

The Chief Constable for Wiltshire

Final Audited Statement of Accounts



2023/2024

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Narrative Report

The Chief Constable for Wiltshire Police is required to publish an Annual Statement of Accounts. The Statement is presented in a format which complies with International Financial Reporting Standards (IFRS), the Code of Practice on Local Authority Accounting 2023/24 and the Accounts and Audit Regulations 2015.

The accounts, which follow, show the Chief Constable's (CC) financial results for 2023/24. Comparative figures for 2022/23 are also shown. The Chief Constable for Wiltshire is part of the Police and Crime Commissioner for Wiltshire's Group; to get a full understanding of Wiltshire Police as a whole these accounts should be viewed alongside the Group Statement of Accounts (published 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's Group and the scheme of delegation between Police and Crime Commissioner and the Chief Constable.

The Office for the Police and Crime Commissioner for Wiltshire 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 (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 for the delivery of efficient and effective policing through suitable management of available resources.

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 in order 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 has full operational control of Officers and staff with the exception of the OPCC staff and the related costs are disclosed in the Chief's Comprehensive Income and Expenditure Statement (CIES). 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 there are no balances or transactions recognised in the Chief Constable's Movement in Reserves Statement or Cashflow Statement.

Although the Police and Crime Commissioner is responsible for all assets and liabilities, in order to comply with accounting and audit requirements, the pension liabilities are required to be disclosed in the Chief Constable's Balance Sheet. This is balanced with a long term pension debtor of equivalent value to the pension liability to recognise the fact that the Police and Crime Commissioner has ultimate responsibility for these long term liabilities. The Chief Constable's net assets/liabilities will always balance to zero. 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.

In the CIES, the financial resources consumed at the request of the Chief Constable are offset by an intra-group adjustment to reflect the Commissioner's funding of these resources.

Strategic Objectives & Performance

The Commissioner's Police and Crime Plan 2022-2025 set out the four key policing priorities for the next two years:

Priority 1 – A police service that meets the needs of its communities

- Increasing public confidence, trust and our policing engagement with communities
- Provide a quality of police service to all our communities
- Giving the Police the right tools for the job

Priority 2 – Reduce violence and serious harm

- Violence reduction and domestic abuse
- Violence Against Women and Girls
- Child abuse and Child Exploitation
- County Lines and Serious Organised Crime and exploitation

Priority 3 – Tackle crimes that matter most to local communities

- Anti-social Behaviour
- Road safety
- Rural crime and heritage crime
- Fraud, cyber crime and hate crime

Priority 4 – Improve the experience of victims and deliver justice

- Victim care and support
- Mental Health
- The criminal justice system
- Restorative Wiltshire
- Reduce re-offending

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 80% 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.

Our delivery in these areas is underpinned by four key foundations – our people, our resources, our communities and our partnerships. Furthermore, these important foundations will also support our vision of being a progressive and inclusive organisation, proud to deliver a consistently professional police service, built on trust, understanding and respect. This plan will be reviewed annually, in order to reflect the changing needs of our communities, increased demands and to take account of emerging issues and threats.

Events that Impact the 2023/24 Accounts:

Impacts of Inflation and High Interest Rates

The UK has experienced significant inflation rates over the past two years. The Consumer Prices Index (CPI) increased by 3.2% in the 12 months to March 2024, a decrease from the higher rates seen in the previous year. To combat this, the Bank of England raised interest rates multiple times, reaching 5.25% in August 2023 and maintaining this level through to March 2024.

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

Impact on Service Provision

During 2023/24, demand for policing remained largely stable. However, the cost-of-living crisis continued to affect the public's lifestyle and wellbeing, leading to an increase in burglaries and heightened concerns for vulnerable community members. Wiltshire Police has focused on safer public spaces, violence, and burglary as key operational priorities in support of local communities and the PCC's Police and Crime Plan.

Geo-political events, such as the heightened tensions in the Middle East, and the ongoing conflict in Ukraine as well as residual impacts from the COVID-19 pandemic, increased pressures on service delivery and funding. Difficulties in the procurement of essential equipment, such as vehicles, have eased slightly, and delays due to supply chain disruptions, are less pronounced.

The organisation continues to develop strategies around resourcing and recruitment to address a national shortage of skilled workers, and progress has been made in increasing the numbers of front line police officers.

These financial and operational strategies enabled Wiltshire Police to continue providing essential services despite economic challenges.

Impact on the Financials

The increase in interest rates has provided a beneficial return on investments of £1.453m (2022/23: £0.694). However, the rate increases also lead to an increased cost of borrowing which impacts considerably on the Group's Capital financing plans for the organisation. Subsequently an amount of £1.2m capital expenditure has been funded through internal borrowing. This has been utilised to delay external borrowing until interest rates have reduced from their current high levels.

The increased interest rates and increased inflation have a number of impacts on the organisation's assets in their accounts. Revaluations are impacted where the market becomes more volatile and where items such as cost information are used in determining the value of depreciated replacement cost. Residual values are reviewed annually and take into account price changes and inflation. The Code of Practice sets out that Assets Held for Sale must qualify for recognition as a completed sale within a year from the date of classification. High interest rates and high cost of borrowing can discourage potential buyers and lead to uncertainty over whether the sale is highly probable.

Fair Value of Financial Instruments have decreased in year where discounting factors use the increased interest rates in calculation. The fair value of the Group's outstanding PWLB borrowing at 31 March 2024 was £1.3m compared with a fair value of £1.4m at March 2023 for the same borrowing. The same impact applies to the Group's PFI liabilities. In lay persons terms if we were to take out these loans today it would cost more, this valuation does not affect the Balance Sheet or Comprehensive Income and Expenditure Statement.

Judgements and estimations used in the organisation's accounts need to be carefully considered in relation to materiality and uncertainty where they may be affected by the higher inflation and interest rates. For example volatility of markets will have an impact on valuation assumptions such as discount rates linked to bond yields for pensions estimations. An increase in bond yields has resulted in a significant reduction in the present value of the Defined Benefit Obligation.

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 all services and brings together all the recognised gains and losses of the Chief Constable in the year.
- **The Movement in Reserves Statement** – shows the movement in the year on the different reserves held by the Chief Constable; the Chief Constable does not manage any of these reserves and accordingly there is no movement shown in this statement.
- **The Balance Sheet** – sets out the financial position of the Chief Constable at 31 March 2024.
- **The Cash Flow Statement** – consolidates the total movement of the Chief Constable's funds. All Bank accounts, investments and other funds are held and managed by the Police and Crime Commissioner for Wiltshire; the Chief Constable's Cash Flow Statement has no movement.
- **The Police Pensions Fund Account** – summarises Pensions movements for the year. The Chief Constable is responsible for administering and maintaining the Pension Funds.

Financial Position

All income is receipted into Bank accounts maintained by the Police and Crime Commissioner for Wiltshire. The transactions in the accounts of the Chief Constable are financed with an intra Group adjustment between the Chief's Comprehensive Income and Expenditure Statement (CIES) and the CIES of the Police and Crime Commissioner for Wiltshire.

The total amount of the Chief Constable's net cost of policing funded by an intra Group adjustment for 2023/24 was £171.093m (2022/23: £172.962m).

Pensions

Liabilities exist for Police Officers who have or are currently contributing funds towards a future pension. The Police Officers Pension schemes are unfunded schemes. The scheme rules of funding result in Police Forces paying 35.3% of Police pay as a pension contribution. Any variation, over or under, e.g. variation from pensions actually paid, is financed by an increased or reduced specific pensions grant. Support Staff pensions are financed through a funded scheme.

Future Finances


Medium-term strategic plans were reported to the Commissioners' Monitoring Board in January 2024. These identified a shortfall of £1.4m for 2024/25 and a likely £2.4m shortfall for 2025/26.

Statement of Responsibilities for the Statement of Accounts

The Chief Constable 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.



C Roper, Chief Constable for Wiltshire Police

Date: 28/02/2025

The Chief Finance Officer

The Chief Finance Officer is responsible for the preparation of the Chief Constable's Statement of Accounts 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 authority as at 31 March 2024 and its income and expenditure for the year ended 31 March 2024. Events that have occurred after the balance sheet date have been considered to the date of approval.



D. Moran

Chief Finance Officer

Date: 28/02/2025

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 2023-24

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

This statement confirms the position as of 31 March 2024 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 2024.

1. SCOPE OF RESPONSIBILITIES

The Police and Crime Commissioner (PCC) is responsible for the totality of policing in Wiltshire and Swindon. It is his duty to secure efficient and effective policing for Wiltshire and Swindon. The PCC is responsible for ensuring that a police service is delivered in accordance with the law and proper standards. The PCC is also responsible for ensuring that public money is safeguarded and properly accounted for and used to provide services economically, efficiently, and effectively. The PCC is also responsible for ensuring that a sound system of internal control is maintained throughout the year and that arrangements are in place for the management of risk.

The PCC is elected locally and is required to hold the Chief Constable (CC) to account. The CC provides overall direction of police personnel and operational matters. The CC is responsible for delivering policing in line with the Police and Crime Plan. There is also a requirement on the CC to ensure that policing in Wiltshire occurs within the law and proper standards, ensuring appropriate safeguards are in place. The Financial Management Code of Practise for the Police Service states that the CC is responsible to the PCC for delivery of efficient and effective policing, management of resources and expenditure by the police force.

Whilst the CC is a separate corporate sole the corporate governance framework in place covers both organisations, this therefore is a joint statement with both parties responsible for maintaining good systems of control and risk management.

The PCC and CC have approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA 2016 Framework: Delivering Good Governance for Policing Bodies. This statement explains how the PCC has complied with the code and meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended.

2. GOVERNANCE FRAMEWORK PRINCIPLES

The seven core principles adopted are those highlighted by the Good Governance Standard for Public Life (supported by the Nolan Principles of Public Life):

- a) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- b) Ensuring openness and comprehensive stakeholder engagement
- c) Defining outcomes in terms of sustainable economic, social, and environmental benefits
- d) Determining the interventions necessary to optimise the achievement of the intended outcomes.
- e) Developing the entity's capacity including the capability of its leadership and the individuals within it
- f) Managing risks and performance through robust internal control and strong public financial management
- g) Implementing good practices in transparency, reporting and audit to deliver effective accountability.

It is stated in the guidance that good governance means *doing what is right and doing it properly*. Effective governance reflects the culture of the organisation and requires a relentless leadership commitment to sustained delivery.

3. THE GOVERNANCE FRAMEWORK

The governance framework comprises the policies, systems, processes, culture, and values by which the Office of the PCC (OPCC) and Wiltshire Police operate. It includes the activities through which the PCC engages with and reports to the community. It enables the OPCC to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The internal control system is a significant part of the framework and is designed to identify, manage, and mitigate risks. It is both tactical and strategic and focuses on materiality and management of risks to the achievement of the PCC's Police and Crime Plan.

