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Date : 12th June 2024

**To: ALL MEMBERS OF THE JOINT AUDIT COMMITTEE**

- i. David Daw, Zoe Rice (Chair), John Vanstone, James Madsen
- ii. Chief Constable ("CC"), CFO for CC and Relevant Officers
- iii. The Police & Crime Commissioner ("PCC")
- iv. The CFO and CEO for the PCC
- v. External and Internal Auditors

Dear Member

**NOTICE OF MEETING**

You are invited to a meeting of the **Joint Audit Committee** to be held virtually **via Teams** at **13:30** on **20<sup>th</sup> June 2024**.

The agenda for the meeting is set out overleaf.

Yours sincerely

**Alaina Davies**  
**Office of the Police and Crime Commissioner**

## INFORMATION ABOUT THIS MEETING

- (i) Car Parking Provision

N/A – meeting being held via Teams

- (ii) Wheelchair Access

N/A – meeting being held via Teams

- (iii) Emergency Evacuation Procedure

N/A – meeting being held via Teams

- (iv) If you have any questions about this meeting, require special facilities to enable you to attend. If you wish to inspect Minutes, reports, or a list of the background papers relating to any item on this agenda, please contact:

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- (v) REPORT NUMBERS CORRESPOND TO AGENDA NUMBER

## **AGENDA**

**20<sup>th</sup> June 2024, 13:30 – 16:30**

**1. Apologies for Absence**

**2. Emergency Evacuation Procedure**

The emergency evacuation procedure for each call participant will be left for them to determine.

**3. Declarations of Gifts/Offers of Hospitality**

To remind Members of the need to record any personal interests or any **prejudicial interest** relating to the agenda and disclose any relevant receipt of offering of gifts or hospitality

**4. Public Access**

(maximum time allocated for this item is 30 minutes)

Any member of the public wanting to attend a JAC meeting must submit a written application and secure written agreement of the JAC Chair.

Statements and/or intentions to attend must be received no later than 12.00 noon on the working day prior to the meeting and should be emailed to [JAC@avonandsomerset.pnn.police.uk](mailto:JAC@avonandsomerset.pnn.police.uk)

The JAC Chair reserves the right to refuse or suspend access if there is any security risk to the public or a member of the public's behaviour is disruptive in any manner. A member of the public may only address the meeting, for a maximum of five minutes, where a statement has been previously provided to the JAC Chair and prior sanction has been granted.

**5. Minutes of the Joint Audit Committee Meeting held on 21st March 2024 (Report 5) 13:30**

**6. Office of the Police and Crime Commissioner Strategic Risk Register (Report 6) 13:35**

**7. Constabulary Strategic Risk Register and Verbal Organisational Risk Update from the Chief Constable/ Deputy Chief Constable (Report 7) 13:50**

**8. Annual Accounts and Governance Statement (Report 8) 14:05**

- a) Draft Annual Accounts and Governance Statement
- b) Joint Audit Committee Member Questions and Answers

**9. External Audit: Progress Report (Report 9) 14:30**

**10. Business from the JAC 14:45**

- a) Confirmation of the JAC Chairing Arrangements (Verbal Update)
- b) Governance and Scrutiny Board Update (Verbal Update)
- c) Update on IOPC Investigations (Verbal Update)

**d) Preparedness for PEEL Inspection (Verbal Update)**

- 11. Internal Audit (Report 11): 15:00**
- a) Internal Audit Annual Opinion and Report**
  - b) SWAP Quarterly Update**
  - c) Personal Development Unit**
  - d) Strategic Approach to ICT**
  - e) Victim Support Services**
  - f) ERP Programme Management 24/25**

**Part 2**

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**Items for consideration without the press and public present**

- 12. Exempt Minutes of the Joint Audit Committee Meeting held on 21<sup>st</sup> March 2024 (Report 12) 15:30**
- 13. Internal Audit: Proceeds of Crime Act (Report 13) 15:35**

**MINUTES OF THE JOINT AUDIT COMMITTEE (JAC) MEETING HELD ON THURSDAY 21<sup>ST</sup> MARCH 2024 AT 13:00. MEETING HELD VIA TEAMS.**

**Members in Attendance**

David Daw (Chair)  
Zoe Rice

**Officers of the Constabulary in Attendance**

Nick Adams, Constabulary CFO  
Louise Hutchison, Chief Officer – People and Organisational Development  
Peter Warren, Chief of Staff  
James Davis, Delivery Manager – Portfolio (part of the meeting)  
Beth Attwell, Head of HR Operations (part of the meeting)  
Sophie Dingley, CJ Business Manager (part of the meeting)  
Abby Coghlan, Inspection and Audit Lead (part of the meeting)

**Officers of the Office of the Police and Crime Commissioner (OPCC)**

Alice Ripley, OPCC Chief of Staff  
Paul Butler, OPCC CFO  
Ben Valentine, OPCC Senior Performance and Governance Manager  
Alaina Davies, OPCC Finance and Commissioning Manager

**Also in Attendance**

Mark Shelford, Police and Crime Commissioner  
Charlotte Wilson, SWAP  
Juber Rahman, SWAP  
George Amos, Grant Thornton  
Julie Masci, Grant Thornton  
John Vanstone, New JAC Member starting June 2024 JAC Meeting (Observing)

**1. Apologies for Absence**

Sarah Crew, Chief Constable  
Jon Reilly, Deputy Chief Constable

**2. Emergency Evacuation Procedure**

The emergency evacuation procedure for each call participant was left for them to determine.

**3. Declarations of Interest / Gifts / Offers of Hospitality**

None.

**4. Public Access**

There were no requests for public access received before the 12.00 noon deadline the working day prior to the meeting.

**5. Minutes of the Joint Audit Committee (JAC) Meeting held on 20<sup>th</sup> December 2023 (Report 5)**

**RESOLVED THAT** the minutes of the meeting held on 20<sup>th</sup> December 2023 were confirmed as a correct record.

Action update:

- |                   |   |
|-------------------|---|
| <b>Minute 31</b>  | A written update will be circulated to JAC Members in relation to actions around fire alarms statutory obligations ahead of the Estates audit in quarter 1. The Constabulary CFO gave a verbal update to assurance Members that fire alarm testing is being done regularly and routinely and this is being overseen.  |
| <b>Minute 32</b>  | Members discussed the information provided in the risk registers and how best to receive updates on the most current and concerning risks to the organisation. It was agreed that an update should be given at JAC Meetings by the Chief Constable or Deputy Chief Constable (similar to the update given at Governance and Scrutiny Board) – see new action at Minute 8. <b>Close action</b> |
| <b>Minute 37a</b> | Going forward the Constabulary Inspection and Audit Lead will confirm when SWAP reports are finalised so that the OPCC can circulate to JAC Members.  |
| <b>Minute 37b</b> | The scope of the culture within specialist teams audit will be discussed in quarter 1 and shared with JAC Members.  |

**6. Internal Audit Reports (Report 6):**

**a) SWAP Quarterly Update**

The Internal Auditors gave an update on the remaining reports and the timescales for completion – these include Personal Development Unit Tutoring, Proceeds of Crime (POCA) and Crypto Currency Seizure, Victim Support Services and Information Governance.

SWAP reported that they have been unable to properly resource the Information Governance audit but this will be prioritised in quarter 1. Criminal Justice has been deferred until quarter 2 of the 2024/25 audit as per the update at item 6d – Criminal Justice Position Statement. Members were assured that the items deferred until 2024/25 will be in addition to what is already planned for the 2024/25 audit.

SWAP will shortly be arranging a demo of their new Dashboards for the OPCC and Constabulary CFOs and will then arrange a demo for Joint Audit Committee Members once the new Members are in place. The new Dashboards will include a link to the final report.

**RESOLVED THAT** SWAP should liaise with the OPCC to arrange a demo of the new Dashboards once the new JAC Members are in place – this can also be an introduction to SWAP for the new Members.

**b) Updated 2024/25 Quarter 1 and 2 Proposals**

Changes have been made following discussions at the last JAC. It was noted that the focus of the Key Financial Controls Audit will now be Corporate Credit Cards rather than Payroll and Expenses due to the implementation of the new ERP system – the Constabulary asked the Internal Auditors to be mindful of the timing of requests to the Finance Team in relation to this audit to help them manage workload during year-end and ERP User Acceptance Testing (UAT).

The JAC Chair suggested a session with SWAP for new JAC Members when they are in place to bring them up to speed with the approach to planning and key decisions in relation to the Internal Audit Plan.

**RESOLVED THAT** new JAC Members should be briefed by SWAP on the approach and decision making in relation to Internal Audit Planning.

**c) Reasonable Adjustments Follow Up**

The original audit took place in September 2022. There were 2 actions and whilst they are not yet complete an update on the progress has been given in the follow up. Delays in completion relate to the introduction of the new ERP system and capacity in the Learning and Development Team. It is expected that these actions will be complete in October 2024.

Oracle has a case management function but in the interim the Constabulary are using Microsoft Lists to record and analyse data. A review with finance is currently being carried out to look at the level of overspend against this area of budget and whether the budget is appropriate going forward.

Members queried what the analysis of the data shows. A review of the service demand is needed as 40% of the HR Advisory Team time is spent on reasonable adjustments. There are a high number of requests in relation to desks, chairs and hearing impairments as well as an increase in neurodiversity cases (ADHD, Autism and Dyslexia) – UWE have fed back that the Police Constable Degree Apprenticeship (PCDA) cohorts have a higher level of neurodiversity than other

courses. How to assess the value to individuals of reasonable adjustments was discussed.

The emphasis on leadership to identify and support employees is positive but the importance of individuals being aware of their rights was also discussed. The PCC highlighted the need to balance reasonable adjustments with the physical demands required by certain roles and ensuring that individuals in those roles are supported to maintain the required level of physical fitness to minimise the risk of future issues.

**d) Criminal Justice – Position Statement**

The Criminal Justice (CJ) audit took place in March 2022 and was given a limited audit opinion. Since then CJ underwent a transformation programme. A post-implementation review is being completed in March 2024 and so the follow up audit has been postponed until the 2024/25 audit year to allow the changes to embed – this was agreed at a previous JAC meeting when the audit plan was presented. No opinion is given but the report provides a summary of the work completed and outlines some of the remaining challenges.

A mid-implementation review was carried out to assess if any changes needed to be made and it was reported the methodology and decision making processes were sound.

Members were assured that learning from the transformational journey had been identified e.g. level of consideration of the significant HR implications. Also identified was the benefits realisation being dependent on the wider organisation – now holding directorates to account.

**7. Office of the Police and Crime Commissioner (OPCC) Strategic Risk Register (Report 7)**

It was noted that some of the arrows in the OPCC Strategic Risk Register are misleading – there are no changes in the direction of travel.

SR3 – Financial incapability or ineffectiveness

The maximum precept level increase has been agreed which is higher than the assumption in the original Medium Term Financial Plan (MTFP). The additional funding from this level of increase will allow the force to maintain a higher number of officers over the MTFP period (this will be above the Uplift maintenance target). Savings will still be required – savings already identified against police staff investigators risk impacting the delivery of the Police and Crime Plan.

SR6 – Failure to deliver commissioned services

The Victims Commissioning Plan has been agreed. The procurement process for victims services is now live. Services are to start April 2025.



SR 7 – Failure to support delivery of effective and efficient collaboration with other forces

The new Regional Collaboration Advisor started in February 2024. There will be another role to provide admin support to the Advisor. The PCC outlined the Regional PCCs reasonings for coming to a decision that this role is needed to oversee collaborations.

SR8 – Failure to deliver effective and efficient collaborations or outcomes with other partners

The new central Violence Reduction Partnership (VRP) Team within the OPCC was highlighted. This team is leading and supporting on the Violence Reduction and Serious Violence Duty work for which funding is received from the Home Office.

In relation to public confidence following the 'To Catch a Copper' documentary aired by Channel 4, Members ask what the impact on the risk register has been. Members were assured that this was discussed by the OPCC Senior Leadership Team (SLT) when they reviewed the risk register and due to the mixed response it has not impacted risk scoring. A small number of complaints have been received by the OPCC and some negative effects on confidence were reported but there were also a number of positive responses from the public who welcomed the transparency. The PCC highlighted that the MORI Poll published last week ranked South West police forces the highest nationally for trust and confidence. The public confidence risk was already high and remains an area monitored carefully.

Members also sought assurance on the impact on the morale of the workforce following the documentary being aired. Again, there was a mixed reaction but the Constabulary highlighted some of the actions they took to mitigate the risk e.g. the DCC ran a Gold Group on wellbeing and there were open webchats after each show aired. The Constabulary created a lot of opportunity for open conversations and morale of the workforce is at the top of Chief Officer minds. It was noted that the title of the documentary was perhaps unhelpful but this was in the control of the production company with their editorial rights and not the Constabulary. The timing of when the documentary aired was also difficult as the Constabulary were faced with financial savings discussions and increased operational demand from a number of cases covered by the media.

Members queried whether the Constabulary would still make the same decision now to be involved in the documentary and were assured by the Chief Officer in attendance and the PCC that they would given the importance of transparency.

**8. Constabulary Strategic Risk Register (Report 8)**

The Constabulary Delivery Manager presented an update on the mitigating actions against the 7 corporate risks. It was noted that the corporate risks will be reviewed annually as part of the strategic planning cycle to ensure they are the right risks. Members were assured that the Constabulary is part of the

National Risk Management forum and always looking for learning and improvements.

Members discussed the best format for them to receive updates in the context of what the most up to date risks to the organisation are. It was suggested that an update be given by the Chief Constable or Deputy Chief Constable on their biggest concerns and issues (similar to the update given at GSB by the Chief Constable where she highlights 3 of the most pressing concerns and issues at that point in time).

**RESOLVED THAT** the Chief Constable or Deputy Chief Constable will give an update at future JAC meetings on concerns and issues (similar to the update given by the Chief Constable at GSB).

## **9. Business from the JAC (Report 9):**

### **a) JAC Recruitment and Chair Update**

Welcome to new Joint Audit Committee Member, John Vanstone, observing in advance of starting.

A robust and successful recruitment campaign was run and 3 new JAC Members have been appointed. There was a big selection pool and good quality of candidates. The 3 new JAC Members have experience which includes internal audit, anti-money laundering and banking. Inductions are being planned and it is hoped that the next meeting of the Joint Audit Committee will be in person.

A permanent Chair has not yet been appointed but interim arrangements are in place and appointing a permanent Chair will be discussed again once the new Members have been in place for a period of time.

**RESOLVED THAT** the June 2024 meeting of the Joint Audit Committee should be in person.

### **b) Governance and Scrutiny Board (GSB) Update**

Members have received previous minutes of the GSB and the OPCC CFO gave an update on the meeting held on 14<sup>th</sup> March 2024 as the minutes from this are not yet agreed. Updates included:

- Major projects – HQ utilisation discussions, pause on live CCTV feed to await Local Authority decisions. HQ utilisation has changed since Covid and the introduction of new technology so discussions have begun on the most efficient and effective use of the site going forward.
- Business cases – Digital Evidence Management (DEMS), Minehead, Chard and approval of the Treasury Management Strategy.
- Estates – quarterly update on Estates Asset Management Plan.
- Chief Constable's Update – turbulent start to the year with youth violence and the media attention around this. Development of savings plans.

- Key organisational risks, tackling disproportionality, HMICFRS Recommendations and AFIs, people and organisational development.
- Performance against the Police and Crime Plan – Integrated performance and quality report, assurance report on ASB and street based Violence against Women and Girls (VAWG), assurance report on business crime, Quarterly Vulnerability and VAWG, Strategic Threat Assessment.

### **c) Update on IOPC Investigations**

Down from 22 investigations since the JAC last met to 14 (6 are excessive use of force and 4 relate to vulnerability). Members queried if there are any learning from these and from the closed cases. The closed cases were reflective practice and learning. It was noted that the same 2 IOPC investigators are assigned Avon and Somerset cases in order to bring consistency.

The PCC highlighted the regular meetings he has with the IOPC to discuss any specific themes and identified lessons, specifically around training. At the last few meetings no specific themes which was reassuring.

## **10. External Audit (Report 10):**

### **a) Joint Audit Plan**

The implementation of the new ERP system planned to go live in October 2024 has an operational impact on the audit. External Auditors will work with the Constabulary on timings, being mindful that the Finance Team will have additional pressures on their time from the implementation of the new ERP. The External Auditors are aiming to have work completed by the end of September 2024 ahead of the transition to the new system in October.

Members sought assurance on the confidence of the audit timelines discussed given the slippage in the last couple of years. Availability is understood and key times of specific challenges are being highlighted so the audit can be agile. The audit was smooth last year with the electronic system used. The big risk areas will be dealt with first. Whilst timescales cannot be guaranteed, as this will largely depend on the detail once the audit work commences, Members were assured that Grant Thornton has a team assigned and ready to start the work.

An interim audit has been successfully completed in advance of year-end and the focus is on completing the draft accounts in the first week of June.

The External Auditors confirmed there were no significant risks to draw Members attention to. The audit fees are set out at page 19 of the report – this is the first year of the new PSAA contract which was a National re-tender. The level of service that can be expected following the increase in fees was discussed, particularly in the context of savings discussions.

The new accounting standard in relation to IRRS 16 'Leases' and related disclosures was highlighted and the disclosure needed in the accounts from 1<sup>st</sup> April 2024 which is likely to have an impact in terms of preparatory work.

## **b) Informing Risk Assessment**

Informing the Risk Assessment was circulated to JAC Members in advance of the meeting for their information and to raise if there is anything that does not match with their understanding of the organisation.

### **11. Audit Progress Review (Report 11):**

There are 11 overdue recommendations and it was reported that 8 of these are nearing completion. The 3 remaining recommendations are the oldest on the outstanding list and relate to IT (Delivering the Digital Strategy, Remote Working and IT Service Desk)

Implementation of a new system will help close the Delivering the Digital Strategy action but there is no timeline for this. Remote working is 90% complete with just a little more work to be done.

Members asked for the title of the report to be amended to Internal Audit Progress Review to make the ownership clear. Members also asked that Constabulary leads be invited to give updates on overdue actions.

#### **RESOLVED THAT**

- i. The title of the report should be amended in the future to Internal Audit Progress Review; and
- ii. Constabulary leads should be invited to give an update where they have overdue recommendations.

### **12. Assurance Mapping Update (Report 12):**

Members wish to discuss the narrative behind this and how it will be used. A briefing to JAC Members was requested.

**RESOLVED THAT** a briefing on the Assurance Mapping should be scheduled for JAC Members.

## **Part 2**

### **Items for consideration without the press and public present**

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### **13. Exempt Minutes of the Joint Audit Committee Meeting held on 20<sup>th</sup> December 2023 (Report 13)**

**SEE EXEMPT MINUTES**

### **14. Internal Audit: Management of Evidential Property – Follow Up (Report 14)**

**SEE EXEMPT MINUTES**

**SEE EXEMPT MINUTES**

The meeting concluded at 15:15

**CHAIR**

**ACTION SHEET**

<b>MINUTE NUMBER</b>	<b>ACTION NEEDED</b>	<b>RESPONSIBLE MEMBER/ OFFICER</b>	<b>DATE DUE</b>
<b>Minute 31</b>  <b>September 2023 Joint Audit Committee Papers Questions and Answers</b>  <b>20<sup>th</sup> December 2023</b>	An interim update will be circulated to JAC Members, in relation to the actions around the fire alarms statutory obligations in the Estates audit, in advance of the 2024/25 quarter 1 follow up audit.	Constabulary CFO	ASAP
<b>Minute 37a</b>  <b>SWAP Quarterly Update</b>  <b>20<sup>th</sup> December 2023</b>	Internal audit reports be sent to JAC Members as soon as they are finalised going forward.	Constabulary Inspection and Audit Lead	Immediate
<b>Minute 37b</b>  <b>2024/25 Quarter 1 and 2 Proposals</b>  <b>20<sup>th</sup> December 2023</b>	The scope of the culture within specialist teams audit should be shared with JAC Members before being agreed.	SWAP	TBC

<b>Minute 6a</b>  <b>Internal Audit Reports: SWAP Quarterly Update</b>  <b>21<sup>st</sup> March 2024</b>	SWAP should liaise with the OPCC to arrange a demo of the new Dashboards once the new JAC Members are in place – this can also be an introduction to SWAP for the new Members.	SWAP to liaise with the OPCC	TBA
<b>Minute 6b</b>  <b>Internal Audit Report: Updated 2024/25 Quarter 1 and 2 Proposals</b>  <b>21<sup>st</sup> March 2024</b>	New JAC Members should be briefed by SWAP on the approach and decision making in relation to Internal Audit Planning.	SWAP to liaise with the OPCC	TBA
<b>Minute 8</b>  <b>Constabulary Strategic Risk Register</b>  <b>21<sup>st</sup> March 2024</b>	The Chief Constable or Deputy Chief Constable will given an update at future JAC meetings on concerns and issues (similar to the update given by the Chief Constable at GSB).	Constabulary CFO to discuss with the Chief Constable and Deputy Chief Constable	20 <sup>th</sup> June 2024 JAC Meeting
<b>Minute 9a</b>  <b>Business from the JAC: JAC Recruitment and Chair Update</b>  <b>21<sup>st</sup> March 2024</b>	The June 2024 meeting of the Joint Audit Committee should be in person.	OPCC	20 <sup>th</sup> June 2024
<b>Minute 11 (i)</b>  <b>Audit Progress Review</b>  <b>21<sup>st</sup> March 2024</b>	The title of the report should be amended in the future to Internal Audit Progress Review	Constabulary Audit and Inspection Lead	12 <sup>th</sup> September 2024
<b>Minute 11 (ii)</b>  <b>Audit Progress Review</b>  <b>21<sup>st</sup> March 2024</b>	Constabulary leads should be invited to give an update where they have overdue recommendations	Constabulary Audit and Inspection Lead	12 <sup>th</sup> September 2024
<b>Minute 12</b>  <b>Assurance Mapping Update</b>  <b>21<sup>st</sup> March 2024</b>	A briefing on the Assurance Mapping should be scheduled for JAC Members.	OPCC	20 <sup>th</sup> June 2024

MEETING: <b>Joint Audit Committee</b>	DATE: <b>20 June 2024</b>	AGENDA NO: <b>6.1</b>
NAME OF PAPER: <b>OPCC Strategic Risk Management Update</b>	AUTHOR: <b>Ben Valentine</b>	PURPOSE: <b>Information and Discussion</b>

## 1. PURPOSE OF REPORT AND BACKGROUND

This report provides members of the Joint Audit Committee (JAC) with an overview of any significant changes to the Office of the Police and Crime Commissioner (OPCC) Strategic Risk Register (SRR), and other points related to the management of risk, in the period of time since the last JAC meeting held on 21 March 2024.

## 2. POINTS OF NOTE

The SRR was reviewed at the OPCC Management Board on 28 May 2024: key points and changes to risk assessment are highlighted below.

There have been two significant changes since the last JAC meeting: the election of new PCC Clare Moody and the calling of a General Election.

These changes present both opportunities and risks. This report focuses on the risk elements and these have been acknowledged against the appropriate strategic risks.

### SR1 – Governance Failure

A new PCC represents loss of corporate knowledge in the short term. However, this has been mitigated with in-tray briefings provided by the OPCC for significant decisions and considerations across the first 100 days. This is supplemented by a comprehensive programme of induction locally and supported by information and events from the national Association of PCCs.

The governance position has been further strengthened with two new JAC members starting at this meeting allowing it to progress as quorate.

### SR2 – Failure to deliver the Police and Crime Plan

The current plan was issued by the previous PCC and a new plan must be published by March 2025. Planning for development of the Plan has already started with draft priorities being articulated and initial discussions held on the substance of the Plan and process to create it.

There are no conflicts between the priorities the new PCC campaigned on and the existing Police and Crime Plan or strategic direction of the Constabulary.

### SR3 – Financial incapability or ineffectiveness

Consideration was given to lowering the risk score but this was decided against at this stage. There remains a need for significant savings to be made across the medium term financial plan (MTFP). In addition there is funding uncertainty, created by underlying pressure on the public purse and the calling of a General Election.

### SR4 – Failure to act as the voice of local people

The new PCC needs to establish and build on public connections and networks, with the support of the OPCC. This is already in hand, with the OPCC supporting the PCC with engagements and developing a forward plan. Consultation on the Police & Crime Plan will also support this engagement.

A move to a new system (iCase) to manage contacts was paused. However, this has now been implemented in the Constabulary and OPCC development will now follow.

SR5 – Lack of capacity or capability, or poor wellbeing within the OPCC

The results of the annual OPCC staff survey were shared and discussed at the most recent monthly OPCC Team meeting. The survey attracted an 86% response rate, and overall positive indicators, both in line with last year's survey. Last year's launch of an Learning and Development Plan has fed through to improvement in that area. There were other areas that saw a dip including work-life balance, and work is being done to address these.

SR6 – Failure to deliver commissioned services

The recommissioning of victims services is progressing as planned, with evaluation panels taking place and the final decisions due to be made in July 2024.

SR7 – Failure to support delivery of effective and efficient collaborations with other forces

This is the only risk score that has reduced. The mitigated probability has reduced to 4 bringing the mitigated risk score down from 15 to 12. It was decided this amber rating more appropriately reflects the risk across the breadth of police collaborations rather than focussing in on the particular challenges with the National Police Air Service (NPAS).

SR8 – Failure to deliver effective and efficient collaborations or outcomes with other partners

The cause and impact of this risk have been updated to better reflect the challenges in the broader criminal justice system and the impact this is having on delivering justice.

There remains uncertainty around funding for the Violence Reduction Partnership (VRP) after March 2025; this uncertainty has been compounded by the calling of the General Election. The VRP are developing a sustainability plan. Related to this, the new PCC will take over as Chair of the Serious Violence Reduction Partnership Board.

There were provisions relating to Community Safety Partnerships in the Criminal Justice Bill but this was not enacted before parliament was dissolved so it is unclear if and how things will now change.





## Office of the Police and Crime Commissioner for Avon and Somerset

### Strategic Risk Register

May 2024 v2

A Strategic Risk is anything that might impede the delivery of the organisational objectives. Risk management is the process by which these risks are identified, assessed and controlled. This risk register is the document which records these risks and related information.

Risk is assessed by considering the causes of the risk and the consequences if that risk were to happen. The scoring is therefore based on the likelihood multiplied by the impact. The below grids explain the scoring in more detail. Risk is about planning for the future so when considering the assessment it goes beyond current performance.

Impact	5 Extreme	5	10	15	20	25
	4 High	4	8	12	16	20
	3 Moderate	3	6	9	12	15
	2 Low	2	4	6	8	10
	1 Negligible	1	2	3	4	5
		1 Rare	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
		Probability				

Probability	
5 Almost Certain	Likely to occur within a twelve-month time period, or about a 75% probability of occurrence
4 Likely	Likely to occur within a two-year time period, or about a 50% probability of occurrence
3 Possible	Likely to occur within a three-year time period, or about a 25% probability of occurrence
2 Unlikely	Likely to occur within a five-year time period, or about a 15% probability of occurrence
1 Rare	Likely to occur in a ten year period, or about a 5% probability of occurrence

Impact	
5 Extreme	<ul style="list-style-type: none"> <li>• Fatality of any individual</li> <li>• Financial impact greater than £1/2 m</li> <li>• Vote of no confidence from Local Authorities - failed</li> <li>• National media attention</li> <li>• Government/ HO intervention</li> <li>• Total disruption to service</li> <li>• Exceptional / long term reduction in public confidence</li> </ul>
4 High	<ul style="list-style-type: none"> <li>• Serious life-threatening injury of any individual</li> <li>• Financial impact greater than £1/4 m</li> <li>• Vote of no confidence from Local Authorities - failed</li> <li>• Regional media attention</li> <li>• Adverse comment by Minister / auditor</li> <li>• Major service disruption / reduction in public confidence</li> </ul>
3 Moderate	<ul style="list-style-type: none"> <li>• Serious non-life-threatening injury of any individual</li> <li>• Financial impact greater than £100k</li> <li>• Criticism from the Police and Crime Panel</li> <li>• Local media attention</li> <li>• Significant service disruption</li> <li>• Significant reduction in public confidence</li> </ul>
2 Low	<ul style="list-style-type: none"> <li>• Minor injury of any individual</li> <li>• Financial impact up to around £100k</li> <li>• Multiple thematic complaints</li> <li>• Some service disruption</li> <li>• Some reduction in public confidence</li> </ul>
1 Negligible	<ul style="list-style-type: none"> <li>• Slight injury of any individual</li> <li>• Low level financial loss</li> <li>• Isolated complaints</li> <li>• Minor service disruption</li> <li>• Minor / contained negative consequences</li> </ul>

The unmitigated scores are the assessment based on the current position with no action taken or controls in place. The mitigated scores are based on the success of the controls (anticipated or actual) in reducing the risk.

It should be noted that the OPCC and the Constabulary are separate organisations and therefore each may assess the same risk as being at a different level. This is most evident in the risk of failure to deliver the Police and Crime Plan. This exists on both Strategic Risk Registers but may score differently. One of the main reasons for this is that the OPCC assess delivery of the plan as a whole which relies on agencies, other than the Constabulary to fully deliver e.g. the CPS and Courts. Whereas when the Constabulary assess this risk they need only consider the parts of the plan they are expected to deliver. A difference may also be caused whether considering the risk in the short, medium or long term.

RISK			ASSESSMENT			
Risk	URN	Owner	Unmitigated Probability	Unmitigated Impact	Unmitigated Risk	
Governance Failure	SR1	Chief of Staff	5	4	20	
			Mitigated Probability	Mitigated Impact	Mitigated Risk	
			3	4	12	
			Mitigated Risk change:		↔	
Cause		Impact				
<ul style="list-style-type: none"><li>● Election of new PCC represents loss of corporate knowledge in the short term.</li><li>● Joint Governance Framework complexity not fully understood in all aspects by ASP.</li><li>● New duties and expectations of PCCs arising from the national review, potentially without additional 'levers' to support delivery. Taking on new responsibilities means there are more likely to be governance failures whilst the team learn.</li><li>● OPCC failure to engage on the design element of the '3 Ds' ways of working.</li><li>● Failure to ensure effective risk management and support the delivery of service.</li><li>● Information governance failure.</li><li>● Ineffective scrutiny and oversight of services and outcomes delivered by the Constabulary including SPR.</li><li>● Ineffective scrutiny and oversight of the OPCC Equality Duty.</li><li>● Failure to ensure adequate transparency of the OPCC and/or the Constabulary.</li><li>● Failure to ensure Chief Constable sets appropriate culture, ethics and values.</li><li>● Lack of control/influence over Criminal Justice agencies or other partners.</li></ul>		<ul style="list-style-type: none"><li>● Lack of oversight and scrutiny of the Constabulary.</li><li>● Failure to deliver the Police &amp; Crime Plan (SR2).</li><li>● Financial loss (SR3).</li><li>● Reduced public confidence and trust.</li><li>● Failure to deliver OPCC statutory requirements.</li><li>● The Constabulary and/or OPCC will be inefficient/ineffective.</li><li>● Failure to deliver the Beating Crime Plan.</li><li>● Damaged relationship with Constabulary, commissioned services or partners.</li><li>● Government criticism or penalties.</li><li>● Panel criticism.</li><li>● Sub-standard performance results and poor inspection outcomes.</li><li>● Risks not managed.</li><li>● Failure to improve the delivery of the broader Criminal Justice Service.</li></ul>				
MITIGATION						
Controls	Review date	Owner	Commentary / Controls updates			
<ul style="list-style-type: none"><li>● OPCC Management Board (OMB) - oversight of performance, risks and issues and provides a formal decision making mechanism for internal (non-Constabulary) business.</li><li>● Joint Governance Framework to be kept under review to ensure up-to-date and fit for purpose</li></ul> <ul style="list-style-type: none"><li>● OPCC policies and procedures being reviewed.</li></ul> <ul style="list-style-type: none"><li>● OPCC self-assessment of compliance with their Equality Duty.</li></ul>		CoS				
	Jun-24	CoS CFO	● A review of the Joint Governance Framework is ongoing, and is now being informed by guidance and best practice from a national level.			
	Aug-24	Head of HR & BS	● Policy review is advanced; staggered publication to staff is continuing through 2024/25. A digital record is being kept when staff confirm they have read the documents.			
	Jul-24	CoS	● Legal review of policies and procedures carried out to ensure legal compliance. OPCC has decided to expand this work to include APCC self-assessment on equality and race. Initial assessment circulated to SLT. Development of prioritisation plan to identify areas of highest concern and any quick wins has started but been put on pause due to other priorities.			
<ul style="list-style-type: none"><li>● Oversight Boards - Performance &amp; Accountability (PAB) and Governance &amp; Scrutiny (GSB).</li><li>● PCC and Chief Constable 1:1s</li><li>● OPCC attend CMB and other strategic meetings (open invitation from the CC).</li><li>● Joint Audit Committee, External Audit, Internal Audit and annual governance statement.</li></ul> <ul style="list-style-type: none"><li>● JAC Chair/member recruitment</li><li>● Police and Crime Panel meetings.</li><li>● COG attendance at weekly OPCC SLT.</li><li>● Compliance with statutory reporting requirements.</li><li>● Victim Services appointed and managed by the OPCC Commissioning Team.</li><li>● Independent scrutiny panels for complaints, use of police powers &amp; OOCd.</li><li>● OPCC Information Governance Group oversees compliance with GDPR and DPA 2018.</li><li>● PCC chairs the Local Criminal Justice Board</li><li>● Review publication scheme and check website is compliant with relevant requirements.</li></ul>		CoS PCC CoS CFO	● Revised Boards went live Mar-23. Quarterly performance dashboard (developed by the OPCC) in place from May-23.			
	Jun-24	CFO CoS CoS CoS Director of P&P Director of P&A CFO	● Formalised OPCC attendance at Strategic Planning Meeting.			
				● The internal audit report on governance concluded that the PCC and CC have an adequate and effective framework for risk management, governance and internal control.		
				● 3 new JAC members going through vetting; due to join from Jun-24.		
	Jun-24	PCC	● Amended Specified Information Order - quarterly performance report published and complaints overview on PCC website.			
		CoS	● Although the governance process is working well the outcomes do not necessarily reflect this.			
			● Publication scheme being updated alongside review of content in line with guidance.			

Risk	URN	Owner	Unmitigated Probability	Unmitigated Impact	Unmitigated Risk
Failure to deliver the Police and Crime Plan	SR2	Chief of Staff	5	4	20
			Mitigated Probability	Mitigated Impact	Mitigated Risk
			4	4	16
			Mitigated Risk change:		↔
Cause		Impact			
<ul style="list-style-type: none"><li>• Current plan issued by previous PCC; new plan must be published by Mar-25.</li><li>• Several homicide and serious violence incidents in Bristol in 2024.</li><li>• Savings requirements will result in a significant reduction in Police Staff Investigators – this will reduce the capacity of CID and likely cause further impact on Patrol.</li><li>• Plan is broad and ambitious.</li><li>• Lack of oversight of improvement activity and related outcomes.</li><li>• Underpinning the delivery risk of all of this is the financial uncertainty and the increased public expectation from the additional funding that policing has received both through central government grant and local taxpayers’ increase in precept funding.</li><li>• Prevention is hard to measure/evidence and needs more than the police to deliver.</li><li>• Internal police culture and leadership at an operational level.</li><li>• Male violence against women and girls (includes the national rape crisis) carries significant volume and harm.</li><li>• Disproportionate outcomes particularly for Black, Asian, mixed and minoritised communities.</li><li>• Workforce not representative of the communities of A&amp;S; insufficient progress has been made.</li><li>• Lack of capacity/capability within the Constabulary - inexperienced workforce (particularly in Patrol) / staff turnover in Comms / staff posts being reduced.</li><li>• Positive Outcomes - not seeing the improvements hoped for.</li><li>• Police response to ‘neighbourhood crimes’ does not meet public expectations.</li><li>• Court backlogs means justice is not being delivered effectively or efficiently.</li><li>• Lack of control/influence over partnership agencies e.g. CJS.</li><li>• More officers will result in more people going through an already overstretched criminal justice system.</li><li>• Constabulary staff survey results show a decline in 2023.</li></ul>		<ul style="list-style-type: none"><li>• Loss of legitimacy in the OPCC and Constabulary.</li><li>• Loss of public confidence/trust in the OPCC and Constabulary.</li><li>• Undermines the Peelian Principle of policing by consent.</li><li>• Failure to keep people safe.</li><li>• Failure to protect and support vulnerable people.</li><li>• Failure to bring offenders to justice.</li><li>• People will feel unsafe.</li><li>• Police and Crime Panel criticism and/or fail to agree precept increase.</li></ul>			
MITIGATION					
Controls	Review date	Owner	Commentary / Controls updates		
<ul style="list-style-type: none"><li>• Police and Crime Plan 2021-25 engagement.</li><li>• Oversight Boards – PAB &amp; GSB</li><li>• OPCC Business Plan now focusses the work of the OPCC on supporting the Police and Crime Plan</li><li>• OPCC Scrutiny Strategy</li><li>• OPCC attend CMB and other strategic meetings (open invitation from the CC).</li><li>• PCC and Chief Constable 1:1s</li><li>• Audits and Inspections (HMICFRS &amp; SWAP) overseen by Joint Audit Committee</li><li>• Internal assurance mechanisms are in place to evaluate delivery of the Plan's objectives</li><li>• Oversight of all strategic constabulary data through Qlik</li></ul>	Jun-24	<div>Head of C&amp;E Director of P&amp;A</div> <div>CoS</div> <div>Director of P&amp;A</div> <div>CoS PCC CFO CFO Director of P&amp;A</div>	<ul style="list-style-type: none"><li>• ‘Together We Can’ campaign launched Aug-23 which has internal and external engagement.</li><li>• Revised Boards went live Mar-23.</li><li>• Quarterly performance dashboard (developed by the OPCC) in place from May-23.</li><li>• Five strategic aims and key deliverables agreed and published with related workstream tracker.</li><li>• Plan and objectives refreshed for 2024/25.</li><li>• Framework drafted – awaiting discussion with new PCC – will also have regard to new APCC guidance on accountability</li><li>• OPCC attendance at CMB and the GSB which follows this continues to work well in terms of assurance and open dialogue about areas of concern where the plan may not be delivered.</li><li>• ASP governance and performance structure changed Sept-23; aligns with PEEL.</li><li>• Qlik data now available for PSD as well as wider areas of policing through S&amp;A and P&amp;G. This assessment is now driving PCC GSB commentary.</li></ul>		

Risk	URN	Owner	Unmitigated Probability	Unmitigated Impact	Unmitigated Risk
Financial incapability or ineffectiveness	SR3	CFO	4	5	20
			Mitigated Probability	Mitigated Impact	Mitigated Risk
			4	4	16
			Mitigated Risk change:		↔
Cause		Impact			
<ul style="list-style-type: none"><li>• Cost increases due to high inflation and interest rates.</li><li>• Pay awards may exceed central government projections and effectively be unfunded.</li><li>• Pressure on elements of savings plans due to performance challenges.</li><li>• May not be able to achieve maximum precept increase from 2025/26 onwards; especially considering 'cost of living' crisis already impacting the public.</li><li>• Risks around pension funds due to wider economic impact.</li><li>• Increasing pension costs for officers and staff schemes; although this will probably be funded.</li><li>• Revenue and capital budgets not fully funded for term of MTFP. Diminishing potential for capital receipts.</li><li>• Scale of capital programme increased.</li><li>• National work will require local funding with limited control over decision making e.g. ESMCP, NPAS, national IT.</li></ul>		<ul style="list-style-type: none"><li>• Officer numbers protected so may lead to using officers in roles currently undertaken by civilians.</li><li>• Failure to set a sustainable revenue budget or capital plan across the medium term.</li><li>• Failure to meet heightened expectations of stakeholders.</li><li>• Loss of public confidence.</li><li>• Unable to fund expected service.</li><li>• Unable to fund delivery of PCC priorities (SR2).</li><li>• Unable to afford change.</li><li>• Revenue budget underspends may undermine support from PCP for sustainable increases to the precept.</li><li>• Failure to ensure value for money.</li></ul>			
MITIGATION					
Controls	Review date	Owner	Commentary / Controls updates		
<ul style="list-style-type: none"><li>• Joint work on savings plans being progressed through clear governance process. Includes consideration of 'spend to save' plans.</li><li>• Medium and long term financial planning.</li><li>• Regular oversight of revenue &amp; capital budget.</li><li>• Maintain adequate risk-assessed reserves.</li><li>• Subject to external and internal audit both overseen by the Joint Audit Committee.</li><li>• Treasury Management strategy in place outcomes reviewed by CFOs.</li><li>• HMICFRS inspection regime.</li></ul>		CFO  CFO CFO CFO CFO CFO	MTFP after planned savings: 2024/25 balanced 2025/26 balanced 2026/27 -£4.3 million 2027/28 -£8.8 million 2028/29 -£12.0 million  <i>Key assumptions:</i> <i>Income – from 2025/26 core grant funding will increase by 1% p.a. and precept funding will increase by 2% p.a.</i> <i>Pay – will increase by 3.0% in Sept-24, 2.5% for the next two years and 2.0% p.a. thereafter</i> <i>Inflation (non-pay) – 3.0% in 2024/25, decreasing to 2.0% p.a. thereafter</i>		

Risk	URN	Owner	Unmitigated Probability	Unmitigated Impact	Unmitigated Risk
Failure to act as the voice of local people	SR4	Chief of Staff	4	4	16
			Mitigated Probability	Mitigated Impact	Mitigated Risk
			4	4	16
			Mitigated Risk change:		↔
Cause		Impact			
<ul style="list-style-type: none"><li>● New PCC needs to establish and build on public connections and networks</li><li>● Failure to engage with the public and other stakeholders</li><li>● Lack of public awareness of the PCC</li><li>● Lack of public confidence in the PCC</li><li>● Engagement methods do not always reach a wide audience or different communities or groups; failure to engage with young people.</li></ul>		<ul style="list-style-type: none"><li>● Loss of legitimacy</li><li>● Failure to understand people's priorities and issues re policing and crime and which could be biased by only hearing those individuals already proactive/engaged.</li><li>● Police and Crime Plan and delivery not aligned to public concerns and priorities.</li><li>● Failure to hear the victim’s voice may mean services do not meet the actual need.</li><li>● Police and Crime Panel criticism and/or fail to agree precept increase.</li><li>● Lack of public confidence in the PCC.</li><li>● Could undermine the working relationship between the Constabulary and OPCC.</li><li>● Low voter turnout in PCC elections.</li><li>● Loss of political support for the need for PCCs.</li></ul>			
MITIGATION					
Controls	Review date	Owner	Commentary / Controls updates		
<ul style="list-style-type: none"><li>● PCC – Councillor forums</li><li>● ‘Together We Can’ campaign promoting the role of the OPCC and the Police &amp; Crime Plan.</li><li>● Annual Precept Survey</li><li>● PCC engagement programme.</li><li>● Overarching approach to communications with more focus on strategic priorities and objectives.</li><li>● Creation of tactical communications plans for particular workstreams (including public engagement/events) with ownership and delivery allocated to one person who is accountable.</li><li>● OPCC/ ASP Corp Comms joint meetings.</li><li>● Calendar of regular media appearances / communications activities which will also link to national days or weeks where relevant.</li><li>● Revised stakeholder mapping and management.</li></ul>	Aug-24	Head of C&E Head of C&E Head of C&E Head of C&E Head of C&E	<ul style="list-style-type: none"><li>● First phase held Oct-22 – Feb-23. Second phase held Sept-23 – Nov-23.</li><li>● Campaign launched Aug-23 with internal and external engagement.</li><li>● 2024/25 survey received 6,518 responses: the largest number of responses ever received to a survey.</li></ul>		
<ul style="list-style-type: none"><li>● New contact management system to facilitate better contact analysis.</li></ul>		Jun-24	Director of P&A	<ul style="list-style-type: none"><li>● Mapping and research undertaken with gap analysis completed. Developing electronic form for maintenance of database going forward.</li><li>● New Contact Management System (iCase) delayed. iCase implemented in ASP In May-24 and OPCC development will follow.</li></ul>	
<ul style="list-style-type: none"><li>● Tackling Disproportionality programme supported by the OPCC</li><li>● A&amp;S Police &amp; Crime Survey collects data on public awareness of and confidence in the PCC.</li></ul>		Head of C&E Director of P&A	<ul style="list-style-type: none"><li>● Delivery of this work involves community engagement including an independent scrutiny panel.</li><li>● 35.0% of all respondents (in the last year) had confidence in the PCC. This is 45.8% of those with an opinion.</li></ul>		
<ul style="list-style-type: none"><li>● Discharging good governance (SR1) and delivery of the Police and Crime Plan (SR2) are critical to ensuring confidence in the PCC.</li></ul>		PCC / CoS			
<ul style="list-style-type: none"><li>● Gold Groups manage critical issues of public confidence in the police.</li></ul>		CoS	<ul style="list-style-type: none"><li>● The OPCC has a standing invite to all Gold Groups.</li></ul>		

Risk	URN	Owner	Unmitigated Probability	Unmitigated Impact	Unmitigated Risk
Lack of capacity or capability, or poor wellbeing within the OPCC	SR5	CoS	5	4	20
			Mitigated Probability	Mitigated Impact	Mitigated Risk
			3	4	12
			Mitigated Risk change:		↔
Cause		Impact			
<ul style="list-style-type: none"><li>• Vacancies and absence have a significant impact in the small OPCC team, and can contribute to stress and sick absence.</li><li>• Increased demand on HR while ERP is being tested and implemented.</li><li>• Increased government legislation and other activity in policing places greater demands on the OPCC, frequently with short notice making it difficult to manage resource.</li><li>• High levels of recruitment in terms of employees, volunteers or panel member roles.</li><li>• As a result of new police misconduct regulations there is an anticipated increase in Police Appeal Tribunals (PATs).</li><li>• Short-term projects funded by government require resource to be recruited or moved within short time-scales.</li></ul>		<ul style="list-style-type: none"><li>• Increased likelihood of materialisation of all other strategic risks through delivery failure.</li><li>• Delivery of work is late or not to standards of quality desired.</li></ul>			
MITIGATION					
Controls	Review date	Owner	Commentary / Controls updates		
<ul style="list-style-type: none"><li>• Implementation of new VRP structure will release capacity back into the broader OPCC team.</li><li>• PDR process and regular 1:1s between line managers and direct reports.</li><li>• Annual staff survey, supplemented by pulse surveys, to inform internal policy and ways of working.</li><li>• Learning and Development Plan with commensurate training budget maintained.</li><li>• Wellbeing resources and support offered and promoted, including Health and Wellbeing Passports.</li><li>• Salary levels set at a reasonable market rate and in line with other OPCCs.</li><li>• Regular team meetings to share knowledge and resolve issues.</li><li>• Online Applicant Tracking System implemented to make recruitment process more effective and efficient for Hiring Managers, HR team and candidates.</li><li>• Implement new HR and Finance back-office system (ERP Oracle) with ASP to make processes more effective and systems led.</li><li>• Working with APACCE to organise PAT training for OPCC staff.</li></ul>	Aug-24	<div>Director of P&amp;P</div> <div>Head of HR &amp; BS Head of HR &amp; BS Head of HR &amp; BS Head of HR &amp; BS Head of HR &amp; BS Head of HR &amp; BS Head of HR &amp; BS</div> <div>Head of HR &amp; BS</div> <div>Director of P&amp;A</div>	<ul style="list-style-type: none"><li>• New VRP Director and Senior Partnerships &amp; Engagement Manager started in 2024, and capacity has since been released back into the team.</li><li>• 2024 staff survey had 86% completion rate, and overall another set of positive indicators. Some areas improved including L&amp;D, others saw decrease and are being addressed including work-life balance.</li><li>• Skills matrix refreshed as part of the review with organisational and team requirements identified. OPCC</li><li>• Learning &amp; Development Plan (Sept-23). Training opportunities and resources developed and promoted.</li><li>• Bite size training being run in Apr/May-24.</li><li>• Wellbeing and financial support initiatives promoted to the team.</li><li>• Wellbeing strategy launched.</li><li>• High volume of recruitment of staff/volunteers and panel members Jan-Apr-24. Temporary resource in place to mitigate impacts.</li><li>• HR working alongside ASP colleagues to test and implement new HR and Finance back-office system. Go live was Apr-24 but delayed to Oct-24. Temporary resource in place to mitigate impacts.</li></ul>		



Risk	URN	Owner	Unmitigated Probability	Unmitigated Impact	Unmitigated Risk
Failure to deliver commissioned services	SR6	Director of P&P	5	3	15
			Mitigated Probability	Mitigated Impact	Mitigated Risk
			4	3	12
			Mitigated Risk change:		↔
Cause		Impact			
<ul style="list-style-type: none"><li>● Cost of living / inflationary increases reduce the capacity of commissioned services to deliver.</li><li>● Short term Home Office funding arrangements and cuts to budgets in agreement period.</li><li>● All MOJ funding for victim services ends Mar-25 across core and specialist services (MOJ formula and general grants) which is a risk for local services the closer we get to this without clarity of budgets.</li><li>● Reduction in MoJ funding.</li><li>● Home Office funding for DRIVE ends Mar-25.</li><li>● Services without sustainable funding and cliff-edge arrangements.</li><li>● Reduction in rape support fund means less funding for therapeutic services.</li><li>● Victims and Prisoners Bill is proposing only modest funding to deliver the Collaborative Commissioning Duty.</li><li>● Lighthouse (the primary commissioned service) not delivering to the agreed standard.</li><li>● Increasing demand including victim support services; particularly DA and SV.</li><li>● Significant additional reporting requirements for compliance purposes.</li><li>● Failure to hear the victim’s voice may mean services do not meet the actual need.</li></ul>		<ul style="list-style-type: none"><li>● Failure to support and protect, victims particularly vulnerable victims – PCP Priority 1 (SR2).</li><li>● Failure to reduce harm.</li><li>● Loss of public confidence in the PCC.</li><li>● Damaged relationships with Constabulary and partners.</li><li>● Non-compliance with Government grants.</li><li>● Reduction or withdrawal of victims grant from Government.</li><li>● Failure to devolve further funding/commissioning.</li></ul>			
MITIGATION					
Controls	Review date	Owner	Commentary / Controls updates		
<ul style="list-style-type: none"><li>● Commissioning Strategy</li><li>● Victim Services recommissioning for 2025/26</li><li>● Lighthouse victims' service jointly established with the Constabulary: service under joint review.</li><li>● Maintain a sufficiently resourced commissioning team within the OPCC.</li><li>● Victim Services Provider forum and AWP Partnership Board are regular joint strategic meetings with commissioned services.</li><li>● 6-monthly monitoring of services financial returns.</li><li>● Scan and apply for additional funding as available.</li><li>● Lobbying to increase funding for Victims and Prisoners Bill. Pursuing funding from MoJ related to Victim’s Code of Practice.</li><li>● Therapeutic services – working with Integrated Care Board to support through one-off funding and remodelling of service offer.</li><li>● One-off funding for support for services to mitigate inflationary pressure.</li><li>● Independent evaluation of DRIVE to demonstrate value of the programme and secure further funding.</li></ul>	<div>Jul-24</div> <div>Jun-24</div>	<div>Director of P&amp;P</div> <div>Director of P&amp;P</div> <div>Director of P&amp;P</div> <div>Director of P&amp;P</div> <div>Director of P&amp;P</div> <div>CFO</div> <div>Director of P&amp;P</div> <div>Director of P&amp;P</div> <div>Director of P&amp;P / CFO</div> <div>Director of P&amp;P / CFO</div> <div>Director of P&amp;P</div>	<ul style="list-style-type: none"><li>● Commissioning Plan signed-off Mar-24.</li><li>● Bid window closed May-24, evaluation panels taking place with Board to sign-off decision in Jul-24.</li><li>● Following similar recommissioning approach with victim referral service (currently delivered by ASP via the LSU) – however, currently only working with ASP.</li><li>● Surveys and consultation underway. Findings due by the end of 2024.</li></ul>		



Risk	URN	Owner	Unmitigated Probability	Unmitigated Impact	Unmitigated Risk
Failure to support delivery of effective and efficient collaborations with other forces	SR7	Chief of Staff	5	3	15
			Mitigated Probability	Mitigated Impact	Mitigated Risk
			4	3	12
			Mitigated Risk change:		↓
Cause		Impact			
<ul style="list-style-type: none"><li>Challenges with staff retention and capacity in South West Forensics.</li><li>Ineffective governance and scrutiny over existing collaborations – particularly SWROCU.</li><li>NPAS is particularly challenging in terms of lack of consensus on future direction and sustainable funding.</li><li>Failure to agree effective models for collaboration.</li><li>Ineffective governance and ownership of regional projects and programmes.</li><li>Tension between local forces and collaborations in terms of competing interests and lack of uniformity of people and processes.</li><li>Lack of direct influence/control in order to make changes i.e. everything must be done by (multi-force) committee.</li></ul>		<ul style="list-style-type: none"><li>Governance failure as a duty of the PCC (SR1).</li><li>Failure to deliver value for money.</li><li>Failure to deliver specific services provided by existing collaborations.</li><li>Inefficient compared to other regions/areas.</li><li>Criticism from HMICFRS.</li><li>Government scrutiny/intervention.</li><li>Lack of resilience otherwise provided by a collaboration.</li><li>Forced to accept others’ terms from future alliances or mergers.</li></ul>			
MITIGATION					
Controls	Review date	Owner	Commentary / Controls updates		
<ul style="list-style-type: none"><li>Regional Collaboration Advisor recruited to support PCCs.</li><li>External review of SW Forensics was commissioned.</li><li>Collaboration Governance.</li><li>SWAP are the Internal Auditor – working in partnership with other regional forces.</li><li>Regional ACC is in place (in line with HMICFRS recommendations).</li><li>PCC is national lead on Minerva collaboration, alongside CC as police lead.</li></ul>		CoS CoS CoS CoS CoS CoS	<ul style="list-style-type: none"><li>Regional Collaboration Advisor started Feb-24.</li><li>SW Chief Constables and PCCs agreed to implement review recommendations and extra investment.</li><li>Two SW Operational Boards chaired by ACCs, feed into SW Strategic Board.</li><li>Regional PCC representation at the NPAS Board.</li><li>Op Scorpion – regional anti-drugs operation – has been running (approximately) quarterly from Jan-22.</li></ul>		

Risk	URN	Owner	Unmitigated Probability	Unmitigated Impact	Unmitigated Risk
Failure to deliver effective and efficient collaborations or outcomes with other partners	SR8	Chief of Staff	4	4	16
			Mitigated Probability	Mitigated Impact	Mitigated Risk
			4	3	12
			Mitigated Risk change:		↔
Cause		Impact			
<ul style="list-style-type: none"><li>● The broader Criminal Justice System is not operating effectively with significant delays in cases getting to court and insufficient capacity in prisons.</li><li>● Lack of control/influence over other criminal justice agencies.</li><li>● New duties and expectations of PCCs arising from the national review. PCCs appear to have extra responsibility but without additional 'levers' to support delivery.</li><li>● Macro-economic factors could have a detrimental effect on partners, particularly Local Authorities. This financial position could cause partners to withdraw or reduce levels of service to partnerships. This increases the risk of demand and funding requests moving to the ASC and OPCC.</li><li>● OPCC unable to effectively support the growing number of partnership programmes.</li><li>● Failure to put in place effective governance and ownership of partnership working.</li><li>● Differing priorities and leadership of agencies.</li><li>● Changing political and economic landscape can make partnership working more challenging.</li><li>● Lack of meaningful 'live' information sharing.</li><li>● National review of CSPs</li><li>● Violence Reduction Unit and Serious Violence Duty funding from Home Office is due to run out Mar-2025. This funding is critical to the delivery of A&amp;S’s VRP activity, including paying for key staffing roles and interventions.</li><li>● Serious Violence Duty – data sharing a particular challenge. Overseen by VRP Directorate.</li><li>● Safer Streets 5 (2023) – two projects have a set end point but the third is a broader piece of work about reducing MVAWG. Project Manager is only funded until Mar-25. HO funding only confirmed for one year of 18 month project.</li></ul>		<ul style="list-style-type: none"><li>● Offenders fail to be brought to justice in a timely manner, or at all. If convicted they may not receive/serve sentences which match public expectations. This damages confidence in the CJS and may lead to future additional harm to victims and the wider public.</li><li>● Governance failure as a duty of the PCC (SR1).</li><li>● Failure to deliver the Police and Crime Plan (SR2).</li><li>● Failure to deliver a whole systems approach to crime and continue the 'revolving door' of offending and victimisation.</li><li>● Failure to deliver value for money.</li><li>● Reduced ability of responsible authorities across A&amp;S to effectively deliver their statutory obligations under the Serious Violence Duty and loss of an A&amp;S wide approach.</li><li>● Sudden end or reduction of services and interventions funded by the A&amp;S VRP structure causing gaps resulting in vulnerable young people not being supported and incidents of serious violence increasing.</li></ul>			
MITIGATION					
Controls	Review date	Owner	Commentary / Controls updates		
<ul style="list-style-type: none"><li>● PCC chairs the Local Criminal Justice Board</li><li>● Violence Reduction Partnerships (VRPs) facilitated by VRP Directorate of OPCC</li><li>● Serious Violence Duty governance</li></ul>	Jul-24	VRP Director	<ul style="list-style-type: none"><li>● New VRP structure in place with roles filled. SV Duty governance in place. Convening function for the SV Duty at A&amp;S level will be managed by VRP Directorate.</li><li>● Commitment announced by government (chancellor) of £75 million to support VRU work from 2025-2028, however how this would look for A &amp; S VRP is currently unclear.</li><li>●The VRP will be developing a sustainability plan by Jul-24.</li><li>● An agenda item has been set to discuss financial risk in the June and September VRP Executive meetings to explore alternative means of funding to protect critical service delivery.</li><li>● Need to improve OPCC oversight of these plans but that has to be considered in the context of the national CSP review. The position on this is now uncertain given that Parliament has been dissolved and the Criminal Justice Bill has fallen.</li><li>● Partnership Strategy complete and signed off. Describes the ‘as is.’ Further review to be undertaken during the course of 24/25</li><li>● 5 CDPs went live in Sept-22. Aligned to local authorities and reporting to their boards.</li></ul>		
<ul style="list-style-type: none"><li>● Governance of Community Safety Plans</li></ul>	Aug-24	Director of P&P			
<ul style="list-style-type: none"><li>● Partnership Strategy</li></ul>	Aug-24	Director of P&P			
<ul style="list-style-type: none"><li>● Combatting Drugs Partnerships</li></ul>		Director of P&P			
<ul style="list-style-type: none"><li>● A&amp;S Reducing Reoffending Board and Strategy</li></ul>	Sept-24	Director of P&P	<ul style="list-style-type: none"><li>● Draft A&amp;S RR strategy will be discussed with CSPs during the summer; due for final sign-off at RR Board in Sept-24.</li></ul>		
<ul style="list-style-type: none"><li>● PP&amp;C team have leads for victims, CJS and reducing re-offending</li><li>● OPCC continue to be represented at CSPs</li><li>● Regular meetings (outside of Boards) with LA chairs/CEOs</li><li>● Information sharing relevant to all partnership working; particularly CJ, reducing reoffending and VRPs.</li></ul>		Director of P&P CoS CoS Respective Strategic Groups			



MEETING NAME	DATE	AGENDA NO
Joint Audit Committee	30/05/24	n/a 7
DIRECTORATE / DEPARTMENT	AUTHOR	COG SPONSOR
Chief of Staff Directorate Portfolio Management Office (PMO)	7975 James DAVIS Delivery Manager - Portfolio	DCC REILLY
NAME OF PAPER	PURPOSE OF THE PAPER	SESSION
Constabulary Corporate Risk Register Report	Information	Open

## 1. PURPOSE OF REPORT

This report provides the Joint Audit Committee (JAC) members with a summary of the latest Avon & Somerset Constabulary Corporate Risk Register. The content of this report was informed through fieldwork reviews of all corporate risks during **May 2024**. The focus of recent corporate risk reviews has been to understand new mitigating activities in delivery across the Constabulary and their potential impact on mitigated risk values. This report provides the comprehensive detail for JAC members for **June 2024**.

## 2. CORPORATE RISK HEADLINES

The Corporate Risk Headlines for the **June** Joint Audit Committee Cycle are as follows.

- All seven Corporate Risks have been reviewed in detail with the relevant Chief Officer Group lead with updated narrative for unmitigated risks and risk mitigations captured.
- The PMO, as owner of the Constabulary Risk Management Process, has identified the need to review the seven Corporate Risks annually in Quarter 1 to ensure they remain relevant. This discipline will remain a standing component element of the Constabulary Strategic Planning Cycle.
- As part of the 2024 review, it was agreed the themes of the seven risks are correct – but four risks have been slightly re-framed with a new description. These are as follows:
- The **Service** risk is now described as “Failure to meet the five public outcomes as defined within our five year strategy”.
- The **People** risk is now described as “Failure to grow, develop and then maintain our workforce with a supportive and enabling leadership culture, capacity and capability”.
- The **Digital** risk (now Data) is now described as “The Constabulary is unable to effectively govern and manage its data in compliance with Legal and Ethical requirements”.
- The **Confidence** risk is now described as “Recognising that an inability to maintain confidence and legitimacy effects our ability to police by consent”.
- The Q1 review of Corporate Risks proposes two change to the mitigated risk scores.
- The **Infrastructure** risk mitigated score has reduced from 12 to 8 to reflect the recognition that we have formal Project, Programme and Portfolio processes supporting all main sites and can evidence well-paced progression of works for each (reduced likelihood score).
- The **Data** risk mitigated score has reduced from 16 to 12 reflecting the aggregation of the wide-ranging activity that evidences a relatively comprehensive grip on data management activity (reduced likelihood score).
- The table below provides an overview of the mitigated risk values for all corporate risks.
- There are some corporate risks whereby mitigations are in the early stages of implementation and that therefore the Constabulary is confident of reduced risk mitigation scores in time, and this has been reflected in the updated mitigation narrative.
- The full 7 x Corporate Risk records are attached to this report and include comprehensive updates on mitigating activities.
- The PMO continues to be part of the **National Risk Management Forum** to understand emergent practice that could be deployed locally to further mature our approach.

