing Activities	0
5,605	Net Cash Flows from Investing Activities	(2,847)
	<u>Financing Activities</u>	
0	Cash Receipt of Long-term Borrowings	0
(50)	Repayment of Long-term Borrowings	(51)
2	Cash Repayment of Short-term Borrowings	1
(1,016)	Payments for Reduction of Outstanding PFI Finance Liability	298
(1,064)	Net Cash Flows from Financing Activities	248
3,356	Net Increase or Decrease in Cash & Cash Equivalents	7,105
496	Cash & Cash Equivalents at the beginning of the reporting period	3,851
3,852	Cash & Cash Equivalents at the end of the reporting period	10,956

Notes to accompany the Statements

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1 Statement of Accounting Policies

1.1 General Principles

The general principles adopted in compiling the accounts of the Police and Crime Commissioner for Wiltshire and Swindon and the Group are in accordance with the recommendations of The Chartered Institute of Public Finance and Accountancy (CIPFA). They accord with CIPFA's Code of Practice on Local Authority Accounting 2025/26, the Service Reporting Code of Practice 2025/26 and the Accounts and Audit Regulations 2015 and are based on the following hierarchy of standards:

- International Financial Reporting Standards (IFRSs) as adopted in the UK
- International Public Sector Accounting Standards (IPSASs)
- UK Generally Accepted Accounting Practice (GAAP) (Financial Reporting standards (FRSs), Statements of Standard Accounting Practice (SSAPs) and Urgent Issues Task Force (UITF) abstracts) as far as they are applicable. The accounts are primarily maintained on a historical cost basis, except where fair value or current value measurement is required under the Code. Any significant non-compliance is disclosed in the notes that follow

These Accounting Policies also reflect the local arrangements in place for Wiltshire Police and the guidance and regulations provided through the Police Reform and Social Responsibility Act 2011, the Financial Management Code of Practice for the Police Service 2019, Financial Regulations for the Police and Crime Commissioner for Wiltshire and Swindon's Group and the scheme of delegation between the Police and Crime Commissioner and the Chief Constable. In applying the accounting policies set out in this note, the PCC has had to make certain judgements about complex transactions or those involving uncertainty about future events. These critical judgements are set out in Note 2.

1.2 Accruals of Income and Expenditure

The Police and Crime Commissioner's Group accounts are prepared on an accruals basis. Income and expenditure are inclusive of future obligations to pay cash for benefits already received by the Group and cash to be received in the future for benefits already provided by the Group. Where actual amounts due are not known at the end of April, estimated amounts have been included in the accounts.

1.3 Accounting Principles

The 2025/26 accounts comply with accounting principles surrounding relevance, reliability, comparability and understandability. The accounts are also prepared on the basis that the organisation is a going concern.

1.4 Provisions

Provisions are made where an event has taken place that gives the authority an obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement when the authority has an obligation and are measured at the best estimate at the Balance Sheet date. Provisions are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

1.5 Employee Benefits

Benefits Payable During Employment

The Police and Crime Commissioner for Wiltshire and Swindon's Group statements are required to account for employee benefits in the period that they are earned by employees. The Group operates a flexi leave system and has a policy that allows employees to carry over a maximum of 5 days annual leave and 11 hours flexi leave. The flexi leave is run as a manual records system. The administrative burden of capturing balances outweighs the benefit due to the immaterial value involved; hence no accrual is made. Time off in Lieu (TOIL) and annual leave are recorded on an electronic system and an accrual is included in the accounts for the value as at 31 March 2026. The movement in the Net Cost of Services is reversed out in the Movement in Reserves Statement to avoid any impact on Council Tax.

Termination Benefits

Redundancy payments allowed by the organisation are based upon actual weekly salary, calculated in the manner prescribed by legislation. Legislation also dictates that a maximum of 20 years' service may be counted. Only completed years of service at the time of the redundancy will count. Within those parameters, the payments are calculated on the following basis:

- 0.5 weeks' pay for each full year in service under the age of 22
- 1 weeks' pay for each full year in service between the age of 22 and 40
- 1.5 weeks' pay for each full year in service aged 41 or older

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the PCC to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the pensions reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

Pensions (Police Officers)

There are three police officer schemes: the Police Pension Scheme (PPS), the New Police Pension Scheme (NPPS) and the Police Pension Scheme 2015 (CARE Scheme). These are defined benefit unfunded schemes, meaning that there are no investment assets held, and actual pensions payments are met from revenue as they are eventually due.

For the note to the accounts the officer schemes are reported as a single disclosure. The scheme changes have been considered in the Balance Sheet and Comprehensive Income and Expenditure Statement and in the note to the accounts.

Funding rules are in place which results in Police Forces paying 35.3% of Police pay as a pension fund contribution. Any variation, e.g. variation from pensions actually paid, over or under, is financed by an increased or reduced specific pensions grant. To this purpose a Pensions Fund Account has been created.

Pensions (Police & OPCC Staff)

The pension scheme available for police & OPCC staff is administered by Wiltshire Council on behalf of Local Authority employees in Wiltshire. The assets of the fund are held separately from those of the Council. The accounts of the Pension Fund are detailed in the Wiltshire Council Statement of Accounts. The pension costs that are charged to the Police and Crime Commissioner's Group accounts in respect of its employees are the service cost identified by the actuarial valuation for the period. Further costs arise in respect of certain pensions paid to retired employees on an unfunded basis. Employer's pension contributions of 16.4% of pay were paid into the fund by the Group for the year 2025/26.

Changes to the Local Government Pension Scheme allow for members to take larger lump sum payments in return for a reduced annual pension. It is expected that this will reduce the liability of the Police and Crime Commissioner. However, the actuary currently considers it impossible to estimate the number of members who may take this option and its effect on the finances of the Commissioner's Group. Based on the prudence accounting concept zero take up has been assumed, therefore, no reduction in liability is included in the balance sheet of the Police and Crime Commissioner's Group.

At the year-end 31st March 2026, the LGPS was valued at a net asset position of £69.384m. In line with COPLAA guidance and IFRIC 14 this asset has been reduced to the lower of the net asset surplus and the asset ceiling. As the asset is not deemed to result in any future economic benefit by way of refunds or a reduction in contributions, the asset value has been reduced to £nil. More detail can be found in the Pensions note (Note 30).

In accordance with CIPFA guidelines the Group's liability under IAS 19 for both Police Officer and Support Staff pensions are included within the CIES and the Balance Sheet.

1.6 Leases

Leases Accounting Policy

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The term of the lease is determined using the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which is reasonably certain to be exercised.

Group as Lessee

For leases that had been classified as operating leases and therefore charged to expenses rather than recognised on the Balance Sheet, a lease liability was established on 1 April 2024 equal to the present value of future lease payments discounted using the PWLB borrowing rate. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the CIES immediately prior to initial application.

No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2024 or for leases where the underlying assets had a value below £10,000. No adjustments were made in respect of leases previously classified as finance leases.

In 2025/2026, the Authority has applied IFRS 16 Leases as adopted by the Code of Accounting Practice. The main impact of the new requirements is that, for arrangements previously accounted for as operating leases (i.e. without recognising the leased property as an asset and future rents as liability), a right-of-use asset and a lease liability are to be brought into the balance sheet at 1 April 2025. Leases for items of low value and leases that expire on or before 31 March 2025 are exempt from the new arrangements.

IFRS 16 has been applied retrospectively, but with the cumulative effect recognised at 1 April 2025. This means that right-of-use assets and lease liabilities have been calculated as if IFRS 16 had always applied but recognised in 2025/2026 and not by adjusting prior year figures. The details of the changes in accounting policies and transitional provisions are disclosed below.

On transition to IFRS 16, the Authority elected to apply the practical expedient not to reassess whether a contract is, or contains, a lease at 1 April 2025, except in relation to leases for nil consideration and housing tenancies. It has applied IFRS 16 only to contracts that were previously identified as leases under IAS 17 and IFRIC 4.

As a lessee, the Authority previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Authority. Under IFRS 16, the Authority recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

The Authority decided to apply recognition exemptions to short-term leases and has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a term of 12 months or less and leases of low value assets. The Authority recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The weighted average rate of the Incremental Borrowing Rate (IBR) / Interest Rate Implicit in the Lease (IRIL) is 5.17% across the Authority's portfolio.

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, we recognise a right of use asset and a lease liability. The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term (dilapidations). The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments include fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised. Where an implicit rate cannot be readily determined, the PWLB annuity rate is applied that relates to the length of the lease term. We do not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £10,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, we employ a revaluation model for subsequent measurement of right of use assets, unless the cost model is an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

Where land and buildings assets are revalued, current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

We subsequently measure the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

Dismantling, removal and restoration costs will not apply to all leases. If a lease has 30 years or more to run, dismantling or restoration costs are generally excluded unless specified in the lease or reasonably inferred. For leases where they are relevant, they will not necessarily be specified in the lease but can be implicit. Relevant leases will be categorised, the costs will be calculated using a blended rate and floor area. For more specific complexities a bespoke approach will be applied.

Depreciation

The depreciation of right of use assets is based on the lesser of the lease term and the useful life of the asset, unless we expect to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets in line with IFRS 16, Leases.

Revaluation gains/losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure. Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned and thereafter are charged to operating expenses. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

Impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

Group as Lessor

The Authority is not required to make any adjustment under IFRS 16 for leases in which it acts as a lessor, except for authorities acting as an intermediate lessor (subletting an asset it has acquired under a lease), or where the Authority is party to a lease for nil consideration.

The Authority was not party to any sublease arrangements as lessor as at 1 April 2025.

As at 1 April 2025 the Authority was not party to as lessor to lease for nil consideration.

The Authority did not have any Sale and Leaseback transactions as at 1 April 2025.

1.7 VAT

Value-Added Tax is separately accounted for in accordance with the Statement of Standard Accounting Practice (SSAP) 5 and is not included as income or expenditure except where it is not recoverable. The Police and Crime Commissioner is registered for Group VAT and oversees all VAT matters on behalf of the Police and Crime Commissioner and the Chief Constable.

1.8 Post Balance Sheet Events

Where a material post balance sheet event occurs there is a policy to identify that in the Police and Crime Commissioner's Group statement of accounts. 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 is not adjusted to reflect such events, but where such 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.

1.9 Prior Period Adjustments – Changes in Accounting Policies and Errors

Prior period adjustments may arise because of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for in the current period and do not give rise to a prior period adjustment. Changes in accounting policies are made when required by proper accounting practices and the changes provide more reliable or relevant information about the PCC's financial position or performance. Where a change is made it is applied retrospectively by adjusting balances for the prior period as if the new policy had always been applied.

For 2025/26 there is no prior period adjustment to disclose.

1.10 Cash & Cash Equivalents

The Police and Crime Commissioner's Cash & Cash Equivalents are the net balance of the Short Term (up to three months) highly liquid deposits of £10.816m (2024/25: £3.715m) and Bank Accounts of £0.140m (2024/25: £0.137m). Deposits are reported at market value. These do not result from financial relationships with any companies or organisations.

1.11 Contingent Assets & Liabilities

There is a policy to review annually for contingent assets & liabilities, they are not accrued but simply disclosed as a note to the accounts. The organisation will disclose a contingent liability where an event has taken place that gives rise to a possible obligation depending on whether an uncertain future event occurs, where a provision would otherwise be made but it is not probable that a use of resources will be required, or where the amount of the obligation cannot be measured reliably. The organisation will disclose a contingent asset where an event has taken place that gives rise to a possible asset depending on whether an uncertain future event occurs.

1.12 Government Grants

Under IFRS, government grants are accounted for through the Comprehensive Income and Expenditure Statement when the conditions of the grant are met. Where grants are received but the conditions are not yet met, they are carried in the Balance Sheet as a creditor (Government Grants Received in Advance), where the conditions are met but the grant has not yet been used it is posted to the Capital Grants Unapplied reserve. This is in accordance with IAS 20, as adapted by the CIPFA Code of Practice.

1.13 Inventories and Long-term Contracts

All Stocks are checked at year-end and valued at the lower of actual cost or current replacement cost in accordance with the requirements of the Code of Practice and IPSAS 12. An average or standard cost is applied to calculate the cost. Long-term contracts are recognised based on value of work completed in year. Work in progress (WIP) exceeds £5,000 and not yet billed, it is included at cost.

1.14 Investment Properties

At the balance sheet date, the Police and Crime Commissioner had one property in its portfolio which was classified as investment property in accordance with IFRS 13. These properties are not depreciated but are revalued at fair value on a yearly basis, where the highest and best use is considered from a market participants perspective. Gains or losses resulting from revaluations or disposal of these items are posted to Interest and Investment Income in the Comprehensive Income and Expenditure Statement and reversed out of the General Fund Balance in the Movement in Reserves Statement so as not to impact on Council Tax.

1.15 Reserves

The Police and Crime Commissioner has statutory power to maintain reserves, including the General Fund which is used to support revenue expenditure. Usable reserves are established for specific 'earmarked' purposes. Unusable reserves are also disclosed – these arise out of the interaction of legislation and proper accounting practice, they are not resource backed and cannot be used for any other purpose. All reserves are disclosed in the notes to accompany the statements.

1.16 General Fund

This is the main Fund of the Police and Crime Commissioner into which the precept, Government grants and other income, is paid and from which the cost of providing services is met. The balance on the Fund is the surplus of the Group's revenue income over its revenue expenditure.

1.17 Financial Instruments

The PCC's treasury risk management strategy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by a central treasury team, under policies approved by the PCC in the Annual Treasury Management Strategy. Through the strategy written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash are provided. Further details are disclosed in the notes.

1.18 Collection Fund

Wiltshire Council and Swindon Borough Council act as agents, collecting council tax on behalf of the major preceptors including the Police and Crime Commissioner for Wiltshire and Swindon. The Councils are required by statute to maintain a 'collection fund' for the collection and distribution of amounts due and include any prepayments or payments outstanding in respect of council tax. The Police and Crime Commissioner is required to include his share of the Net surplus/deficit on the collection funds in the year end accounts to reflect that the amount of council tax collected could be less or more than predicted.

1.19 Joint Arrangements

Joint Arrangements are classified as either Joint Operations or Joint Ventures. Joint Operations are where activities are agreed through a shared control (usually through a shared board) and the parties have rights to the assets and obligations for the liabilities relating to the arrangement. Joint Ventures are where the parties have rights to the net assets of the arrangement. The Group does not participate in any joint ventures.

The Police and Crime Commissioner has entered numerous collaborative arrangements with other police forces and local authorities. A materiality limit of £500k has been set by the Group and details of the joint operations where Wiltshire contributions exceed this level are disclosed in the notes to the accounts.

1.20 Property, Plant and Equipment and Other Assets

i. Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis in line with the relevant statute.

ii. Measurement

From 1 April 2025, the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requirements changed in respect of the revaluations of property, plant and equipment. Where assets are revalued, revaluations must now be undertaken using one of the following 3 processes:

- Quinquennial revaluation supplemented by annual indexation in intervening years
- Rolling programme of revaluations over a five-year cycle, with annual indexation applied during the four intervening years
- For non-property assets only, appropriate indices

The Police and Crime Commissioner's assets are initially included in the Balance Sheet at cost (purchase price plus directly attributable costs of bringing the asset into service). Subsequently, the assets have been valued as follows:

The freehold and leasehold properties which were identified as having a change of asset classification during the year, were revalued at 31 March 2026 by Registered external valuer of BNP Paribas Real Estate Chartered Surveyors. The valuations were in accordance with the requirements of the RICS Valuation – Global Standards 2024 and International Financial Reporting Standards (IFRS)-based Code of Practice on Local Authority Accounting (the "Code") published by the Chartered Institute of Public Finance and Accountancy (CIPFA), the Financial Reporting Standard applicable for Local Authorities.