The Chief Constable (CC) is responsible to the PCC for the delivery of efficient and effective operational policing. The PCC holds the CC to account for the delivery of those functions and those of the persons under their direction and control. The PCC must be satisfied that the Force has appropriate robust management mechanisms in place, and that these effectively operate to deliver the required performance.

The Police and Crime Panel (a group of 11 councillors and 2 independent members) is required to review and scrutinise the work of the PCC. Their role includes assessing the performance of the PCC in delivering the Police and Crime Plan. The panel receive an annual report from the PCC reporting progress against the Police and Crime Plan which is published on the PCC's website.

Further independent assurance is provided by HMICFRS, who undertake regular reviews and inspections of the force's effectiveness, efficiency and legitimacy, an External Audit by an independent firm and a commissioned Internal Audit.

The principal areas that comprise the governance framework are:

- The Police and Crime Commissioner
- The Chief Constable
- The OPCC Executive Leadership Group
- The Chief Officer Group
- Transparent Decision Notices and log
- The Joint Independent Governance, Risk and Audit Committee (JIGRAC)
- The Police and Crime Panel
- The Scheme of Governance (incorporating Financial and Contract regulations)
- Performance Reporting
- Risk Management
- Professional Standards

4. REVIEW OF EFFECTIVENESS

The PCC conducts an annual review of the effectiveness of the governance framework. Assurance that the principles of good governance are in place is obtained by a review of each principle.

- a) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

The PCC complies with the PCC code of conduct and has agreed to abide by the seven principles of Standards in Public Life, more commonly known as the Nolan Principles.

The CC has agreed to support and implement the National Code of Ethics which are the principles and standards of professional behaviour for policing in England and Wales. These principles are set by the College of Policing.

The OPCC Complaints Resolution Team and Force Professional Standards Department is an essential part of the Governance Framework facilitating whistle blowing via anonymous reporting and investigating complaints. The OPCC is responsible for recording complaints and actioning any immediate solutions that can resolve the complaint. Any complaints that require investigation or relate to officer or police staff conduct are referred to Professional Standards for investigation and appropriate action. If complaints are not satisfied by the action

taken, there is a right of appeal to independent adjudicators in the OPCC. This process provides numerous independent control points throughout the police complaints by both the OPCC and Force.

The comprehensive Professional Standards intranet site provides information to our staff on all areas of standards, including standards of professional behaviour, complaints, etc. The Standards Campaign is part of the framework highlighting expectations and the code of ethics. Video messages are in place promoting the values and behaviours framework and that the focus on issues will normally be on learning rather than blame. An Ethics and Culture Board also exists which provides another control point.

The Values and Behaviours of our staff are seen as critical in delivering an ethical and people focused organisation. The ethical policing principles published under the National Code of Ethics (Courage, Respect and Empathy and Public Service) have been adopted by the force and OPCC leadership and are actively promoted. In line with this, both a register of interests and a gifts and hospitality register is maintained. An Anti-Corruption Unit (ACU) is also housed within the Professional Standard Department. A large proportion of the ACU's work involves protecting not only Wiltshire Police as an organisation, but also individual members of staff. It is vital that staff do not leave themselves open to corruption and blackmail.

The organisation employs both legal, human resources and financial professionals to ensure the rule of law is complied with and that the organisation meets its legal responsibilities.

b) Ensuring openness and comprehensive stakeholder engagement

Both the OPCC and the force have active engagement with the communities they serve. As well as engaging through social media channels, the PCC and Chief Constable are publicly accessible, encourage communities to interact with the organisations by email, telephone and at various in person events. The OPCC website also requests people to inform him of their views on open government consultations to ensure he is representing the community. The PCC continues to work with a locally commissioned Youth Commission to hear the views of people aged 14-25 living in Wiltshire. Each year they produce a report to the PCC identifying several priorities then suggesting improvements required.

Being open and transparent in engaging with communities and stakeholders is central to the role of PCC, in understanding needs and concerns. In November 2021, the PCC held a consultation exercise ('Your voice') to ensure that the Police and Crime Plan reflected what the public wanted. Annually the PCC updates this information during policing precept setting and the public's policing priorities. The PCC as a detailed engagement programme to continually assess the concerns of residents. During 2024-25 further work will be conducted to develop a new Police and Crime Plan, following PCC elections.

The OPCC has reviewed its statutory order and is compliance with transparency and publication of information on its website.

In January 2024, the PCC held a public consultation surrounding the precept decision titled 'Policing, Priorities and £s'. This involved a social media awareness campaign, community messaging and engagement with local communities at area boards and parish councils. This consultation received 2,610 with 68% of the respondents supported an increase of between £10 - £20 per household per year, this good engagement helped inform the 2022-24 Precept decision. The survey also asked where people would like to see more investment. Reduce offending, improve policing performance, and reduce anti-social behaviour were identified as areas of priority for respondents with the survey.

Independent Advisory Groups (IAGs) provide Wiltshire Police with an important and independent perspective on local and national issues surrounding policing activities. They constructively advise, scrutinise and challenge Wiltshire Police on its policies, procedures, and practises. Six local IAGs are aligned to Community Policing Team geographical boundaries and work closely with the local CPT Inspectors and Neighbourhood Teams. In addition to the six geographic IAGs, there is the Wiltshire Diverse Communities (WDC) IAG, which has brought together diverse community voices across the county. The WDC IAG membership holds meetings with the force which are attended by the Deputy Chief Constable, tactical and communication leads and members of the force's Equality, Diversity, and Inclusion department. It is independently chaired by members of the community not employed by the Police. During these sessions, rich conversations have been held with the WDC acting as a critical friend on any disparity of powers towards ethnic minorities and offering lived experiences and community concerns.

The quarterly Public Service Board (PSB) chaired by the Deputy Chief Constable, brings together all IAG Chairs to provide an overview of the delivery of policing services, recent activities, and key topics. During the Covid-19 pandemic, the PSB and IAGs moved to online forums where technology has enabled us to share and discuss

content, however more recently this has returned to the physical space with a hybrid option available for members to also join the session online and contribute to discussions.

Key policing service delivery areas are discussed at the PSB on a rotating basis with force leads in these areas being present to address and respond to views, concerns, or queries from IAG members. Each IAG chair then takes these away for discussion with the local members, independent of the force's leadership, allowing them the freedom to provide further unfettered views and feedback.

Alongside this, key topics from themes and departments across the force are delivered to IAG members which may be of heightened interest or concern to members of the public at a local or national level at that time. These topics are presented in the form of departmental senior leadership presentations, tours of key operational areas of the force, and standalone themed sessions at Headquarters. Feedback on these is actively sought from IAGs, and shared back to the force, which in turn helps to advise and form policing practises.

The PCC is clear that protecting our communities is not just about the policing and criminal justice response after a crime is committed but addressing the underlying causes to prevent it from happening. As PCC he brings partners together to both improve policing and to target the wider issues that increase demand on policing. The PCC and other employed officers and staff play a leading role in a wide range of public bodies and partnerships that address issues such as safeguarding, vulnerability, mental health, substance misuse and housing and includes Wiltshire Criminal Justice Board, Community Safety Partnerships and Health and Wellbeing Boards. Further work is undertaken with other police forces and emergency service partners.

Internal stakeholder focus occurs for both the Force and OPCC through annual staff surveys. The new staff survey was collected in October 2023.

During the year, the new Chief Constable created a range of new activities, including monthly on-line interactive meetings, in person visits across the Force by the Chief Constable and all Chief Officers, various Leadership in person. These engagements help identify issues and viable solutions. The new Chief Constable has also started to produce fortnightly open letters to the PCC which shows openness to all stakeholders including the public.

c) Defining outcomes in terms of sustainable economic, social, and environmental benefits

In 2023 the PCCs objectives were set out in the Police and Crime Plan. The plan and progress against it are assessed through the Executive Leadership Group (ELG) meeting at which a 'key lines of enquiry' questions, key performance indicator dashboard and results of independent assurance visits are used. This function provides strengthened capabilities to enable the OPCC to more effectively support the PCC to scrutinise, challenge and support.

The PCC has continued to ensure that the Police and Crime Plan continues to be updated in line with community concerns. The current Police and Crime Plan remains relevant and has not been updated during 2023-24. The mission to make Wiltshire a safer place to live, work and visit, remains and there have been now changes to its objectives set. Four principles (engagement, trust, excel at the basics and serving the public) are the building blocks for delivery and set the OPCC's values. The OPCC demonstrates its delivery of parts of the Police and Crime Plan in the annual OPCC delivery plan. The Chief Constable's plans on a page sets out delivery of an effective and efficient police service and is aligned to delivery of the Police and Crime Plan. There has been positive and sustained improvement across a range of operational functions. Further work is required to develop and improve corporate services and embed and sustain operational improvement. The local requirements also need to be considered in line with new national standards being assessed and reviewed by HMICFRS.

In July 2022, HMICFRS published their PEEL report on Wiltshire Police. This reported very significant concerns regarding the performance of the Force. In response to this, the PCC and CC have made changes to how they oversee performance in 2023-24 with the enhanced ELGs mentioned earlier. The Chief Constable is taking personal leadership of monthly executive oversight meetings and deliver a wide range of interventions which is leading improvements. A wider range of legacy issues are being tackled, including changes in people, departments, policies, and processes.

The 2022-2025 Performance Strategy sets our approach to performance assessment. It ensures our ability to respond and adapt to the changing nature of crime and policing, whilst ensuring we remain outcome focused to deliver the best possible service to the communities of Wiltshire. It sets out the expectation at every level of the organisation and the tools, techniques, governance, and assurance that underpin performance management across the OPCC and Wiltshire Police. The Chief Constable has set operational priorities, they continue to be safer public spaces, violence, and burglary. This aligns with the PCC's Police and Crime Plan. The

Performance framework has been evolved to ensure that these drivers and performance against the Police and Crime Plan continued to be closely scrutinised, challenged and supported.

Our business intelligence tool (Qlik Sense) provides self-service analysis data for the organisation and has significantly expanded the number of functions and content which is readily available to all staff. This access has supported the ability to have more tactical conversations about performance outcomes. Further work is on-going to ensure the data is used effectively by line managers.

The Force and OPCC review the same Force Performance information, and this is then shared publicly. This shows progress against performance measures related to the Police and Crime Plan, as well as comparisons and national position. Performance is reviewed monthly by the Forces Performance Board. Performance is reviewed by the OPCC where the PCC holds the Chief Constable to account. This occurs informally on specific issues between the OPCC and Force, as well as formally at Executive Leadership Group between the PCC and Chief Constable.

The Force Management Statement is produced each year. This looks at current and future demand and, with the risk register, helps the PCC and the CC decide on future investment areas. This information is a key consideration to the Medium-Term Financial Strategy (MTFS). The MTFS assesses the budget requirement and compares it against the estimated funding. The difference is the initial savings target. This is updated as more information is received. The MTFS includes the reserves and capital financing strategy and assists in ensuring that the organisation is sustainable in the long term.