Corporate Risk Mitigated Value Assessments		Impact				
		Negligible (1)	Minor (2)	Moderate (3)	Significant (4)	Severe (5)
Likelihood	Very likely (5)					
	Likely (4)					
	Possible (3)			Governance	Service Data	Finance People Confidence
	Unlikely (2)				Infrastructure	
	Very unlikely (1)					

### 3. QUARTERLY ANALYSIS OF THE ORGANISATIONAL RISK REGISTER

The Constabulary Risk Management process sees the identification and mapping of risk at two levels. The Corporate Risks are informed by Organisational Risks with the latter managed by local Directorates and Departments. As of 30/05/24, the Constabulary has identified **7 x Corporate Risks** (see Section 2) and **212 x Organisational Risks**. Organisational Risks are managed by the Improvement Consultant cohort and other local Directorate / Department “Super Users” working alongside the relevant SLTs. The PMO has new proactive process in place to drive organisational risk reviews with local Teams on a monthly basis.

The visibility of the Organisational Risk Register is maintained through our QLIK platform (Portfolio Application) which allows for live time analysis of risk records by the business. The graphics below show the overall number of risks identified by their risk type (essentially the first 6 x Corporate Risks) based on their mitigated assessment of the likelihood and impact of risk materialising.

The PMO continues to develop monthly **Committee Risk Reports** (copies available on request). These themed reports provide a focus for risk conversations in our formal Committee Meetings and an opportunity to capture updated mitigations, revised risk assessment scores, plan for future risk review dates and agree risk escalations where / if necessary.

The PMO also continues to support a monthly quality assurance exercise identifying risks whereby updates are overdue or due within the next four week period.

## Governance

The number of Governance risks has remained at 15 since the last JAC with all risks managed either at Committee (amber) or local Directorate Management Meetings (green).

	LIKELIHOOD 🔍	IMPACT 🔍			
		2	3	4	5
3	-	1	2	-	
2	4	2	3	-	
1	-	1	1	1	

## Financial

There number of Finance risks has remained at 9 since the last JAC with all risks managed either at Committee (amber) or local Directorate Management Meetings (green).

	LIKELIHOOD 🔍	IMPACT 🔍			
		1	2	3	4
5	-	1	-	-	
4	-	-	1	-	
3	1	1	-	-	
2	-	-	2	3	

## Service Delivery

The number of Service Delivery risks has increased from 95 to 99 since the March JAC report. However, the number of red RAG risks remains stable at 14. The defined Risk Management process suggests that red RAG risks could/should be escalated to the Constabulary Management Board for their resolution. However, at this stage the relevant Committee Chairs have been prepared to “tolerate” and own the risk at Committee level recognised the mitigating activities underway and their potential to reduce the risk score in time.

LIKELIHOOD 🔍	IMPACT 🔍				
	1	2	3	4	5
5	1	-	2	3	-
4	-	4	9	9	-
3	1	7	15	11	-
2	1	6	9	12	1
1	5	1	-	1	1

### People

The number of People risks has decreased from 36 to 35 since the last JAC with the number of red RAG risks remaining 3.

LIKELIHOOD 🔍	IMPACT 🔍		
	2	3	4
4	5	4	3
3	1	5	4
2	2	8	3

### Information Governance, Data & Digital

The number of Information Governance, Data & Digital risks has decreased from 41 to 37 reflecting the continued proactivity of the Information Technology Directorate with the ongoing review and management of their risks. There are now only 2 risks with a red RAG mitigated assessment.

LIKELIHOOD 🔍	IMPACT 🔍				
	1	2	3	4	5
4	2	2	3	1	-
3	1	-	10	4	1
2	-	3	7	1	1
1	-	-	-	1	-

#### Infrastructure and Assets

The number of Infrastructure and Assets risks has increased to 10 since the last JAC. There are zero risks for this theme with red RAG status.

LIKELIHOOD 🔍	IMPACT 🔍			
	2	3	4	5
4	-	1	-	-
3	-	2	1	-
2	1	1	2	1
1	-	-	-	1

Therefore these “heat maps” indicate only small changes to the Organisational Risk landscape since the March Joint Audit Committee. These changes are largely reflective of the continued proactive review of the Organisational Risk Register on a monthly basis. Additional detail (including reports for specific risks) are available for JAC members on request.

#### **4. RECOMMENDATIONS**

There are no specific recommendations to present to the Joint Audit Committee. The report is submitted for information, observations, feedback, and questions.

# AVON & SOMERSET CONSTABULARY

## Corporate Risk Register



Date of register 30/05/2024

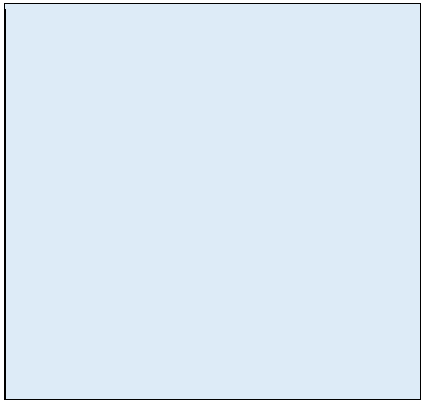
### Corporate Risk - overview information

Corporate Risk URN	PR000735	Current Mitigated Score	15
Corporate Risk Title	Inability to deliver a sustainably balanced budget	Mitigated Impact Score	5
Corporate Risk Owner(s)	Nick Adams	Mitigated Likelihood Score	3
		Date of Risk Review	31/08/2024
Corporate Risk Description	Our ability to deliver quality policing services and value for money for residents of Avon and Somerset is dependent of our ability to put the Constabulary on a sustainable financial footing allowing us to invest in the needs of the present without compromising the ability to meet the challenges of the medium to longer term. Prudent financial management and sustainable investment enable the organisation to work towards delivery of its strategic objectives and also those set out in the Police and Crime Plan.		

### Corporate Risk initial assessment - unmitigated risk

Unmitigated Assessment	25
Unmitigated Impact Score	5
Unmitigated Likelihood Score	5
Rationale	<p>The financial context for Avon &amp; Somerset Constabulary includes the following:</p> <ul style="list-style-type: none"><li>Since 2010/11 it has been necessary for Avon &amp; Somerset to find more than £100m in revenue savings to balance our budgets, which is nearly a third of our size – there is no part of our organization that has not had to reduce to deliver savings.</li><li>When compared to those force areas with large cities, we know that we are under-funded because of how the current formula funding distribution model works. When we compare ourselves with those forces that have one of the 10 largest cities in England and Wales (of which Bristol is one) their funding averages £64.89 per person more than we receive in Avon and Somerset. If we received this average level of funding for larger city forces our revenue funding would be £113.2m more in total.</li></ul> <p>The Medium-Term Financial Plan (MTFP) is updated annually to forecasts over a 5-year planning horizon. The last MTFP published in February 2024 looked out to 2028/29, with the next MTFP expected to be progressed over the summer and autumn looking out to 2029/30. These forecasts predict a continued increase in costs, driven by our assumptions around pay awards, pay progression, non-pay inflationary pressures and challenges around costs of pensions. These increases in cost are forecast to outstrip the increases expected to our funding.</p>





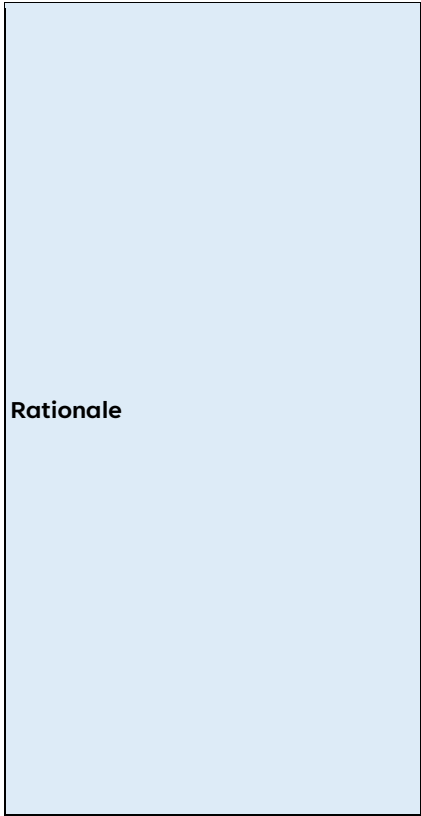
Our latest forecasts, as set out in our draft MTFP, predict a deficit in our revenue budget of £29.9m by 2028/29. Against this we have identified £17.9m in savings to be delivered largely over the next two years. These savings mean our revenue budget is balanced for 2024/25 and 2025/26 based on current forecasts, but thereafter we have a residual deficit of £12m by 2028/29. Further savings will be required to close this gap. Given how our budget is spent, and in recognition that we will continue to be expected to maintain police officer numbers, we know that these savings will largely have to be achieved through reduction in police staff numbers.

Our Capital Programme continues to reflect a mixture of local and national projects, and similar to our revenue forecasts, predicts increases to costs driven by inflationary pressures. Within this the cost of transitioning our fleet to electric vehicles, including the cost of managing a substantial programme of work to install charging infrastructure, is beginning to be quantified. Managing this alongside our other ambitions without the provision of additional funding will place pressure on our capital funding and require us to challenge the timing and prioritisation of some of our plans. Our reserve levels are forecast to reduce across the medium term, particularly as we of these to fund our Capital Programme.

Corporate Risk latest assessment - mitigated risk

Mitigated Assessment
Mitigated Impact Score
Mitigated Likelihood Score

15
5
3



Rationale

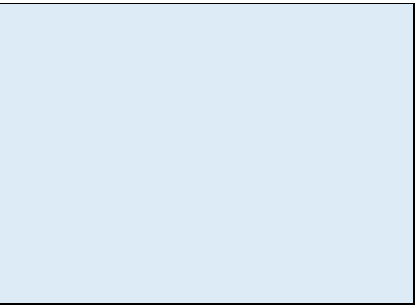
Quarter 1 2024/25 PMO Risk Mitigation Commentary with Risk Owner

Risk PR/735 was reviewed with Nick ADAMS on 15/05/24. As part of an annual process, the risk description was reviewed and considered to be an accurate description in that it reflected the longer-term approach to financial planning. We continue to drive financial management mitigations through alignment with the strategic planning cycle and the continued development of the Constabulary Portfolio of Change. The MTFP published earlier in 2024 is based on the revised government funding settlement in December 2023 which reflects the underfunding of the Constabulary versus national comparisons. We continue to budget to manage the Uplift numbers realised plus an additional 40 posts in order to secure the Uplift grant. The requirement to both identify and deliver savings from 2026/27 onwards remains (£12M cumulative by 2028/29).

We continue to make progress to realise the revenue savings through strategic planning workshops in early 2023. We recognise the change in Police & Crime Commissioner from May 2024 and that future conversations in relation to budgets and precepts will need to be held. We understand that our existing financial plans may need to flex and change according to any new OPCC priorities. The £13 precept was realised in February 2024 resulting in a provision of £1.8M more than forecast. This plan will be for this to enable the Constabulary to retain a higher number of Police Officers above the Uplift target.

We have had confirmation of our final grant funding structures (core grant versus that ringfenced for Uplift and pension costs). This provides the basis for our longer term strategic financial planning activity noting that one of our Finance Outcomes to achieve Outstanding Policing describes the requirement to have a world class planning capability and a realistic five-year plan.

The development of our latest MTFP was based on the best evidence at the time of writing (actual settlement) and has been developed prudently to balance ambition with financial challenge. The overall funding position has not changed - there has been no addressing of the funding issue by central government and there is unlikely to be any immediate change to this until after the General Election. We will continue to monitor the situation, particularly as we head into a new Spending Review period and announcements.



As our Change Portfolio matures in 2024, we will begin to understand areas of the business where there is the potential for future savings for 2026/27 onwards. The 2023/24 Financial Year End has seen a small £700K underspend (after year-end adjustments and commitments are accounted for) which has been used to top up capital reserve funding in support of longer-term capital investment. We have had external recognition of our overall efficiencies with respect to our financial planning capability.

On review, the mitigated risk score remains unchanged from the last quarter with scores of Likelihood 3 x Impact 5 = 15. There are no significant developments to warrant a change in assessment. We recognise that until our plans to realise savings for 2026/27 are more fully developed, it will be difficult to justify a reduction in the mitigated risk score. It is unlikely that plans for 2026/27 will be costed for some time. We also reflect a degree of uncertainty faced until after the General Election and next spending review.

**Earlier assessments**

Mitigated risk score Q2 2023/24
Mitigated risk score Q3 2023/24
Mitigated risk score Q4 2023/24
Mitigated risk score Q1 2023/24

20
20
15
15

# AVON & SOMERSET CONSTABULARY

## Corporate Risk Register



Date of register 11/06/2024

### Corporate Risk - overview information

Corporate Risk URN	PR000736	Current Mitigated Score	12
Corporate Risk Title	Failure to meet the five public outcomes as defined within our five year strategy	Mitigated Impact Score	4
Corporate Risk Owner(s)	Jon Reilly	Mitigated Likelihood Score	3
		Date of Risk Review	31/08/2024
Corporate Risk Description	<p>When we consider the expectations of policing from the public and current government, we recognise they expect improvements to be seen on the back of investment in policing following years of austerity. When we consider that over the last 5 years precept (council tax contribution) has increased 35%, with the backdrop of the ‘additional’ 20,000 new police officers pledged by the government and the media attention and public opinion of policing in the past few years, scrutiny of what we do has never been as fierce.</p> <p>The organisation has achieved its Police Officer Uplift numbers, exceeding it in fact, to support the National imperative to achieve 20,000 new officers. Where we have not yet seen the benefit is where our new officers are still in their initial period spent in Response policing, meaning we haven't yet been able to fill new posts created through uplift. We also continue to manage the abstraction of new officers who require to undertake studies for their degree programme. We are also acutely aware of the requirement for savings that policing will need to deliver in the coming years, which is leading the organisation to review its savings requirements and uplift plans, while at the same time delivering services within the financial envelope, we have available.</p> <p>The Strategic Policing Requirement (SPR) sets out the Home Secretary's view of what the current national threats are, and the national policing capabilities needed to counter those threats. The 2023 version introduced violence against women and girls as an additional national threat and reaffirms the validity of the existing threats. The inclusion of violence against women and girls as a national threat sets clear expectations for local and regional police capabilities to tackle violence against women and girls and how local forces work with others, including collaborating with other agencies.</p>		

### Corporate Risk initial assessment - unmitigated risk

Unmitigated Assessment	20
Unmitigated Impact Score	5

Unmitigated Likelihood Score	4
Rationale	<p>Our priorities are set out through various national frameworks and local priorities, which mean we continue to have a large number of expectations placed on us. At present these numerous plans remain complimentary of each other, but in light of organisational growing pains, it may become necessary to prioritise and focus on specific areas of improvement. We continue to manage challenges with non-core demand (calls for service relating to non-crime incidents). Additional data also tells us that a large percentage of officer time at scene relates to non-crime incidents. We previously sent a Task Force to visit Humberside Police to understand more on their approach called 'Right Person, Right Care'. This reflects the National Police Chiefs Council national approach to 'Right Care, Right Person' to help Forces reduce the number of deployments in respect of specific types of calls relating to mental health and concern for welfare. This will help Police Staff in Control Rooms focus, from the outset, on getting the right person and agency, with the right skills, training, and experience to respond to the incident. We continue to be in dialogue with local partners and stakeholders as we seek to introduce RCRP having adopted a more cautious approach than other Forces to ensure the public were not adversely affected by the changes. Programme #1 as part of our Constabulary Portfolio of Change will look to deliver our solutions here. We recognise the synergy between the other corporate risks and this one, mainly when scrutiny of the police culture, behaviour, and incidents of misconduct in a public office has been well documented. We have seen referrals to our Professional Standards Department increase, aligned with media coverage of conduct in other police forces. The Constabulary currently has its highest level of suspensions due to ongoing investigations. There is an intrinsic link to these factors underpinning the public's trust and confidence in our service delivery. It is reasonable to expect misconduct cases to increase as the organisational culture evolves and we root out attitudes and behaviours that do not align with our values. We have created an additional seventh Corporate Risk (reference PR/1436) to reflect this.</p>

Corporate Risk latest assessment - mitigated risk

Mitigated Assessment	12
Mitigated Impact Score	4
Mitigated Likelihood Score	3
Rationale	<p><b>Quarter 1 2024/25 PMO Risk Mitigation Commentary with Risk Owner</b></p> <p>Risk PR/736 was reviewed with DCC REILLY on 14/05/24. As part of an annual process, the risk description was reviewed, and the decision made to reframe as "Failure to meet the five public outcomes as defined within our five year strategy". These are (1) There are high levels of trust and confidence among all the communities we serve (2) We respond quickly and well to emergencies (3) People who use our service have high levels of satisfaction (4) We are cutting crime and protecting the vulnerable from criminals (5) Bring offenders to justice and disrupt their criminality.</p> <p>Our initial evidence base for service delivery mitigations is our assessment against the themes of our <b>Performance Control Strategy</b>. This was reported at the Constabulary Management Board on 23/05/24. The Constabulary Management Board provides the scheduled routine mechanism for Chief Officer Group oversight of performance with the identification and commissioning of tactical performance improvement as required. Tactical performance improvement is further governed by the complementary Operational Improvement Committee (OIC) and Investigative Standards Forum (ISF) within our Constabulary Governance Framework.</p>

For **Crime & Data Integrity (CDI)**, performance is assessed as **STABLE** reflecting compliance rates of 85% and an annual 24 hour crime classification rate of 68%. Some of our mitigating activity for CDI relates to robotic automation, QLIK feedback loop to identify CDI errors, successful management of online crime, proactive review of how to handle child cruelty crimes and training.

For **Investigative Standards**, performance is assessed as **STABLE** reflecting that the overall positive outcome rate for the force remains relatively stable at 11.2%. It is noted that Supervisor review timeliness has worsened for Response over recent months. There has been strong sustained improvement for the First Administration Triage rate. However, the DGA compliance rate remains stable. Follow up satisfaction remains stable.

For **RASSO**, performance is assessed as **STRONG IMPROVEMENT** reflecting that recorded Rape volumes have experienced a significant increase over recent month. The Rape Charge rate continues to increase in the long term, although recent months have seen this rate reduce slightly. Rape Charge Volumes continue to increase. The median number of days for RASSO allocation timeliness remains under 48 hours.

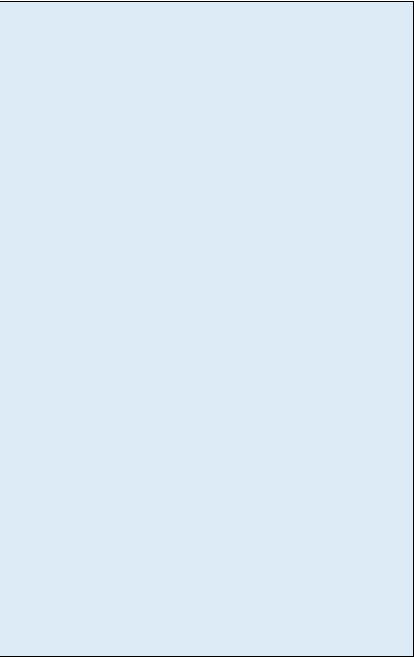
For **Response Timeliness**, performance is assessed as **STABLE** reflecting that Immediate Response SLA improvement continues to be sustained, although there is a slight reducing trend emerging. Priority response SLA improvement has been more modest, but sustained, although the recent month suggests challenges in maintaining. Call handling response challenges remain, especially on the 101 secondary line. THRIVE template compliance has continued to improve over the last five months.

For **Crime Prevention**, performance is assessed as **STABLE** reflecting that Neighbourhood crime remains stable, showing signs of a moderate increase. Neighbourhood crime rates remain comfortably below the 2019 government baseline by -17%. Reported ASB volumes are now becoming stable. Problem solving plan (PSP) management and impact remains an area for improvement. Visibility appears to remain strong overall.

For **Protecting the Vulnerable**, performance is assessed as **STABLE** reflecting ICAT unallocated cases remains stable, but the BRAG completion rate continues to fall at 68% for April. The monthly DASH completion rate is also continuing to fall, at 79% for April. The number of DVDs applications awaiting initial contact or a decision on disclosure has continued to increase. The RSO backlog reduction is stable, the RSO visits backlog was 20% for April. Outstanding risk assessments (ARMs) have also remained at a stable level at 15%, up from 13% last month.

The **Specified Information Order**, which provides national context, is another objective evidence base to understand progress made to mitigate service delivery risk. The latest version of this quarterly report was presented at the Constabulary Management Board on 25/04/24. The latest national benchmark figures for priority areas are as follows below. It should be noted that for some areas, our relative national position is relatively encouraging. For example, for Serious Violence we are 3rd within our MSG but below the national average for levels of recorded crime.

- **Reduce Murder and Other Homicide** - 7th out of 8 in the MSG - stable trend.
- **Reduce Serious Violence** - 3rd out of 8 in MSG - stable trend.
- **Tackling Drugs Supply and County Lines** - 8th out of 8 in MSG
- **Reduce Neighbourhood Crime - burglary** - 3rd out of 8 in MSG - reducing.
- **Reduce Neighbourhood Crime - vehicle crime** - 6th out of 8 in MSG - moderate increase.
- **Reduce Neighbourhood Crime - personal robbery** - 8th out of 8 in MSG - increasing.
- **Reduce Neighbourhood Crime - theft from the person** - 2nd out of 8 in MSG - stable.
- **Tackling Cyber Crime** - no MSG benchmarking data - stable
- **Improve Victim Satisfaction - overall satisfaction** - no MSG benchmarking data - stable.
- **Improve Victim Satisfaction - hate crime** - no MSG benchmarking - increase.
- **Improve Victim Satisfaction - violent crime** - no MSG benchmarking - stable.



- **Improve Victim Satisfaction - burglary** - no MSG benchmarking - moderate reduction.
- **Better Criminal Justice Outcomes for rapes - charge rate for RASSO** - 3rd out of 8 in MSG - large increase

We are also able to evidence a range of other mitigating activity in support of our service delivery. This includes the recent ATOS telephony upgrade which improves our telephony offer. Our STAR Bid (Science, Technology and Research) relating to Artificial Intelligence is in early stages of development but will assist First Point of Contact in time. We are understanding the potential of voice analytics to manage non-crime demand and how revisions to call-scripting can identify early opportunities for crime recording and investigation. We retain a training focus on essential skills for Patrol (Method of Entry and Taser) ensuring the right balance of courses to meet need. We are investing in our Workforce Planning capability to understand our requirements in terms of numbers and geographic spread and have good scrutiny of Response Officers in the organisation and where they best sit. The first organisational Workforce Plan is due in September. We have the Resource Management Panel to ensure we don't de-stabilise Patrol reflecting the relative level of inexperience and the need to increase Patrol beyond establishment levels to maintain delivery. For Crime Prevention, we had identified an NPT lead and are developing our strategy. The new First Line Leadership Programme covers operational skills, behaviours, and values. A Seasonal Demand Plan is in place and is live from early June. Finally, Programme #1 as part of our Constabulary Portfolio of Change covers Right Care Right Person and First Point of Contact including the development of the Mental Health Link Officer approach.

The current mitigated risk assessment score is Likelihood 3 x Impact 4 = 12. Our Quarter 1 assessment is that the risk assessment score should not be amended prior to the HMICFRS PEEL Inspection Report due early 2025. This will provide a further objective view of risks to core service delivery based on the gradings for the various parts of the assessment. We have evidenced a range of activity to improve performance, but we will still cautiously await the outcome of PEEL before considering a change in the mitigated score.

Earlier assessments

Mitigated risk score Q2 2023/24
Mitigated risk score Q3 2023/24
Mitigated risk score Q4 2023/24
Mitigated risk score Q1 2024/25

12
12
12
12

# AVON & SOMERSET CONSTABULARY

## Corporate Risk Register



Date of register 30/05/2024

### Corporate Risk - overview information

Corporate Risk URN	PR000737	Current Mitigated Score	15
Corporate Risk Title	Failure to grow, develop and then maintain our workforce with a supportive and enabling leadership culture, capacity, and capability	Mitigated Impact Score	5
Corporate Risk Owner(s)	Louise Hutchison	Mitigated Likelihood Score	3
		Date of Risk Review	31/08/2024
Corporate Risk Description	If we fail to, properly and at sufficient pace, institutionalise inclusion by embedding the right leadership and culture throughout the organisation while effectively managing unprecedented workforce growth, development and change, trust and confidence of the public, our partners and colleagues will drop, performance will falter and our legitimacy to protect and serve will be eroded.		

### Corporate Risk initial assessment - unmitigated risk

Unmitigated Assessment	20
Unmitigated Impact Score	5
Unmitigated Likelihood Score	4
Rationale	<p>There are 3 headline areas where our risks assessment is focused, these are:</p> <p><b>Unprecedented growth and a changing workforce composition:</b></p> <ul style="list-style-type: none"><li>The huge logistical exercise of attracting, vetting, conducting medicals, inducting and on-boarding, training, tutoring, posting, and supporting the huge numbers of new and inexperienced officers places record demands on our enabling services such as Recruitment and HR, Training and Tutors, Vetting, Occupational Health and others and entails significant collaboration and coordination between operational and enabling services and our HEI partner to deliver the numbers on time and effectively.</li><li>The level of abstraction of PCDA and DHEP officers while undertaking their studies alongside performing their police officer roles. Recruiting to target officer numbers does not immediately translate to a fully deployable officers on the front line and as a</li></ul>

result our response timeliness rates are impacted. A more experienced, deployable workforce will happen, but it will take time to achieve.

- The growth in officer numbers does not immediately translate to the growth in specialist areas we want to grow. This is true across all specialist areas and is particularly the case as we build our investigative capacity and capability. We have plans in place to realise this specialist growth, but again they will take time to fully realise. As a result, our overall positive outcome rate remains too low, reflecting the continued efforts we need to make in improving investigative standards as we build capability.
- The changes introduced this year through the Attorney General guidelines for disclosure and the Director General guidelines for charging have created additional pressures on front line officers and staff. Un-addressed this has the potential to significantly impact on officer and staff capacity, undermining the benefits of officer Uplift. We are working with other forces to highlight these concerns and seek pragmatic solutions.

#### **Attraction and retention in an increasingly challenging marketplace:**

- We are seeing locally and nationally increases against the projected leaver rates for police officers.
- A number of roles have become 'harder to fill' as the pay rates in the market have risen quite rapidly and a lot in some areas, particularly where there are shortages for in-demand technical skills.
- Many have talked about the impact of the pandemic on 'the great resignation' linked to employees re-evaluating what they want from their work and work/life balance.
- Public sector pay has been relatively stagnant for some time with it be argued that police officers especially have fallen behind compared to cost of living increases and pay in other roles that are less complex, risky, and demanding.
- The attractiveness of policing as an 'employer' has taken a hit alongside wider trust and confidence following the widely publicised incidents of serious misconduct and concerns about sub-cultures in policing. This has a suppressive effect on our ability to recruit, especially from under-represented communities in whom there is already a trust deficit, and it also potentially dents morale and the ability to retain.

#### **Institutionalising inclusion, investing in leadership and culture:**

- Serious questions have arisen about policing culture and leadership against the backdrop of declining public confidence in wake of a series of misconduct cases nationally and stubborn inequalities in the police workforce and service delivery.
- Increase in volume and seriousness misconduct referrals/reporting and misconduct cases locally.
- Stubborn disparities in workforce experience and service delivery adversely affecting under-represented communities especially and adding to a trust and confidence deficit; understandable concerns about the relative glacial pace of change in some areas/aspects of our work.
- Growing levels of consciousness, internal and external activism, on the issues and impacts associated with inequality and discrimination, diversity, and inclusion deficits.
- Concerns from some that there is too much negative focus on the "<1%" and that this will dent morale of the majority.
- A lack of understanding and acceptance in some quarters that there are deep systemic and institutional roots that also need confronting in a systemic way.
- High levels of scrutiny and media attention to these issues
- Some reluctance and challenges in engaging all parts of the workforce in learning the knowledge and competencies we expect them to have in order to be able to promote an inclusive culture.
- Impacts of wellbeing and procedural justice on behaviour
- Questions about the effectiveness and rigour of our recruitment/selection processes in identifying, predicting, and addressing those who do not demonstrate the right values and behaviours joining policing.
- Questions about the capacity of our internal professional standards, counter corruption, complaints, and grievance management capabilities to meet need and demand.



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<ul style="list-style-type: none"> <li>Questions about the maturity and extent of our ability to use our data effectively to identify patterns or early warning signals to enable targeted and tailored intervention.</li> </ul>
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Corporate Risk latest assessment - mitigated risk

Mitigated Assessment
Mitigated Impact Score
Mitigated Likelihood Score

15
5
3

Rationale
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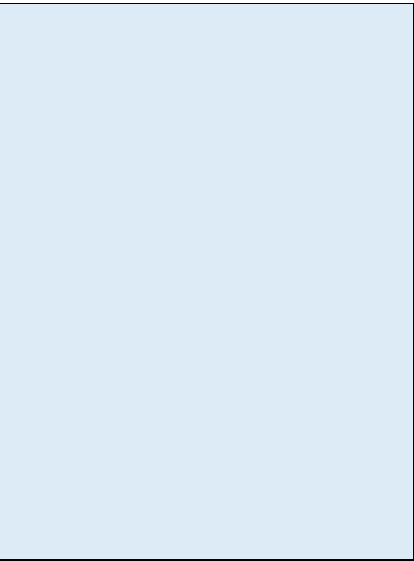
Quarter 1 2024/25 PMO Risk Mitigation Commentary with Risk Owner

Risk PR/737 was reviewed with Lou HUTCHISON on 17/05/24. As part of an annual process, the risk description was reviewed and it was agreed to make small amendments to the framing of the risk which now reads as "Failure to grow, develop and then maintain our workforce with a supportive and enabling leadership culture, capacity and capability". The previous assessment of the risk in Quarter 4 2023/24 had focussed on mitigations relating to the progress of Programme #4, the Leadership Model implementation, Workforce Planning benefits, the delivery of Trauma Informed associated activities and the completion of a comprehensive range of Leadership Events.

Programme #4, as part of our Constabulary Portfolio of Change, continues to remain central to our risk mitigations evidencing work across a number of different projects. The recent Programme Lead update provided to the May Portfolio Steering Board referenced the progress with the delivery of the **Occupational Health** Business Case as recruitment continues, accommodation works nearing completion and CORITY implementation progressing to assist with the management of referrals. The **Strategic Workforce Plan** has had its Terms of Reference reworked ahead of formal endorsement and the development of the first iteration of the document by the autumn. The **First Line Leadership Programme** has now been delivered to 547 staff (as of May). Universities have been asked to register their interest to complete an independent evaluation of its success. The **Recruitment Improvements** Project has reached full implementation and was formally closed at the May Portfolio Steering Board with a Post Implementation Review scheduled for May 2025 to check that benefits are still being realised. Looking ahead, the focus for Programme #4 "Building the Foundations for a Skilled Workforce" will widen to include the preparation of the Project Mandates for the **Mid-Line Leadership Programme** and **Culture & Behaviour** Projects. Programme #4 is progressing well with encouraging momentum and active stakeholder engagement.

A major milestone for People & Organisational Development in 2024 will be the introduction of **ORACLE** in October 2024 which will realise a range of efficiencies for the management of HR policies. The Corporate Risk review process will explore these in more detail as part of the Quarter 2 assessment process. ORACLE will help evolve our business as usual and further enhance our understanding of the **health-check** of staff through management information. We have baseline metrics we can use to objectively understand direction of travel including sickness data (% of hours lost) which provides a proxy measure for supportive culture and our ability to manage capacity. For Police Officers, the average monthly hours lost over the last 12 months is 4.0% with an upward trend evident. For Police Staff, the average rate for the last 12 months is 3.9%, again with an upwards trend. Finally, for the PCSO cohort the average rate is 4.9% where trend data is less clear. These emerging trends have been considered when the risk mitigation value was assessed in Quarter 1.

There is regular **performance scrutiny** via the independent Performance & Insight People Committee Report produced by the Performance & Insight Team (the People Committee meets every other month). The latest report was submitted for the April meeting and highlighted a number of themes including an increase in the acceptance rate for TRIM offers, increase in sickness in relation to psychological disorder related absence and improvements with compliance rates for the completion of mandatory College Learn courses. This demonstrates we have a comprehensive and routine process to understand the inferences from detailed management information. We also can evidence other BAU performance metric tracking outside of formal governance that further increases our understanding of our support for staff. For example,



Occupational Health management referrals have increased from 47 per month for the period ending March 2023 to 55 per month for the period ending March 2024. Psychological Therapist management referrals have increased from 9 to 13 per month for the same reporting periods. This reflects positively on the recent investment in the Occupational Health function, but we recognise that medium to long term challenges relating to staff sickness and welfare will remain. Looking ahead, we are developing a new **Wellbeing Strategy** to identify the wellbeing interventions that are most effective and prioritise their development, including becoming a trauma informed organisation to enhance our understanding of building resilience in the workforce.

The **People Committee** continues to provide the forum for consideration and debate relating to wider People & Organisational Development issues. Recent agenda items have included a deep dive of recruitment data looking for issues of disproportionality. We have also identified the ongoing challenges in terms of Police Officer application numbers and dropout rates with candidates not clearing vetting.

The current mitigated risk assessment score is Likelihood 3 x Impact 5 = 15. We are not suggesting any change to this score as part of the Quarter 1 review. We have previously stated that we are not expecting a reduced mitigation score in 2024 as mitigating activity is in its infancy. We are aware of our position on the **maturity curve** taking into account the relative levels of inexperience with our workforce and that being competitive in the external recruitment market is difficult. Additionally, Policing morale across the UK has been hit hard - a view supported by the findings of the recent Police Federation National Pay and Morale survey. Across UK policing, Avon & Somerset is not an outlier, but the context remains extremely challenging.

Earlier assessments

Mitigated risk score Q2 2023/24
Mitigated risk score Q3 2023/24
Mitigated risk score Q4 2023/24
Mitigated risk score Q1 2024/25

15
15
15
15

# AVON & SOMERSET CONSTABULARY

## Corporate Risk Register



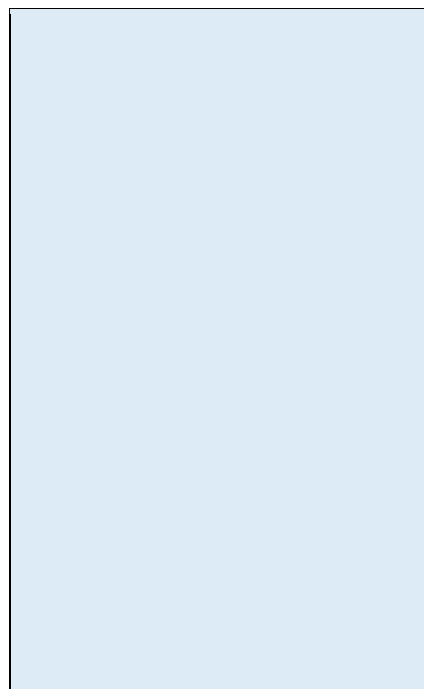
Date of register 30/05/2024

### Corporate Risk - overview information

Corporate Risk URN	PR000738	Current Mitigated Score	8
Corporate Risk Title	Failure to maintain, invest in or optimise our infrastructure and assets	Mitigated Impact Score	4
Corporate Risk Owner(s)	Nick Adams	Mitigated Likelihood Score	2
		Date of Risk Review	31/08/2024
Corporate Risk Description	Our infrastructure should enable the delivery of our vision to deliver outstanding policing for everyone. It is therefore important that our infrastructure, assets, and services achieve this and are developed sustainably, in a way that is mindful of our financial, political, social, and environmental landscape and, in a way that offers value for money. For clarity, this risk focuses on infrastructure, which includes our physical assets (buildings, fleet, equipment, uniform) and facilities, as well as the specialist services that provide and maintain those assets. It also encompasses a range of professional services that support our operational directorates. Our IT infrastructure is also a critical enabler of our success, but it is outside the scope of this risk as it is reflected within Corporate Risk - Digital and Data.		

### Corporate Risk initial assessment - unmitigated risk

Unmitigated Assessment	20
Unmitigated Impact Score	5
Unmitigated Likelihood Score	4
Rationale	<p>Officers, staff and volunteers need to be able to count on having the working environment, tools, equipment and information available to them do their jobs effectively.</p> <p><b>Estate</b> - Since the pandemic we have moved a significant proportion of our staff (c.1600) to blended working, with a hybrid of home and office working. This change in our ways of working impacts on our estate's usage, providing some opportunities while also requiring us to think about what our people need from their office environment. These considerations are reflected in our estates strategic plan, presented to the Constabulary Management Board in August 2023, and to the PCCs Governance and Scrutiny Board in September. The cost of our buildings has increased significantly, driven by inflationary pressures on the costs of utilities and in the cost of business rates following the changes which were implemented with effect from April 2023. We have some specific challenges within our estate which are informing our forward plans. We are progressing decisions in relation to our estate in South Somerset (Yeovil and Chard) after a period of indecision. We</p>



know this is important both in terms of providing reassurance to our communities about our presence in this area, as well as to provide positive progression for the morale of our officers and staff based here. We are also at various stages of project delivery around our estate in Bath, Central Bristol (Trinity Road), South Bristol (Broadbury Road) and Minehead. Our estate will also need to support the infrastructure required to charge electric vehicles as we gradually transition to these over the coming years.

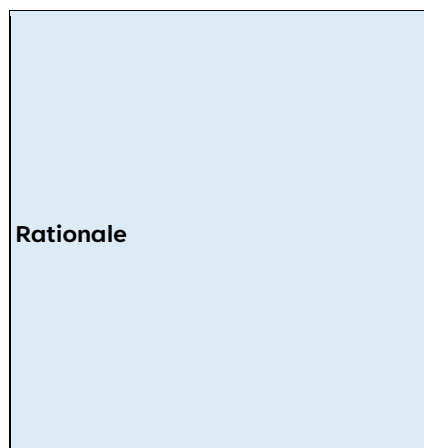
**Vehicles** - The market for vehicles is undergoing substantial change, coinciding with global and more local supply chain challenges. Prior to the Pandemic and the conflict in Ukraine, we were already seeing some challenges presented from the shortage of semi-conductors, and the early stages of manufacturers plans to end production of internal combustion engine (ICE) powered vehicles. The conflict in Ukraine has only added to these challenges, which means lead time for new vehicles is many months and for parts is also proving to be a challenge. We have seen improvement in manufacturing of vehicles, but reliable delivery still remains a challenge. As a result of incidents concerning BMW police cars with certain engines, we removed a number of these vehicles from operational use in Spring 2022. This has presented acute challenges in relation to specialist operations roles. These challenges remain but should become less acute as replacement vehicles are brought into the fleet. Over the medium term we recognize that it will be necessary to transition our fleet gradually to alternative fuel, with the majority expected to transition to electric by 2030, reflecting the pace at which the market is transforming its manufacturing capabilities. This will require significant investment in charging infrastructure, as well as careful management around training and operational deployment all of which will need to be effectively co-ordinated.

**Uniform and equipment** - There continue to be supply chain challenges requiring ongoing management in relation to the provision of uniform and equipment. This does not necessarily present consistently, with some items being more readily available and others less so from time to time.

### Corporate Risk latest assessment - mitigated risk

Mitigated Assessment
Mitigated Impact Score
Mitigated Likelihood Score

8
4
2

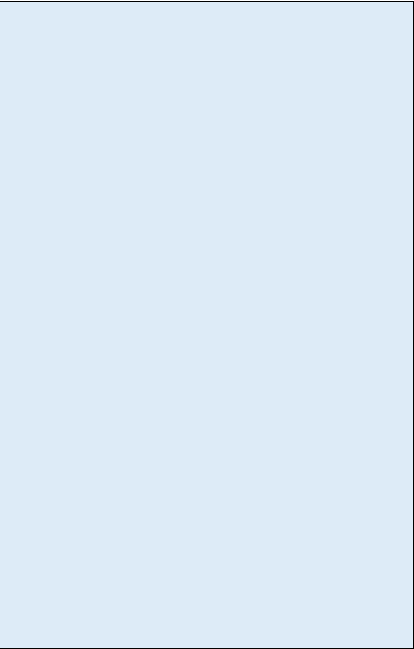


Rationale

#### Quarter 1 2024/25 PMO Risk Mitigation Commentary with Risk Owner

Risk PR/738 was reviewed with Nick ADAMS on 15/05/24. As part of an annual process, the risk description was reviewed and considered to be an accurate description in that it reflected the need for continued management and optimisation of our estate and fleet provision. The Estates Portfolio is well defined and managed as Programme #8 (Estate and Fleet Fit for the Future) as part of the Constabulary Portfolio of Change. There have been continued developments since the last reporting into the Q4 Joint Audit Committee.

Specifically, the Bristol Trinity Road sale has been completed with the Constabulary retaining interest in the subsequent redevelopment of the site and partial occupation of the new build with a central Bristol Neighbourhood base. Elsewhere in Bristol, we continue to progress the Broadbury Road development with a clear focus on sustainability. Through our formal Constabulary Governance Framework mechanisms, we are expecting Outline Business Cases to be presented for Bath (Plymouth House) in June and for Yeovil (Horse Lane and Vehicle Workshop) in July. On approval, these projects then progress to procurement for refurbishment ahead of formal Final Business Case approval via a subsequent Constabulary Management Board. Additionally, the Estates Team continue to focus on options for the strategic



development of the HQ site in Portishead activity which includes conversations with possible collaborative partners. The continued implementation of the Estates Road Map at different levels remains positive.

For Fleet Assets, the latest availability figure (for May) is high at 91% reflecting our ongoing investment and therefore provision of a younger and more reliable fleet. Our journey towards a zero-emission fleet of vehicles has been recognised as leading the way in policing. This recognition stems the Electric Fleet Race run by ‘Rightcharge’, which highlights organisations who have shown real commitment to delivering a Battery Electric Vehicle (BEV) fleet. As of 15/05/24, we had 49 electric vehicles used as neighbourhood cars, forensic vans, and general-purpose vehicles, two plug-in motorcycles, 139 electric bikes and 44 charger locations across our estate. Our ambition is to have 60-80 BEV's by the end of the 2024/25 financial year. Additionally, we are seeking to recruit a Programme Lead for our Electric Vehicle Programme as we step up the detailed planning of this work into 2025.

Our approaches demonstrate our thinking ahead to realise longer term sustainable and environmental operations. Financially our ambition is supported by capital planning over a five-year period. Overall, our capital programme is forecast to cost circa £114m, with provision of £105.2M identified thereby reflecting a shortfall in funding to be closed over the medium-term.

On assessment, the Likelihood rating for this risk has been reduced from 3 to 2 meaning an overall risk mitigation score of 8. This reflects the recognition that we have formal Project, Programme and Portfolio processes supporting all main sites and can evidence well-paced progression of works for each. Given our level of delivery planning, the Constabulary feels this risk can be reduced. We recognise that advent of a new Police & Crime Plan later in 2024 which may mean new priorities and areas of focus, and this will be considered when this risk is routinely reviewed again in Quarter 2.

Earlier assessments

Mitigated risk score Q2 2023/24
Mitigated risk score Q3 2023/24
Mitigated risk score Q4 2023/24
Mitigated risk score Q1 2024/25

12
16
12
8

# AVON & SOMERSET CONSTABULARY

## Corporate Risk Register



Date of register 03/06/2024

### Corporate Risk - overview information

Corporate Risk URN	PR000739	Current Mitigated Score	12
Corporate Risk Title	The Constabulary is unable to effectively govern and manage its data in compliance with Legal and Ethical requirements	Mitigated Impact Score	4
Corporate Risk Owner(s)	Nick Adams, Nick Lilley, Ellena Talbot	Mitigated Likelihood Score	3
		Date of Risk Review	31/08/2024
Corporate Risk Description	Data is a critical asset for the constabulary and significant investment has been made to facilitate operational use of data. Effective and innovative use of data will be critical for the force to deliver its vision of outstanding policing for everyone and show sustained improvement against the four priorities in the Police and Crime Plan 2021 to 2025. To fully realise the ambition to be a data-driven organisation, officers and staff need easily accessible, trusted data and analytics with clear purpose to help make evidence-based decisions to drive internal and public-focused outcomes. The recent Data Strategy and Roadmap for change, co-developed with an external partner, outlined the recommended steps for the force to continue this trajectory of pushing boundaries and innovating with data. However, the Strategy also recognised the increasing demand on Information Governance & Data Ethics, and related functions, to ensure innovation is secure, ethical, and compliant.		

### Corporate Risk initial assessment - unmitigated risk

Unmitigated Assessment	20
Unmitigated Impact Score	5
Unmitigated Likelihood Score	4
Rationale	Avon & Somerset Constabulary has a successful track record in using our data to build insight and inform decision making – democratizing this through the provision of tools to all officers and staff across the organization. However, we recognize that this has been achieved despite the complex data architecture we have in place, where data is held in multiple systems. This compromises our ability to confidently build a single view of the data we hold to inform our decision making and planning activities. Data literacy across the organisation is improving but will continue to remain an area where we will want to do more to fully realise our ambition to become more data driven as an organisation.



The Constabulary has made strong investment in future technologies such as advanced analytics, robotics, and automation. However, the aforementioned foundational issues may pose obstacles to the success of innovative techniques. We also recognise the challenge posed by the evolution of Artificial Intelligence and the continued threats relating to data security.

Corporate Risk latest assessment - mitigated risk

Mitigated Assessment
Mitigated Impact Score
Mitigated Likelihood Score

12
4
3

Rationale

**Quarter 1 2024/25 PMO Risk Mitigation Commentary with Risk Owner**

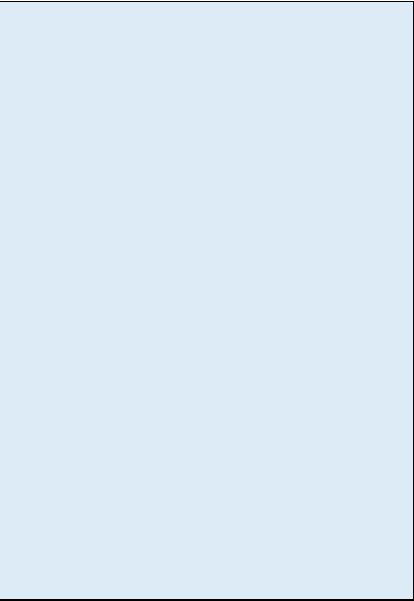
Risk PR/739 was reviewed with Nick ADAMS on 15/05/24. As part of an annual process, the risk description was reviewed and it was agreed that the language of the risk should now reflect data specifically and considerations such as data breaches, any inability to manage data legitimately, the requirement to share data, use data to inform decisions and to ensure effective data systems and controls are in place. Therefore, the risk has been re-framed as "The Constabulary is unable to effectively govern and manage its data in compliance with Legal and Ethical requirements". The previous reference to Information Governance has been removed reflecting the implementation of a new Information Governance (IG) Framework to mitigate specific IG risks.

The Quarter 4 update provided an overview on the delivery of various digital elements across the Constabulary Portfolio of Change including the transition to the CLOUD, data platforms, AZURE, ORACLE ERP solution, Digital Evidence Management, IAMS, Role Based Access and Artificial Intelligence.

Referencing the new language of the risk, the Constabulary can evidence its thinking and delivery to mitigate risks associated with data management. Central to this is the activity to manage the transition to the CLOUD in respect of governance and service standards of UK data centres. We recognise that moving data to the CLOUD doesn't necessarily guarantee enhanced security. There still needs to be careful consideration of a reputable supplier with effective practices for data management. However, CLOUD providers (such as AWS) invest heavily in security infrastructure. They constantly update their systems to stay ahead of evolving cyber threats beyond the level we could reach for on-premises infrastructure. For data encryption, most CLOUD providers offer strong encryption for data both at rest (stored in the CLOUD) and in transit (being transferred). There are also benefits in terms of central management. The CLOUD can provide a central location for data storage and access control. This makes it easier to implement and enforce security policies, such as user authentication. Finally, CLOUD providers typically have robust disaster recovery plans, meaning our data is less susceptible to loss from physical disasters, it also ensures high availability, minimising downtime.

Complementing this are the requisite best practice and frameworks for data sharing. We closely follow the legal requirements as set out in UK GDPR and DPA 2018. We ensure that Data Processing Impact Assessments, Information Sharing Agreements and Data Processing Contracts are put in place which covers data sharing. Data Management is also included in the Security Assessment for Policing (SyAP) which requires an organisation to establish and maintain a data management process. All the above is included in the Information Governance Framework which is being developed by the Head of Compliance and DPO.

The Constabulary is also making use of existing internal mechanisms to provide added rigour to the management of this risk. We have recently co-opted members of the Data Protection Team as members of the Ethics Committee to propose and to assist in debating issues around data ethics. We haven't specifically discussed the migration of data to the CLOUD but that would be a simple fix if felt necessary. We are stepping up our response to Artificial Intelligence and have submitted an IBM STAR bid for Proof of Value as a Centre of Excellence.



There is a new NPCC Artificial Intelligence Strategy and Concordat which is supporting the development of our thinking in relation to data ethics.

The implementation of our new ORACLE ERP solution will help us meet our legal and ethical obligations in terms of safeguarding finance and people data. In addition to the usual Data Processing agreements and the DPIA risk assessment process – along with the IT governance and security polices that ORACLE will adhere to, the data is housed in the ORACLE UK Government Secure Cages (Data Centre). All ORACLE support staff are UK based and vetted as appropriate. In addition, there are contractual obligations. All Programme staff, including contractors and SI employees are vetted.

Aside from this, we recognise the continued presence of cyber risks. We understand the threat from "bad actors" and this will always be a threat - but here we constantly have the support of the National Management Centre, our own firewalls and security arrangements, local phishing exercises plus extra checks such as a GDPR requirements checklist hard-coded into our IPR software to help support conversations between staff and Line Managers.

The mitigated risk value was relatively high with values of Likelihood 4 x Impact 4 = 16. On review, the Constabulary feels that the aggregation of the wide-ranging activity evidences a relatively comprehensive grip on data management activity sufficient to reduce the Likelihood score to 3 and therefore the overall score to 12. The Constabulary can evidence it is stepping forward with a clear purpose and sense of what we are currently achieving but also recognising the gaps we still must close.

**Earlier assessments**

Mitigated risk score Q2 2023/24
Mitigated risk score Q3 2023/24
Mitigated risk score Q4 2023/24
Mitigated risk score Q1 2024/25

16
16
16
12



# AVON & SOMERSET CONSTABULARY

## Corporate Risk Register



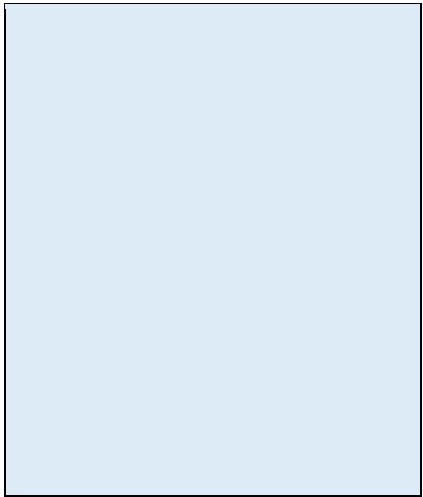
Date of register 30/05/2024

### Corporate Risk - overview information

Corporate Risk URN	PR000740	Current Mitigated Score	9
Corporate Risk Title	Governance arrangements need to be understood, appropriately applied and effective.	Mitigated Impact Score	3
Corporate Risk Owner(s)	Will White, James Davis	Mitigated Likelihood Score	3
		Date of Risk Review	31/08/2024
Corporate Risk Description	Within a professional environment as large and complex as Policing, effective and well-understood governance arrangements are critical to keeping us on track. A robust governance framework will help us ensure we are fulfilling our mission to Serve, Protect and Respect Avon & Somerset's communities. Furthermore, it will enable the delivery of our vision for outstanding policing. The starting point for good governance is having absolute clarity on the rules within which we choose to, and indeed must, operate to ensure consistent, transparent, evidence-based, and ethical decision making.		

### Corporate Risk initial assessment - unmitigated risk

Unmitigated Assessment	12
Unmitigated Impact Score	4
Unmitigated Likelihood Score	3
Rationale	<p>The Constabulary adheres to the Chartered Institute for Public Finance Accountants (CIPFA): Delivering Good Governance in Local Government (2016) framework, which sets the standard for local authority governance in the UK. Furthermore, the publication of the International Framework: Good Governance in the Public Sector (CIPFA/IFAC**, 2014), contains seven principles for good governance applicable to local government, which the constabulary has adopted and built its own governance framework around. The principal statutory framework within which the Constabulary operates, includes the following:</p> <ul style="list-style-type: none"><li>• Police Reform and Social Responsibility Act 2011</li><li>• Policing Protocol Order 2011</li><li>• Financial Management Code of Practice (Home Office, 2013)</li><li>• Strategic Policing Requirement (Home Office, 2015)</li></ul>



Without a framework in place to adhere and comply with the requirements outlined in these frameworks, we would be vulnerable to scrutiny from several sources, and exposed to reputational damages undermining confidence in policing. Locally we have a joint scheme of governance in place between the Police and Crime Commissioner and the Constabulary, through which we set out how we will conduct business efficiently and effectively in accordance with the statutory framework within which we operate. Earlier in 2023 it was recognised that the capacity at Chief Officer level to oversee planning and performance management has been challenging to manage, with limited capacity to lead the breadth of organisational activity across the Chief Officer portfolio. To address this a third ACC role was introduced in the spring of 2023 to head up our “Strategic Planning & Performance” Portfolio.

Across the South West region there are several collaborative partnerships in which Avon & Somerset is a member. These include operational functions such as the South West Regional Organised Crime Unit (SWROCU), South West Forensics (SWF) and organisational functions such as the South West Police Procurement Service (SWPPS). Each of these have their own governance and oversight arrangements, which ultimately report into a regional strategic board where regional PCC’s and CC’s retain oversight. While these arrangements exist, it is recognised that more could be done to clarify the governance arrangements, particularly to ensure that the provide clarity in the support and enabling of performance and strategic objectives.

Corporate Risk latest assessment - mitigated risk

Mitigated Assessment
Mitigated Impact Score
Mitigated Likelihood Score

9
3
3

Rationale

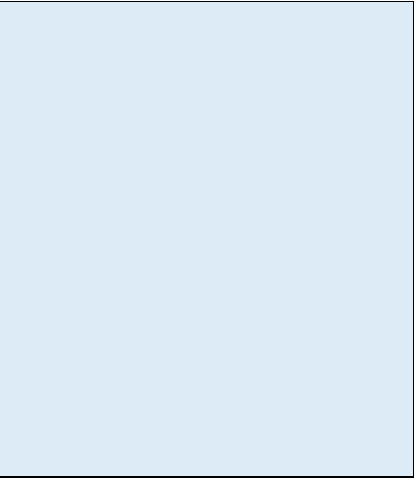
**Quarter 1 2024/25 PMO Risk Mitigation Commentary with Risk Owner**

Risk PR/740 was reviewed with Nick ADAMS on 15/05/24. It was agreed that from Quarter 1 2024/25 this risk would be transferred to ACC WHITE as Risk Owner to better reflect Chief Officer Group portfolios. As part of an annual process, the risk description was reviewed, and it was felt the current description accurately reflected themes related to governance.

The Quarter 4 update highlighted the refinement of governance processes as advised by the Chief Officer Group, the acceptance of a governance gap at "Programme Board" level, the review of the TOR for the Operational Improvement Committee and planned work for the 2024 Annual Governance Statement.

The Quarter 1 update highlights a number of activities to Joint Audit Committee members. Firstly, there is confirmation that the 2024 Annual Governance Statement was completed by the Portfolio Management Office (PMO) in May. The annual review of Governance Framework TORs has been scheduled by the PMO for 21/06/24. The PMO will also deliver an independent Post Implementation Review of the Constabulary Governance Framework in October or November. The alignment of the Constabulary Strategic Planning to governance via the Strategic Planning Meeting (SPM) continues. March SPM on 07/03/24 and 08/03/24 evidenced how several products (Force Management Statement, Strategic Policing Requirement, PESTLE Analysis, Strategic Threat & Risk Assessment) were used to develop an organisational SWOT to inform Portfolio design priorities for 2024/25.

Looking ahead into 2024/25, the Constabulary remains flexible and able to respond to any OPCC requests for revised governance arrangements / products as required by the new PCC. A formal review of the OPCC & Constabulary Scheme of Governance will capture any potential changes to the arrangements for the Performance & Accountability Board (PAB) and Governance & Scrutiny Board (GSB). There is



recognition that our Governance Framework continues to evolve and that it has an active and primary role in helping land the Change Portfolio effectively. There is an understanding of our current areas for improvement including the evolution and sharpening of our Portfolio construct and using the Portfolio Steering Board to do so. There are also opportunities to reduce the proliferation of strategic documents (particularly strategies), to further align the Force Management Statement to the strategic planning cycle and use it to inform the construct of local assurance activity. For information, Force Management #6 was submitted to HMICFRS in May and reports on 2023/24 - the process for Force Management #7 covering 2024/25 commences in September.

Finally, the Joint Audit Committee has successfully recruited new members providing security for the ongoing development of the Joint Audit Committee function recognising the importance the Committee plays as part of our comprehensive governance arrangements.

The current mitigated risk values are Likelihood 3 x Impact 3 = 9. After assessment, the Constabulary feels this assessment is fair at this time with a rationale that the outcome of the Post Implementation Review later in 2024 (built around key survey questions for senior stakeholders) may provide an opportunity to reduce the Likelihood score if there is positive feedback in terms of the framework being understood, applied and effective.