The valuation of each property was based on Fair Value, subject to the following assumptions:

- Property, Plant and Equipment: that the property would be sold as part of the continuing business
- The valuer's opinion of fair value was primarily derived using: comparable recent market transactions on arm's length terms. We have also had regard to movement in appropriate indices
- PCC's vehicles and equipment: initially accounted for at cost and are depreciated over a period of 3 to 7 years, dependent on the useful economic life of the asset

The remaining freehold and leasehold properties were revalued at 31 March 2026 using the application of appropriately identified indices relevant to the asset types. The indices used fulfil the requirements of the RICS and CIPFA Code of Practice on Local Authority Accounting, and were prepared by RICS Registered Valuers Wilks, Head & Eve LLP. For more detail, see Note 12.

iii. Impairment

The Police and Crime Commissioner's non-current assets are considered for impairment at the end of each year by Property Consultants. Any loss due to the clear consumption of economic benefits will be charged to the service revenue account and any accumulated revaluation gain held for the asset, up to the value of the loss, is then transferred from the Revaluation Reserve to the Capital Adjustment Account. Any loss not attributable to this will be written off against the gains held in the Revaluation Reserve for that asset, and the excess then charged to the service revenue account.

iv. Depreciation and Amortisation

Depreciation charges make up part of the asset rental charge to the service revenue accounts. Charges are based on the estimated useful life of the asset and are calculated in such a way as to give an equal charge to Revenue in each of the years the asset is used. Depreciation is charged on those assets which have a finite useful life. All assets are assessed for an appropriate property life by property professionals. Assets are depreciated on a straight-line basis. Where an asset has major components, whose cost is significant in relation to the total cost of the item, the components are depreciated separately. Revaluation gains are also depreciated, and the cost is transferred from the Revaluation Reserve to the Capital Adjustment account.

v. Disposals

Cash received from the sale of non-current assets in excess of £10,000 is classified as capital receipts and must be used for future capital investment purposes. When a property is sold the value of the asset is written out of the accounts. Gains or Losses on disposal are disclosed in the Comprehensive Income and Expenditure Statement and are reversed back out in the Movement in Reserves Statement so as not to impact on Council Tax. When the sale of an asset becomes probable, it is reclassified as an Asset Held for Sale for inclusion in the Balance Sheet. Depreciation is not charged on Assets Held for Sale.

vi. De minimis Level for the purpose of Capital Accounting

Any assets of £10,000 or below are considered to be de minimis. Where assets are grouped for accounting purposes this level will apply to the group as a whole. They are capitalised, funded from a revenue contribution, and immediately impaired as they do not add significant service potential. The effect of this treatment is immaterial to the accounts.

1.21 Private Finance Initiative (PFI)

PFI contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment (PPE) needed to provide the services passes to the PFI contractor. Where ownership of the PFI assets pass to the Authority at the end of the contract, these assets are accounted for on the Authority's Balance Sheet as PPE. For more information, see Note 10.

1.22 Revenue from Contracts with Customers

IFRS 15 requires local authorities to recognise revenue in such a way that it represents the transfer of promised goods or services to the service recipient in an amount that reflects the consideration to which the authority expects to be entitled in exchange for those goods or services. It is more likely to impact authorities when income is recognised over time. The Police and Crime Commissioner's Group has no material items that would require additional disclosures under IFRS 15.

1.23 Intangible Assets

Intangible assets are non-physical assets, controlled by the PCC as a result of past events and from which future economic benefits or service potential are expected to flow. Typical examples include software licences and bespoke ICT developments. Internally generated assets are capitalised where it is demonstrable that the project is technically feasible, is intended to be completed and the PCC will be able to generate future economic benefits or deliver service potential from the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase (research expenditure cannot be capitalised). Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets can be determined by reference to an active market. No intangible asset held by the PCC met this criterion, hence are carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service lines in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service lines in the Comprehensive Income and Expenditure Statement.

Any gain or loss arising on the disposal of an intangible asset is posted to the other operating expenditure line in the Comprehensive Income and Expenditure Statement. Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund balance. The gains and losses are reversed out of the General Fund balance in the Movement in Reserves Statement and posted to the capital adjustment account and (for any sale proceeds greater than £10,000) the capital receipts reserve.

2 Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the PCC has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements in the Statement of Accounts are as follows:

The Police and Crime Commissioner's Group has had to make judgements about the allocation of income and expenditure between the Police and Crime Commissioner and the Chief Constable. The basis adopted was arrived at after considering the Code of Practice in Local Authority Accounting and the Police Reform and Social Responsibility Act 2011. These arrangements are set out in the Narrative to the Accounts.

The pensions liability relating to PCC staff has been judged to be immaterial and therefore is not disclosed separately in the Single Entity Statement of Accounts. This judgement was made on the basis that the PCC has 43 staff and no police officers when compared to the Chief Constable who has around 1,075 staff and 1,190 police officers. The local arrangements result in the pensions liability for the Group being disclosed on the Chief Constable's Balance Sheet with a Debtor for the funding to be provided by the PCC. The PCC's Balance Sheet discloses a Long-term Pensions Creditor of equivalent value to the Group's pension liability as he has ultimate responsibility for all Assets and Liabilities.

3 Accounting Standards Issued That Have Not Yet Been Adopted

The 2026/27 Code of Practice in Local Authority Accounting (the Code) has introduced the following changes to accounting standards, the application of which is likely to be limited. However, the PCC will consider its circumstances in determining if the changes apply:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) issued in May 2024
- Annual Improvements to IFRS accounting standards - Volume 11 issued in July 2024

4 Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions about the future or that are otherwise uncertain. Estimates are made based on historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actuals may differ. For 2025/26 the Balance Sheet contains items for which there is a significant risk of material adjustment in the forthcoming financial year.

The Pensions Liability

Estimation of the net liability to pay pensions involves complex judgements including the discount rate, salary increases, changes in retirement ages, life expectancy and returns on pension fund assets. The liability is calculated by independent actuaries using agreed actuarial models. Changes to any of these assumptions could materially impact the net liability. Further information can be found in the Pensions note (Note 30).

Valuation of Land and Buildings

Land and buildings are valued using professional valuations in line with a five-year rolling programme, with annual indexation applied during the intervening years to allow an inflationary increase/decrease to be applied to assets in the years between the professional valuations. The quinquennial valuations are carried out by external Royal Institution of Chartered Surveyors (RICS)-registered valuers from BNP Paribas. The indices applied are provided by external Royal Institution of Chartered Surveyors (RICS)-registered valuers from Wilks, Head and Eve LLP. The valuations are sensitive to assumptions around asset condition, market comparators, remaining useful life, and cost indices. Due to the scale of asset values, even modest changes in assumptions could materially affect the reported figures.

5 Post Balance Sheet Events

The PCC is required to disclose any post Balance Sheet events that have a significant impact on the accounts for the year. For 2025/26 there are no post balance sheet events.

6 Expenditure and Funding Analysis

The Expenditure and Funding Analysis (EFA) shows how the Police and Crime Commissioner's annual expenditure, as funded from government grants and council tax, reconciles to the net expenditure reported in the Comprehensive Income and Expenditure Statement (CIES), which is prepared in accordance with generally accepted accounting practices. The EFA demonstrates how the resources used by the Police and Crime Commissioner differ between the funding basis as used in council tax setting and the accounting basis used in statutory financial statements. The CIES includes additional accounting adjustments including depreciation, pension costs under IAS 19, and accruals, to reflect the full economic cost of providing the services.

2025/26 Group Expenditure and Funding Analysis	Net Expenditure Chargeable to the General Fund Balances	Adjustments for Capital Purposes	Net change for the Pensions Adjustments	Other Differences	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	2025/26 £'000	2025/26 £'000	2025/26 £'000	2025/26 £'000	2025/26 £'000	2025/26 £'000
Police Services	172,088	5,101	(36,553)	(187)	(31,639)	140,449
Office of the Police and Crime Commissioner	6,616					6,616
Net Cost of Services	178,704	5,101	(36,553)	(187)	(31,639)	147,065
Other Income and Expenditure	(180,719)	(1,578)	47,667	(12)	46,078	(134,641)
Surplus or Deficit	(2,015)	3,523	11,114	(199)	14,438	12,424
Opening General Fund Balance	7,421					
Surplus/(Deficit) on General Fund Balance in Year	2,015					
Closing General Fund Balance at 31 March	9,436					

2024/25 Group Expenditure and Funding Analysis	Net Expenditure Chargeable to the General Fund Balances	Adjustments for Capital Purposes	Net change for the Pensions Adjustments	Other Differences	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	2024/25 £'000	2024/25 £'000	2024/25 £'000	2024/25 £'000	2024/25 £'000	2024/25 £'000
Police Services	172,789	4,632	(27,042)	(639)	(23,049)	149,741
Office of the Police and Crime Commissioner	7,039					7,039
Net Cost of Services	179,828	4,632	(27,042)	(639)	(23,049)	156,780
Other Income and Expenditure	(174,975)	(2,230)	46,224	(906)	43,088	(131,888)
Surplus or Deficit	4,853	2,402	19,182	(1,545)	20,039	24,892
Opening General Fund Balance	12,274					
Surplus/(Deficit) on General Fund Balance in Year	(4,853)					
Closing General Fund Balance at 31 March	7,421					

2025/26 Police and Crime Commissioner's Expenditure and Funding Analysis	Net Expenditure Chargeable to the General Fund Balances	Adjustments for Capital Purposes	Net change for the Pensions Adjustments	Other Differences	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	2025/26 £'000	2025/26 £'000	2025/26 £'000	2025/26 £'000	2025/26 £'000	2025/26 £'000
Police Services	(28,989)					(28,989)
Office of the Police and Crime Commissioner	6,616					6,616
Net Cost of Services before intra group funding	(22,373)					(22,373)
Intra Group funding	181,186	3,349	(13,987)	(1,110)	(11,748)	169,438
Net Cost of Police Services	158,813	3,349	(13,987)	(1,110)	(11,748)	147,065
Other Income and Expenditure	(160,828)	175	16,620	(12)	16,783	(144,045)
Surplus or Deficit	(2,016)	3,524	2,632	(1,121)	5,035	3,019
Opening General Fund Balance	(7,421)					
Surplus/(Deficit) on General Fund Balance in Year	(2,016)					
Closing General Fund Balance at 31 March	(9,437)					

2024/25 Police and Crime Commissioner's Expenditure and Funding Analysis	Net Expenditure Chargeable to the General Fund Balances	Adjustments for Capital Purposes	Net change for the Pensions Adjustments	Other Differences	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	2024/25 £'000	2024/25 £'000	2024/25 £'000	2024/25 £'000	2024/25 £'000	2024/25 £'000
Police Services	(27,871)					(27,871)
Office of the Police and Crime Commissioner	7,039					7,039
Net Cost of Services before intra group funding	(20,832)					(20,832)
Intra Group funding	180,086	4,632	(6,468)	(639)	(2,475)	177,611
Net Cost of Police Services	159,254	4,632	(6,468)	(639)	(2,475)	156,779
Other Income and Expenditure	(154,401)	(2,230)	(110,976)	(906)	(114,112)	(268,513)
Surplus or Deficit	4,853	2,402	(117,444)	(1,545)	(116,587)	(111,734)
Opening General Fund Balance	(12,274)					
Surplus/(Deficit) on General Fund Balance in Year	4,853					
Closing General Fund Balance at 31 March	(7,421)					

To comply with accounting and audit requirements, disclosure of the Intra Group Funding transaction for re-measurement of pension liabilities is required in the Surplus/Deficit on the Provision of Services. This is reversed out in the Movement in Reserves Statement to ensure there is no impact on Council Tax Funding.

Adjustments for Capital Purposes

This column adds in asset accounting transactions including depreciation, impairment, revaluation and profit or loss on disposal of assets.

It also includes statutory charges for capital financing (Minimum Revenue Provision) and capital grants where conditions have been satisfied in year.

Net Change for the Pensions Adjustments

This column shows the net change for removal of employer pension contributions and addition of the IAS 19 Employee Benefits pension related income and expenditure.

For the net cost of services this represents the removal of the employer pension contributions made and replacement with current service costs and past service costs.

The net interest on the defined benefit liability is charged to the Financing and Investment Income and Expenditure in the Comprehensive Income and Expenditure Statement.

Other Differences

This column shows the amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements. The difference reflects the Police and Crime Commissioner's share of the risks and rewards held for debtors and creditors on the Collection Fund Balance at Wiltshire Council.

It also shows the 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. The difference reflects the employee leave entitlements outstanding as at the 31st of March.

Adjustments to the Net Cost of Services

The adjustments between funding and accounting that relate to Pensions and Capital are shown as charges to the Chief Constable and are then part of the intra group transfer to the Police and Crime Commissioner's accounts. The reason for this is the local arrangement in place for the relationship between the Chief Constable and Police and Crime Commissioner which, for accounting purposes, follows the concept 'substance over form'. These arrangements are laid out in the opening Narrative to the accounts.

Surplus/(Deficit) for the Year and Underspend

The Surplus on the General Fund for the year can be compared to the underspend for the year as follows:

2024/25 £'000		2025/26 £'000
(4,624)	Use of reserves in year to support revenue operations	(182)
(272)	Use of reserves to support the expected shortfall in Council Tax Surplus	0
(97)	(Use)/reinstatement of reserves to fund capital	1,112
140	(Over)/underspend for the year moved to reserves	1,085
(4,853)	Total movement in the General Fund Balance	2,015
12,274	Opening General Fund Balance	7,421
(4,624)	Use of reserves in year to support revenue operations	(182)
(272)	Use of reserves to support the expected shortfall in Council Tax Surplus	0
(97)	Use of reserves to fund capital expenditure	1,112
140	Underspend for the year moved to reserves	1,085
7,421	Closing General Fund Balance 31 March	9,436

7 Expenditure and Income Analysed by Nature

2024/25		2024/25		2025/26		2025/26
CIES	Adjustment between the funding and Accounting Basis	General Fund	Group Expenditure/Income	CIES	Adjustment between the funding and Accounting Basis	General Fund
£'000		£'000		£'000		£'000
			Expenditure			
64,318	0	64,318	Police Officer Salaries	67,581	0	67,581
10,900	6,833	17,733	Police Officer Pensions	6,200	12,100	18,300
59,431	(901)	58,529	Police Staff and PCSO Salaries	57,853	1,886	59,739
1,281	639	1,920	Other Employee Expenses	1,646	1,110	2,755
6,724	830	7,554	Premises Costs	6,104	901	7,004
3,644	0	3,644	Transport Costs	3,678	0	3,678
21,144	0	21,144	Supplies and Services Costs	18,045	0	18,045
12,299	182	12,481	Other Service Costs	12,049	180	12,229
7,713	(7,663)	50	Depreciation, Amortisation, Impairment	5,166	(5,115)	51
0	2,019	2,019	Capital Expenditure Charged Against the General Fund	0	685	685
1,569	0	1,569	Interest Payments	1,481	(72)	1,409
46,524	(46,524)	0	Net Pension Interest and Past Service Costs	48,467	(48,467)	0
416	836	1,252	Injury Payments	147	802	949
(1,481)	1,481	0	Gain on the Disposal of Assets	103	(103)	0
234,481	(42,269)	192,213	Total Expenditure	228,518	(36,094)	192,425
			Income			
(8,389)	0	(8,389)	Fees, Charges and Other Service Income	(10,710)	0	(10,710)
(999)	50	(949)	Interest and Investment Income	(830)	0	(830)
(49,537)		(49,537)	Police Grant	(51,389)	0	(51,389)
(31,957)	0	(31,957)	Other General Government Grant	(31,548)	0	(31,548)
(74,433)	906	(73,527)	Precepts on Collection Funds	(78,481)	12	(78,469)
(20,574)	20,574	0	HO Pensions Top Up Grant	(21,643)	21,643	0
(23,001)		(23,001)	Government Specific Grants and Contributions	(21,493)	0	(21,493)
(699)	699	0	Other Tax and Non-specific Grant Income	0	0	0
(209,589)	22,230	(187,360)	Total Income	(216,095)	21,655	(194,440)
24,892	(20,039)	4,853	Surplus or Deficit on the Provision of Services	12,424	(14,439)	(2,015)

To comply with accounting and audit requirements, disclosure of the Intra Group Funding transaction for re-measurement of pension liabilities is required in the Surplus/Deficit on the Provision of Services. This is reversed out in the Movement in Reserves Statement to ensure there is no impact on Council Tax Funding.