To deliver the Police and Crime Plan objectives the PCC acknowledges that there is a requirement to commission various service providers other than the police, to deliver the Police and Crime Plan. A Commissioning Strategy has been produced by the OPCC; this is due for refresh in 2023/24. The strategy sets out a commissioning framework and the principles the PCC will use to purchase these services and develop service provision. The OPCC has a performance framework across all its functions and service commissioning to assess effectiveness and efficiency.

The environmental impact of the OPCC and force has been considered and an Environmental Strategy with actions showing what steps will be required to deliver a 78% reduction in emissions by 2035, pathing the way to net zero emissions by 2050, has been produced. The strategy looks at waste, water, biodiversity as well as emissions. To assist the PCC has also invested in electric and hybrid vehicles. Telematics is now being implemented which is expected to assist in identifying poor driving, inefficient vehicles, etc.

- d) Determining the interventions necessary to optimise the achievement of the intended outcomes.

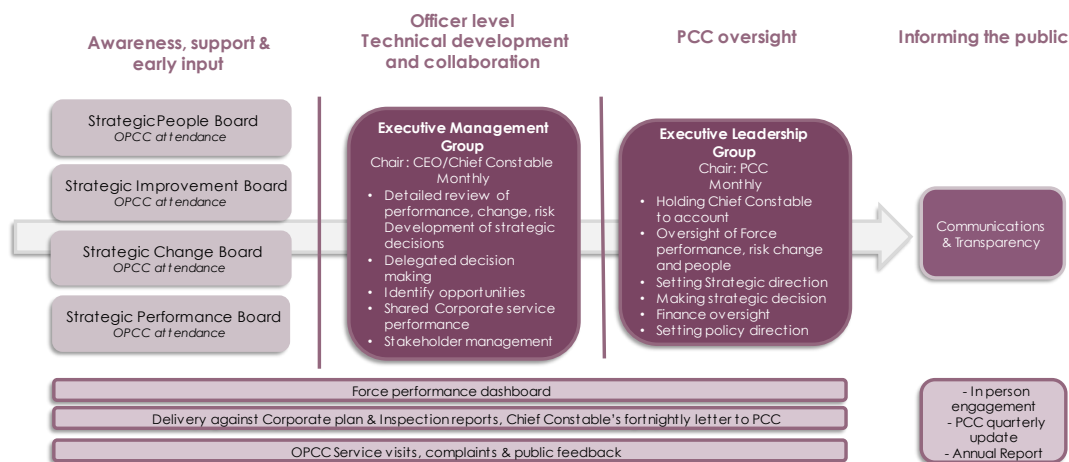
The Force has focused its strategic governance and management structures. There are now four strategic boards for the organisation to manage these are, Performance Board (focused on the forces operational performance), Strategic Improvement Board (deliver of recommendations, operational improvement, learning, strategic risk management), Strategic Change Board (corporate services change and improvements to support and enhance operational capability) and Strategic People Board (people information, resources, and workforce planning).

The OPCC attends all strategic boards as part of its oversight and preparation work to holding to account and briefing the PCC. Any arising issues, future planning or technical concerns discussed with OPCC and Force executives at Executive Management, to enable an effective Executive Leadership Group (ELG).

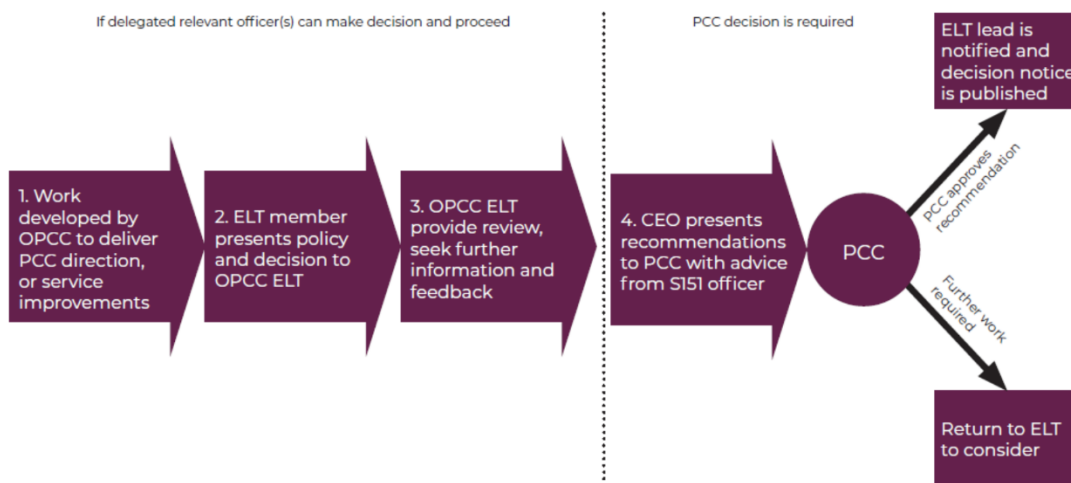
The OPCC oversight process continues to develop as Force management processes evolve. The OPCC continues to focus on Force performance, assessing service areas and overall corporate performance and management of risk. ELG is attended by the PCC, the PCC's Chief Executive, the CC, the Deputy Chief Constable, the Chief of Corporate Services and, as required, the Assistant Chief Constables, Director of People, Head of Legal Services and both Heads of Communication and the Chief Finance Officer of both organisations. Other officers are invited to attend, as necessary.

The PCC also receives a weekly operational update from the CC and CEO teams from their respective organisations. The need for Key Lines of inquiry has reduced as the Forces maturity develops, this allows more strategic discussions and holding to account at ELG.

How the PCC scrutinises, challenges and supports Wiltshire Police



Capital and unplanned revenue spending is now approved by the PCC in various meetings, these must involve input by the Chief Executive and the OPCC CFO. To provide transparency all decisions are logged with decision notices published for significant decisions on the OPCC website. The decision tree is outlined below.



Risk registers are produced by the OPCC and Force to assist in prioritising and managing the business. These registers are reported to the JIGRAC for discussion at each of their meetings. The OPCC risk register, and its content is managed at OPCC ELT to ensure mitigation is sufficient and effective.

This governance ensures that the Police and Crime plan delivery is closely monitored. Where necessary, additional focus is requested, or intervention proposed if outcomes are not being achieved. The Force cascades the requirements of the Police and Crime Plan through its 'Plan on a Page.' This allocates responsibility to Chief Officers and allows them further to break down the high-level objectives into smaller deliverables.

The OPCC produces and publishes an annual delivery plan. This details its delivery intentions to support the Police and Crime Plan and planned organisational improvements.

The PCC is required to produce an Annual Report. This reflects progress against the Police and Crime Plan, including Force, OPCC, partnership and community contributions

When investments are required to assist the delivery of outcomes, they are considered against the MTFs. The options available are reviewed and risk and benefits considered before decisions are made by the PCC, this will ensure best value is delivered.

- e) Developing the entity's capacity including the capability of its leadership and the individuals within it

The current People, Culture and Inclusion Strategy covering both the OPCC and Force is being refreshed following the arrival of a new Director of People. The current and future strategies will define our ambitions and a roadmap on how we will create a working environment where we attract, recruit, and develop our people. The strategy will also consider the diverse mix of our communities and seek to reflect this diversity within our own organisation.

This updated strategy will outline how we will respond to internal and external challenges. The development of this strategy will involve extensive consultation of internal and external stakeholders and partners.

A Leadership strategy is in place. Adopting the College of Policing's national Professional Profiles and adapting it to Wiltshire Police's structure, a 'Leadership Roadmap' has been produced. This will ensure that leadership opportunities are accessible to all employees, irrespective of rank. This will be further developed as the Force considers how to manage its talent processes, ensuring an equitable environment for all.

Oversight and governance of the People Strategy is through the Strategic People Board. This meets monthly and is chaired by a Chief Officer. The board is attended by officers from the OPCC and key strand leads.

- f) Managing risks and performance through robust internal control and strong public financial management

The Risk Management Strategy and Policy defines the framework requirements, appetite, and procedures. A published Practitioner's Guide confirms for managers the five-step approach to reduce vulnerability to risk. This is summarised as:

- Identify – the most significant risks that could affect the service
- Assess – agree ownership and response to the risk
- Respond – acting (if assessment deems that appropriate)
- Monitor and Review – observe and update risk score post action
- Report – using risk registers and reporting structures

As part of the Governance framework, a section on risk is included in each paper presented to the PCC for a decision.

The Scheme of Governance (incorporating Financial and Contract regulations) setting the framework for lawful expenditure, delegation and achieving value for money financial thresholds. A review of this has taken place in 2023. This has resulted in a disaggregation and updating of the 'Scheme of Governance' into four documents.

1. A Corporate Code of Practice
2. Scheme of Delegation (from the PCC and Chief Constable)
3. Financial Regulations
4. Contractual Regulations

This suite of documents constitutes the 'Scheme of Governance' and are in line with national guidance and financial regulations. These documents are published on the OPCC website.

The PCC and Chief Constable have the same individual filing their two respective a Chief Finance Officer positions; The respective role of each Chief Financial Officer is set out clearly in the Scheme of Delegation and this also sets out the mechanisms to prevent any potential conflict of interest arising from the same individual holding both roles. This is primarily resolved by the required involvement of the PCC's Chief Executive in decisions and financial governance oversight.

The PCC's financial management arrangements conform to all good governance requirements, including the CIPFA Statement on the role of the Chief Finance Officer in Local Government (2010) as set out in the Application Note to Delivering Good Governance in Local Government: Framework.

The practical implementation of the financial regulations is provided in the Internal Budget Book. This identifies the authority to spend and the responsibilities of a Budget Holder, as set by the Scheme of Governance documents. As well as setting out the framework of Budgetary Control, the Budget Book also advises staff on procurement, identifying the process to be followed for distinct types of goods and services The Budget Book also helps to ensure all purchases are in line with the Police and Crime Plan and that Value for Money is achieved.

The biggest Corporate Risks are reviewed monthly at the Strategic Improvement Board. Understanding the risk and mitigation is discussed. The Force hold risks on a corporate system with updates requested monthly from owners, this ensures regular focus. The OPCC risk review occurs at their ELT.

The Internal Auditors (SWAP) publish their view on Internal Control. The overall opinion from SWAP is that of 'Reasonable Assurance.' In 2023-24, the Internal Auditors have not identified any significant corporate risks.

In 2023 an Annual Fraud report was produced and has been tabled at the Joint Independent Governance, Risk and Audit Committee (JIGRAC). The report looked to introduce best practice of assessing the possibility of risk based on certain factors. The assessment utilises information from the National Fraud Initiative, our local Counter Corruption Team and control work by Internal Audit. The conclusion was positive: *'Members can be assured that prevention and detection of fraud, along with promoting exacting standards of conduct, are given high priority within the OPCC's and the Force's operations. Both areas of work have not identified any concerns and gives a high level of assurance that fraud is low and reduced by the control environment.'*

g) Implementing good practices in transparency, reporting and audit to deliver effective accountability.

In line with the promoted values the PCC and the CC are committed to being transparent. Both organisations' websites provide information on performance, pay and scrutiny.