Earlier assessments

Mitigated risk score Q2 2023/24
Mitigated risk score Q3 2023/24
Mitigated risk score Q4 2023/24
Mitigated risk score Q1 2024/25

9
9
9
9

# AVON & SOMERSET CONSTABULARY

## Corporate Risk Register



Date of register 11/06/2024

### Corporate Risk - overview information

Corporate Risk URN	PR001436	Current Mitigated Score	15
Corporate Risk Title	Recognising that an inability to maintain confidence and legitimacy effects our ability to police by consent	Mitigated Impact Score	5
Corporate Risk Owner(s)	Jon Reilly	Mitigated Likelihood Score	3
		Date of Risk Review	31/08/2024

Corporate Risk Description	<p>The latest Public Confidence figures will be updated to this Corporate Risk Record in due course.</p> <p>Public Confidence is delivered against a national narrative from the CASEY Review. The review discussed whether leadership, recruitment, vetting, training, culture, and communications support the standards the public should expect. It made recommendations for how high standards can be routinely met so that levels of public trust and confidence can be restored and maintained. We are clear that the report is potentially one of the most important moments for UK Policing in a generation. The wider coverage of the report described widespread racism, sexism and homophobia throughout the Metropolitan Police systems and culture. The report dealt with much more than discrimination and Baroness CASEY has provide a succinct diagnosis of her report.</p> <ol style="list-style-type: none"><li>1. Services to women and children are not good enough.</li><li>2. Policing is at its most threadbare closest to the frontline – closest to the public.</li><li>3. There is institutional racism, sexism, and homophobia.</li><li>4. The Metropolitan Police needs to clean itself up and must root out the bad.</li></ol> <p>The report was not written about Avon &amp; Somerset Police but under the same test criteria we need to understand how we would measure up. We reflect that many parts resonate, and we acknowledge elements that are true for us. We are committed to confronting and addressing them. The inclusion of this Corporate Risk reflects the various mitigations we have identified and work outstanding to deliver. Aside from CASEY, the scope of Police delivery remains at the forefront of national debate with the recent focus on the Humberside Right Care Right Person Model and announcement from the Metropolitan Police Service to move back from supporting incidents of mental health later in 2023 with wider interpretations how this is out of kilter with founding PEEL principles of wider community wellbeing. There remains continued media interest in local disciplinary hearings managed by Professional Standards with outcomes published via local media outlets. We recognise how some local cases would have caused concern with the public. We understand that our own culture will directly impact on how the public feels about us. We are also aware of the impact of complaints and the impact on complainants and their levels of confidence.</p>
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## Corporate Risk initial assessment - unmitigated risk

Unmitigated Assessment	20
Unmitigated Impact Score	5
Unmitigated Likelihood Score	4

Rationale	<p>The unmitigated assessment score of 20 is based on the combination of a number of considerations that are interlinked. These include the latest declining public confidence figures, the publication of the CASEY Review and the wider implications for UK policing and the recognition of local misconduct and cultural issues within Avon &amp; Somerset. The aggregation of these creates a high unmitigated risk assessment whereby the continued legitimacy of the Constabulary could be subject to public debate.</p>
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## Corporate Risk latest assessment - mitigated risk

Mitigated Assessment	15
Mitigated Impact Score	5
Mitigated Likelihood Score	3

Rationale	<p><b>Quarter 1 2024/25 PMO Risk Mitigation Commentary with Risk Owner</b></p> <p>Risk PR/1436 was reviewed with DCC REILLY on 14/05/24. As part of an annual process, the risk description was reviewed, and the decision made to reframe as ""Recognising that an inability to maintain confidence and legitimacy effects our ability to police by consent".</p> <p>We are able to evidence a range of activity to describe our risk mitigations here. We reflect that of the five Constabulary Strategic Imperatives, one relates specifically to <b>transparency</b>. We are publishing our Force Management Statement #6 in June covering the 2023/24 financial year which is an open and honest assessment of the Constabulary over the last twelve months. The full version was submitted to HMICFRS in May. We supported the Story Films documentaries that were aired by Channel 4 in January which demonstrated our willingness to open ourselves up as an organisation to external scrutiny. We have a track record of sharing data and information. We have a Strategic Independent Advisory Group and a strong network of IAGs across the Force as we welcome challenge from across communities.</p> <p><b>Programme #7 - Building Trust and Confidence</b> - is an emerging Programme of work as part of our Constabulary Portfolio of Change. The Programme is already delivering work on Disproportionality, but the scope of activity will widen as the Programme Brief is reviewed in June ahead of discussion at the Strategic Planning Meeting in July. Progress here will form the basis of our Quarter 2 update for the Joint Audit Committee. We understand the relatively lower levels of confidence within black communities and are developing our response in recognition of this evidence through our Race Action Plan and work on the Deferred Prosecution Model.</p> <p>A significant amount of activity has been delivered as part of our <b>Race Matters Work</b> - the second iteration for front line staff, highlighting disproportionality, cultural history and lived experience. During the last twelve months we have developed a Deferred Prosecution Model Business Case and undertaken a commissioning process. We have supported the "I want to be seen poem and accompanying film" by local city poet Miles Chambers. We have developed an anti-racism strategy developed following collaborative workshops both internally and externally. We have established a Community Engagement Network which has almost 70 members and many are actively engaged in</p>
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monthly workshops / meetings where we discuss potential improvements within our Race Matters work, and this enhances our ability to co-create these improvements with our communities. We have completed a deep dive analysis of disproportionality within Police Staff and Police Officer recruitment processes and promotion process. We have delivered Race Matters CPD for front line officers. We have introduced lived experience Tactical Advisors introduced within PSD. We have built new partnerships with local media outlets - UJIMA and BCFM. We have reviewed the seven point promise to better support staff who have been victim of racial abuse or assault. We are introducing robotics and raising awareness to improve our recording of self-defined ethnicity. We are continually planning our next steps. We are extending our Race Matters training across the organisation. We are going to introduce an Influencers Network and also an Independent Scrutiny and Advisory Board. We are exploring the opportunity to introduce a Black Consultancy Consortium to tap into local expertise. We are also exploring the opportunity for a reconciliation pilot. We are introducing platforms to better understand our data and to identify further areas of disproportionality. Furthermore, we are introducing a QR code and feedback process following Stop & Search encounters. We are introducing a process to initiate early community engagement following any critical incident involving use of powers. We are developing our Annual Report marking the one year anniversary since institutional racism was declared. June will mark one year since the declaration of institutional racism where an annual report will be published both internally and externally. This will highlight all of the work we have done to date under the Race Matters Programme and will focus on next steps. This should enable our communities to understand the importance of this work and see the tangible changes we have made / will make towards becoming an anti-racist police service.

There have been recent changes to **Misconduct Regulations** with Chief Officer assistance to help manage the backlog of hearings (Senior Officers for Chair Misconduct Panel hearings replacing legally qualified Chairs). We are identifying where we need to highlight cases that require proactive work. The timeliness for our misconduct processes are improving. New regulations came into effect from 07/05/24.

With regards to **communications and engagement**, we remain proactive with local media in terms of highlighting our good work with a view to changing possible narratives. For example, the recent work we have done in relation to knife crime (Operation HARDY) has demonstrated that we are tackling the issues most important to the public and are engaging with communities to provide reassurance. The Walk and Talk initiative, whereby a member of the public can walk with our Community Teams to discuss issues of safety has supported the VAWG agenda and allowed us to work with local authorities as needed to understand where women may feel unsafe.

We have completed a **Cultural Behavioural Insights Discovery Project** to understand our internal culture with actions now being taken forward by Working Groups. The Discovery work, completed in 2023, identified opportunities to improve our approaches in relation to bullying and harassment. We have developed "Speak Up" spaces, introduced a proxy stress indicator within our People Survey and ensured the content of the First Line Leadership Programme covers behavioural issues.

We have worked with Lime Culture with regards to **Sexual Misconduct Champions** and have introduced a new Sexual Misconduct Liaison Officer role - the first of its kind - to provide internal support for staff. The role sits within the Professional Standards Department with the network of champions mapped across other parts of the business.

The development of our **Stop & Search Policy** has now completed further to final consultation events in May. The final policy was presented at the Constabulary Management Board on 23/05/24. This policy focusses on legitimate use of and formulating appropriate grounds whilst using our Stop & Search powers. A social media article in collaboration with Creative Power Town has also been developed by young people for young people on understanding their rights in regard to Stop & Search.

Finally, we can evidence **Operation HARMONY** as a further mitigation. Each Local Policing Area holds a week initiative as part of a 10 month Programme making use of wider Force resources to target a specific community issue. The work of HARMONY has been highlighted through strong media campaigns and we should see in the future, through surveys, measurable improvements in levels of public confidence.

The current risk mitigation score is Likelihood 3 x Impact 5 = 15. The score remains unchanged for Quarter 1 as we look to understand the latest public confidence results as this will provide the objective rationale for change.

**Earlier assessments**

Mitigated risk score Q2 2023/24
Mitigated risk score Q3 2023/24
Mitigated risk score Q4 2023/24
Mitigated risk score Q1 2024/25

15
15
15
15

<b>MEETING:</b> Joint Audit Committee	<b>Date:</b> 20 <sup>th</sup> June 2024	Agenda No
<b>DEPARTMENT:</b> Finance and Business Services	<b>AUTHOR:</b> Emma Snailham, Corporate Business Partner – Financial Accounting	8a
<b>NAME OF PAPER:</b> 2023/24 Draft Statement of Accounts		

## 1. PURPOSE OF REPORT

The report presents the 2023/24 draft statement of accounts for both the Police and Crime Commissioner (which incorporates the group position) as well as for the Chief Constable.

Members of the Audit Committee (JAC) are asked to review and discuss these draft financial statements, prior to the documents being subject to audit by our external auditors Grant Thornton.

## 2. BACKGROUND

Since the Police Reform and Social Responsibility Act 2011 (the Act) came into effect, we now publish two sets of financial statements:-

- PCC's Statement of Accounts (including Group accounts); and
- Chief Constable's Statement of Accounts.

This requirement was brought about by the creation of two separate legal entities under the Act.

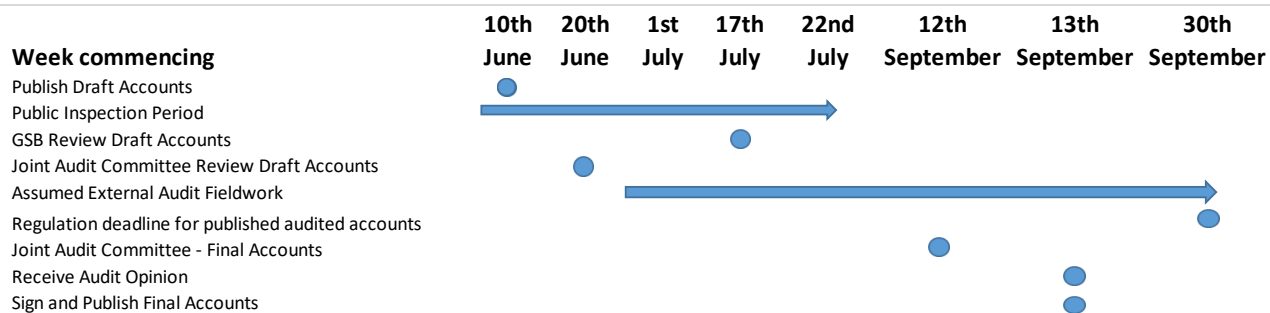
The Accounts and Audit Regulations 2015 require that the "responsible financial officer" sign and date a draft copy of the Statement of Accounts prior to commencing the period during which the public can exercise their rights to inspect the accounts.

Upon completion of the period during which the public can exercise their rights, the final (audited) accounts will then be considered by way of a committee (which in our case will be the Joint Audit Committee). If there are no issues, the Joint Audit Committee will recommend the accounts to the PCC and CC for their approval and signature.

Due to the continuing effect of delayed and prolonged public sector audits, the Department for Levelling Up, Housing and Communities (DLUHC) (Previously know as Ministry for Housing, Communities and Local Government (MHCLG)) has extended the statutory audit deadline for 2023/24 for all local authorities, including police forces. The publication date for audited accounts has moved from 31 July to 30 September 2024.

With the above deadline in mind, we are planning to complete our own accounts and audit activity by September 2024. The external audit this year will commence their audit fieldwork in July in line with their plans, and therefore this mean that we should be able to publish audited accounts by the deadline of 30<sup>th</sup> September. The table below sets out the timeline for key events to achieve completion by this date:





The format of the accounts is prescribed in legislation, with further refinement added through guidance and regulations issued. The primary financial statements within this document comprise:

- A Comprehensive Income and Expenditure Statement;
- A Movement in Reserves Statement;
- A Balance Sheet; and
- A Cash Flow Statement.

In addition to these primary statements the accounts include narrative statements providing context and explanations, and a series of notes providing further detail to the primary statements. The Annual Governance Statement (AGS) also accompanies the accounts. The AGS sets out the management’s view of its governance arrangements, issues to be addressed and actions to be completed.

### 3. PRESENTATION OF THE STATEMENT OF ACCOUNTS

In preparing both sets of financial statements, we have assessed the appropriateness of presenting the accounts on a going concern basis. We recognise that the PCC and Chief Constable can only be created or discontinued through statutory prescription. As we have no indications of any intentions on the part of Government or Parliament to bring about changes that will see either of these corporations sole cease to exist, we consider that preparing our accounts on a going concern basis remains valid.

Another consideration for going concern is our financial sustainability, and our ongoing ability to live within our financial means. This is annually assessed in the preparation and scrutiny of our Medium-Term Financial Plan (MTFP), which sets out our 5-year revenue and capital forecasts, incorporating considerations of reserves and risks within this. Our latest MTFP identifies significant savings will be required over the medium term for the PCC and Chief Constable to continue to be able to set a balanced budget. We are progressing our plans to identify savings and efficiencies, including both reductions in staff headcount, and releasing further non-pay savings. These will continue to be developed as a critical component of our strategic planning.

The presentation of the two Statements of Account is determined both by the legal substance of the transaction, as well as by the application of the accounting principle of “Substance over Form”. This accounting principle is used to ensure that financial statements present a complete, relevant and accurate picture of transactions and events by accounting for the financial reality (the “economic substance”) rather than the legal form of the transaction.

We have considered our application of the requirements of substance over form when preparing our 2023/24 accounts. The outcome of this review, in addition to there not be any material changes to accounting or statutory regulations, concluded that the presentation of last year’s financial statements remains appropriate.

Therefore the accounts as presented contain the following:

Prime Statement	PCC/Group	Chief Constable
Comprehensive Income and Expenditure Statement	PCC – includes costs of the OPCC and inter-group adjustments. Group – shows combined PCC and CC position	Includes the income and expenditure associated with providing a policing service in accordance with the PCC scheme of governance
Movement in Reserves	Full statement reflecting the movement on all reserves	Only Pension accounting adjustments through the general fund
Balance Sheet	Full statement reflecting the totality of all assets, liabilities and reserves across the PCC, CC and combined group	Includes the pension assets and liability, the short-term absences accrual, and other employee related balances, offset by a debtor from the PCC
Cash Flow Statement	Full statement reflecting the cash flow across the PCC, CC and combined group	Includes those non-cash adjustments required to ensure consistency with other primary statements

The Chartered Institute for Public Finance Accounting (CIPFA) have decided to [defer the implementation of International Financial Reporting Standard \(IFRS\) 16](#), which relates to how leases are accounted for, until 1 April 2024. IFRS 16 will now be included in the 2024/25 code and will be implemented for 2024/25 with the required disclosure note included in this year's 2023/24 Financial Statements. This decision has been made in recognition of severe delays in the publication of audited local authority financial statements in England, reflecting wider challenges within the audit market as highlighted in the [Redmond Review](#).

#### 4. 2023/24 REVENUE AND CAPITAL FINANCIAL PERFORMANCE

The 2023/24 financial performance across both the revenue budget and the capital plan has been the subject of a detailed paper presented to Constabulary Management Board at its meeting on 23rd May 2024, and to the PCC's Governance and Scrutiny Board at its meeting on 12th June 2024.

In summary we reported an under spend against revenue budget of £2.8m/0.8% (2022/23 £3.7m/1.0%), which was entirely accounted for through provisions and reserve adjustments. During the year we also spent £18.8m (2022/23 £12.2m) on capital projects and are carrying forward £2.2m (2022/23 £2.3m) into 2024/25 in support of ongoing projects.

The budget and outturn figures presented will not immediately read across exactly to the Income and Expenditure Statement in the Financial Statements due to adjustments between financial accounting and management accounting presentations. However, we have included a reconciliation (see Appendix C) between the outturn and the figures presented in these financial statements to provide assurance to JAC members, the PCC and the CC as to the validity of the numbers being reported.

## 5. USEABLE RESERVES AND PROVISIONS

The movement on reserves statement (as detailed at page 32 of the group accounts) identifies a net decrease of £4.0m/6% (2022/23 increase £3.6m/5%) in useable reserves. The table below summarises the position on our useable reserves:

Details	General Fund Reserve	Earmarked Revenue Reserves	Capital Receipts Reserve	TOTAL
	£'000	£'000	£'000	£'000
Balance as at 1 April 2023	12,000	43,287	8,546	63,832
Net Increase/(Decrease)	0	-8,141	4,151	-3,989
Balance at 31 March 2024	12,000	35,146	12,697	59,843

The General fund balance is set by the risk assessment carried out by the PCC CFO in conjunction with the Chief Constables CFO. The General fund balance has remained the same since 2020/21 and represents 3.0% of our 2024/25 revenue budget.

Our earmarked reserves (which were included in the outturn report presented to CMB in May, and which are explained in more detail on pages 79-82 of the group accounts) can broadly be broken down into three distinct areas:

- **Revenue funds – discretionary:** These are the funds that we have set aside, predominantly held to support the ongoing costs of proactive and reactive operations, enable us to continue to realise our change and transformation ambitions and to provide support to face the future financial uncertainty.
- **Revenue funds – non-discretionary:** These are funds that we account for at the end of the year, but which predominantly relate to funds that we have received for specific purposes (e.g. unspent specific grant funding, unspent proceeds of crime funding) or funds that represent money which is not (either wholly or in part) ours (e.g. balance relating to our regional serious organised crime unit which is hosted by A&S on behalf of South West police forces).
- **Capital and PFI funds:** These are funds held in support of future capital programmes, and in support of our PFI buildings and contracts.

The earmarked revenue reserves have decreased by £8.1m during the year. This is the net result of a number of movements, including:-

- a £0.6m decrease to our non-discretionary reserves, as a result of:
  - Decrease of £0.6m to the Road Safety Reserve.
  - Decrease of £0.2m to the Hinkley Reserve, and £0.2m to the Victims and Commissioning Reserve.
  - Offset by increases in several reserves including SWROCU (£0.3m), Grants carried forward (£0.3m) and Detained Property Reserve (£0.2m).
- a £1.3m decrease to our discretionary reserves, as a result of:
  - Utilisation of the Revenue Smoothing reserve (£1.0m).
  - Our carry forward reserves have decreased from last year by £70k.
  - Utilisation of £0.2m from the PCC reserve.

- a decrease of £6.1m in our earmarked capital reserves to fund capital spend in 23/24.

In addition to reserves, we have also made a number of provisions at 31<sup>st</sup> March 2024, which reflect known liabilities of uncertain value and/or timing (note 26 of the group accounts, page 76). The accounting for provisions is reliant upon the exercise of professional judgement, and as such it is important that the assumptions made here are transparently explained. Our provisions include:

- **Self-Insurance provision** £8.7m (2022/23 £8.1m) – this provision reflects the potential discounted liability for all claims against the PCC or Chief Constable up to the level we are insured for (known as our “deductible”). The value of the provision is set annually after consideration of all known outstanding claims which are independently reviewed.
- **Legal services** £0.5m (2022/23 £0.3m) – this provision reflects the assessed value of our legal costs associated with responding to all outstanding claims.
- **Ill-health and termination benefits** £0.6m (2022/23 £0.1m) – this provision reflects the costs associated with the ill health retirement of police officers who at the 31<sup>st</sup> March 2024 have an agreed medical retirement date which falls in the 2023/24 financial year; and
- **Overtime liability** £3.9m (2022/23 £4.0m) – this provision reflects the potential value of historic claims relating to undercover work and overtime by officers. The value of this provision remains under review by a group overseen by an Assistant Chief Constable, with the support of the Director of Legal and Compliance Services and the Head of Finance.

## 6. PENSIONS ACCOUNTING

In preparing the accounts, we are required to comply with pension accounting requirements as set out in International Accounting Standard 19 (IAS 19).

IAS 19 requires an organisation to account for retirement benefits when it is committed to give them, even if the actual giving will be many years to come. It requires employers to disclose the total value of all pension payments that have accumulated (including deferred pensions) at the 31<sup>st</sup> March each year. This value is made up of:

- The total cost of pensions being paid out to former employees who have retired; and
- The total sum of the pension entitlements earned to date for our current employees – even though it may be many years before the people concerned actually retire and begin drawing their pension.

IAS 19 also requires us to show all investments (assets) of the Pension Fund at their market value, as they happen to be at the 31<sup>st</sup> March each year. Pension assets are only applicable in the accounting for the police staff scheme. There are no assets within the police pension scheme. The value of these investments is subject to regular fluctuation on a day-to-day basis, and so when compared across a 12-month time difference, can present significant movement year on year.

Setting side by side the value of all future pension payments and the snapshot value of investments as at the 31<sup>st</sup> March, results in either an overall deficit or surplus for the Pension Fund.

As at 31 March 2024 the pension fund liability (deficit) identified by our actuaries is £2.63bn (2022/23 - £2.65bn). Of this £2.62bn relates to Police Officers (2022/23 - £2.61bn), and £13m to Police Staff (2022/23 - £33m).

The Police Officers scheme is the responsibility of the Home Office, and the Chief Constable (as employer during the course of 2023/24) is responsible for making employer contributions towards this pension. The Police Staff scheme (which is Somerset County Councils Local Government Pensions

Scheme [LGPS]) is the responsibility of the PCC and Chief Constable, and the PCC CFO represents the PCC at the Somerset County Council Pension Committee.

For the reasons set out above, the IAS 19 figures can only be a snapshot at a given point in time. A truer reflection of a pensions fund's actual position comes from a more detailed assessment made by an Actuary. This assesses and examines the ongoing financial position of the pension fund, and as a result can differ considerably from the IAS 19 valuation.

These more detailed actuarial assessments are carried out periodically and are used to review the contribution rates to the Fund made by us as the employer, to ensure that existing assets and future contributions will be sufficient to meet future pension payments. We can do this, because by its very nature, the Pension Fund is ongoing and long-term and gives employers time to act so that any deficit is spread and paid-off over a number of years.

## **7. PFI ACCOUNTING**

Through our PFI contract our private sector partner (Blue Light Partnership [BLP]) is responsible for providing and making available the four PFI funded buildings throughout the 25-year life of the contract. At the end of the contract the legal ownership of the buildings will revert to the PCC (in the case of the shared facility it will revert to shared ownership) at nil cost.

As the PCC is deemed to control the services that are provided under the PFI schemes, and ownership of the buildings will pass to the PCC at the end of the contracts for no additional charge, the PCC accounts for these assets on its Balance Sheet as part of Property, Plant and Equipment.

The financial implications of this contract will see the PCC commit to an annual unitary charge across the 25-year life of the contract, being £10.5m in 2023/24 (£10.3m 2022/23), and £259.7m over the 25 years. The UK Government (Home Office) has committed to provide £187m capital funding ("PFI Credits") in the form of annual grants over 25 years.

The difference between the unitary charge cost for the provision of the buildings, and the PFI credits will be closed through a combination of the:

- a. Interest earned on our sinking fund balance - being the reserve into which the timing difference between the receipt of the PFI credits and the actual requirement to use these funds, is accounted for.
- b. Contributions from our partners towards the running costs of the building - contributions from Gloucestershire and Wiltshire Constabulary will contribute towards the annual running costs of the shared firearms training facility.
- c. Revenue budgets of the Constabulary, which have been realigned following savings achieved because of the closure of other buildings.

## **8. OTHER CONSIDERATIONS**

As is normal during our preparation of the draft financial statements we have had to make several considerations. These include:

- Asset valuations – In accordance with our policy for the valuation of our assets a desk top valuation was carried out by our in-house surveyor at 31<sup>st</sup> March 2024. The properties have been valued in accordance with the current RICS valuation standards and as such were reported on the basis of

material valuation / market uncertainty principles. The results of this valuation have been captured within the financial statements presented.

- Related Parties – We have written to the members of the Joint Audit Committee, the PCC and his executive officers, and to the Chief Officers of the Constabulary to ascertain whether there were any financial transactions requiring disclosure. The result of this review is presented at note 13 (page 61) of the Group accounts and note 11 (page 47) of the Chief Constable’s accounts.
- Contingent Liabilities – In accordance with the requirements of the accounting standards we have considered whether there are any liabilities which have not been financially provided for because they are remote or cannot be accurately valued. The note includes reference to the following:
  - McCloud/Sargeant Judgment regarding the discrimination arising from the Transitional Provisions in the Police Pension Regulations 2015.
  - The Federation compensation claims from the McCloud discrimination for hurt feelings.
  - Goodwin and O’Brien cases regarding other forms of discrimination within Pension schemes.
  - Airwave Solution Limited (Motorola) discount and credits.

The results of this review are presented at note 27 (page 76-78) of the Group accounts, and note 19 (page 56-58) of the Chief Constables Accounts.

## **9. EQUALITY ANALYSIS**

The Statement of Accounts have been prepared in accordance with accounting conventions and the guidance contained within the CIPFA Code of Practice on Local Authority Accounting. Where possible we have included explanatory notes to aid the reader of the Accounts in interpreting the information included.

The Statement of Accounts are published through the website of the PCC and Chief Constable, and additional copies can be made available to members of the public who make a request to either of the Chief Finance Officers.

## **10. SUSTAINABILITY**

The draft accounts continue to be very sizeable documents. We will continue to refine and where possible reduce the number of pages needed through formatting, and as in previous years we intend to keep the number of printed copies of the financial statements to a minimum. As the Finance team are now blended workers, no paper copies have been printed in the preparation of these accounts.

There are no specific requirements at this stage relating to sustainability issues which need to be included within the financial statements.

## **11. CONCLUSIONS AND RECOMMENDATIONS**

As in previous years the Accounts have not yet been audited. The audit is due to commence in July and continue through August, with expectation that this will have been substantially completed to allow us to present audited accounts at the JAC meeting in September. Once the audit is completed the external auditors will issue an Audit Certificate, enabling the final Statement of Accounts to be signed and published.

The Joint Audit Committee is therefore invited to discuss the 2023/24 Draft Statements of Accounts.

Appendix A – Draft 2023/24 Group and PCC Financial Statements

Appendix B – Draft 2023/24 Chief Constable Financial Statements

Appendix C – Reconciliation between outturn reported to Management and in the Financial Statements (see below)

**Appendix C****Reconciliation between Net cost of police services in SOA and Outturn**

	£000's
<b>Net cost of police services in Statement of Accounts</b>	<b>418,475</b>
<b>Financial and investment income &amp; Other operating expenditure</b>	
External interest payable	5,765
Gain/loss on disposal of non-current assets	(4,119)
Interest and investment income	(3,860)
Income Investment properties	(152)
Fair value adjustment for Financial Instruments	(400)
<b>Included in net cost of police services in SOA but not in Outturn</b>	
MOJ Commissioning Grant	-
	-
Tax Income Guarantee Grant	
Pension top up grant	(58,607)
<b>Transfers to reserve included in Outturn</b>	
Transfers to reserve	3,389
<b>Adjustments between accounting &amp; funding basis under regulations:</b>	
Amortisation of intangible assets	(25)
	(15,824)
Depreciation of fixed assets	
Revaluation Loss	614
Holiday pay accrual adjustment	(1,641)
IAS 19 adjustment	(55,926)
Minimum Revenue Provision	3,139
Revenue contribution to finance capital	2,701
IAS 19 employers contributions payable	75,944
<b>Outturn</b>	<b>369,473</b>
<i>Check</i>	<i>369,473</i>
<i>Difference</i>	<i>0 (Outturn roundings)</i>



# **Police & Crime Commissioner for Avon & Somerset**

## **Officers of the Police & Crime Commissioner**

**The statutory Officers of the Police & Crime Commissioner (PCC) are**

Mark Shelford	Police & Crime Commissioner for Avon & Somerset Constabulary to 8 May 2024
Clare Moody	Police & Crime Commissioner for Avon & Somerset Constabulary from 9 May 2024 Phone 01278 646188
Alice Ripley	Chief of Staff and Monitoring Officer to the Police & Crime Commissioner for Avon & Somerset Phone 01278 646188
Paul Butler	Chief Finance Officer to Police & Crime Commissioner for Avon & Somerset Phone 01278 646188
Address for Chief Officers	Valley Road Portishead Bristol BS20 8QJ

**The statutory Officers of the Office of the Chief Constable (OCC) are**

Sarah Crew	Chief Constable Phone 01278 646212
Nick Adams	Chief Officer Finance, Resources and Innovation Phone 01278 646400
Address for Chief Officers	Valley Road Portishead Bristol BS20 8QJ



## **Statement of Accounts for year ending 31 March 2024**

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# Police & Crime Commissioner for Avon & Somerset

## Chief Finance Officer's Narrative Report

This section highlights and explains some of the more relevant areas of finance, financial strategy and other key issues that are reported in the accounts and provides commentary on the key issues that have had a major effect on the finances now and those which may do so in the future. This statement should be read in conjunction with the Chief Finance Officer's Narrative Report in the Office of the Chief Constable's Statement of Accounts.

### 1 Introduction

The Statement of Accounts summarises the financial year for 2023/24. The income and expenditure, assets, liabilities and reserves which are recognised in the accounts of the Police and Crime Commissioner (PCC) reflect the current legislative framework as well as the local arrangements operating in practice. The key elements of the legislative framework and local arrangements include

- ✚ The Police Reform and Social Responsibility Act 2011 (The Act)
- ✚ The Home Office Financial Management Code of Practice for the Police Services of England and Wales (published in October 2013)
- ✚ Avon & Somerset PCC's Scheme of Governance

These financial statements include the following

- ✚ **A statement of responsibilities** - This sets out the responsibilities of the PCC and the CFO in respect of the Statement of Accounts
- ✚ **An annual governance statement** - This statement reviews the effectiveness of the PCC's strategic oversight and internal control processes.
- ✚ **A comprehensive income and expenditure statement** - This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Taxation is raised to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the movement in reserves statement.
- ✚ **A movement in reserves statement** - This statement shows the movement during the year on the different reserves held by the PCC.
- ✚ **A balance sheet at 31 March 2024** - The balance sheet shows the value as at the balance sheet date of the assets and liabilities recognised by the PCC. The net assets of the PCC (assets less liabilities) are matched by the reserves held.
- ✚ **A cash flow statement** - The cash flow statement shows the changes in cash and cash equivalents during the year. The statement shows how cash and cash equivalents are generated and used by classifying cash flows under operating, investing or financing activities.
- ✚ **A police officers pension fund account statement** - This statement summarises the total police officer pension contributions and pension benefits paid. The difference is funded by the Home Office

### 2 Presentation of the Statement of Accounts

This Statement of Accounts is prepared in accordance with Chartered Institute of Public Finance and Accountancy's Code of Practice on Local Authority Accounting in the United Kingdom (referred to hereafter as the CIPFA Code).

The Police and Crime Commissioner (PCC) and the Chief Constable are established as separate legal entities. The PCC is elected by the public to secure the maintenance of an efficient and effective police force and to hold the Chief Constable to account for the exercise of their functions and those

of persons under their direction and control. The Chief Constable has a statutory responsibility for the control, direction, and delivery of operational policing services in the Avon and Somerset police area. Both the PCC and OCC are Schedule 2 bodies under the Local Audit and Accountability Act 2014 and are both required to publish a statement of accounts and be subject to audit.

### 3 Financial Performance

#### 3.1 The Revenue Budget

The budget supports the policing requirement for the Avon and Somerset policing area which serves the five principal local authority areas of South Gloucestershire, Bath & North East Somerset, Bristol, North Somerset, and the county of Somerset. Around 1.7 million people live within the 1,844 square miles our area covers, with greater concentrations around our towns and cities, which include Bristol, Bath, Weston-Super-Mare, Taunton and Yeovil.

In February 2023 the PCC approved a 2023/2024 net revenue budget of £369.5m, an increase of £15.8m (4.5%) on the previous year. This budget was funded through a combination of Government grants (£212.3m/57.5%) and local council tax (£157.2m/42.5%). In total £364.9m was provided to the Chief Constable in order to support the provision of policing services to the communities of Avon & Somerset, an increase of £16.6m (4.8%).

In order to manage ongoing inflationary and other cost pressures the Constabulary needed to identify and deliver additional savings of £3.7m, which when combined with the increase in funding enabled us to deliver a balanced budget. This took cumulative savings since 2010/2011 to £96.7m.

Financial performance against budget is monitored throughout the year, reported to senior managers of the OCC and through to the PCC. These reports are published in order to provide public transparency of our financial performance.

Once year-end adjustments have been made, a break-even position has been achieved during 2023/24. The underlying performance showed a £2.8 million/0.8% underspend against Constabulary managed budgets, prior to adjustments to provisions and transfers to earmarked reserves.

Revenue performance and the small underspend before adjustments were a consequence of several factors and reflected a complex financial environment with a changing inflationary position, nationally agreed pay awards and a number of changes to income during the year. The key areas include

- ✚ **Officer pay and allowances** – This saw an overspend of £4.9m/2.8% against budget reflecting the 7% pay award which had a greater cost than the 3.0% budgeted for. The pressure created by the pay award was in part recognised by the Government with additional grant funding.
- ✚ **Officer overtime** – An overspend of £3.3m/50.9% against budget was driven in large part by the impact and requirements of resourcing the increase in officer numbers through uplift, supporting students and their abstractions for training. Overtime is also necessary to support local and national events, for which there is frequently offsetting income. During the year events included the king's coronation, as well as more usual occurrences such as football matches. Underlying pressures that drive overtime are an ongoing area of focus.
- ✚ **Staff pay and allowances** – As with officer pay, the 7% pay award again drove an overspend on this budget - £1.6m, or 1.6%. The 3% provided for in the pay budget was exceeded by approximately £2.6m. The ongoing vacancy position therefore provided an offset to this of around £1m.
- ✚ **Staff overtime** – Cover for vacancies in areas that have been challenged by recruitment and retention largely generated the £1.2m/94.8% overspend against the overtime budget.
- ✚ **Pensions** – An underspend of £0.6m/3% against budget, largely reflects the movement in the underlying provision for ill-health retirements needed at the end of the financial year.
- ✚ **Premises** – The underspend of £0.5m/3% reflects underspends on energy, rents and rates.
- ✚ **Transport** – we overspent by £0.5m/9.4% which is predominantly a reflection of inflationary increases to both fuel and the repairs and maintenance costs of our fleet of vehicles.

- ✚ **Other supplies and services** – we overspent by £0.5m/1.2%, reflecting a number of over and underspends: We saw an underspend on computing costs due to lower cloud consumption costs, an underspend against the funding to reduce the backlog in digital forensic submissions reflecting the status of this outsourced work, and overspends in relation to legal services costs where we had to outsource our data protection officer role for a large period of the year while we recruited into this role, as well as overspend on the roll out of new jackets to operational officers and staff, increased kennelling costs associated with the seizure of dangerous dogs and increased fees for training, including additional Degree Holder Entry Programme fees.
- ✚ **Partnerships** – we have underspent by £0.9m/4.5%, which is largely reflective of vacancies within the South West Regional Organised Crime Unit, our Major Crime Investigation Team, and our shared specialist training function, offset by overspends on Scientific Investigations.
- ✚ **Income** – we received £15.0m/45.5% more in income than was budgeted for. This includes additional specific purpose grant funding in support of the officer and staff pay awards (£7.5m), grant funding for temporary over-achievement of officer uplift (£1.8m), grant funding in support of IT cost pressures (£0.5m), additional income for policing at Hinkley Point, and income relating to the use of our custody facilities by the Ministry of Justice as part of their Operation Safeguard (£0.6m). We also over-achieved our income budget for operational mutual aid and special services income (£1.2m) offsetting overtime pressures as above, the over-achieved against our investment income by £1.9m reflecting the strong returns seen throughout the year.

A full account of the financial performance for 2023/2024 is reported to the PCC at the Governance and Scrutiny Board, and can be found published on the PCC's website.

## 4 Financial Outlook

The PCC and Chief Constable jointly set out their forward financial forecasts within their Medium Term Financial Plan (MTFP) each year. The MTFP, published in February 2024, covers the five-year period from 2024/2025 through until 2028/2029. The below provides the headlines from this forecast, however, we recognise the current economic climate will continue to present challenges and we will continue to proactively monitor and adjust our forecasts as necessary.

### 4.1 Revenue Budget

Our current revenue forecasts show our costs continue to increase at a faster rate than our revenue funding. This reflects the inflationary challenges in both pay and non-pay budgets, alongside specific risks and issues, such as with the costs of police pensions.

	2024/2025 £'000	2025/2026 £'000	2026/2027 £'000	2027/2028 £'000	2028/2029 £'000
Budget requirement	397,481	415,176	427,520	439,886	451,063
Less total funding	-391,103	-397,843	-405,405	-413,164	-421,131
<b>Surplus(-)/deficit before savings</b>	<b>6,378</b>	<b>17,333</b>	<b>22,115</b>	<b>26,722</b>	<b>29,932</b>
Savings	-6,378	-17,333	-17,794	-17,875	-17,927
Planned use of reserves	0	0	0	0	0
<b>Surplus(-)/deficit after savings</b>	<b>0</b>	<b>0</b>	<b>4,321</b>	<b>8,847</b>	<b>12,005</b>

The key assumptions that underpin this forecast position are

- ✚ Our funding is forecast to grow by £51.9m/14% p.a. by 2028/2029, driven by increases to both core grant funding (+£20.3m/9.5% by 2028/2029) and increases to council tax funding (+£31.6m/20.1% by 2028/2029).
- ✚ Our budget requirement is forecast to increase by £60m/16% p.a. by 2028/2029, driven by many factors, including:
  - inflationary adjustments to officer and staff pay incorporating the full year of the 7% pay award, and then +3% in 2024/25, +2.5% in 2025/26 and +2.0% in each year thereafter, increasing costs by £53.3m p.a. by 2028/2029.
  - increased pension costs to provide for current and anticipated deficits in both staff and officer pension schemes, as well as inflationary increases for injury pensions – an increase in cost of £7.1m p.a. by 2028/2029.
  - inflationary increases to general and specific (e.g. fuel, utilities, etc) non-pay costs are assumed to add £9.0m p.a. by 2028/2029.
  - growth and commitments across the Constabulary of £8.8m p.a. by 2028/2029, including support for further permanent growth in police officer numbers, as well as targeted growth in police staff posts in areas such as victim services and vetting, and growth in non-pay costs reflecting investment into our estate and the costs of our IT provision to enable ongoing transformation.
  - increases to our share in the cost of partnerships, reflecting the pay and other inflationary assumptions within these collaborations, as well as the investment into the South West Regional Organised Crime Unit in line with their allocation officer uplift, and investment into our South West Forensic function to support service improvements and the costs of achieving new accreditation standards – an increase of £6.8m p.a. by 2028/2029.
  - increases to the ring-fenced uplift grant funding by £11.8m effective from 2024/2025, reducing to £9.3m p.a. by 2028/2029, which reflects the continued funding in support of maintaining and over-recruiting our officer numbers against target, as well as the increase funding in support of the additional police officer pensions costs which increased in April 2024.
  - increases to income budgets, reflecting inflationary increases and forecast increases in return on investments – an increase of £2.5m in 2024/2025, reducing to an increase of £0.7m p.a. by 2028/2029.
  - adjustments to budgets recognising a reduction of £2.5m p.a. from 2024/2025, reflecting the changes against our previous plans – including elements of inflationary provision set aside in 2023/2024 which when compared to the actual cost incurred could be released from budget on a recurring basis.
  - realisation of new planned and targeted revenue savings of £8.2m p.a. from 2024/2025, rising to £17.9m by 2028/2029.
- ✚ The budget and Medium Term Financial Plan are live documents and are actively monitored and adjusted as appropriate to maintain a sound and balanced financial position.

## 4.2 Policing Precept

In December 2023, the policing minister confirmed that PCCs would have the flexibility to raise the policing precept by up to £13 p.a. for an average band D property in setting the 2024/2025 budget. This represented an increase on the original expectation for the final year of the government's 3 year spending plan, which would have seen an increase of £10. This additional flexibility reflected the continued significant inflationary pressures faced by forces, alongside the Government's expectation that forces would maintain police officer uplift numbers. In accordance with this announcement and after public consultation, the PCC chose to recommend an increase of the maximum amount,

equivalent to 4.9%. Following review, the Police and Crime Panel endorsed this proposal, enabling the PCC to confirm approval of this increase and the underlying budget.

### **4.3 Capital and Projects**

The MTFP includes a capital and projects programme of £114m over the next five years, with identified funding at the time this programme was presented of £105.2m, resulting in a funding deficit of £8.8m.

This programme includes forecast investment into ICT, Estate, Fleet and other assets, both to support ongoing maintenance and renewal of existing capabilities as well as to support new investment. While the plan outlines the expected areas of spend, many of the individual areas for investment will still need to present a business case prior to any approval to progress.

ICT forecast spend includes £17.5m of forecast costs of replacing existing personal issue equipment (e.g. laptops, mobile phones and body worn video cameras) and infrastructure (e.g. video conferencing and digital interview recording equipment). Our plans also include £26.1m for ICT projects, including the provision of a new Enterprise Resource Planning (ERP) system, a new Digital Evidence Management System, the roll out of new digital communications devices to replace our legacy airwave radio systems, and several smaller projects.

Forecast spend on estates of £40.0m includes some ongoing capital replacement and repairs work, as well as a number of projects including plans in Yeovil, Chard, Minehead, Frome, Bath, South Bristol (Broadbury Road) and Central Bristol (Trinity Road) as well as force wide projects to introduce electric vehicle charging capabilities across our estate, and a project to upgrade our achieving best evidence (ABE) interview suites.

Our programme includes £19.0m to support the ongoing replacement of our vehicle fleet, while enabling further gradual transition to electric powered vehicles.

We will continue to review options for how we can close the capital funding deficit in the latter years of the MTFP, including making contributions to our capital reserves when this is appropriate – particularly where we might have a revenue underspend for the year. We are working with other forces for recognition and funding in support of the costs we forecast we will incur in transitioning to a fleet of electric vehicles.

### **4.4 Approach to Future Challenges and Funding**

The Spending Review announced in the autumn of 2021 (SR21), provided clarity around the medium-term financial commitment the Government was making to both deliver and sustain its ambitions for growth in police officer numbers by March 2023. Despite the economic uncertainties, this commitment was largely met through the 2023/2024 and 2024/25 funding settlements and precept flexibility. We recognise that the proportion of our funding that comes from the council tax precept has increased and are mindful of the cumulative impact that this trend has on our population.

Forecasting beyond 2024/25 is a challenge and will only be confirmed after the new government has had time to review its spending strategy and priorities and their impact on policing. Our forecasts therefore reflect our prudent assessment as best we can make it at this stage.

Our MTFP reflects our response to the challenges of balancing the 2023/24 and 2025/26 budgets and the work that is in progress to address the remaining funding gap from 2026/27. This will require more to be delivered from our savings work on current assumptions.

The challenge of balancing our budgets does not undermine our ambitions for continuous improvement and to deliver outstanding policing for the communities of Avon and Somerset. Avon and Somerset are an innovative and ambitious police force, which remains focussed on releasing the capacity of its officers and staff to improve our efficiency and effectiveness in the services we provide to the public. Such innovation requires the financial capacity to support investment, and therefore the identification of savings is as much about supporting this need as it is to balance our budgets. In this respect our savings plans are integral to our wider strategic planning as an organisation.







Our record of accomplishment in delivering efficiencies and savings over more than a decade demonstrates our ability to effectively balance budgets alongside achieving capacity to support targeted investments that further our ambitions.

## 5 Commissioning

Over £9.3 million has been spent by the PCC in 2023-24, with additional contributions from partners, to support delivery of the Police and Crime Plan for Avon and Somerset. The PCC has been able to do this both through local investment and by successfully securing additional government funding for specific purposes to the benefit of local communities.

The OPCC's work over this year has been strengthened by the development and publication of an updated Commissioning Strategy, which can be found on the PCC website. The aim of the new strategy is to inform and standardise the OPCC approach to commissioning as well as let stakeholders know how the OPCC works to commission services and outcomes. The updated strategy details the different ways we commission service depending on our role, budget and remit and also provides the team with a decision making template for new opportunities to support our efficiency and effectiveness.

PCC funding has contributed towards a number of OPCC portfolios over 23/24

-  **Victim Services** - In 2023/24 the PCC received a total of £4m Ministry of Justice funding for victims services. Services commissioned include advocacy, support related to abuse and exploitation, restorative justice and sexual assault support services.
-  **Serious Violence** – The OPCC received £1.7m from the Home Office to support the work of the Violence Reduction Unit and Serious Violence Duty in 23/24. The Avon and Somerset model is devolved seeing the OPCC work in collaboration with the five Community Safety Partnership areas with these local Violence Reduction Partnerships as overseen through a Strategic Governance Group chaired by the DPCC. During 2023/24 the OPCC led a strategic review of the model resulting in significant change to the governance structures and creation of a stand alone team – including the appointment of a VRP Director – to drive forward this area of business
-  **Perpetrators and Prevention** – The OPCC continues to invest in services related to mental health, police custody and reducing reoffending as well as local community safety initiatives via a Police and Crime grant to Community Safety Partnerships. The two Community Foundations across Avon and Somerset continued to run the Commissioner's Crime Prevention Fund, awarding grants of up to £5,000 to charities and community groups to support prevention activity in line with the Police and Crime Plan priorities. During 23/24 the OPCC was successful in bidding for Home Office Domestic Abuse Perpetrator funding – Home Office funding of £355,866.32 plus match funding from three local authorities funded the DRIVE Project. The OPCC was also successful in bidding for Ministry of Justice funding of £141,157 in 23/24 to fund local integration of women's services.
-  **Safer Streets Funding** – the OPCC was successful in bidding for £465,000 of Safer Streets funding from the Home Office in 23/24.

## 6 Procurement

Our strategic procurement service is provided by the South West Police Procurement Service (SWPPS). This service, which is hosted by Devon and Cornwall Constabulary on behalf of the five south west forces, ensures compliant delivery of contracted procurement with our suppliers.

During 2023/2024 we have identified and delivered £1.5m savings through procurement and ongoing contract management. The delivery of procurement savings is an important component of demonstrating how we achieve value for money.



## **7 Accounting for Pensions**

In line with International Accounting Standard (IAS) 19 on employee benefits, we are reporting a significant pensions liability of £3.2bn, shown on the balance sheet. This is reduced when the pension scheme assets of £0.6bn are considered. The net liability of £2.6bn is offset by an intragroup debtor with the PCC. More details are disclosed in notes 16-18. The liability has no impact on the reported outturn and the usable reserves.

## **8 Conclusion**

The financial affairs of PCC and Chief Constable have been and continue to be prudently and effectively managed. Best practices and CIPFA guidance and codes of practice in financial management, governance, and treasury management are being followed.

The PCC, the Chief Constable, and their CFOs have a strong focus on managing costs, achieving value for money, driving innovation to deliver better and more efficient services, whilst ensuring that service performance is still being maintained or improved.

Looking ahead we recognise the ongoing challenges created as we manage the immediate and ongoing demand pressures at the same time as developing and maturing a sustainable and effective operating model. This will need to be delivered in an environment of ongoing economic and financial challenge and of increasing public scrutiny and challenge.

The PCC is committed to delivering a safe and secure region in Avon and Somerset, protecting the most vulnerable and ensuring the policing service is efficient, effective, and reflects the wishes and needs of its communities. In a region as diverse as Avon and Somerset the task of representing all the residents is a considerable challenge, especially at a time of changing demand and continued pressure on all public sector funding. The PCC is committed to listening to the widest possible spectrum of our residents and local businesses and to ensuring their voices are heard when setting policing and funding plans and when strategic changes to the service are considered.

**Paul Butler**

Chief Finance Officer to the PCC




# Police & Crime Commissioner for Avon & Somerset

## Statement of Responsibilities

This section explains our responsibilities for our financial affairs and how we make sure we carry out these responsibilities properly.

### 1 Police and Crime Commissioner's Responsibilities






The Police and Crime Commissioner is required to

-  Make arrangements for the proper administration of the Police and Crime Commissioner's financial affairs and to make sure that one of its officers, the Chief Finance Officer, has responsibility for the management of those affairs
-  Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
-  Approve the Statement of Accounts

### 2 The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for preparing the Statement of Accounts for the Police and Crime Commissioner for Avon and Somerset in accordance with proper accounting practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (The 'Code').

In preparing the Statement of Accounts, the Chief Finance Officer has

-  chosen suitable accounting policies and then applied them consistently
-  made reasonable and prudent judgements and estimates  
complied with the CIPFA Code
-  kept proper accounting records which were up to date
-  taken reasonable steps for the prevention and detection of fraud, including preparing an audit and risk-management strategy
-  made sure that the internal control systems are effective – pages 17 to 30 show this in more detail.

I certify that the Statement of Accounts presents a true and fair view of the financial position of the Police and Crime Commissioner as at 31 March 2024 and its income and expenditure for the year ended 31 March 2024.

**Clare Moody**  
Police and Crime Commissioner

**Paul Butler**  
Chief Finance Officer to PCC

# Police & Crime Commissioner for Avon & Somerset

## Annual Governance Statement

### Introduction

Governance is about how organisations ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, cost effective, open and accountable manner. It comprises the systems, processes, culture and values by which organisations are directed and controlled, and through which they account to, engage with and lead their communities.

There is a statutory requirement to conduct a review, at least once a year, of the effectiveness of the organisation's governance. This statement gives the results of our yearly assessment of how well we are managing and controlling risks in achieving our aims and meeting the responsibilities that we have by law.

This last year has continued to be challenging for policing with ongoing negative media attention and decreasing public confidence. This is possibly most evident with the publication of the [Angiolini Inquiry Part 1 Report](#) on 29 February 2024. This is an extremely important report which looks into how the police failed to stop serving officer, Wayne Couzens, before he abducted, raped and murdered Sarah Everard.

Given these problems the independent scrutiny and accountability of policing by PCCs has arguably become even more important. You will see throughout this statement how the former Avon and Somerset PCC discharged their duties in holding the Chief Constable to account.

A new PCC took office on 9 May 2024 and while the governance structures described in this statement will continue to operate they will be reviewed by the new PCC and changes may result from this.

### 1 Scope of Responsibilities

The PCC and Office of the Chief Constable (OCC) are responsible for ensuring their business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

In discharging this overall responsibility, the PCC and OCC are responsible for putting in place proper arrangements for the governance of their affairs and facilitating the exercise of their functions, which includes ensuring that a sound system of internal control is maintained through the year and that arrangements are in place for the management of risk. The PCC and OCC have a joint governance framework which is published on the OPCC website at [www.avonandsomerset-pcc.gov.uk](http://www.avonandsomerset-pcc.gov.uk)<sup>1</sup>.

This statement covers the group accounts, incorporating governance arrangements of both the PCC and the OCC, and outlines how these ensure appropriate practice in accordance with the CIPFA/SOLACE "Delivering Good Governance in Local Government: Framework (2016)". Here within, the detailed arrangements are outlined to support the view of the PCC and their Chief Finance Officer (CFO) that the financial management arrangements conform to the governance requirements of the CIPFA statement on the role of the CFO in Local Government published in 2016.

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<sup>1</sup> [www.avonandsomerset-pcc.gov.uk/reports-publications/policies-procedures/joint-governance-framework/](http://www.avonandsomerset-pcc.gov.uk/reports-publications/policies-procedures/joint-governance-framework/)

In discharging this overall responsibility, the PCC is responsible for establishing proper arrangements for the governance of its affairs in accordance with the Joint Scheme of Governance, and in so doing the PCC is ensuring a sound system of internal control is maintained throughout the year, including appropriate arrangements for the management of risk.

The PCC and OCC share most core systems of control including the SAP ERP systems, finance function with shared financial controls and the IT, legal and information governance functions. Under the scheme of governance, most of the staff, officers and processes deployed in the systems of internal control are under the direction and control of the OCC.

The PCC has oversight and scrutiny of the OCC's delivery arrangements including governance, risk management and systems of internal control. As a result, the PCC places reliance on the OCC to deliver and support the governance and risk management processes and the framework described in this statement refers to the PCC's own activity and where reliance is placed on the systems, people and processes of the OCC.

The PCC's Chief Finance Officer (CFO) has responsibility for providing advice on all financial matters, maintaining financial records and accounts and ensuring an effective system of financial control is in place. This role (together with the Chief Constable's CFO) conforms to the governance requirements established in the CIPFA statement on the roles of the CFOs for both the PCC and OCC.

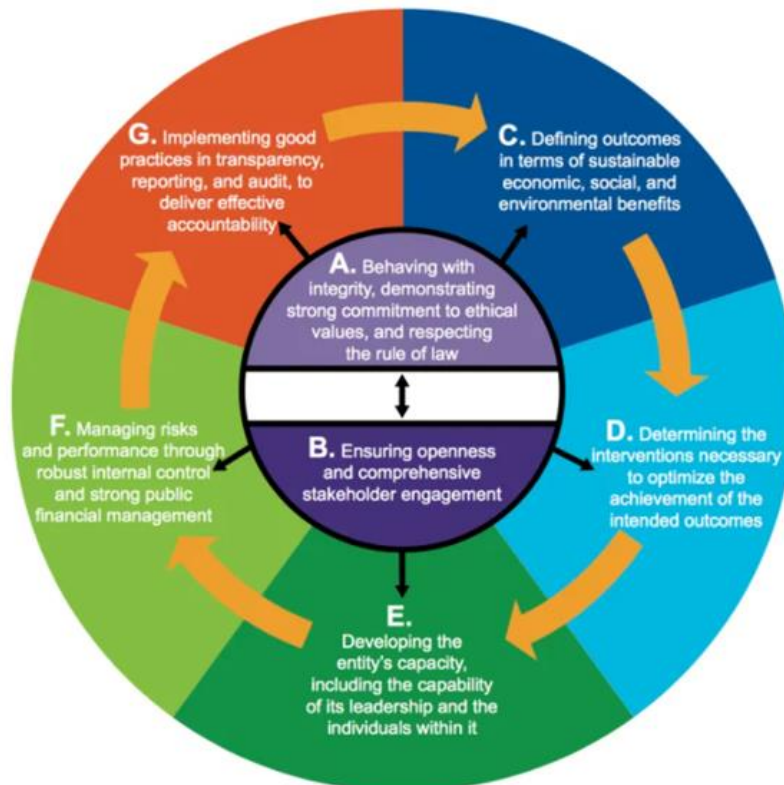
## **2 The Governance Framework**

The governance framework in place throughout the 2023/24 financial year covers the period from 1 April 2023 to 31 March 2024 and up to the date of approval of the annual Statement of Accounts.

The governance framework enables the PCC and CC to monitor the achievement of their strategic objectives and to consider whether those objectives have led to the delivery of appropriate services which provide value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot, however, eliminate all risk of failure to achieve aims and objectives and therefore only provides reasonable and not absolute assurance of effectiveness.

This statement provides a summary of the extent to which the aspirations set out in the PCC's Code of Corporate Governance are currently being met. This statement has been written to evidence how the CIPFA principles of good governance are being delivered. It is important to note that this group Annual Governance Statement should not be read in isolation but in conjunction with the Annual Governance Statement of the Chief Constable. The Chief Constable's governance is integral to, and underpins, the PCC's system of governance as the vast majority of the PCC's funding is delegated to the Chief Constable and the Constabulary is the primary organisation that will deliver the Police and Crime Plan.



**Figure 1** CIPFA principles of good governance

## 2.1 Principle A - behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

The OPCC has an ethical framework which incorporates the seven Nolan Principles – nationally agreed standards for those in public service – with additional elements of the College of Policing code of ethics. Integrity is a core principle of this framework. The OPCC also has a code of conduct – which builds upon the ethical principles – and is incorporated into staff members' contracts of employment. The code of conduct forms part of the formal induction for new members of staff. In addition to these the OPCC has published policies and procedures covering important and specific areas such as: anti-fraud, bribery and corruption, data protection and freedom of information, equal opportunities and whistleblowing. The OPCC has also defined a set of organisational values which all employees are expected to embody and demonstrate in the way they work

- ✚ Openness
- ✚ Partnership
- ✚ Compassion
- ✚ Courage

The PCC maintains scrutiny of the Constabulary's Professional Standards Department and the Constabulary's complaints process. This scrutiny includes oversight of those complaints that are handled externally by the Independent Office for Police Conduct (IOPC). This has been done informally through meetings and updates with or from senior officers as well as a formal quarterly review at the Governance and Scrutiny Board.

The PCC has a legal responsibility for complaint reviews. In the first instance all complaints about the police must be made to the police. If a person makes a low-level service complaint, and at the

conclusion of the complaint they are dissatisfied with how it has been handled, they can request a PCC review. During 2023/24 the OPCC dealt with 171 complaint reviews of which 18% were upheld.

Another important system of redress, that the PCC has responsibility for, relates to police officer misconduct. A panel led by an independent Legally Qualified Chair (LQC) and accompanied by a police Superintendent and an Independent Panel Member (IPM) hear misconduct hearings. Both the LQCs and the IPMs are recruited and appointed independently by the OPCC. In the last year, there have been challenges with the numbers of LQCs willing to chair misconduct hearings due to an ongoing legal case which would have national implications for indemnity of LQCs. The OPCC have worked with colleagues across the country to stabilise this provision and ensure adequate numbers of LQCs and IPMs to support the Police Misconduct Regime.

In August 2023 the Government announced changes to the way police misconduct hearings are to be run. These changes will take effect from May 2024. The OPCC has helped lead a national group of OPCCs to implement these changes. The OPCC are responsible for recruiting and appointing independent people to sit on these panels. The OPCC successfully recruited 16 new Independent Panel Members and are in the process of arranging training for them and other IPMs across the South West region.

Where an officer is subject to a misconduct hearing and is dissatisfied with the result they can appeal. This appeals process is known as a Police Appeal Tribunal and is coordinated by the OPCC. During 2023/24 there were no appeals.

## **2.2 Principle B - ensuring openness and comprehensive stakeholder engagement**

The PCC is elected to be the 'voice of the people' in overseeing the delivery of their police service. The PCC has a statutory duty to secure an efficient and effective police for their area. Therefore, the two most important stakeholders are the public and the Constabulary. Since taking office the PCC has wanted to ensure a strong focus on engagement with two days a week spent on engagement.

### **2.1.1 Public**

The PCC has a social media footprint and often communicates with and through other national and local media such as television, radio and newspapers: the PCC has regular pieces in both local papers and on local radio. The PCC has a phone line and e-mail which are available for anybody to make contact and every contact is listened to. The PCC has a website, separate from the Constabulary, through which many key documents and updates can be accessed by anybody.

The PCC also conducts a Local Police and Crime Survey: a survey of 3,000 local residents a year which reports quarterly. It is used to understand public sentiment about the PCC and police as well as asking about issues important to the community and views on precept funding.

Public opinion is of particular importance to the PCC when deciding if, and by how much, to raise the Council Tax Precept. The Government set the maximum precept amount PCCs could ask for at £13. This increase meant that the responses gathered through the regular survey would not have been directly applicable. As a result of this a standalone online survey was run, as was a stratified, randomised postal survey. The survey was open for 12 weeks and had over 6,500 responses; this is the largest consultation the OPCC has ever done. The survey results supported the maximum precept increase (see below).

The PCC has a number of independent panels to scrutinise the performance of the Constabulary and provide feedback and learning. The panels assess cases/incidents based on all the information available including body worn video footage. The selection of cases is usually random to ensure independence. However, the choice of case or incident to review can also be informed by particular themes or resulting from specific points of public interest or issues of public confidence. The panels

issue reports to the PCC and Chief Constable and are published on the PCC's website. The panels are described below

- ✚ **Independent Scrutiny of Police Complaints Panel** – formerly the Independent Residents Panel – volunteers from the communities of Avon and Somerset come together with the PCC's office in order to examine complaints made against the Constabulary. In the financial year 2023/24 the panel met three times in September and December 2023 and March 2024. The first meeting of the year would usually take place in June, but this was cancelled as at the start of the year there was not enough capacity within the OPCC to support it.
- ✚ **Independent Scrutiny of Police Powers Panel** – volunteers from the communities of Avon and Somerset come together with the PCC's office to examine the use of Taser, stop and search, body worn video and the use of force by the police. This panel was highlighted by HMICFRS as positive practice in their report 'Disproportionate use of police powers - A spotlight on stop and search and the use of force' (February 2021). In the financial year 2023/24 the panel met three times in September and December 2023 and March 2024. The first meeting of the year would usually take place in June, but this was cancelled as at the start of the year there was not enough capacity within the OPCC to support it.
- ✚ **Out of Court Disposal Panel** – Out of court disposals are a means of resolving an investigation without prosecution through the courts. This panel brings together professionals from numerous criminal justice agencies and victims services who review the use of out of court disposals. In the financial year 2023/24 the panel met quarterly as planned in June, September, December 2023 and March 2024.

During this last year the OPCC have supported the development and launch of a new [Independent Scrutiny Board](#). This is a group of community members brought together to oversee how the police and criminal justice agencies are tackling racial disproportionality.

## 2.2.2 Constabulary

The PCC usually spends one day each week meeting with the police workforce both through formal and informal meetings.

There continues to be a good, open relationship between the OPCC and the Constabulary. This is facilitated through informal working relationships and formal governance structures. The Constabulary extends an open invite to their meetings and during the last year the OPCC have continued to attend key meetings such as Strategic Planning Meetings, the Constabulary Management Board and the Committees which sit under this. The Constabulary have also maintained their attendance at the PCC's weekly SLT meeting.

Both organisations continue to work closely together on budgets and managing these. This is evident in the way in which forward financial planning is undertaken, and through the management of in-year financial performance. In the last year the organisations worked together to improve financial forecasting and deliver more consistent reporting.

## 2.2.3 Partners and Other Local Stakeholders

The PCC has been clear about the need to engage with other elected officials across Avon and Somerset. When undertaking engagement days the PCC will often do this with Councillors and MPs. The PCC and Chief of Staff have continued to meet with the Local Authority leaders and CEOs from across Avon and Somerset.

In addition to this, in the last year the PCC held the second round of Councillor Forums as a follow-up to the previous year. Eight forums were held from September to November 2023. The forums saw the PCC and Constabulary colleagues engaging with local councillors on police and crime issues.

The OPCC continue to represent the PCC at Community Safety Partnerships (CSP) meetings across each of the Local Authority areas engaging with numerous key stakeholders. The PCC also provides a Police and Crime Grant to CSPs (through the local authorities) which is used to achieve joint outcomes.

The PCC Chairs the Local Criminal Justice Board in order to engage with partners such as CPS, courts and probation. The PCC also supports partnership working through the Avon & Somerset Reducing Reoffending Board and the five Combatting Drugs Partnerships.

The CFO chairs a Business Crime Forum for the Avon and Somerset area on a quarterly basis and the OPCC have continued to regularly attend the Rural Crime Forum.

Violence Reduction Partnerships discussed below are a further example of key stakeholder engagement.

## **2.2.4 Regional Representation**

There are a number of significant regional collaborations, including the Regional Organised Crime Unit (ROCU), Counter Terrorism Policing, Forensics, Major Crime Investigation Teams, firearms training and the South West Police Procurement Service.

As well as collaboration boards, the PCC and Chief Constable meet regularly with the other four regional PCCs and Chief Constables in the South West of England to seek ways to enhance regional cooperation and collaboration. This regional meeting is also undertaken at a PCC CEO/Chief of Staff level.

The South West PCCs (and forces) have continued to collaborate on Operation Scorpion which tackles drug crimes.

In order to support PCC oversight of existing and potential collaborations the PCCs have employed a Regional Collaboration Advisor who started in February 2024.

## **2.2.5 National Representation**

The former PCC was a member of the national Association of Police and Crime Commissioners (APCC). Through membership of this association, access is gained to various national agencies and groups. Within the APCC the former PCC was the national lead for the Economic and Cyber Crime portfolio. In addition the OPCC are part of the Association of Policing and Crime Chief Executives (APACCE) network shares information and best practice. The CFO is a member of the Police and Crime Commissioners Treasurer Society (PACCTS), a national network for CFOs.

The OPCC have regularly taken part in and engaged with various national forums on topics such as victims and victims' services including meetings held with the Ministry of Justice and Victims' Commissioner.