2024/25		2024/25		2025/26		2025/26
CIES £'000	Adjustment between the funding and Accounting Basis	General Fund £'000	Police and Crime commissioner's Expenditure/Income	CIES £'000	Adjustment between the funding and Accounting Basis	General Fund £'000
			Expenditure			
0	0	0	Police Officer Salaries	0	0	0
0	0	0	Police Officer Pensions	0	0	0
2,219	0	2,219	Police Staff and PCSO Salaries	2,976	0	2,976
25	0	25	Other Employee Expenses	20	0	20
5	0	5	Premises Costs	0	0	0
13	0	13	Transport Costs	11	0	11
641	0	641	Supplies and Services Costs	539	0	539
5,722	0	5,722	Other Service Costs	5,615	0	5,615
0	0	0	Depreciation, Amortisation, Impairment	0	0	0
1,810	0	1,810	Capital Expenditure Charged Against the General Fund	627	0	627
1,693	0	1,693	Interest Payments	1,522	(72)	1,450
46,224	(46,224)	(0)	Intra Group Funding (Net Pensions Interest)	47,667	(47,667)	0
0	0	0	Injury Payments	0	0	0
(1,481)	1,481	(0)	Gain on the Disposal of Assets	103	(103)	0
56,870	(44,743)	12,127	Total Expenditure	59,080	(47,842)	11,238
			Income			
(8,389)	0	(8,389)	Fees, Charges and Other Service Income	(10,710)	0	(10,710)
(999)	50	(949)	Interest and Investment Income	(830)	0	(830)
(49,537)		(49,537)	Police Grant	(51,389)	0	(51,389)
(31,957)	0	(31,957)	Other General Government Grant	(31,548)	0	(31,548)
(74,433)	906	(73,527)	Precepts on Collection Funds	(78,481)	12	(78,469)
(20,574)	20,574	0	HO Pensions Top Up Grant	(21,643)	21,643	0
(23,001)		(23,001)	Government Specific Grants and Contributions	(21,493)	0	(21,493)
(699)	699	0	Other Tax and Non-specific Grant Income	0	0	0
(136,625)	136,625	0	Intra Group Funding (Pensions re- measurement of the net defined benefit liability/ (asset))	(9,404)	9,404	0
(346,215)	158,855	(187,359)	Total Income	(225,499)	31,059	(194,440)
177,611	2,475	180,086	Intra Group Funding	169,438	11,748	181,186
(111,734)	116,587	4,853	Surplus or Deficit on the Provision of Services	3,019	(5,035)	(2,016)

8 Adjustments Between Accounting Basis and Funding Basis Under Statute

Group Adjustments 2025/26	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£'000	£'000	£'000	
Adjustments Involving the Capital Adjustment Account:				
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>				
Charges for amortisation, depreciation and impairment of Non-current Assets	(4,999)	0	0	4,999
Revaluation gains/losses on Property, Plant and Equipment	(167)	0	0	167
Movements in the market value of Investment Properties	51	0	0	(51)
Capital grants and contributions applied	0	0	0	0
Revenue expenditure funded from Capital under statute	0	0	0	0
Amounts of Non-current Assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(93)	0	0	93
<u>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>				
Voluntary provision for the repayment of debt	1,081	0	0	(1,081)
Capital expenditure charged against the General Fund	685	0	0	(685)
Recognition of Right of Use Assets on transition to IFRS 16	(72)	0	0	72
Adjustments Involving Capital Grants Unapplied:				
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	0	0	0	0
Application of grants to capital financing transferred to the Capital Adjustment account	0	0	0	0
Adjustments Involving Capital Receipts Reserve:				
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(9)	9	0	0
Transfer of other income relating to Capital	0	0	0	0
Use of the Capital Receipts Reserve to finance new capital expenditure	0	(9)	0	9
Adjustments Involving the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement Note 30	(60,166)	0	0	60,166
Employer's pensions contributions and direct payments to pensioners payable in the year	49,051	0	0	(49,051)
Adjustments Involving the Collection Fund Adjustment Account:				
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	12	0	0	(12)
Adjustment Involving the Accumulated Absences Account:				
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	187	0	0	(187)
Total Adjustments	(14,439)	0	0	14,439

Group Adjustments 2024/25	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£'000	£'000	£'000	
Adjustments Involving the Capital Adjustment Account:				
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:				
Charges for amortisation, depreciation and impairment of Non-current Assets	(6,112)			6,112
Revaluation gains/losses on Property, Plant and Equipment	(1,601)			1,601
Movements in the market value of Investment Properties	50			(50)
Capital grants and contributions applied	(5)			5
Revenue expenditure funded from Capital under statute	0			0
Amounts of Non-current Assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(4,391)			4,391
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:				
Voluntary provision for the repayment of debt	1,063			(1,063)
Capital expenditure charged against the General Fund	2,019			(2,019)
Recognition of Right-of Use assets on transfer to IFRS16	704			(704)
Adjustments Involving Capital Grants Unapplied:				
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement			5	(5)
Adjustments Involving Capital Receipts Reserve:				
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	5,871	(5,871)		0
Transfer of other income relating to Capital	0	0		0
Use of the Capital Receipts Reserve to finance new capital expenditure		3,295		(3,295)
Adjustments Involving the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement Note 30	(65,690)			65,690
Employer's pensions contributions and direct payments to pensioners payable in the year	46,508			(46,508)
Adjustments Involving the Collection Fund Adjustment Account:				
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	906			(906)
Adjustment Involving the Accumulated Absences Account:				
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	639			(639)
Total Adjustments	(20,039)	(2,576)	5	22,610

Police and Crime Commissioner Adjustments 2025/26	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£'000	£'000	£'000	
Adjustments Involving the Capital Adjustment Account:				
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:				
Charges for amortisation, depreciation and impairment of Non-current Assets	(4,999)			4,999
Revaluation gains/losses on Property, Plant and Equipment	(167)			167
Movements in the market value of Investment Properties	51			(51)
Capital grants and contributions applied	0			0
Revenue expenditure funded from Capital under statute	0			0
Amounts of Non-current Assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(93)			93
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:				
Voluntary provision for the repayment of debt	1,081			(1,081)
Capital expenditure charged against the General Fund	685			(685)
Recognition of Right of Use Assets on transition to IFRS 16	(72)			72
Adjustments Involving Capital Grants Unapplied:				
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement				0
Application of grants to capital financing transferred to the Capital Adjustment account			0	0
Adjustments Involving Capital Receipts Reserve:				
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(9)	9		0
Transfer of other income relating to Capital	0	0		0
Use of the Capital Receipts Reserve to finance new capital expenditure	0	(9)		9
Adjustments Involving the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	(50,762)			50,762
Employer's pensions contributions and direct payments to pensioners payable in the year	49,051			(49,051)
Adjustments Involving the Collection Fund Adjustment Account:				
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	12			(12)
Adjustment Involving the Accumulated Absences Account:				
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	187			(187)
Total Adjustments	(5,035)	0	0	5,035

Police and Crime Commissioner Adjustments 2024/25	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£'000	£'000	£'000	
Adjustments Involving the Capital Adjustment Account:				
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:				
Charges for amortisation, depreciation and impairment of Non-current Assets	(6,112)			6,112
Revaluation gains/losses on Property, Plant and Equipment	(1,601)			1,601
Movements in the market value of Investment Properties	50			(50)
Capital grants and contributions applied	(5)			5
Revenue expenditure funded from Capital under statute	0			0
Amounts of Non-current Assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(4,391)			4,391
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:				
Voluntary provision for the repayment of debt	1,063			(1,063)
Capital expenditure charged against the General Fund	2,019			(2,019)
Recognition of Right-of Use assets on transfer to IFRS16	704			(704)
Adjustments Involving Capital Grants Unapplied:				
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement			5	(5)
Adjustments Involving Capital Receipts Reserve:				
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	5,871	(5,871)		0
Transfer of other income relating to Capital	0			0
Use of the Capital Receipts Reserve to finance new capital expenditure		3,295		(3,295)
Adjustments Involving the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement Note 30	70,935			(70,935)
Employer's pensions contributions and direct payments to pensioners payable in the year	46,508			(46,508)
Adjustments Involving the Collection Fund Adjustment Account:				
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	906			(906)
Adjustment Involving the Accumulated Absences Account:				
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	639			(639)
Total Adjustments	116,586	(2,576)	5	(114,015)

9 Management Reporting

The Service Expenditure can be analysed in more than one way.

Subjective Management Reporting (Locally Defined)

For the purposes of reporting to Senior Management the Service Expenditure is also analysed with a subjective analysis which categorises costs by type; the following is the whole force subjective year end outturn in a format used for reporting to Senior Management. This report does not include the statutory accounting adjustments as detailed in the note 'Adjustments Between Accounting and Funding Basis Under Statute'.

Outturn 2024/25 £'000	Budget 2024/25 £'000	Variance 2024/25 £'000	Group Outturn	Outturn 2025/26 £'000	Budget 2025/26 £'000	Variance 2025/26 £'000
79,108	80,003	895	Police Officer Salaries	85,872	87,895	2,023
54,223	52,637	(1,586)	Support Staff Salaries	56,224	55,748	(476)
3,524	3,966	442	PCSO Salaries	3,448	3,444	(4)
2,943	2,721	(222)	Police Officer Overtime	0	0	0
602	569	(33)	Support Staff Overtime	0	0	0
26	24	(2)	PCSO Overtime	0	0	0
826	895	69	Training	0	0	0
8,764	8,894	130	Premises Costs	8,139	8,886	747
3,644	3,475	(169)	Transport Costs	3,708	3,411	(297)
12,852	13,254	402	Partnerships and Collaborations	10,820	10,672	(148)
8,773	8,577	(196)	Communications and Computing	8,943	9,357	414
15,020	14,688	(332)	Other Costs	14,231	11,907	(2,324)
1,935	2,014	79	Capital Costs	1,740	2,090	350
192,240	191,717	(523)	Gross Expenditure	193,125	193,410	285
(23,832)	(22,933)	899	Specific Grant Income	(23,155)	(22,768)	387
(4,284)	(4,245)	39	Partnerships and Collaborations Income	(6,844)	(5,974)	870
(5,697)	(5,970)	(273)	Other Income	(3,350)	(3,283)	67
158,427	158,569	142	Net Expenditure	159,776	161,385	1,324

The Management report does not include notional amounts that are required for reporting in the Statement of Accounts Comprehensive Income and Expenditure Statement. The Outturn reported to Management can be reconciled back to the Statement of Accounts as follows:

Cost of Services

2024/25 £'000	Net Cost of Services	2025/26 £'000
158,427	Total Reported to Senior Management	159,776
(6,468)	Notional Sums Adjustment - Pensions (IAS 19)	(14,910)
5,741	Notional Sums Adjustment - Capital Financing	4,481
(639)	Notional Sums Adjustment - Employee Benefits (IAS 19)	(187)
(1,062)	Notional Sums Adjustment - MRP	(1,132)
(570)	Net Interest and Similar Items	(440)
0	Late adjustments	(524)
1,349	Non-ringfenced Pay Award Grant	0
156,778	Net Cost of Services per Statement of Accounts	147,064

10 Property, Plant and Equipment (PPE)

Movements of Property, Plant and Equipment (PPE)

	Land & Buildings £'000	Vehicles & Equipment £'000	Assets Under Construction £'000	Right of Use (RoU) £'000	Total PPE £'000
Cost or Valuation					
Balance as at 1 April 2025	43,045	22,329	1,300	1,876	68,549
Additions	507	1,431	657	252	2,847
Disposals	0	(3,248)	(1,157)	(20)	(4,425)
Reclassification of assets	(2,265)	0	0	0	(2,265)
Revaluations recognised in the surplus/deficit on the provision of services	(167)	0	0	14	(153)
Revaluations recognised in the Revaluation Reserve	(625)	0	0	0	(625)
Balance as at 31 March 2026	40,495	20,512	800	2,122	63,928
Depreciation					
Balance as at 1 April 2025	0	(15,570)	0	(157)	(15,727)
Charge for the year	(1,430)	(2,653)	0	(162)	(4,245)
Reclassification	0	0	0	0	0
Depreciation written out to the surplus/deficit on the provision of services	0	0	0	0	0
Depreciation written out to the Revaluation Reserve	1,430	0	0	0	1,430
Disposals	0	3,170	0	0	3,170
Balance as at 31 March 2026	0	(15,053)	0	(319)	(15,373)
Net Book Value as at 31 March 2026	40,495	5,458	800	1,803	48,556
Net Book Value as at 31 March 2025	43,045	6,759	1,300	1,718	52,822

Nature of Asset Holding: 2025/26

Owned	23,307	5,458	800	0	29,564
RoU Assets	0	0	0	1,803	1,803
PFI	17,188	0	0	0	17,188
	40,495	5,458	800	1,803	48,556

Nature of Asset Holding: 2024/25

Owned	25,505	6,759	1,300	0	33,564
RoU Assets	0	0	0	1,718	1,718
PFI	17,540	0	0	0	17,540
	43,045	6,759	1,300	1,718	52,822

For PFI transaction details, please see Note 17.

Under accounting rules, a reduction in an asset's value can only be charged to the Revaluation Reserve if that asset has previously recorded gains. Where no such gains exist, any reduction is charged to the service revenue account. This charge is then reversed through the Capital Adjustment Account to avoid any impact on Council Tax. The Assets Under Construction are incomplete Capital projects, held at current value, which are yet to be categorised and given certification for the Balance Sheet. The largest spend under this category at 31st March 2026 was for the Estates strategy with current costs totalling £1.122m (see Note 16).

Depreciation policies

Depreciation and Amortisation are charged on a straight-line basis for all assets. In general, the following lives are utilised:

Buildings, Police Houses	50 years
Equipment	5 years
Vehicles	8 years
IT Equipment	3 to 7 years

In certain cases, alternative asset lives may be used where this provides a more accurate reflection of the asset's service potential and associated revenue costs.

PPE Re-classifications

During the year £3.415m (2024/25: £nil) of property was re-classified as Assets Held for Sale (Note 15).

An amount of £1.157m (2024/25: £nil) of Assets Under Construction was reclassified. £nil (2024/25: £nil) was completed capital projects and recognised as additions to property. £1.157m (2024/25: £0.170m) was reclassified as revenue expenditure.

PPE Disposals

The net book value of the PPE assets disposed during 2025/26 was £0.078m (2024/25: £0.229m) and relates to the disposal of property, vehicles and equipment.

Impaired Assets

No assets were assessed as impaired as at 31 March 2026 (31 March 2025: £nil).