The Joint Independent Governance, Risk and Audit Committee (JIGRAC) sits as a standalone committee. Its statement of purpose is to provide independent assurance on the adequacy of the corporate governance and risk management arrangements in place and the associated control environment, advising according to good governance principles and proper practices. This committee has 5 independent members and is attended by the PCC, Chief Constable, the Chief Executive, External Audit, Internal Audit, and the Chief Financial Officer of both organisations.

The Committee receives reports from both External Audit and Internal Audit. One of its key purposes is to ensure that management implement recommendations agreed with auditors holding management accountable. The committee also reviews both the PCC and the Chief Constables risk register, regularly calling for additional reports and presentations as the emerging governance and risk issues dictate.

The External Auditors are Bishop Fleming. They were appointed after a national run procurement process. This process provides segregation between the auditors and the organisation they are auditing which is good practice. In recent years they have provided an unqualified audit opinion and assurance that the organisations had proper arrangements in place to secure economy, effectiveness, and efficiency in the use of the resources.

The PCC had a contract with the Southwest Audit Partnership (SWAP) to provide an internal audit service in 2023-24. 1 22/23 audit was completed, 7 23/24 audits were completed. 2 of these currently remain in progress and will be finished in 24/25. Out of the 7 completed Audits 4 have received 'Reasonable Assurance' ratings whilst 1 received 'Limited Assurance' opinions. This related to overtime authorisation system. The evaluation system is as follows.

- Substantial Assurance – A sound system of governance, risk management and control exist with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audit.
- Reasonable Assurance – There is sound systems of governance, risk management and control in place. Some issues, non-compliance or scope for improvements were identified which may put at risk the achievement of objectives in the area audit.
- Limited Assurance – Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audit
- No Assurance – Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control are inadequate to effectively manage risks to the achievement of objectives in the area audit

As mentioned previously a summary report is provided annually for JIGRAC by the Internal Auditors. The report suggests an effective control environment with 'Reasonable Assurance' the outcome for 2023-24.

All five forces in the South West contract with SWAP for internal audit. This has been used to provide further assurance by aligning audits and agreeing for comparisons between forces to be reported on.

Both PCC and force websites refer to the annual inspection undertaken of the force by HMICFRS. The PEEL (police effectiveness, efficiency, and legitimacy) inspection is designed to give the public information about how local police forces are performing in several important areas, in a way that is comparable both across England and Wales, and year on year. The PEEL inspection occurred in early 2022, the report identified a significant number of areas of weakness that require urgent improvement. This has led to the force being placed in 'Engage.' Those forces with this classification report to the Policing Performance Oversight Group (PPOG) on a quarterly basis.

Wiltshire Police were put in engage status in June 2022 and means they are subject to additional external monitoring and support. This includes quarterly meetings with the Chief Constable, PCC and the Police Performance and Oversight Group PPOG (Senior Home Office officials, the Chief Inspector of HMICFRS, Chief Executive of the College of Policing).

At the April 2023 meeting of this group, they considered Wiltshire's Improvement Plan. A plan has been created to move out of 'Engage' and, the Chief Constable is clear that the Force's focus is on the delivery of good services to our communities in line with the Police and Crime Plan objectives.

Whilst not in 2023/24, Wiltshire Police have been removed from Engage status.

The PCC publishes an annual report which provides the PCCs assessment of how the Chief Constable has performed, progress against the priorities set out in the Police and Crime Plan and how policing and criminal justice services have performed.

5. SELF ASSESSMENT

In considering the evidence included in section 4 against the seven principles of good governance, the controls in many of the areas are considered appropriate, however, noting the HMICFRS PEEL report and concerns from the PCC regarding delivery, the overall opinion is of **requires improvement** (Some Internal controls are in place and operating effectively however improvement in an area is required)

6. SIGNIFICANT GOVERNANCE ISSUES

Significant improvements have been made across the force but there is some significant progress required to review, transform, and enhance delivery. The Chief Constable continues to strengthen the focus on delivery with people held accountable for delivering the Wiltshire Police Corporate plan and associated annual 'Plan on a Page' in 2023-24. Both the OPCC and Force have significantly overhauled their management and governance processes with clear and accountable delivery, performance, risk management and transformation. This continues to deliver Force and OPCC improvements and is evidenced and published through a range of mechanisms quarterly and annually.

There will be a new Police and Crime Plan in 2024/25. The current plan continues to be monitored as part of the OPCCs function and role quarterly to the Police and Crime Panel and through the annual report.

The OPCC produces an annual delivery plan which sets out it meets in responsibilities and delivers elements of the Police and Crime Plan.

Further work is being undertaken to ensure Community Safety Partnerships, as part of a national review are working effectively.

Signed



P Wilkinson
Police and Crime Commissioner
28/02/2025




C Roper
Chief Constable
28/02/2025



N Darwish
Chief Executive of the OPCC
28/02/2025



David Moran
Chief Finance Officer of OPCC
28/02/2025



David Moran
Chief Finance Officer of Wiltshire Police
28/02/2025

INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE FOR WILTSHIRE

Report on the Audit of the Financial Statements

Disclaimer of opinion on the financial statements

We were appointed to audit the financial statements of the Chief Constable for Wiltshire (the 'Chief Constable') for the year ended 31 March 2024, which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies and include the Police Pension Fund financial statements comprising the Fund Account and Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023-24.

We do not express an opinion on the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

On 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 ('The Amendment Regulations') came into force. The Amendment Regulations require the Chief Constable to publish its Accountability Statements, which include the financial statements and auditor's opinion for the year ended 31 March 2024, by 28 February 2025 ('the backstop date').

The Chief Constable's 2022/23 financial statements were disclaimed and therefore we have been unable to obtain sufficient appropriate audit evidence over the opening balances for 2023/24. In addition, the audit of the 2022/23 financial statements was not completed until December 2024. As a result of the delays to the previous year's audit, there has been insufficient time to complete the detailed audit procedures that would be needed to obtain sufficient appropriate audit evidence to issue an unmodified audit report on the 2023/24 financial statements before the 28 February 2025 backstop date.

Other information

We are also required by the Code of Audit Practice, to give an opinion on whether other information published together with the audited financial statements, is consistent with the financial statements. Because of the matter described in the Basis for Disclaimer of Opinion section, we do not express an opinion on the financial statements. We also do not express an opinion on whether other information published together with the audited financial statements is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Chief Constable under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or;
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or

- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

Responsibilities of the Chief Constable and the Chief Finance Officer

As explained more fully in the Statement of Responsibilities, the Chief Constable is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Finance Officer. The Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023-24, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the Chief Constable's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Chief Constable without the transfer of its services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct and audit of the Chief Constable's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. In reaching this judgement we have complied with the requirements of the Code of Audit Practice and have had regard to the Local Audit Reset and Recovery Implementation Guidance published by the National Audit Office and endorsed by the Financial Reporting Council.

We are independent of the Chief Constable in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud Irregularities, including fraud, are instances of non-compliance with laws and regulations.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our planned procedures were considered capable of detecting irregularities, including fraud is detailed below:

- We considered the nature of the sector, control environment and financial performance;

- We considered the results of enquiries with management, internal audit and the Chief Constable in relation to their own identification and assessment of the risk of irregularities within the entity, and whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud;
- We reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation;
- Any matters identified having obtained and reviewed the Chief Constable's documentation of their policies and procedures relating to:
 - Identifying, evaluation and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- We considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAs (UK) we are required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Chief Constable operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context are those related to the reporting frameworks (the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023-24, the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 (as amended by the Accounts and Audit (Amendment) Regulations 2024), the Local Government Act 2003, Local Government Finance Act 1988 (as amended by the Local Government Finance Act 1992 and the Local Government Finance Act 2012), the Police Reform and Social Responsibility Act 2011, the Public Service Pensions Act 2013, the Police Pension Fund Regulations 2006 and the Police Pensions Regulations 2015).

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Chief Constable's ability to operate or avoid a material penalty. These include data protection regulations, health and safety regulations, employment legislation, and money laundering legislation.

Our planned procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing Committee meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Challenging assumptions and judgements made by management in its significant accounting estimates in respect of defined benefit pensions liability valuations; and

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

Our planned audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures we have been able to perform and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

The audit was defective in its ability to detect irregularities, including fraud, on the basis that we were unable to obtain sufficient appropriate audit evidence due to the matter described in the basis for disclaimer of opinion section of our report.

Report on other legal and regulatory matters

Matter on which we are required to report by exception – the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

We have nothing to report in respect of the above matter except for:

- Our Audit Plan identified risks of significant weaknesses in the Chief Constable’s arrangements for governance, in relation to HMICFRS findings. The significant weaknesses were included by the previous auditors in their 2022/23 audit opinion. During the financial year actions were being taken to resolve the issues. Due to the issues being in place during the financial year, we concluded that there was a significant weakness in governance arrangements in respect of the HMICFRS findings during the 2023/24 financial year.
- We have also identified a significant weakness in the Chief Constable’s arrangements for improving economy, efficiency and effectiveness relating to the challenges being faced in operational delivery and workforce resourcing.

Responsibilities of the Chief Constable

The Chief Constable is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Auditor’s responsibilities for the review of the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024 and related statutory guidance. We considered whether the Chief Constable has proper arrangements in place to ensure financial sustainability, proper governance and the use of information about costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Chief Constable has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for the Chief Constable for Wiltshire for the year ended 31 March 2024 in accordance with the requirements of Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have:

- confirmation from the NAO that no additional work (beyond submission of the Assurance Statement) will be required in respect of the Whole of Government Accounts exercise.

We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2024.

Use of our report

This report is made solely to the Chief Constable, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Chief Constable those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable, as a body, for our audit work, for this report, or for the opinions we have formed



**Craig Sullivan, Key Audit Partner
for and on behalf of Bishop Fleming LLP**

Chartered Accountants and Statutory Auditors

Plymouth

28 February 2025

Comprehensive Income and Expenditure Statement for the Chief Constable of Wiltshire Police 2023/24

It should be noted that to represent the Chief Constable's use of the PCC's assets, the CC receives charges which are equivalent to the running costs and capital financing incurred by the PCC. All income is recognised in the PCC's net cost of services.

Net Expenditure 2022/23 £'000		Gross Expenditure 2023/24 £'000	Gross Income 2023/24 £'000	Net Expenditure 2023/24 £'000
	See also Note 4 and note 5			
172,962	Police Services	171,007		171,007
172,962	Net Cost of Police Services before intra group funding			171,007
-172,962	Intra Group Funding			-171,007
	Net Cost of Police Services			
40,183	Pension Net Interest Note 14			45,769
-40,183	Intra Group Funding (Pension Net Interest) Note 14			-45,769
546,848	Intra Group Funding (Pensions re-measurement of the net defined benefit liability/(asset)) Note 14			32,017
546,848	(Surplus)/Deficit on the Provision of Services			32,017
-546,848	Re-measurement of the net defined benefit liability/(asset) Note 14			-32,017
-546,848	Other Comprehensive Income and Expenditure			-32,017
	Total Comprehensive Income and Expenditure			

Restatement of Prior Year Pension Costs

The prior year figures have been restated to reflect a prior period adjustment correcting the treatment of the pension asset ceiling in accordance with IAS 19.