## **2.3 Principle C - defining outcomes in terms of sustainable economic, social and environmental benefits**

The priorities and strategic objectives remained the same in the last year as they are set out in the Avon & Somerset Police and Crime Plan 2021-25. This was developed with significant consultation as discussed above. There are four priorities each underpinned by six areas of focus

**Priority 1** Preventing and fighting crime.

**Priority 2** Engaging, supporting and working with communities, victims and partner organisations.

**Priority 3** Leading the police to be efficient and effective.



**Priority 4** Increasing the legitimacy of, and public confidence in, the police and criminal justice system.

The full plan can be accessed on the website at [www.avonandsomerset-pcc.gov.uk](http://www.avonandsomerset-pcc.gov.uk).<sup>2</sup>

The outcomes are defined in the plan's objectives which are

- ✚ Reduce crime and anti-social behaviour (ASB).
- ✚ Increase the proportion of crimes reported to the police.
- ✚ Increase positive outcomes from reported crime and ASB.
- ✚ Fewer people to be killed and seriously injured on the roads.
- ✚ Increase engagement with and from communities.
- ✚ Increase victim satisfaction.
- ✚ Increase feelings of safety.
- ✚ Increase the morale of the police workforce.
- ✚ Increase the capability of the police workforce to deliver against local and national priorities.
- ✚ Reduce the negative environmental impact whilst maintaining operational efficiency.
- ✚ Increase satisfaction with the service provided by the police.
- ✚ Increase confidence in the police.

## **2.4 Principle D - determining the interventions necessary to optimise the achievement of the intended outcomes**

The OPCC has a strategic plan 2022-25 which sets out five aims to support delivery of the Police and Crime Plan, underpinned by more detailed annual objectives. The five strategic aims for the OPCC are

- Aim 1** Engage with diverse communities and facilitate external scrutiny of police performance, supporting legitimacy and public confidence
- Aim 2** Support and challenge ASP to provide an efficient and effective service, focussed on preventing crime
- Aim 3** Work with partners to improve community safety, provide an effective criminal justice system, and support victims of crime
- Aim 4** Support delivery of OPCC aims in line with our values, including through improved digital tools and learning and development
- Aim 5** Lead the national PCC approach to economic and cyber crime, informing national strategy and supporting local response to fraud.

Against each of these aims are a number of key deliverables against which progress is tracked and overseen by the Senior Leadership Team through the OPCC Management Board.

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<sup>2</sup> [www.avonandsomerset-pcc.gov.uk/wp-content/uploads/2022/03/AS-Police-Crime-Plan-2021-2025-HR-Spreads.pdf](http://www.avonandsomerset-pcc.gov.uk/wp-content/uploads/2022/03/AS-Police-Crime-Plan-2021-2025-HR-Spreads.pdf)

About 98% of the funding that the PCC receives is delegated to the Chief Constable to manage. Of the remaining budget, directly controlled by the PCC, a significant amount is used to commission victim support services from third party organisations. These services operate through a grant agreement following a competitive commissioning process. Over the last year a new commissioning plan was developed and a victim needs assessment was commissioned and reported. This led to the agreement to consolidate the victims support into three services: a children's service, an adults' service and an Independent Sexual Violence Advisor (ISVA) Service. The tendering process went live on 15 March 2024. The final appointments will be made in the new PCC term and the services will commence from 1 April 2025.

As mentioned above, the PCC also provides Police and Crime Grants to the five CSPs across Avon and Somerset; the total overall grant is approximately £740,000. The application of this grant is overseen by the OPCC and must be used on services which help deliver against the Police and Crime Plan.

In recent years, serious violence has increasingly been recognised as a national problem. As part of the Home Office Serious Violence Strategy, the PCC has successfully secured funding from 2019/20 to run Violence Reduction Units (VRUs); known locally as Violence Reduction Partnerships (VRP). Additional funding has also been provided from the Home Office as part of the Serious Violence Duty.

Avon and Somerset operate a hub and spoke approach to their VRP. Funding is provided to each of the five CSP areas (the spokes) that are the operational delivery of this work. The spokes are supported by a central 'hub' team who are employed within the OPCC. The Serious Violence Reduction Partnership Board provides the strategic direction and governance of this work. This board includes senior representatives from relevant partnership organisations and, in the last year, was chaired by the Deputy PCC. A separate VRU Annual Report is published which can be accessed on the website at [www.avonandsomerset-pcc.gov.uk](http://www.avonandsomerset-pcc.gov.uk)<sup>3</sup>.

PCCs have a statutory duty to deliver an Independent Custody Visitors (ICV) Scheme. This scheme involves volunteers from the community visiting police centres to check on the welfare of detainees in custody, the conditions in which they are held and that their rights and entitlements are being observed. Beyond being a statutory duty this scheme is a critical part in ensuring all detainees are treated fairly and respectfully and receive the best possible policing service. This scheme delivers openness and accountability because the ICVs are members of the public. A separate annual report is published on the PCC's website [www.avonandsomerset-pcc.gov.uk](http://www.avonandsomerset-pcc.gov.uk)<sup>4</sup>.

In February 2022 *Identifying Disproportionality in the Avon and Somerset Criminal Justice System*<sup>5</sup> was published. This report contains 83 recommendations for different agencies across the five workstreams: stop and search; youth justice; out of court disposals; prisons; and HR. Avon and Somerset Police have the most recommendations and implementation of these will be overseen by the PCC through the Governance and Scrutiny Board (see 2.6 below). The Local Criminal Justice Board has established a sub-group to oversee implementation of all recommendations and this is chaired by the Chief Constable. In order to support this work a programme management framework was established and an independent scrutiny board has been established to oversee this work.

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<sup>3</sup> [www.avonandsomerset-pcc.gov.uk/working-for-you/partnerships/violence-reduction-units/](http://www.avonandsomerset-pcc.gov.uk/working-for-you/partnerships/violence-reduction-units/)

<sup>4</sup> [www.avonandsomerset-pcc.gov.uk/reports-publications/independent-custody-visiting-schemes-annual-reports/](http://www.avonandsomerset-pcc.gov.uk/reports-publications/independent-custody-visiting-schemes-annual-reports/)

<sup>5</sup> [www.avonandsomerset-pcc.gov.uk/wp-content/uploads/2022/01/Identifying-Disproportionality-Report.pdf](http://www.avonandsomerset-pcc.gov.uk/wp-content/uploads/2022/01/Identifying-Disproportionality-Report.pdf)

## **2.5 Principle E - developing the entity's capacity, including the capability of its leadership and the individuals within it**

During the last year, the focus on support for staff performance and development has continued: following the first stage of support focussed on new starters (new induction process and induction pack) and line managers (including line manager guide), an OPCC Learning and Development Plan was launched in Autumn 2023. As well as identifying core, team- and role-specific skills, and signposting staff to relevant L&D resources, a number of in-house training sessions have been delivered which seek to address some of the gaps highlighted through a training needs analysis. Most of these developments have been new for the OPCC, and have been informed by the 2022 review and ongoing capture of staff feedback from a range of sources.

The current OPCC structure was designed to be flexible to meet changing demand, and fixed-term roles have been recruited to manage time-limited government-funded projects. The most significant change has been the result of an independent review of VRP hosting and support arrangements commissioned by the OPCC. Implementation of the recommendations has included the appointment of a new Director and Senior Partnerships and Engagement Manager to provide better support and focus for the VRPs through a standalone team hosted within the OPCC. This also released capacity back into the Policy, Partnerships and Commissioning Directorate that had previously been required to give increasing support the VRP.

Success in filling new or vacant posts has increased over the year, supported by moving applications online. However the OPCC has had to manage vacancies in the short term for a range of reasons, and has sought to bring in temporary cover wherever possible to mitigate the impact.

## **2.6 Principle F - managing risks and performance through robust internal control and strong public financial management**

The Governance and Scrutiny Board is the most senior decision-making body in the joint PCC-Chief Constable governance structure. This is where high-level decisions are signed off in line with the joint governance framework, as well as a key element in the PCC's formal arrangements for holding to account of the Chief Constable. This had standing agenda items for finance, projects, performance, assurance and for both organisations to bring forward risks and issues for discussions and questions which formed an important part of the risk management process. Over the last year this meeting has continued to operate successfully with meetings held every month with relevant papers included, minutes and actions taken and responded to and followed up. The minutes continued to be published on the PCC website [www.avonandsomerset-pcc.gov.uk](http://www.avonandsomerset-pcc.gov.uk)<sup>6</sup>.

### **2.6.1 Risk Management**

Risk is maintained under constant review and is summarised in the Strategic Risk Register of the PCC and the Constabulary's Corporate Risk Reports. The OPCC register is formally reviewed, internally, at the OPCC Management Board. Both registers/reports are also scrutinised by the Joint Audit Committee (JAC) (see 2.7.2 below).

When the OPCC are considering and assessing risk, it takes account of the Constabulary view of risk, particularly as articulated in the Constabulary's Corporate Risk Reports. This does not mean risks will always be viewed the same by both organisations as their remits are different.

Financial control involves the existence of a control structure which ensures that all resources are used as efficiently and effectively as possible to attain the PCC's overall objectives and targets. Internal financial control systems are in place to minimise the risk of loss, unlawful expenditure or

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<sup>6</sup> [www.avonandsomerset-pcc.gov.uk/reports-publications/police-crime-board-reports/](http://www.avonandsomerset-pcc.gov.uk/reports-publications/police-crime-board-reports/)

poor value for money, and to maximize the use of the PCC's assets and limited resources to best achieve the PCC's objectives and targets.

Over the last year the key financial reporting to, and scrutiny at, GSB has continued as part of the risk management process. This includes quarterly and year-end financial performance reports; annual accounts; treasury management annual report and strategy; and the five year Medium Term Financial Plan (MTFP).

## 2.6.2 Performance

The OPCC have continued to publish a quarterly performance report which covers both the national policing priorities and Avon and Somerset Police and Crime Plan. This report is subject of the Performance and Accountability Board and is scrutinised by the Police and Crime Panel.

The above is the top, public facing, layer of performance reporting and other structures sit under this. One of the other key mechanisms of performance oversight is the Constabulary's Integrated Performance Quality Framework. Reporting on this framework is structured around performance priorities, good performance, where improvements are needed and emerging risks, issues and opportunities. The report has continued to be discussed at the Constabulary Management Board (CMB) and also scrutinised at GSB throughout the last year.

In May 2023 the OPCC launched an internal performance dashboard based on the Constabulary performance against the plan. This uses quantifiable data and applies statistical analysis of the performance over time to provide a red, amber, green system of assessment. This provides an independent aid to the OPCC as to where they need to direct scrutiny and ask questions.

Another of the most powerful tools in performance management in Avon and Somerset are our data analytics and data visualisation capabilities. These have been deployed throughout the Constabulary, opening up access to data and providing a tool to drive performance improvements. The OPCC has access to this tool, providing live time data which supports the PCC's ability to scrutinise and hold the Chief Constable to account.

In terms of financial performance, as can be seen in these group accounts, once year-end adjustments have been made, a break-even position has been achieved during 2023/24. The underlying performance showed a £2.8 million/0.8% underspend. £0.5 million of this underspend will be carried forward for planned expenditure, £1.1 million is for provisions, £0.9 million will go into capital reserves and £0.3 million will be put into general reserves.

The current MTFP shows an improved position when compared to this time last year. Years 1 and 2 are balanced but the deficits in years 3-5 are £4.3 million, £8.8 million and £12 million respectively.

The forecast deficits will require further significant savings to be delivered. This will be challenging, and by necessity need to focus on those areas of our budget where we retain discretion, including sizeable police staff headcount reductions.

### Police & Crime Plan Key Performance Indicators

Measure	2022/23	2023/24	Change
<b>Priority 1 – Preventing and fighting crime</b>			
All recorded crime	141,122	150,284	9,162
All positive outcome rate	11.9%	11.2%	-0.7%
DA recorded crime	21,992	23,119	1,127
DA positive outcome rate	10.0%	9.2%	-0.8%
Sexual offences recorded crime	5,234	6,235	1,001

Sexual offences positive outcome rate	11.2%	10.4%	-0.8%
Stalking & harassment recorded crime	8,919	12,723	3,804
Stalking & harassment positive outcome rate	8.6%	6.2%	-2.4%
Drug trafficking recorded crime	436	428	-8
Drug trafficking positive outcome rate	71.2%	71.4%	0.2%
Serious violence recorded crime	607	635	28
Serious violence positive outcome rate	24.3%	26.3%	2.0%
Burglary - residential recorded crime	4,153	4,171	18
Burglary - residential positive outcome rate	6.0%	5.3%	-0.7%
Vehicle offences recorded crime	9,586	9,757	171
Vehicle offences positive outcome rate	2.2%	2.5%	0.2%
Robbery - personal recorded crime	1,205	1,461	256
Robbery - personal positive outcome rate	8.1%	7.0%	-1.1%
Theft from the person recorded crime	903	923	20
Theft from the person positive outcome rate	0.7%	1.9%	1.2%
Hate crime recorded crime	4,510	4,971	461
Hate crime positive outcome rate	14.3%	13.9%	-0.3%
Rural crime recorded crime	524	548	24
Rural crime positive outcome rate	2.8%	4.7%	1.9%
Anti-social behaviour (ASB) incidents	69,748	73,040	3,292
Action Fraud offences disseminated to ASP	7,915	7,917	2
<b>Priority 2 – Engaging, supporting and working with communities, victims and partner organisations</b>			
% of the public who feel safe - during the day	96.2%	96.1%	-0.1%
% of the public who feel safe - after dark	70.3%	71.4%	1.1%
% of the public that feel informed on local policing	31.1%	29.2%	-1.9%
% of public who are aware of opportunities to have their say on local policing	26.1%	22.5%	-3.6%
% of the public involved in active citizenship	6.6%	5.9%	-0.7%
% victims satisfied - overall	69.0%	68.2%	-0.8%
% victims satisfied - ASB	71.0%	74.4%	3.4%
% victims satisfied - burglary	65.6%	58.6%	-7.0%
% victims satisfied - hate crime	66.4%	68.7%	2.3%
% victims satisfied - violent crime	70.0%	68.2%	-1.8%
<b>Priority 3 – Leading the police to be efficient and effective</b>			
% of public who have seen a police officer / PCSO in the last month	55.1%	51.0%	-4.1%
999 abandonment rate	0.14%	0.45%	0.31%
101 abandonment rate	11.4%	11.7%	0.3%
Immediate response timeliness (% within SLA)	74.2%	77.3%	3.1%
Priority response timeliness (% within SLA)	54.1%	56.1%	2.1%

Routine response timeliness (% within SLA)	43.2%	61.7%	18.4%
Employee engagement	61.0%	58.2%	-2.8%
Overall, I am happy at work	64.4%	65.5%	1.1%
My Manager theme score	66.9%	67.4%	0.6%
I have the tools I need to do my job effectively	60.1%	59.6%	-0.5%
I have the skills I need to do my job effectively	76.2%	75.5%	-0.7%
I think the force respects individual differences	74.0%	68.8%	-5.2%
I have confidence in understanding and using data	68.0%	72.0%	3.9%
<b>Priority 4 – Increasing the legitimacy of, and public confidence in, the police and criminal justice system</b>			
Public confidence	64.8%	63.0%	-1.8%
% of workforce that are Asian	0.88%	0.90%	0.02%
% of workforce that are Black	0.64%	0.64%	0.00%
% of workforce that are Mixed	1.85%	1.96%	0.11%
% of workforce that are Other	0.26%	0.25%	-0.01%
% of workforce that are BAME	3.63%	3.75%	0.11%
% of Senior Officers that are BAME	5.19%	5.19%	0.00%
Disproportionality of S&S - Asian	1.1	1.4	0.3
Disproportionality of S&S - Black	6.1	6.8	0.7
Disproportionality of S&S - Mixed	2.4	3.1	0.8
Disproportionality of S&S - Other	2.3	2.7	0.4
Disproportionality of S&S - BAME	2.8	3.3	0.5
Disproportionality of use of force - Asian	0.5	0.6	0.1
Disproportionality of use of force - Black	3.9	4.3	0.3
Disproportionality of use of force - Mixed	1.1	1.2	0
Disproportionality of use of force - Other	0.8	0.9	0.1
Disproportionality of use of force - BAME	1.5	1.7	0.1
S&S positive outcome	30.7%	35.3%	4.6%
Complaint reviews upheld	20.2%	18.2%	-2.0%
FOI compliance	92.7%	88.2%	-4.6%
SAR compliance	89.6%	83.1%	-6.6%

#### Police & Crime Plan Key Performance Indicators Definitions

<b>Priority 1 – Preventing and fighting crime</b>
Positive outcomes – are counted as Home Office defined outcomes 1-8 and 22 which are: charge/summons, cautions/conditional cautions for youths or adults, offences taken into consideration, the offender has died, penalty notice for disorder (PND), cannabis/khat warning, community resolution or diversionary, educational or intervention activity. The rate is the percentage of all outcomes which are positive.
Domestic abuse – is where a person is abusive towards another, they are personally connected and are 16 years of age or older.
Drug trafficking – these are drug offences, other than simple possession offences, such as drug supply.

Serious violence – defined nationally these are offences that result in the death of a person, “endanger life” or “wounding offences”.
Vehicle offences – involve theft of or from vehicles
Hate crime – is a crime where the offender has either demonstrated or been motivated by hostility based on a person’s race, religion, disability, sexual orientation or transgender identity.
Rural crime – any crime occurring in a rural area which directly or indirectly affects a farming or rural business or the rural communities. Rural means a close association with or dependence upon the land within that location.
Action Fraud – is the UK’s national reporting centre for fraud and cybercrime where victims should report fraud if they have been scammed, defrauded or experienced cyber crime in England, Wales and Northern Ireland. They take reports and record crimes of this nature and then disseminate crimes to local forces to resolve.
<b>Priority 2 – Engaging, supporting and working with communities, victims and partner organisations</b>
Safety, feeling informed and opportunities to have their say – are measured through a quarterly local telephone survey of 750 residents (3000 a year).
Active citizenship – is measured through a quarterly local telephone survey of 750 residents (3000 a year). Active citizenship includes <ul style="list-style-type: none"> <li>• ‘Watch’ meetings such as Neighbourhood Watch, Farm Watch or Business Watch</li> <li>• Other police or council Neighbourhood Meetings or forums</li> <li>• Volunteering as a Special Constable</li> <li>• Volunteering in another policing or community safety related way</li> <li>• Community SpeedWatch</li> <li>• Police webchats</li> </ul>
Victim satisfaction – is measured by a local telephone survey of a sample of victims of ASB, burglary, hate crime and violent crime. In 2023/24 there were 1,163 total respondents.
<b>Priority 3 – Leading the police to be efficient and effective</b>
Officer/PCSO visibility – is measured through a quarterly local telephone survey of 750 residents (3000 a year).
Abandonment rate – this is the proportion of calls that were not answered by Avon and Somerset Police. However, in the case of 999 calls, this does not mean the call was genuinely abandoned as in most cases the call will have been diverted to another police service to answer.
Response timeliness – calls to the police are graded based on threat harm and risk. There is a service level agreement (SLA) for each grade which states how long attendance should take (below). It is important to note that the SLAs are defined by Avon and Somerset Police, not mandatory. Timeliness is reported as the percentage of those incidents that were attended within the particular SLA. <ul style="list-style-type: none"> <li>• Immediate – 15 minutes for urban areas and 20 minutes for rural areas</li> <li>• Priority – 1 hour</li> <li>• Routine – 12 hours</li> </ul>
Employee engagement and the six measures below this – are measured through the annual Avon & Somerset Police workforce survey. This shows the percentage of the workforce who agree with each statement.
<b>Priority 4 – Increasing the legitimacy of, and public confidence in, the police and criminal justice system</b>



Public confidence – is measured through a quarterly local telephone survey of 750 residents (3000 a year). This shows the percentage of people who said they “tend to agree” or “strongly agree” when asked if they “have confidence in the police in this area”.
BAME – this is the total of the four ethnic minority groups: Asian, Black, Mixed and Other
Senior officers – are those officers of Chief Inspector rank or above.
Disproportionality – shows the rate at which a police power is used, when comparing people of the specified ethnicity to people who are White. A disproportionality of 2 would mean people of that ethnicity had the power used against them at twice the rate of White people.
Stop and search positive outcomes – in addition to crime positive outcomes (charge/summons or out of court disposal), this also includes arrest, voluntary attendance, drugs warnings and seizure of items.
Complaint Review – most police complaints are handled by the force being complained about, however the more serious cases are referred to the Independent Office for Police Conduct (IOPC). At the resolution of the complaint, if the complainant is dissatisfied they can request a review. The more serious cases will be reviewed by the IOPC whereas the less serious cases will be reviewed by the PCC’s office. The review looks at whether the complaint was handled in a “reasonable and proportionate” way rather than re-investigating the grounds of the complaint. If a complaint review is upheld this means the way in which the complaint was handled did not meet the standard expected. More information is available on the IOPC website.
Freedom of Information Request – an official request to see recorded information held by public authorities. Compliance is based on responding within the set time-frame.
Subject Access Request – an official request to access a person's own information held by an organisation. Compliance is based on responding within the set time-frame.

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

The Performance and Accountability Board (PAB) is a meeting where the PCC held the Chief Constable to account in a transparent way. PAB has been held once a month, every month over the last year for approximately 30 minutes each time. The meetings are broadcast live, through Facebook, and the recordings are also kept on the PCC's website [www.avonandsomerset-pcc.gov.uk](http://www.avonandsomerset-pcc.gov.uk)<sup>7</sup>.

Both the Constabulary and the OPCC adhere to the use of Government Security Classification (GSC) markings. In doing so, we are able to determine those documents which can be published through the PCC's website so that they are visible to the public.

Items which are published include

- ✚ Significant decisions of the PCC
- ✚ PCC responses to HMICFRS recommendations
- ✚ Reports of scrutiny panels
- ✚ Performance reports
- ✚ Expenses and gifts
- ✚ Freedom of Information requests; other statutory and non-statutory reports
- ✚ The Strategic Risk Register

<sup>7</sup> [www.avonandsomerset-pcc.gov.uk/reports-publications/oversight-boards/](http://www.avonandsomerset-pcc.gov.uk/reports-publications/oversight-boards/)



## Quarterly Performance Reports

### **2.7.1 Internal Audit**

The Internal Audit function is commissioned by the OPCC and OCC on behalf of the Joint Audit Committee and is undertaken by a third party auditor for additional independence. The South West Audit Partnership (SWAP) continued as the internal auditor. At the time of writing SWAP have completed the revised audit schedule: two audits were deferred to 2024/25.

### **2.7.2 Joint Audit Committee (JAC)**

The independent JAC has concluded another year of work in accordance with their Terms of Reference (TOR) and publishes an annual report on their work which can be found on the website [www.avonandsomerset-pcc.gov.uk](http://www.avonandsomerset-pcc.gov.uk). The four meetings of the JAC for the financial year took place in June, September and December 2023 as well as March 2024.

The current Chair's term ended after the June meeting and another member left after the December meeting. A successful recruitment process has resulted in three new members accepting positions who are currently being vetted at the time of writing.

### **2.7.3 Police and Crime Panel**








The Police and Crime Panel were established as part of the statutory governance structure when the role of PCCs were introduced. The Panel consists of elected Local Authority members from across Avon and Somerset as well as members of the public. The Panel scrutinises, challenges and maintains a regular check and balance on the performance and activities of the PCC. The Panel are therefore a key stakeholder of the PCC and OPCC.

In the last year the Panel has continued to meet, on at least a quarterly basis, to fulfil its duties. In addition to this it has again scrutinised the PCC's proposed precept increase.

## **3 Review of Effectiveness**

The PCC has responsibility for conducting, at least annually, a review of the system of internal control. This review is informed by the internal audit assurance, the opinions and reports of our external auditors and other inspection bodies, as well as the work of senior managers in both the OPCC and Constabulary who have responsibility for the development and maintenance of the governance environment.

For 2023/24 these considerations took account of

-  HMICFRS PEEL Report (see below)
-  the internal auditor's reports to the Joint Audit Committee (JAC) throughout the year and their annual report to JAC
-  external auditors' reports at JAC meetings
-  the Constabulary Strategic Risk Register
-  the PCC's Strategic Risk Register
-  the 2023/24 financial outturn position that delivered a balanced position
-  the planning and development of the MTFP for the next five years

On the basis of the review of the sources of assurance set out in this statement, we are satisfied that the Avon and Somerset PCC has in place satisfactory and adequate systems of internal control which facilitate the effective exercise of their functions and which include arrangements for good governance and risk management.

A review of the Joint Governance Framework is ongoing, and is now being informed by guidance and best practice from a national level.

### 3.1 Internal Audit

Throughout 2023/24 the Internal Audit function completed 10 substantive audits, six advisory audits as well as contributing towards regional advisory work and conducted follow-up work on previous audits. The 10 substantive audits were:

- ✚ Accounts Payable
- ✚ Accounts Receivable
- ✚ Cash Handling
- ✚ Corporate Performance Management
- ✚ Estates – Compliance with Statutory Obligations
- ✚ Personal Development Unit – Tutoring
- ✚ Proceeds of Crime (POCA) and Crypto Currency Seizure
- ✚ Strategic Approach to ICT
- ✚ Victim Support Services
- ✚ Wellbeing

Each internal audit conducted throughout the year receives a graded assurance opinion from the auditors. The assurance levels are; none, limited, reasonable and substantial.

Nine of the audits resulted in a reasonable assurance opinion and one resulted in a limited assurance opinion. The conclusion of our internal auditors was that they were able to offer a **reasonable assurance** annual opinion.

Each of the audits also provides recommendations for improvement which are categorised into three priority categories reflecting their importance. In total our internal auditors made 34 recommendations during 2023/24, of which

- ✚ 19 were identified as findings that require attention, the lowest grading (priority 3)
- ✚ 13 were identified as findings that are important and require the attention of management, the middle grading (priority 2)
- ✚ 2 were identified as findings that were fundamental requiring immediate attention (priority 1).

Whilst we take assurance from the fact that none of the findings is considered to be fundamental, we recognise that the recommendations from our internal auditors provide us with a number of important actions which we need to progress.

### 3.2 HMICFRS PEEL Inspection

The primary framework by which police forces are inspected by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) is called 'Police Efficiency, Effectiveness and Legitimacy' (PEEL). Avon and Somerset Police were inspected in 2022 with the report published in March 2023. All forces are inspected using this consistent methodology and – although no overall grade is given – the outcome is graded assessments for different aspects of the force's service:

Outstanding	Good	Adequate	Requires improvement	Inadequate
Treatment of the public	Developing a positive workplace	Preventing crime	Investigating crime	
	Good use of resources	Protecting vulnerable people	Recording data about crime	
			Responding to the public	
			Managing offenders	

The HMICFRS Integrated PEEL Assessment is one of the most important sources of assurance for both the PCC and OCC, in both the delivery of the Police and Crime Plan and the realisation of the Constabulary's vision.

The Assessment identified Areas for Improvement in the areas set out above and also included other commentary on the Constabulary's performance. The Constabulary have created an action plan to address the findings of the report and the PCC is overseeing progress against this plan through the Governance and Scrutiny Board.

### 3.3 Significant Risks

At the point of writing the most significant risks identified by the OPCC are

Risk	Progress
<b>Failure to deliver the Police and Crime Plan (SR2)</b>	<p>Arguably the biggest risk to policing at the moment – which applies in Avon and Somerset as across England and Wales – is a lack of public confidence in the police. This was a risk articulated last year and levels of confidence have declined further since. This undermines the British model of policing by consent and priority four of the Police and Crime Plan. The underlying causes are complex and include dissatisfaction with service levels in a context of increasing and changing demand on the police, as well as concern over police misconduct, male violence against women and girls and disproportionality, particularly experienced by Black, Asian, Mixed and minoritised communities. These are not new issues but a spotlight has been shone on them and the negative media coverage has grown in recent years. Although some action has been taken to address these the public are unlikely to have seen or felt a tangible change in the level of service they receive or the outcomes. Cultural change is required to address these institutional issues and this will likely take years.</p> <p>The Police and Crime Plan is a very broad and ambitious plan with prevention being a key focus. Prevention cannot be achieved in isolation by the police, and requires partnership working.</p> <p>Despite the increased officer numbers through Uplift there remain significant challenges in terms of the inexperience of the workforce with so many new officers. The lack of accredited</p>

Risk	Progress
	<p>detectives continues to be a challenge and the target numbers will not be reached until 2025.</p> <p>The savings required over the medium term have meant that the Constabulary have had to deviate from their original Uplift plan and will also mean there will be significantly fewer Police Staff Investigators. This will detract from the Constabulary's ability to be able to deliver against the Plan.</p> <p>It is also worth noting that a new PCC term started in May 2024 and a new Police and Crime Plan will be published.</p>
<b>Financial incapability or ineffectiveness (SR3)</b>	<p>The current MTFP shows an improved position when compared to this time last year. Years 1 and 2 are balanced but the deficits in years 3-5 are £4.3 million, £8.8 million and £12 million respectively.</p> <p>Additional uncertainty is added to the MTFP as there will be a General Election in the coming year and it is unknown how this will affect police funding.</p>

## 4 Conclusion

No system of internal control can provide absolute assurance. However, on the basis of the review of the sources of assurance set out in this statement, we are satisfied that the Avon and Somerset PCC has in place satisfactory and adequate systems of internal control which facilitate the effective exercise of their functions and which include arrangements for good governance and for the control, mitigation, and management of risk.

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

**Signature**

Clare Moody

Police and Crime Commissioner

**Date**

**Signature**

Paul Butler

Chief Finance Officer to PCC

**Date**

**Signature**

Alice Ripley

Chief of Staff to the PCC

**Date**

# Police & Crime Commissioner for Avon & Somerset

## Group Comprehensive Income and Expenditure Statement for the year ended 31 March 2024

Gross Expenditure £'000	Gross Income £'000	Total 2022/2023 £'000	Comprehensive Income and Expenditure Statement - Group	Gross Expenditure £'000	Gross Income £'000	Total 2023/2024 £'000
			<b>Expenditure</b>			
539,901	-53,969	485,932	Police Services - OCC	481,179	-67,874	413,305
2,254	0	2,254	OPCC	2,513	-27	2,486
8,678	-4,742	3,936	Commissioning costs	8,832	-6,148	2,684
<b>550,833</b>	<b>-58,711</b>	<b>492,122</b>	<b>Net cost of police services</b>	<b>492,524</b>	<b>-74,049</b>	<b>418,475</b>
		-52,909	Police pension top-up grant			-58,607
		-1,974	Gain on disposal of non-current assets			-4,119
		<b>-54,883</b>	<b>Other operating expenditure</b>			<b>-62,726</b>
		5,713	Interest payable and similar charges			5,765
		-1,632	Interest and investment income			-3,860
		-178	Income and expenditure in relation to investment properties			-152
		-791	Changes in the market value of investment properties			-13
		110,987	Net interest on pensions			121,500
			<b>Financial and investment income and expenditure</b>			<b>123,240</b>
		-129,059	Police - revenue grant			-129,508
		-67,642	Ex-DCLG formula funding			-67,877
		-84	Capital grant and contributions			-48
		-3,331	Council tax top-up grant			-3,331
		-11,378	Council tax support and transition grant			-11,378
		-146,169	Council tax - local authorities (Note 12)			-157,233
		<b>-357,663</b>	<b>Taxation and non-specific grant income</b>			<b>-369,375</b>
		<b>193,675</b>	<b>Deficit on provision of services</b>			<b>109,614</b>
		-1,879,534	Re-measurement of pension assets (Note 16) and liabilities			-111,506
		-5,128	Gain on revaluation			-8,851
		<b>-1,884,662</b>	<b>Other comprehensive income and expenditure</b>			<b>-120,357</b>
		<b>-1,690,987</b>	<b>Total comprehensive income and expenditure</b>			<b>-10,743</b>

# Police & Crime Commissioner for Avon & Somerset

## PCC Comprehensive Income and Expenditure Statement for the year ended 31 March 2024

PCC Expenditure £'000	PCC Income £'000	Total 2022/2023 £'000	Comprehensive Income and Expenditure Statement - PCC	PCC Expenditure £'000	PCC Income £'000	Total 2023/2024 £'000
<b>Expenditure</b>						
2,254	0	2,254	OPCC	2,513	-27	2,486
8,678	-4,742	3,936	Commissioning costs	8,832	-6,148	2,684
<b>10,932</b>	<b>-4,742</b>	<b>6,190</b>	<b>Net cost of police services before funding</b>	<b>11,345</b>	<b>-6,175</b>	<b>5,170</b>
539,901	-53,969	485,932	Intragroup funding adjustment	481,179	-67,874	413,305
<b>550,833</b>	<b>-58,711</b>	<b>492,122</b>	<b>Net cost of police services</b>	<b>492,524</b>	<b>-74,049</b>	<b>418,475</b>
	-52,909		Police pension top-up grant			-58,607
	-1,974		Gain on disposal of non-current assets			-4,119
	<b>-54,883</b>		<b>Other operating expenditure</b>			<b>-62,726</b>
	5,713		Interest payable and similar charges			5,765
	-1,632		Interest and investment income			-3,860
			Income and expenditure in relation to			
	-178		investment properties			-152
			Changes in the market value of investment			
	-791		properties			-13
	110,987		Intragroup adjustment (pension interest cost)			121,500
			<b>Financial and investment income</b>			
	<b>114,099</b>		<b>and expenditure</b>			<b>123,240</b>
	-129,059		Police - revenue grant			-129,508
	-67,642		Ex-DCLG formula funding			-67,877
	-84		Capital grant and contributions			-48
	-3,331		Council tax freeze grant			-3,331
	-11,378		Council tax support and transition grant			-11,378
	-146,169		Council tax - local authorities (Note 12)			-157,233
	<b>-357,663</b>		<b>Taxation and non-specific grant income</b>			<b>-369,375</b>
	<b>193,675</b>		<b>Deficit on provision of services</b>			<b>109,614</b>
			Intragroup adjustment (Re-measurement			
	-1,879,534		of pension assets and liabilities)			-111,506
	-5,128		Gain on revaluation			-8,851
	<b>-1,884,662</b>		<b>Other comprehensive income</b>			<b>-120,357</b>
			<b>and expenditure</b>			
			<b>Total comprehensive income</b>			
	<b>-1,690,987</b>		<b>and expenditure</b>			<b>-10,743</b>

# Police & Crime Commissioner for Avon & Somerset

## Group Movement in Reserves Statements 2022/2023 and 2023/2024

Movement in reserves statement 2023/2024					
	Revenue General Fund £'000	Capital Receipts £'000	Total Usable Reserves £'000	Total Unusable Reserves £'000	Total £'000
Balance as at 31 March 2023	55,286	8,546	63,832	-2,525,537	-2,461,705
Total comprehensive income and expenditure	-109,614	0	-109,614	120,357	10,743
Adjustments between accounting & funding basis under regulations	101,475	4,151	105,626	-105,626	0
Increase/decrease(-) in 2023/2024	-8,139	4,151	-3,988	14,731	10,743
Balance as at 31 March 2024	47,147	12,697	59,844	-2,510,806	-2,450,962

Movement in reserves statement 2022/2023					
	Revenue General Fund £'000	Capital Receipts Reserves £'000	Total Usable Reserves £'000	Total Unusable Reserves £'000	Total £'000
Balance as at 31 March 2022	53,868	6,375	60,243	-4,212,935	-4,152,692
Total comprehensive income and expenditure	-193,675	0	-193,675	1,884,662	1,690,987
Adjustments between accounting & funding basis under regulations	195,093	2,171	197,264	-197,264	0
Increase/decrease(-) in 2022/2023	1,418	2,171	3,589	1,687,398	1,690,987
Balance as at 31 March 2023	55,286	8,546	63,832	-2,525,537	-2,461,705

# Police & Crime Commissioner for Avon & Somerset

## PCC Movement in Reserves Statements 2023/2024 and 2022/2023

Movement in reserves statement 2023/2024					
	Revenue General Fund	Capital Receipts Reserves	Total Usable Reserves	Total Unusable Reserves	Total
	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 31 March 2023</b>	<b>55,286</b>	<b>8,546</b>	<b>63,832</b>	<b>-2,525,537</b>	<b>-2,461,705</b>
Total comprehensive income and expenditure	-109,614	0	-109,614	120,357	10,743
Adjustments between accounting & funding basis under regulations	101,475	4,151	105,626	-105,626	0
Increase/decrease(-) in 2023/2024	-8,139	4,151	-3,988	14,731	10,743
<b>Balance as at 31 March 2024</b>	<b>47,147</b>	<b>12,697</b>	<b>59,844</b>	<b>-2,510,806</b>	<b>-2,450,962</b>

Movement in reserves statement 2022/2023					
	Revenue General Fund	Capital Receipts Reserves	Total Usable Reserves	Total Unusable Reserves	Total
	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 31 March 2022</b>	<b>53,868</b>	<b>6,375</b>	<b>60,243</b>	<b>-4,212,935</b>	<b>-4,152,692</b>
Total comprehensive income and expenditure	-193,675	0	-193,675	1,884,662	1,690,987
Adjustments between accounting & funding basis under regulations	195,093	2,171	197,264	-197,264	0
Increase/decrease(-) in 2022/2023	1,418	2,171	3,589	1,687,398	1,690,987
<b>Balance as at 31 March 2023</b>	<b>55,286</b>	<b>8,546</b>	<b>63,832</b>	<b>-2,525,537</b>	<b>-2,461,705</b>



# Police & Crime Commissioner for Avon & Somerset

## Group Balance Sheet as at 31 March 2024

Note that the intragroup liability has been removed on consolidation at the group level

OCC £'000	PCC £'000	Group 2023 £'000	Balance Sheet	OCC £'000	PCC £'000	Group 2024 £'000	Notes
			<b>Property, plant and equipment</b>				19
0	199,681	199,681	Land and buildings	0	202,731	202,731	
0	17,391	17,391	Vehicles, plant and equipment	0	18,593	18,593	
0	320	320	Assets under construction	0	1,503	1,503	
0	2,277	2,277	Surplus Assets	0	4,038	4,038	
0	2,776	2,776	Investment Properties	0	2,789	2,789	20
0	465	465	Intangible fixed assets	0	440	440	
			<b>Long term assets</b>				
0	799	799	Prepayments	0	857	857	
2,644,892	0	0	Long Term Liability - intragroup adjustment	2,634,843	0	0	
<b>2,644,892</b>	<b>223,709</b>	<b>223,709</b>	<b>Total non-current assets</b>	<b>2,634,843</b>	<b>230,951</b>	<b>230,951</b>	
0	1,175	1,175	Inventories (stock)	0	1,562	1,562	
0	22,000	22,000	Short term investments	0	27,600	27,600	30
0	58,515	58,515	Debtors and payments in advance	0	72,905	72,905	22
0	32,891	32,891	Cash and cash equivalents	0	9,437	9,437	23
0	114	114	Assets held for sale	0	0	0	
17,075	0	0	Intragroup debtor	19,104	0	0	
<b>17,075</b>	<b>114,695</b>	<b>114,695</b>	<b>Total current assets</b>	<b>19,104</b>	<b>111,504</b>	<b>111,504</b>	
0	-4,391	-4,391	Bank overdraft	0	-3,470	-3,470	23
0	-1,147	-1,147	Short term borrowing	0	-8,922	-8,922	24
-12,975	-32,512	-45,487	Creditors and receipts in advance	-14,570	-31,371	-45,941	25
0	-17,075	0	Intragroup creditor	0	-19,104	0	
-4,100	-325	-4,425	Short term provisions	-4,534	-548	-5,082	26
0	-1,281	-1,281	Short term PFI Lease liability	0	-1,938	-1,938	21
<b>-17,075</b>	<b>-56,731</b>	<b>-56,731</b>	<b>Total current liabilities</b>	<b>-19,104</b>	<b>-65,353</b>	<b>-65,353</b>	
0	-42,015	-42,015	Long term borrowing	0	-38,094	-38,094	24
-25	-8,059	-8,084	Provisions	0	-8,653	-8,653	26
0	-48,412	-48,412	PFI liability	0	-46,474	-46,474	21
0	-2,644,892	0	Pensions - intragroup adjustment	0	-2,634,843	0	
-2,644,867	0	-2,644,867	Net Defined Pension Liability	-2,634,843	0	-2,634,843	
<b>-2,644,892</b>	<b>-2,743,378</b>	<b>-2,743,378</b>	<b>Total long term liabilities</b>	<b>-2,634,843</b>	<b>-2,728,064</b>	<b>-2,728,064</b>	
<b>0</b>	<b>-2,461,705</b>	<b>-2,461,705</b>	<b>Net assets</b>	<b>0</b>	<b>-2,450,962</b>	<b>-2,450,962</b>	
0	63,832	63,832	Total usable reserves	0	59,844	59,844	7
0	-2,525,537	-2,525,537	Total unusable reserves	0	-2,510,806	-2,510,806	7
<b>0</b>	<b>-2,461,705</b>	<b>-2,461,705</b>	<b>Total reserves</b>	<b>0</b>	<b>-2,450,962</b>	<b>-2,450,962</b>	

Signature

Paul Butler

Chief Finance Officer to PCC

Date

# Police & Crime Commissioner for Avon & Somerset

## Group Cash Flow Statement

OCC £'000	PCC £'000	Group 2022/2023 £'000	Cash Flow Statement	OCC £'000	PCC £'000	Group 2023/2024 £'000
0	193,675	193,675	Net surplus(-)/deficit on the provision of services	0	109,614	109,614
0	-11,154	-11,154	Depreciation and impairment of property, plant and equipment	0	-15,210	-15,210
0	-25	-25	Amortisation of intangible assets	0	-25	-25
0	791	791	Movement in Fair Value Investment properties	0	13	13
0	0	0	Movement in Fair Value Financial Instruments	0	-401	-401
328	-682	-354	Increase(-)/decrease in provision charged back to service	-410	-694	-1,104
0	-198,932	-198,932	Charges for retirement benefits in accordance with IAS 19	0	-101,482	-101,482
0	-414	-414	Carrying amounts of non-current assets sold	0	-178	-178
0	0	0	Other	0	0	0
1,367	17,073	18,440	Increase/decrease(-) in long and short term debtors	2,005	12,322	14,327
-1,695	-3,023	-4,718	Increase(-)/decrease in long and short term creditors	-1,595	641	-954
0	48	48	Increase/decrease(-) in stock/WIP	0	387	387
0	-196,318	-196,318	Adjust net surplus(-)/deficit on the provision of services for non-cash movements	0	-104,627	-104,627
0	2,388	2,388	Proceeds from the sale of property, plant and equipment	0	4,297	4,297
0	84	84	Capital grants credited to the surplus or deficit on the provision of service	0	48	48
0	1,258	1,258	Interest received	0	3,466	3,466
0	-5,539	-5,539	Interest paid	0	-5,539	-5,539
0	-1,809	-1,809	Adjust net surplus(-)/ deficit on the provision of services that are investing or financing activities	0	2,272	2,272
0	-4,452	-4,452	Net cash flows from operating activities	0	7,260	7,260
0	7,678	7,678	Purchase of property, plant and equipment	0	14,117	14,117
0	-2,388	-2,388	Capital receipts	0	-4,297	-4,297
0	-84	-84	Capital grant/contribution income due for the year	0	-48	-48
0	-1,000	-1,000	Purchase of short & long term investments	0	6,000	6,000
0	-1,258	-1,258	Interest received	0	-3,466	-3,466
0	2,948	2,948	Net cash flow from investing activities	0	12,306	12,306
0	0	0	New loans raised	0	-5,000	-5,000
0	1,147	1,147	Repayment of long term loans	0	1,147	1,147
0	1,877	1,877	Repayment of PFI liability	0	1,281	1,281
0	5,539	5,539	Interest paid	0	5,539	5,539
0	8,563	8,563	Net cash flow from financing activities	0	2,967	2,967
0	7,059	7,059	Net increase(-)/decrease in cash and cash equivalents	0	22,533	22,533
0	-35,559	-35,559	Cash and cash equivalents at the beginning of the reporting period	0	-28,500	-28,500
0	-28,500	-28,500	Cash and cash equivalents at the end of the reporting period	0	-5,967	-5,967

# Police & Crime Commissioner for Avon & Somerset

## Notes to the Financial Statements

### 1 Statement of Accounting Policies

#### 1.1 General Principles

The general principles adopted in compiling these accounts are in accordance with the recommendations of CIPFA. They accord with CIPFA's Code of Practice on Local Authority Accounting 2023/2024 and the Accounts and Audit Regulations 2015 and are based on the following standards:

International Financial Reporting Standards (IFRSs) as adopted by the UK;

International Public Sector Accounting Standards (IPSASs);

UK Generally Accepted Accounting Practice (GAAP); (Financial Reporting Standards (FRSs), Statements of Standard Accounting Practice (SSAPs) and Urgent Issues Task Force (UITF) abstracts) as far as they are applicable.

#### 1.2 Accruals of Income and Expenditure

Activity is accounted for and recorded on an accruals basis. This means that income is recorded in the accounts when it becomes due, rather than when it is received, and outstanding amounts are included as debtors. Expenditure is included in the accounts when the goods or services are received or supplied, and any outstanding amounts are included as creditors. The PCC Group established a de-minimis level of £5,000 for accruals in both 2022/2023 and 2023/2024.

#### 1.3 Council Tax

Council tax income included within the comprehensive income and expenditure statement includes our share of the surplus or deficits from other local authority collection funds.

#### 1.4 Government Grants

##### 1.4.1 Revenue Grant

Government grants are shown as income within the comprehensive income and expenditure statement and are used to fund the expenditure on policing activities.

##### 1.4.2 Capital Grant

Income received from the Home Office in respect of the capital grant is shown within the comprehensive income and expenditure statement. When the income is matched to the capital expenditure it is transferred to the Capital Adjustment Account. Any unused capital grant is allocated to the Capital Grant Unapplied Account within reserves. Capital grants with outstanding conditions attached have been transferred to the Capital Receipts in Advance Account.

##### 1.4.3 Specific Grants

Specific grant income is recognised immediately within the comprehensive income and expenditure statement on an accruals basis. If there are conditions outstanding to be achieved on the specific grants at the end of the financial year they are recognised as a creditor receipt in advance.

#### 1.5 VAT

Value Added Tax is not included as income or expenditure of the PCC except where it is non-recoverable.

## **1.6 Interest**

External interest receivable on investments and the interest payable on borrowing are charged to the comprehensive income and expenditure statement.

## **1.7 Employee Benefits**

### **1.7.1 Benefits Payable During Employment**

Employee benefits that are due to be settled wholly within 12 months of the year end are recognised as an expense for services in the year which the employees rendered services for the Chief Constable. These include: salaries; annual leave; sick leave; bonuses; and non-monetary benefits (e.g cars).





An accrual is made for the cost of holiday entitlements earned by employees but not taken before year end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the surplus or deficit on the provision of services, but then reversed out through the Movement in Reserves statement to the accumulated absences account so that the holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

### **1.7.2 Termination Benefits**

Termination benefits are amounts payable as a result of a decision by the group to terminate an employee's employment before the normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits. These benefits are charged on an accruals basis to the appropriate service segment at the earlier of when the authority can no longer withdraw the offer of those benefits or when the authority recognises costs for a restructuring.

### **1.7.3 Post-Employment Benefits**

Employees of the Chief Constable are members of four separate pension schemes

-  The Police Officer 1987 scheme (PPS)
-  The Police Officer 2006 scheme (NPPS)
-  The Police Officer 2015 scheme (CARE)
-  The Local Government Pension scheme (CARE)

#### **1.7.3.1 Police Officers Pension Scheme**

All police officers pension schemes are accounted for as defined benefits schemes.

The liabilities of the police officers pension scheme are included in the balance sheet on an actuarial basis using the projected unit method. The projected unit method is an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc., and projected earnings for current employees.

An estimate of the employer's future cashflows is made using notional cashflows based on the estimated duration of all police schemes. These estimated cashflows are then used to derive a single equivalent discount rate (SEDR). The discount rate derived is such that the net present value of the notional cashflow, discounted at the single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA-rated corporate bond yield curve.

#### **1.7.3.2 Local Government Pension Scheme**

All police staff and PCSOs can become members of the Local Government Pension Scheme which is accounted for as a defined benefits scheme.

An estimate of the employer's future cashflows is made using notional cashflows based on the estimated duration of all police schemes. These estimated cashflows are then used to derive a single equivalent discount rate (SEDR). The discount rate derived is such that the net present value of the notional cashflow, discounted at this single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA-rated corporate bond yield curve.

The assets of the Somerset Council pension fund attributable to the group are included in the balance sheet at their fair value

- ✚ Quoted securities – current bid price
- ✚ Unquoted securities – professional estimate
- ✚ Unitised securities – current bid price
- ✚ Property securities – current bid price
- ✚ Property – market value

### **1.7.3.3 Net Pensions Liability**

The change in the net pensions liability for the pension scheme is analysed into the following components

Service cost comprising

- ✚ Current service cost – this is the increase in liabilities as a result of years of service earned this year which is allocated in the CIES to the services for which the employees worked;
- ✚ Past service cost – this is the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the surplus or deficit on the provision of services in the CIES;
- ✚ Net interest on the net defined benefit liability or asset – this is the change during the period in the net defined benefit liability or asset that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the CIES. 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 or asset at the beginning of the period and taking into account any changes in the net defined liability or asset during the period as a result of contribution and benefit payments.

Re-measurements comprising

- ✚ The return on plan assets excludes the amounts included in the net interest on the net defined benefit liability or asset which is charged to the pensions reserve as Other Comprehensive Income and Expenditure. This is only applicable to the Local Government Pension Scheme.
- ✚ Actuarial gains and losses are changes in the net pension's liability that arise because events have not coincided with assumptions made at the last valuation or because the actuaries have updated their assumptions. These changes are charged to the pensions reserve as Other Comprehensive Income and Expenditure.

## **1.8 Leased Assets**

All leases have been reviewed to determine if they are operational or finance leases.

- ✚ Finance leases – these are recognised where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. Property, plant and equipment held under finance lease is recognised as an asset on the balance sheet at the commencement of the lease, matched by a liability for the obligation to pay the lessor;
- ✚ Operating leases – rents payable under operating leases are charged to the comprehensive income and expenditure statement.

All significant contracts or transactions have been reviewed for any 'embedded leases' (which convey the right to use an asset in return for a payment or series of payments). If embedded leases are found to exist they would be treated in line with formal leases as described above. No embedded leases have currently been identified.

IFRS 16 is a new international accounting standard which sets out the principles for the recognition, measurement, presentation and disclosure of leases and its implementation is mandatory for public sector bodies from 1 April 2024. It replaces IAS 17 Leases, which required lessees and lessors to classify their leases as either finance leases or operating leases and account for these two types of lease differently. IAS 17 did not require lessees to recognise assets and liabilities arising from operating leases.

IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. The constabulary has set the threshold for low value assets at £12,000. For all other leases, the lessee recognises a right of use representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

On transition, the lease liability for existing operating leases (excluding low value or short-term exemptions) will be recognised as equal to the value of remaining lease payments discounted at an incremental borrowing rate. For the constabulary, the incremental borrowing rate will be defined by the Public Works Loan Board rate for the period of the remaining lease terms, which is currently 4.9%-5.6%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. The right of use asset will be depreciated over the earlier of the end of the useful life or the end of the lease term.

For leases where payments are at 'peppercorn rate' (at nominal amount or where there is nil consideration), a right of use asset will be measured at fair value. The difference between the asset value and the calculated lease liability will be recognised in the comprehensive income and expenditure statement on transition.

The constabulary has estimated the impact of applying IFRS 16 in 2024/25 on the opening statement of financial position and the in-year impact on the statement of comprehensive income and capital additions as follows

	A&S PFI excluding Glos & Wilt Black Rock £'000	Non PFI £'000
<b>Estimated impact on 1 April 2024 statement of financial position</b>		
Additional right of use assets recognised	480	5,630
Additional lease obligations recognised	-480	-5,630
<b>Net impact on net assets on 1 April 2024</b>	<b>0</b>	<b>0</b>
<b>Estimated in-year impact in 2024/25</b>		
Additional depreciation on right of use assets	-32	-1,031
Change in finance costs on lease liabilities	-149	-258
Contingent rent no longer charged to operating expend	234	
Lease rentals no longer charged to operating expenditure		1,047
<b>Estimated impact on surplus / (deficit) in 2024/25</b>	<b>53</b>	<b>-241</b>

The estimated impact on surplus / deficit, is an accounting adjustment and the impact on the general fund will be reversed out through the capital adjustment account.

### **IFRS 16: PFI Arrangements**

From 1 April 2024, the principles of IFRS 16 will also be applied to PFI arrangements. Under IAS 17, finance lease liabilities are not remeasured when payments are increased in line with an inflation index. The increase in payments arising from indexation is treated in the same way as finance costs and simply expensed in the period to which the payment relates. This additional payment is known as 'contingent rent'.

Under IFRS 16 a different treatment is applied: where indexation or changes in a rate affect future payments, the lease liability is remeasured. Instead of expensing the additional payment, the net present value of future payments that comprise the liability is recalculated based on the revised level of payments. Increases in expenditure are realised as increases in the amortisation charge taken against the remeasured liability.

On transition, the PFI lease liability will be remeasured when a change in an index causes a change in future lease payments. As the constabulary's PFI arrangements are increased in line with an inflation index on an annual basis, the remeasurement of the PFI liability will take place during 2024/25. The estimated impact of applying IFRS 16 in 2024/25 to the PFI arrangements are shown in the table above.

## **1.9 Property, Plant and Equipment**

Expenditure on capital assets is recognised in the accounts when the work has been completed or when the asset has been delivered. The latest valuation was undertaken on 31 March 2024 by our internal Chartered Valuation Surveyor.

### **1.9.1 Recognition**

Expenditure on the acquisition, creation, or enhancement of property, plant and equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the group and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential is charged as an expense when it is incurred.

### **1.9.2 Measurement**

Assets are initially measured at cost comprising

- ✚ The purchase price
- ✚ Any costs attributable to bringing the asset to the location and condition necessary for it to operate in the manner it was intended.

Assets are then carried in the balance sheet using the following bases

- ✚ Properties have been valued in accordance with CIPFA code of guidance and with the current RICS valuation – Global standards UK national supplement, on the basis of existing use value, depreciated replacement cost or fair value.
- ✚ Operational assets that are not specialised have been valued at existing use value. Existing use value is defined as the estimated amount for which a property should exchange on the valuation date between a willing buyer and seller at an arm's length transaction.
- ✚ Operational assets for which no market is in existence or which are specialised in nature have been valued at depreciated replacement cost. Depreciated replacement cost is defined as the current cost of replacing an asset with its modern equivalent asset, less deductions.



### **1.9.3 Revaluation**

The revaluation reserve is used to record gains arising from the revaluation of non-current assets until they are disposed. Revaluation losses that cannot be met from accumulated revaluation gains are charged to the comprehensive income and expenditure statement. Any charges made to the comprehensive income and expenditure statement are reversed out of the general fund balance in the movement in reserves statement and posted to the capital adjustment account.

When a valuation for an asset is undertaken, components of the asset are separately identified when the asset value is over £1,000,000 and the components value is over 20% of the total value of the asset. Components are identified as

- ✚ Parts of the asset that can be disposed or replaced separately from other components of the assets and/or
- ✚ Parts of the asset which have a different useful life to other components.

When assets are disposed the value of the asset on the balance sheet is written off to the comprehensive income and expenditure statement as part of the gain or loss on disposal. The reversal of this is shown within the Movement in Reserves Statement so that there is no impact to council tax.

Vehicles and other non-property assets are carried in the balance sheet at depreciated historical cost. Assets under construction are carried at cost until the asset is made operational at which point they are classified accordingly and depreciation commences.

### **1.10 Depreciation**

All assets are depreciated except for land and assets under construction. The following policies are used

- ✚ Depreciation on buildings is based upon information provided within the latest valuation report regarding the useful life of the buildings and their components, and is based on the 'straight-line' method. The straight line method writes off the value of an asset in equal annual instalments over the estimated useful economic life of the asset. The useful life of our buildings are from the valuation report completed each year. Once a building is operational and transferred from assets under construction depreciation commences on the building.
- ✚ The value of other assets such as vehicles, computers and other equipment falls steadily throughout their lives. These assets are expected to have shorter useful lives of up to seven years. The depreciation starts from the month of acquisition. Again the straight-line method of depreciation is used.
- ✚ Intangible assets are amortised using the straight-line method over the period the software is in use, which is typically four years. An exception to this is the SAP licence which is amortised over 25 years.

### **1.11 Impairments**

The PCC's properties are reviewed for impairment at the end of each financial year. When impairment is identified as part of the annual review or as a result of a revaluation exercise, this will first be charged to the revaluation reserve to the extent that impairment does not exceed the amount in the revaluation reserve for the same asset, and thereafter in the comprehensive income and expenditure statement.

### **1.12 Investment Property**

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.



Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Fund balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund balance. The gains and losses are therefore reversed out of the General Fund balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and Capital Receipts Reserve.

### **1.13 Private Finance Initiatives (PFI)**

The PCC entered into a private finance initiative with Blue Light Partnership where four facilities were constructed, including the provision of services and building maintenance over the 25 year contract. At the end of the contract the ownership of the properties will pass to the PCC for no additional charge. These properties, which are recognised on the balance sheet, are revalued and depreciated in the same way as property, plant & equipment owned by the PCC. The liability to pay for the cost of the capital investment to the Blue Light Partnership is recognised on the balance sheet.

The amounts payable to the Blue Light Partnership each year are analysed into the following elements

- ✚ Fair value of services received during the year – this is charged to the net cost of Police services within the comprehensive income and expenditure statement.
- ✚ Finance cost – this is the interest charge on the outstanding balance sheet liability, shown within the Financial and Investment Income and Expenditure within the Comprehensive Income and Expenditure statement.
- ✚ Contingent rent – increases in the amount to be paid for the property during the contract charged to the Financial and Investment Income and Expenditure within the Comprehensive Income and Expenditure statement.
- ✚ Payment towards liability – this writes down the outstanding liability on the balance sheet.

### **1.14 Cash and Cash Equivalents**

Cash is represented by cash in hand and deposits repayable within 24 hours. Cash equivalents are investments with maturity date of no more than 3 months which are easily convertible into known amounts of cash and have an insignificant risk of a change in value.

### **1.15 Short and Long Term Investments**

Investments are deposits with UK and overseas banks, building societies and local authorities. Short term investments are convertible to cash from between 3 months and one year of the balance sheet date. Long term investments are convertible to cash over one year from the balance sheet date. Surplus funds are managed on behalf of the PCC by Somerset Council Treasury. Funds are invested in line with policy approved by the PCC.

### **1.16 Financial Instruments**

#### **1.16.1 Fair Value**

Fair value is the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measured date. The PCC uses the most appropriate method of valuation within the hierarchy to assess the fair value.

- Level 1** Fair value is derived from quoted prices in an active market for identical assets or liabilities.
- Level 2** The fair value is calculated from quoted prices that are observable from similar assets or liabilities.
- Level 3** Fair value is determined from unobservable data where there is no market data available.

### **1.16.2 Financial Liabilities**

Financial liabilities are recognised on the balance sheet when the group becomes a party to the contractual provisions of a financial instrument. The liabilities are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest payable are based on the carrying value of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For the borrowings that the group has, this means that the amount presented in the balance sheet is the outstanding principle repayable, plus accrued interest; and interest charged to the CIES is the amount payable for the year according to the loan agreement.

### **1.16.3 Financial Assets**

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. The group holds financial assets measured at

- ✚ Amortised cost.
- ✚ Fair value through profit and loss (FVPL).

The group's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principle and interest.

#### **1.16.3.1 Financial assets measured at amortised cost**

Financial assets measured at amortised cost are recognised on the balance sheet when the group becomes a party to the contractual provisions of a financial instrument and the financial assets are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financial and Investment Income and Expenditure line in the CIES for interest receivable are based on the carrying amount of the assets multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the group, this means that the amount presented in the balance sheet is the outstanding principle receivable plus accrued interest, and interest credited to the CIES is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the derecognition of a financial asset are credited or debited to the Financing and Investment Income Expenditure line in the CIES.

#### **1.16.3.2 Financial assets measured at fair value through profit or loss**

Financial assets that are measured at Fair Value through Profit or Loss are recognised on the balance sheet when the group becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arrive in the surplus or deficit on the provision of services.

### **1.16.3.3 Fair value measurement of financial assets**

Fair value of an asset is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The fair value of the financial assets are provided by the group's treasury advisors.

Any gains and losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

## **1.17 Provisions**

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

Provisions are charged as an expense to the appropriate line in the comprehensive income and expenditure statement when the group has an obligation, and are measured at the best estimate at the balance sheet date of the expenditure to settle the obligation, taking into account relevant risks and uncertainties.

When payments are made, they are charged to the provision carried in the balance sheet and estimated settlements 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.

## **1.18 Joint Arrangements**

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

The PCC recognises its share of the assets, liabilities and expenditure relating to its involvement in the joint operations.

The Police and Crime Commissioner has entered into collaborative arrangements with other police forces and local authorities. Details of these are disclosed in the notes to the accounts.

## **1.19 Contingent Liabilities**

A contingent liability arises where an event has taken place that gives the PCC Group a possible obligation whose existence can only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the PCC Group. Contingent liabilities also arise in the situation where a provision would otherwise be made but where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the balance sheet but disclosed in a note to the accounts.

## **1.20 Reserves**

The reserves that are held by the PCC are split between usable and unusable reserves on the balance sheet.