Componentisation

Where an asset has major components, whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

11 International Financial Reporting Standard 16 (IFRS 16)

Under IFRS 16, the Authority recognises most leases on the Balance Sheet, recording: a right-of-use asset, and a lease liability (measured at the present value of future lease payments). Short-term leases and low-value assets are expensed on a straight-line basis over the lease term.

The Authority used the following practical expedients when applying IFRS 16 to leases:

- Lease liabilities are measured at the present value of the remaining lease payments at 1 April 2024, discounted by the Authority's incremental borrowing rate at that date
- A single discount rate has been applied to portfolios of leases with reasonably similar characteristics
- The weighted average of the incremental borrowing rates used to discount liabilities was 5.17 %
- Right-of use assets are measured at the amount of the lease liability, adjusted for any prepaid or accrued lease payments that were in the balance sheet on 31 March 2024 – any initial direct costs have been excluded
- All leases were assessed as to whether they were onerous at 31 March 2024, so right-of-use assets have not been subject to an impairment review – carrying amounts have been reduced by any provisions for onerous contracts that were in the 31 March 2024 balance sheet
- For right-of-use assets for peppercorn or nominal lease payments a right-of use asset has been recognised at fair value on 1 April 2024 with the between that fair value and the lease liability credited as a gain in the surplus/deficit on the provision of services

Right of Use Assets

The table below shows the change in the value of right-of-use assets held under leases by the authority:

2024/25		2025/26		
		Land & Buildings	Vehicles, Plant & Equipment	Total
£'000		£'000	£'000	£'000
-	Balance as at 1 April	1,718	-	1,718
2,677	Additions	252	-	252
(802)	Revaluations	14	-	14
(157)	Depreciation & amortisation	(162)	-	(162)
-	Disposals	(20)	-	(20)
1,718	Balance as at 31 March	1,803	-	1,803

Maturity analysis of lease liabilities

The lease liabilities are due to be settled over the following time bands (measured at the undiscounted cash flows).

	2024/25	2025/26
	£'000	£'000
Payable < 1 year	36	64
Payable 1 - 5 years	23	230
Payable in more than 5 years	0	-
Total undiscounted liabilities	58	294

12 Revaluation of Property, Plant and Equipment

From 1 April 2025, the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requirements changed in respect of revaluations of property, plant and equipment. In accordance with the Code, full revaluations are only now to be carried out on a quinquennial basis, with indexation being applied in the intervening years.

The changes do not apply to non-property assets with short useful lives or low values (or both), where the depreciated historical cost method will continue to be used.

Indexation is a tool used to apply an inflationary increase or decrease to assets in the years between professional valuations. Indexation works by considering the relative change in value using indices based on a range of factors, for example: normal inflation, local cost pressures, and, for some assets, the scarcity of resources for replacing the assets.

Paragraph 4.1.2.39 of the Code states that 'the purpose of applying indexation to asset values is to ensure the value of an asset is kept materially up to date for movements in variables, e.g. build costs, rental income, etc.'. Indexation is an approximation of market changes, however, and is not to be deemed the same as a formal valuation of a specific asset.

The Code does not mandate the use of any particular index, but rather sets out that the choice of index is a matter of judgement that should be made in the context of providing a reasonable estimate of the movement in the value of an asset from the prior year. The Police and Crime Commissioner for Wiltshire and Swindon have therefore engaged the external RICS registered valuers Wilks, Head & Eve LLP to assist in identifying appropriate indices for the affected assets.

Changes to the valuation of non-current assets through indexation and/or revaluations are accounted for through the revaluation reserve or the surplus/deficit on provision of services. A reduction in an asset's value can only be charged to the revaluation reserve if that asset has previously recorded gains. Where no such gains exist, any reduction is charged to the surplus/deficit account, and this charge is then reversed through the capital adjustment account to avoid any impact on the recognition of precept income.

Accumulated depreciation

Accumulated depreciation is an accounting estimate designed to show changes in the value of an asset relating to its consumption, therefore these amounts are eliminated against the gross carrying amount of the asset when a revaluation is carried out or indexation is applied. The formal valuation and application of indexation, which can be an upward or a downward movement, reflect the actual condition of the asset, and so the accumulated depreciation is made redundant by such valuations.

In-year expenditure

Where expenditure carried out in-year on existing assets meets the criteria to be capitalised, it is added to the carrying amount of the relevant asset. Unless non-contributory costs (such as costs attributable to design flaws) have been included on the capitalised amount, the amount paid should provide a fair measure of the future economic benefits or service potential that will flow to the authority. There is no requirement to revalue the asset in these circumstances, unless the authority has indications that the asset might be impaired.

Reclassifications

During the interim years between formal valuations, the PCC may make decisions which will effect the categorisation of properties. Alternatively, changes of use may occur. These changes could alter the valuation. For example, when a property used for service delivery is declared surplus, its classification changes from in-use to held-for-sale. In such circumstances, a separate valuation outside of the quinquennial cycle will be commissioned for these assets alone.

Indices

The property assets of the PCC are built or have been adapted for the specific purpose of policing and as such, are deemed to be specialised assets. As a result, no market evidence of transactions of these types of properties exists. In the normal course of events, the fluctuation of property market values should not necessarily affect the values of specialised properties, the principal 'value' of which are based on cost.

To value by way of Depreciated Replacement Cost methodology (DRC), we refer to data reported in the BCIS Cost Index prepared by the Royal Institution of Chartered Surveyors. CIPFA has recommended that for property assets valued via DRC, the use of the BCIS All-In TPI would be an acceptable index.

For the land element of the DRC's, the expectation based on an average basis is that the sites would fall within the brownfield category.

The remaining investment property in the PCC's portfolio represents a small amount of land which was adjacent to a former Police Station in Wroughton. This has been deemed to be Amenity Land. Whilst it holds a social value, this type of land is undesirable to investors, and is usually only held by public sector bodies. As a result, it has limited annual movements in

The Blackrock PFI has also been deemed a specialised asset. The valuation of the asset is provided by the PCC for Avon & Somerset, who have based this in line with DRC.

	Average change %	Total valuation change £'000
Specialised assets - property	2.24%	147
Specialised assets - land	-4.65%	(158)
Amenity land	0.00%	0
Specialised assets - property (Blackrock PFI)	2.80%	54
Specialised assets - land (Blackrock PFI)	-5.00%	(34)
		9

13 Investment Properties

At 31 March 2025, the Police and Crime Commissioner had three properties in the portfolio held as capital investments: Devizes Skid Pan, Salisbury land (area of land at rear of Wilton Road police station) and Wroughton land. There was no rental or direct operating expenditure relating to these investments during 2025/26 (2024/25: £nil). During 2025/26, the PCC made the decision to dispose of the Devizes Skid Pan and Salisbury land, and these assets were therefore reclassified to Assets Held for Sale. The remaining investment property, Wroughton land, was subject to indexation as at 31 March 2026, however the asset value was not subject to any change.

2024/25 £'000	Investment Properties	2025/26 £'000
1,118	Balance at 1 April	1,168
0	Additions	0
0	Reclassify assets	(1,150)
50	Revaluations recognised in the surplus/deficit on the provision of services	0
1,168	Net Book Value at 31 March	18

14 Intangible Assets

The net book value of intangible assets decreased from £1.474m at 31 March 2025 to £0.558m at 31 March 2026. This reduction reflects the annual amortisation charge. No new additions, disposals or reclassifications were recorded during the year. Intangible assets primarily consist of software licences and other IT-related developments, which continue to be amortised on a straight-line basis over their estimated useful lives.

2024/25 £'000	Intangibles	2025/26 £'000
	Cost or Valuation	
5,247	Balance at 1 April	5,247
-	Additions	-
-	Disposals	-
-	Reclassify assets	-
-	Revaluations recognised in the surplus/deficit on the provision of services	-
-	Revaluations recognised in the Revaluation Reserve	-
5,247	Balance at 31 March	5,247
	Amortisation	
(3,773)	Balance at 1 April	(3,773)
-	Charge for the year	(916)
-	Reclassify assets	-
-	Amortisation written out to surplus/deficit on the provision of services on disposals	-
(3,773)	Balance at 31 March	(4,689)
1,474	Net Book Value at 31 March	558

15 Assets Held for Sale

At the 31 March 2026, the Police and Crime Commissioner had 5 police stations, 7 police houses and 2 areas of land held for sale. A 31 March 2025 the PCC had 3 police stations held for sale, the movement represents reclassifications during the year. These sales form part of the Estates strategy for modernising the police estate and making it fit for purpose.

2024/25 £'000	Assets for Sale	2025/26 £'000
5,532	Balance at 1 April	1,370
	Additions	3,415
(4,162)	Disposals	
	Reclassify assets	
	Revaluations recognised in the surplus/deficit on the provision of services	
	Revaluations recognised in the Revaluation Reserve	
1,370	Net Book Value at 31 March	4,785

There were no disposals during 2025/26 (2024/25: £4.162m).

16 Capital Expenditure and Capital Financing

The below tables show the total capital expenditure in year, the required financing and a breakdown of the movement in the Capital Financing Requirement (CFR). In 2025/26 there was a decrease in the CFR of £1.132m (2024/25: Decrease £1.063m).

Capital expenditure

Total 2024/25 £'000		Land & Buildings 2025/26 £'000	ICT & Equipment 2025/26 £'000	Vehicles 2025/26 £'000	Total 2025/26 £'000
5,250	Capital expenditure in year	1,122	785	940	2,847
5,250		1,122	785	940	2,847

Financing of Capital Expenditure

2024/25 £'000		2025/26 £'000
3,181	Capital Receipts	0
5	Government Grant	0
2,065	Revenue and Other Reserves	0
951	VRP for PFI	1,021
61	VRP for RoU Assets	60
50	MRP for repayment of external borrowing	51
6,313		1,132

Explanation of Movements in Year

2024/25 £'000		2025/26 £'000
(951)	Voluntary Revenue Provision for PFI contracts	(1,021)
(61)	Voluntary Revenue Provision for ROU Assets	(60)
(50)	Minimum Revenue Provision	(51)
	Use of borrowing to finance Capital	
(1,063)	Increase/(Decrease) in Capital Financing Requirements	(1,132)

Capital expenditure financing rules require all expenditure to be financed in the same year as the expenditure is incurred. PFI expenditure is incurred and funded over the lifetime of the asset leading to a liability on the Balance Sheet equivalent to the asset (see Note 10 for more detail).

Due to PFI accounting requirements, a voluntary revenue provision of £1.021m has also been charged to revenue in line with the reduction in Finance Lease Liability of the same amount (2024/25: £0.951m). The PCC is required to make a Minimum Revenue Provision to put aside funds for the repayment of external debts. For 2025/26 this provision was £0.05m (2024/25: £0.05m) in preparation for the 2026/27 repayment of principle on the existing PWLB loans. This provision reduces the liability for the borrowing over the lifetime of the loan.

Internal borrowing of £1.2m from 2023/24 remains in place as at 31 March 2026, with refinancing planned when market conditions are more favourable.

Significant Commitments under Capital Contracts

There are no significant commitments under capital contracts to be paid after 31 March 2026 other than lease liabilities accounted for as part of IFRS 16 and detailed in Note 11.

Capital Financing Requirement

The gap in Capital Financing Requirement for the year has been funded through revenue:

2024/25 £'000		2025/26 £'000
55,464	Non-current Assets	49,133
1,370	Current Assets	4,785
(35,931)	Reserves	(32,839)
20,903	Total CFR	21,079
(17,988)	Finance Lease Liability	(16,298)
2,915	Underlying Borrowing Requirement	4,781

2024/25 £'000		2025/26 £'000
2,965	Opening Balance of Borrowing	2,915
0	Borrowing used in year to fund the gap	0
(50)	Repayment of borrowing (MRP)	(50)
2,915	Closing Balance Funded by Borrowing	2,865

The balance of the PCC's long-term PWLB borrowing is as follows:

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Cumulative Total £'000
New Loan	1,132	798						1,930
Repayments		(25)	(45)	(46)	(47)	(48)	(50)	(261)
Loan Balance	1,132	773	(45)	(46)	(47)	(48)	(50)	1,669

17 Financial Instruments and Private Finance Initiatives

Not all items in the Balance Sheet are classified as financial instruments. Under accounting standards (IFRS 9), financial instruments are limited to balances arising from contractual rights or obligations to receive or deliver cash. Statutory receivables and payables, such as taxes, pensions, and payroll, are excluded.

Financial assets and liabilities held by The Police and Crime Commissioner for Wiltshire and Swindon's Group are shown on the face of the accounts and in the related notes. The items classified as financial instruments include Debtors, Creditors, Interest, Investments, short-term borrowings, PFI liabilities and cash.

The following table analyses the Group's financial assets and liabilities into current (short-term) and non-current (long-term) balances in accordance with IFRS 9. These figures exclude statutory balances not classified as financial instruments (e.g. tax, pensions, payroll).

	Short Term (up to one year)		Long Term (more than one year)	
	2024/25 £'000	2025/26 £'000	2024/25 £'000	2025/26 £'000
Financial Liabilities at Amortised Cost:				
Creditors	(7,970)	(11,566)		
Borrowings	(50)	(51)	(1,671)	(1,618)
Bank overdraft	0	(4)		
PFI	(1,022)	(1,123)	(15,155)	(14,040)
Total	(9,042)	(12,745)	(16,826)	(15,658)
Financial Assets, Loans and Receivables:				
Investments	3,715	7,816		
Debtors	8,474	8,688		
Total	12,189	16,504	0	0

The total value of Debtors in the Balance Sheet includes statutory receivables that are excluded from financial instruments under IFRS. The following table reconciles the gross debtor figure to the amount disclosed as a financial instrument.

As with Debtors, certain Creditors (e.g. payroll and pensions) are statutory in nature and not included as financial instruments. The tables below reconcile the total Creditors in the Balance Sheet to those disclosed under financial instruments.

Debtors 2025/26	
£'000	
19,473	Balance Sheet
(2,404)	HO Pensions Funding
(3,119)	Payroll/Pension Debtors
(4,563)	Precept Debtors
(699)	VAT
8,688	Financial Instruments

Creditors 2025/26	
£'000	
(21,738)	Balance Sheet
2,553	Employee Benefits
4,163	Payroll/Pension Creditors
3,456	Precept Creditors
(11,566)	Financial Instruments

The following table sets out income and expenditure recognised in the Comprehensive Income and Expenditure Statement (CIES) for 2024/25 relating to financial instruments. These include interest received on investments and interest payable on borrowings and PFI liabilities.

	2024/25 £'000	2025/26 £'000
Financial Liabilities at Amortised Cost:		
Interest payable and similar charges	130	49
PFI finance interest	1,439	1,359
Total	1,569	1,409
Financial Assets, Loans and Receivables:		
Interest and investment income	(999)	0
Total	(999)	0

The PCC's Capital Strategy identified a requirement for borrowings to finance the Estates strategy and major IST programme capital spends for future years. The PCC is required to make a Minimum Revenue Provision (MRP) for repayment of these loans. This MRP is equivalent to the repayment of principal due and will reduce the liability over the lifetime of the loan. Payments relating to interest are charged directly to revenue. External PWLB loans are shown in the Balance Sheet as £1.669m Long-term Borrowing (future years) and £0.050m Short Term Borrowing (repayment of principal due next year). In the event of a default against the PWLB loans, interest will be charged on late payments at the Bank of England 'repo' rate for the day from the relevant payment date to the date on which the account is credited.