Further details are provided in Note 2 - Prior Period Adjustment.

Movement in Reserves Statement for the Chief Constable of Wiltshire Police

	General Fund	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Reserves
	£'000	£'000	£000	£'000	£'000	£'000
Balance as at 31 March 2022	0	0	0	0	0	0
Movement in reserves during 2022/23						
Total Comprehensive Income and Expenditure	546,848	0		546,848	-546,848	0
Adjustments between accounting basis and funding basis under regulations – Note 6	-546,848	0	0	-546,848	546,848	0
Increase/(Decrease) in 2022/23	0	0	0	0	0	0
Balance as at 31 March 2023 Carried Forward	0	0	0	0	0	0
Balance as at 31 March 2023 Brought Forward	0	0	0	0	0	0
Movement in reserves during 2023/24						
Total Comprehensive Income and Expenditure	32,017	0		32,017	-32,017	0
Adjustments between accounting basis and funding basis under regulations - Note 6	-32,017	0	0	-32,017	32,017	0
Increase/(Decrease) in 2023/24	0	0	0	0	0	0
Balance as at 31 March 2024 Carried Forward	0	0	0	0	0	0

Restatement of Prior Year Balances

The prior year figures have been restated to reflect a prior period adjustment correcting the treatment of the pension asset ceiling in accordance with IAS 19.

Further details are provided in Note 2 - Prior Period Adjustment.

Balance Sheet for the Chief Constable of Wiltshire Police as at 31 March 2024

31 March 2023 £000		31 March 2024	
		£000	£000
0	Property, Plant & Equipment	0	
0	Investment Property	0	
976,449	Long Term Debtor - Pensions	971,717	
976,449	Total Long Term Assets		971,717
0	Inventories	0	
0	Short Term Debtors	0	
0	Cash & Cash Equivalents	0	
0	Assets Held For Sale (under 1 yr)	0	
0	Total Current Assets		0
0	Short Term Creditors	0	
0	Provisions (under 1 yr)	0	
0	Total Current Liabilities		0
0	Finance Lease Liability	0	
-976,449	Liability Related to Defined Benefit Pensions Scheme.	-971,717	
-976,449	Total Long Term Liabilities		-971,717
0	Total Net Assets		0
0	Usable Reserves		0
0	Unusable Reserves		0
0	Total Reserves		0

Although the Police and Crime Commissioner is responsible for all assets and liabilities, in order to comply with accounting and audit requirements, the pension liabilities are required to be disclosed in the Chief Constable's Balance Sheet. This is balanced with a long term pension debtor of equivalent value to the pension liability to recognise the fact that the Police and Crime Commissioner has ultimate responsibility for these long term liabilities. The Chief Constable's net assets/liabilities will always balance to zero.

Restatement of Prior Year Balances

The prior year figures have been restated to reflect a prior period adjustment correcting the treatment of the pension asset ceiling in accordance with IAS 19.

Further details are provided in Note 2 - Prior Period Adjustment.



D Moran, Chief Finance Officer.
Date: 28/02/2025

Cash Flow Statement

2022/23 £000		2023/24 £000
	<u>Operating Activities</u>	
0	Taxation	0
0	Non Domestic Rates	0
0	Revenue Support Grant	0
0	Police Main Grant	0
0	Cash Received for Goods and Services	0
0	Interest Received	0
0	Cash Inflows Generated from Operating Activities	0
0	Cash Paid to and on behalf of Employees	0
0	Cash Paid for Goods and Services	0
0	Interest Paid	0
0	Cash Outflows from Operating Activities	0
0	Net Cash Flows from Operating Activities	0
	<u>Investing Activities</u>	
0	Purchase of Non-Current Assets	0
0	Proceeds from Sale of Non-Current Assets	0
0	Other Receipts from Investing Activities	0
0	Net Cash Flows from Investing Activities	0
	<u>Financing Activities</u>	
0	Payments for the Reduction of Outstanding PFI Finance Liability	0
0	Net Cash Flows from Financing Activities	0
0	Net increase or decrease in cash & cash equivalents	0
0	Cash & cash equivalents at the beginning of the reporting period	0
0	Cash & cash equivalents at the end of the reporting period	0

All Bank accounts, assets, liabilities, investments and reserves are managed by the Police and Crime Commissioner for Wiltshire; the Chief Constable for Wiltshire has no cash flows to report.

Notes to accompany the Statements

1 Statement of Accounting Policies

1.1 General Principles

The general principles adopted in compiling the accounts of the Chief Constable for Wiltshire Police 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 2023/24, the Service Reporting Code of Practice 2023/24 and the Accounts and Audit Regulations 2015 and are based on the following hierarchy of standards:

- International Financial Reporting Standards (IFRSs) as adopted by the EU
- 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. All are maintained on an historic cost basis. 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 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 16.

1.2 Accruals of Income and Expenditure

The Chief Constable's financial accounts are prepared on an accruals basis. Income and expenditure is inclusive of future obligations to pay cash for benefits already received by the CC for Wiltshire and cash to be received in the future for benefits already provided by the CC for Wiltshire.

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 accounts for 2023/24 comply with normal 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 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.

Wiltshire Police have entered into 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.

1.6 Employee Benefits

Benefits payable during employment

Authorities are required to account for employee benefits in the period that they are earned by employees. Wiltshire Police 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 and is not cost effective to collect the data; therefore no flexi leave accrual has been posted for 2023/24 due to the immaterial value. Time off in Lieu (TOIL) and annual leave are recorded on an electronic system and the result is that the Group has a £3.379 million accrual for employee leave entitlements carried over at 31 March 2024. For 2023/24 there is a £0.892 million increase in the net cost of services where the accrual has increased from £2.487 million in 2022/23, this is reversed out in the PCC's Movement in Reserves Statement so as to avoid any impact on Council Tax.

Termination benefits

Redundancy payments allowed by Wiltshire Police are based upon actual weekly salary, calculated in the manner prescribed by legislation. The 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:

For each year of service aged 18 to 21 - half a week's pay

For each year of service aged 22 to 40 - one week's pay

For each year of service aged 41 to 65 - one and a half week's pay

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 (2015 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 purpose of the note to the accounts the officer schemes are reported as a single disclosure. The scheme changes have been taken into account 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 (Support Staff)

The pension scheme available for police 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 Chief Constable for Wiltshire's 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 CC for Wiltshire for the year 2023/24.

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 Authority. 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 Authority. Based on the prudence accounting concept zero take up has been assumed, therefore, no reduction in liability has been included in the balance sheet of the Authority.

In accordance with CIPFA guidelines the liability under IAS 19 for both Police Officer and Support Staff pensions must be included within the Comprehensive Income and Expenditure Statement (CIES) and the Balance Sheet. The cost of service is shown within the CIES of the Chief Constable and is balanced with an intra Group adjustment to the Police and Crime Commissioner for Wiltshire's accounts.

1.7 Leases

Where a lease transfers substantially all the risks and rewards of ownership of an asset to the lessee it is classified as a finance lease. Leases that do not meet this definition are operating leases.

Operating lease rentals are charged direct to the Comprehensive Income and Expenditure Statement as a cost to the services benefitting from their use.

1.8 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 of the Authority 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.

1.9 Post Balance Sheet Events

Where a material post balance sheet event occurs the Chief Constable has a policy to identify that in the 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.

1.10 Prior Period Adjustment – Changes in Accounting Policies and Errors

Prior period adjustments may arise as a result 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 CC'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.

1.11 Revenue from Contracts with Customers

For 2023/24, the Code of Practice adopts IFRS 15 which 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 Chief Constable for Wiltshire has no material items that would require additional disclosures under IFRS 15.

2 Prior Period Adjustment

During the financial year 2023/24 a review of pension accounting under IAS 19 (Employee Benefits) identified a material error in the recognition of a pension asset in the 2022/23 financial statements. The error arose due to the incorrect application of the asset ceiling test, which should have been applied in accordance with IAS 19:64. As a result, the pension asset was overstated in the previous year's financial statements, necessitating a prior period adjustment to ensure compliance with the Code of Practice on Local Authority Accounting in the United Kingdom (CIPFA/LASAAC).

The adjustment relates to the overstatement of the net pension asset, which occurred because the value of the pension asset was incorrectly recognised above the recoverable amount permitted under IAS 19. The correct application of the asset ceiling test means that the pension asset should have been reduced to reflect the economic benefits that the authority expects to realise. The impact of the adjustment is as follows:

- Comprehensive Income and Expenditure Statement (CIES) – The past service costs and net return on pension assets have been revised.
- Balance Sheet – The pension asset has been restated to reflect the corrected recoverable amount
- Movement in Reserves Statement (MiRS) – The adjustment has resulted in a corresponding change to the Pensions Reserve.

The following table summarises the effect of the prior period adjustment on key financial statements:

2022/23 Statement Affected	Line Description	As Previously Stated £000	Adjustment £000	Restated Amount £000
CIES	Intra Group Funding (Pensions re-measurement of the net defined benefit liability/(asset))	552,235	- 5,377	546,858
CIES	(Surplus)/Deficit on the Provision of Services	552,235	- 5,377	546,858
CIES	Re-measurement of the net defined benefit liability/(asset) Note 13	- 552,235	5,377	- 546,858
CIES	Other Comprehensive Income and Expenditure	- 552,235	5,377	- 546,858
MIRS	Total Comprehensive Income and Expenditure 2022/23 - General Fund	552,235	- 5,377	546,858
MIRS	Total Comprehensive Income and Expenditure 2022/23 - Total Usable Reserves	552,235	- 5,377	546,858
MIRS	Total Comprehensive Income and Expenditure 2022/23 - Unusable Reserves	- 552,235	5,377	- 546,858
MIRS	Adjustments between accounting basis and funding basis under regulations 2022/23 - Unusable Reserves	- 552,235	5,377	- 546,858
MIRS	Adjustments between accounting basis and funding basis under regulations 2022/23 - Unusable Reserves	- 552,235	5,377	- 546,858
MIRS	Adjustments between accounting basis and funding basis under regulations 2022/23 - Unusable Reserves	552,235	- 5,377	546,858
Balance Sheet	Long Term Debtor - Pensions	976,449	5,377	981,826
Balance Sheet	Total Long Term Assets	976,449	5,377	981,826
Balance Sheet	Liability Related to Defined Benefit Pensions Scheme.	- 976,449	- 5,377	- 981,826
Balance Sheet	Total Long Term Liabilities	- 976,449	- 5,377	- 981,826

3 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, actual results could be materially different from the assumptions and estimates.

For 2023/24 the Balance Sheet contains one item 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 is reliant on a number of 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. Further information can be found in the pensions note.