Usable reserves are amounts of money we keep to pay for future projects, and to protect against unexpected events. The useable reserves include

- ✚ The General Fund is risk assessed annually by the Chief Financial Officer of the PCC for the level of funds that the PCC needs to hold at the end of each financial year
- ✚ Earmarked reserves are balances we hold to meet future expenditure in defined areas and within approved policies
- ✚ The Capital Receipts Reserve is where income is received from the sale of property, plant and equipment and held in reserve to fund new capital expenditure.

The unusable reserves include

- ✚ The Revaluation reserve, which represents the changes in the value of assets as a result of revaluation after 1 April 2007; revaluations made prior to the 31 March 2007 were transferred to the capital adjustment account below
- ✚ The Capital Adjustment Account absorbs the timing differences arising from the consumption of property, plant and equipment and for the financing of the acquisitions and enhancements of the assets under statutory provision. This account also includes any revaluation gain/loss prior to 1 April 2007
- ✚ The Collection Fund Adjustment account represents the PCC's share of the surplus or deficits on the local authorities' collection funds that have been charged to the comprehensive income and expenditure statement and reversed out to this account so there is no impact on the general fund
- ✚ The short term compensated absences account represents outstanding employee benefits at the year end that have been earned and not taken during the year. The cost of these benefits has been charged to the comprehensive income and expenditure statement and then reversed to this account ensuring there is no impact on the council tax payer and the general fund

## 1.21 Post Balance Sheet Events

These are events occurring after the balance sheet date before the Statement of Accounts are authorised for issue. Two types of events can be identified:

Adjusting events - where there is evidence that the conditions existed at the end of the reporting period and the accounts are adjusted to reflect these events;

Non-adjusting events – where these are indicative of conditions that arose after the balance sheet date, the Statement of Accounts are not amended, but a note is included to provide an explanation of the nature and the effect of the event;

Events that have taken place after the authorised date of issue are not reflected within the Statement of Accounts.

## 2 Critical Judgements in Applying Accounting Policies

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

- ✚ As a result of the Police Reform and Social Responsibility Act 2011 (the Act), two corporations sole were formed - the Police and Crime Commissioner (PCC) for Avon and Somerset and the Office of the Chief Constable (OCC). The PCC is responsible for the formal oversight of the Avon and Somerset Police and the Chief Constable, including setting the strategic direction and holding the police to account; whilst the Chief Constable has the direction and control over the force's officers and staff.
- ✚ For accounting purposes, the PCC is the parent entity of the Office of the Chief Constable and together they form the PCC group. The accounting recognition of the PCC Group assets,

liabilities and reserves reflects the powers and responsibilities of the Police and Crime Commissioner and the Chief Constable as designated by the Police Reform and Social Responsibility Act 2011 and the Revised Home Office Financial Management Code of Practice for the Police Service, England and Wales 2018. This accounting treatment is also underpinned by the relationships as defined by local regulations, local agreement and practice.

- ✚ The PCC receives all government funding and income, and the Chief Constable uses the PCC's financial resources against an annual budget in order to discharge their operating policing responsibilities. The Chief Constable does not hold any cash or reserves. The PCC has the responsibility for managing the financial relationship with third parties.
- ✚ All the assets, liabilities and reserves of the PCC Group are recognised on the PCC Balance Sheet except for the liabilities for employee benefits. As a result, there is a nil balance on the Chief Constable's Movement of Reserves Statement and no cash transactions on the Chief Constable's cashflow statement. The financial results of the PCC resources used by the Chief Constable are shown in the Comprehensive Income and Expenditure Statement (CIES).
- ✚ As the Chief Constable does not hold reserves the financial consequences recognised in the CIES are offset by intra-group adjustments to reflect the funding of PCC resources consumed at the request of the Chief Constable to give a nil balance on the General Reserves of the Chief Constable at the year end. These intra-group adjustments are mirrored in the PCC accounts to reflect the funding of resources at the request of the Chief Constable.
- ✚ Police pension costs are recognised in the Chief Constable's Accounts in accordance with IAS 19 (Employee Benefits). The liability for police pensions on the Chief Constable's Balance Sheet however is offset by an intra-group debtor reflecting the PCC's responsibility to provide funds from the police fund each year to enable the Chief Constable to administer police pension payments. Similarly, within the Chief Constable's CIES the IAS 19 pension costs are offset by intra-group funding adjustments within the Net Cost of Policing Services and within 'Financing and Investment' lines. The PCC's Balance Sheet shows a matching liability and police pension reserve to reflect its responsibility to provide funds for the payment of police pensions.
- ✚ The same accounting treatment has been adopted in respect of accumulated absences due to employees, but not taken at the reporting date. The liabilities in the Chief Constable's Balance Sheet are offset by an intra-group transfer from the PCC's to reflect the fact that the PCC ultimately funds the Chief Constable's employee costs.

### **3 Accounting Standards Issued but not Adopted**

The following accounting standards have been issued but not adopted by CIPFA and are unlikely to have a material impact on the financial statements.

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

## 4 Assumptions Made About the Future and the Sources of Estimations

In some areas figures in the accounts are based on estimates which take into account past experience, current trends and other relevant factors. By their nature these figures could vary and as such the material areas based on estimates are detailed below.

### 4.1 Pension Service Costs

The estimation of the net liability to pay pension depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are expected to increase, changes in retirement ages, mortality rates and the expected return on the fund's assets. Actuaries provide the OCC with expert advice about the assumptions that have been applied.

Further information is included within notes 16 to 18 regarding the assumptions that have been used by the actuaries to provide an estimate of the liability.

The following tables show the impact of a small change in the assumptions made for the Police Officer and Police Staff Pension Schemes.

<b>Police Officer Sensitivity Analysis</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Adjustment to discount rate</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	2,580,129	2,621,719	2,664,431
Projected service cost	37,944	39,507	41,125
<b>Adjustment to long term salary increase</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	2,626,496	2,621,719	2,616,970
Projected service cost	39,534	39,507	39,479
<b>Adjustment to pension increases and deferred revaluation</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	2,660,453	2,621,719	2,584,040
Projected service cost	41,148	39,507	37,923
<b>Adjustment to life expectancy assumptions</b>	<b>+1 year</b>	<b>None</b>	<b>-1 year</b>
Present value of total obligation	2,711,015	2,621,719	2,535,512
Projected service cost	40,930	39,507	38,118

<b>Police Staff Sensitivity Analysis</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Adjustment to discount rate</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	521,323	531,786	542,567
Projected service cost	16,176	16,843	17,535
<b>Adjustment to long term salary increase</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	532,752	531,786	530,830
Projected service cost	16,854	16,843	16,832
<b>Adjustment to pension increases and deferred revaluation</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	541,809	531,786	522,064
Projected service cost	17,545	16,843	16,166
<b>Adjustment to life expectancy assumptions</b>	<b>+1 year</b>	<b>None</b>	<b>-1 year</b>
Present value of total obligation	548,924	531,786	515,228
Projected service cost	17,470	16,843	16,232

## 4.2 Short and Long Term Provisions

In determining the provisions set aside at 31 March 2024 to pay for known future costs it has been necessary to estimate and make assumptions about the future. More detail around the sources of these estimations and the underlying assumptions made are included within note 26 Short and Long Term Provisions.

## 4.3 Valuation of Assets

A valuation was undertaken of the land and buildings as at 31 March 2024 and the value of the properties have been amended to reflect the updated values for the assets. Indices were used as part of the valuation for the construction costs and local market information over the year. Valuation of land and buildings are of a subjective nature and could vary by +/-10%. In assessing the fair value of the assets held for sale, the activity within the local property market was considered.

## 5 Events After the Balance Sheet Date

There are no post balance sheet events to date.

## 6 Group Expenditure and Funding Analysis

This note shows how the annual expenditure is allocated and the funding available to the PCC in a format which is used for decision making purposes. It is reconciled to the comprehensive income and expenditure statement.

As reported to Management	Adjustments to arrive at the chargeable to general reserves	2022/2023			Group Expenditure and Funding Analysis	As reported to Management	Adjustments to arrive at the chargeable to general reserves	2023/2024		
		Net expenditure chargeable to general fund	Adjustment between accounting and funding basis	Net expenditure in the comprehensive I & E				Net expenditure chargeable to general fund	Adjustment between accounting and funding basis	Net expenditure in the comprehensive I & E
£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000
348,285	53,320	401,605	84,327	485,932	Police Services - OCC	364,871	65,969	430,840	-17,535	413,305
1,914	340	2,254	0	2,254	OPCC	2,210	276	2,486	0	2,486
3,507	429	3,936	0	3,936	Commissioning costs	2,392	293	2,684	0	2,684
<b>353,706</b>	<b>54,089</b>	<b>407,795</b>	<b>84,327</b>	<b>492,122</b>	<b>Net cost of police services</b>	<b>369,473</b>	<b>66,538</b>	<b>436,010</b>	<b>-17,535</b>	<b>418,475</b>
		0	-1,974	-1,974	Gain on disposal of non-current assets			0	-4,119	-4,119
		0	-1,974	-1,974	<b>Other operating expenditure</b>			0	-4,119	-4,119
		0	5,713	5,713	External interest payable			0	5,765	5,765
		0	-1,632	-1,632	Interest and investment income			0	-3,860	-3,860
			-178	-178	Income from Investment properties				-152	-152
			-791	-791	Movement in fair value of investment property				-13	-13
		0	110,987	110,987	Net interest on pensions			0	121,500	121,500
		0	114,099	114,099	<b>Financial and investment income and expenditure</b>			0	123,240	123,240
		-129,059	0	-129,059	Police - revenue grant			-129,508	0	-129,508
		-67,642	0	-67,642	Ex-DCLG formula funding			-67,877	0	-67,877
		0	-84	-84	Capital grant and contributions			0	-48	-48
		-3,331	0	-3,331	Council tax freeze grant			-3,331	0	-3,331
					Council tax support and transition grant			-11,378	0	-11,378
		-11,378	0	-11,378	Council tax - local authorities			-157,170	-63	-157,233
		-144,894	-1,275	-146,169	Pension Top up Grant			-58,607	0	-58,607
		-52,909	0	-52,909						
		-409,213	-1,359	-410,572	<b>Taxation and non-specific grant income</b>			-427,871	-111	-427,982
<b>353,706</b>	<b>54,089</b>	<b>-409,213</b>	<b>110,766</b>	<b>-298,447</b>		<b>369,473</b>	<b>66,538</b>	<b>-427,871</b>	<b>119,010</b>	<b>-308,861</b>
		-1,418	195,093	193,675	<b>Surplus(-)/deficit on provision of services</b>			8,139	101,475	109,614
		53,868			<b>Opening balance of general fund</b>			55,286		
		1,418			Transfers to reserves made in year			-8,139		
		<b>55,286</b>			<b>Closing balance of general fund</b>			<b>47,147</b>		



2022/2023				Group Expenditure and Funding Analysis Adjustment between accounting & funding basis	2023/2024			
Capital Purposes £'000	Pension Adjustment £'000	Other Adjustment £'000	Total Adjustment £'000		Capital Purposes £'000	Pension Adjustment £'000	Other Adjustment £'000	Total Adjustment £'000
-1,131	87,945	-2,487	84,327	Police Services - OCC	2,194	-20,018	289	-17,535
<b>-1,131</b>	<b>87,945</b>	<b>-2,487</b>	<b>84,327</b>	<b>Net cost of police services</b>	<b>2,194</b>	<b>-20,018</b>	<b>289</b>	<b>-17,535</b>
-1,974	0	0	-1,974	Gain on disposal of non-current assets	-4,119	0	0	-4,119
<b>-1,974</b>	<b>0</b>	<b>0</b>	<b>-1,974</b>	<b>Other operating expenditure</b>	<b>-4,119</b>	<b>0</b>	<b>0</b>	<b>-4,119</b>
0	0	5,713	5,713	External interest payable	0	0	5,765	5,765
0	0	-1,633	-1,633	Interest and investment income	0	0	-3,860	-3,860
	0	-178		Income from Investment properties		0	-152	-152
	0	-791		Movement in fair value of investment property		0	-13	-13
0	110,987	0	110,987	Net interest on pensions	0	121,500	0	121,500
<b>0</b>	<b>110,987</b>	<b>3,111</b>	<b>115,067</b>	<b>Financial and investment income and expenditure</b>	<b>0</b>	<b>121,500</b>	<b>1,740</b>	<b>123,240</b>
-84	0	0	-84	Capital grant and contributions	-48	0	0	-48
0	0	-1,275	-1,275	Council tax - local authorities	0	0	-63	-63
<b>-84</b>	<b>0</b>	<b>-1,275</b>	<b>-1,359</b>	<b>Taxation and non-specific grant income</b>	<b>-48</b>	<b>0</b>	<b>-63</b>	<b>-111</b>
<b>-2,058</b>	<b>110,987</b>	<b>1,836</b>	<b>110,765</b>		<b>-4,167</b>	<b>121,500</b>	<b>1,677</b>	<b>119,010</b>
<b>-3,189</b>	<b>198,932</b>	<b>-651</b>	<b>195,092</b>	<b>Total adjustment between accounting and funding basis</b>	<b>-1,973</b>	<b>101,482</b>	<b>1,966</b>	<b>101,475</b>

## 7 Notes to the Movement in Reserves Statement

These notes support the movement in reserves statement shown on page 29

Group Movement in Reserves Statement 2023/2024	Revenue General Fund	Capital Receipts Reserve	Total Usable Reserves	Collect Fund Adjustment Account	Revaluation Reserve	Pooled Investment Fund Adjustment Account	Pensions Reserve Account	Short Term Absences Account	Capital Adjustment Account	Total Unusable Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 31 March 2023</b>	<b>55,286</b>	<b>8,546</b>	<b>63,832</b>	<b>1,478</b>	<b>91,193</b>	<b>0</b>	<b>-2,644,867</b>	<b>-11,813</b>	<b>38,472</b>	<b>-2,525,537</b>
Total comprehensive income and expenditure	-109,614	0	-109,614	0	8,851	0	111,506	0	0	120,357
<b>Adjustments between accounting &amp; funding basis under regulations</b>										
<b>Reversal of items included to I&amp;E</b>										
Amortisation of intangible assets	25	0	25	0	0	0	0	0	-25	-25
Depreciation of non-current assets (note 19)	15,824	0	15,824	0	0	0	0	0	-15,824	-15,824
Revaluation Gain	-614	0	-614	0	0	0	0	0	614	614
Movement in market value of investment properties	-13	0	-13	0	0	0	0	0	13	13
Capital grants and contributions	-48	0	-48	0	0	0	0	0	48	48
Council tax collection fund adjustment	-63	0	-63	63	0	0	0	0	0	63
Gain(-)/loss on disposal of non-current assets	-4,119	4,297	178	0	0	0	0	0	-178	-178
Holiday pay accrual adjustment	1,642	0	1,642	0	0	0	0	-1,642	0	-1,642
Fair value adjustment in respect of financial instruments	400	0	400	0	0	-400	0	0	0	-400
Net IAS 19 charge for retirement benefits	177,426	0	177,426	0	0	0	-177,426	0	0	-177,426
<b>Insert amounts excluded in I&amp;E</b>										
Minimum revenue provision	-3,139	0	-3,139	0	0	0	0	0	3,139	3,139
Revenue contribution to finance capital	-2,700	0	-2,700	0	0	0	0	0	2,700	2,700
IAS 19 employers contributions payable	-75,944	0	-75,944	0	0	0	75,944	0	0	75,944
<b>Other adjustments include:</b>										
Use of capital receipts reserve to finance capital	0	-146	-146	0	0	0	0	0	146	146
Reserves used to finance capital	-7,202	0	-7,202	0	0	0	0	0	7,202	7,202
Increase/decrease(-) in 2023/2024	-8,139	4,151	-3,988	63	8,851	-400	10,024	-1,642	-2,165	14,731
<b>Balance as at 31 March 2024</b>	<b>47,147</b>	<b>12,697</b>	<b>59,844</b>	<b>1,541</b>	<b>100,044</b>	<b>-400</b>	<b>-2,634,843</b>	<b>-13,455</b>	<b>36,307</b>	<b>-2,510,806</b>

Group Movement in Reserves Statement 2022/2023	Revenue General Fund £'000	Capital Receipts Reserve £'000	Total Usable Reserves £'000	Collect Fund Adjustment Account £'000	Revaluation Reserve £'000	Pensions Reserve Account £'000	Short Term Absences Account £'000	Capital Adjustment Account £'000	Total Unusable Reserves £'000
<b>Balance as at 31 March 2022</b>	<b>53,868</b>	<b>6,375</b>	<b>60,243</b>	<b>202</b>	<b>87,202</b>	<b>-4,325,469</b>	<b>-10,396</b>	<b>35,526</b>	<b>-4,212,935</b>
Total comprehensive income and expenditure	-193,675	0	-193,675	0	5,128	1,879,534	0	0	1,884,662
<b>Adjustments between accounting &amp; funding basis under regulations</b>									
<b>Reversal of items included to I&amp;E</b>									
Amortisation of intangible assets	25	0	25	0	0	0	0	-25	-25
Depreciation of non-current assets (note 19)	13,899	0	13,899	0	0	0	0	-13,899	-13,899
Revaluation Gain	-2,745	0	-2,745	0	0	0	0	2,745	2,745
Movement in market value of investment properties	-791	0	-791	0	-929	0	0	1,720	791
Capital grants and contributions	-84	0	-84	0	0	0	0	84	84
Council tax collection fund adjustment	-1,276	0	-1,276	1,276	0	0	0	0	1,276
Gain(-)/loss on disposal of non-current assets	-1,974	2,387	413	0	-208	0	0	-205	-413
Holiday pay accrual adjustment	1,417	0	1,417	0	0	0	-1,417	0	-1,417
Net IAS 19 charge for retirement benefits	260,470	0	260,470	0	0	-260,470	0	0	-260,470
<b>Insert amounts excluded in I&amp;E</b>									
Minimum revenue provision	-3,724	0	-3,724	0	0	0	0	3,724	3,724
Revenue contribution to finance capital	-5,057	0	-5,057	0	0	0	0	5,057	5,057
IAS 19 employers contributions payable	-61,538	0	-61,538	0	0	61,538	0	0	61,538
<b>Other adjustments include:</b>									
Use of capital receipts reserve to finance capital	0	-216	-216	0	0	0	0	216	216
Reserves used to finance capital	-3,529	0	-3,529	0	0	0	0	3,529	3,529
Increase/decrease(-) in 2022/2023	1,418	2,171	3,589	1,276	3,991	1,680,602	-1,417	2,946	1,687,398
<b>Balance as at 31 March 2023</b>	<b>55,286</b>	<b>8,546</b>	<b>63,832</b>	<b>1,478</b>	<b>91,193</b>	<b>-2,644,867</b>	<b>-11,813</b>	<b>38,472</b>	<b>-2,525,537</b>

PCC Movement in Reserves Statement 2023/2024	Revenue General Fund	Capital Receipts Reserve	Total Usable Reserves	Collect Fund Adjustment Account	Revaluation Reserve	Pooled Investment Fund Adjustment Account	Pensions Reserve Account	Short Term Absences Account	Capital Adjustment Account	Total Unusable Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 31 March 2023	55,286	8,546	63,832	1,478	91,193	0	-2,644,867	-11,813	38,472	-2,525,537
Total comprehensive income and expenditure	-109,614	0	-109,614	0	8,851	0	111,506	0	0	120,357
<b>Adjustments between accounting &amp; funding basis under regulations</b>										
<b>Reversal of items included to I&amp;E</b>										
Amortisation of intangible assets	25	0	25	0	0	0	0	0	-25	-25
Depreciation of non-current assets (note 19)	15,824	0	15,824	0	0	0	0	0	-15,824	-15,824
Revaluation Gain	-614	0	-614	0	0	0	0	0	614	614
Movement in market value of investment properties	-13	0	-13	0	0	0	0	0	13	13
Capital grants and contributions	-48	0	-48	0	0	0	0	0	48	48
Council tax collection fund adjustment	-63	0	-63	63	0	0	0	0	0	63
Gain(-)/loss on disposal of non-current assets	-4,119	4,297	178	0	0	0	0	0	-178	-178
Holiday pay accrual Inter group adjustment	1,642	0	1,642	0	0	0	0	-1,642	0	-1,642
Fair value adjustment in respect of financial	400	0	400	0	0	-400	0	0	0	-400
Net IAS 19 charge for retirement benefits	177,426	0	177,426	0	0	0	-177,426	0	0	-177,426
<b>Insert amounts excluded in I&amp;E</b>										
Minimum revenue provision	-3,139	0	-3,139	0	0	0	0	0	3,139	3,139
Revenue contribution to finance capital	-2,700	0	-2,700	0	0	0	0	0	2,700	2,700
IAS 19 employers contributions payable	-75,944	0	-75,944	0	0	0	75,944	0	0	75,944
<b>Other adjustments include:</b>										
Use of capital receipts reserve to finance capital	0	-146	-146	0	0	0	0	0	146	146
Reserves used to finance capital	-7,202	0	-7,202	0	0	0	0	0	7,202	7,202
Increase/decrease(-) in 2023/2024	-8,139	4,151	-3,988	63	8,851	-400	10,024	-1,642	-2,165	14,731
<b>Balance as at 31 March 2024</b>	<b>47,147</b>	<b>12,697</b>	<b>59,844</b>	<b>1,541</b>	<b>100,044</b>	<b>-400</b>	<b>-2,634,843</b>	<b>-13,455</b>	<b>36,307</b>	<b>-2,510,806</b>

<b>PCC Movement in Reserves Statement 2022/2023</b>	<b>Revenue General Fund £'000</b>	<b>Capital Receipts Reserve £'000</b>	<b>Total Usable Reserves £'000</b>	<b>Collect Fund Adjustment Account £'000</b>	<b>Revaluation Reserve £'000</b>	<b>Pensions Reserve Account £'000</b>	<b>Short Term Absences Account £'000</b>	<b>Capital Adjustment Account £'000</b>	<b>Total Unusable Reserves £'000</b>
<b>Balance as at 31 March 2022</b>	<b>53,868</b>	<b>6,375</b>	<b>60,243</b>	<b>202</b>	<b>87,202</b>	<b>-4,325,469</b>	<b>-10,396</b>	<b>35,526</b>	<b>-4,212,935</b>
Total comprehensive income and expenditure	-193,675	0	-193,675	0	5,128	1,879,534	0	0	1,884,662
<b>Adjustments between accounting &amp; funding basis under regulations</b>									
<b>Reversal of items included to I&amp;E</b>									
Amortisation of intangible assets	25	0	25	0	0	0	0	-25	-25
Depreciation of non-current assets (note 19)	13,899	0	13,899	0	0	0	0	-13,899	-13,899
Revaluation Gain	-2,745	0	-2,745	0	0	0	0	2,745	2,745
Movement in market value of investment properties	-791	0	-791	0	-929	0	0	1,720	791
Capital grants and contributions	-84	0	-84	0	0	0	0	84	84
Council tax collection fund adjustment	-1,276	0	-1,276	1,276	0	0	0	0	1,276
Gain(-)/loss on disposal of non-current assets	-1,974	2,387	413	0	-208	0	0	-205	-413
Holiday pay accrual Inter group adjustment	1,417	0	1,417	0	0	0	-1,417	0	-1,417
Net IAS 19 charge for retirement benefits	260,470	0	260,470	0	0	-260,470	0	0	-260,470
<b>Insert amounts excluded in I&amp;E</b>									
Minimum revenue provision	-3,724	0	-3,724	0	0	0	0	3,724	3,724
Revenue contribution to finance capital	-5,057	0	-5,057	0	0	0	0	5,057	5,057
IAS 19 employers contributions payable	-61,538	0	-61,538	0	0	61,538	0	0	61,538
<b>Other adjustments include:</b>									
Use of capital receipts reserve to finance capital	0	-216	-216	0	0	0	0	216	216
Reserves used to finance capital	-3,529	0	-3,529	0	0	0	0	3,529	3,529
Increase/decrease(-) in 2022/2023	1,418	2,171	3,589	1,276	3,991	1,680,602	-1,417	2,946	1,687,398
<b>Balance as at 31 March 2023</b>	<b>55,286</b>	<b>8,546</b>	<b>63,832</b>	<b>1,478</b>	<b>91,193</b>	<b>-2,644,867</b>	<b>-11,813</b>	<b>38,472</b>	<b>-2,525,537</b>

## 8

## Income and Expenditure Analysed by Nature

2022/2023			Income and Expenditure analysed by nature	2023/2024		
OCC £'000	PCC £'000	Group £'000		OCC £'000	PCC £'000	Group £'000
294,084	1,782	295,866	Employee costs	318,874	1,965	320,839
13,138	0	13,138	Premises costs	17,355	0	17,355
6,068	8	6,076	Transport costs	5,501	13	5,514
41,356	322	41,678	Supplies & services	44,457	398	44,855
16,206	142	16,348	Partnership costs	18,744	138	18,882
15,600	0	15,600	Misc, central, & grants	20,782	0	20,782
0	8,678	8,678	Commissioning	0	8,832	8,832
11,179	0	11,179	Depreciation, amortisation, & impairment	15,235	0	15,235
89,361	0	89,361	Employee benefit expenses	-18,377	0	-18,377
110,987	0	110,987	Net interest on pensions	121,500	0	121,500
52,909	0	52,909	Police pension top up grant	58,607	0	58,607
0	5,713	5,713	Interest payments	0	5,365	5,365
0	-1,974	-1,974	Gain on disposal of fixed assets	0	-4,119	-4,119
0	0	0	Fair value adjustment for Financial Instruments	0	400	400
-650,888	650,888	0	Intragroup adjustment	-602,678	602,678	0
<b>0</b>	<b>665,559</b>	<b>665,559</b>	<b>Total expenditure</b>	<b>0</b>	<b>615,670</b>	<b>615,670</b>
-18,313	-930	-19,243	Sales, rent, fees, & charges	-18,532	-429	-18,961
-1,395	0	-1,395	Seconded officers	-1,362	0	-1,362
0	-1,999	-1,999	Commissioning of victim support services	0	-3,082	-3,082
-12,294	0	-12,294	Counter terrorism policing grant	-17,930	0	-17,930
-718	-2,080	-2,798	Serious Violence grant	-801	-1,686	-2,487
-4,688	0	-4,688	Uplift grant	-8,090	0	-8,090
-2,828	0	-2,828	Officer pensions grant	-2,828	0	-2,828
-13,466	0	-13,466	Other specific grants	-18,331	-978	-19,309
0	-1,810	-1,810	Interest and investment income	0	-4,012	-4,012
0	-791	-791	Changes in the MV of investment properties	0	-13	-13
0	-129,059	-129,059	Police - revenue grant	0	-129,508	-129,508
0	-67,642	-67,642	Ex-DCLG formula funding	0	-67,877	-67,877
0	-84	-84	Capital grant and contributions	0	-48	-48
0	-3,331	-3,331	Council tax freeze grant	0	-3,331	-3,331
0	-11,378	-11,378	CT Support & transition grant	0	-11,378	-11,378
0	-146,169	-146,169	CT- local authorities	0	-157,233	-157,233
0	-52,909	-52,909	Police pension Top up grant	0	-58,607	-58,607
53,702	-53,702	0	Intragroup adjustment	67,874	-67,874	0
<b>0</b>	<b>-471,884</b>	<b>-471,884</b>	<b>Total income</b>	<b>0</b>	<b>-506,056</b>	<b>-506,056</b>
<b>0</b>	<b>193,675</b>	<b>193,675</b>	<b>Surplus/deficit on provision of services</b>	<b>0</b>	<b>109,614</b>	<b>109,614</b>

## 9 Paying Staff

Disclosure of Remuneration for Senior Employees 2023/2024					
Post Holder Information (post title and name)	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2023/2024	Pension Contributions	Total Remuneration Including Pension Contributions 2023/2024
	£	£	£	£	£
PCC - M Shelford	88,600	0	<b>88,600</b>	16,479	<b>105,079</b>
Chief Constable - S Crew	175,706	8,570	<b>184,276</b>	54,469	<b>238,745</b>
	<b>264,306</b>	<b>8,570</b>	<b>272,876</b>	<b>70,948</b>	<b>343,824</b>

Disclosure of Remuneration for Senior Employees 2022/2023						
Post Holder Information (post title and name)	Note	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2022/2023	Pension Contributions	Total Remuneration Including Pension Contributions 2022/2023
		£	£	£	£	£
PCC - M Shelford		88,442	0	<b>88,442</b>	14,416	<b>102,858</b>
Chief Constable - S Crew		168,020	11,466	<b>179,486</b>	52,086	<b>231,572</b>
		<b>256,462</b>	<b>11,466</b>	<b>267,927</b>	<b>66,502</b>	<b>334,429</b>

# **Disclosure of Remuneration for Senior Employees 2023/2024**

Post Holder Information (post title)	Note	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2023/2024	Pension Contributions	Total Remuneration Including Pension Contributions 2023/2024
		£	£	£	£	£
<b>PCC Employees</b>						
Chief Finance Officer to the PCC		104,238	0	<b>104,238</b>	19,388	<b>123,626</b>
Chief of Staff and Monitoring Officer to the PCC		106,269	0	<b>106,269</b>	19,766	<b>126,035</b>
<b>OCC Employees</b>						
Deputy Chief Constable - N Watson	<b>1</b>	97,843	0	<b>97,843</b>	0	<b>97,843</b>
Deputy Chief Constable - J Reilly	<b>2</b>	65,365	0	<b>65,365</b>	19,294	<b>84,659</b>
ACC - Strategic Improvement		131,845	0	<b>131,845</b>	38,547	<b>170,392</b>
ACC - Investigations & Operational Support		120,061	0	<b>120,061</b>	34,894	<b>154,955</b>
ACC - Neighbourhoods, Partnerships & Response	<b>2</b>	76,443	0	<b>76,443</b>	22,341	<b>98,784</b>
T/ACC - Neighbourhoods, Partnerships & Response	<b>3</b>	40,438	0	<b>40,438</b>	12,282	<b>52,720</b>
Chief Officer - Finance, Resources and Innovation		126,068	12,677	<b>138,745</b>	23,449	<b>162,194</b>
Chief Officer - People and Organisational Development	<b>4</b>	120,500	0	<b>120,500</b>	21,018	<b>141,518</b>
Force Medical Officer - D Bulpitt	<b>5</b>	130,992	0	<b>130,992</b>	24,364	<b>155,356</b>
		<b>1,120,062</b>	<b>12,677</b>	<b>1,132,739</b>	<b>235,343</b>	<b>1,368,082</b>

## **Notes to Remuneration for 2023/2024**

**Note 1** The Deputy Chief Constable retired on 31/10/2023

**Note 2** ACC - Neighbourhoods, Partnerships & Response left this role on 31/10/2023 and was promoted to Deputy Chief Constable on 01/11/2023

**Note 3** Temporary ACC - Neighbourhoods, Partnerships & Response appointed on 27/11/2023

**Note 4** Chief Officer - People and Organisational Development permanently appointed on 08/05/2023

**Note 5** Force Medical Advisor reduced their working hours to 16 hours per week from 01/11/2023



# **Disclosure of Remuneration for Senior Employees 2022/2023**

Post Holder Information (post title)	Note	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2022/2023	Pension Contributions	Total Remuneration Including Pension Contributions 2022/2023
		£	£	£	£	£
<b>PCC Employees</b>						
Chief Finance Officer to the PCC		95,411	0	<b>95,411</b>	15,552	<b>110,963</b>
Chief of Staff and Monitoring Officer to the PCC		102,100	0	<b>102,100</b>	16,642	<b>118,742</b>
<b>OCC Employees</b>						
Deputy Chief Constable - N Watson		151,413	0	<b>151,413</b>	0	<b>151,413</b>
ACC - Strategic Improvement		119,294	0	<b>119,294</b>	34,656	<b>153,950</b>
ACC - Neighbourhoods, Partnerships & Response		127,830	0	<b>127,830</b>	37,302	<b>165,132</b>
ACC - Investigations & Operational Support	<b>1</b>	10,268	0	<b>10,268</b>	2,975	<b>13,244</b>
Chief Officer - Finance, Resources and Innovation		120,330	12,677	<b>133,007</b>	19,614	<b>152,620</b>
Chief Officer - People and Organisational Development	<b>2</b>	101,945	8,200	<b>110,145</b>	16,617	<b>126,762</b>
Chief Officer - People and Organisational Development	<b>3</b>	17,456	0	<b>17,456</b>	2,660	<b>20,115</b>
Force Medical Officer - D Bulpitt		161,854	0	<b>161,854</b>	26,382	<b>188,236</b>
		<b>1,007,900</b>	<b>20,877</b>	<b>1,028,777</b>	<b>172,401</b>	<b>1,201,178</b>

## **Notes to Remuneration for 2022/2023**

**Note 1** New ACC appointed on 27/02/2023

**Note 2** Chief Officer - People and Organisational Development left ASC on 05/02/2023

**Note 3** Chief Officer - People and Organisational Development temporarily appointed on 06/02/2023

The number of staff to whom we pay more than £50,000 a year is shown below. Pay includes salary, taxable travel and expenses. Bands with nil values in both years have been removed.

OCC Number	PCC Number	Total 2022/2023 Number	Pay Range	OCC Number	PCC Number	Total 2023/2024 Number
406	2	408	£50,000 - £54,999	543	3	546
252	0	252	£55,000 - £59,999	301	2	303
117	1	118	£60,000 - £64,999	209	0	209
26	0	26	£65,000 - £69,999	77	0	77
10	1	11	£70,000 - £74,999	17	1	18
13	0	13	£75,000 - £79,999	14	1	15
5	1	6	£80,000 - £84,999	10	0	10
5	0	5	£85,000 - £89,999	10	0	10
7	0	7	£90,000 - £94,999	1	0	1
2	0	2	£95,000 - £99,999	9	0	9
0	0	0	£100,000 - £104,999	1	0	1
1	0	1	£105,000 - £109,999	2	0	2
<b>844</b>	<b>5</b>	<b>849</b>		<b>1,194</b>	<b>7</b>	<b>1,201</b>

The numbers within each band can be impacted year on year by inflationary changes.

For further details on gender pay please see our gender pay gap report, which has been published on the Avon and Somerset website.

## 10 Exit Packages – OCC

The costs for 10 staff redundancies were recognised during the year, the details of which are presented in the table below.

Compulsory & Voluntary 2022/2023		Exit Packages	Compulsory & Voluntary 2023/2024	
Number	£'000	Banding	Number	£'000
19	201	£0 - £19,999	6	43
5	134	£20,000 - £39,999	4	107
0	0	£40,000 - £59,999	0	0
0	0	£60,000 - £79,999	0	0
<b>24</b>	<b>335</b>		<b>10</b>	<b>150</b>

## 11 External Audit Costs

External audit services are provided to the PCC by Grant Thornton. The amounts paid in relation to the audit of the Statement of Accounts, certification of grant claims and statutory inspections and to any non-audit services are shown in the following table

2022/2023 £'000	External Audit Costs	2023/2024 £'000
	<b>Police and Crime Commissioner:</b>	
32	Fees for external audit services paid to Grant Thornton	137
	<b>Chief Constable:</b>	
26	Fees for external audit services paid to Grant Thornton	58
<b>58</b>		<b>195</b>

As part of the Government's response to the Redmond Review, the Department for Levelling Up, Housing, and Communities (DLUHC) provided grant of £22,251 split by PCC £14,685 and CC £7,565 (2022/23 £21,886 split by PCC £14,105 and CC £7,780) to assist with the anticipated rise in fees, driven by new requirements on auditors, including new burdens relating to the implementation of the Redmond Recommendations and the National Audit Office's Code of Audit Practice 2020. Fees paid by the PCC in 2023/2024 were based on the scale fee. The final fees for the audit have not yet been confirmed.

## 12 Council Tax

Council tax is collected by the local authorities in our area. The amounts receivable from each local authority are shown in the following table. The following council have been amalgamated into one Somerset council; Mendip, Sedgemoor, Somerset West and Taunton and South Somerset.

2022/2023 £'000	Council Tax	2023/2024 £'000
17,102	Bath and North East Somerset Council	18,336
32,305	Bristol City Council	34,994
20,155	North Somerset Council	21,551
10,616	Mendip District Council	0
10,788	Sedgemoor District Council	0
14,571	Somerset West and Taunton Council	0
15,627	South Somerset District Council	0
0	Somerset Council	55,712
25,005	South Gloucestershire Council	26,640
<b>146,169</b>		<b>157,233</b>

## 13 Transactions with Related Organisations and People

There is a requirement to disclose material transactions with related parties. These are bodies or individuals that have the potential to control or influence the PCC or to be controlled or influenced by the PCC. In doing this we are required to consider the materiality from the viewpoint of both the PCC and the related party.

### 13.1 Key Management Personnel and Members of the Joint Audit Committee

The PCC and the OCC were asked to disclose details of any transactions between themselves or members of their immediate family with the PCC which either total over £1,000 or which might require separate explanation. Sarah Crew is the Chief Constable, during 2023/2024 we have rendered £3,255 of services relating to the emergency installation of an alarm following risk assessment of her role (no services were provided in 2022/2023).

### 13.2 Other Related Parties

The Home Office and the DLUHC exert significant influence on the PCC Group through legislation and grant funding.

The PCC also has a relationship with the Police Community Trust and the Avon and Somerset Constabulary Force Club. Payments were made to the Police Community Trust of £228,997 in 2023/2024 (£21,065 in 2022/2023). Payments were also made to the Avon and Somerset Constabulary Force Club in 2023/2024 of £6,705 (£14,641 in 2022/2023).

## 14 Joint Arrangements

The PCC participates in a number of joint arrangements, contributions to which are disclosed below

2022/2023 Expenditure £'000	Joint Operations	2023/2024 Expenditure £'000
4,099	South West Regional Organised Crime Unit	5,073
1,619	Firearms Training	1,820
744	Counter Terrorism Specialist Firearms Officers	781
5,548	Major Crime Investigation (Brunel)	5,915
8,126	South West Forensic Services	8,743
103	Regional ACC	164
23	Disaster Victim Identification / Casualty Bureau	34
368	Other Regional Programmes	381
<b>20,630</b>	<b>Total</b>	<b>22,911</b>

### 14.1 South West Regional Organised Crime Unit (SW ROCU)

SW ROCU is a regional collaboration set up to combat serious and organised crime across the South West of England. Avon and Somerset are the lead force with a 30.7% share of net expenditure. Other partners are Devon and Cornwall (31.8%), Dorset (13.5%), Gloucestershire (12.1%) and Wiltshire (11.9%). The total net cost of the operation, after government grants and sundry income, was £16,535,394 in 2023/2024 (£13,358,978 in 2022/2023).

## **14.2 Firearms Training**

Firearms Training is run in partnership between Avon and Somerset, Gloucestershire and Wiltshire. The split of expenditure between the forces is different for premises and non-premises related costs. The overall percentage allocation for 2023/2024 was 39.9% for Avon and Somerset, 33.7% for Gloucestershire, and 26.3% for Wiltshire. The total cost of the operation was £4,131,185 in 2023/2024 (£3,679,798 in 2022/2023).

## **14.3 Counter Terrorism Specialist Firearms Officers (CTSFO)**

The CTSFO collaboration was set up in April 2017 to provide a resilient and rapidly available specialist firearms capability. The collaboration is between Avon and Somerset (53.6%), Gloucestershire (23.2%) and Wiltshire (23.2%). The total cost of the operation was £1,457,290 in 2023/2024 (£1,386,930 in 2022/2023).

## **14.4 Major Crime Investigation (Brunel)**

This is a collaboration between Avon and Somerset (64%), Gloucestershire (17%) and Wiltshire (19%) for the purposes of providing regional oversight and scrutiny of major incidents. The total cost of the service was £9,242,729 in 2023/2024 (£8,668,710 in 2022/2023).

## **14.5 South West Forensic Services**

South West Forensic Services is a collaboration between Avon and Somerset (34.8%), Devon and Cornwall (36.1%), Dorset (15.2%) and Wiltshire (13.7%) to provide forensic services. The total cost of the operation was £25,102,653 in 2023/2024 (£22,812,481 in 2022/2023).

## **14.6 Regional ACC**

This post was put in place from May 2016 to oversee the regional collaborations for Forensics, Special Branch, SW ROCU, and Counter Terrorism Policing South West. The costs are shared between Avon and Somerset (30.7%), Gloucestershire (11.9%), Devon and Cornwall (31.8%), Dorset (13.5%) and Wiltshire (12.1%). The total cost for the ACC was £529,422 in 2023/2024 (£324,764 in 2022/2023).

## **14.7 Disaster Victim Identification / Casualty Bureau**

This is a collaboration between Avon and Somerset (30.7%), Gloucestershire (11.9%), Devon and Cornwall (31.8%), Dorset (13.5%) and Wiltshire (12.1%) to provide two posts to assist with officer deployment across the South West. The total cost of the operation was £111,479 in 2023/2024 (£75,200 in 2022/2023).

## **14.8 Other Regional Programmes**

These are collaborations between Avon and Somerset, Gloucestershire, Devon and Cornwall, Dorset, and Wiltshire covering activities such as the Emergency Services Mobile Communications Programme, shared ways of working for record management systems, and regional governance and oversight of existing collaborations. The percentage split varies between projects. The total cost of all programmes was £1,190,601 in 2023/2024 (£1,182,565 in 2022/2023).

## 15 Rent for Operational Leases

The PCC has entered into operating leases in respect of land and buildings

2022/2023 £'000	Leased Land and Buildings	2023/2024 £'000
	The future minimum lease payments due under non-cancellable leases in future years are:	
971	Not later than one year	1,006
2,680	Later than one year and not later than five years	2,139
704	Later than five years	366
<b>4,355</b>		<b>3,511</b>

## 16 Pensions Costs and Liabilities – OCC

The full costs of retirement benefits earned by employees during the year are recognised through the Comprehensive Income and Expenditure statement net cost of police services as they are accrued. These costs are then reversed through the Movement in Reserves statement so that there is no impact on the general fund. It should be noted that the charge against council tax for pension benefits is based upon the cash value of employer's contributions.

2023 £'000	IAS 19 Pension Liabilities	2024 £'000
-2,611,528	Police officers	-2,621,719
-33,339	Police staff	-13,124
<b>-2,644,867</b>		<b>-2,634,843</b>

	Police Staff		Police Officers	
	2022/2023	2023/2024	2022/2023	2023/2024
	£'000	£'000	£'000	£'000
<b>Comprehensive income and expenditure statement</b>				
Cost of services:				
Current service cost	47,203	14,864	101,916	40,665
Administration expenses	267	254	0	0
Past service cost including curtailments	97	143	0	0
Financing and investment income and expenditure:				
Net interest cost	10,007	-1,349	100,980	122,849
<b>Total post employment benefits charged to the comprehensive income and expenditure statement</b>	<b>57,574</b>	<b>13,912</b>	<b>202,896</b>	<b>163,514</b>
<b>Other post employment benefits charged to the comprehensive income and expenditure statement</b>				
Return on plan assets	-22,279	39,123	0	0
Changes in demographic assumptions	63,726	6,758	0	10,022
Changes in financial assumptions	419,207	13,007	1,651,214	43,730
Experience gain/loss(-) on defined benefit obligations	-59,708	-1,585	-224,308	-6,067
Changes in effect of asset Ceiling	0	-45,861	0	0
Other actuarial gain/loss(-)	-1,131	0	52,813	52,379
<b>Total other comprehensive income</b>	<b>399,815</b>	<b>11,442</b>	<b>1,479,719</b>	<b>100,064</b>
<b>Movement in reserves statement</b>				
Reversal of net charges made for retirement benefits in accordance with the code	-57,574	-13,912	-202,896	-163,514
<b>Actual amount charged against the general fund balance for pensions in the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Employer's contribution to scheme	18,292	22,562	36,422	45,880
Retirement benefits payable to pensioners	104	123	6,720	7,379

## 17 Pensions for Police Officers – OCC

Employee contributions levels are based on percentages of pensionable pay set nationally by the Home Office. From 1 April 2014 contributions increased and officers will pay contributions ranging from 11.00% to 15.05% depending on their pay scale and the scheme they are in. Employer contributions to the Police Officer Pension Scheme are projected at £45,880,000 in financial year 2024/2025.

Benefits payable are funded by these contributions and any difference between benefits payable and contributions receivable, except for those amounts relating to injuries received in service, is payable by the PCC Group and then reclaimed from the Home Office.

The first table below shows the amount met by the PCC Group and second shows those met by the PCC Group and then reclaimed through the top-up grant from the Government.

2022/2023 £'000	Cost of Injury and Ill-Health Benefits - Police Officers	2023/2024 £'000
6,720	Payments to pensioners	7,379

2022/2023 £'000	Pensions Account	2023/2024 £'000
105,793	Benefits paid to officers	116,273
-52,884	Less contributions received	-57,666
<b>52,909</b>	<b>Balance met from PCC Group</b>	<b>58,607</b>

A full valuation of the pension scheme liabilities was undertaken for 31 January 2021. This work was carried out by independent actuaries who have taken account of the requirements of IAS 19 to assess the liabilities of the fund. Liabilities have been calculated by reference to police officers who are members of the fund as well as those who are already receiving pensions. The estimate of the weighted average duration of the scheme's liabilities is 18 years. Using the assumptions detailed in the tables below an estimate of the costs and liabilities associated with police officers pensions has been made.

Life Expectancy from Age 65 Years		2023/2024	2022/2023
<b>Current pensioners</b>			
	Males	21.3	21.2
	Females	23.4	23.5
<b>Retiring in 20 years</b>			
	Males	22.5	22.5
	Females	24.7	25.0



The main assumptions used for the purposes of IAS 19 are shown as yearly percentages.

2022/2023 %		2023/2024 %
4.80	Discount rate	4.90
3.90	Rate of increase in salaries	3.90
2.90	Rate of increase in pensions in payment	2.90
3.20	Change in Retail Price Index (RPI)	3.25
2.90	Change in Consumer Price Index (CPI)	2.90

The movement in the present value of scheme liabilities for the year to 31 March 2024 is as follows

2022/2023 £'000	Present Value of Police Pension Scheme Liabilities	2023/2024 £'000
-3,931,493	Present value of schemes liability as at 1 April	-2,611,528
	<b>Movements in the year</b>	
-101,916	Current service cost	-40,665
111,341	Estimated benefits paid (net of transfers in)	122,655
-15,386	Contributions by scheme participants	-17,017
-100,980	Interest costs	-122,849
1,651,214	Change in financial assumptions	43,730
0	Change in demographic assumptions	10,022
-224,308	Experience gain/loss on defined benefit obligations	-6,067
<b>-2,611,528</b>	<b>Present value of schemes liability as at 31 March</b>	<b>-2,621,719</b>

The movement in the fair value of scheme assets for the year to 31 March 2024 is as follows

2022/2023 £'000	Fair Value of Police Pensions Scheme Assets	2023/2024 £'000
0	Present value of schemes assets as at 1 April	0
	<b>Movements in the year</b>	
52,813	Other actuarial gain	52,379
43,142	Contributions by employer	53,259
15,386	Contributions by scheme participants	17,017
-111,341	Estimated benefits paid (net of transfers in)	-122,655
<b>0</b>	<b>Present value of schemes assets as at 31 March</b>	<b>0</b>

## 18 Pensions for Police Staff – OCC

Police staff can choose to join the Somerset Council Local Government Pension Scheme, which is a defined benefit scheme based on career average salary. Government regulations define the level of funding required to meet the full cost of current and future pensions.

The total amounts paid into the fund by the PCC Group and the percentage of employees' contributions are shown below

2022/2023		Pension Costs - Police Staff	2023/2024	
Payments	Percentage of		Payments	Percentage of
£'000	Employees' Contributions		£'000	Employees' Contributions
18,286	130-296	PCC's contribution	20,827	130-296

During 2023/2024 the Constabulary paid into the fund at rates of between 130% and 296% of the rate which employees paid, depending upon the whole time equivalent salary paid to employees. Employer contributions to the Police Staff Pension Scheme are projected at £22,376,000 in financial year 2024/2025.

Since April 2023 the Constabulary has paid 18.6% of the employee salary in pension contribution (previously 16.3%) for current active members and an annual fixed sum to pay for past service deficit recovery. The fixed sum paid in 2022/2023 was £2,420,000 and the amount paid in 2023/2024 is £2,420,000.

It should be noted that the actuary has used an estimated value in respect of police staff employers pension contributions in arriving at the calculation of pension costs included in the comprehensive income and expenditure statement as disclosed in note 16.

A full valuation of the pension scheme liabilities was last undertaken as at 31 January 2021. This work has been updated for the 2023/2024 financial year by independent actuaries to the Somerset Council pension fund, who have taken account of the requirements of IAS 19 to assess the liabilities of the fund. Liabilities have been calculated by reference to police staff who are members of the fund as well as those who are already receiving pensions. The estimate of the duration of the employer's liabilities is 21 years. Using the assumptions detailed in the tables below an estimate of the costs and liabilities associated with police staff pensions has been made.

Life Expectancy from Age 65 Years		2023/2024	2022/2023
<b>Current pensioners</b>			
	Males	21.1	21.4
	Females	23.0	23.2
<b>Retiring in 20 years</b>			
	Males	22.4	22.7
	Females	24.4	24.7

The main assumptions used for the purposes of IAS 19 are shown as yearly percentages.

2022/2023		2023/2024
%		%
4.80	Discount rate	4.95
3.90	Rate of increase in salaries	3.90
2.90	Rate of increase in pensions in payment	2.90
3.20	Change in Retail Price Index (RPI)	3.15
2.90	Change in Consumer Price Index (CPI)	2.90

The return on the pension fund assets on a bid value basis for the year to 31 March 2024 is estimated to be 2.83%. The estimated value of the PCC's share of the fund's assets is £564,523,000 on a bid value basis (2022/2023 £487,693,000).

The assets are made up of the following

2022/2023		Assets	2023/2024	
£'000	%		£'000	%
		<b>Equities</b>		
52,671	10.8	UK - Unquoted	56,484	10.0
292,031	59.9	Overseas - Unquoted	338,905	60.0
19,057	3.9	Private equity	19,205	3.4
<b>363,758</b>	<b>74.6</b>		<b>414,594</b>	<b>73.4</b>
		<b>Gilts - Public Sector</b>		
8,719	1.8	UK fixed interest	12,071	2.1
8,719	1.8	UK index linked	12,127	2.2
<b>17,437</b>	<b>3.6</b>		<b>24,198</b>	<b>4.3</b>
		<b>Other Bonds</b>		
34,825	7.14	UK	45,735	8.0
15,850	3.3	Overseas	22,868	4.0
<b>50,675</b>	<b>10.4</b>		<b>68,603</b>	<b>12.0</b>
39,130	8.0	<b>Property</b>	40,572	7.2
16,693	3.4	<b>Cash (invested internally)</b>	16,556	2.9
<b>487,693</b>	<b>100</b>	<b>Total assets</b>	<b>564,523</b>	<b>100</b>

The following amounts were measured in line with the requirements of IAS 19

2022/2023 £'000	Police Staff Pensions	2023/2024 £'000
487,693	Share of assets in pension fund	564,523
-519,921	Estimated liabilities in pension fund	-576,634
-1,111	Estimated unfunded liabilities	-1,013
<b>-33,339</b>	<b>Deficiency in fund</b>	<b>-13,124</b>

The movement in the present value of schemes obligations for the year to 31 March 2024 is as follows

2022/2023 £'000	Present Value of Police Staff Liabilities	2023/2024 £'000
-882,896	Present value of defined obligations as at 1 April	-521,032
	<b>Movements in the year</b>	
-47,203	Current service cost	-14,864
15,084	Estimated benefits paid (net of transfers in)	17,771
-6,406	Contributions by scheme participants	-7,557
-22,843	Interest costs	-24,264
104	Unfunded pension payments	123
419,207	Change in financial assumptions	13,007
63,726	Change in demographic assumptions	6,758
-59,708	Experience loss(-)/gain on defined benefit obligations	-1,585
-97	Past service cost, including curtailments	-143
<b>-521,032</b>	<b>Present value of defined obligations as at 31 March</b>	<b>-531,786</b>

The movement in the fair value of scheme assets for the year to 31 March 2024 is as follows

2022/2023 £'000	Fair Value of Police Staff Scheme Assets	2023/2024 £'000
488,920	Fair value of scheme assets as at 1 April	487,693
	<b>Movements in the year</b>	
12,836	Interest on assets	25,613
-22,279	Return on assets less interest	39,123
-1,131	Other actuarial gain/loss(-)	0
-267	Administration expenses	-254
18,396	Contributions by employer	22,685
6,406	Contributions by scheme participants	7,557
-15,188	Estimated benefits paid (net of transfers in)	-17,894
<b>487,693</b>	<b>Fair value of scheme assets as at 31 March</b>	<b>564,523</b>

Further information in relation to the Police Staff Pension Scheme can be obtained from Peninsula Pensions, Great Moor House, Bittern Road, Sowton Industrial Estate, Exeter, EX2 7NL.

## 19 Property, Plant and Equipment

Property, Plant and Equipment 2023/2024	Land and Buildings	Vehicles, Plant, Machinery and Equipment	Assets Under Construction	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>					
As at 1 April 2023	201,349	97,160	320	2,277	301,106
Additions during year	225	9,823	1,307	2,262	13,617
Disposals	0	-54,526	0	0	-54,526
Reclassification	124	0	-124	2	2
<b>Revaluation gain/loss (-)</b>				0	
Recognised in revaluation reserve	3,462	0	0	-477	2,985
Recognised in surplus & deficit I&E	-287	0	0	-135	-422
<b>As at 31 March 2024</b>	<b>204,873</b>	<b>52,457</b>	<b>1,503</b>	<b>3,929</b>	<b>262,762</b>
<b>Depreciation and impairment</b>					
As at 1 April 2023	-1,668	-79,769	0	0	-81,437
Depreciation charge	-6,710	-8,556	0	-558	-15,824
Disposals	0	54,461	0	0	54,461
Reclassification	0	0	0	0	0
<b>Revaluation gain/loss (-)</b>					
Recognised in revaluation reserve	5,199	0	0	667	5,866
Recognised in surplus & deficit I&E	1,037	0	0	0	1,037
<b>As at 31 March 2024</b>	<b>-2,142</b>	<b>-33,864</b>	<b>0</b>	<b>109</b>	<b>-35,897</b>
<b>Net book value</b>					
<b>As at 31 March 2024</b>	<b>202,731</b>	<b>18,593</b>	<b>1,503</b>	<b>4,038</b>	<b>226,865</b>
<b>As at 31 March 2023</b>	<b>199,681</b>	<b>17,391</b>	<b>320</b>	<b>2,277</b>	<b>219,669</b>

Property, Plant and Equipment 2022/2023	Land and Buildings	Vehicles, Plant, Machinery and Equipment	Assets Under Construction	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>					
As at 1 April 2022	202,778	90,154	544	250	293,726
Additions during year	464	8,623	76	0	9,163
Disposals	0	-1,617	0	0	-1,617
Reclassification	-3,685	0	-300	2,000	-1,985
<b>Revaluation gain/loss (-)</b>					
Recognised in revaluation reserve	365	0	0	27	392
Recognised in surplus & deficit I&E	1,427	0	0	0	1,427
<b>As at 31 March 2023</b>	<b>201,349</b>	<b>97,160</b>	<b>320</b>	<b>2,277</b>	<b>301,106</b>
<b>Depreciation and impairment</b>					
As at 1 April 2022	-1,271	-73,930	0	0	-75,201
Depreciation charge	-6,452	-7,448	0	0	-13,900
Disposals	0	1,609	0	0	1,609
Reclassification	-21	0	0	21	0
<b>Revaluation gain/loss (-)</b>					
Recognised in revaluation reserve	4,737	0	0	0	4,737
Recognised in surplus & deficit I&E	1,339	0	0	-21	1,318
<b>As at 31 March 2023</b>	<b>-1,668</b>	<b>-79,769</b>	<b>0</b>	<b>0</b>	<b>-81,437</b>
<b>Net book value</b>					
<b>As at 31 March 2023</b>	<b>199,681</b>	<b>17,391</b>	<b>320</b>	<b>2,277</b>	<b>219,669</b>
<b>As at 31 March 2022</b>	<b>201,507</b>	<b>16,224</b>	<b>544</b>	<b>250</b>	<b>218,525</b>

Nature of assets held as at 31 March 2024	Land and Buildings	Vehicles, Plant, Machinery and Equipment	Assets Under Construction	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000
Owned	120,391	18,593	1,503	4,038	144,525
PFI (Note 21)	82,340	0	0	0	82,340
	<b>202,731</b>	<b>18,593</b>	<b>1,503</b>	<b>4,038</b>	<b>226,865</b>

Nature of assets held as at 31 March 2023	Land and Buildings	Vehicles, Plant, Machinery and Equipment	Assets Under Construction	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000
Owned	119,764	17,391	320	2,277	139,752
PFI (Note 21)	79,917	0	0	0	79,917
	<b>199,681</b>	<b>17,391</b>	<b>320</b>	<b>2,277</b>	<b>219,669</b>

## 20 Investment Properties

2022/2023 Investment Property £'000	2023/2024 Investment Property £'000
0 Balance at start of the year	2,776
<b>Additions:</b>	
0 Purchases	0
0 Construction	0
0 Subsequent expenditure	0
<b>Disposals</b>	0
791 Net gains from fair value adjustments	13
<b>Transfers:</b>	
0 to/from inventories	0
1,985 from property plant and equipment	0
<b>2,776 As at 31 March</b>	<b>2,789</b>

## 21 Finance Leases – PFI

The PCC has a contract with the Blue Light Partnership for the provision of four facilities, which were built under a Private Finance Initiative (PFI). These buildings provide custody and operational facilities over the contract life, which runs until 30 March 2039. The contract includes the provision of services including building maintenance and provides for asset lifecycle replacement.

The financial implications of this contract commit the PCC to an annual unitary charge across the 25 year life of the contract. The UK Government (Home Office) has also committed to provide £186,979,000 capital funding (known as PFI Credits) in the form of annual grants over 25 years.

The building and site assets, as provided under the contract, remain the property of the Blue Light Partnership during the period of the contract and, with the exception of the shared specialist training centre, will become PCC assets at the end of the contract. The assets are recognised on our balance

sheet and are matched initially by a liability to the Blue Light Partnership. This liability will continue to be written down over the life of the contract when payments which are identified as settling the liability, the capital element of the unitary charge, are made to the operator.

The specialist training centre is shared with Wiltshire and Gloucestershire police and so an adjustment has been made to reflect only our share of this asset and liability within the accounts.

The following tables show PFI assets and liabilities

2022/2023			PFI Assets	2023/2024		
PFI Buildings £'000	PFI IT Equipment £'000	Total £'000		PFI Buildings £'000	PFI IT Equipment £'000	Total £'000
			<b>Cost or valuation</b>			
80,991	5,385	<b>86,376</b>	As at 1 April	79,928	5,385	<b>85,313</b>
46	0	<b>46</b>	Additions during year	0	0	<b>0</b>
0	0	<b>0</b>	Disposals	0	-5,385	<b>-5,385</b>
			<b>Revaluation gain/loss (-)</b>			
-1,106	0	<b>-1,106</b>	Recognised in revaluation reserve	2,317	0	<b>2,317</b>
-3	0	<b>-3</b>	Recognised in surplus & deficit I&E	120	0	<b>120</b>
<b>79,928</b>	<b>5,385</b>	<b>85,313</b>	<b>As at 31 March</b>	<b>82,365</b>	<b>0</b>	<b>82,365</b>
			<b>Depreciation and impairment</b>			
-26	-5,385	<b>-5,411</b>	As at 1 April	-11	-5,385	<b>-5,396</b>
-2,814	0	<b>-2,814</b>	Depreciation charge	-2,973	0	<b>-2,973</b>
0	0	<b>0</b>	on Disposals	0	5,385	<b>5,385</b>
			<b>Revaluation gain/loss (-)</b>			
2,663	0	<b>2,663</b>	Recognised in revaluation reserve	2,934	0	<b>2,934</b>
166	0	<b>166</b>	Recognised in surplus & deficit I&E	25	0	<b>25</b>
<b>-11</b>	<b>-5,385</b>	<b>-5,396</b>	<b>As at 31 March</b>	<b>-25</b>	<b>0</b>	<b>-25</b>
			<b>Net book value</b>			
<b>79,917</b>	<b>0</b>	<b>79,917</b>	<b>As at 31 March</b>	<b>82,340</b>	<b>0</b>	<b>82,340</b>

2022/2023 £'000	PFI Liabilities	2023/2024 £'000
51,570	Finance Liability as at 1 April	49,693
-1,877	Liability Paid in Year	-1,281
<b>49,693</b>	<b>Finance Liability at 31 March</b>	<b>48,412</b>

The fair value of the PFI liability has been assessed as £61,139,869 compared to the book value of £48,412,000 as shown in the table above.

Payments made in 2023/2024 and the index-linked amounts due for the remainder of the PFI contract after adjustment for the Gloucestershire and Wiltshire share of the specialist training centre are as follows



<b>PFI Charges</b>	<b>Service Charge</b>	<b>Lifecycle Replacement Costs</b>	<b>Interest Charge</b>	<b>Liability</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Rental paid 2023/2024	2,424	1,596	3,824	1,281
<b>Rentals payable in future years</b>				
Within 1 year	2,508	853	3,972	1,938
Within 2-5 years	10,023	4,459	13,918	8,674
Within 6-10 years	12,508	5,945	12,931	14,953
Within 11-15 years	12,552	4,749	6,202	22,847
Within 16-20 years	0	0	0	0
<b>Total</b>	<b>37,591</b>	<b>16,006</b>	<b>37,023</b>	<b>48,412</b>

## 22 Debtors and Payments in Advance

These balances reflect amounts owed to the PCC and payments made in advance for goods and services at the end of the year. It is expected that amounts owed will be received within 12 months of the year end date.