Fair value represents the amount for which an asset or liability could be exchanged in an orderly transaction between market participants at the measurement date. In accordance with IFRS 13, financial assets and liabilities for which fair value is disclosed are categorised into a three-level hierarchy based on the inputs used in the valuation:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 – unobservable inputs for the asset or liability

Financial instruments as set out in this note are classified as Level 2.

Disclosure of nature and extent of risks arising from financial instruments:

- Credit risk: the possibility that other parties may fail to pay amounts due to Wiltshire Police
- Liquidity risk: the possibility that the Group might not have funds available to meet its commitments to make payments
- Market risk: the possibility that financial loss might arise for the Group as a result of changes in such measures as interest rates and stock market movements

The Treasury's risk management strategy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by a central treasury team, under policies approved by the Police and Crime Commissioner in the Annual Treasury Management Strategy. Through the strategy written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash are provided.

Credit risk:

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Group's customers. The credit criteria in respect of financial assets held by the Police and Crime Commissioner are as detailed below:

Credit ratings will be monitored daily, by the PCC's treasury management providers (Wiltshire Council). The Council uses the creditworthiness service provided by Link Systems Ltd. This service is based on a sophisticated modelling approach, with credit ratings from all three rating agencies (Fitch, Moody's and Standard and Poor's), forming the core element. However, it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

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

In accordance with DCLG Guidance on Local Government Investments for selecting the creditworthiness of counterparties with whom investments are placed, the Police and Crime Commissioner will comply with the minimum requirements below.

All banks and building societies must be part of the credit list provided by Link Asset Services. The PCC will only invest with institutions on the list for the durations as specified by the colour coding used by Link and they must not be shown as out of range (with no colour) on the credit default swap analysis.

All Local Authorities and public bodies (ratings are not issued for most of these bodies).

Money Market Funds (MMF), must have been awarded the highest possible rating (AAA) from at least one of the credit rating agencies, Standard and Poor's, Moody's Investor Services Ltd and Fitch Ratings Ltd. (Deposits will only be placed with MMFs subject to individual signed management agreements).

Limits are applied to the amount of money that can be lent to any of these institutions or groups of institutions using the ratings of Fitch Rating Agency as follows:

- UK incorporated banks with a short-term credit rating of at least F1+ and a long-term credit rating of at least AA – £8 million
- Overseas banks that have a long-term credit rating of at least AA+ - £8 million
- Local Authorities and other public bodies - £8 million
- Other UK Incorporated banks - £5 million
- Other overseas banks - £5 million
- Building Societies - £5 million
- Money Market Funds - £5 million

The Police and Crime Commissioner's exposure to risk on investments is minimised by limiting the deposits to short term only, there has been no experience of historical default. The Police and Crime Commissioner's Group does not allow credit for customers, such that the balance on the Accounts Receivable ledger at 31 March 2026 relates to short term trade receivables, and any risk is minimal.

The following table provides an age analysis of trade receivables included in financial instruments, excluding statutory debtors. This reflects short-term customer and partner balances subject to credit risk.

Receivables (Loans & Receivables)	2024/25 £'000	2025/26 £'000
Less than 3 months	572	850
3 to 6 months	64	2
Over 6 months	0	0
	636	852

This table presents an age profile of trade payables (excluding statutory items such as tax and NI), representing amounts owed to suppliers at year end under financial instruments.

Payables (Amortised Cost)	2024/25 £'000	2025/26 £'000
Less than 3 months	850	2,782
3 to 6 months	5	13
Over 6 months	22	0
	877	2,795

Fair Value of Financial Instruments

IFRS 9 Financial Instruments requires fair value measurement of financial assets and liabilities. The Police and Crime Commissioner's financial assets are reviewed annually for the impact of changes. All investments are short term, less than a year and as such the carrying amount and fair value are not materially different. The same applies to Trade Payables and Receivables.

The loan liability, as presented in the Group Balance Sheet, of £1.669m was valued by Treasury advisors, MUFG Corporate Markets as at 31 March 2026 (31 March 2025: £1.719m) using a valuation basis of Level 2 inputs. The fair value was found to be £1.158m when compared to taking out a new loan at that date. The difference is attributable to the high discount rate used for the valuation (due to high interest rates). In practice it would be more expensive for the PCC to take out a new loan of this value due to the currently higher interest rates. To demonstrate the sensitivity; had the rates been 1% higher, the fair value would have reduced to £1.059m. The Fair Value of the loans, if the PCC was to prematurely repay the debt, was found to be £1.266m. Details of the fair value for PFIs are disclosed later in this note alongside further PFI information.

Liquidity risk:

The Police and Crime Commissioner has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. Previously issues of affordability, prudence and sustainability of borrowing had been of limited relevance due to the PCC's debt-free status. These are of increased relevance to the PCC now that he is borrowing to finance the future capital expenditure plan. The PCC takes advice from LINK Asset Services in setting out his annual Treasury Management Strategy to maximise returns and minimise risks.

Market Risk:

Interest rate risk

The Police and Crime Commissioner is exposed to risk in terms of its exposure to interest rate movements on the borrowings and investments. Movements in interest rates have a complex impact on the authority. For instance, a rise in interest rates would have the following effects:

- borrowings at fixed rates – the fair value of the liabilities borrowings will fall
- investments at variable rates – the interest income credited to the CIES will rise
- investments at fixed rates – the fair value of the assets will fall

Future returns are affected by inflation and the Bank of England's decisions on interest rates. Most invested funds are externally managed and enables returns to be maximised whichever way interest rates move. Any borrowing, temporary or longer term, is taken at a fixed interest rate to minimise the exposure to interest rate movements. The risk here is that the PCC may require borrowings at a time of unfavourable interest rates. Investments on HSBC Bank Treasury and other financial institutions are also taken at fixed interest rates.

Price risk

The Police and Crime Commissioner's Group does not invest in equity shares other than in the Pension Scheme (see pensions note), nor does it have any shareholdings in joint ventures or local industry. This means that the Group has no exposure to price risk outside of the Local Government Pension Scheme.

Foreign exchange risk

The Police and Crime Commissioner has no financial assets or liabilities denominated in foreign currencies and thus have no exposure to loss arising from movements in exchange rates.

Private Finance Initiative (PFI)

The Police and Crime Commissioner is committed to make annual payments for two PFI Projects; the Swindon Divisional Facilities and the Black Rock firearms training facility in Portishead shared with Avon & Somerset and Gloucester PCCs.

Accounting treatment

In accordance with the CIPFA Code of Practice, the Swindon PFI asset and Wiltshire's 25% share of the Black Rock PFI asset have been recognised on the Balance sheet. A corresponding finance lease liability is recorded for the Group's future payment commitments.

The total Unitary Charge paid under these contracts includes both a finance cost (interest) and a service element. The Finance Cost is recognised in the Comprehensive Income and Expenditure Statement (CIES) under 'interest payable and similar items'. The liability is reduced annually as the lease principal is repaid.

At the end of the contract terms:

- The Swindon PFI asset may transfer to the sole ownership of the Wiltshire Police and Crime Commissioner.
- The Black Rock facility will transfer to joint ownership of the three participating PCC's. Further information on Black Rock facility are included in the Joint Arrangements note.

The following tables set out the movements in the PFI assets and liabilities:

2024/25		Cost or Valuation	2025/26	
Swindon Property £'000	Black Rock Property £'000		Swindon Property £'000	Black Rock Property £'000
11,250	5,967	Balance at 1 April	10,890	6,650
0	0	Additions	0	0
(360)	683	Enhancements/revaluations	(372)	20
10,890	6,650	Balance at 31 March	10,518	6,670
		Depreciation		
0	0	Balance at 1 April	0	0
(663)	(324)	Charge for the year	(374)	(111)
663	324	Depreciation write-back on revaluation	374	111
0	0	Disposals	0	0
0	0	Balance at 31 March	0	0
10,890	6,650	Net Book Value at 31 March	10,518	6,670
(14,190)	(2,931)	Finance Lease Liability in Accounts	(13,360)	(2,817)
0	0	Additions	0	0
0	(7)	Adjustment to Liability	0	(8)
830	121	Liability Redemption	901	121
(13,360)	(2,817)	Finance Lease Liability at 31 March	(12,459)	(2,704)

Swindon PFI

The Swindon PFI Finance Lease liability, as presented in the Group Balance Sheet, of £13.360m (2024/25: £14.190m) was valued at Fair Value by the Treasury Advisors MUF (formerly Link Asset Management) as at the 31 March 2026. Projected interest costs total £7.000m giving a projected total cost of £20.360m.

Payments made in 2025/26 and due for the remainder of the Swindon PFI contract are as follows:

	£'000			
	Fair Value of Services	Lifecycle Replacement Costs	Interest Cost for Year	Finance Lease Liability Redemption
Rentals Paid in Year (2025/26)	1,604	50	1,135	901
Rentals Payable in Future Years				
Within 1 Year	1,604	50	1,059	977
Within 2 to 5 Years	6,416	198	3,331	4,813
Within 6 to 10 Years	5,213	161	3,331	6,669
Total in Future Years	13,233	409	7,721	12,459

Blackrock PFI

The Fair Value of Wiltshire's share in the Blackrock PFI liability as at 31 March 2026 is £2.704m (31 March 2025: £2.817m). This valuation has been provided by the PCC for Avon & Somerset.

Payments made in 2025/26 and due for the remainder of the Blackrock contract are as follows:

	£'000			
	Fair Value of Services	Lifecycle Replacement Costs	Interest Cost for Year	Finance Lease Liability Redemption
Rentals Paid in Year (2024/25)	140	69	224	121
Rentals Payable in Future Years				
Within 1 Year	145	55	215	146
Within 2 to 5 Years	580	364	748	562
Within 6 to 10 Years	729	377	632	1,076
Within 11 to 15 Years	434	183	149	920
Total in Future Years	1,888	978	1,745	2,704

18 Contingent Assets & Contingent Liabilities

Police Officer Pensions Legal Cases

In respect of the McCloud Pension case, claimants have lodged claims for compensation under two active sets of litigation, Aarons, and Penningtons. Government Legal Department settled the injury to feelings claims for Aarons on behalf of Chief Officers without seeking any financial contributions. The settlement of the injury to feelings claims for Aarons sets a helpful precedent, therefore no liability in respect of compensation claims is recognised in these accounts. Pecuniary loss claims remain stayed under advice from Counsel, but it is expected that most of these claims will be settled under the current compensation mechanism that is provided for under the Public Service Pensions & Judicial Offices Act (PSPJOA) 2022. As at 31 March 2026, it is not possible to reliably estimate the extent or likelihood of Penningtons claims being successful, and therefore no contingent liability in respect of compensation claims is recognised in these accounts.

19 Cash Flow

The Accounts and Audit Regulations require disclosure of a statement of source and application of funds. The Cash Flow Statement satisfies this requirement. The statement includes all the Police and Crime Commissioner for Wiltshire and Swindon's Group operations, revenue and capital, excluding internal transactions. It thus shows total receipts and total payments and how the difference between the two was financed.

Reconciliation to the Comprehensive Income and Expenditure Statement:

2024/25			2025/26	
PCC £'000	Group £'000		PCC £'000	Group £'000
111,734	(24,892)	Surplus/(Deficit) on CIES	(3,020)	(12,424)
1,137	1,137	Movement in debtors*	1,962	1,962
113	113	Movement in stocks	(116)	(116)
113	113	Movement in creditors*	4,047	4,047
(727)	(727)	Movement in provisions and other balances	1,110	1,110
(136,625)	0	Intra Group funding	(9,404)	0
20,038	20,038	Adjustments between Accounting Basis and Funding Basis under statute	14,439	14,439
2,575	2,575	Adjustment for use of Borrowing and previously unapplied Grant	1,132	1,132
5,000	5,000	Adjustment for purchase of investments	(3,046)	(3,046)
(5,605)	(5,605)	Net Cash Flows from Investing Activities	2,847	2,847
1,064	1,064	Net Cash Flows from Financing Activities	(248)	(248)
(1,185)	(1,185)	Net Cash Flows from Operating Activities	9,704	9,704

*Excludes adjustments that form part of the adjustments between accounting and funding basis.

The Cash flows from operating activities (£9.704m) shown in the table along with the Investing activities £2.847m, and Financing activities (£0.248m) make up the total movement in cash and cash equivalents of £7.105m.

Movement in Cash and Cash Equivalents:

Movement 2024/25 £'000		Balance 01-Apr-25 £'000	Balance 31-Mar-26 £'000	Movement 2025/26 £'000
(79)	Cash held by the PCC	141	140	(1)
(4)	Cash overdrawn	(4)	0	4
3,438	Short term investments (up to 3 months)	3,715	10,816	7,102
3,355	Total	3,851	10,956	7,105

Due to a more volatile cashflow during 2025/26, and in part caused by funding received in arrears for special operations, all deposits were held in short term overnight accounts. Returns on these accounts are similar to deposits in money market funds of over 3 months, however, these are more easily accessible. The accessibility means they are considered to be cash and cash equivalents.

Analysis of Specific Government Grants:

2024/25 £'000		2025/26 £'000
(5,570)	Operational Policing grants	(522)
(4,172)	Officer Uplift grant	(3,621)
(3,619)	Pensions Support grant	(3,345)
(2,525)	Security Funding Spec grant	(2,775)
(2,068)	PFI Swindon Facilities grant	(2,068)
(1,485)	Victims & Support RJ grant	(1,490)
(1,000)	ASB Hotspot grants	(1,000)
(2,045)	Other grants	(2,587)
(22,484)	Total	(17,406)

This income is included within the Cash Flow Statement under 'Cash received for Goods and Services' and in the Comprehensive Income and Expenditure Statement as Specific Grants.

An additional amount of £0.410m (2024/25: £0.410m) is included in the Comprehensive Income and Expenditure Statement to account for a share of the Black Rock PFI Grant – more information is available in the PFI note.

20 Debtors

These represent sums owed to the Police and Crime Commissioner's Group for supplies and services provided on or before 31 March 2026, but not received at that date.

2024/25 £'000		2025/26 £'000
6,645	Prepayments	7,986
959	Trade income outstanding	2,935
13,228	Other income outstanding	8,552
20,833	Total short-term debtors	19,473

The 2025/26 figure includes:

- £2.333m due from the Home Office for the pension fund top up grant (2024/25:£4.031m)
- £0.699m VAT claims not yet received from HMRC (2024/25: £0.989m)
- £4.563m for collection fund debtors – this is explained in the policies (2024/25: £4.077m)
- £1.440m due from the Home Office for the uplift grant (2024/25: £1.969m)
- £3.119m for pensions paid in advance (2024/25: £3.197m)
- £2.620m IT licences and support prepaid for the coming year (2024/25 £1.1m)
- £1.5m relates to specific grants
- £0.4m relates to collaborations with other forces

21 Creditors

These represent sums owed to the Police and Crime Commissioner's Group for supplies and services received on or before 31 March 2026, but not paid for at this date.

2024/25		2025/26
£'000		£'000
(100)	Income in advance	(1,308)
(3,956)	Trade invoices outstanding	(7,543)
(13,718)	Other invoices outstanding	(12,888)
(17,774)	Total short-term creditors	(21,738)

The 2025/26 figure includes:

- £4.024m payroll liabilities including payments due to HMRC(2024/25: £3.495m)
- £2.552m for employee leave not taken at 31 March 2026 (2024/25: £2.741m)
- £3.456m for Collection Fund accruals – this is explained in the policies (2024/25: £2.833m)
- £1.8m relates to collaborations with other forces (2024/25: £1.609m)
- £1.2m relates to specific grants

Police Property Act

The Police and Crime Commissioner operates a holding account, for seized monies and the sale proceeds of seized and unclaimed property under the Police (Property) Regulation 1997. In accordance with the regulation these monies and proceeds are distributed to local charities, through the Community Foundation, as approved by the Group. The balance for distribution stands at £63,411 as at 31 March 2026 (2024/25: £77,316) and is included as a creditor.