4 Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows the Chief Constable's net expenditure analysed between amounts that the PCC will fund from government grants and council tax in comparison with the net expenditure reported in the Comprehensive Income and Expenditure Statement for resources consumed or earned in accordance with generally accepted accounting practices. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the note 'Expenditure and Income Analysed by Nature'.

2023/24	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
	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 £'000
Police Services	170,228	1,773	1,887	892	779	171,007
Office of the Police and Crime Commissioner						
Net Cost of Services before intra group funding	170,228	1,773	1,887	892	779	171,007
Intra Group Funding	-170,228	-1,773	-1,887	-892	-779	-171,007
Net Cost of Police Services						
Other Income and Expenditure			45,769		45,769	45,769
Intra Group Funding			-13,752		13,752	-13,752
Surplus or Deficit			32,017		32,017	32,017

The Surplus/Deficit for the Chief Constable relates to pensions IAS19 accounting requirements and nets to zero with the re-measurement of pension liabilities transaction in the Other Comprehensive Income and Expenditure.

2022/23	Net Expenditure Chargeable to the General Fund Balances	Adjustments for Capital Purposes	Net change for the Pensions Adjustments	Other Differences	Total Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	2022/23 £'000	2022/23 £'000	2022/23 £'000	2022/23 £'000	2022/23 £'000	2022/23 £'000
Police Services	143,426	2,358	27,305	-127	29,536	172,962
Office of the Police and Crime Commissioner						
Net Cost of Services before intra group funding	143,426	2,357	27,305	-127	29,536	172,962
Intra Group Funding	-143,426	-2,357	-27,305	-127	-29,536	-172,962
Net Cost of Police Services						
Other Income and Expenditure			40,183		40,183	40,183
Intra Group Funding			512,052		512,052	512,052
Surplus or Deficit			552,235		552,235	552,235

Adjustments for Capital Purposes

This column adds in asset accounting transactions including charges relating to depreciation, impairment and revaluation.

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 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 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.

5 Expenditure and Income Analysed by Nature

CIES 2022/23	Adjustments between the Funding and Accounting Basis	General Fund 2022/23		CIES 2023/24	Adjustments between the Funding and Accounting Basis	General Fund 2023/24
£'000	£'000	£'000		£'000	£'000	£'000
54,356		54,356	Police Pay and allowances	61,134		61,134
28,700	-16,160	12,540	Police Officer Pensions	11,300	3,107	14,407
56,309	-11,358	44,951	Staff Pay and allowances	51,983	-1,548	50,435
1,749	127	1,876	Other employee expenses	2,844	-892	1,951
5,709	705	6,414	Premises	6,765	765	7,530
3,450	0	3,450	Transport	3,855	0	3,855
13,706	0	13,706	Supplies and Services	17,227	0	17,227
1,997	126	2,123	Third Party Payments	5,324	77	5,400
5,894	-3,189	2,705	Capital Finances	9,945	-2,615	7,329
500	-500	0	Net Pensions Interest & Past Service costs	400	-400	
592	713	1,305	Injury Payments	231	728	958
172,962	-29,536	143,426	Total Financial Resources Consumed at request of Chief Constable	171,007	-779	170,228
-172,962	29,536	-143,426	Intra Group Adjustment	-171,007	-779	-170,228
			Net Cost of Services			
40,183	-40,183	0	Pension Net Interest	45,769	-45,769	0
-40,183	40,183	0	Intra Group Funding (Pension interest cost & expected return on assets)	-45,769	45,769	0
-546,858	546,848	0	Intra Group Funding (Pensions re- measurement of the net defined benefit liability/(asset))	-32,017	32,017	0
-546,858	546,858	0	Total (Surplus)/Deficit on the Provision of Services	-32,017	32,017	0

It should be noted that Chief Constable receives charges for use of the Police and Crime Commissioner's assets. These charges are equivalent to the running costs and capital financing incurred by the Police and Crime Commissioner and include the associated adjustments between Accounting and Funding basis in line with the accounting concept 'substance over form'.

6 Adjustments Between Accounting Basis and Funding Basis Under Statute

<u>2023/24</u>	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£'000	£'000	£'000	
Adjustments involving the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	32,017			-32,017
Total Adjustments	26,640			-26,640

<u>2022/23</u>	Usable Reserves			Movement in Unusable Reserves
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£'000	£'000	£'000	
Adjustments involving the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	546,858			-546,858
Total Adjustments	546,858			-546,858

7 Post Balance Sheet Events

The Chief Constable is required to disclose any post Balance Sheet events that have a significant impact on the accounts for the year. For 2023/24 there are no post balance sheet events.

8 Remuneration of Staff

The Chief Constable for Wiltshire is required to disclose 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 £	Number of Employees 2022/23	Number of Employees 2023/24
50,000 - 54,999	158	210
55,000 – 59,999	150	127
60,000 – 64,999	41	97
65,000 – 69,999	13	27
70,000 – 74,999	5	14
75,000 – 79,999	6	9
80,000 – 84,999	2	2
85,000 – 89,999	5	5
90,000 – 94,999	2	3
95,000 – 99,999		4
100,000 – 104,999		1
105,000 – 109,999		
110,000 – 114,999	1	
115,000 – 119,999		
120,000 – 124,999	1	
125,000 – 129,999	1	
130,000 – 134,999		1
135,000 – 139,999	1	1
140,000 – 144,999		
145,000 – 149,999		
150,000 – 154,999		
155,000 – 159,999		
160,000 – 164,999		
165,000 – 169,999		1
170,000 – 174,999		
175,000 – 179,999		
180,000 – 184,999	1	
Total	352	502

The above disclosure contains details for all staff and all officers 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 operational requirements for overtime and to the payrises received in September that have pushed several grades above the £50,000 threshold.

For 2023/24, a total of £2.227m was recharged to external establishments for officers and staff on secondment (£1.375m 2022/23). As at 31st March 2024 there were 30 employees working in external areas on secondment (19 as at 31st March 2023).

26 of the employees included in the bandings over £50,000 were seconded out to other Forces or Government organisations as at 31 March 2024 (14 seconded officers included for 2022/23).

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 2023/24 and comparative information from 2022/23. Senior Officers on payroll are included in the above banding as well as the following individual disclosures.

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 2023/24	NOTE	Name	Salary (including fees & Allowances)	Bonuses	Expenses	Compensation for loss of office	Benefits in Kind	Total Remuneration excluding pension contributions 2023/24	Pension Contributions	Total Remuneration including pension contributions 2023/24
Chief Constable		C Roper	167,596	19				167,615	48,984	216,599
Deputy Chief Constable	(i)	P Mills	130,917	22		6,976		137,914	40,510	178,424
Deputy Chief Constable	(ii)	C Dibdin	105,826					105,826		105,826
Interim Chief of Corporate Services	(iii)	J Derryman	78,114					78,114		78,114
Assistant Chief Constable		D Smith	134,613					134,613	39,081	173,694
T/Assistant Chief Constable	(iv)	D Minty	103,076					103,076	30,508	133,583
T/Assistant Chief Constable	(v)	M Cooper	99,485					99,485		99,485
T/Assistant Chief Constable	(vi)	P Staynings	99,509	77				99,586	29,285	128,871
Assistant Chief Officer - Chief Finance Officer	(vii)	C Barker	120,016				2,877	122,893	19,641	142,535
Head of Wilt's Pol Strategic Comms & Engagement	(viii)	C Mills	73,124					73,124	11,789	84,913
Director of Operations		R Llewellyn	85,280					85,280	13,986	99,265
Assistant Chief Finance Officer	(ix)	A Streets	25,056					25,056		25,056
Director of People	(x)	S Lane	196,650	65				196,715		196,715

- i. P Mills was the Deputy Chief Constable to 11th December 2023
- ii. C Dibdin held several senior positions during the year as follows:
Temporary Assistant Chief Constable until 19th April 2023
Temporary Assistant Chief Officer from 24th April 2023 to 10th December 2023, and
Deputy Chief Constable from 11th December 2023
- iii. J Derryman was the Interim Chief of Corporate Services from 11th December 2023
- iv. D Minty was the Temporary Assistant Chief Constable until 2nd July 2023
- v. M Cooper was the Temporary Assistant Chief Constable from 10th July 2023
- vi. P Staynings was the Temporary Assistant Chief Constable from 12th February 2024
- vii. During 2023/24 Clive Barker was in the role of Chief Finance Officer for both the Chief Constable and the Police and Crime Commissioner. For the purposes of remunerations classifications, he is included within the PCC employee disclosures.
- viii. C Mills' position of Head of Wiltshire Police Strategic Communications & Engagement was re-allocated to the Chief Constable from the Police & Crime Commissioner as of the 1st January 2024
- ix. A Streets replaced C Barker as Chief Finance Officer for both the Chief Constable and the Police Crime Commissioner post year end. During the end of the year Alan Streets was deemed to be in a position to direct or control the major activities of the authority and so is included in the Senior Officers note. A Streets is employed via an agency agreement. The amount included as remuneration is the total amount paid (net of VAT) to the agent for the provision of their services. Due to not being included in the payroll he is not included in the Remuneration of Staff note.
- x. S Lane was employed as HR Director 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 (net of 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.

Senior Officer Remunerations 2022/23	Name	Salary (including fees & Allowances)	Bonuses	Expenses	compensation for loss of office	Benefits in Kind	Total Remuneration excluding pension contributions 2023/24	Pension Contributions	Total Remuneration including pension contributions 2023/24
Chief Constable (from 27/02/23)	C. Roper	16,718				1,011	17,729	5,183	22,911
Chief Constable (to 26/02/23)	K. Pritchard	170,960				11,832	182,792	51,464	234,256
Deputy Chief Constable	P. Mills	125,331		149		9,660	135,140	38,675	173,815
Assistant Chief Constable (from 19/09/22)	C. Dibdin	64,904				3,265	68,170		68,170
Assistant Chief Constable	D. Smith	120,924		110		7,289	128,323	37,302	165,625
Assistant Chief Constable (to 01/07/22)	M Cooper	33,508				2,052	35,560		35,560
T/Assistant Chief Constable (from 02/02/22)	D. Minty	105,913				6,738	112,650	32,474	145,124
Assistant Chief Officer / Chief Finance Officer	C. Barker	114,887				6,215	121,102	18,747	139,849
Head of People & Change (to 31/12/22)	C. McMullin	66,240				929	67,170	10,357	77,526
Head of Communications	C. Mills	68,775				1,239	70,014	11,279	81,293

9 Termination Benefits

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

Exit package cost band	No. of compulsory redundancies		No. of Other Departures		Total cost of exit packages in each band £'000	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
£0-£20,000			1	1	13	7
£20,001-£40,000						
£40,001-£60,000						
£60,001-£80,000						
£80,001-£100,000						
£100,001-£120,000						

The total cost of exit packages includes early pension payments.

10 Related Parties

In accordance with the Code of Practice and IAS 24 the Chief Constable for Wiltshire is required to state any material transactions with related parties. For 2023/24, no material transactions, other than those stated below, were declared by key management personnel.