<b>PCC</b>	<b>Total 2023</b>	<b>Debtors and Payments in Advance</b>	<b>PCC</b>	<b>Total 2024</b>
<b>£'000</b>	<b>£'000</b>		<b>£'000</b>	<b>£'000</b>
44,231	44,231	Trade debtors	59,256	59,256
14,248	14,248	Prepayments	13,619	13,619
36	36	Other	30	30
<b>58,515</b>	<b>58,515</b>	<b>Balance as at 31 March</b>	<b>72,905</b>	<b>72,905</b>

## 23 Cash and Cash Equivalents

<b>2023</b>	<b>Cash and Cash Equivalents</b>	<b>2024</b>
<b>£'000</b>		<b>£'000</b>
106	Cash in hand	77
-4,391	Bank Overdraft	-3,470
32,785	Short term deposits	9,360
<b>28,500</b>	<b>Balance as at 31 March</b>	<b>5,967</b>

## 24 Loans Still to be Repaid

Loans outstanding at the balance sheet date include amounts owing to the Public Works Loan Board (PWLb), amounts owing to other lenders under the terms of Lender Option Borrower Option (LOBO), amounts owing to lenders under the terms of a fixed term loan and amounts owing to Salix Finance Ltd in respect of finance provided for the purchase of LED lighting.

No new Salix loans were taken out this year. At 31 March 2024 £101,412.50 is outstanding. They are both interest free loans over a period of five years provided to support energy efficiency, and it is anticipated that the energy savings will offset the loan repayments.

<b>2023 £'000</b>	<b>Loans to be Repaid</b>	<b>2024 £'000</b>
1,147	Within one year	8,922
3,922	Between one and two years	1,137
6,547	Between two and five years	6,120
3,549	Between five and 10 years	3,549
27,997	More than 10 years	27,288
<b>43,162</b>	<b>Total</b>	<b>47,016</b>
	Less:	
-1,147	Transferred to short term borrowings (repayable in 2023/2024)	-8,922
<b>42,015</b>		<b>38,094</b>

## 25 Creditors and Receipts in Advance

These balances reflect amounts owed by the PCC and amounts received in advance. It is expected that these liabilities will be paid within 12 months of the end of the reporting period.

<b>OCC £'000</b>	<b>PCC £'000</b>	<b>Total 2023 £'000</b>	<b>Creditors and Receipts in Advance</b>	<b>OCC £'000</b>	<b>PCC £'000</b>	<b>Total 2024 £'000</b>
0	15,707	15,707	Trade creditors	0	13,730	13,730
0	369	369	Receipts in advance	0	872	872
12,975	14,320	27,295	Accruals	14,570	14,169	28,739
0	2,116	2,116	Other	0	2,600	2,600
<b>12,975</b>	<b>32,512</b>	<b>45,487</b>	<b>Balance as at 31 March</b>	<b>14,570</b>	<b>31,371</b>	<b>45,941</b>

## 26 Short and Long Term Provisions

Short and Long Term Provisions	Balance 1 April 2023 £'000	Reversed Unused £'000	Used in Year £'000	New in Year £'000	Balance 31 March 2024 £'000
Insurance	8,059	0	-916	1,510	8,653
Legal services	325	-194	-193	610	548
Ill-health & termination benefits - OCC	126	0	-126	616	616
Overtime liability - OCC	3,999	0	-1,813	1,732	3,918
	<b>12,509</b>	<b>-194</b>	<b>-3,048</b>	<b>4,468</b>	<b>13,735</b>

As at 31 March 2024, the insurance provision has increased to £8,653,000, following the annual review carried out by Marsh, the insurance specialists. This provision is to meet specific known potential liabilities and anticipated future losses, based upon an actuarial valuation of the discounted insurance liabilities as at 31 March 2024 and the paid and outstanding claims position as at this date.

The legal services provision of £548,000 represents an estimate of the legal costs associated with the outcome of outstanding legal cases.

The following provisions have been included in the accounts of the OCC

- ✚ The ill health and termination benefits provision of £616,000 is in respect of ill health retirement payments where approval to start the process was agreed at 31 March 2024
- ✚ The overtime liability provision at 31 March 2024 is in respect of claims for overtime worked in prior years.

## 27 Contingent Liabilities

We have reviewed the position in respect of contingent liabilities as at 31 March 2024.

Annual assessments are carried out to manage our key risks and set the level of our reserves. As a result, the following contingent liabilities have been identified

### 27.1 McCloud/Sargeant

#### 27.1.1 Impact on Police Officer pension liability

Two employment tribunal cases (McCloud/Sargeant) were brought against the Government in relation to possible discrimination in the implementation of transitional protection following the introduction of the reformed 2015 public service pension schemes from 1 April 2015. The claimants challenged the transitional protection arrangements on the grounds of direct age discrimination, equal pay and indirect gender and race discrimination.

In December 2018, the Court of Appeal ruled that the transitional protection offered to some members as part of the reforms amounts to unlawful discrimination. On 27 June 2019 the Supreme Court denied the Government's request for an appeal in the case. On 16 July 2020, the Government published a consultation on the proposed remedy to be applied to pension benefits in response to the McCloud and Sargeant cases. The consultation closed on 11 October 2020 and the response was published on 4 February 2021 confirming the final remedy.

The remedy will apply to those members that were in active service on or prior to 31 March 2012 and on or after 1 April 2015. These members will choose which scheme they are to accrue benefits

in over the remedy period (1 April 2015 to 31 March 2022). From 1 April 2022, everyone is assumed to accrue benefits in the 2015 scheme.

The scheme actuaries previously estimated the potential increase in scheme liabilities for Avon & Somerset force due to the for McCloud/Sargeant cases to be £200m of pensions scheme liabilities and this increase was reflected in the 2018/2019 accounts. In 2019/2020 scheme actuaries reviewed these assumptions at a force level and estimated a further increase of £17.2m in scheme liabilities.

The scheme actuary has updated their calculations for the final remedy, and this was reflected in the IAS19 disclosure in the 2020/2021 accounts. The impact of the final remedy was a reduction in the defined benefit obligation of approximately £19m. The actuary had previously assumed that all members who were previously in a final salary scheme would move back to that scheme. When calculating the impact of the remedy, the actuary has only included those members that were active as at 31 March 2012 and on or after 1 April 2015. The actuary has assumed that these members would choose the scheme that they could accrue the most benefits in over the remedy period based on the actuarial assumptions at the last valuation date. Given that members' final salary schemes tended to provide the higher benefit in the first place, the overall effect of the proposal is a slight reduction in the defined benefit liability.

The impact of a change in scheme liabilities arising from the 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 2023/2024, although this timetable is subject to change.

The impact of a change in annual pension payments arising from McCloud/Sargeant is determined through the Police Pension Fund Regulations 2007. These require a police authority to maintain a police pension fund into which officer and employer contributions are paid and out of which pension payments to retired officers are made. Following the 31st March 2020 valuation of the Police pension schemes, the Home Office have confirmed an increase to employer contributions from 31% to 35.3% with effect from 1st April 2024. 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 and Crime Commissioner in the form of a central government top-up grant.

#### **27.1.2 Impact on Police Staff pension liability**

The government has confirmed that they expect to have to make an amendment to all public service schemes as a result of the McCloud judgement. Our scheme actuaries have estimated the potential increase in scheme liabilities for Avon & Somerset force to be £5.648m. This increase was reflected in the IAS 19 disclosure as a past service cost in the 2019/2020 accounts. The scheme actuaries do not believe that there are any material differences to the staff pension liability as a result of the government's final published remedy.

#### **27.1.3 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.

## **27.2 Other Pension cases**

There is one further case which has been included in the report from our actuaries

**Goodwin Case** – This case relates to differences between survivor benefits payable to members with same-sex or opposite-sex survivors and has been identified in several public sector pension schemes. There is not yet a remedy in place and our actuaries have not made allowances for the impact of this within the liabilities existing at 31 March 2024 due to there being insufficient information upon which to make an accurate estimation.

## **27.3 Airwave Solutions**

On 22nd December 2023, it was announced that Airwave Solution Limited (Motorola) lost their appeal against the Competitions and Markets Authority (CMA) ruling that they had been in effect over charging for Airwave services. As a result, Avon and Somerset Constabulary were issued a credit note and discounts of current invoices which to the end of 31 March 2024 total £167,204. The value and detail of the credit and discounts remains a subject of ongoing work between the Home Office, who are the central contract managers of the Airwave contract, and Motorola/Airwave.

There is a risk that Motorola/Airwave have further right to appeal against this finding which, if the appeal is upheld, would reverse the credit notes and discounts already received.

## 28 Funds and Reserves

### Revenue Reserves and General Fund

The general fund is split between specific earmarked reserves and the general fund as follows

Revenue Reserves 2023/2024	Balance 1 April 2023	Reserves Used in Year	Transfers to Reserves in Year	Balance 31 March 2024
	£'000	£'000	£'000	£'000
Carry forwards Reserve	160	-70	0	90
Operations Reserve	1,500	0	0	1,500
Overtime liability Reserve	1,000	0	0	1,000
Buildings and sustainability Reserve	290	0	0	290
General Revenue Smoothing Reserve	2,806	-1,028	0	1,778
New PCC Reserve	930	-191	0	739
<b>Total discretionary reserves</b>	<b>6,686</b>	<b>-1,289</b>	<b>0</b>	<b>5,397</b>
SW ROCU Reserve	132	0	267	399
Proceeds of crime Reserve	818	-165	0	653
Police Property Act Reserve	275	0	221	496
Grants carried forward Reserve	1,982	0	271	2,253
Hinkley Point Reserve	890	-207	0	683
Road safety Reserve	1,323	-668	0	655
LRF Reserve	336	-54	0	282
Victim support services Reserve	2,762	-188	0	2,574
Miscellaneous Reserve	110	-9	0	101
Regional programme Reserve	221	-49	0	172
Pension Fund McCloud Reserve	88	0	0	88
<b>Total non-discretionary reserves</b>	<b>8,937</b>	<b>-1,340</b>	<b>759</b>	<b>8,356</b>
Capital financing Reserve	21,002	-7,385	993	14,610
Earmarked capital Reserve	131	-203	472	400
PFI change Reserve	457	0	0	457
Sinking fund Reserve	5,099	-63	155	5,191
ESMCP Reserve	765	-31	0	734
<b>Total capital and PFI reserves</b>	<b>27,454</b>	<b>-7,682</b>	<b>1,620</b>	<b>21,392</b>
Council tax income guarantee Reserve	209	-209	0	0
<b>Total earmarked reserves</b>	<b>43,286</b>	<b>-10,520</b>	<b>2,379</b>	<b>35,145</b>
General Fund	12,000	0	0	12,000
<b>Total General Fund Balance</b>	<b>55,286</b>	<b>-10,520</b>	<b>2,379</b>	<b>47,145</b>

Revenue Reserves 2022/2023	Balance 1 April 2022	Reserves Used in Year	Transfers to Reserves in Year	Balance 31 March 2023
	£'000	£'000	£'000	£'000
Carry forwards Reserve	770	-2,088	1,478	160
Operations Reserve	1,500	0	0	1,500
Overtime liability Reserve	1,000	0	0	1,000
Buildings and sustainability Reserve	290	0	0	290
Transformation Reserve	195	-195	0	0
General Revenue Smoothing Reserve	0	0	2,806	2,806
New PCC Reserve	1,000	-70	0	930
<b>Total discretionary reserves</b>	<b>4,755</b>	<b>-2,353</b>	<b>4,284</b>	<b>6,686</b>
SW ROCU Reserve	262	-2,493	2,363	132
Proceeds of crime Reserve	1,086	-268	0	818
Police Property Act Reserve	370	-195	100	275
Grants carried forward Reserve	834	-814	1,962	1,982
Hinkley Point Reserve	531	0	359	890
Road safety Reserve	991	0	332	1,323
LRF reserve Reserve	353	-377	360	336
Victim support services Reserve	3,127	-517	152	2,762
Miscellaneous Reserves	141	-99	68	110
Regional programme Reserves	290	-822	753	221
Pension Fund McCloud Reserve	88	0	0	88
<b>Total non-discretionary reserves</b>	<b>8,073</b>	<b>-5,585</b>	<b>6,449</b>	<b>8,937</b>
Capital financing Reserve	22,961	-3,565	1,606	21,002
Earmarked capital Reserve	236	-285	180	131
PFI change Reserve	457	0	0	457
Sinking fund Reserve	4,969	-39	169	5,099
ESMCP Reserve	0	-61	826	765
<b>Total capital and PFI reserves</b>	<b>28,623</b>	<b>-3,950</b>	<b>2,781</b>	<b>27,454</b>
Council tax income guarantee Reserve	417	-208	0	209
<b>Total earmarked reserves</b>	<b>41,868</b>	<b>-12,096</b>	<b>13,514</b>	<b>43,286</b>
General Fund	12,000	0	0	12,000
<b>Total General Fund Balance</b>	<b>53,868</b>	<b>-12,096</b>	<b>13,514</b>	<b>55,286</b>

The carry forward balance represents the cost of goods and services not received as at 31 March, as well as amounts set aside for specific purposes.

The **Operations reserve** can be used at the chief officers' discretion to manage risk associated with the reactive nature of policing work.

The **Overtime Liability reserve** is the estimate of the cost of historic overtime which is due to be paid with the introduction of new rules for the more timely payment of overtime.

The **Buildings and Sustainability reserve** is held to capture any underspend in relation to our buildings repairs and maintenance budgets, so that these funds can be used in future years to support necessary work on our estate. It is also used to support projects and initiatives which will reduce and make more efficient our use of natural resources.

The **General Revenue Smoothing reserve** was established as part of the 23/24 MTFP to reflect the inflationary challenges in future financial years.

The **New PCC reserve** has been established to provide funds to help support the new PCC's programme during their first year in office.

The **SW ROCU reserve** is a regional collaboration set up to destroy, dismantle and disrupt serious and organised crime across the South West of England. The SW ROCU reserve has been created to set aside carry forward balances for specific purposes on this collaboration.

The **Proceeds of Crime reserve** is used to hold funding received as a result of our work in the seizure and confiscation of assets we believe to have been gained through criminal activities. The funding is used to support our continued work in this area.

The **POCA reserve** operates a holding account for seized monies and the sale proceeds of seized and unclaimed property under the Police (Property) Regulation 1997 where the case has been concluded against the suspect. The balance on the reserve can be used for a number of specific purposes, which include the further support of the administration of evidential property within the force, as well as for charitable purposes.

The **Grants Carried Forward reserve** is used to hold grants income, where it is considered that the terms and conditions of the grant have been met.

The **Hinkley Point reserve** is to cover the cost of both the neighbourhood and protest policing at the site of the new Hinkley Point power station.

The **Road Safety Fund** is the surplus of funds received from the speed enforcement unit and will be used to support road safety initiatives.

The **Local Resilience Forum (LRF) reserve** is the balance for various partners from public agencies as Avon and Somerset are the co-ordination point for this forum.

The **Victim Support Services reserve** is the balance of the funding specifically received to enable victim support commissioning to be undertaken.

The **Miscellaneous reserve** contains funding that has been received from various sources that is required to be used for specific purposes.

The **Regional Programme reserve** has been created to set aside carry forward balances for specific regional collaboration purposes.

The **Pension fund McCloud reserve** has been created to hold the funding received to support the implementation of the McCloud remedy over coming years.

The **Capital Financing reserve** has been created to help manage the forward funding of the capital programme to reduce the reliance on external borrowings.

The **Earmarked Capital reserve** balance is held to meet the capital commitment on several ongoing schemes.

The **PFI change reserve** resulted from the delays in the availability of the PFI buildings, and will provide a fund to manage future one off costs as issues arise.

The **Sinking Fund** will be used over the life of the PFI contract to equalise the phasing of the government grant income and expenditure on the unitary charge.



The **ESMCP reserve** holds grants received to assist with funding the national project for airwave replacement, which has been subject to several delays.

The **Tax Income Guarantee reserve** has been created to earmark compensation recognised for irrecoverable losses in council tax income. The DLUHC has confirmed that they will compensate authorities for 75% of the irrecoverable losses in council tax income in respect of 2020/2021. It should be noted that the balance of the reserve falls outside the scope of the reserves available for service requirements and is earmarked against collection fund deficits in 2022/23 and 2023/24.

The **General Fund** represents the risk assessed balances held by the PCC to meet unforeseen future events.

## 28.2 Capital Reserves

The revaluation reserve represents the difference between the current valuation and the original cost of our assets.

The capital adjustment account provides a balancing mechanism between the different rates at which assets are depreciated and are financed.

It should be noted that the revaluation reserve and the capital adjustment account are matched by fixed assets within the balance sheet and are not resources available to the PCC.

The usable capital receipts reserve represents the amounts received from the sale of capital assets held to fund future capital purchases.

You can find the details of the movement on these reserves in the notes to the movements in reserves statement.

## 29 Capital Financing

2022/2023 £'000	Capital Expenditure and Financing	2023/2024 £'000
97,072	Opening capital financing requirement	93,511
	<b>Capital investment</b>	
9,163	Property, plant and equipment	13,618
	<b>Sources of finance</b>	
-216	Capital receipts	-146
-84	Government grants and contributions	-48
-5,057	Revenue contributions	-2,701
-3,529	Earmarked reserves	-7,202
-3,724	Minimum revenue provision	-3,139
-114	Capital creditors	0
-12,724		-13,236
93,511	<b>Closing capital finance requirements</b>	93,893
	<b>Explanation of movements in year</b>	
-3,561	Increase/decrease(-) in underlying need to borrow	382
-3,561	<b>Increase/decrease(-) in capital financing requirement</b>	382

## 30 Financial Instruments

The liabilities and investments disclosed in the balance sheet are made up of the following categories of financial instruments.

### 30.1 Categories of Financial Instruments

Financial liabilities 2023/2024	Current			Non-current	Total 31st March
	Bank overdraft £'000	Borrowings £'000	Creditors £'000	Borrowings £'000	£'000
Fair value through profit or loss	0	0	0	0	0
Amortised cost	3,470	8,922	24,894	38,094	75,380
Amortised cost - PFI liabilities	0	1,938	0	46,474	48,412
<b>Total financial liabilities</b>	<b>3,470</b>	<b>10,860</b>	<b>24,894</b>	<b>84,568</b>	<b>123,792</b>
Other liabilities not defined as financial instruments:					
Tax	0	0	6,477	0	6,477
OCC payroll accruals	0	0	14,570	0	14,570
<b>Total</b>	<b>3,470</b>	<b>10,860</b>	<b>45,941</b>	<b>84,568</b>	<b>144,839</b>

Financial liabilities 2022/2023	Current			Non-current	Total 31st March
	Bank overdraft £'000	Borrowings £'000	Creditors £'000	Borrowings £'000	£'000
Fair value through profit or loss	0	0	0	0	0
Amortised cost	4,391	1,147	25,258	42,016	72,812
Amortised cost -PFI liabilities	0	1,281	0	48,412	49,693
<b>Total financial liabilities</b>	<b>4,391</b>	<b>2,428</b>	<b>25,258</b>	<b>90,428</b>	<b>122,505</b>
Other liabilities not defined as financial instruments:					
Tax	0	0	7,128	0	7,128
OCC payroll accruals	0	0	13,101	0	13,101
<b>Total</b>	<b>4,391</b>	<b>2,428</b>	<b>45,487</b>	<b>90,428</b>	<b>142,734</b>

Financial assets 2023/2024	Current Cash and cash equivalents £'000	Investment s £'000	Debtors £'000	Total 31st March 2024 £'000
Fair value through profit or loss	1,360	0	0	1,360
Amortised cost	8,077	27,600	54,363	90,040
<b>Total financial assets</b>	<b>9,437</b>	<b>27,600</b>	<b>54,363</b>	<b>91,400</b>
Other assets not defined as financial instruments:				
VAT	0	0	4,065	4,065
Payments in advance	0	0	14,476	14,476
<b>Total</b>	<b>9,437</b>	<b>27,600</b>	<b>72,905</b>	<b>109,942</b>

Financial assets 2022/2023	Current Cash and cash equivalents £'000	Investment s £'000	Debtors £'000	Total 31st March 2023 £'000
Fair value through profit or loss	11,785	0	0	11,785
Amortised cost	21,106	22,000	42,270	85,376
<b>Total financial assets</b>	<b>32,891</b>	<b>22,000</b>	<b>42,270</b>	<b>97,161</b>
Other assets not defined as financial instruments:				
VAT	0	0	1,998	1,998
Payments in advance	0	0	14,248	14,248
<b>Total</b>	<b>32,891</b>	<b>22,000</b>	<b>58,515</b>	<b>113,406</b>

## 30.2 Financial Liabilities

As the financial liabilities are not held for trading, they are all initially measured at fair value and subsequently carried at their amortised cost. The fair value of the financial liabilities may therefore differ from their carrying value. The fair value of the PWLB loans has been assessed at £25,873,680 (31 March 2023 £28,366,673) compared with a book value of £30,176,091 (31 March 2023 £31,285,912). The fair value of LOBO loans has been assessed at £5,897,417 (31 March 2023 £5,776,931) compared with a book value of £5,275,000 in both years. Under the terms of these loans the lender has the option to vary the interest rate at specified points in time. These loans are detailed in the following table.

	31 March 2024		31 March 2023	
	Carrying amount £'000	Fair value £'000	Carrying amount £'000	Fair value £'000
<b>Financial liabilities held at amortised cost</b>				
Borrowings - PWLB loans	30,176	25,874	31,286	28,367
Borrowings - LOBO loans	5,275	5,897	5,275	5,777
Borrowings - other	6,564	6,360	6,601	6,371
Bank Overdraft	3,470	3,470	4,391	4,391
Creditors	24,894	24,894	25,258	25,258
PFI liabilities	48,412	64,093	49,693	62,630
<b>Total</b>	<b>118,791</b>	<b>130,588</b>	<b>122,504</b>	<b>132,794</b>

The fair value of PWLB, LOBO, and fixed term loans has been assessed using level 2 inputs according to the fair value hierarchy. The economic effects of the terms agreed have been compared with estimates of the terms that would be offered for market transactions undertaken at the Balance Sheet date. The difference between the carrying amount and the fair value measures the difference in the interest the authority will pay for the remaining terms of the loans under their agreement, against what would be paid if the loans were at prevailing market rates.

The fair value of the PFI Liability has been assessed using level 2 of the fair value hierarchy, using AA-rated Corporate bond yields as at the balance sheet date to discount the future liability costs

Short term creditors are carried at cost and this is a fair approximation of their value.

Lender Option Borrower Option (LOBO)						
2023 £'000		Drawdown Date	2024 £'000	Period	Next Option Date	End Date  Interest Rate  %
2,500		30/01/2008	2,500	70 yrs	30/01/2028	31/01/2078 3.99
2,775		12/02/2008	2,775	70 yrs	12/02/2025	14/02/2078 4.10
<b>5,275</b>		<b>Total</b>	<b>5,275</b>			

### 30.3 Financial Assets

The PCC's Treasury Management model is to hold assets in order to collect contractual cash flows. The contractual terms of the PCC's financial assets give rise to cash flows that are solely payments of principal and interest on the principal amounts outstanding. Therefore the financial assets are all initially measured at fair value and carried at amortised cost.

The carrying value of the financial assets may differ from their fair value. Whereas the carrying amount for investments and cash equivalents is the outstanding principal, the fair value is calculated by applying the appropriate discount rate to derive the present value of expected future cash flows.

	31 March 2024		31 March 2023	
	Carrying £'000	Fair value £'000	Carrying £'000	Fair value £'000
<b>Financial assets held at amortised cost</b>				
Cash and cash equivalents	5,077	8,414	18,106	21,218
Investments - Short term	27,600	25,969	22,000	19,074
Debtors	54,363	54,363	42,270	42,270
<b>Total</b>	<b>87,040</b>	<b>88,746</b>	<b>82,376</b>	<b>82,562</b>
<b>Financial assets held at Fair Value</b>				
Cash and cash equivalents	4,360	3,960	14,785	14,541
<b>Total</b>	<b>4,360</b>	<b>3,960</b>	<b>14,785</b>	<b>14,541</b>

At 31 March 2024 the fair value is assessed as level 1 for cash and cash equivalents held at amortised cost and fair value at £9,773,980, and short term investments at £28,569,086. This compares with a book value of £9,437,000 for cash and equivalents and a book value of £27,600,000 for short term investments. Short term debtors are carried at cost and this is a fair approximation of their value.




### 30.4 Income, Expense, Gains and Losses

The gains and losses recognised in the comprehensive income and expenditure statement in relation to financial instruments are made up as follows

	Financial Liabilities		Financial Assets	
	31 March 2023 £'000	31 March 2024 £'000	31 March 2023 £'000	31 March 2024 £'000
Interest payable and similar charges (excluding PFI)	1,547	1,542	0	0
Interest and investment income	0	0	1,516	3,724

### 30.5 Risks Arising from Financial Instruments

The nature and extent of risks arising from financial instruments can be classified under the following headings

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

### 30.6 Credit Risk

Credit risk arises from deposits with banks and financial institutions as well as credit exposures to customers.

Treasury management services are provided by Somerset Council. Any surplus cash is invested temporarily by the PCC's treasury management providers with specified financial institutions, money market funds, or other Government or public sector bodies. In order to ensure the PCC's risk exposure is minimised, credit ratings are monitored on an ongoing basis, and individual counterparty ratings are verified on the day of investment. As directed by the revised CIPFA Treasury Management Code, account is taken using ratings issued by three main rating agencies, Fitch, Moody's, and Standard & Poor's. Decisions are taken based on the lowest of these ratings. It should also be noted that a range of additional indicators are used to assess counterparty credit worthiness including for example credit default swaps, Government guarantees and support, and share price. All investments are held in sterling deposits and are rated as per the lending Counterparty Criteria approved each year by the PCC.

At 31 March 2024 investments can be analysed as follows

Credit Rating	31 March 2023 £'000	Default %		Credit Rating	31 March 2024 £'000	Default %
AAA	11,785	0.11	Deposits with Money Market Funds	AAA	1,360	0.11
AA-	31,000	0.08	Deposits with local authorities	AA-	33,000	0.07
A	5,000	0.05	Deposits with UK banks	A+	0	0.00
AA-	4,000	0.03	Deposits with Overseas banks	AA-	0	0.00
N/A	3,000	N/A	CCLA property fund	N/A	3,000	0.00
	<b>54,785</b>		<b>Total</b>		<b>37,360</b>	

Debtors, classified at amortised cost, are due within one year with no interest being payable. As such the fair value of these receivables is the same as the original invoice amount. They include £26,519,494 pension fund account debtor with the Home Office (2022/2023 £14,950,294).

The PCC does not generally allow credit for customers. With the exception of those debts where recovery is certain the PCC will put through bad debt provision for all debtors greater than 6 months old and 10% of those debtors between three and 6 months. At 31 March 2024 the total value of these provisions was £34,959 (31 March 2023 £156,811). The remaining value of debtors less these provisions can be analysed as follows

31 March 2023 £'000	Unimpaired Debtors	31 March 2024 £'000
1,467	Less than three months	1,937
51	Over three months	67
<u>1,518</u>		<u>2,004</u>

## 30.7 Liquidity Risk

The PCC has a comprehensive cash flow management process managed on our behalf by Somerset Council that seeks to ensure that cash is available as needed. At 31 March 2024 the PCC had £4,360,000 (31 March 2023 £14,785,000) in call accounts and money market funds available to manage short term liquidity requirements. The PCC had a further £33,000,000 invested for a period of up to one year from the balance sheet date (31 March 2023 £40,000,000).

## 30.8 Market Risk

### 30.8.1 Interest Rate Risk

The PCC is exposed to risk in terms of interest rate movements on investments. A 0.5% change in interest rates could increase or reduce investment income by £17,180 based on the current level of investments.

All borrowing is currently at fixed rates and there is therefore no interest rate exposure. In respect of the LOBO loans taken in 2008 there are no step changes in interest specified in the loan agreements and therefore no adjustment to the carrying value of the loans is required.

### 30.8.2 Price Risk

The PCC does not invest in equity shares other than in the Police Staff Pension Scheme (note 18). This means that the PCC has no exposure to price risk outside of the Local Government Pension Scheme.

### 30.8.3 Foreign Exchange Risk

The PCC has no financial assets or liabilities denominated in foreign currencies. It therefore has no exposure to losses arising from movements in exchange rates.

# Police & Crime Commissioner for Avon & Somerset

## Police Officer's Pension Fund Account Statements

This fund includes the income and expenditure in respect of police officer's pensions which has been accounted for on an accruals basis. At the end of the financial year if the expenditure on the pension benefits is greater than the contributions received during the year, the PCC makes a payment to the pension fund and the Home Office pays a top-up grant for this liability to the PCC. The income received and expenditure paid to the pension fund is shown within the comprehensive income and expenditure statement, showing the net figure as nil. It should be noted that this statement does not take account of liabilities to pay pensions and other benefits after the year end.

This note provides a more detailed breakdown of the figures shown in note 17 of the accounts

2022/2023 £'000	Police Officers Pension Fund Account	2023/2024 £'000
	<b>Contributions receivable</b>	
	Employers contributions:	
-35,930	Normal 31% contributions	-39,477
-925	Ill health/early retirements	-175
-36,855		-39,652
	<b>Employee contributions</b>	
-11	1987 Police Pension Scheme	-10
-1	2006 Police Pension Scheme	-1
-15,374	CARE Police Pension Scheme	-17,006
-15,386		-17,017
-643	<b>Transfers in from other schemes</b>	-997
	<b>Benefits payable</b>	
89,100	Pensions	98,193
15,893	Commutations and lump sum retirement benefits	17,249
104,993		115,442
	<b>Payments to and on account of leavers</b>	
170	Refund of contributions	148
101	Transfers out to other schemes	159
529	Other	523
800		830
52,909	<b>Net amount payable for the year</b>	58,606
0	Additional contribution from the local policing body	0
-52,909	<b>Transfer from Police Fund to meet deficit</b>	-58,606
0	<b>Net amount payable/receivable for the year</b>	0



This note shows the pension fund account assets and liabilities as at 31 March 2024

31 March 2023 £'000	Pension Fund Net Assets	31 March 2024 £'000
	<b>Current assets</b>	
0	Amounts due from Central Government	0
	<b>Current liabilities</b>	
0	Amounts owing to pensioners	0
<hr/>		<hr/>
0	<b>Net assets</b>	0
<hr/>		<hr/>

## Glossary of Terms

<b>Term</b>	<b>Definition</b>
ACC	Assistant Chief Constable
Accounting policies	These are a set of rules and codes of practice we use when preparing the accounts
APCC	The Association of Police and Crime Commissioners
APACCE	Association of Policing and Crime Chief Executives
ASPIRE	Internal Avon and Somerset development programme
Balance Sheet	This represents our overall financial position as at 31 March
BAU	Business As Usual
BCFM	BBC Local Radio – BCFM 93.2 FM
Capital programme	This is a list of projects for buying or improving fixed assets
Cash Flow Statement	Summarises the income and outgoings of cash during the financial year
CC	Chief Constable
CCLA Property Fund	Churches, Charities and Local Authorities property fund. Manages investments for charities, religious authorities and the public sector
CFO	Chief Financial Officer
CIES	Comprehensive Income and Expenditure
CIPFA	Chartered Institute of Public Finance and Accountancy
CMB	Constabulary Management Board
Collection fund adjustment account	Difference between council tax cash received and the amount shown in the comprehensive income and expenditure statement
Comprehensive Income and Expenditure Statement	Summarises the income and expenditure during the financial year within the PCC's statement of accounts
Contingent liabilities	A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity
CoPaCC	Compares Police and Crime Commissioners
CPD	Continuous Personal Development
Creditors	Amounts which are owed to others
CSB	Constabulary Strategy Board
CSP	Community Safety Partnerships
CTSFO	Counter Terrorism Specialist Firearms Officers
Current assets and liabilities	Assets or liabilities which can be turned into cash or fall due within one year of the balance sheet date
Current service cost	The value of projected retirement benefits earned by pension scheme members in the current financial year
DARA	Domestic Abuse Risk Assessment
DASH	Domestic Abuse Stalking & Harrassment
Debtors	Amounts which are due from others

<b>Term</b>	<b>Definition</b>
Depreciation	An amount set aside to pay for the gradual loss in value of our assets
DLUHC	The Department for Levelling Up, Housing, and Communities, formerly the Ministry of Housing, Communities and Local Government
The Drive Project	The Drive Project challenges and supports high-harm, high-risk perpetrators to change whilst working closely with partner agencies – like the police and social services – to manage risk and disrupt abuse
ERP	Enterprise Resource Planning
Expenditure and Funding Analysis	This shows the performance reported and the adjustments made to reconcile to the comprehensive income and expenditure statement
Fair value	The amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction
Financial instruments	Contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity
Financial year	Refers to the period covered by the accounts and runs from 1 April to 31 March
Fixed assets	These are items such as land, buildings, vehicles and major items of equipment, which give benefit to us for more than one year
FMS	Force Management Statement
FRS	Financial Reporting Standards. Standards of accounting practice to be adopted to ensure that accounts provide a true and fair view
GAAP	Generally Accepted Accounting Principles. These refer to the standard framework of guidelines for financial accounting used in any given jurisdiction and generally known as accounting standards
GDPR	General Data Protection Regulations
GSB	Governance and Scrutiny Board
GSC	Government Security Classification
Historical Costs	These are the amounts paid at the time we bought the assets
HMICFRS	His Majesty's Inspectorate of Constabulary and Fire & Rescue Services
HMICFRS PEEL	The HMICFRS PEEL assessment stands for Police Effectiveness, Efficiency and Legitimacy
IAG	Independent Advisory Group
IAS	International Accounting Standard. An international accounting standard to help harmonise company financial information across international borders. Subsequently superseded by International Financial Reporting Standards (IFRS)
I&E	Income and Expenditure Account
ICT	Information, Communications and Technology
IFRS	International Financial Reporting Standards. A set of international accounting and reporting standards that will help to harmonise company financial information across international borders

<b>Term</b>	<b>Definition</b>
ILM	Institute of Leadership and Management
Intangible fixed assets	Assets that are not physical such as software licences
IOPC	Independent Office for Police Conduct
IPM	Independent Panel Member
IPR	Individual Performance Review
IPSAS	International Public Sector Accounting Standards
IT	Information Technology
IVC	Independent Custody Visitor
JAC	Joint Audit Committee
KPI	Key Performance Indicator
LASAAC	Local Authority (Scotland) Accounts Advisory Committee
LOBO loans	Lender Option Borrower Option loans are where the interest payable is agreed at the time the money is borrowed. If the lender wants to change the interest rate the borrower has the choice to pay at the new rate or repay the loan
LQC	Legally Qualified Chair
LRF reserve	Local Resilience Forum reserve
Minimum revenue provision	This is the lowest amount allowed by the Government which has to be charged to the accounts for repaying loans
Movement in Reserves Statement	Summarises the movement in the reserves of the OCC during the financial year
MTFP	Medium Term Financial Plan
OCC	Office of the Chief Constable
OPCC	Office of Police and Crime Commissioner Staff employed by the Police and Crime Commissioner
Operation Holden	Organisation wide vetting review
PACCTS	Police and Crime Commissioners Treasurer's Society
PCB	Police and Crime Board
PCC	Police and Crime Commissioner for Avon and Somerset
PCC Group	The term PCC Group refers to the Police and Crime Commissioner (PCC) for Avon and Somerset and the office of the Chief Constable (OCC)
PCP	Police and Crime Plan
PCSO	Police community support officer
PFI	Private Finance Initiative
PMO	Portfolio Management Office
POCA	Proceeds of Crime Act
Police pension top-up grant	The OCC operates a Pension Fund, which is balanced to nil at the end of the year. The PCC receives a top-up grant from the Home Office equal to this deficit to balance the fund
Police revenue grant	The revenue grant is provided by the Home Office as part of the funding required by an authority to finance a budget in line with the Governments assessment. The balance of funding is from business rates, revenue support grant and council tax

<b>Term</b>	<b>Definition</b>
Precept	The amount of council tax collected on the PCC's behalf by local billing authorities
Prepayment	A payment in advance for goods or services
Provision	This is the money we keep to pay for known future costs
PSD	Professional Standards Department
PV cell	A photovoltaic cell, commonly called a solar cell, is a nonmechanical device that converts sunlight directly into electricity
PWLB	This is the Public Works Loan Board, which is an organisation financed by the Government. It lends money to PCC's on set terms so that they can buy capital items
QR code	A machine-readable code consisting of an array of black and white squares, typically used for storing URLs or other information for reading by the camera on a smartphone
RAG	Responsible Authorities Group
Receipt in advance	Income received in advance of the financial year in which the services will be provided
Revaluation reserve	This account represents the increase in value of our assets since 1 April 2007 over the amount originally paid for them
Seconded officers	These are police officers and staff who, for agreed periods, temporarily work for other organisations. Their salaries and expenses are shown as expenditure and the money the organisation pays us for their placements is shown as income
SOLACE	Society of Local Authority Chief Executives
Soteria/Bluestone	The national operating model for the investigation of rape and serious sexual offences (RASSO) arose from the work of Operation Soteria Bluestone
SPR	Strategic Policing Requirement
SWAP	South West Audit Partnership
SWOT	A framework for analysing the strengths, weaknesses, opportunities and threats related to the problem being considered
SWPPS	South West Police Procurement Service
SW ROCU	South West Regional Organised Crime Unit
TOR	Terms of Reference
UJIMA	Ujima Radio 98.0 FM
VRU	Violence Reduction Units

# **Office of the Chief Constable for Avon & Somerset**

## **Officers of the Office of the Chief Constable**

**The statutory Officers of the Office of the Chief Constable (OCC) are**

Sarah Crew	Chief Constable Phone 01278 646212
Nick Adams	Chief Officer Finance, Resources and Innovation Phone 01278 646400
Address for Chief Officers	Valley Road Portishead Bristol BS20 8QJ

# Office of the Chief Constable for Avon & Somerset



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# Office of the Chief Constable for Avon & Somerset

## Chief Finance Officer's Narrative Report

This section provides information about the Constabulary, enabling the reader to understand our objectives and strategies, as well as matters of financial and operational performance over the past year and issues which may affect these in the future. This statement should be read in conjunction with the Chief Finance Officer's Narrative Report in the Police and Crime Commissioner's Statement of Accounts.

### 1 Organisational Overview

The Avon and Somerset policing area serves the five principal local authority areas of South Gloucestershire, Bath & North East Somerset, Bristol, North Somerset, and the county of Somerset. Around 1.7 million people live within the 1,844 square miles our area covers, with greater concentrations around our towns and cities, which include Bristol, Bath, Weston-Super-Mare, Taunton, and Yeovil.

The Police and Crime Commissioner (PCC) and the Chief Constable are established as separate legal entities. The PCC is elected by the public to secure the maintenance of an efficient and effective police force and to hold the Chief Constable to account for the exercise of their functions and those of persons under their direction and control. The Chief Constable has a statutory responsibility for the control, direction, and delivery of operational policing services in the Avon and Somerset police area.

The PCC for Avon and Somerset sets out their priorities in the Police and Crime Plan. These priorities are determined following consultation with the communities of Avon and Somerset, as well as incorporating the views of a range of stakeholders including the Police and Crime Panel, partner agencies and organisations, the Chief Constable, and senior leaders within the Constabulary. Throughout 2023/24 the PCC's priorities have been

- ✚ Preventing and fighting crime
- ✚ Engaging, supporting and working with communities, victims and partner organisations
- ✚ Leading the police to be efficient and effective
- ✚ Increasing the legitimacy of and public confidence in the police and criminal justice system

The PCC oversees the delivery of services against their priorities, holding the Chief Constable and their team to account for those aspects of the plan which they are expected to deliver.

Under the direction and control of the Chief Constable and the Constabulary Chief Officer team, the Constabulary is divided into nine directorates, encompassing all aspects of operational and organisational delivery

- ✚ Neighbourhood and Partnerships Directorate
- ✚ Response Directorate
- ✚ Criminal Investigations Directorate
- ✚ Operational Support Directorate
- ✚ Information Technology Directorate
- ✚ Finance and Business Services Directorate
- ✚ People and Organisational Development Directorate
- ✚ Office of the Chief of Staff Directorate
- ✚ Legal and Compliance Services Directorate



The Constabulary also partners with other police forces in the region to provide aspects of its service, including Forensic Science Services, Specialist Operational Training, and Major Crime Investigation.

The Constabulary's Mission, Vision and Values are:

<b>Mission</b>	Serve, Protect, Respect
<b>Vision</b>	Outstanding policing for everyone
<b>Values</b>	Caring, Courageous, Inclusive, Learning

The Constabulary has an annual planning cycle, incorporating service, workforce, finances, and assets. Through this annual cycle the strategic plan is monitored, reviewed and revised to ensure we continue to deliver against the PCC's priorities, achieve our mission and bring our organisational values to life.

Over the course of 2023/2024 we have developed a clear strategy, through which we have confirmed the outcomes that define what the measures by which achieving our vision of "Outstanding Policing for everyone" will be. We have set out 18 outcomes, some of which are defined as organisational outcomes, some as people outcomes and some as financial outcomes, but all underpinning and supporting our five public outcomes which are

- ✚ There are high levels of trust and confidence among all the communities we serve
- ✚ We respond quickly and well to emergencies
- ✚ People who use our services have high levels of satisfaction
- ✚ We are cutting crime and protecting the vulnerable from criminals
- ✚ We bring offenders to justice and disrupt their criminality

Our initiatives and activities have been marshalled into eight change programmes under a single portfolio. These programmes are working on big, transformative change that build on a clear understanding of the root causes of how to improve our service. Alongside this we will continue to enhance our services by adapting as we go – unlocking continuous improvement, and ensuring we are truly effective at business as usual, getting the basics right in each encounter we have, to deliver on our mission to Serve, Protect and Respect.

The Constabulary has undergone a period of rapid growth in police officer numbers in support of delivering the Government's officer uplift plans. In the last five years we have recruited nearly 1,700 new officers into Avon and Somerset, the majority of which (nearly 1,400) have been through our Police Constable Degree Apprenticeship (PCDA) or Degree Holder Entry Programme (DHEP). The staffing information for both organisations as at 31 March 2024 is as follows

<b>Employees</b>	<b>Actual FTE</b>	<b>Actual Headcount</b>
Police Officers	3,294	3,351
Police Community Support Officers	282	294
Police Staff	2,733	3,042
OPCC	34	37
<b>Total</b>	<b>6,343</b>	<b>6,724</b>

In addition, the Constabulary is supported by 209 Special Constables, 57 Police Cadets and approximately 1,857 volunteers, of which 1,714 support community speedwatch throughout Avon and Somerset.

## 2 Operational Performance

The monthly Integrated Performance and Quality Report (IPQR) presents an overview of our performance and identifies key areas for improvement based on our Performance Control Strategy. This report is closely monitored and discussed in detail at the monthly Constabulary Management Board, as well as at the PCC's Governance and Scrutiny Board, Performance Accountability Board and local Directorate Leadership meetings, where actions and interventions needed to maintain and enhance performance are determined.

A new performance framework was introduced in September 2023 that aligned more strongly with the HMICFRS PEEL questions asked of us as part of their inspection process. The framework uses the PEEL questions as a lens to understand progress against a number of local and national outcome frameworks, including

- ✚ The PCC's priorities as set out in the Police and Crime Plan
- ✚ The Home Office's national policing outcomes (as part of the Beating Crime Plan)
- ✚ The key lines of enquiry used by His Majesty's Inspector of Constabularies and Fire and Rescue Services (HMICFRS) when conducting their Police Efficiency, Effectiveness and Legitimacy (PEEL) reviews
- ✚ Other national frameworks (i.e. police race action plan, violence against women and girls' national performance framework)

Progress against the above frameworks is consistently monitored to provide good visibility across a range of measures. This occurs throughout our enhanced governance approach, where our committees have their own suite of KPI's that align to the force's strategic outcomes, with 'insight reports' updating on progress and emerging issues that ensure the Chair is able to assess where we are doing well and where improvements are needed.

Our local context continues to reflect several national opportunities and challenges, characterised by

- ✚ Our officer numbers have increased as we have delivered our share of the Government's Uplift programme, but the volume of police officer recruitment to achieve this has meant we have a large number of student officers to support through abstraction to college and 'on the job' tutoring
- ✚ Our officer experience and profile means that we continue to have some acute skills challenges, particularly in the number of accredited detectives within force. This results in a sub-optimal allocation of crime demand across our operational teams
- ✚ Our demand picture continues to evolve, with continued increases in calls for service from the public, better crime recording practices and increases in serious and complex demand volumes being sustained

Overall police recorded crime levels have increased by +6.5% compared to prior year. More than half of this annual increase can be attributed to our improved crime recording standards, resulting in better capturing and recording of crime types. This includes increases in crimes such as rape (+35%), harassment (+52%) and child safeguarding-based offences (+150%). The remainder of this increase in recorded crime levels reflects the +42% increase in the high-volume crime of shoplifting. This increase reflects the national picture and links closely to the impact of 'cost of living' challenges.

'Neighbourhood crime', a national measure comprising personal robbery, vehicle offences, residential burglary, and theft from person offences, remains stable with a +2.9% change from the previous year. This measure saw a significant reduction (-18%) at the time of the Covid-19 pandemic and this is a position we have continued to sustain despite the lifting of these restrictions.

Recording crime accurately is a key priority to us as it underpins the service we provide to victims. We have continued to progress, evolve and invest as part of an extensive improvement plan in this

area. While we know we have further to go, the increase in overall recorded crime reflects the progress we are making here.




Our trailblazing, end-to-end approach to investigating rape, introduced locally as part of our Operation Bluestone, has led the way nationally, shaping the approach now being adopted by forces across the country. Through our work here we have continued to see sustained improvements in rape charge volumes (+80%) and our charge rates, improving to 8% up from the 7.5% reported last year. Given the increased numbers of recorded rapes we are now seeing as we improve recording practices and the public have greater confidence in reporting to us, this represents a significant performance improvement.

The force have continued to see an increase in calls for service from the public. This year we saw a further increase of +13% in the volume of 999 calls received (+14% in 2022/23). We now receive more than 350,000 999 calls p.a. Despite the continued increase in 999 calls, the abandoned rate for these calls remained very low at 0.3%. As an ongoing consequence of prioritising 999 calls, the 101 emergency calls abandoned rate has risen to 11.7% (up from 10.5% last year). The victim satisfaction rates for initial contact remain good at 88.5% for the last 12 months (+3.2% on prior year).

The latest national data for public confidence (September 2023), as measured by the crime survey for England and Wales, shows the force positioned mid-table (22<sup>nd</sup>/43) with a confidence rate of 65.9% - in line with national average. Our own local public confidence survey shows similar overall public confidence levels at 64.5% for the last 12 months (-2.1% on previous year). Nationally there has been an increasingly complex and strained relationship between policing and the public, reflecting a series of national scandals and public failings. As part of our approach to transparency, we opened our doors to a documentary film crew four years ago to show how we are investigating police officer misconduct. The product of this was three hour-long documentaries aired on Channel 4 in early 2024 under the title "To Catch a Copper". We will continue to throw open our doors transparently to shine a light in ways that help us recover the lost confidence of our communities.

Overall victim satisfaction to reports of volume crime stands at 68.2% (+0.4% on prior year), with victims of anti-social behaviour reporting satisfaction rates of 74.4% (+3.4%), victims of burglary 58.2% (dwelling burglary victims at 80.2%), victims of hate crime 68.7% (+2.3% on prior year) and victims of violent crime 68.2% (-1.8%). Overall satisfaction with the way victims are treated remains strong at 84.4% (-1.1%).

Whilst we have maintained areas of strong performance, we recognise that there are areas that require improvement

-  Our file quality compliance rates, as measured against the Director of Public Prosecutions guidance assessment, shows us at around 43% compared to a national average rate of 57%. This will remain a key performance focus for the coming year
-  Despite improvements seen over the last 6 months, our response times for immediate and priority incidents are still below desired levels. The progress and challenges in this area are closely connected to the level of experience and skill among our officers, particularly due to the large influx of new police officers and students under tutelage. While we expect this situation to improve gradually, it will remain a focal point for ongoing attention and improvement
-  Our positive outcome rate, measuring the sanctioned detection or restorative justice outcomes as a percentage of recorded crime, is 11.2% (-0.6%). This rate places us in the lower end of national benchmarks, a position which we recognise is not where we want to be. Whilst the large improvements made in recording more crime will play a factor here, we will continue to bring focus to this through our ongoing investigative standards work

During 2022/23 the Constabulary were inspected by HMICFRS under their PEEL framework, the nine areas being reviewed and graded with the following outcomes

Outstanding	Good	Adequate	Requires improvement	Inadequate
Treatment of the public	Developing a positive workplace	Preventing crime	Recording data about crime	
	Good use of resources	Protecting vulnerable people	Investigating crime	
			Responding to the public	
			Managing offenders	

While it is pleasing to receive recognition for areas of outstanding and good performance, we acknowledge that there remain areas where we need to improve, particularly as we continue to work through the growing pains of an organisation that has introduced such high volumes of new officers in a relatively short period of time.

The force will be inspected again in 2024 with findings expected to be published in early 2025. Through this inspection we will be highlighting the improvements made against previous HMICFRS recommendations, as well as setting out where we are in our ongoing work to realise our vision.

### 3 Financial Performance

#### 3.1 Revenue Expenditure

In 2023/2024 the approved net revenue budget was set at £369.5m, an increase of £15.8m (4.5%) on the previous year. This budget was funded through a combination of Government grants (£212.3m/57.5%) and local council tax (£157.2m/42.5%).

Of this budget, £364.9m was provided to the Chief Constable to support the provision of policing services to the communities of Avon & Somerset, an increase of £16.6m (4.8%).

Financial performance against budget is monitored throughout the year, reported to senior managers of the OCC and through to the PCC. These reports are published to provide public transparency of our financial performance. The financial performance report for 2023/2024 was reported to the PCC in June 2024 and can be found published on the PCC's website.

The Constabulary's underlying net revenue expenditure in 2023/2024 was £366.7m. When compared to budget this means we have underspent by £2.8m (0.8%), prior to adjustments for provisions and for transfers to earmarked reserves. Once these adjustments were made this underspend was fully accounted for.

This revenue performance was the consequence of several factors, with the following being the most significant

- ✚ **Officer pay and allowances** – we overspent by £4.9m/2.8% against budget. This reflects the pay award agreed at 7% with effect from September 2023, thereby driving a cost increase greater than the 3.0% increase we had originally budgeted for. The pressure created by the pay award was in part recognised by the Government who provided additional grant funding (see income below) to compensate
- ✚ **Officer overtime** – we overspent by £3.3m/50.9% against budget. The overspend here is predominantly driven by both the reality of resourcing the abstraction and support to student

officers while managing incoming demand from the public, as well as by specific policing events locally and nationally, including deployment of officers to support the Kings coronation, the policing of protests in London and policing of football matches. Some of this overspend is offset by income for special policing services or mutual aid reimbursement (see income below)

- ✚ **Staff pay and allowances** – we overspent by £1.6m/1.6% against budget. In common with officer pay the reason for this overspend was the 7% pay award which mirrored that agreed for police officers. We estimate that this added £2.6m to our costs above the 3.0% originally budgeted for and therefore, were it not for this, we would recognise an underspend of £1.0m, thereby reflecting the vacancies we have seen in staff roles throughout the year
- ✚ **Staff overtime** – we overspent by £1.2m/94.8% against budget. The staff overtime is driven by the underlying vacancies. Areas which have seen the most acute pressures include our command-and-control function, our enquiry offices, our speed enforcement team and our intelligence and tasking directorate, all of which have seen staff turnover during the year
- ✚ **Pensions** – we underspent by £0.6m/6.5% against budget, which largely reflects the actual cost of our injury pensions being less than was budgeted for
- ✚ **Premises** – we underspent by £0.5m/3.0%, which reflects underspends on both energy costs and on rent and rates costs
- ✚ **Transport** – we overspent by £0.5m/9.4%, which is predominantly a reflection of inflationary increases, repairs and maintenance costs of our fleet of vehicles, as well as travel overspends for our student officers
- ✚ **Supplies and services** – we overspent by £0.5m/1.2%, reflecting underspends on computing costs because of lower cloud consumption costs incurred, an underspend against the funding to reduce the backlog in digital forensic submissions reflecting the status of this outsourced work and overspends in relation to legal services costs where we had to outsource our data protection officer role for a large period of the year while we recruited into this role. In addition we overspent on the rollout of new jackets to operational officers and staff, increased kennelling costs associated with the seizure of dangerous dogs and increased fees for training, including additional Degree Holder Entry Programme fees
- ✚ **Partnerships** – we have underspent by £0.9m/4.5%, which is largely reflective of vacancies within the South West Regional Organised Crime Unit, our Major Crime Investigation Team and our shared specialist training function, offset by overspends on Scientific Investigations
- ✚ **Income** – we received £15.0m/45.5% more in income than was budgeted for. This includes additional specific purpose grant funding in support of the officer and staff pay awards (£7.5m), grant funding for temporary over-achievement of officer uplift (£1.8m), grant funding in support of IT cost pressures (£0.5m), additional income for policing at Hinkley Point and income relating to the use of our custody facilities by the Ministry of Justice as part of their Operation Safeguard (£0.6m). We also over-achieved our income budget for operational mutual aid and special services income (£1.2m), offsetting overtime pressures as above and over-achieved against our investment income by £1.9m, reflecting the strong returns seen throughout the year

The following table summarises the revenue financial performance for 2023/2024 after the agreed adjustments have been made to account for the reported underspend:

	Budget	Expenditure	Over/ Under (-)
	£'000	£'000	£'000
Neighbourhood & Partnerships	59,435	54,818	(4,617)
Response	87,961	94,744	6,783
Operational support	52,737	52,557	(180)
CID	40,539	46,886	6,347
Collaboration	24,248	23,052	(1,196)
Enabling services	92,740	92,133	(607)
Central costs & miscellaneous	7,209	(2,089)	(9,298)
<b>Constabulary sub total</b>	<b>364,868</b>	<b>362,100</b>	<b>(2,767)</b>
Office of the PCC	2,212	2,208	(5)
Commissioning	2,393	2,389	(4)
<b>Total revenue expenditures</b>	<b>369,473</b>	<b>366,697</b>	<b>(2,776)</b>

It should be noted that the figures above cannot be agreed directly to the comprehensive income and expenditure statement on page 30 where the costs of policing activities include charges for the provision of pensions and the use of assets which are later reversed out through intragroup transfers from the PCC.

### 3.2 Capital, Reserves, and Treasury Management

The PCC owns all assets and controls decision making in relation to capital expenditure, capital financing and borrowing, as well as holding responsibility for all reserves. Financial performance in relation to these aspects is reported on within the PCC's financial statements.

## 4 Financial Outlook

The PCC and Chief Constable jointly set out their forward financial forecasts within their Medium-Term Financial Plan (MTFP) each year. The MTFP, published in February 2024, covers the five year period from 2024/2025 through until 2028/2029. The below provides the headlines from this forecast.

### 4.1 Revenue Budget

Our immediate revenue forecasts show our costs increasing at a faster rate than our revenue funding. This reflects the inflationary challenges in pay and non-pay budgets, alongside specific risks and issues such as with the costs of police pensions.



	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
	£'000	£'000	£'000	£'000	£'000
Budget requirement	397,481	415,176	427,520	439,886	451,063
Less total funding	-391,103	-397,843	-405,405	-413,164	-421,131
<b>Surplus(-)/deficit before savings</b>	<b>6,378</b>	<b>17,333</b>	<b>22,115</b>	<b>26,722</b>	<b>29,932</b>
Savings	-6,378	-17,333	-17,794	-17,875	-17,927
Planned use of reserves	0	0	0	0	0
<b>Surplus(-)/deficit after savings</b>	<b>0</b>	<b>0</b>	<b>4,321</b>	<b>8,847</b>	<b>12,005</b>

The key assumptions that underpin this forecast position are

- ✚ Our funding is forecast to grow by £51.9m/14% p.a. by 2028/2029, driven by increases to both the core grant funding (+£20.3m/9.5% by 2028/2029) and to council tax funding (+£31.6m/20.1% by 2028/2029)
- ✚ Our budget requirement is forecast to increase by £60m/16% p.a. by 2028/2029, driven by many factors, including
  - inflationary adjustments to officer and staff pay incorporating the full year of the 7% pay award, and then +3% in 2024/25, +2.5% in 2025/26 and +2.0% in each year thereafter, increasing costs by £53.3m p.a. by 2028/2029
  - increased pension costs to provide for current and anticipated deficits in both staff and officer pension schemes, as well as inflationary increases for injury pensions – an increase in cost of £7.1m p.a. by 2028/2029
  - inflationary increases to general and specific (e.g. fuel, utilities, etc) non-pay costs are assumed to add £9.0m p.a. by 2028/2029
  - growth and commitments across the Constabulary of £8.8m p.a. by 2028/2029, including support for further permanent growth in police officer numbers, as well as targeted growth in police staff posts in areas such as victim services and vetting and growth in non-pay costs reflecting investment into our estate and the costs of our IT provision to enable ongoing transformation
  - increases to our share in the cost of partnerships, reflecting the pay and other inflationary assumptions within these collaborations, as well as the investment into the South West Regional Organised Crime Unit in line with their allocation officer uplift and investment into our South West Forensic function to support service improvements and the costs of achieving new accreditation standards – an increase of £6.8m p.a. by 2028/2029
  - increases to the ring-fenced uplift grant funding by £11.8m effective from 2024/2025, reducing to £9.3m p.a. by 2028/2029, which reflects the continued funding in support of maintaining and over-recruiting our officer numbers against target, as well as the increased funding in support of the additional police officer pension costs, which increased in April 2024
  - increases to income budgets, reflecting inflationary increases and forecast increases in return on investments – an increase of £2.5m in 2024/2025, reducing to an increase of £0.7m p.a. by 2028/2029

- adjustments to budgets recognising a reduction of £2.5m p.a. from 2024/2025, reflecting the changes against our previous plans, including elements of inflationary provision set aside in 2023/2024 which, when compared to the actual cost incurred, could be released from budget on a recurring basis
- realisation of new planned and targeted revenue savings of £8.2m p.a. from 2024/2025, rising to £17.9m by 2028/2029

## **4.2 Policing Precept**

In December 2023 the policing minister confirmed that PCCs would have flexibility to raise the policing precept by up to £13 p.a. for an average band D property in setting the 2024/2025 budget. This provided additional flexibility to previous announcements, reflecting the continued inflationary pressures faced by forces alongside the Government's ambition to maintain police officer uplift numbers. In accordance with this announcement and after public consultation, the PCC chose to recommend a raise of the maximum amount, an increase of 4.9%. Following review, the Police and Crime Panel endorsed this proposal, enabling the PCC to confirm approval of this increase and the underlying budget.

## **4.3 Capital and Projects**

The MTFP includes a capital and projects programme of £114m over the next five years, with identified funding at the time this programme was presented of £105.2m, resulting in a funding deficit of £8.8m.

This programme includes forecast investment into ICT, Estate, Fleet and other assets, both to support ongoing maintenance and renewal of existing capabilities as well as to support new investment. While the plan outlines the expected areas of spend, many of the individual areas for investment will still need to present a business case for approval to progress.

ICT forecast spend include £17m of forecast costs of replacing existing personal issue equipment (e.g. laptops, mobile phones and body worn video cameras) and infrastructure (e.g. video conferencing and digital interview recording equipment). Our plans also include £26m on ICT projects, including the provision of a new Enterprise Resource Planning (ERP) system, a new Digital Evidence Management System, the roll out of new digital communications devices to replace our legacy airwave radio systems as well as several smaller projects.

Forecast spend on estate of £40m includes some ongoing capital replacement and repairs work, a number of projects including plans in Yeovil, Chard, Minehead, Frome, Bath, South Bristol (Broadbury Road) and Central Bristol (Trinity Road) as well as force-wide projects to introduce electric vehicle charging capabilities across our estate and a project to upgrade our achieving best evidence (ABE) interview suites.

Our programme also includes £19m to support the ongoing replacement of our vehicle fleet, while enabling further gradual transition to electric powered vehicles.

We will continue to review options for how we can close the deficit in our funding and this has already included how we have accounted for our year-end revenue underspend, as well as working with other forces for recognition and funding in support of the costs we forecast we will incur in transitioning to a fleet of electric vehicles.

## **4.4 Approach to Future Challenges and Funding**

The Spending Review announced in the autumn of 2021 (SR21), provided clarity around the medium-term financial commitment the Government was making to both deliver and sustain on its ambitions to grow police officer numbers by March 2023. Despite the economic uncertainties, this commitment was largely met through the 2023/2024 and 2024/2025 funding settlements, albeit additional precept flexibility was required to manage inflationary pressures. Forecasting beyond this is a challenge and will only be confirmed after a general election, now confirmed as 4<sup>th</sup> July 2024. Our forecasts therefore reflect our prudent assessment as best we can make it at this stage. Our



MTFP recognises the immediate challenges of balancing the 2024/2025 and 2025/2026 budgets, whilst recognising that further savings will be needed across the medium term.