Drugs Forfeiture Fund

This fund is credited with the confiscated proceeds of illegal drug dealings. These funds are used to finance equipment and other purchases to contribute towards combating drug related crime and are included as a creditor. The balance available on the account as at 31 March 2026 was £103,634 (2024/25: £139,447).

Seized Cash Account

This account is for confiscated funds held by the Police and Crime Commissioner under specific individuals where judgements are outstanding at court. As at 31 March 2026 the balance in the bank was £554,961 (2024/25: £608,961). As these are not the Police and Crime Commissioner's funds they are not included within the Police and Crime Commissioner's Group Balance Sheet.

22 Provisions

2024/25			2025/26	
Insurance £'000	Other £'000		Insurance £'000	Other £'000
(1,315)	(116)	Balance as at 1 April	(589)	(116)
726	0	Movement of provision in year	(1,110)	0
(589)	(116)	Total	(1,699)	(116)

Included within the 2025/26 provision total is £1.699m relating to insurance (2024/25: £0.589m). This provision is for both reserves and costs which may become payable and relates to both employers' liability and civil claims. To the best of our knowledge the payments will be made in the coming year, so it is disclosed in the Balance Sheet as a short-term provision.

23 Usable Reserves

2024/25 £'000		2025/26 £'000
2,576	Capital receipts reserve	2,576
0	Capital grants unapplied	0
5,236	Other earmarked reserves	7,251
2,185	General fund reserve	2,185
9,997	Total usable reserves	12,012

Capital Receipts Reserve

Capital receipts are funds received by the Police and Crime Commissioner from the sale of capital assets. Movements in the Capital Receipts Reserve are detailed in the Movement in Reserves Statement and further in the note to the accounts for Adjustments between Accounting Basis and Funding Basis under Statute.

Capital Grants Unapplied

The Capital Grants Unapplied Reserve holds the grants received towards capital projects for which the Police and Crime Commissioner has met the conditions that would otherwise require repayment of the grant, but which have yet to be applied to capital expenditure. The balance is restricted by grant terms surrounding purpose and timing of its use.

Earmarked Reserves

These represent funds that have been earmarked for specific purposes to cover future liabilities. Details for the reserves are disclosed below:

Reserve	Balance at 01-Apr-25 £'000	Additions to reserve £'000	Deductions from reserve £'000	In year Movement £'000	Balance at 31-Mar-26 £'000
Unused Capital Receipts & Grants	(2,576)	-9	9	0	(2,576)
General Reserves					
General Reserves - Earmarked					
- Risk Reserves	(817)	0	0	0	(817)
- Change Programmes	(1,709)	(229)	0	(229)	(1,938)
- Investment Reserves	(801)	0	0	0	(801)
- Capital Earmarked Reserve	0	(1,968)	0	(1,968)	(1,968)
Earmarked Reserve total	(5,903)	(2,207)	9	(2,197)	(8,100)
Non-earmarked General Reserve	(2,184)	0	0	0	(2,184)
Total General Reserves	(8,087)	(2,207)	9	(2,197)	(10,284)
Chief Constable Operational Reserve	(1,548)	(321)	321	0	(1,548)
Partnership Reserves	(362)	0	182	182	(180)
Total Usable Reserves	(9,997)	(2,528)	513	(2,015)	(12,012)

Movement in reserves - 2025/26 commentary

The Medium-Term Financial Strategy (MTFS), set ahead of 2025/26, included the Financial Review Programme (FRP) targeted with achieving a total of efficiency of £5.6m. This would balance the Budget and protect the present levels of usable reserves which historically have been depleted.

Further efficiencies achieved during 2025/26, combined with the continuation of stronger controls in place to monitor spending, has delivered a favourable variance to Budget spending. This has enabled further increases to usable reserves, specifically Capital, which will allow greater flexibility and resilience particularly due to the timing of Capital Receipts. Furthermore, building a Capital reserve will also support with future Capital investment pressures including moving to adopt the national Emergency Services Network (ESN) and adopting Electric Vehicle (EV) infrastructure.

Moving forward into 2026/27, the MTFS includes additional reserve increases in order to ensure that balances keep pace with planned inflation.

General and Earmarked reserves

At 31 March 2026, the PCC held a General Fund reserve of £2.185m (31 March 2025: £2.185m), designed to provide resilience against unforeseen operational or financial pressures.

In addition, the PCC holds locally earmarked reserves totalling £3.556m (31 March 2025: £3.327m), set aside for known risks, transformation programmes, and future service investment.

The balances held in these reserves are reviewed periodically to ensure relevance and alignment with strategic priorities.

Risk reserve

To mitigate insurance-related risks and potential pension costs arising from ill-health retirements (£0.817m).

Change Programme reserve

To fund transformation and service improvement initiatives, including estates and technology investments and the Emergency Services Network (ESN) transition (£1.938m).

Investment reserve

To support PCC commissioning priorities, collaborative initiatives, and sustainability efforts aligned with the national net zero agenda (£0.801m).

Together, the General and Earmarked reserves balances totalled £5.740m (31 March 2026: £5.512m).

Capital earmarked reserve

As at 31 March 2026, the PCC held £1.968m in the capital earmarked reserve (31 March 2025: £nil). The efficiencies made during the year allowed the fund to be reinstated during the 2025/26 year, providing resilience for future capital spend.

Chief Constable operational reserve

As at 31 March 2026, the Chief Constable holds an operational contingency reserve of £1.547m (31 March 2025: £1.547m). This reserve provides ready access to funds for urgent or unforeseen operational demands, without requiring additional PCC approval.

This practice aligns with paragraph 4.4.6 of the Home Office Financial Management Code of Practice for the Police Forces of England and Wales (2018), which states that a Chief Constable should have access to a contingency reserve to meet operational priorities. While the Code does not mandate a fixed amount, a 1% benchmark of the Chief Constable's net revenue expenditure is commonly referenced in sector guidance.

This reserve is reviewed periodically in line with the joint Reserves Strategy and forms part of prudent financial management.

Partnership reserves

The PCC also holds Partnership reserves of £0.180m (31 March 2025: £0.362m), which are managed on behalf of multi-agency arrangements and are not under the sole control of the PCC. They are governed by the respective partnership boards and are ring-fenced for specific purposes:

MAPPA reserve

Supporting Multi-Agency Public Protection Arrangements in line with Strategic Management Board decisions (£0.037m).

Local Resilience Forum (LFR) reserve

Funding LRF activities through partner contributions (£0.131m).

Switch/IOM reserve

Supporting Integrated Offender Management through multi-agency collaboration (£0.012m).

This reserve is reviewed periodically in line with the joint Reserves Strategy and forms part of prudent financial management.

24 Unusable Reserves

2024/25 £'000		2025/26 £'000
19,524	Capital adjustment account	16,749
16,406	Revaluation reserve	16,089
(852,900)	Pension reserve	(854,402)
1,095	Collection fund adjustment account	1,107
(2,741)	Accumulated absence account	(2,553)
(818,615)	Total unusable reserves	(823,010)

Capital Adjustment Account

The Capital Adjustment Account is credited with all sources of capital financing for the year other than loans. It is debited for all items relating to capital expenditure charged to the Comprehensive Income and Expenditure Statement.

2024/25 £'000		2025/26 £'000
19,635	CAA balance as at 01 April	19,524
	<i>Reversal of capital items charged to Income & Expenditure:</i>	
(1,551)	Revaluations	(167)
(4,391)	Disposals	(1,250)
	De minimis	
(6,112)	Depreciation and Amortisation	(4,999)
	See Notes 10 and 14	
(12,054)		(6,416)
4,862	Adjustments to Revaluation Reserve	960
(7,192)	Net written out amount of asset costs consumed in year	(5,456)
	<i>Capital financing in the year:</i>	
3,295	Capital financing from Capital Receipts Reserve	(9)
0	Capital financing grants charged to Income & Expenditure	0
5	Capital financing from Capital Grants Unapplied account	0
2,014	Capital financing charged to the General fund	685
704	Adjustments for re-measurements of lease liabilities under IFRS16	874
1,062	Finance lease liability redemption and repayment of borrowing	1,132
(111)		(2,775)
19,524	CAA balance as at 31 March	16,749

Revaluation Reserve

The accounting entries on the Revaluation Reserve represent adjustments for the gains on revaluation of assets.

2024/25 £'000		2025/26 £'000
21,324	Balance as at 01 April	16,406
(56)	Revaluation gain/(loss)	476
(3,653)	Balance relating to disposals to CAA	167
	See Note 10	
(1,208)	Depreciated revaluation gains to CAA	(960)
16,406	Balance as at 31 March	16,089

Pension Reserve

The balance on this reserve represents the Police and Crime Commissioner's Group commitment for future payment of retirement benefits. The total deficit of £854m for 2025/26 (2024/25: £853m) has a substantial impact on the net worth of the Group shown on the balance sheet. However, the financial position of the Group remains healthy because the deficit on the local government scheme will be funded by increased contributions over the remaining working life of employees, as assessed by the scheme actuary, and funding to cover police pensions is only required when the pensions payments are made.

2024/25 £'000		2025/26 £'000
(971,717)	Balance as at 01 April	(852,900)
1,117	Opening balance adjustment	0
136,658	Re-measurement of the net defined benefit liability/(asset)	13,100
(65,690)	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	(55,500)
46,732	Employer's pensions contributions and direct payments to pensioners payable in year	40,898
(852,900)	Balance as at 31 March	(854,402)

Collection Fund Adjustment Account

The surplus or deficit on the Council Tax Collection Fund must be attributed to individual authorities in each financial period and debtor/creditor balances for council taxpayers are split between the billing authority and the major precepting authorities. Funding from Precepts is adjusted in the accounts to show the Police and Crime Commissioner's share of the Net surplus/deficit on the collection fund at the end of the year. For 2025/26, the Police and Crime Commissioner's cumulative share includes:

2024/25 £'000		2025/26 £'000	Movement £'000
6,496	Debtors (Council tax arrears)	7,402	906
(2,419)	Bad debt provision	(2,839)	(420)
(2,982)	Creditors (prepaid Council tax etc.)	(3,456)	(474)
1,095	Collection fund surplus/(deficit)	1,107	12

The £1.107m is the Police and Crime Commissioner's share of the Collection Fund surplus during 2025/26 (2024/25: £1.095m) and is included in the Balance Sheet for the year. The increase in precepts in the Comprehensive Income and Expenditure of £0.012m (2024/25: £0.906m) movement is reversed out in the Movement in Reserves Statement and presents no net effect on the finances for the year.

Accumulated Absences Account

The Police and Crime Commissioner's Group is required to account for employee benefits in the period that they are earned by employees. The result is that the Group has a £2.554m accrual for employee leave entitlements carried over at 31 March 2026. For 2025/26 there is a £0.187m decrease in the net cost of services where the accrual has decreased from £2.741m in 2024/25, this is reversed out in the Movement in Reserves Statement to avoid any impact on Council Tax.

2024/25 £'000		2025/26 £'000
(3,379)	Balance as at 01 April	(2,741)
638	Amount by which 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	187
(2,741)	Balance as at 31 March	(2,554)

25 Joint Arrangements

The Police and Crime Commissioner's Group is involved in several operational collaborations with regional police forces and works closely with other Local Government bodies in delivering its services to the local communities. These joint operations are key to providing efficient sustainable policing services. Shared resources can also result in opportunities to modernise and embrace innovation and technology to maintain and improve the services available to the community even with reduced funding availability.

The Group recognises in its Statement of Accounts its share of the assets, liabilities and expenditure relating to its involvement in the joint operations. The Group's contributions to the Joint Operations are disclosed below.

2024/25		Joint Operation	2025/26	
Expenditure £'000	Income £'000		Expenditure £'000	Income £'000
1,078	0	Black Rock firearms training facility	1,061	0
1,924	0	Brunel Major Crime Investigation Team	2,056	0
2,137	38	South West Regional Organised Crime Unit	2,676	66
4,074	0	South West Regional Forces Forensics	4,457	0
1,052	0	Wiltshire Multi Agency Safeguarding Hub	1,174	0

Black Rock

Black Rock is a firearms training facility located in Avon & Somerset which is run in partnership with Avon and Somerset police and Gloucestershire police. Each organisation has a staff commitment to provide trainers for the facility.

The split of expenditure between the forces is different for premises and non-premises related costs. The overall percentage allocation for 2025/26 was 24.47% for Wiltshire, 45.06% for Avon and Somerset and 30.46% for Gloucestershire. The total cost of the operation was £4.336m in 2025/26 (£4.094m in 2024/25).

Brunel Major Crime Investigation Team

This collaboration between Avon & Somerset Police, Gloucester Police and Wiltshire Police forms a shared Major Crime Investigations team (MCIT) for the three areas.

The overall cost of the facility for the year was £10.821m; this is split on a percentage basis, with Wiltshire contributing 19.00%, Gloucester 17.00% and Avon and Somerset 64.00%.

South West Regional Organised Crime Unit

South West Regional Organised Crime Unit (SWROCU) is a regional collaboration set up to combat serious and organised crime across the South West of England. Avon and Somerset are the lead force with a 30.72% share of net expenditure, along with Devon and Cornwall (31.93%), Dorset (13.50%), Wiltshire (12.70%), and Gloucestershire (11.78%). The total net cost of the operation, after government grants and sundry income, was £20.229m in 2025/26 (2024/25: £18.863m).

South West Regional Forces Forensics

South West Forensic Services is a collaboration between Wiltshire (13.68%), Avon and Somerset (34.82%), Devon and Cornwall (36.20%) and Dorset (15.30%) to provide forensic services. The total cost of the operation was £32.582m in 2025/26 (£29.633m in 2024/25).

Wiltshire Multi Agency Safeguarding Hub

The Wiltshire Multi Agency Safeguarding Hub (MASH) is a partnership between Wiltshire Police, Wiltshire Council and Swindon Council based in County Hall Trowbridge and Watt Tyler West building in Swindon. The Cost of MASH in 2025/26 was £1.174m (2024/25: £1.052m) for Wiltshire Police.

Other Collaborations

The PCC for Wiltshire is involved in numerous smaller collaborations and partnerships including the Counter Terrorism Specialist Firearms Officers (CTSFO's), Serious Sexual Assault Referral Centre (SSARC), Local Resilience Forum (LRF) and the Youth Offending Team (YOT).

26 Termination Benefits

The numbers of exit packages with total cost per band are set out in the table below. The total cost of exit packages includes early pension payments.