Wiltshire Police have a number of partnership projects involving joint boards or committees; in particular there are arrangements in place with regional Police Forces, Wiltshire Council and Swindon Borough Council. Details of the partnerships are disclosed under the Joint Arrangements note.

The Police Constable for Wiltshire Police is part of the Police and Crime Commissioner for Wiltshire's Group and as such the Police and Crime Commissioner has significant influence over the Chief Constable. To get a full understanding of Wiltshire Police as a whole these accounts should be viewed alongside the Group Statement of Accounts (published separately).

Central Government has significant influence over the general operations of the Police and Crime Commissioner for Wiltshire's Group. Grants received from Central Government are disclosed in the PCC for Wiltshire Group Statement of Accounts.

During the year £214,438 was paid to Sue Lane HR Consultancy Limited as staffing fees. Sue Lane who held the senior position as Director of People in the PCC Group had significant control over Sue Lane HR Consultancy Limited. All transactions were carried out on an arms length basis and no balances were outstanding at year end.

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 £25,861. The cost of clothing provided to them was £468. An amount payable to The Bobby Van Trust of £3,825 was outstanding at year end.

11 Joint Collaborations

The Police and Crime Commissioner's Group is involved in a number of 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, particularly in times where the policing service is experiencing unprecedented cuts in its funding. 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.

2022/23 £000 Expenditure	2022/23 £000 Income	Joint Operation	2023/24 £000 Expenditure	2023/24 £000 Income
929		Black Rock	1,042	
1,682		Brunel MCIT	1,756	
1,651	100	SWROCU	1,997	
3,197		Forensics	3,584	
792		MASH	1,062	

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 overall training cost of the facility for the year was £4.131m; this is split on a percentage basis. The operational expenditure was originally in line with the asset split below but on review during 2021/22 this was updated to reflect the fair usage of the facility. In 2023/24 the total operational costs were £3.078m with Wiltshire now contributing 22%, Avon and Somerset 56% and Gloucester 22%. The PFI costs of £1.053m are split at the original rate (Wiltshire 25%, Avon & Somerset 42% and Gloucester 33%).

There is a PFI building involved in the facility; this PFI contract is owned by Avon & Somerset police but at the end of the contract the asset is to be split between the partner forces according to an agreed percentage basis (Wiltshire 25%, Avon and Somerset 42% and Gloucester 33%). Due to this arrangement the PCC for Wiltshire accounts for his share as an asset on his Balance Sheet. The current value of the PFI asset as at 31 March 2024 was £23.408m with Wiltshire's share included in the Balance Sheet as £5.967m (2022/23: £5.7m).

Brunel MCIT

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 £9.243m; this is split on a percentage basis, with Wiltshire contributing 19%, Gloucester 17% and Avon and Somerset 64%.

SWROCU

SWROCU is a collaboration of the police forces in the Southwest region working together to disrupt, destroy and dismantle serious and organised crime.

The collaboration is led by Avon & Somerset police and costs are split on a percentage basis as follows: Avon and Somerset 31%, Gloucester 12%, Devon and Cornwall 32%, Dorset 13% and Wiltshire 12%. The overall cost of the collaboration for the year was £16.535m.

Avon and Somerset police have a building that is used for the collaboration; this asset is currently owned and accounted for by Avon and Somerset police. Devon & Cornwall police also have a building that is used for the collaboration which is owned and accounted for by Devon & Cornwall police.

SWROCU also holds a reserve which any surplus/deficit year on year is added to/taken from. The reserve is also used to assist future year's budget which in turn potentially reduces the contributions required by each Force. The reserve currently stands at £1.297m.

Forensics

SW Regional Forensics is a collaboration between Wiltshire, Avon and Somerset, Dorset and Devon and Cornwall police. The collaboration operates from 2 hubs: north (Portishead) and south (Exeter) and also from each of the four police forces.

Costs are apportioned on one overall basis: Avon and Somerset 35%, Devon and Cornwall 36%, Dorset 15% and Wiltshire 14%.

The cost of the collaboration for 2023/24 was £26.105m. Wiltshire's total cost was £3.584m for the year.

MASH

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 23/24 was £1.062m 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).

12 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:

	2022/23 £000's	2023/24 £000
PCC External Audit Fees	29	92
Chief Constable External Audit Fees	15	48
Total Audit Fees (excluding VAT)	44	140

Additional fees are expected to be billed for the PCC and the Chief Constable in relation to the 2022/23 and 2023/24 statutory audits. These are yet to be determined.

As of the publication date of these accounts, the audit for the year ending 2022/23 was not yet completed. The draft accounts for the year 2022/23 have been published and remain available to view from the PCC website.

13 Accounting Standards Issued That Have Not Yet Been Adopted

For 2023/24 the following accounting standard changes have been issued but not yet adopted. The impact of these changes to the PCC is not likely to be material though they may increase the disclosure requirements for future years. Details of the disclosures required will be provided in the 2023/24 Code of Practice in Local Authority Accounting (COPLAA).

- IFRS 16 Leases issued in January 2016 (but only for those local authorities that have not decided to voluntarily implement IFRS 16 in the 2023/24 year).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1) issued in January 2020. The amendments:
 - specify that an entity's right to defer settlement must exist at the end of the reporting period
 - clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement
 - clarify how lending conditions affect classification, and
 - clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) issued in September 2022. The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions.
- Non-current Liabilities with Covenants (Amendments to IAS 1) issued in October 2022. The amendments improved the information an entity provides when its right to defer settlement of a liability for at least 12 months is subject to compliance with covenants.
- International Tax Reform: Pillar Two Model Rules (Amendments to IAS 12) issued in May 2023. Pillar Two applies to multinational groups with a minimum level of turnover. The amendments introduced:
 - a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes, and
 - targeted disclosure requirements for affected entities.
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) issued in May 2023. The amendments require an entity to provide additional disclosures about its supplier finance arrangements. The IASB developed the new requirements to provide users of financial statements with information to enable them to:
 - assess how supplier finance arrangements affect an entity's liabilities and cash flows, and
 - understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

14 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 the majority of staff under the arrangements with the Police and Crime Commissioner for Wiltshire. 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, in order 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 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 a number of 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	
	£000		£000	
	2022/23	2023/24	2022/23	2023/24
Comprehensive Income & Expenditure (CIES)				
Net Cost of Services				
Current Service Costs	17,153	8,036	28,700	11,300
Past Service Costs (Non Distributed Costs)			500	400
Gains and Losses on any Settlements or Curtailments				
<i>Net Operating Expenditure</i>				
Net Interest on plan assets & defined benefit obligation	2,183	-231	38,000	46,000
Net Charge to the Surplus/Deficit	19,336	7,805	67,200	57,700
Other Comprehensive Income & Expenditure				
Return on plan assets (excluding the amount included in the net interest expense)	18,403	-7,538		
Actuarial gains and losses arising on changes in demographic assumptions	-1,554	-1,185	-15,900	-5,000
Actuarial gains and losses arising on changes in financial assumptions	-126,659	-14,240	-489,700	-51,500
Expected 2023 Pension Increase Order			46,300	25,800
Reduction of surplus due to asset ceiling	5,377	15,282		
Re-measurement of Other Experience	16,875	6,364		
Total Other Comprehensive Income & Expenditure (Pension Re-measurement of the net defined benefit liability/asset)	-87,558	-1,317	-459,300	-30,700
Total Charge to the CIES	-68,222	6,488	-392,100	27,000
	Local Government Pension Scheme		Police Pension Scheme	
	£000		£000	
	2022/23	2023/24	2022/23	2023/24
Net Charge to the CIES Surplus/Deficit	19,336	7,805	67,200	57,700
Movement in Reserves Statement				
<i>Adjustments between Accounting & Funding Basis:</i>				
Reversal of net charges made for retirement benefits in accordance with the code	-19,336	-7,805	-67,200	-57,700
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	5,795	6,488	36,144	37,109
Actual Costs	5,795	6,488	36,144	37,109

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 2023/24 are £6.488 million to Wiltshire Council for the Local Government Pension Scheme (2022/23: £5.795m) and £15.134 million to the Police Pension Scheme (2022/23: £13.253m). The main reason this differs from the £37.109m above is a further £21.975m contributions funded by Home Office grant (2022/23: £22.891m).

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:

	£000 2022/23	£000 2023/24
<i>Local Government Pension Scheme</i>		
Present value of defined benefit obligation	-193,758	-204,251
Fair value of plan assets	199,135	219,533
Asset ceiling reduction on fund surplus at year end	-5,377	-15,282
Net Liability – Local Government Pension Scheme	0	0
<i>Police Officer Pension Scheme</i>		
Present value of defined benefit obligation	-981,826	-971,717
Fair value of plan assets		
Net Liability – Police Officer Pension Scheme	-981,826	-971,717
Total Net Liability arising from defined benefit obligation	-981,826	-971,717

The liabilities show the Group’s commitment for future payment of retirement benefits. The total deficit of £971m for 2023/24 (2022/23: £982m) 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 actually made.

Although the Police and Crime Commissioner is responsible for all assets and liabilities, in order 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 2024 are as follows:

	<u>Police staff</u>		<u>Police officers</u>	
	£000	£000	£000	£000
Reconciliation of Present Value of Scheme Liabilities				
	2022/23	2023/24	2022/23	2023/24
Opening Entry	-282,325	-199,135	-1,410,070	-981,826
Current Service Costs	-17,153	-8,036	-28,700	-11,300
Interest cost on defined benefit obligation	-7,955	-9,306	-38,000	-46,000
Members Contributions	-2,118	-2,562	-5,400	-6,200
Re-measurement gain/(loss):				
• Actuarial gains/losses arising from changes in demographic assumptions	1,554	1,185	15,900	5,000
• Actuarial gains/losses arising from changes in financial assumptions	126,659	14,240	489,700	51,500
• Expected Pension Increase Order			-46,300	-25,800
• Other	-16,875	6,364		
Past Service Costs			-500	-400
Transfers in/out	20		-300	0
Settlements/Curtailments				
Benefits Paid	4,475	5,727	41,844	43,309
Surplus/Deficit	-193,758	-204,251	-981,826	-971,717
Reconciliation of Fair Value of Scheme Assets				
Opening Entry	208,308	199,135		
Interest income on plan assets	5,772	9,537		
Re-measurement gain/(loss):				
• Return on plan assets (excluding the amount included in net interest expense)	-18,403	7,538		
• Other				
Transfers in/out	-20		300	0
Employer Contributions	5,795	6,488	36,144	37,109
Members Contributions	2,118	2,562	5,400	6,200
Benefits Paid	-4,475	-5,727	-41,844	-43,309
Surplus/Deficit	199,135	219,533	0	0

Additional Information about the Defined Benefit Obligation:

Local Government Pension Scheme	Liability Split	
	£000's	Percentage
Active Members	101,627	51.1%
Deferred Members	41,474	20.9%
Pensioner Members	55,773	28.0%
Total	198,874	100.0%

Police Officer Pension Scheme	Liability Split	
	£000's	Percentage
Active Members	312,000	33.1%
Deferred Members	51,100	5.4%
Pensioner Members	578,117	61.4%
Total	941,217	100.0%

Injury Pensions	Liability Split	
	£000's	Percentage
Contingent Injuries	15,600	51.1%
Injury Pension Liabilities	14,900	48.9%
Total	30,500	100.0%

Assumptions to Estimate Assets and Liabilities

For 2023/24, the Police Pension Scheme and the Local Government Scheme has been assessed on a projected basis, using the full actual valuations as at 31 March 2020 (Police) and 31 March 2019 (LGPS). Valuations were carried out by Hymans Robertson. The following assumptions were used to calculate the components of the pensions.