Balancing our budgets is only half of the challenge. We are an innovative police force and we remain focussed on releasing the capacity of our officers and staff to improve our efficiency and effectiveness in the services we provide to the public. Such innovation requires the financial capacity to support investment and therefore the identification of savings is as much about supporting this need as it is to balance our budgets. In this respect our savings plans are integral to our wider strategic planning as an organisation.

Our record of accomplishment in delivering efficiencies and savings over the past ten years demonstrates our ability to effectively balance budgets and achieve capacity to support targeted investments that further our ambitions.

## **5 Procurement**

Our strategic procurement service is provided by the South West Police Procurement Service (SWPPS). This service, which is hosted by Devon and Cornwall Constabulary on behalf of the five south west forces, ensures compliant delivery of contracted procurement with our suppliers.

During 2023/2024 we have identified and delivered £1.5m savings through procurement and ongoing contract management. The delivery of procurement savings is an important component of demonstrating how we achieve value for money.




## **6 Accounting for Pensions**

In line with International Accounting Standard (IAS) 19 on employee benefits, we are reporting a significant pensions liability of £3.2bn. This is reduced when the pension scheme assets of £0.6bn are considered. The net liability of £2.6bn is offset by an intragroup debtor with the PCC. More details are disclosed in notes 13-15. The liability has no impact on the reported outturn and the usable reserves.

## **7 Basis of Preparation**

This Statement of Accounts has been prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting. This follows International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to local authority accounts as determined by His Majesty's Treasury.

This Statement of Accounts summarises the financial year for 2023/2024. The income and expenditure, assets, liabilities and reserves which are recognised in the PCC's accounts and in the Chief Constable's accounts, reflect the current legislative framework as well as the local arrangements operating in practice. The key elements of the legislative framework and local arrangements include

-  The Police Reform and Social Responsibility Act 2011 (The Act)
-  The Home Office Financial Management Code of Practice for the Police Services of England and Wales (published in October 2013)
-  Avon & Somerset PCC's Scheme of Governance

Our review of this framework has not altered from previous years, concluding that ultimately the control and risks associated with assets and liabilities rest with the PCC, whereas the day-to-day command and control of operational staff rests with the Chief Constable.

These financial statements include the following

- + **A Statement of Responsibilities** - This sets out the responsibilities of the OCC and the CFO in respect of the Statement of Accounts
- + **An Annual Governance Statement** - These statements review the effectiveness of the OCC's internal control systems
- + **A Comprehensive Income and Expenditure Statement** - This statement shows the accounting cost in the year of providing policing services in accordance with generally accepted accounting practices, together with the costs of providing pensions for officers and staff
- + **A Movement in Reserves Statement** – This statement shows the movement during the year in reserves and affirms that no actual reserve balances are held by the OCC at the end of the accounting period
- + **A Balance Sheet as at 31 March 2024** – The balance sheet shows the net pension liability, as well as other employee related balances recognised by the OCC and offset by a debtor from the PCC
- + **A Cash Flow Statement** - The cash flow statement shows the changes in cash and cash equivalents during the year. This statement in the OCC's accounts reflects the fact that there have been no cash transactions in the name of the OCC
- + **A Police Officers Pension Fund Account Statement** - This statement summarises the total police officer pension contributions and pension benefits paid. The difference is funded by the Home Office

## 9 Conclusion

The financial affairs of the PCC and Chief Constable have been and continue to be prudently and effectively managed. Best practices and CIPFA guidance and codes of practice in financial management, governance, and treasury management are being followed.

The PCC, the Chief Constable, and their CFOs have a strong focus on managing costs, achieving value for money, driving innovation to deliver better and more efficient services, whilst ensuring that service performance is still being maintained or improved.

Looking ahead we recognise the ongoing challenges created as we manage the immediate and ongoing demand pressures at the same time as maturing our workforce capacity and capability that means it will take some time before we are able to fully achieve our target operating model. Our forward plans will help us navigate this period of growth and uncertainty, emerging from this with greater service strength which, when coupled with our effective operational processes, tools and capabilities will ensure we are well placed to realise our vision and deliver the outcomes our communities rightly expect of us.

### Signature

**Nick Adams LLB (Hons), FCA**

Chief Finance Officer to OCC

### Date

# Office of the Chief Constable for Avon & Somerset

## Statement of Responsibilities

This section explains our responsibilities for our financial affairs and how we make sure we carry out these responsibilities properly.

### 1 Chief Constable's Responsibilities

The Chief Constable is required to

- ✚ Make arrangements for the proper administration of the Office of the Chief Constable's financial affairs and to make sure that one of its officers, the Chief Finance Officer, has responsibility for the management of those affairs
- ✚ Manage its affairs to secure economic, efficient, and effective use of resources and safeguard its assets
- ✚ Approve the Statement of Accounts

### 2 Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for preparing the Statement of Accounts for the Office of the Chief Constable in accordance with proper accounting practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (The 'Code').

In preparing this Statement of Accounts, the Chief Finance Officer has

- ✚ chosen suitable accounting policies and then applied them consistently
- ✚ made reasonable and prudent judgements and estimates complied with the CIPFA Code
- ✚ kept proper accounting records which were up to date
- ✚ taken reasonable steps for the prevention and detection of fraud including preparing an audit and ensuring appropriate risk management mechanisms are in place
- ✚ made sure that the internal control systems are effective – pages 20 to show this in more detail

I certify that the Statement of Accounts presents a true and fair view of the financial position of the Office of the Chief Constable as at 31 March 2024 and its income and expenditure for the year ended 31 March 2024.

**Sarah Crew**  
Chief Constable

**Nick Adams LLB (Hons), FCA**  
Chief Finance Officer to OCC

# **Office of the Chief Constable for Avon & Somerset**

## **Annual Governance Statement**

### **1 Introduction**

#### **1.1**

This Annual Governance Statement sets out how the Avon & Somerset Office of the Chief Constable (hereafter referred to as OCC) has complied with the corporate governance framework set out in the Joint Scheme of Governance for the Avon & Somerset Police and Crime Commissioner (PCC) and the Chief Constable in place for the year ended 31 March 2024. It also details improvement areas to enhance further governance arrangements that the Constabulary plans to progress during 2024/25.

#### **1.2**

Its purpose is to supplement the Avon and Somerset PCC's annual governance statement to give the complete picture of the management of governance within the OCC and the Office of the PCC for Avon and Somerset.

#### **1.3**

The Constabulary follows the CIPFA Framework principles: 'Delivering Good Governance in Local Government' and the guidance notes for policing bodies (revised 2016).

#### **1.4**

Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 require an authority to conduct a review at least once in a year of the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts (England). This term 'authority' includes the OCC and the PCC legal entities. This requirement is reflected in the Code of Practice on Local Authority Accounting in the United Kingdom published by the Chartered Institute of Public Finance & Accountancy (CIPFA).

#### **1.5**

The annual review (see 1.4) informs this statement of governance arrangements with assurance on compliance with the seven principles of the CIPFA framework by on-going audit inspection and external assessment. This statement also explains how the OCC complies with the principles and meets the requirements of regulation 6 of the Accounts and Audit Regulations 2015 concerning publishing a statement on internal controls.

### **2 Responsibilities**

#### **2.1**

The OCC and the PCC are responsible for ensuring their business is conducted according to the law and proper standards, ensuring that public money remains safeguarded, appropriately accounted for, and used economically, efficiently, and effectively.

## 2.2

Under the Policing Protocol 2011, the PCC has responsibility for delivering efficient and effective policing, management of resources and expenditure by the police force. The PCC has a statutory duty to obtain the views of victims of crime and the broader community about the policing of the Force area and must consider the views of responsible authorities. These views inform the PCC's Police and Crime Plan (PCP), which sets the Force's strategic direction and priorities. These will be subject to review in 2024/25 further to the May 2024 PCC election.

## 2.3

The OCC is responsible for operational policing matters, the direction and control of police personnel, and for putting in place proper arrangements for the governance of the Constabulary. In doing so, they are accountable to the PCC for how these arrangements enable the delivery of the PCP. It, therefore, follows that the PCC must be assured that the OCC has appropriate mechanisms in place for the maintenance of good governance and that these operate in practice.

## 2.4

The PCC and OCC share most core systems of control, including corporate finance, procurement, payroll and HR systems, a shared finance department, shared financial controls, and shared IT, legal, and information governance functions.

## 2.5

The OCC's Chief Finance Officer (OCC CFO) has responsibility for providing advice on all financial matters, maintaining financial records and accounts, and ensuring an effective system of financial control is in place. Together with the PCC Chief Finance Officer (PCC CFO), they conform to the governance requirements of CIPFA's Statement on 'The role of the Chief Finance Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable (March 2021).

# 3 The Purpose of the Governance Framework

## 3.1

The **Governance Framework** comprises systems, processes, culture, and values by which the Constabulary is directed and controlled.

## 3.2

Governance is about how organisations ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, cost-effective, open, and accountable manner.

## 3.3

An effective governance framework enables the OCC to monitor the achievement of its strategic objectives, as set out by the PCC in the Police and Crime Plan (PCP) and the Strategic Policing Requirement (SPR), and to consider whether those objectives have led to appropriate delivery, cost-effective services, and overall achievement of value for money.

## 3.4

The fundamental function of good governance in the public sector is to ensure that intended outcomes are achieved whilst always acting in the public interest.

## 4 The Governance Framework

### 4.1

A joint governance framework, collectively known as the Joint Scheme of Governance, has been in place for the year ended 31<sup>st</sup> March 2024 and includes the Code of Corporate Governance, Memorandum of Understanding, Decision-making Framework, Scheme of Delegation, Financial Regulations and Contract Standing Orders.

### 4.2

The Joint scheme of Governance was reviewed and refreshed by the OPCC in 2022 and clarifies the way in which the two organisations will govern both jointly and separately to do business in right way, for the right reason at the right time.

### 4.3

The OCC Governance Framework was also reviewed by an independent external consultancy in 2022 and implemented by the Constabulary Portfolio Management Office (PMO). We have continued to evolve this throughout 2023/24, with key changes including the introduction of

- ✚ A new monthly **Portfolio Steering Board** replacing a quarterly Change Portfolio Committee to proactively manage portfolio delivery.
- ✚ A monthly **Investigative Standards Forum** (tactical investigative management); and
- ✚ A bi-monthly **Operational Improvement Committee** largely focussing on service improvements for Response and Neighbourhood teams.

### 4.4

The management of the Constabulary Governance Framework is discharged to the central PMO for routine management. The PMO ensures all Terms of Reference are updated annually (completed autumn 2023) and meeting logistics are planned in September of each year for the next 18 months (i.e. up to the end of the subsequent financial year).

### 4.5

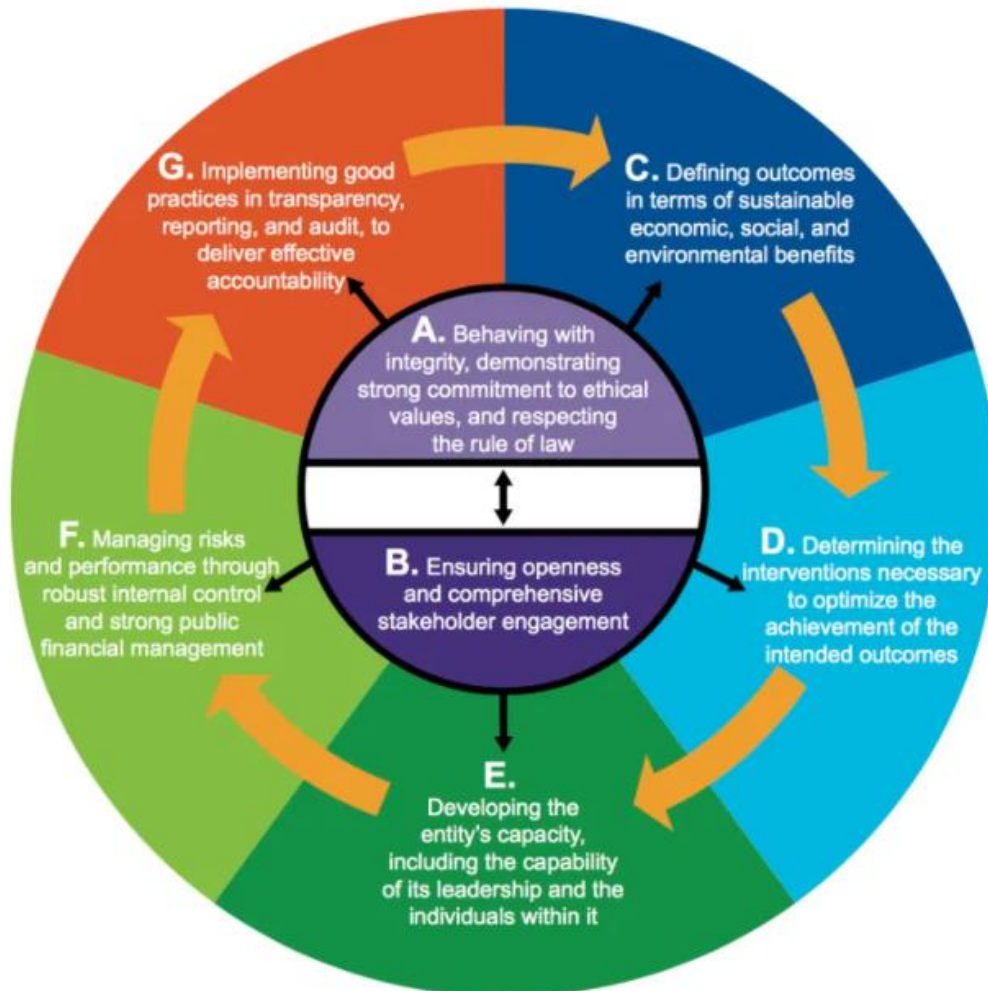
The governance framework provides the structure for strategic decision making and oversight of internal control. A critical component of the framework is identifying, assessing, and controlling **risk management** to mitigate risk to a reasonable and foreseeable level. The Constabulary cannot eliminate all risk of failure to achieve its objectives; it can only provide reasonable but not absolute assurance of effectiveness.

### 4.6

The Constabulary has continued to mature its **Corporate Risk** and **Organisational Risk** Management processes linking directly to existing governance arrangements. Organisational Risks with mitigated risk values between 9 and 12 (on the 5 x 5 risk matrix) are aligned to Committees for regular Committee Risk Reporting whereby the PMO select risks for review, discussion, update, and action.

## 4.7

Governance arrangements for both the OCC and the PCC are structured around the seven principles set out in the revised Delivering Good Governance: Guidance Notes for Policing Bodies in England and Wales (2016 Edition). The diagram below illustrates the various principles of good governance in the public sector and how they relate to each other.






CIPFA Principles for Good Governance

## 5 The CIPFA Principles

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

The Chief Constable has set out and communicated the mission and vision for policing in Avon & Somerset, underpinned by our values. These are

 <b>Mission</b>	Serve. Protect. Respect
 <b>Vision</b>	Outstanding policing for everyone
 <b>Value</b>	Caring. Courageous. Inclusive. Learning

The Chief Constable, and the Chief Officer Group set the tone for the organisation by creating a climate and culture of openness, support, and respect, reinforced regularly through internal communication and engagement, and demonstrating how we live our values every day.

A new **Code of Ethics** was launched by the College of Policing in January 2024 comprising three separate complementary products: Ethical Policing Principles, Guidance on Ethical and Professional Behaviour and a Code of Practice for Ethical Policing. The Code has been developed to help Forces create the environment and culture where people can follow the Code of Ethics and succeed. A number of activities are now being progressed to embed the new code into the Constabulary. These include internal and external messaging, reviewing of all policy and procedure documents, inclusion within recruitment, promotion and vetting processes, inclusion within internal First Line Managers CPD, mandatory College Learn training modules, inclusion within the annual Individual Performance Review (IPR) process and inclusion within our planned 2024/25 People Survey. Assurance of embedding is governed through the People Committee.

The Code of Ethics is now also reflected through robust **Procedure Management** with appropriate narrative included in all Procedures and management information available to track completions. The reference in Constabulary procedures reads as follows: “Ethical policing requires courage, respect and empathy, and public service. These principles help us make and reflect on our professional decisions, guiding us in our day-to-day duties. They form the basis of the Code of Ethics helping people in policing to do the right things, in the right way, for the right reasons. In an organisation where decisions are often made in high pressure situations, adherence to a strong ethical framework is paramount. The Code of Ethics is more than just a set of regulations, it reflects our commitment to increasing trust within our communities. By upholding these ethical standards, we ensure that the public can rely on us to act justly, transparently, and with integrity. The procedures, direction and processes set out in this document support these principles and aid decision making”.

The Constabulary IPR software (to be replaced from 2025/26) has a mandatory Integrity Health Check configured which helps Line Managers structure integrity conversations with staff plus links to useful resources. The Health Check is comprehensive and covers areas such as professional boundaries, GDPR awareness, Business Interests, Notifiable Associations, Standards of Professional Behaviours, Annual Security Questionnaire and Changes in Personal Circumstances. The Health Check must be completed before IPR finalisation.

The Professional Standards Department oversees complaints, misconduct, and vetting processes that provide the formal structures for maintaining the right behaviours. In addition to the standards of professional behaviour and Code of Ethics, the conduct of officers and staff is governed by policies that provide specific guidance for areas of risk, vulnerability or which may present an actual or perceived conflict of interest.

The Professional Standards Department works in a variety of ways to ensure that everyone who works in Avon and Somerset Constabulary demonstrates the highest levels of personal and professional standard of behaviours. The department receives and records complaints from members of the public against those who work in Avon & Somerset Constabulary, each complaint is assessed and managed in accordance with the Police Complaints and Misconduct Regulations 2020 and IOPC Statutory Guidance.

As part of the Force Management Statement 2023/24 submission for Professional Standards several strengths in service delivery were identified including the delivery of Operation HOLDEN (organisation wide vetting review), increased vetting aftercare and vetting reviews, use of HMICFRS reports and recommendations to drive improvements, local continuous improvement activity and the development of system interfaces to make the process of vetting more efficient and effective. Professional Standards are developing a new performance framework, which link strongly to the



Constabulary's corporate change programme "Building Trust and Confidence". Further efficiency gains through robotics process automation are expected which will complement the unit investment secured in 2023 which has seen the introduction of new roles such as a PSD Researcher and Sexual Misconduct Liaison Officer.

Our Ethics Committee strengthens our approach to ethical decision making by meeting six times per year, chaired by an independent academic. It provides a platform to debate and engage in ethical dilemmas and decisions related to effective service delivery.

## **5.2 Principle B: Ensuring openness and comprehensive stakeholder engagement**

### **Engaged Communities**

The Constabulary has a comprehensive Independent Advisory Group (IAGs) Framework built around a range of IAG's reflecting strategic areas, geography, and young persons and these continue to evolve proactively. We have commissioned a review of our Delegated Safeguarding Partnerships support and will look to design a revised delivery model through consensus with Chief Executives.

A significant amount of activity has been delivered as part of our Constabulary Portfolio of Change and the **Race Action Plan** Project. During the last twelve months we have developed a Deferred Prosecution Model Business Case and undertaken a commissioning process. We have supported the "I want to be seen poem and accompanying film" by local city poet Miles Chambers. We have developed an anti-racism strategy developed following collaborative workshops both internally and externally. We have established a Community Engagement Network. We have completed a deep dive analysis of disproportionality within police staff and police officer recruitment processes and promotion process. We have delivered Race Matters CPD for front line officers. We have revised and developed our Stop & Search policy. We have supported a Stop & Search social media piece in collaboration with creative power town - created by young people for young people on understanding their rights. We have introduced lived experience tactical advisors introduced within PSD. We have built new partnerships with local community media outlets - UJIMA and BCFM. We have reviewed the seven point promise to better support staff who have been victim of racial abuse or assault.

We are continually planning our next steps. We are developing our Annual Report marking the one year anniversary since institutional racism was declared. We are launching a Deferred Prosecution Model and a decision making app for officers. We are extending our Race Matters training across the organisation. We plan to introduce an Influencers Network and also an Independent Scrutiny and Advisory Board. We are introducing platforms to better understand our data and to identify further areas of disproportionality. Furthermore, we are introducing a QR code and feedback process following Stop & Search encounters. We are introducing a process to initiate early community engagement following any critical incident involving use of powers. Finally, we are using the findings of the deep dive analysis into recruitment/promotion processes to develop action plans to improve representation.

We continue to support and participate in the PCC scrutiny panels, through which local people from a diverse range of backgrounds monitor the use of policing powers such as the use of force, or the use of stop and search.

The Joint Audit Committee continues to operate on a quarterly basis providing the opportunity for independent external scrutiny of Constabulary delivery focussing on audit assessments and risk management.

### **An Engaged Workforce**

The annual Constabulary People Survey was undertaken in the autumn on 2023 with just under 4,000 responses received. This level of employee engagement continues to provide a range of answers that has helped shape and influence our future plans.

Overall, our results show a stable and even improving picture, but we do not underestimate the challenges we have faced. Our continued aim is to create an environment where everyone feels able to put their hand up and suggest improvements, or challenge where they think we can do better and where everyone feels cared for.

The People Survey provides a snapshot for the organisation, but we understand the need to keep conversations going throughout the year. Covering the summer and autumn period in 2023 were the Chief Officer Talk Time sessions. These informal events were extremely popular – 43 sessions were held across 19 locations and 8 bases with over 650 attendees. Feedback was captured and consolidated by the Staff Office to identify themes.

Additionally, a series of off-site ‘Leadership Time’ workshops held between November 2023 and February 2024 enabled Chief Officers to engage with all leaders across the organisation. Through these sessions the role of all leaders in leading for the change we all want to see was explicitly set out and discussed.

### **Media Collaboration**

The Constabulary worked with a documentary maker, Story Films, on a three-part series for Channel 4 giving the public a unique insight into the work of the Professional Standards Department and Counter Corruption Unit. These programmes aired from January 2024. We recognise that fundamental to us being able to deliver our vision of outstanding policing for everyone is the public having trust and confidence in the police. One of our values is “Courageous”. We recognised that if we want to demonstrate legitimacy and win back trust and confidence, we must believe in our willingness to be transparent with the people we serve. This wasn’t an easy decision to make but we saw it as an opportunity to practice what we preach and show real openness of how we handle allegations of misconduct.

This media collaboration showed we were not afraid to own up when we had got things wrong, and that this was an important part of the process of how we put them right. By facing into these issues, we showed our communities that we are committed to addressing them, committed to being better and not hiding from the public when they need to trust us. The documentary provided the opportunity to demonstrate how we are changing our organisational culture to help us deliver policing more effectively through rebuilding public trust and confidence.

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

The Constabulary has a Sustainability Plan that it approved in 2021. This plan established new and stretching targets for the organisation to achieve by 2026/27. The Constabulary’s Sustainability Plan

focusses on four over-arching themes: 1. Climate Action 2. Responsible Consumption 3. Sustainable Communities 4. Internal and external partnerships to deliver change.

We report on progress through an Annual Sustainability Report presented to our Constabulary Management Board in Q1 each year. This was presented in May 2023, with the next update expected in Q1 2024/25. In May 2023 we reported how our carbon consumption stood at 36% of what it had been in 2010/11, reflecting the progress made to date and in particular our switch to renewable energy tariffs for electricity supply. The report explained the work we're taking forward to further decarbonise our estate, increase our use of onsite renewables such as PV cells on our police stations and buildings, and progress work towards greater use of electric vehicles throughout our fleet.

Our Medium-Term Financial Plan (MTFP) is reviewed and refreshed annually to forecast out for a five-year planning horizon. Through this plan we identify how we will make investment into policing that enable the Chief Constable and the Senior Officer Team to build a Force capable of successfully delivering outstanding policing for everyone.

The latest published MTFP shows a balanced budget in both 2024/25 and in 2025/26 based on current plans, with a growing deficit thereafter requiring further savings to be realised. The Constabulary Portfolio of Change provides the delivery mechanism for achieving a balanced budget in the years ahead.

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

The Constabulary manages its **BAU performance** interventions through the IPQR (Integrated Performance Quality Report) and PQA (Performance & Quality Assessment) process as part of the formal governance framework through the monthly Constabulary Management Board.

Products produced by our Performance & Insight Team provide organisational oversight of a complex performance landscape in a logical way. Central to the IPQR is the Performance Control Strategy which reflects the agreed Force level performance priorities for local improvement focus and delivery for crime and data integrity, investigative standards, rape and serious sexual offences, response timeliness, crime prevention and protecting the vulnerable. Each of these areas have individual Improvement Plans with performance tracked objectively through consistent metrics and reported to monthly Constabulary Management Board meetings.

Additionally, there is a clear focus on the outcomes linked to HMICFRS recommendations, with progress ratings provided by assigned business leads. The Performance & Quality Assurance process supports a sequenced deep dive into each of the HMICFRS PEEL Inspection Questions.

The organisation has made a conscious decision to not set additional recommendations through the Constabulary Management Board. Other elements of the formal governance framework (largely at Committee level), where more tactical / local interventions are discussed, are subject to PMO disciplines of Meeting Capture and Action Log management.

Complementing Business As Usual performance interventions processes is the delivery of transformative change through the **Constabulary Portfolio**. The objectives of portfolio delivery are twofold – for the Constabulary to achieve outstanding policing outcomes and realise requisite budgetary savings. The Portfolio construct is 8 x Programmes of work as below

##### **Programme #1 – Right Service, Right People, Right Time**

- ✚ **Programme #2** – Protecting the Vulnerable and Putting Victims First
- ✚ **Programme #3** – Investigative Standards and Tackling Perpetrators
- ✚ **Programme #4** – Building the Foundations for a Skilled Workforce
- ✚ **Programme #5** – Digital, Data, and I.T. Futures
- ✚ **Programme #6** – Developing a Cost Conscious Organisation
- ✚ **Programme #7** – Building Trust and Confidence
- ✚ **Programme #8** – Estate & Fleet Fit for the Future

Across the Portfolio are over 50 live Projects (as of May 2024) covering a breadth of activity. This includes developing our response to the national Right Care Right Person approach, developing our holistic to vulnerability, embedding the national SOTERIA / BLUESTONE approach across investigations, investing in our leadership model, balancing and delivering a complex national, regional and local information technology landscape, balancing our revenue position, understanding how we can provide public confidence and reassurance and finally developing our physical assets so that we have a modern and efficient estate. This list is not exhaustive. The cumulative improvements will be significant.

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

### **Uplift Growth**

As of the end of March 2023, we have achieved our officer target headcount on 3,291 after delivering, a net increase of 456 officers as our share of the national police officer uplift. In addition, we achieved recruitment of a further 40 officers to assist with national targets. Through the settlement announcement, £8.7M of grant funding has been ringfenced for uplift and will only be payable to us in arrears upon maintaining officer numbers. A further one-off grant will also be paid in 2024/25 to maintain the surplus 40 officers through until at least March 2025. Delivering and maintaining this growth in police officer headcount has been and will remain a focus for the Constabulary.

### **Workforce Planning**

We understand the need to maintain and develop our police officers effectively and to achieve this we have invested in our Workforce Planning (WFP) capability. The Workforce Planning Unit growth brought about the introduction of roles including that of insight specialists. The primary responsibility of this role is to improve our analytical offering to the organisation in providing recommendations, with insight, to support decision-making on key people matters.

Since new roles have started, we have

- ✚ Improved the presentation and accuracy of existing trajectories of staffing establishment numbers relating to key organisational roles including the Communications Department, allowing for better business decision making using insight
- ✚ Analysed organisational vacancies, considering the level of vacancy, time vacant amongst other metrics, to support better understanding of business need
- ✚ Reviewed disproportionality in our processes, such as recruitment of Officers and Promotion, making recommendations for areas to consider further investigation or improvement activity
- ✚ Interrogated our attrition statistics in some key business areas to support business modelling, understanding where we have attrition to e.g. internal or external, its volume and frequency and at what point within a career it occurs

Further work in this area is planned to continue to help strengthen our capacity and capability planning.

## **Leadership**

We are always thinking about ways we can improve our training offer and supporting staff through targeted continued professional development. For 2024, we have a focus on two new courses being delivered as part of the First Line Leaders Programme. This Programme will be transformational and do more to define leaders and managers individual roles, responsibilities, and accountability, at every level of the organisation. The Programme was a year in the planning, taking initial College of Policing materials but expanding for our local context.

January saw the launch of the First Line Leaders Launchpad course for Officers and Staff who have been newly promoted to substantive First Line Manager roles. The five-day course covers the key areas of Leading Self; Leading Others; Leading Teams; Leading Situations; and leading Culture and gives a comprehensive and practical approach to understand, develop, and implement good leadership practices. The First Line Leaders Accelerator course went live in February for Officers and Staff in existing substantive First Line Manager roles. This is a three-day course learning to lead teams, lead situations, and lead culture. These courses sit alongside the Future First Line Leadership course launched in October 2023.

We recognise the expectation to have leadership training – after all everyone is a leader. Leadership is a skill we all must learn – simply having the potential to lead is not enough. Learning is one of our four values and goes hand in hand with leadership. We understand that good leaders never stop learning and developing, taking their development into their own hands, constantly on a journey of improvement.

As part of the new Training Programme, we have launched the Target Leadership Model, which clearly defines the competencies all Team Leaders should be aiming for in their own leadership practice. It's relevant to everyone as it sets out our clear expectations.

Additionally, the Avon & Somerset Leadership Days cumulatively bring together more than 1,000 leaders from across the organisation to focus on the Avon & Somerset strategy, specifically the Strategic Imperatives and how they relate to each individual leaders' team. These leadership days will be repeated in January 2025 to further embed the strategy, progress through the five-year strategic plan, and have a focus on the tangible outcomes.

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

The Constabulary Governance Framework has further evolved during 2023/24 and demonstrates robust approaches to the management of performance indicators, organisational and corporate risk, and financial management.

### **Performance indicators (KPIs)**

Through our strategic planning workshops in 2022/23 Senior Leaders identified eighteen strategic outcomes and for each several KPIs were aligned. Their management (i.e. tracking progress against target) has been aligned to specific meetings within the formal governance framework to ensure regular scrutiny and accountability. Committee Insight Reports are developed and presented by our Performance & Insight Team.

## **Risk Management**

Constabulary risk management processes and framework were subject to a favourable internal audit review in 2022 and continue to evolve 2-3 years after implementation. Risk is managed at two levels – Organisational Risk (mapped by Directorates and Departments) and Corporate Risk (seven static risks subject to quarterly review). Risks are assessed using a subjective 5 x 5 risk matrix with mitigated risk values determine how / where risks are managed within the governance framework. Risk escalations are used to provide options for resolution of risks as required. The Joint Audit Committee provides external and independent scrutiny of the corporate risks which adds transparency and legitimacy to the process. The PMO is a member of the National Risk Management Group to capture any national learning to further develop the approach with a focus in 2024 on risk appetite and risk training.

## **Financial Management**

Financial Management within the Constabulary is intrinsic within all levels of the governance framework. The strategic financial goals and challenges are reviewed at our quarterly Strategic Planning Meetings which also receives regular updates on the development and headlines of the Medium-Term Financial plan (MTFP). Our Medium-Term Financial Plan (MTFP) provides the financial outlook, context, and resourcing principles for the annual budget setting process. It outlines, in broad terms, the specific service and funding issues over the 5-year period and how the PCC will, within these financial constraints, fund priorities and ensure financial sustainability and resilience. Our MTFP needs to be responsive to changing national and local conditions and is therefore a living document subject to annual review, with our current plan covering 2024/25 – 2028/29.

This MTFP reflects the tightened financial constraints within which everyone is now managing. The plan builds on the announcements made in the Governments police funding settlement in December 2023, reflecting the growth in grant funding and the policing precept increase for 2024/25. The plan then builds on these assumptions in subsequent years, forecasting that funding will increase by £49.6M/13.4% by the 2028/29 financial year. These forecasts are made within the context that policing in Avon & Somerset continues to be under-funded compared to our need and to comparable forces around the country. Our funding per head of population is below national average, and below the funding levels seen in those force areas with one of the other core cities in England and Wales. The Government continues to confirm its intention to consult on the formula for the distribution of police funding, however this has not yet commenced. We remain hopeful that the Governments review of the police funding formula will address some of this imbalance. The MTFP has annual formal sign-off via the Constabulary Management Board and OPCC Governance & Scrutiny Board. These arrangements are well-established.

At a more tactical level the Finance & Assets Committee meets six times a year working to a set agenda with sequenced substantive agenda items. These include the annual Efficiency Savings Report, Year End Accounts and Annual Governance Statement Plan, Quarterly Revenue and Capital Outturn Report, Reserves Reporting and Financial Planning Assumptions. Constabulary investment decisions are framed through Outline and Final Business Cases that are subject to scrutiny and sign-off via the Portfolio Steering Board, Constabulary Management Board and Governance & Scrutiny Board.

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

We engage in an open and transparent working relationship with the OPCC, reflected by the publication of minutes and decision notices from meetings such as the Joint Audit Committee (JAC)

and the Governance and Scrutiny Board (GSB). The Chief Constable and Deputy Chief Constable also participate in the publicly broadcast Performance and Accountability Board, which aims to increase public confidence, transparency, and engagement by carrying out effective scrutiny and accountability concerning core policing functions, especially pertaining to performance against the PCCs Police and Crime Plan and the National Crime and Policing measures.

JAC is an independent, non-executive body that plays a vital part in the governance and risk management of the OPCC and the OCC. JAC meetings are held quarterly and open to members of the public to attend. The purpose of the JAC is to provide independent oversight and advice on governance and risk management, allowing the PCC to discharge their statutory duties in holding the force to account, managing risk, and approving annual accounts and audit opinions. The JAC is where the independent Internal Audits are discussed, scrutinised, and agreed upon by the Committee, the OPCC and the Constabulary in a formal governance setting. All papers presented to JAC, including risk registers and documents from our internal and external auditors, are published on the PCC's website allowing public members to access these reports and their contents. In addition, quarterly financial performance reports presented to the GSB are also published, with all documentation adhering to Government Security Classification (GSC) markings.

The Internal Audit function, commissioned through the JAC on behalf of the OPCC and the OCC, is undertaken by a third-party auditor for additional independence. Our internal auditors are South West Audit Partnership (SWAP). Working with SWAP, a number of areas for audit were covered in 2023/24. Some of these audits included tutoring (Reasonable grading), POCA (Reasonable), Estates (Limited), Key Financial Controls (Reasonable), Cash Handling (Reasonable), Corporate Performance Management (Reasonable), Wellbeing (Reasonable).

Transparency is also displayed through the development, submission (to HMICFRS) and publication (via the external website) of the annual Force Management Statement (FMS). This comprehensive annual organisational self-assessment is central to our strategic planning cycle and has been used to support an organisational SWOT analysis to inform our Q4 Strategic Planning Meeting and influence our portfolio design. The FMS includes a number of subjective assessments looking at demand, resources and capabilities built around 4 HMICFRS questions pertaining to Demand, Assets, Business Plans and Risks. These assessments are repeated for over 40 Directorate, Department, and thematic areas of service delivery and provide an extremely candid view of performance, planning and challenges.

## **6 Review of Effectiveness**

### **6.1**

The Chief Constable has responsibility for conducting, at least annually, a review of the effectiveness of the governance framework. Several sources inform the review, including the internal audit assurance, the opinions and reports of our external auditors and other inspection bodies, as well as the work of the OCC CFO, and of managers within the Constabulary, whom which have responsibility for the development and maintenance of the governance environment.

The central oversight and management of the Constabulary Governance Framework provides consistency and identifies opportunities for further efficiencies. For 2023/24, this position has been further strengthened by a new Chief Officer Group ACC role with responsibility for Strategic Performance, Planning and Change.

The iterative development of the governance framework has continued since the independent support with a focus on efficiency and within the last twelve months the following changes have been made

- ✚ Alignment of the Investigative Standards Forum to the governance framework.
- ✚ The introduction of the Operational Improvement Committee
- ✚ The commitment to publish timed agendas to help manage business in a timely manner
- ✚ The pre-briefing of the Chair for specific meetings (e.g. Constabulary Management Board and Portfolio Steering Board) to highlight key discussion points
- ✚ The annual revision of all Terms of Reference documents for all Governance Framework Meetings (next scheduled by the PMO for June 2024)
- ✚ A commitment to forward diary management working in September to map all meetings for the subsequent financial year (i.e. an 18-month window)
- ✚ A focus on meeting behaviours moving away from presentations where possible
- ✚ A focus to ensure fewer more meaningful actions are set / captured

The PMO produces Meeting Capture Summaries (not minutes) which capture decisions for audit trail but not unnecessary detail.

A formal Post Implementation Review of the Governance Framework has been scheduled but has been delayed recognising the need to allow for an establishment way of working to establish over a 12 month period noting there have been substantive changes as late as early 2024.

## **6.2 His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS)**

In this section below, we detailed the findings of inspection activity from HMICFRS.

### **‘PEEL’ Inspection**

The primary framework by which police forces are inspected by HMICFRS is called 'Police Efficiency, Effectiveness and Legitimacy' (PEEL). This programme has evolved over time to become an intelligence-led, continual assessment approach, rather than the annual PEEL inspections we used in previous years. HMICFRS assess forces against the characteristics of good performance, and more clearly link their judgments to causes of concern and areas for improvement. The judgements are made across five tiers, those being

- ✚ Outstanding
- ✚ Good
- ✚ Adequate
- ✚ Requires improvement
- ✚ Inadequate

As a result, HMICFRS can state more precisely where they consider improvement is needed and highlight more effectively the best ways of doing things. However, these changes mean that it isn't possible to make direct comparisons between the grades awarded this year with those from previous PEEL inspections. A reduction in grade, particularly from good to adequate, does not necessarily mean that there has been a reduction in performance, unless specifically stated in the Force's report.

The HMICFRS Integrated PEEL Assessment is one of the most critical sources of assurance for both the PCC and OCC in delivering the Police and Crime Plan and realising our vision. Avon & Somerset were inspected in October 2022, with the HMCIFRS final report published in March 2023, in which we were assessed and graded as follows



Outstanding	Good	Adequate	Requires improvement	Inadequate
Treatment of the public	Developing a positive workplace	Preventing crime	Recording data about crime	
	Good use of resources	Protecting vulnerable people	Investigating crime	
			Responding to the public	
			Managing offenders	

The next PEEL Inspection of Avon & Somerset is in 2024, Initial fieldwork has begun with more formal inspection activity scheduled for the autumn ahead final reporting to follow in January 2025. The updated HMICFRS inspection outcomes will be reported in the 2025 Annual Governance Statement.

### 6.3 Significant Risks

The latest assessment of the Corporate Risk Register was completed in March 2024. The RAG assessments of the 7 x corporate risks are highlighted in the table below.

Corporate Risk Mitigated		Impact				
Value Assessments		Negligible (1)	Minor (2)	Moderate (3)	Significant (4)	Severe (5)
Likelihood	Very likely (5)					
	Likely (4)				Information Governance, Data & Digital	
	Possible (3)			Governance	Service, Infrastructure	Finance, People, Confidence & Legitimacy
	Unlikely (2)					
	Very unlikely (1)					

The latest assessment illustrates that 4 of the 7 corporate risks currently have a mitigated risk value of over 16 and therefore could be classified as “significant” risks at this time. However, for each there are defined mitigations in place. For **Finance**, our proactive savings identification work means we are reporting a balanced budget for 2024/25 and 2025/26. For People, we recognise the relative levels of inexperience with our workforce but are investing heavily in Leadership Models and Training. For Information, Governance, Data & Digital we are implementing a new Information Governance Framework and developing our Artificial Intelligence Strategy. For Confidence & Legitimacy, we understand the impact but also benefits of the Story Films documentary but also the

influence of the national context on public perceptions of legitimacy. The corporate risks are scheduled for their next review in June 2024.

## **7 Governance Issues**

### **7.1**

Throughout 2023/24, we have continued to evolve our governance arrangements and looked to identify and implement efficiencies. There is now a greater understanding of our governance mechanisms and how they drive our day to day business. We have used elements of governance such as the Portfolio Steering Board to land and support our new 7 stages of project management. We have ensured other organisational processes such as risk management, benefits management and organisational learning are hard-wired into our governance arrangements. The new Constabulary Portfolio of Change makes use of the governance framework not only for stage gate reviews but also Programme Highlight reporting at Committee level.

Finally, while we recognise the healthy state of our internal governance, we remain aware of the need to continually review our existing partnership and collaborative governance arrangements. There is now increased visibility of highlight reporting of regional governance forums via the Constabulary Management Board, and we have recently agreed investment to support work with delegated safeguarding partners.

## **8 Conclusion and Certification**

### **8.1**

This statement has been prepared based on the review of the effectiveness of governance arrangements. We are satisfied that the OCC has proportionate and adequate internal control systems, including arrangements for good governance and the management of risk. However, we acknowledge that no method of internal control can provide absolute assurance. Over the coming year, we propose taking steps to address the areas for improvement identified through our internal control activity to enhance our governance arrangements and commit to monitoring their implementation and impact as part of our next annual review.

**Sarah Crew**  
Chief Constable  
May 2024

**Nick Adams LLB (Hons), FCA**  
Chief Finance Officer to the OCC  
May 2024

## Office of the Chief Constable for Avon & Somerset

### Comprehensive Income and Expenditure Statement for Year Ended 31 March 2024

The comprehensive income and expenditure statement shows the resources consumed by the OCC in undertaking operational policing activities. These costs have been funded by the PCC through intragroup adjustments.

OCC Expenditure £'000	OCC Income £'000	Total 2022/2023 £'000	Comprehensive Income and Expenditure Statement - OCC	OCC Expenditure £'000	OCC Income £'000	Total 2023/2024 £'000
539,901	-53,969	485,932	Police Services	481,179	-67,874	413,305
-539,901	53,969	-485,932	Intragroup funding adjustment	-481,179	67,874	-413,305
<b>0</b>	<b>0</b>	<b>0</b>	<b>Net cost of police services</b>	<b>0</b>	<b>0</b>	<b>0</b>
		110,987	Net interest on pensions			121,500
		-110,987	Intragroup adjustment (pension interest cost)			-121,500
<b>0</b>	<b>0</b>	<b>0</b>	<b>Financial and investment income and expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>
		<b>0</b>	<b>Taxation and non-specific grant income</b>			<b>0</b>
		<b>0</b>	<b>Surplus(-)/deficit on provision of services</b>			<b>0</b>
		1,879,534	Intragroup adjustment (Re-measurement of pension assets and liabilities)			111,506
		-1,879,534	Re-measurement of pension assets and liabilities (note 13)			-111,506
<b>0</b>	<b>0</b>	<b>0</b>	<b>Other comprehensive income and expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total comprehensive income and expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Office of the Chief Constable for Avon & Somerset

## Movement in Reserves Statement 2023/2024 and 2022/2023

All reserves are held by the PCC.

Movement in reserves statement 2023/2024					
	Revenue General Fund £'000	Capital Receipts Reserves £'000	Total Usable Reserves £'000	Total Unusable Reserves £'000	Total £'000
<b>Balance as at 31 March 2023</b>	0	0	0	0	0
Total comprehensive income and expenditure	0	0	0	0	0
Adjustments between accounting & funding basis under regulations	0	0	0	0	0
Increase/decrease(-) in 2023/2024	0	0	0	0	0
<b>Balance as at 31 March 2024</b>	0	0	0	0	0

Movement in reserves statement 2022/2023					
	Revenue General Fund £'000	Capital Receipts Reserves £'000	Total Usable Reserves £'000	Total Unusable Reserves £'000	Total £'000
<b>Balance as at 31 March 2022</b>	0	0	0	0	0
Total comprehensive income and expenditure	0	0	0	0	0
Adjustments between accounting & funding basis under regulations	0	0	0	0	0
Increase/decrease(-) in 2022/2023	0	0	0	0	0
<b>Balance as at 31 March 2023</b>	0	0	0	0	0

# Office of the Chief Constable for Avon & Somerset

## Balance Sheet as at 31 March 2024

The balance sheet shows the pension liability, other employee related creditors, and provisions accrual offset by debtors from the PCC.

2023 £'000	Balance Sheet	2024 £'000
	<b>Long term assets</b>	
2,644,892	Long term intragroup debtor (note 2)	2,634,843
<b>2,644,892</b>	<b>Total non-current assets</b>	<b>2,634,843</b>
17,075	Intragroup debtor (note 2)	19,104
<b>17,075</b>	<b>Total current assets</b>	<b>19,104</b>
-12,975	Creditors (note 17)	-14,570
-4,100	Short term provisions (note 18)	-4,534
<b>-17,075</b>	<b>Total current liabilities</b>	<b>-19,104</b>
	<b>Long term liabilities</b>	
-25	Provisions (note 18)	0
-2,644,867	Net defined pension liability (note 13 to 15)	-2,634,843
<b>-2,644,892</b>	<b>Total long term liabilities</b>	<b>-2,634,843</b>
<b>0</b>	<b>Net assets</b>	<b>0</b>
0	Total usable reserves	0
0	Total unusable reserves	0
<b>0</b>	<b>Total reserves</b>	<b>0</b>

**Signature**

**Nick Adams LLB (Hons), FCA**

Chief Finance Officer to OCC

**Date**

# Office of the Chief Constable for Avon & Somerset

## Cash Flow Statement

This note does not show any cash flows for the year ending 31 March 2024 as all payments are made from the PCC and all income for the year received by the PCC. The financial consequences of the operational activities undertaken by the OCC can be seen within the comprehensive income and expenditure statement.

Cash Flow Statement		
2022/2023		2023/2024
£'000		£'000
0	Net surplus(-)/deficit on the provision of services	0
328	Increase(-)/decrease in provision charged back to service	-410
1,367	Increase in long and short term debtors	2,005
-1,695	Increase(-) in long and short term creditors	-1,595
0	Adjust net surplus or deficit on the provision of services for non-cash movements	0
0	Net increase(-)/decrease in cash and cash equivalents	0

# Office of the Chief Constable for Avon & Somerset

## Notes to the Financial Statements

### 1 Statement of Accounting Policies

#### 1.1 General Principles

The general principles adopted in compiling these accounts are in accordance with the recommendations of CIPFA. They accord with CIPFA's Code of Practice on Local Authority Accounting 2023/2024 and the Accounts and Audit (Amendment) Regulations 2021 and are based on the following standards

- ✚ International Financial Reporting Standards (IFRSs) as adopted by the UK
- ✚ International Public Sector Accounting Standards (IPSASs)
- ✚ UK Generally Accepted Accounting Practice (GAAP); (Financial Reporting Standards (FRSs), Statements of Standard Accounting Practice (SSAPs) and Urgent Issues Task Force (UITF) abstracts) as far as they are applicable.

Further information is included within notes 13-15 regarding the assumptions that have been used by the actuaries to provide an estimate of the liability

#### 1.2 Accruals of Income and Expenditure

Activity is accounted for and recorded on an accruals basis. This means that income is recorded in the accounts when it becomes due, rather than when it is received, and the outstanding amounts are included as debtors. Expenditure is included in the accounts when the goods or services are received or supplied, and any outstanding amounts are included as creditors. The OCC established a de minimis level of £5,000 for accruals in both 2022/2023 and 2023/2024.

#### 1.3 VAT

The OCC does not submit a Value Added Tax return to HMRC as this is submitted as a single return for the group by the PCC. Income and expenditure in the OCC's comprehensive income and expenditure statement excludes VAT, except where it is non-recoverable.

#### 1.4 Employee Benefits

##### 1.4.1 Benefits Payable During Employment

Employee benefits that are due to be settled wholly within 12 months of the year end are recognised as an expense for services in the year which the employees rendered services for the Chief Constable. These include: salaries; annual leave; sick leave; bonuses; and non-monetary benefits (cars).

An accrual is made for the cost of holiday entitlements earned by employees but not taken before year end which employees can carry forward in to the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the surplus or deficit on the provision of services, but then reversed out through the Movement in Reserves statement to the accumulated absences account so that the holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

### 1.4.2 Termination Benefits

Termination benefits are amounts payable as a result of a decision by the group to terminate an employee's employment before the normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits. These benefits are charged on an accruals basis to the appropriate service segment at the earlier of when the authority can no longer withdraw the offer of those benefits or when the authority recognises costs for a restructuring.

### 1.4.3 Post-Employment Benefits

Employees of the Chief Constable are members of four separate pension schemes

- ✚ The Police Officer 1987 scheme (PPS)
- ✚ The Police Officer 2006 scheme (NPPS)
- ✚ The Police Officer 2015 scheme (CARE)
- ✚ The Local Government Pension scheme (CARE)

#### 1.4.3.1 Police Officers Pension Scheme

All Police Officers pension schemes are accounted for as defined benefits schemes.

The liabilities of the police officers pension scheme are included in the balanced sheet on an actuarial basis using the projected unit method. The projected unit method is an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc., and projected earnings for current employees.

An estimate of the employer's future cashflows is made using notional cashflows based on the estimated duration of all police schemes. These estimated cashflows are then used to derive a single equivalent discount rate (SEDR). The discount rate derived is such that the net present value of the notional cashflow, discounted at this single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA-rated corporate bond yield curve.

#### 1.4.3.2 Local Government Pension Scheme

All Police Staff and PCSOs can become members of the Local Government Pension Scheme which is accounted for as a defined benefits scheme.

An estimate of the employer's future cashflows is made using notional cashflows based on the estimated duration of all police schemes. These estimated cashflows are then used to derive a single equivalent discount rate (SEDR). The discount rate derived is such that the net present value of the notional cashflow, discounted at this single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA-rated corporate bond yield curve.

The assets of the Somerset Council pension fund attributable to the group are included in the balance sheet at their fair value

- ✚ Quoted securities – current bid price
- ✚ Unquoted securities – professional estimate
- ✚ Unitised securities – current bid price
- ✚ Property securities – current bid price
- ✚ Property – market value



### 1.4.3.3 Net Pensions Liability

The change in the net pensions liability for the pension scheme is analysed into the following components

#### Service cost comprising

- ✚ Current service cost – this is the increase in liabilities as a result of years of service earned this year which is allocated in the Comprehensive Income and Expenditure Statement (CIES) to the services for which the employees worked;
- ✚ Past service cost – this is the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the surplus or deficit on the provision of services in the CIES;
- ✚ Net interest on the net defined benefit liability or asset – this is the change during the period in the net defined benefit liability or asset that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the CIES. 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 or asset at the end of the period and taking into account any changes in the net defined liability or asset during the period as a result of contribution and benefit payments.

#### Re-measurements comprising

- ✚ The return on plan assets excludes the amounts included in the net interest on the net defined benefit liability or asset which is charged to the pensions reserve as Other Comprehensive Income and Expenditure. This is only applicable to the Local Government Pension Scheme.
- ✚ Actuarial gains and losses are changes in the net pension's liability that arise because events have not coincided with assumptions made at the last valuation or because the actuaries have updated their assumptions. These changes are charged to the pensions reserve as Other Comprehensive Income and Expenditure.

## 1.5 Provisions

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

Provisions are charged as an expense to the appropriate line in the comprehensive income and expenditure statement when the group has an obligation, and are measured at the best estimate at the balance sheet date of the expenditure to settle the obligation, taking into account relevant risks and uncertainties.

When payments are made, they are charged to the provision carried in the balance sheet and estimated settlements 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.

## 1.6 Joint Arrangements

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

The PCC recognises its share of the assets, liabilities and expenditure relating to its involvement in the joint operations.



The Police and Crime Commissioner has entered into collaborative arrangements with other police forces and local authorities. Details of these are disclosed in the notes to the accounts.

## **1.7 Contingent Liabilities**

A contingent liability arises where an event has taken place that gives the Office of the Chief Constable a possible obligation whose existence can only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Office of the Chief Constable. Contingent liabilities also arise in the situation where a provision would otherwise be made but where it is possible but not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the balance sheet but disclosed in a note to the accounts.

## **1.8 Post Balance Sheet Events**

These are events occurring after the balance sheet date but before the Statement of Accounts are authorised for issue. Two types of events can be identified

-  Adjusting events - where there is evidence that the conditions existed at the end of the reporting period and the accounts are adjusted to reflect these events.
-  Non-adjusting events – where these are indicative of conditions that arose after the balance sheet date, the Statement of Accounts are not amended, but a note is included to provide an explanation of the nature and the effect of the event.

Events that have taken place after the authorised date of issue are not reflected within the Statement of Accounts.

## **2 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 a result of the Police Reform and Social Responsibility Act 2011 (the Act), two corporations sole were formed - the Police and Crime Commissioner (PCC) for Avon and Somerset and the Office of the Chief Constable (OCC). The PCC is responsible for the formal oversight of the Avon and Somerset Police and the Chief Constable, including setting the strategic direction and holding the police to account; whilst the Chief Constable has the direction and control over the force's officers and staff. For accounting purposes, the PCC is the parent entity of the Office of the Chief Constable and together they form the PCC group.

The accounting recognition of the PCC Group assets, liabilities and reserves reflects the powers and responsibilities of the Police and Crime Commissioner and the Chief Constable as designated by the Police Reform and Social Responsibility Act 2011 and the Revised Home Office Financial Management Code of Practice for the Police Service, England and Wales 2018. This accounting treatment is also underpinned by the relationships as defined by local regulations, local agreement and practice.

The PCC receives all Government funding and income, and the Chief Constable uses the PCC's financial resources against an annual budget in order to discharge their operational policing responsibilities. The Chief Constable does not hold any cash or reserves. The PCC has the responsibility for managing the financial relationship with third parties.

All the assets, liabilities and reserves of the PCC Group are recognised on the PCC Balance Sheet except for the liabilities for employee benefits. As a result, there is a nil balance on the Chief Constable's Movement of Reserves Statement and no cash transactions on the Chief Constable's cashflow statement. The financial results of the PCC resources used by the Chief Constable are

shown in the Comprehensive Income and Expenditure Statement (CIES). As the Chief Constable does not hold reserves the financial consequences recognised in the CIES are offset by intra-group adjustments to reflect the funding of PCC resources consumed at the request of the Chief Constable to give a nil balance on the General Reserves of the Chief Constable at the year end. These intra-group adjustments are mirrored in the PCC accounts to reflect the funding of resources at the request of the Chief Constable.

Police pension costs are recognised in the Chief Constable's Accounts in accordance with IAS 19 (Employee Benefits). The liability for police pensions on the Chief Constable's Balance Sheet however is offset by an intra-group debtor reflecting the PCC's responsibility to provide funds from the police fund each year to enable the Chief Constable to administer police pension payments. Similarly, within the Chief Constable's CIES the IAS 19 pension costs are offset by intra-group funding adjustments within the Net Cost of Policing Services and within 'Financing and Investment' lines. The PCC's Balance Sheet shows a matching liability and police pension reserve to reflect its responsibility to provide funds for the payment of police pensions. The same accounting treatment has been adopted in respect of accumulated absences due to employees, but not taken at the reporting date. The liabilities in the Chief Constable's Balance Sheet are offset by an intra-group transfer from the PCC's to reflect the fact that the PCC ultimately funds the Chief Constable's employee costs.

A judgement has been made to include the impact of the McCloud/Sargeant ruling. Whilst the regulations underpinning the Local Government Pension Scheme (LGPS) and police pension schemes have not yet been amended, a change to the remedy is not anticipated.

### **3 Accounting Standards Issued but not Adopted**

The following accounting standards have been issued but not adopted by CIPFA and are unlikely to have a material impact on the financial statements.

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

### **4 Assumptions made about the Future and the Sources of Estimations**

In some areas figures in the accounts are based on estimates which take into account past experience, current trends and other relevant factors. By their nature these figures could vary and as such the material areas based on estimates are detailed below.

#### **4.1 Pension Service Costs**

The estimation of the service cost to pay pension depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are expected to increase, changes in retirement ages, mortality rates and the expected return on the fund's assets. Actuaries provide the PCC Group with expert advice about the assumptions that have been applied.

Further information is included within notes 13 to 15 regarding the assumptions that have been used by the actuaries to provide an estimate of the liability.

The following tables show the impact of a small change in the assumptions made for the Police Officer and Police Staff Pension Schemes.

<b>Police Officer Sensitivity Analysis</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Adjustment to discount rate</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	2,580,129	2,621,719	2,664,431
Projected service cost	37,944	39,507	41,125
<b>Adjustment to long term salary increase</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	2,626,496	2,621,719	2,616,970
Projected service cost	39,534	39,507	39,479
<b>Adjustment to pension increases and deferred revaluation</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	2,660,453	2,621,719	2,584,040
Projected service cost	41,148	39,507	37,923
<b>Adjustment to life expectancy assumptions</b>	<b>+1 year</b>	<b>None</b>	<b>-1 year</b>
Present value of total obligation	2,711,015	2,621,719	2,535,512
Projected service cost	40,930	39,507	38,118

<b>Police Staff Sensitivity Analysis</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Adjustment to discount rate</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	521,323	531,786	542,567
Projected service cost	16,176	16,843	17,535
<b>Adjustment to long term salary increase</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	532,752	531,786	530,830
Projected service cost	16,854	16,843	16,832
<b>Adjustment to pension increases and deferred revaluation</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present value of total obligation	541,809	531,786	522,064
Projected service cost	17,545	16,843	16,166
<b>Adjustment to life expectancy assumptions</b>	<b>+1 year</b>	<b>None</b>	<b>-1 year</b>
Present value of total obligation	548,924	531,786	515,228
Projected service cost	17,470	16,843	16,232

### 4.3 Short and Long Term Provisions

In determining the provisions set aside at 31 March 2024 to pay for known future costs it has been necessary to estimate and make assumptions about the future. More detail around the sources of these estimations and the underlying assumptions made are included within note 18, Short and Long Term Provisions.

## 5 Events After the Balance Sheet Date

There are no post balance sheet events to date.

## 6 Expenditure and Funding Analysis

This note shows how the annual expenditure is allocated and the funding available to the Constabulary in a format which is used for decision making purposes. It is reconciled to the comprehensive income and expenditure statement.

2022/2023						2023/2024				
As reported to Management	Adjustments to arrive at the chargeable to general reserves	Net expenditure chargeable to general fund	Adjustment between accounting and funding basis	Net expenditure in the comprehensive I & E		As reported to Management	Adjustments to arrive at the chargeable to general reserves	Net expenditure chargeable to general fund	Adjustment between accounting and funding basis	Net expenditure in the comprehensive I & E
£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000
348,285	53,320	401,605	84,327	<b>485,932</b>	Police Services	364,871	65,969	430,840	-17,535	<b>413,305</b>
-348,285	-53,320	-401,605	-84,327	<b>-485,932</b>	Intragroup adjustment	-364,871	-65,969	-430,840	17,535	<b>-413,305</b>
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Net cost of police services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	110,987	<b>110,987</b>	Net interest on pensions	0	0	0	121,500	<b>121,500</b>
0	0	0	-110,987	<b>-110,987</b>	Intragroup adjustment (Pension interest cost)	0	0	0	-121,500	<b>-121,500</b>
0	0	0	0	0	Financial and investment income and expenditure	0	0	0	0	0
0	0	0	0	0	Taxation and non-specific grant income	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Surplus(-)/deficit on provision of services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

2022/2023	OCC Expenditure and Funding Analysis				2023/2024				
Capital Purposes £'000	Pension Adjustment £'000	Other Adjustment £'000	Total Adjustment £'000		Capital Purposes £'000	Pension Adjustme £'000	Other Adjustment £'000	Total Adjustment £'000	
-1,131	87,945	-2,487	<b>84,327</b>	Police Services	2,194	-20,018	289	<b>-17,535</b>	
1,131	-87,945	2,487	<b>-84,327</b>	Intragroup adjustment	-2,194	20,018	-289	<b>17,535</b>	
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Net cost of police services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
0	110,987	0	<b>110,987</b>	Net interest on pensions	0	121,500	0	<b>121,500</b>	
0	-110,987	0	<b>-110,987</b>	Intragroup adjustment (Pension interest cost)	0	-121,500	0	<b>-121,500</b>	
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Financial and investment income and expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Taxation and non-specific grant income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Difference between surplus on the general fund and deficit on the provision of services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## 7 Income and Expenditure Analysed by Nature

2022/2023 £'000	Income and Expenditure analysed by nature	2023/2024 £'000
294,084	Employee costs	318,874
13,138	Premises costs	17,355
6,068	Transport costs	5,501
41,356	Supplies & services	44,457
16,206	Partnership costs	18,744
15,600	Misc, central, & grants	20,782
11,179	Depreciation, amortisation, & impairment	15,235
89,361	Employee benefit expenses	-18,377
110,987	Net interest on pensions	121,500
52,909	Police pension top up grant	58,607
-650,888	Intragroup adjustment	-602,678
<b>0</b>	<b>Total expenditure</b>	<b>0</b>
-18,313	Sales, rent, fees, & charges	-18,532
-1,395	Seconded officers	-1,362
-12,294	Counter terrorism policing grant	-17,930
-718	Serious violence grant	-801
-4,688	Uplift grant	-8,090
-13,466	Officer pensions grant	-18,331
-2,828	Other specific grants	-2,828
53,702	Intragroup adjustment	67,874
<b>0</b>	<b>Total income</b>	<b>0</b>
<b>0</b>	<b>Surplus/deficit on provision of services</b>	<b>0</b>

## 8 Paying Staff

Disclosure of Remuneration for Senior Employees 2023/2024					
Post Holder Information (post title and name)	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2023/2024	Pension Contributions	Total Remuneration Including Pension Contributions 2023/2024
	£	£	£	£	£
Chief Constable - S Crew	175,706	8,570	184,276	54,469	238,745
	175,706	8,570	184,276	54,469	238,745

Disclosure of Remuneration for Senior Employees 2022/2023						
Post Holder Information (post title and name)	Note	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2022/2023	Pension Contributions	Total Remuneration Including Pension Contributions 2022/2023
		£	£	£	£	£
Chief Constable - S Crew		168,020	11,466	179,486	52,086	231,572
		168,020	11,466	179,486	52,086	231,572



## Disclosure of Remuneration for Senior Employees 2023/2024

Post Holder Information (post title)	Note	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2023/2024	Pension Contributions	Total Remuneration Including Pension Contributions 2023/2024
		£	£	£	£	£
Deputy Chief Constable - N Watson	1	97,843	0	97,843	0	97,843
Deputy Chief Constable - J Reilly	2	65,365	0	65,365	19,294	84,659
ACC - Strategic Improvement		131,845	0	131,845	38,547	170,392
ACC - Investigations & Operational Support		120,061	0	120,061	34,894	154,955
ACC - Neighbourhoods, Partnerships & Response	2	76,443	0	76,443	22,341	98,784
T/ACC - Neighbourhoods, Partnerships & Response	3	40,438	0	40,438	12,282	52,720
Chief Officer - Finance, Resources and Innovation		126,068	12,677	138,745	23,449	162,194
Chief Officer - People and Organisational Development	4	120,500	0	120,500	21,018	141,518
Force Medical Officer - D Bulpitt	5	130,992	0	130,992	24,364	155,356
		<b>909,555</b>	<b>12,677</b>	<b>922,232</b>	<b>196,189</b>	<b>1,118,421</b>

**Note 1** The Deputy Chief Constable retired on 31/10/2023

**Note 2** ACC - Neighbourhoods, Partnerships & Response left this role on 31/10/2023 and was promoted to Deputy Chief Constable on 01/11/2023

**Note 3** Temporary ACC - Neighbourhoods, Partnerships & Response appointed on 27/11/2023

**Note 4** Chief Officer - People and Organisational Development permanently appointed on 08/05/2023

**Note 5** Force Medical Advisor reduced their working hours to 16 hours per week from 01/11/2023

<b>Disclosure of Remuneration for Senior Employees 2022/2023</b>						
<b>Post Holder Information (post title)</b>	<b>Note</b>	<b>Salary (including fees &amp; allowances)</b>	<b>Benefits in Kind</b>	<b>Total Remuneration Excluding Pension Contributions 2022/2023</b>	<b>Pension Contributions</b>	<b>Total Remuneration Including Pension Contributions 2022/2023</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deputy Chief Constable - N Watson		151,413	0	<b>151,413</b>	0	<b>151,413</b>
ACC - Strategic Improvement		119,294	0	<b>119,294</b>	34,656	<b>153,950</b>
ACC - Investigations & Operational Support	<b>1</b>	10,268	0	<b>10,268</b>	2,975	<b>13,244</b>
ACC - Neighbourhoods, Partnerships & Response		127,830	0	<b>127,830</b>	37,302	<b>165,132</b>
Chief Officer - Finance, Resources and Innovation		120,330	12,677	<b>133,007</b>	19,614	<b>152,620</b>
Chief Officer - People and Organisational Development	<b>2</b>	101,945	8,200	<b>110,145</b>	16,617	<b>126,762</b>
Chief Officer - People and Organisational Development	<b>3</b>	17,456	0	<b>17,456</b>	2,660	<b>20,115</b>
Force Medical Officer - D Bulpitt		161,854	0	<b>161,854</b>	26,382	<b>188,236</b>
		<b>810,389</b>	<b>20,877</b>	<b>831,266</b>	<b>140,206</b>	<b>971,472</b>

**Note 1** New ACC appointed on 27/02/2023

**Note 2** Chief Officer – People and Organisational Development left ASC on 05/02/2023

**Note 3** Chief Officer – People and Organisational Development temporarily appointed on 06/02/2003

The number of staff to whom we pay more than £50,000 a year is shown below. Pay includes salary, taxable travel and expenses. Bands with nil values in both years have been removed.