Exit package cost band	Compulsory redundancies		Other Departures		Total cost of exit packages	
	2024/25 No.	2025/26 No.	2024/25 No.	2025/26 No.	2024/25 £'000	2025/26 £'000
£0-£20,000	9	7	-	6	97	107
£20,001-£40,000	2	4	1	-	77	111
£40,001-£60,000	1	1	1	1	105	98
£60,001-£80,000	2	4	-	1	141	360
£80,001-£100,000	-	1	-	-	-	81
£100,001-£120,000	-	-	-	-	-	-
£120,001-£140,000	-	1	-	-	-	135
£140,001-£160,000	-	1	-	-	-	142
Total	14	19	2	8	420	1,034

27 Remuneration of Staff

The code of practice requires a disclosure of the number of employees whose annual remuneration, excluding pension payments, exceeds £50,000. Remuneration for these purposes includes all sums paid to or received by an employee, expense allowances and the money value of any other benefits received other than cash. The number of employees within £5,000 bands is as follows:

Payment band (£)	PCC Group Employees		PCC Employees	
	2024/25 No.	2025/26 No.	2024/25 No.	2025/26 No.
50,000 - 54,999	239	228	1	2
55,000 - 59,999	156	188	4	3
60,000 - 64,999	83	107	1	3
65,000 - 69,999	70	81	3	-
70,000 - 74,999	12	35	-	4
75,000 - 79,999	3	11	1	1
80,000 - 84,999	4	1	-	-
85,000 - 89,999	3	7	-	-
90,000 - 94,999	4	3	1	-
95,000 - 99,999	3	4	-	1
100,000 – 104,999	2	2	-	-
105,000 – 109,999	-	2	-	-
110,000 – 114,999	-	1	-	-
115,000 – 119,999	-	-	-	-
120,000 – 124,999	-	-	-	-
125,000 – 129,999	1	-	-	-
130,000 – 134,999	-	-	-	-
135,000 – 139,999	-	-	-	-
140,000 – 144,999	-	-	-	-
145,000 – 149,999	-	-	-	-
150,000 – 154,999	-	-	-	-
155,000 – 159,999	-	-	-	-
160,000 – 164,999	-	-	-	-
165,000 – 169,999	-	-	-	-
170,000 – 174,999	-	-	-	-
175,000 – 179,999	-	-	-	-
180,000 – 184,999	-	-	-	-
	580	670	11	14

The above disclosure for contains details for all staff and all officers, excluding those Senior Officers detailed below, whose remunerations, excluding pensions, exceeds £50,000.

This disclosure is required on a legal basis rather than using the concept 'substance over form' as applied to the other Statement of Accounts disclosures.

The overall number of officers in the table has increased this year. This increase relates to the pay rises received in September that have pushed several grades above the £50,000 threshold.

For 2025/26, a total of £3.451m was recharged to external establishments for officers and staff on secondment (2024/25: £2.691m). As at 31st March 2026 there were 42 employees working in external areas on secondment (2024/25: 35 employees). 37 of the employees included in the bandings over £50,000 were seconded out to other Forces or Government organisations as at 31 March 2026 (2024/25: 22 employees).

Senior Officer Remunerations

The code of practice requires disclosure of individual remunerations for Senior Officers and Relevant Police Officers. The following tables contain the details for 2025/26 and comparative information from 2024/25. Senior Officers on payroll are excluded in the above banding. Where employees have a vehicle allowance this can be paid in the form of a lease car or within their salary. Those that have opted for the salary option have this payment included in the salary column of the remunerations.

Where further information is required to understand the entries, these have been included below the summary table:

Senior Officer Remunerations 2025/26	NOTE	Name	Salary (incl. fees & allowances	Bonuses	Expenses	Benefits in Kind	Total remuneration excl. pension contributions 2025/26	Pension contributions	Total remuneration incl. pension contribution 2025/26
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
T/Assistant Chief Constable		E Coles	135,422	-	11	-	135,433	44,162	179,595
Deputy Chief Constable		P Mills	162,495	-	-	1,920	164,415	53,815	218,230
Assistant Chief Constable		D Smith	148,711	-	139	960	149,810	49,012	198,822
OPCC Chief Executive		N Darwish	141,769	-	-	1,932	143,701	21,632	165,333
Head of Communications		S McPherson	80,144	-	-	-	80,144	12,940	93,085
Police & Crime Commissioner		P Wilkinson	76,122	-	-	-	76,122	-	76,122
Chief of Corporate Services		J Derryman	154,695	-	-	1,662	156,357	-	156,357
Director of Operations		R Llewellyn	96,880	-	-	-	96,880	15,888	112,768
Chief Constable		C Roper	213,094	-	-	1,596	214,690	71,739	286,429
Deputy Chief Constable		M Cooper	162,317	-	-	1,920	164,237	-	164,237
Director of People		I Gibson	141,769	-	-	-	141,769	21,632	163,401
Chief Financial Officer		R Thomas	94,337	-	-	-	94,337	15,471	109,808
Assistant Chief Constable	(i)	I Saunders	90,719	-	-	-	90,719	29,702	120,420
Chief Finance Officer, OPCC	(ii)	G Papworth	23,574	-	-	-	23,574	3,866	27,440
Chief Finance Officer, OPCC	(iii)	D Moran	151,391	-	-	-	151,391	-	151,391

- (i) I Saunders was Assistant Chief Constable up to 30/11/2025
(ii) G Papworth was appointed Chief Financial Officer for the Police and Crime Commissioner from the 05/01/2026
(iii) D Moran was in the role of Chief Financial Officer for the Police and Crime Commissioner up to 31/01/2026

Senior Officer Remunerations 2024/25	NOTE	Name	Salary (incl. fees & allowances) £'000	Bonuses £'000	Expenses £'000	Benefits in Kind £'000	Total remuneration excl. pension contributions 2024/25 £'000	Pension contributions £'000	Total remuneration incl. pension contribution 2024/25 £'000
T/Assistant Chief Constable	(i)	E Coles	29,823	-	-	-	29,823	9,947	39,770
Deputy Chief Constable		P Mills	147,932	-	-	6,976	154,908	50,053	204,961
Assistant Chief Constable		D Smith	143,562	-	-	-	143,562	47,016	190,578
OPCC Chief Executive		N Darwish	138,269	-	-	-	138,269	20,751	159,020
Head of Communications		S McPherson	62,620	-	-	-	62,620	10,067	72,687
Assistant Chief Officer - Finance	(ii)	C Barker	16,193	-	-	465	16,658	2,117	18,775
Police & Crime Commissioner		P Wilkinson	73,300	-	-	-	73,300	-	73,300
Chief of Corporate Services		J Derryman	143,457	-	-	-	143,457	-	143,457
Director of Operations		R Llewellyn	92,776	-	-	-	92,776	15,215	107,991
Chief Constable		C Roper	197,540	-	-	-	197,540	65,685	263,225
Assistant Chief Constable	(iii)	M Cooper	98,963	-	-	-	98,963	-	98,963
Deputy Chief Constable	(iv)	M Cooper	48,127	-	-	-	48,127	-	48,127
Deputy Chief Constable	(v)	C Dibdin	181,146	-	-	-	181,146	-	181,146
Head of Strategic Comms & Engagement	(vi)	C Mills	97,672	-	-	-	97,672	11,621	109,293
Director of People	(vii)	I Gibson	136,029	-	-	-	136,029	20,695	156,724
Chief Financial Officer	(viii)	R Thomas	1,440	-	-	-	1,440	236	1,676
Assistant Chief Constable		I Saunders	107,264	-	-	-	107,264	34,962	142,226
Assistant Chief Finance Officer	(ix)	A Streets	107,010	-	-	-	107,010	-	107,010
Director of People	(x)	S Lane	6,300	-	-	-	6,300	-	6,300
Assistant Chief Finance Officer	(xi)	D Moran	126,857	-	-	-	126,857	-	126,857

- (i) E Coles was Temporary Assistant Chief Constable from 06/01/2025
- (ii) C Barker was in the role of Chief Finance Officer up to the 08/05/2024 for both the Chief Constable and the Police and Crime Commissioner. For the purposes of remunerations classifications, he is included within the CC employee disclosures
- (iii) M Cooper was Assistant Chief Constable up to 10/12/2024
- (iv) M Cooper was Deputy Chief Constable from 11/12/2025
- (v) C Dibdin was Deputy Chief Constable up to 31/01/2025
- (vi) C Mills was Head of Police Strategic Communications & Engagement up to 13/12/2024
- (vii) I Gibson was Director of People from the 02/04/2024
- (viii) R Thomas was Chief Financial Officer for the Chief Constable from the 26/03/2025
- (ix) A Streets was in the role of Interim Chief Finance Officer up to the 19/08/2024 for both the Chief Constable and the Police and Crime Commissioner. For the purposes of remunerations classifications, he is included within the CC employee disclosures
- (x) S Lane was employed as HR Director up to the 10/04/2024 via an agency agreement. As a member of the senior management team, she is included in the Senior Officer note. The amount included as remuneration is the total amount paid (excl. VAT) to the agent for the provision of their services. Due to not being included in the payroll she is not included in the Remuneration of Staff note
- (xi) D Moran was in the role of Interim Chief Finance Officer up to the 25/03/2025 for both the Chief Constable and the Police and Crime Commissioner. For the purposes of remunerations classifications, he is included within the CC employee disclosures

28 Related Parties

In accordance with the CIPFA Code of Practice and IAS 24 Related Party Disclosures, material transactions with related parties are disclosed where they are not conducted under normal terms of business or could influence the decision-making of the Police and Crime Commissioner. For 2025/26, no material transactions were declared by key management personnel, except as set out below:

Police and Crime Commissioner - External Roles

The Police and Crime Commissioner is a Director for the Wiltshire and Swindon Community Foundation. The Community Foundation advises on and administers the distribution of charitable funds for the PCC including Police Property Act funds. A suspense account is operated for the Police Property Act; details can be found in the Creditors note.

Partnerships

The Police and Crime Commissioner has several partnership projects involving joint boards or committees; including arrangements with regional Police Forces, Wiltshire Council and Swindon Borough Council. Details of the partnerships are disclosed under the Joint Arrangements note (see Note 24).

Central Government

Central Government has significant influence over the general operations of the Group. Grants received from Central Government are disclosed in the Comprehensive Income and Expenditure Statement.

The Wiltshire Bobby Van Trust

C. Roper is an Ex-officio Trustee of The Wiltshire Bobby Van Trust. During the year the PCC provided general corporate service support to the Trust and made donations totalling £4,490 (2024/25: £16,804). The cost of clothing provided to them was £nil (2024/25: £nil). An amount payable to The Bobby Van Trust of £nil (2024/25: £nil) was outstanding at year

A sales invoice totalling £29,050.60 (2024/25: £nil) was outstanding at year end, this was settled in full in April 2026.

29 External Audit Fees

Fees in respect of external Audit services (Local Audit & Accountability Act 2014) and other fees payable in respect of services provided by the Auditors were as follows:

2024/25 £'000		2025/26 £'000
107	PCC external audit fee	107
58	Chief Constable external audit fee	55
165	Total audit fees (excl. VAT)	162

30 Pensions

Pensions Accounting

The Financial Code of Practice states that 'The Chief Constable is responsible for ensuring the administration of the pension schemes and the appropriate maintenance and provision of the relevant accounts.' The Chief Constable is also responsible for all police officers and most staff under the arrangements with the Police and Crime Commissioner for Wiltshire and Swindon. Any transactions relating specifically to the Office of the Police and Crime Commissioner are immaterial.

Although the Police and Crime Commissioner is responsible for all assets and liabilities, to comply with accounting and audit requirements, the pension liabilities are required to be disclosed in the Chief Constable's Balance Sheet. To recognise the fact that the Police and Crime Commissioner has ultimate responsibility for these long-term liabilities there is a long-term pension creditor in his Balance Sheet of equivalent value to the pension liability.

The information that follows is for the pension accounts of the Group.

Pension Schemes

Although pension benefits are not actually payable until employees retire, the Group has a commitment to disclose the payments at the time that employees earn their future entitlement.

The Police and Crime Commissioner's Group participates in three police officer schemes and one police staff scheme:

Police officers:

Police Pension Scheme (PPS), New Police Pension Scheme (NPPS) and Police Pension Scheme 2015 (2015 Scheme). These are unfunded schemes, meaning that there are no investment assets held, and actual pensions payments are met from revenue as they are eventually due.

Changes introduced to pensions have resulted in three schemes with slight variations between them. Under recent regulations all current active members were moved into the 2015 Scheme from 1st April 2015 unless they qualified for protections that allowed them to remain in their current schemes. Officer pension schemes were contracted out of the State Second Pension, but this ceased on the 5th of April 2016. The scheme changes, in particular the transitional provisions are subject to claims of unlawful discrimination, this is explained further in the 'Contingent Liabilities' note.

The schemes are administered in accordance with the Police Pensions Regulations 1987, the New Police Pensions Scheme Regulations 2006 and the Police Pension Regulations 2015.

Police staff:

The Local Government Pension Scheme (LGPS). This is administered by Wiltshire Council and is a funded scheme, where the Group and employees pay contributions into a fund intended to balance the pensions liabilities with investment assets. The scheme is administered in accordance with the Local Government Pension Scheme Regulations.

Estimation of the net liability to pay pensions is reliant on complex judgements relating to the discount rate used, the rate of increase in salary, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the organisation with expert advice about the assumptions to be applied.

Pensions Transactions

The cost of retirement benefits is recognised in the Net Cost of Services when it is earned by employees, rather than when the benefits are actually paid out as pensions. The cost of retirement benefits earned is reversed out in the Movement in Reserves as the charge against council tax is based only on actual payments due in the year. The following transactions were made in the Comprehensive Income and Expenditure Statement and the Movement in Reserves Statement during the year:

	Local Government Pension Scheme		Police Pension Scheme	
	2024/25 £'000	2025/26 £'000	2024/25 £'000	2025/26 £'000
Comprehensive Income & Expenditure (CIES)				
Net cost of services				
Current service costs	8,266	5,036	10,900	6,200
Past service costs (non-distributed costs)			300	800
Administration expenses		310		
Gains/losses on settlements or curtailments				
<i>Net operating expenditure</i>				
Net interest on plan assets & defined benefit obligation	(176)	(833)	46,400	48,500
Net charge to the Surplus/Deficit	8,090	4,513	57,600	55,500
Other Comprehensive Income & Expenditure				
Return on plan assets (excl. the amount incl. in net interest expense)	4,014	(9,238)		
Other actuarial gains/losses on assets		2,739		
Actuarial gains/losses arising on changes in demographic assumptions	(3,845)	3,185	(12,000)	6,400
Actuarial gains/losses arising on changes in financial assumptions	(32,584)	(9,476)	(138,100)	(26,700)
Expected 2023 Pension Increase Order			(6,500)	7,200
Reduction of surplus due to asset ceiling	32,871	11,451		
Re-measurement of Other Experience	(1,214)	5,035	20,700	0
Total Other Comprehensive Income & Expenditure (Pension Re-measurement of the net defined benefit liability/asset)	(758)	3,696	(135,900)	(13,100)
Total charge to CIES	7,332	8,209	(78,300)	42,400
Net charge to the CIES surplus/deficit	8,090	4,513	57,600	55,500
Movement in Reserves Statement				
<i>Adjustments between Accounting & Funding Basis:</i>				
Reversal of net charges made for retirement benefits in accordance with the code	(8,090)	(4,513)	(57,600)	(55,500)
Actual amount charged against the General Fund Balance for pensions in the year				
Employer's contributions payable to scheme and retirement benefits payable to pensioners	7,322	8,209	39,143	40,807
Actual costs	7,322	8,209	39,143	40,807

Current Service Cost reflects the increase in liabilities as a result of years of service earned this year.

Past Service Costs reflects the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years.

Net Interest on plan assets & defined benefit obligation is the change during the period in the net defined benefit liability (asset) that arises from the passage of time - this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

The re-measurement of 'other experience' reflects any experience not expressed in the other re-measurement items; movements in membership data that were different to those assumed in the prior year. This can include, for example:

- Actual level of salary increases being higher than expected over the previous accounting period. This will lead to a negative liability 'experience' item (i.e. higher past service liabilities)
- Actual pension increases being higher than anticipated (for deferred pensions and pensions in payment), again leading to a negative experience item
- Any membership movements (i.e. new entrant levels, withdrawals, ill health retirements, injury retirements etc.) different to those assumed within the previous valuation will contribute positively or negatively to the asset and liability 'experience' items

The actual payments made by the Police and Crime Commissioner's Group for employer's contributions 2025/26 are £8.209m to Wiltshire Council for the Local Government Pension Scheme (2024/25: £7.322m) and £19.102m to the Police Pension Scheme (2024/25: £18.569m). The main reason this differs from the £40.807m above is a further £21.643m contributions funded by Home Office grant (2024/25: £20.574m).