Pension Scheme Basis for Estimating				
	LGPS		All Police Schemes	
	2022/23	2023/24	2022/23	2023/24
Long term expected rate of return on assets in the scheme:				
Equity Investments	4.75%	4.75%		
Bonds	4.75%	4.75%		
Property	4.75%	4.75%		
Cash	4.75%	4.75%		
Mortality assumptions:				
Longevity for current pensioners:				
Men	21.2	21.1	26.7	26.5
Women	24.4	24.2	29.2	29.4
Longevity for future pensioners:				
Men	22.3	22.1	28.1	27.9
Women	26.0	25.7	30.6	30.7
CARE Scheme Revaluation rate			4.20%	4.00%
Rate of Increase in salaries	3.45%	3.25%	3.20%	3.10%
Rate of Increase in pensions	2.95%	2.75%	2.95%	2.75%
Rate for discounting scheme liabilities	4.75%	4.85%	4.75%	4.85%

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 LGP Scheme Assets for April – March 2024 was 8.5% (6.1% April – March 2023).

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 2024 is £219.533m (£204.255 March 2023).

Local Government Pension Scheme Assets Comprised:

	31 March 2023			31 March 2024		
	£000			£000		
	Quoted Prices in Active Markets	Prices not quoted in Active Markets	Total	Quoted Prices in Active Markets	Prices not quoted in Active Markets	Total
Cash and Cash Equivalents		898	898		990	990
Equity Securities:						
Consumer						
Manufacturing						
Energy and Utilities						
Financial Institutions						
Health and Care						
Information Technology						
Other						
<i>Sub-total</i>						
Debt Securities:						
Corporate Bonds (investment grade)						
Corporate Bonds (non-investment grade)						
UK Government						
Other						
<i>Sub-total</i>						
Real Estate:						
UK Property		13,880	13,880		15,302	15,302
Overseas Property		8,358	8,358		9,214	9,214
<i>Sub-total</i>		22,238	22,238		24,516	24,516
Investment Funds and Unit Trusts:						
Equities		79,798	79,798		87,972	87,972
Bonds		54,542	54,542		60,129	60,129
Hedge Funds						
Commodities						
Infrastructure		15,158	15,158		16,711	16,711
Other		26,501	26,501		29,216	29,216
<i>Sub-total</i>		175,999	175,999		194,028	194,028
Derivatives:						
Foreign Exchange						
Other						
Total Assets		199,135	199,135		219,533	219,533

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 Scheme net asset as at 31 March 2024 of £20.865m has been restricted to the lower amount of the net asset ceiling. This reduces the net asset of the LGPS scheme at year end to £0.

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 Mar 2024	Approx % increase to employer liability	Approx monetary amount (£000)
0.5% decrease in rate for discounting scheme liabilities	10%	92,490
1 year increase in member life expectancy	3%	29,120
0.5% increase in the rate of increase in salaries	<1%	4,470
0.5% increase in the rate of increase in pensions CPI	8%	76,700

Local Government Pension Scheme - Change in assumptions at year ended 31 Mar 2024	Approx % increase to employer liability	Approx monetary amount (£000)
0.1% decrease in rate for discounting scheme liabilities	2%	4,481
1 Year increase in member life expectancy	4%	7,947
0.1% increase in the rate of increase in salaries	0%	434
0.1% increase in the rate of increase in pensions CPI	2%	4,129

For the LGPS, the actuaries have reviewed the member life expectancy as a principle demographic assumption and estimate that a one year increase in life expectancy would approximately increase the employer liability by around 4%. They have stated that in practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption; whether changes to survival rates predominantly apply at younger or older ages.

Contributions Expected

The projected amount to be charged to Income and Expenditure for the year to 31 March 2025 is as follows:

Local Government Pension Scheme	Assets	Obligations	Net (Liability)/Asset	
	£000's	£000's	£000's	% of pay
Current Service Cost		7,057	-7,057	-18.1%
Past Service Cost inc curtailments				
Effect of Settlements				
<i>Total Service Cost</i>		<i>7,057</i>	<i>-7,057</i>	<i>-18.1%</i>
Interest Income on Plan Assets	10,727		10,727	27.5%
Interest cost on Defined Benefit Obligation		9,731	-9,731	-24.9%
<i>Total Net Interest Cost</i>	<i>10,727</i>	<i>9,731</i>	<i>996</i>	<i>2.6%</i>
Total Included in Surplus/Deficit CIES	10,727	16,788	-6,060	-15.5%

Police Officer Pension Scheme	Assets	Obligations	Net (Liability)/Asset	
	£000's	£000's	£000's	% of pay
Current Service Cost		9,700	-9,700	-20.2%
Past Service Cost inc curtailments				
Effect of Settlements				
<i>Total Service Cost</i>		<i>9,700</i>	<i>-9,700</i>	<i>-20.2%</i>
Interest Income on Plan Assets				
Interest cost on Defined Benefit Obligation		46,400	-46,400	-96.7%
<i>Total Net Interest Cost</i>		<i>46,400</i>	<i>-46,400</i>	<i>-96.7%</i>
Total Included in Surplus/Deficit CIES		56,100	-56,100	-117.0%

Contributions expected to be paid to the schemes during the month of April 2024 are as follows:

Police pension scheme employer's contributions: £1.447m: (£17.360m projected for the year)

Police pension scheme member's contributions: £0.550m: (£6.506m projected for the year)

Local Government pension scheme employer's contributions: £0.598m: (£7.181m projected for the year)

Local Government pension scheme member's contributions: £0.191m: (£2.292m 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 employers 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 2023/24 the net amount payable on the pension fund account before top up grant was £21.975m. A total amount of £17.068m in pension grant was received, leaving a net amount of £4.906m due from the Home Office. The balance of £4.906m 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 2023/24 was £727,709 (2022/23: £712,756), this was financed through revenue and reserve.

15 Contingent Assets & Contingent Liabilities

Police Officer Pensions Legal Cases

The Chief Constable for Wiltshire, along with other Chief Constables and the Home Office currently has a number of claims in respect of unlawful discrimination arising from transitional provisions in the Police Pension Regulations 2015. The claims against the Police pension scheme (the Aarons case) had previously been stayed behind the McCloud/Sargeant judgement, but a case management was held in Oct 2019, with the resulting Order including an interim declaration that the claimants are entitled to be treated as if they had been given full transitional protection and had remained in their existing scheme after 1 April 2015. Whilst the interim declaration applied only to claimants, the Government made clear through a Written Ministerial Statement on 25 March 2020 that non-claimants would be treated in the same way.

On 16 July 2020, HM Treasury issued a consultation regarding transitional arrangements for public sector pensions to eliminate discrimination as identified through the McCloud/Sargeant cases. This consultation introduced a requirement for members to have been members of the scheme on or before 31 March 2012 and on or after 1 April to be eligible for remedy.

On 4 February 2021, HM Treasury issued their response to the consultation which confirmed the remedy arrangements set out in the consultation, and states that members would be given a choice as to whether to retain benefits from their legacy pension scheme, or their new scheme, during the remedy period (2015-2022). This choice will be deferred for members until retirement. As the findings of the original Employment Tribunal did not identify that the introduction of the new public sector pension schemes were discriminatory (rather it was the transitional provisions), the legacy schemes were removed from April 2022 to be replaced by the new pension schemes originally introduced in 2015.

Remedy

The Public Service Pensions and Judicial Offices Act 2022 (PSPJOA 2022) legislates for how the government will remove the discrimination identified by the courts in the way that the 2015 reforms were introduced for some members.

The main elements of the Act are:

- Changes implemented across all the main public service pension schemes in response to the Court of Appeal judgment in the McCloud and Sargeant cases:
- Eligible members of the main unfunded pension schemes have a choice of the benefits they wish to take for the "remedy period" of April 2015 to 31 March 2022.
- From 1 April 2022, when the remedy period ends, all those in service in main unfunded schemes will be members of the reformed pension schemes, ensuring equal treatment from that point on.
- Ensures there are no reductions to member benefits as a result of the 2016 cost control valuations.

Impact on pension liability

Allowing for all eligible members to accrue benefits from their legacy scheme during the remedy period would lead to an increase in the Police Pension Scheme liabilities. For each member with service on or before 31 March 2012 and on or after 1 April 2015 (all eligible members), their liability has been valued for all service accrued after 1 April 2015 according to the scheme benefit structure which provides the member with the higher assumed benefit amount, based on the actuarially assessed cost of these benefits. Any difference in this estimated McCloud allowance is included as 'other experience' within the Other Comprehensive Income. The

current service cost allows for the current schemes' benefit design, with the estimated allowance for resolution of the McCloud case being included fully within the Other Comprehensive Income.

The impact of an increase in scheme liabilities arising from McCloud/Sargeant judgement will be measured through the pension valuation process, which determines employer and employee contribution rates. The next Police Pension valuation is due to be reported in 2023/24, although this timetable is subject to change.

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

Compensation Claims

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. Pecuniary loss claims have been stayed until the remedy is brought into force from 1 October 2023. 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. As at 31 March 2024, it is not possible to reliably estimate the extent or likelihood of Penningtons claims being successful, and therefore no liability in respect of compensation claims is recognised in these accounts.

This is the result of national Governmental changes which have been found to be illegal in the Courts. The financial consequences from these are expected to be reimbursed by central Government.

16 Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Chief Constable 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 around 35 staff and no police officers when compared to the Chief Constable who has around 1,040 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.

Wiltshire Police Pensions Fund Account (Police Officer's Pensions only)

2022/23 £000	Fund Account (Note 14 provides further information)	2023/24 £000	2023/24 £000
12,337	Contributions Receivable		
204	Employer contributions 31%	14,254	
593	Other Bodies	237	
5,395	Early Retirements (Ill Health)	145	
18,528	Members	6,222	20,858
263	Transfers In from other schemes	0	0
	Benefits Payable		
33,398	Pensions	36,898	
7,742	Commutations	5,721	
223	Lump Sum Death Benefits	129	
41,363			42,748
62	Payments to and on account of leavers		
257	Refunds of contributions	29	
	Scheme Pays	56	
319	Transfers out to other schemes		85
22,891	Net amount payable for the year		21,975
22,891	Transfer from Police Fund to meet Pension Fund deficit		21,975
0	Net amount receivable for year		0

Net Assets Statement

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 2024, 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 Pensions note 14.

Glossary

Accounting Period	The period of time 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)
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.