Pensions Assets and Liabilities Recognised in the Balance Sheet

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

	2024/25 £'000	2025/26 £'000
<i>Local Government Pension Scheme</i>		
Present value of defined benefit obligation	(175,451)	(183,353)
Fair value of plan assets	230,232	252,737
Asset ceiling reduction on fund surplus at year end	(54,781)	(69,384)
Net Liability – Local Government Pension Scheme	0	0
<i>Police Officer Pension Scheme</i>		
Present value of defined benefit obligation	852,900	854,400
Fair value of plan assets		
Net Liability – Police Officer Pension Scheme	852,900	854,400
Total Net Liability arising from defined benefit obligation	852,900	854,400

The liabilities show the Group's commitment for future payment of retirement benefits. The total deficit of £854m for 2025/26 (2024/25: £853m) has a substantial impact on the net worth of the authority shown on the balance sheet. However, the financial position of the Group remains healthy due to the following:

- The deficit on the local government scheme will be funded by increased contributions over the remaining working life of employees, as assessed by the scheme actuary
- Funding to cover police pensions is only required when the pensions payments are made

Although the Police and Crime Commissioner is responsible for all assets and liabilities, to comply with accounting and audit requirements, the pension liabilities are required to be disclosed in the Chief Constable's Balance Sheet. To recognise the fact that the Police and Crime Commissioner has ultimate responsibility for these long-term liabilities there is a long-term pension creditor in his Balance Sheet of equivalent value to the pension liability.

Reconciliation of the Movements in the Fair Value of Scheme Assets and Liabilities

The underlying assets and liabilities for retirement benefits attributable to the Police and Crime Commissioner's Group at 31st March 2026 are as follows:

	Local Government Pension Scheme		Police Pension Scheme	
	2024/25 £'000	2025/26 £'000	2024/25 £'000	2025/26 £'000
Reconciliation of Present Value of Scheme Liabilities				
Opening entry	(198,668)	(175,451)	(971,717)	(852,900)
Opening entry adjustment*			1,117	
Current service costs	(8,002)	(4,746)	(10,900)	(6,200)
Interest cost on defined benefit obligation	(9,561)	(9,458)	(46,400)	(48,500)
Members contributions	(2,950)	(2,977)	(6,800)	(7,000)
<i>Re-measurement gains/losses:</i>				
Actuarial gains/losses arising on changes in demographic assumptions	3,845	(3,185)	12,000	(6,400)
Actuarial gains/losses arising on changes in financial assumptions	32,584	9,476	138,100	26,700
Expected pension increase order			6,500	(7,200)
Other	1,214	(5,035)	(20,700)	0
Past service costs		(290)	(300)	(800)
Transfers in/out				(100)
Settlements/curtailments				
Benefits paid	6,087	8,346	46,200	48,000
Surplus/deficit	(175,451)	(183,320)	(852,900)	(854,400)
Reconciliation of Fair Value of Scheme Assets				
Opening entry	219,533	230,232		0
Interest income on plan assets	10,749	13,476		
<i>Re-measurement gains/losses:</i>				
Return on plan assets (excl. amount incl. in net interest expense)	(4,278)	9,238		
Administrative expenses		(310)		
Other		(2,739)		
Transfer in/out				100
Employer contributions	7,365	8,209	39,400	40,900
Members contributions	2,950	2,977	6,800	7,000
Benefits paid	(6,087)	(8,346)	(46,200)	(48,000)
Surplus/deficit	230,232	252,737	0	0

*Opening entry adjustment to align balance @ 1st April 2024 to actuaries' reports.

Additional information about the defined benefit obligation:

Local Government Pension Scheme	Liability Split	
	£'000	%
Active Members	77,008	42.00%
Deferred Members	40,338	22.00%
Pensioner Members	66,007	36.00%
Total	183,353	100.00%

Police Officer Pension Scheme	Liability Split	
	£'000	%
Active Members	190,000	22.90%
Deferred Members	42,900	5.10%
Pensioner Members	597,800	72.00%
Total	830,700	100.00%

Injury Pensions	Liability Split	
	£'000	%
Contingent injuries	9,500	40.10%
Injury pension liabilities	14,200	59.90%
Total	23,700	100.00%

Assumptions used when estimating Assets and Liabilities

For 2025/26, the Police Pension Scheme has been assessed on a projected basis, using the full actual valuations as at 31 March 2024. The Local Government Scheme has been assessed on a projected basis, using the full actual valuations as at 31 March 2022. Valuations were carried out by Hymans Robertson (Police) & Barnett Waddingham (LGPS).

The following assumptions were used to calculate the components of the pensions:

	Local Government Pension Scheme		Police Pension Scheme	
	2024/25	2025/26	2024/25	2025/26
Pension scheme basis for estimating				
<i>Long term expected rate or return on assets in the scheme:</i>				
Equity investments	4.85%	5.85%		
Bonds	4.85%	5.85%		
Property	4.85%	5.85%		
Cash	4.85%	5.85%		
<i>Mortality assumptions:</i>				
<u>Longevity for current pensioners:</u>				
Men	21.00	21.00	26.30	26.80
Women	24.00	24.00	29.20	29.40
<u>Longevity for future pensioners:</u>				
Men	21.70	21.70	28.10	28.60
Women	25.20	25.20	30.50	31.40
CARE Scheme revaluation rate			4.05%	4.25%
Rate of increase in salaries	3.40%	3.90%	3.15%	3.40%
Rate of increase in pensions	2.90%	2.90%	2.80%	3.00%
Rate of discounting scheme liabilities	5.85%	6.20%	5.80%	6.10%

Longevity is the average future life expectancy at age 65 for staff and at age 60 for officers.

The Police Officers Pension Scheme does not hold investment assets. The actual return on the LGPS Assets for April – March 2026 was 9.8% (3.04% April – March 2025). The Police and Crime Commissioner's Group accounts for Retirement Benefits in line with IAS 19 and IPSAS 25 and as a result, quoted securities held as assets in the Local Government Pension Scheme are valued at bid value rather than mid-market value.

The total value of assets as at 31 March 2026 is £257.737m (2025: £230.232m).

	31 March 2025			31 March 2026		
	Quoted Prices in Active Markets	Prices not Quoted in Active Markets	Total	Quoted Prices in Active Markets	Prices not Quoted in Active Markets	Total
	£'000			£'000		
Cash and cash equivalents		3,487	3,487		7,035	7,035
Property		52,249	52,249		53,226	53,226
Equities	82,562	10,028	92,590	88,784	13,683	102,466
Bonds		81,906	81,906		90,010	90,010
Total Assets	82,562	147,670	230,232	88,784	163,954	252,737

Reporting of pensions surpluses

In line with IFRIC 14 the reporting of a pension net defined benefit asset position is to be measured at the lower of:

- The surplus in the defined plan, and
- The asset ceiling

The asset ceiling is defined as the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. If the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a surplus.

An entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. As there is no unconditional right to a refund from the LGPS Fund there is deemed to be no economic benefit available as a refund or reduction in future contributions.

Based on the above methodology the LGPS net asset as at 31 March 2026 of £69.384m (2025: £54.781m) has been restricted to the lower amount of the net asset ceiling. This reduces the net asset of the LGPS at year end to £nil.

Sensitivity analysis

The sensitivity of the principal assumptions used to measure the scheme liabilities are as follows:

Police Officer Pension Schemes - change in assumptions at year ended 31 March 2026	Approx increase to employer liability	Approx monetary amount
	%	£'000
0.5% decrease in rate for discounting scheme liabilities	9%	73,630
1 year increase in member life expectancy	3%	25,630
0.5% increase in the rate of increase in salaries	<1%	1,940
0.5% increase in the rate of increase in pensions CPI	7%	60,550

Local Government Pension Schemes - change in assumptions at year ended 31 March 2026	Approx increase to employer liability	Approx monetary amount
	%	£'000
0.1% decrease in rate for discounting scheme liabilities	1.8%	(3,238)
1 year increase in member life expectancy	3.0%	5,573
0.1% increase in the rate of increase in salaries	0.1%	178
0.1% increase in pension and deferred revaluation	1.8%	3,260

Contributions expected

The projected amount to be charged to Income and Expenditure for the year to 31 March 2027 is as follows:

Local Government Pension Scheme	Assets	Obligations	Net (Liability)/Asset	
	£'000	£'000	£'000	% of pay
Current service cost		4,760	(4,760)	12.5%
Past service cost including curtailments			-	
Effect of settlements			-	
Total service cost	-	4,760	(4,760)	12.5%
Total net cost of interest	210	0	210	0.5%
Administration expenses	-	309	(309)	
Total included in surplus/deficit in the CIES	210	5,069	(4,859)	15.5%

Police Officer Pension Scheme	Assets	Obligations	Net (Liability)/Asset	
	£'000	£'000	£'000	% of pay
Current service cost		5,500	(5,500)	-10.0%
Past service cost including curtailments			-	
Effect of settlements			-	
Total service cost	-	5,500	(5,500)	-10.0%
Interest income on plan assets			-	
Interest cost on defined benefit obligation		51,900	(51,900)	-94.2%
Total net cost of interest	0	51,900	(51,900)	-94.2%
Total included in surplus/deficit in the CIES	0	57,400	(57,400)	-104.2%

Contributions expected to be paid to the schemes during the year ending March 2026 are as follows:

- Local Government pension scheme employer's contributions: £0.619m: (£7.430m projected for the year)
- Local Government pension scheme member's contributions: £0.247m: (£2.969m projected for the year)

The Police pension fund account

(Police Officer's Pensions only). Under the Police Pension Fund Regulations 2006 it is not a requirement to meet the pension costs directly but to pay an employer's pension contribution of 35.3% of pay into a pension fund account.

If the officers and employer's contributions are insufficient to meet the cost of pension payments, a top up grant is paid by the Home Office to help meet this obligation. Any surplus on the pension fund account is repaid to the Home Office and the account is balanced to Nil at year end. Should the pension fund account not be balanced to Nil by pension top up grant then the Police and Crime Commissioner's Group is liable for any additional contribution required.

For 2025/26 the net amount payable on the pension fund account before top-up grant was £21.643m. A total amount of £19.310m in pension grant was received, leaving a net amount of £2.333m due from the Home Office. The balance of £2.333m is included within the Balance Sheet of the Group as a debtor.

Injury Awards

The Police and Crime Commissioner's Group incurs costs relating to Injury Awards for employees forced to leave work through injury. The total cost for 2025/26 was £801,935 (2024/25: £835,642), this was financed through revenue and reserve.

Wiltshire Police pension fund account (Police Officer's pensions only)

Fund Account	2024/25 £'000	2025/26 £'000
Contributions receivable		
Employer contributions (35.3%)	17,674	18,300
Other bodies	296	0
Early retirements (ill health)	179	147
Members	6,760	6,983
	24,909	25,430
Transfers in		
Individual transfers from other schemes	28	91
	28	91
Benefits payable		
Pensions	(39,210)	(41,693)
Commutations	(6,064)	(5,504)
Lump sum death benefits		
	(45,274)	(47,197)
Payments to and on account of leavers		
Refunds of contributions	(63)	(16)
Scheme pays	(168)	(13)
Transfers out to other schemes	(5)	
	(236)	(29)
Net amount payable for the year	(20,573)	(21,705)
Transfers from Police fund to meet pension fund deficit	20,573	21,705
Net amount receivable for the year	-	-

Net assets statements

The accounting treatment of the top-up grant results in a zero net amount receivable from Central Government with no amounts owing to pensioners at 31 March 2026, therefore there is no requirement for a Net Assets Statement.

The Pension Fund Account statement does not take account of liabilities to pay pensions and other benefits after the period end. Details of the Group's long-term pension obligations can be found in the 'Contributions expected' table.

Glossary

Accounting Period	The period covered by the accounts, for Wiltshire PCC this is 1 st April to 31 st March
Accounting Policies	The principles, rules and practices that guide how events and transactions are recognised, measured and presented in the financial statements
Actuarial Valuation (Pensions)	An independent report on the financial status of the Pension Fund, which reports the current estimated cost of fulfilling the PCC's future pensions liabilities
Amortisation	The measurement of the use of an intangible asset over its economic life
CC	Chief Constable for Wiltshire
Capital Expenditure	Expenditure on the acquisition or construction of significant assets such as land and buildings which have a long-term value to the PCC
Capital Grants	Grant income received by the PCC in support of the planned Capital Expenditure
Capital Receipts	Income from the sale of capital assets
Carrying Amount	The value for which an asset or liability is represented in the Balance Sheet
CIPFA	Chartered Institute of Public Finance and Accountancy. A public body that provides guidance for accounting in the public sector
Collection Fund	The fund maintained by councils for the collection and distribution of local Council Tax receipts. Police precepts are met from these funds
Contingency	A sum of money set aside to meet unexpected costs.
Contingent Liability	A possible obligation arising from past events where it is not probable that a transfer of economic benefits will be required or the amount of the obligation cannot be measured reliably
COPLAA	CIPFA's Code of Practice on Local Authority Accounting in the UK
Corporate and Democratic Core	Central activities which the police force engages in specifically because it is an elected authority. There is no basis for apportioning these costs over the individual services
Creditors	Amounts owed by the PCC for goods or services received but where payment has not yet been made
Current Assets	Assets that can be readily converted into cash within a short timescale (12 months)
Current Liabilities	Amounts owed by the PCC which are due to be settled in a short timescale (12 months)
Debtors	Amounts due to be paid to the PCC but not yet paid
Depreciation	The measurement of the use of a tangible asset over its economic life
Fair Value	The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measured date
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Practices
GAD	The Government Actuaries Department (GAD) provides actuarial analysis and advice to the public sector
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Inventory	The amount of unused or unconsumed stock held for future use
IPSAS	International Public Sector Accounting Standards
Impairment	A reduction in the value of an asset due to physical damage or a significant reduction in the market value
LAAP	Local Authority Accounting Panel that provides guidance on specific issues and accounting developments
Market Value	The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion
MRP (VRP)	Minimum Revenue Provision/Voluntary Revenue Provision. An amount set aside each year to finance repayment of debt, In the case of Wiltshire PCC, this refers to the payment of the Finance Cost relating to the Swindon PFI over the course of the contract
NPCC	National Police Chief's Council (replaces ACPO Association of Chief Police Officers)
Non-Current Assets	Assets that provide benefits to the PCC for a period of more than one year

Non-Distributed Costs (NDC)	Central overheads which cannot be apportioned over services
OPCC	Office of the Police and Crime Commissioner
PCC	Police and Crime Commissioner
PCC Group	This refers to the Police and Crime Commissioner and the Chief Constable as a group
PFI	A private finance initiative (PFI) is a public sector infrastructure project funded with private sector capital
Precept	A levy collected by the Councils from council taxpayers on behalf of the PCC.
Provisions	Amounts set aside to meet liabilities or losses which are likely to be incurred, but where the actual sum and timing are uncertain
RCCO	Revenue Contribution to Capital Outturn
Reserves	Funds set aside by the PCC to meet the cost of future expenditure
Running Costs	General expenditure incurred in the use of premises, transport and equipment such as costs of electricity
Specific Grant	Grant funding provided to the PCC for use on specific projects
SSAP	Statements of Standard Accounting Practices
Third Party Payments	Payments made by the PCC for specialist or support services provided by outside contractors and other bodies