2022/2023 Number	Pay Range	2023/2024 Number
406	£50,000 - £54,999	543
252	£55,000 - £59,999	301
117	£60,000 - £64,999	209
26	£65,000 - £69,999	77
10	£70,000 - £74,999	17
13	£75,000 - £79,999	14
5	£80,000 - £84,999	10
5	£85,000 - £89,999	10
7	£90,000 - £94,999	1
2	£95,000 - £99,999	9
0	£100,000 - £104,999	1
1	£105,000 - £109,999	2
<b>844</b>		<b>1,194</b>

The numbers within each band can be impacted year on year by inflationary changes.

For further details on gender pay please see our gender pay gap report, which has been published on the Avon and Somerset website.

## 9 Exit Packages

The costs for 10 staff redundancies were recognised during the 2023/2024 year, the details of which are presented in the table below.

Compulsory & Voluntary 2022/2023		Exit Packages	Compulsory & Voluntary 2023/2024	
Number	£'000	Banding	Number	£'000
19	201	£0 - £19,999	6	43
5	134	£20,000 - £39,999	4	107
0	0	£40,000 - £59,999	0	0
0	0	£60,000 - £79,999	0	0
<b>24</b>	<b>335</b>		<b>10</b>	<b>150</b>

## 10 External Audit Costs

External audit services are provided to the CC by Grant Thornton. The amounts paid in relation to the audit of the Statement of Accounts, certification of grant claims and statutory inspections and to any non-audit services are shown in the following table.

2022/2023 £'000	External Audit Costs	2023/2024 £'000
	<b>Chief Constable:</b>	
26	Fees for external audit services paid to Grant Thornton	58
<u>26</u>		<u>58</u>

As part of the Government's response to the Redmond Review, the Department for Levelling Up, Housing, and Communities (DLUHC) provided a grant of £22,251 split by PCC £14,685 and CC £7,565 (2022/23 £21,886 split by PCC £14,105 and CC £7,780) to assist with the anticipated rise in fees, driven by new requirements on auditors, including new burdens relating to the implementation of the Redmond Recommendations and the National Audit Office's Code of Audit Practice 2020. Fees paid by the PCC in 2023/2024 were based on the scale fee. The final fees for the audit have not yet been confirmed.

## 11 Transactions with Related Organisations and People

There is a requirement to disclose material transactions with related parties. These are bodies or individuals that have the potential to control or influence the PCC or to be controlled or influenced by the PCC. In doing this we are required to consider the materiality from the viewpoint of both the PCC and the related party.

### 11.1 Key Management Personnel and Members of the Joint Audit Committee

The PCC and the OCC were asked to disclose details of any transactions between themselves or members of their immediate family with the PCC which either total over £1,000 or which might require separate explanation. Sarah Crew is the Chief Constable. During 2023/2024 we have rendered £3,255 of services relating to the installation of an alarm at her home, following risk assessment of her role (no services were provided in 2022/2023).

### 11.2 Other Related Parties

The Home Office and the DLUHC exert significant influence on the PCC Group through legislation and grant funding.

The PCC also has a relationship with the Police Community Trust and the Avon and Somerset Constabulary Force Club. Payments were made to the Police Community Trust of £228,997 in 2023/2024 (£21,065 in 2022/2023). Payments were also made to the Avon and Somerset Constabulary Force Club in 2023/2024 of £6,705 (£14,641 in 2022/2023).

## 12 Joint Arrangements

The PCC participates in a number of joint arrangements, contributions to which are disclosed below

2022/2023 Expenditure £'000	Joint Operations	2023/2024 Expenditure £'000
4,099	South West Regional Organised Crime Unit	5,073
1,619	Firearms Training	1,820
744	Counter Terrorism Specialist Firearms Officers	781
5,548	Major Crime Investigation (Brunel)	5,915
8,126	South West Forensic Services	8,743
103	Regional ACC	164
23	Disaster Victim Identification / Casualty Bureau	34
368	Other Regional Programmes	381
<b>20,630</b>	<b>Total</b>	<b>22,911</b>

### 12.1 South West Regional Organised Crime Unit (SW ROCU)

SW ROCU is a regional collaboration set up to combat serious and organised crime across the South West of England. Avon and Somerset are the lead force with a 30.7% share of net expenditure. Other partners are Devon and Cornwall (31.8%), Dorset (13.5%), Gloucestershire (12.1%) and Wiltshire (11.9%). The total net cost of the operation, after government grants and sundry income, was £16,535,394 in 2023/2024 (£13,358,978 in 2022/2023).

### 12.2 Firearms Training

Firearms Training is run in partnership between Avon and Somerset, Gloucestershire and Wiltshire. The split of expenditure between the forces is different for premises and non-premises related costs. The overall percentage allocation for 2023/2024 was 39.9% for Avon and Somerset, 33.7% for Gloucestershire, and 26.3% for Wiltshire. The total cost of the operation was £4,131,185 in 2023/2024 (£3,679,798 in 2022/2023).

### 12.3 Counter Terrorism Specialist Firearms Officers (CTSFO)

The CTSFO collaboration was set up in April 2017 to provide a resilient and rapidly available specialist firearms capability. The collaboration is between Avon and Somerset (53.6%), Gloucestershire (23.2%) and Wiltshire (23.2%). The total cost of the operation was £1,457,290 in 2023/2024 (£1,386,930 in 2022/2023).

### 12.4 Major Crime Investigation (Brunel)

This is a collaboration between Avon and Somerset (64%), Gloucestershire (17%) and Wiltshire (19%) for the purposes of providing regional oversight and scrutiny of major incidents. The total cost of the service was £9,242,729 in 2023/2024 (£8,668,710 in 2022/2023).

### 12.5 South West Forensic Services

South West Forensic Services is a collaboration between Avon and Somerset (34.9%), Devon and Cornwall (36.1%), Dorset (15.2%) and Wiltshire (13.8%) to provide forensic services. The total cost of the operation was £25,102,653 in 2023/2024 (£22,812,481 in 2022/2023).

## **12.6 Regional ACC**

This post was put in place from May 2016 to oversee the regional collaborations for Forensics, Special Branch, SW ROCU, and Counter Terrorism Policing South West. The costs are shared between Avon and Somerset (30.7%), Gloucestershire (11.9%), Devon and Cornwall (31.8%), Dorset (13.5%) and Wiltshire (12.1%). The total cost for the ACC was £529,422 in 2023/2024 (£324,764 in 2022/2023).

## **12.7 Disaster Victim Identification / Casualty Bureau**

This is a collaboration between Avon and Somerset (30.7%), Gloucestershire (11.9%), Devon and Cornwall (31.8%), Dorset (13.5%) and Wiltshire (12.1%) to provide two posts to assist with officer deployment across the South West. The total cost of the operation was £111,479 in 2023/2024 (£75,200 in 2022/2023).

## **12.8 Other Regional Programmes**

These are collaborations between Avon and Somerset, Gloucestershire, Devon and Cornwall, Dorset, and Wiltshire covering activities such as the Emergency Services Mobile Communications Programme, shared ways of working for record management systems, and regional governance and oversight of existing collaborations. The percentage split varies between projects. The total cost of all programmes was £1,190,601 in 2023/2024 (£1,182,565 in 2022/2023).

## 13 Pensions Costs and Liabilities

The full costs of retirement benefits earned by employees during the year are recognised through the comprehensive income and expenditure statement net cost of police services as they are accrued. These costs are then reversed through the movement in reserves statement so that there is no impact on the general fund. It should be noted that the charge against council tax for pension benefits is based upon the cash value of employer's contributions.

	Police Staff		Police Officers	
	2022/2023	2023/2024	2022/2023	2023/2024
	£'000	£'000	£'000	£'000
<b>Comprehensive income and expenditure statement</b>				
Cost of services:				
Current service cost	47,203	14,864	101,916	40,665
Administration expenses	267	254	0	0
Past service cost including curtailments	97	143	0	0
Financing and investment income and expenditure:				
Net interest cost	10,007	-1,349	100,980	122,849
<b>Total post employment benefits charged to the comprehensive income and expenditure statement</b>	<b>57,574</b>	<b>13,912</b>	<b>202,896</b>	<b>163,514</b>
<b>Other post employment benefits charged to the comprehensive income and expenditure statement</b>				
Return on plan assets	-22,279	39,123	0	0
Changes in demographic assumptions	63,726	6,758	0	10,022
Changes in financial assumptions	419,207	13,007	1,651,214	43,730
Experience gain/loss(-) on defined benefit obligations	-59,708	-1,585	-224,308	-6,067
Changes in effect of asset Ceiling	0	-45,861	0	0
Other actuarial gain/loss(-)	-1,131	0	52,813	52,379
<b>Total other comprehensive income</b>	<b>399,815</b>	<b>11,442</b>	<b>1,479,719</b>	<b>100,064</b>
<b>Movement in reserves statement</b>				
Reversal of net charges made for retirement benefits in accordance with the code	-57,574	-13,912	-202,896	-163,514
<b>Actual amount charged against the general fund balance for pensions in the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Employer's contribution to scheme	18,292	22,562	36,422	45,880
Retirement benefits payable to pensioners	104	123	6,720	7,379

<b>2023</b> <b>£'000</b>	<b>IAS 19 Pension Liabilities</b>	<b>2024</b> <b>£'000</b>
-2,611,528	Police officers	-2,621,719
-33,339	Police staff	-13,124
<b>-2,644,867</b>		<b>-2,634,843</b>

## 14 Pensions for Police Officers

Employee contributions levels are based on percentages of pensionable pay set nationally by the Home Office. From 1 April 2014 contributions increased and officers have paid contributions ranging from 11.00% to 15.05% depending on their pay scale and the scheme they are in. Employer contributions to the Police Officer Pension Scheme are projected at £45,880,000 in financial year 2024/2025.

Benefits payable are funded by these contributions and any difference between benefits payable and contributions receivable, except for those amounts relating to injuries received in service, is payable by the PCC Group and then reclaimed from the Home Office.

The first table below shows the amount met by the PCC Group and second shows those met by the PCC Group and then reclaimed through the top-up grant from the Government.

<b>2022/2023</b> <b>£'000</b>	<b>Cost of Injury and Ill-Health Benefits - Police Officers</b>	<b>2023/2024</b> <b>£'000</b>
6,720	Payments to pensioners	7,379

<b>2022/2023</b> <b>£'000</b>	<b>Pensions Account</b>	<b>2023/2024</b> <b>£'000</b>
105,793	Benefits paid to officers	116,273
-52,884	Less contributions received	-57,666
<b>52,909</b>	<b>Balance met from PCC Group</b>	<b>58,607</b>

A full valuation of the pension scheme liabilities was undertaken for 31 January 2021. This work was carried out by independent actuaries who have taken account of the requirements of IAS 19 to assess the liabilities of the fund. Liabilities have been calculated by reference to police officers who are members of the fund as well as those who are already receiving pensions. The estimate of the weighted average duration of the scheme's liabilities is 18 years. Using the assumptions detailed in the tables below an estimate of the costs and liabilities associated with police officer's pensions has been made.



Life Expectancy from Age 65 Years		2023/2024	2022/2023
<b>Current pensioners</b>			
	Males	21.3	21.2
	Females	23.4	23.5
<b>Retiring in 20 years</b>			
	Males	22.5	22.5
	Females	24.7	25.0

The main assumptions used for the purposes of IAS 19 are shown as yearly percentages.

2022/2023 %		2023/2024 %
4.80	Discount rate	4.90
3.90	Rate of increase in salaries	3.90
2.90	Rate of increase in pensions in payment	2.90
3.20	Change in Retail Price Index (RPI)	3.25
2.90	Change in Consumer Price Index (CPI)	2.90

The movement in the present value of scheme liabilities for the year to 31 March 2024 is as follows

2022/2023 £'000	Present Value of Police Pension Scheme Liabilities	2023/2024 £'000
-3,931,493	Present value of schemes liability as at 1 April	-2,611,528
	<b>Movements in the year</b>	
-101,916	Current service cost	-40,665
111,341	Estimated benefits paid (net of transfers in)	122,655
-15,386	Contributions by scheme participants	-17,017
-100,980	Interest costs	-122,849
1,651,214	Change in financial assumptions	43,730
0	Change in demographic assumptions	10,022
-224,308	Experience gain/loss on defined benefit obligations	-6,067
<b>-2,611,528</b>	<b>Present value of schemes liability as at 31 March</b>	<b>-2,621,719</b>

The movement in the fair value of scheme assets for the year to 31 March 2024 is as follows

2022/2023 £'000	Fair Value of Police Pensions Scheme Assets	2023/2024 £'000
0	Present value of schemes assets as at 1 April	0
	<b>Movements in the year</b>	
52,813	Other actuarial gain	52,379
43,142	Contributions by employer	53,259
15,386	Contributions by scheme participants	17,017
-111,341	Estimated benefits paid (net of transfers in)	-122,655
<u>0</u>	<b>Present value of schemes assets as at 31 March</b>	<u>0</u>

## 15 Pensions for Police Staff

Police staff can choose to join the Somerset Council Local Government Pension Scheme, which is a defined benefit scheme based on career average salary. Government regulations define the level of funding required to meet the full cost of current and future pensions.

The total amounts paid into the fund by the PCC Group and the percentage of employees' contributions are shown below.

2022/2023		Pension Costs - Police Staff	2023/2024	
Payments £'000	Percentage of Employees' Contributions		Payments £'000	Percentage of Employees' Contributions
18,286	130-296	PCC's contribution	20,827	130-296

During 2023/2024 the Constabulary paid into the fund at rates of between 130% and 296% of the rate which employees paid, depending upon the whole time equivalent salary paid to employees. Employer contributions to the Police Staff Pension Scheme are projected at £22,376,000 in financial year 2024/2025.

Since April 2023 the Constabulary has paid 18.6% of the employee salary in pension contribution (previously 16.3%) for current active members and an annual fixed sum to pay for past service deficit recovery. The fixed sum paid in 2022/2023 was £2,420,000, the amount due in 2023/2024 is £868,000.

It should be noted that the actuary has used an estimated value in respect of police staff employers pension contributions in arriving at the calculation of pension costs included in the comprehensive income and expenditure statement as disclosed in note 13.

A full valuation of the pension scheme liabilities was last undertaken as at 31 January 2021. This work has been updated for the 2023/2024 financial year by independent actuaries to the Somerset Council pension fund, who have taken account of the requirements of IAS 19 to assess the liabilities of the fund. Liabilities have been calculated by reference to police staff who are members of the fund as well as those who are already receiving pensions. The estimate of the duration of the employer's liabilities is 21 years. Using the assumptions detailed in the tables below an estimate of the costs and liabilities associated with police staff pensions has been made.

Life Expectancy from Age 65 Years		2023/2024	2022/2023
<b>Current pensioners</b>			
	Males	21.1	21.4
	Females	23.0	23.2
<b>Retiring in 20 years</b>			
	Males	22.4	22.7
	Females	24.4	24.7

The main assumptions used for the purposes of IAS 19 are shown as yearly percentages.

2022/2023 %		2023/2024 %
4.80	Discount rate	4.95
3.90	Rate of increase in salaries	3.90
2.90	Rate of increase in pensions in payment	2.90
3.20	Change in Retail Price Index (RPI)	3.15
2.90	Change in Consumer Price Index (CPI)	2.90

The return on the pension fund assets on a bid value basis for the year to 31 March 2024 is estimated to be 2.83%. The estimated value of the PCC's share of the fund's assets is £564,523,000 on a bid value basis (2022/2023 £487,693,000). The assets are made up of the following

2022/2023		Assets	2023/2024	
£'000	%		£'000	%
		<b>Equities</b>		
52,671	10.8	UK - Unquoted	56,484	10.0
292,031	59.9	Overseas - Unquoted	338,905	60.0
19,057	3.9	Private equity	19,205	3.4
<b>363,758</b>	<b>74.6</b>		<b>414,594</b>	<b>73.4</b>
		<b>Gilts - Public Sector</b>		
8,719	1.8	UK fixed interest	12,071	2.1
8,719	1.8	UK index linked	12,127	2.2
<b>17,437</b>	<b>3.6</b>		<b>24,198</b>	<b>4.3</b>
		<b>Other Bonds</b>		
34,825	7.14	UK	45,735	8.0
15,850	3.3	Overseas	22,868	4.0
<b>50,675</b>	<b>10.4</b>		<b>68,603</b>	<b>12.0</b>
39,130	8.0	<b>Property</b>	40,572	7.2
16,693	3.4	<b>Cash (invested internally)</b>	16,556	2.9
<b>487,693</b>	<b>100</b>	<b>Total assets</b>	<b>564,523</b>	<b>100</b>

The following amounts were measured in line with the requirements of IAS 19

<b>2022/2023</b> <b>£'000</b>	<b>Police Staff Pensions</b>	<b>2023/2024</b> <b>£'000</b>
487,693	Share of assets in pension fund	564,523
-519,921	Estimated liabilities in pension fund	-576,634
-1,111	Estimated unfunded liabilities	-1,013
<b>-33,339</b>	<b>Deficiency in fund</b>	<b>-13,124</b>

The movement in the present value of schemes obligations for the year 31 March 2024 is as follows

<b>2022/2023</b> <b>£'000</b>	<b>Present Value of Police Staff Liabilities</b>	<b>2023/2024</b> <b>£'000</b>
<b>-882,896</b>	Present value of defined obligations as at 1 April	<b>-521,032</b>
	<b>Movements in the year</b>	
-47,203	Current service cost	-14,864
15,084	Estimated benefits paid (net of transfers in)	17,771
-6,406	Contributions by scheme participants	-7,557
-22,843	Interest costs	-24,264
104	Unfunded pension payments	123
419,207	Change in financial assumptions	13,007
63,726	Change in demographic assumptions	6,758
-59,708	Experience loss(-)/gain on defined benefit obligations	-1,585
-97	Past service cost, including curtailments	-143
<b>-521,032</b>	<b>Present value of defined obligations as at 31 March</b>	<b>-531,786</b>

The movement in the fair value of scheme assets for the year to 31 March 2024 is as follows

<b>2022/2023</b> <b>£'000</b>	<b>Fair Value of Police Staff Scheme Assets</b>	<b>2023/2024</b> <b>£'000</b>
<b>488,920</b>	Fair value of scheme assets as at 1 April	<b>487,693</b>
	<b>Movements in the year</b>	
12,836	Interest on assets	25,613
-22,279	Return on assets less interest	39,123
-1,131	Other actuarial gain/loss(-)	0
-267	Administration expenses	-254
18,396	Contributions by employer	22,685
6,406	Contributions by scheme participants	7,557
-15,188	Estimated benefits paid (net of transfers in)	-17,894
<b>487,693</b>	<b>Fair value of scheme assets as at 31 March</b>	<b>564,523</b>

Further information in relation to the Police Staff Pension Scheme can be obtained from Peninsula Pensions, Great Moor House, Bittern Road, Sowton Industrial Estate, Exeter, EX2 7NL.

## 16 Payments in Advance

There are no payments in advance in either 2023/2024 or 2022/2023.

## 17 Creditors

All creditors are accounted for by the PCC. Those which are accounted for within the OCC are employees' leave not taken before the year end that can be carried forward into the following financial year, and other employee overtime expenses. Total creditors for 2023/2024 is £14,570,000 (2022/2023 £12,975,000).

## 18 Short and Long Term Provisions

Short and Long Term Provisions	Balance 1 April 2023 £'000	Reversed Unused £'000	Used in Year £'000	New in Year £'000	Balance 31 March 2024 £'000
Ill-health & termination benefits	126	0	-126	616	616
Overtime liability	3,999	0	-1,813	1,732	3,918
	<b>4,125</b>	<b>0</b>	<b>-1,939</b>	<b>2,348</b>	<b>4,534</b>

The ill health and termination benefits provision of £616,000,000 is in respect of ill health retirement payments where approval was agreed at 31 March 2024.

The overtime liability provision at 31 March 2024 is in respect of claims for overtime worked in prior years.

## 19 Contingent Liabilities

We have reviewed the position in respect of contingent liabilities as at 31 March 2024.

Annual assessments are carried out to manage our key risks and set the level of our reserves. As a result, the following contingent liabilities have been identified

### 19.1 McCloud/Sargeant

#### 19.1.1 Impact on Police Officer pension liability

Two employment tribunal cases (McCloud/Sargeant) were brought against the Government in relation to possible discrimination in the implementation of transitional protection following the introduction of the reformed 2015 public service pension schemes from 1 April 2015. The claimants challenged the transitional protection arrangements on the grounds of direct age discrimination, equal pay and indirect gender and race discrimination.

In December 2018, the Court of Appeal ruled that the transitional protection offered to some members as part of the reforms amounts to unlawful discrimination. On 27 June 2019 the Supreme Court denied the Governments request for an appeal in the case. On 16 July 2020, the Government published a consultation on the proposed remedy to be applied to pension benefits in response to the McCloud and Sargeant cases. The consultation closed on 11 October 2020 and the response was published on 4 February 2021 confirming the final remedy.

The remedy will apply to those members that were in active service on or prior to 31 March 2012 and on or after 1 April 2015. These members will choose which scheme they are to accrue benefits in over the remedy period (1 April 2015 to 31 March 2022). From 1 April 2022, everyone is assumed to accrue benefits in the 2015 scheme.

The scheme actuaries previously estimated the potential increase in scheme liabilities for Avon & Somerset force due to the for McCloud/Sargeant cases to be £200m of pensions scheme liabilities and this increase was reflected in the 2018/2019 accounts. In 2019/2020 scheme actuaries reviewed these assumptions at a force level and estimated a further increase of £17.2m in scheme liabilities.

The scheme actuary has updated their calculations for the final remedy, and this was reflected in the IAS19 disclosure in the 2020/2021 accounts. The impact of the final remedy was a reduction in the defined benefit obligation of approximately £19m. The actuary had previously assumed that all members who were previously in a final salary scheme would move back to that scheme. When calculating the impact of the remedy, the actuary has only included those members that were active as at 31 March 2012 and on or after 1 April 2015. The actuary has assumed that these members would choose the scheme that they could accrue the most benefits in over the remedy period based on the actuarial assumptions at the last valuation date. Given that members' final salary schemes tended to provide the higher benefit in the first place, the overall effect of the proposal is a slight reduction in the defined benefit liability.

The impact of a change in scheme liabilities arising from the McCloud/Sargeant judgment 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 2023/2024, although this timetable is subject to change.

The impact of a change in annual pension payments arising from McCloud/Sargeant is determined through the Police Pension Fund Regulations 2007. These require a police authority to maintain a police pension fund into which officer and employer contributions are paid and out of which pension payments to retired officers are made. Following the 31<sup>st</sup> March 2020 valuation of the Police pension schemes, the Home Office have confirmed an increase to employer contributions from 31% to 35.3% with effect from 1<sup>st</sup> April 2024. 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 and Crime Commissioner in the form of a central Government top-up grant.

### **19.1.2 Impact on Police Staff pension liability**

The Government has confirmed that they expect to have to make an amendment to all public service schemes as a result of the McCloud judgement. Our scheme actuaries have estimated the potential increase in scheme liabilities for Avon & Somerset force to be £5.648m. This increase was reflected in the IAS 19 disclosure as a past service cost in the 2019/2020 accounts. The scheme actuaries do not believe that there are any material differences to the staff pension liability as a result of the Governments final published remedy.

### **19.1.3 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.

## **19.2 Other Pension Cases**

There is one further case which has been included in the report from our actuaries

**Goodwin Case** – This case relates to differences between survivor benefits payable to members with same-sex or opposite-sex survivors and has been identified in several public sector pension schemes. There is not yet a remedy in place and our actuaries have not made allowances for the impact of this within the liabilities existing at 31 March 2024 due to there being insufficient information upon which to make an accurate estimation

## **19.3 Airwave Solutions**

On 22nd December 2023, it was announced that Airwave Solutions Ltd (Motorola) lost their appeal against the Competitions and Markets Authority (CMA) ruling that they had been in effect over charging for Airwave services. As a result, Avon and Somerset Constabulary were issued a credit note and discounts of current invoices which to the end of 31 March 2024 total £167,204. The value and detail of the credit and discounts remains a subject of ongoing work between the Home Office, who are the central contract managers of the Airwave contract, and Motorola/Airwave.

There is a risk that Motorola/Airwave have further right to appeal against this finding which, if the appeal is upheld, would reverse the credit notes and discounts already received.

# Office of the Chief Constable for Avon & Somerset

## Police Officer's Pension Fund Account Statements

This fund includes the income and expenditure in respect of police officers pensions which has been accounted for on an accruals basis. At the end of the financial year if the expenditure on the pension benefits is greater than the contributions received during the year, the PCC makes a payment to the pension fund and the Home Office pays a top-up grant for this liability to the PCC. The income received and expenditure paid to the pension fund is shown within the comprehensive income and expenditure statement within the PCC Group accounts, showing the net figure as nil. It should be noted that this statement does not take account of liabilities to pay pensions and other benefits after the year end.

This note provides a more detailed breakdown of the figures shown in note 14 of the accounts

2022/2023 £'000	Police Officers Pension Fund Account	2023/2024 £'000
	<b>Contributions receivable</b>	
	Employers contributions:	
-35,930	Normal 31% contributions	-39,477
-925	Ill health/early retirements	-175
-36,855		-39,652
	<b>Employee contributions</b>	
-11	1987 Police Pension Scheme	-10
-1	2006 Police Pension Scheme	-1
-15,374	CARE Police Pension Scheme	-17,006
-15,386		-17,017
-643	<b>Transfers in from other schemes</b>	-997
	<b>Benefits payable</b>	
89,100	Pensions	98,193
15,893	Commutations and lump sum retirement benefits	17,249
104,993		115,442
	<b>Payments to and on account of leavers</b>	
170	Refund of contributions	148
101	Transfers out to other schemes	159
529	Other	523
800		830
52,909	<b>Net amount payable for the year</b>	58,606
0	Additional contribution from the local policing body	0
-52,909	<b>Transfer from Police Fund to meet deficit</b>	-58,606
0	<b>Net amount payable/receivable for the year</b>	0



This note shows the pension fund account assets and liabilities as at 31 March 2024

31 March 2023 £'000	Pension Fund Net Assets	31 March 2024 £'000
	<b>Current assets</b>	
0	Amounts due from Central Government	0
	<b>Current liabilities</b>	
0	Amounts owing to pensioners	0
<hr/> 0	<b>Net assets</b>	<hr/> 0

## Glossary of Terms

<b>Term</b>	<b>Definition</b>
ACC	Assistant Chief Constable
Accounting policies	These are a set of rules and codes of practice we use when preparing the accounts
APCC	The Association of Police and Crime Commissioners
APACCE	Association of Policing and Crime Chief Executives
ASPIRE	Internal Avon and Somerset development programme
Balance Sheet	This represents our overall financial position as at 31 March
BAU	Business As Usual
BCFM	BBC Local Radio – BCFM 93.2 FM
Capital programme	This is a list of projects for buying or improving fixed assets
Cash Flow Statement	Summarises the income and outgoings of cash during the financial year
CC	Chief Constable
CCLA Property Fund	Churches, Charities and Local Authorities property fund. Manages investments for charities, religious authorities and the public sector
CFO	Chief Financial Officer
CIES	Comprehensive Income and Expenditure
CIPFA	Chartered Institute of Public Finance and Accountancy
CMB	Constabulary Management Board
Collection fund adjustment account	Difference between council tax cash received and the amount shown in the comprehensive income and expenditure statement
Comprehensive Income and Expenditure Statement	Summarises the income and expenditure during the financial year within the PCC's statement of accounts
Contingent liabilities	A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity
CoPaCC	Compares Police and Crime Commissioners
CPD	Continuous Personal Development
Creditors	Amounts which are owed to others
CSB	Constabulary Strategy Board
CSP	Community Safety Partnerships
CTSFO	Counter Terrorism Specialist Firearms Officers
Current assets and liabilities	Assets or liabilities which can be turned into cash or fall due within one year of the balance sheet date
Current service cost	The value of projected retirement benefits earned by pension scheme members in the current financial year
DARA	Domestic Abuse Risk Assessment
DASH	Domestic Abuse Stalking & Harrassment
Debtors	Amounts which are due from others

<b>Term</b>	<b>Definition</b>
Depreciation	An amount set aside to pay for the gradual loss in value of our assets
DLUHC	The Department for Levelling Up, Housing, and Communities, formerly the Ministry of Housing, Communities and Local Government
The Drive Project	The Drive Project challenges and supports high-harm, high-risk perpetrators to change whilst working closely with partner agencies – like the police and social services – to manage risk and disrupt abuse
ERP	Enterprise Resource Planning
Expenditure and Funding Analysis	This shows the performance reported and the adjustments made to reconcile to the comprehensive income and expenditure statement
Fair value	The amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction
Financial instruments	Contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity
Financial year	Refers to the period covered by the accounts and runs from 1 April to 31 March
Fixed assets	These are items such as land, buildings, vehicles and major items of equipment, which give benefit to us for more than one year
FMS	Force Management Statement
FRS	Financial Reporting Standards. Standards of accounting practice to be adopted to ensure that accounts provide a true and fair view
GAAP	Generally Accepted Accounting Principles. These refer to the standard framework of guidelines for financial accounting used in any given jurisdiction and generally known as accounting standards
GDPR	General Data Protection Regulations
GSB	Governance and Scrutiny Board
GSC	Government Security Classification
Historical Costs	These are the amounts paid at the time we bought the assets
HMICFRS	His Majesty's Inspectorate of Constabulary and Fire & Rescue Services
HMICFRS PEEL	The HMICFRS PEEL assessment stands for Police Effectiveness, Efficiency and Legitimacy
IAG	Independent Advisory Group
IAS	International Accounting Standard. An international accounting standard to help harmonise company financial information across international borders. Subsequently superseded by International Financial Reporting Standards (IFRS)
I&E	Income and Expenditure Account
ICT	Information, Communications and Technology
IFRS	International Financial Reporting Standards. A set of international accounting and reporting standards that will help to harmonise company financial information across international borders

<b>Term</b>	<b>Definition</b>
ILM	Institute of Leadership and Management
Intangible fixed assets	Assets that are not physical such as software licences
IOPC	Independent Office for Police Conduct
IPM	Independent Panel Member
IPR	Individual Performance Review
IPSAS	International Public Sector Accounting Standards
IT	Information Technology
IVC	Independent Custody Visitor
JAC	Joint Audit Committee
KPI	Key Performance Indicator
LASAAC	Local Authority (Scotland) Accounts Advisory Committee
LOBO loans	Lender Option Borrower Option loans are where the interest payable is agreed at the time the money is borrowed. If the lender wants to change the interest rate the borrower has the choice to pay at the new rate or repay the loan
LQC	Legally Qualified Chair
LRF reserve	Local Resilience Forum reserve
Minimum revenue provision	This is the lowest amount allowed by the Government which has to be charged to the accounts for repaying loans
Movement in Reserves Statement	Summarises the movement in the reserves of the OCC during the financial year
MTFP	Medium Term Financial Plan
OCC	Office of the Chief Constable
OPCC	Office of Police and Crime Commissioner Staff employed by the Police and Crime Commissioner
Operation Holden	Organisation wide vetting review
PACCTS	Police and Crime Commissioners Treasurer's Society
PCB	Police and Crime Board
PCC	Police and Crime Commissioner for Avon and Somerset
PCC Group	The term PCC Group refers to the Police and Crime Commissioner (PCC) for Avon and Somerset and the office of the Chief Constable (OCC)
PCP	Police and Crime Plan
PCSO	Police community support officer
PFI	Private Finance Initiative
PMO	Portfolio Management Office
POCA	Proceeds of Crime Act
Police pension top-up grant	The OCC operates a Pension Fund, which is balanced to nil at the end of the year. The PCC receives a top-up grant from the Home Office equal to this deficit to balance the fund
Police revenue grant	The revenue grant is provided by the Home Office as part of the funding required by an authority to finance a budget in line with the Governments assessment. The balance of funding is from business rates, revenue support grant and council tax

<b>Term</b>	<b>Definition</b>
Precept	The amount of council tax collected on the PCC's behalf by local billing authorities
Prepayment	A payment in advance for goods or services
Provision	This is the money we keep to pay for known future costs
PSD	Professional Standards Department
PV cell	A photovoltaic cell, commonly called a solar cell, is a nonmechanical device that converts sunlight directly into electricity
PWLB	This is the Public Works Loan Board, which is an organisation financed by the Government. It lends money to PCC's on set terms so that they can buy capital items
QR code	A machine-readable code consisting of an array of black and white squares, typically used for storing URLs or other information for reading by the camera on a smartphone
RAG	Responsible Authorities Group
Receipt in advance	Income received in advance of the financial year in which the services will be provided
Revaluation reserve	This account represents the increase in value of our assets since 1 April 2007 over the amount originally paid for them
Seconded officers	These are police officers and staff who, for agreed periods, temporarily work for other organisations. Their salaries and expenses are shown as expenditure and the money the organisation pays us for their placements is shown as income
SOLACE	Society of Local Authority Chief Executives
Soteria/Bluestone	The national operating model for the investigation of rape and serious sexual offences (RASSO) arose from the work of Operation Soteria Bluestone
SPR	Strategic Policing Requirement
SWAP	South West Audit Partnership
SWOT	A framework for analysing the strengths, weaknesses, opportunities and threats related to the problem being considered
SWPPS	South West Police Procurement Service
SW ROCU	South West Regional Organised Crime Unit
TOR	Terms of Reference
UJIMA	Ujima Radio 98.0 FM
VRU	Violence Reduction Units

# Avon & Somerset Police Audit Progress Report and Sector Update

**Year ending 31 March 2024**

10 June 2024



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# Introduction & headlines

This paper provides the Joint Audit Committee with a report on progress in delivering our responsibilities as your external auditors

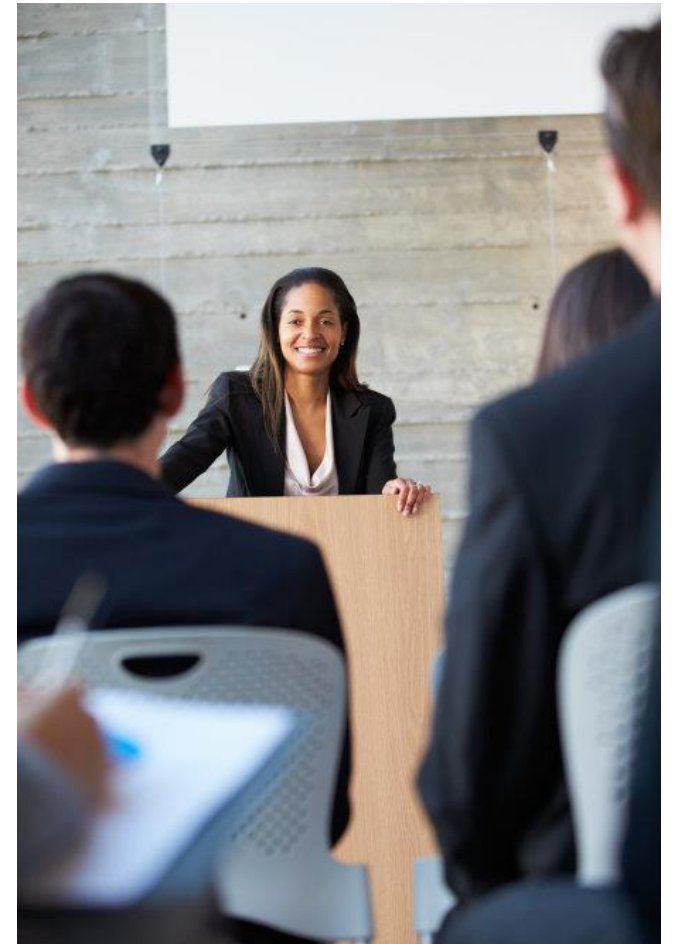
The paper also includes a summary of emerging national issues and developments that may be relevant to you.

Members of the Joint Audit Committee can find further useful material on our website where we have a section dedicated to our work in the public sector. Here you can download copies of our publications.

If you would like further information on any items in this briefing or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

We continue to bring specialists to our update conversations where appropriate to share any learning from our position as a leading audit supplier to the police sector.

You will also have access to our annual Chief Accountant Workshops and any other networking opportunities we create for the various stakeholders.





# Progress at June 2024

## Financial Statements Audit for the 2023/24 financial statements.

We undertook our initial planning for the 2023/24 audit in February and March 2024. We expect to begin our work on your draft financial statements in late June.

Our planning phase included:

- updated review of the Police and Crime Commissioner and Chief Constable's control environment;
- updated understanding of financial systems;
- review of Internal Audit reports on core financial systems; and
- understanding how the Police and Crime Commissioner and Chief Constable make material estimates for the financial statements.

In March we issued a detailed joint audit plan, setting out our proposed approach to the audit of the 2023/24 financial statements.

Since our planning phase, our IT Audit colleagues have completed their review of the IT General Controls for the key finance system (SAP) and have shared their findings with Management. Findings are in line with prior year reporting.

We received the draft financial statements on 10 June 2024, with our audit fieldwork stage commencing in the final week of June.

We will report our work in the Audit Findings Report and aim to give our opinion on the Statement of Accounts by 30 September 2024.

## Value for Money

We aim to complete all 2023/24 value for money audit reviews by 31 December 2024.

From current trends around cost pressures and service demand, we anticipate that risks around financial sustainability and reserves will require consideration across most value for money reviews for 2023/24. Arrangements for governance and improving economy, efficiency and effectiveness will also be reviewed.

Where there are lessons to be learnt from the findings for our 2022/23 value for money reviews, we will seek to share them on a timely basis, to inform future practice.

We anticipate issuing our Auditor's Annual Report in September 2024.

# Progress at June 2024 (cont.)

## Other areas

### Meetings

We met with the Chief Finance Officers in January as part of our frequent liaison meetings and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective.

### Events

We provide a range of workshops, along with network events for members and publications to support the Police and Crime Commissioner and Chief Constable. Your officers attended our Accounts Workshop in February 2024, where we highlighted financial reporting requirements for the 2023/24 accounts and gave insight into elements of the audit approach.

Further details of the publications that may be of interest to the Police and Crime Commissioner, Chief Constable and JAC members are set out in our Sector Update section of this report.

## Audit Fees

PSAA have published their scale fees for 23/24 [2023/24 auditor appointments and audit fee scale – PSAA](#).

For the Police and Crime Commissioner and Chief Constable's of 2023/24 the PSAA scale fees are £103,111 for the Police and Crime Commissioner and £56,603 for the Chief Constable, with additional elements previously communicated in our plan relating to extra work prescribed by ISA 315 and extra work relating to PPE valuations adding an estimated £10,276 to the total fee. This means that the total expected fee for the 2023/24 audits is currently £169,990. These fees are derived from the procurement exercise carried out by PSAA in 2022. They reflect both the increased work auditors must now undertake as well as the scarcity of audit firms willing to do this work. Please note that the requirements of ISA 315 were not considered in the setting on the scale fees for 2023/24.

# 2023/24 deliverables

2023/24 Deliverables	Planned Date	Status
<p><b>Accounts Joint Audit Plan</b></p> <p>We are required to issue a detailed accounts joint audit plan to the Joint Audit Committee setting out our proposed approach in order to give our opinions on the 2022/23 financial statements.</p>	March 2024	Presented at JAC on 21 March 2024
<p><b>Interim Progress Report</b></p> <p>We will report to you the findings from our interim audit within our Progress Report.</p>	June 2024	Presented at JAC on 20 June 2024
<p><b>Joint Audit Findings (ISA260) Report</b></p> <p>The Joint Audit Findings Report will be reported to the September/October Joint Audit Committee.</p>	September/October 2024	Not due yet
<p><b>Auditors Reports</b></p> <p>These are the opinions on your financial statements and annual governance statements.</p>	September/October 2024	Not due yet
<p><b>Auditor's Annual Report</b></p> <p>The key output from local audit work on arrangements to secure VFM is an annual commentary on arrangements, which will be published as part of the Auditor's Annual Report (AAR). A draft of the AAR will be taken to the September/October Joint Audit Committee.</p>	September/October 2024	Not due yet

# Sector Update

Policing services are rapidly changing. Increased demand from the public and more complex crimes require a continuing drive to achieve greater efficiency in the delivery of police services. Public expectations of the service continue to rise in the wake of recent high-profile incidents, and there is an increased drive for greater collaboration between Forces and wider blue-light services.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider Police service and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- **Grant Thornton Publications**
- **Insights from sector specialists**
- **Accounting and regulatory updates**

More information can be found on our dedicated public sector and police sections on the Grant Thornton website by clicking on the logos below:

Public Sector

# Audit Backstop - update

As we have previously updated, the Government consulted in February 2024 on a proposal to introduce a series of statutory backstops to bring the local audit system back on track. The proposals also included a series of updates to the NAO's Code of Audit Practice.

Our understanding was that the necessary regulations to enact the backstop legislation were due to be laid before Parliament prior to summer recess in July 2024. This would have enabled the legislative framework which would have enabled the 30 September 2024 backstop to be implemented.

The calling of a General Election on July 4<sup>th</sup> puts this timetable in considerable doubt. The Government that is elected will have to both decide if it wants to implement the backstop solution and if so, determine the timetable by which it happens. In the meantime, we will continue with the plan we have informed you of in respect of your audit, which was not impacted by the backstop arrangements at the 2022/23 opinion was signed in 2023.

## Audit sign off as at 31 May 2024

As at the end of May 2024, we had signed 136 audits for 2022/23, representing 65% of our local government population. We envisage achieving a 75% sign off rate by the end of September. This compares with a sign off rate for other firms at the end of May 2024 of 7% (18 audits). If the backstop is extended to the end of the year we envisage this figure moving to 80% completion.

We had signed off 81% of our 2021/22 audits by the end of May 2024. We envisage achieving an 85% sign off rate by the end of September 2024. Other firms had signed off 48% of audits by the end of May 2024.

Audit year	Grant Thornton audits signed	Grant Thornton audits signed	Other firms
	Position as at end of May 2024 (%)	Forecast position end of Sep 2024 (%)	Position as at end of May 2024 (%)
2022-23	65	75	7
2021-22	81	85	48
2020-21	92	92	81

# Institute for Government May 2024

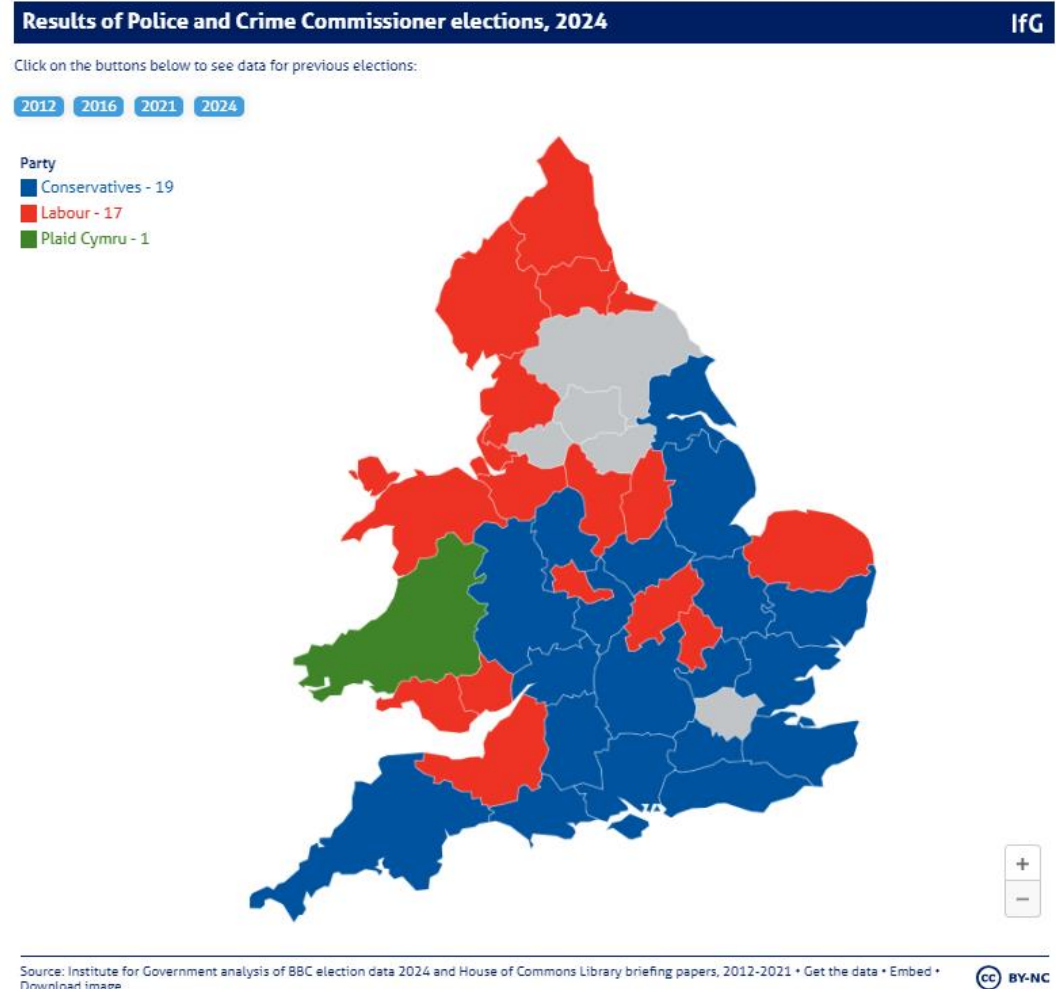
INSTITUTE  
FOR  
GOVERNMENT

## PCC elections 2024 - results

On 2 May 2024, elections took place for 37 police and crime commissioners (PCCs), who set policing priorities and hold to account police forces across most of England and Wales.

19 Conservative, 17 Labour and one Plaid Cymru police and crime commissioners were elected. Labour was the only party to make gains in the election – taking 10 PCCs from the Conservatives. In five police force areas, the powers of the PCC are held by the mayor – all of which were also up for election and won by Labour candidates.

The full article can be found [here](#).



# Home Office April 2024



## Government plan to save 38 million hours of police time

38 million hours of police time could be saved under a plan supported by the government, as the drive continues to free up officers' time so they can focus on keeping our streets safe.

In its [response](#) to the Policing Productivity Review, commissioned by the Home Office and published last autumn, the government has set out how £230 million will be spent over the next 4 years on new technology, such as live facial recognition and drones that will be used as first responders to meet the recommendations made by the independent Policing Productivity Team.

Previously announced in the spring budget, this investment will go towards innovation such as knife detection and artificial intelligence, including automatic redaction and translation, and will enable police to spend less time in the office, and more time in our communities.

The government will also be creating a new Centre for Police Productivity to provide the foundation for future improvements across policing. The centre will be integral to devising and implementing the further work raised in the review that could save the equivalent of an additional 20,000 police officers' worth of time.

The full article can be found [here](#).

# Home Office March 2024



## Helping police redact sensitive information in media files

Police and law enforcement often need to share material with courts or other parties whilst also protecting sensitive details such as identities and licence plates for data security or operational security reasons.

However, there is currently very limited use of auto-redaction technology across policing and the wider criminal justice system for digital media, audio, and video files - including body-worn video footage and digital forensic evidence - and the policing minister has made development of solutions which could be rolled out nationally a key priority.

The Home Office funded the Accelerated Capability Environment (ACE) to carry out a market review of existing multimedia redaction tools and build an evidence case into how state-of-the-art technology, including the use of artificial intelligence (AI) and machine learning, could make significant efficiency savings.

This would then be used to accelerate the development and widespread adoption of this technology nationally, creating user efficiencies as well as ensuring that police can confidently share information with other organisations as needed.

The full article can be found [here](#).



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# HMICFRS March 2024

## HMICFRS Value for money dashboards latest force-level profiles published

Value for money dashboards provide comparative data on a wide range of policing activities from 2011 up to the most recent data release. They build on work done between 2009 and 2017 that were published as PDF [value for money profiles](#).

These allow detailed analysis of:

- how much forces spend on different policing activities;
- how crime levels compare across forces, as well as what outcomes forces achieve; and
- workforce costs, broken down by role, rank and gender.

The interactive dashboard can be found [here](#).



# Home Office February 2024



Home Office

## Policing funding allocation for 2024/25 published

For 2024-25, overall funding for the policing system will rise by up to £842.9 million when compared to the restated 2023-24 police funding settlement, bringing the total settlement for 2024-25 up to £18.4 billion. Available funding to local policing bodies will increase next year by up to an additional £922.2 million, if Police and Crime Commissioners were to take-up the precept flexibility and using latest forecasts, taking total funding for local policing bodies to £16.4 billion.

Compared with 2019-20, this represents a total settlement increase of up to 30.7% in cash terms. Not only has the Government delivered the funding committed in the Spending Review 2021, the 2024-25 settlement has gone even further to provide additional funding for policing. This demonstrates the Governments continued commitment to giving policing the resources they need to keep the public safe.

The full article can be found [here](#).

# Back to Basics February 2024

ONWARD➤

## How Neighbourhood Policing Can Make Streets and Communities Safer

Onward's Back to Basics paper, endorsed by 10 Police and Crime Commissioners (PCCs), urges the Government to launch a new Neighbourhood Policing Uplift Programme to fix local policing. The uplift would hire 19,000 new neighbourhood officers – including 3,000 police officers, 10,000 police community support officers, and 6,000 special constables – to be visibly embedded in communities and tackle local crimes.

Back to Basics also calls for PCCs and police chiefs to create new “pop up” police stations in disused high street premises to improve visibility and accessibility, roll out facial recognition technology to catch shoplifters and other criminals, and recruit neighbourhood wardens in town centres to prevent low-level crime.

The full article can be found [here](#).





Report 11a

# Avon & Somerset Police and Office of the Police and Crime Commissioner (OPCC)

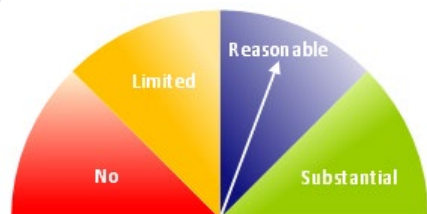
## Internal Audit Annual Opinion Report 2023/24

Internal Audit ■ Risk ■ Special Investigations ■ Consultancy

Unrestricted

## Internal Audit Annual Opinion – 2023/24: ‘At a Glance’

### Annual Opinion



There is generally a sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives.

### The Headlines

	<b>One Significant Risk identified in year.</b> One limited assurance opinion reported during the year, plus two ‘low’ reasonable opinions.
	<b>16 reviews delivered as part of the 2023/24 Internal Audit Plan.</b> One audit review still in progress.
	<b>Continued improvements in reporting timescales and the implementation of agreed actions.</b> All post audit questionnaires, completed by key audit contacts, have been scored 100% for each area surveyed (either met/exceeded expectations in relation to scope/value/professionalism/communication/SWAP values).
	<b>Implementation of a new Audit Management System</b> Audit Board has now been implemented and progress is being made with the introduction of Force access to our various dashboards to enable more efficient and transparent reporting.
	<b>Range of innovations and enhancements made to our internal audit process throughout the year.</b> One-page audit report, introduction of Agile auditing and planning.

### Internal Audit Assurance Opinions 2023/24

Substantial	0
Reasonable	9
Limited	1
No Assurance	0
Advisory	6
Support Activities	2

### Internal Audit Agreed Actions 2023/24

Priority 1	2
Priority 2	13
Priority 3	19
<b>Total</b>	<b>34</b>

## Executive Summary

Internal Audit provides an independent and objective opinion on the effectiveness of the Authority's risk management, control and governance processes.



### Purpose

The Head of Internal Audit (SWAP Assistant Director) should provide a written annual report to those charged with governance to support the Authority's Annual Governance Statement (AGS). This report should include the following:

- An opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and internal control environment;
- Disclose any qualifications to that opinion, together with the reasons for the qualification;
- Present a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies;
- Draw attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement;
- Provide the opportunity to review the work actually undertaken during the year, and summarise the performance of the internal audit function against its performance measures, criteria and standards;
- Comment on compliance with these standards and communicate the results of the internal audit quality assurance programme.

The purpose of this report is to satisfy this requirement and Members are asked to note its content and the Annual Internal Audit Opinion given.



### Background

The Internal audit service for Avon and Somerset Police and OPCC is provided by the SWAP Internal Audit Services. New Global Internal Audit Standards are being introduced in 2025, however during 2023/24 SWAP work was completed to comply with the current framework, the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note. Internal audit provides an independent and objective opinion on the Authority's control environment by evaluating its effectiveness. This report summarises the activity of SWAP for the 2023/24 year.

## Internal Audit Annual Opinion 2023/24

The Head of Internal Audit (SWAP Assistant Director) is required to provide an opinion to support the Annual Governance Statement.



### Annual Opinion

On the balance of our 2023/24 audit work for Avon and Somerset Police and OPCC, enhanced by the work of external agencies, I am able to offer a **Reasonable Assurance** opinion in respect of the areas reviewed during the year.

The Head of Internal Audit is required under the Public Sector Internal Audit Standards (PSIAS) and linked in with the Chartered Institute of Internal Audit IPPF Standard 2450, to provide an annual opinion on the adequacy and effectiveness of the organisations' framework of governance, risk management and internal control.

Our internal audit opinion is a balance reflection rather than a snapshot in time. Information to support this assessment is obtained from multiple engagements and sources (including advice and consultancy work). The results of these engagements, when viewed together, provide an understanding of the organisation's risk management processes and their effectiveness.

On the basis of all assurance opinions provided as a result of internal audit work completed in 2023/24 and giving consideration to the adequacy and effectiveness of the wider governance and risk management arrangements at the Force and OPCC, I am able to offer a Reasonable Annual Opinion (our Opinion). There are currently no significant issues that Internal Audit is aware of which would require inclusion within the Annual Governance Statement.

**It is important to note that Internal Audit has not reviewed all risks and assurances relating to Avon & Somerset Police and OPCC and therefore cannot provide absolute assurance on the internal control environment. Senior Management are ultimately responsible for ensuring an effective system of internal control.**



The Annual Opinion is based on the following sources of information:

- Completed audits (during the year 2023/24) which evaluate risk exposures relating to the organisation's governance, information systems, reliability and integrity of information, efficiency and effectiveness of operations and programmes, safeguarding of assets and compliance with laws and regulations.
- Observations from consultancy/advisory support.
- Follow up of previous audit activity, including agreed actions.
- Notable changes to the organisation's strategy, objectives, processes, or IT infrastructure.
- Assurances from other providers, including third parties, regulator reports etc.

### **Opinion on Internal Control**

Whilst we consider the breadth of our audit plan adequate to inform an overall opinion, coverage of some more operational areas of the Force's work has been limited and our opinion should be considered in this context. A summary of the assurance opinions awarded during the course of the year, together with details of the number of actions agreed, is included at the end of this report.

### **Governance**

We have not completed a specific piece of assurance work around governance at either Force or OPCC during 2023/24, however we have naturally incorporated elements of governance within our work and made recommendations as necessary. At an individual engagement level, we consider and assess the control framework related to the area under review against three thematic themes of leadership and culture, learning and diversity and inclusion.



## Summary of Audit Work 2023/24

Internal audit is only one source of assurance; therefore, where we have highlighted gaps in our coverage, assurance should be sought from other sources where possible, such as HMICFRS, in order to ensure sufficient and appropriate assurances are received.

Figure 1 highlights our assessment of internal audit coverage against Avon and Somerset's Police and Crime Plan within 2023/24.

Figure 2 highlights how the audits from the 2023/24 Internal Audit Plan provide coverage of the key components set out in the Force Management Statement (FMS).



### Audit Coverage

**Figure 1: Audit Coverage by Corporate Priority**

Corporate Priority	Coverage (Completed Audits)	Average Opinion of Completed Audits
A&SP P01 - Preventing and fighting crime	Some	Reasonable
A&SP P02 - Engaging, supporting and working with communities, victims and partner organisations	Some	Reasonable
A&SP P03 - Leading the police to be efficient and effective	Good	Reasonable
A&SP P04 - Increasing the legitimacy of, and public confidence in, the police and criminal justice system	Adequate	Reasonable

**Figure 2: Audit Coverage by Police Area**

Police Area	Coverage (Completed Audits)	Average Opinion of Completed Audits
FMS 1 - Finance	Good	Reasonable
FMS 2 - Wellbeing	Some	Reasonable
FMS 3 - Responding to the Public	Some	Non Opinion Audits
FMS 4 - Prevention and Deterrence	None	
FMS 5 - Investigations	Adequate	Non Opinion Audits
FMS 6 - Protecting the Vulnerable	Some	Reasonable
FMS 7 - Managing Offenders	None	
FMS 8 - Managing Serious and Organised Crime	Some	Non Opinion Audits
FMS 9 - Major Events	None	
FMS 10 - Knowledge Management and ICT	Some	Reasonable
FMS 11 - Force-wide Functions	Good	Reasonable
FMS 12 - Collaboration	Some	Non Opinion Audits

Coverage	Description
Good	Good audit coverage completed
Adequate	Adequate audit coverage completed
Some	Some aspects of audit coverage completed
In Progress	Some aspects of audit coverage in progress
None	No audit coverage to date

Assurance	Description
Substantial	Sound system of governance, risk management and controls exist
Reasonable	Generally sound system of governance, risk management and control in place
Limited	Significant gaps, weaknesses or non-compliance were identified
No Assurance	Fundamental gaps, weaknesses or non-compliance identified

## Summary of Audit Work 2023/24

### Definitions of Corporate Risk

#### High Risk

Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.

#### Medium Risk

Issues which should be addressed by management in their areas of responsibility.

#### Low Risk

Issues of a minor nature or best practice where some improvement can be made.

**We keep our audit plans under continuous review to ensure we are auditing the right things at the right time.**

### Significant Corporate Risks

During the course of the year, we have identified one risk which we consider to be a significant/high corporate risk for Avon and Somerset Police.

#### Estates – Compliance with Statutory Obligations

To ensure the organisation effectively manages risks relevant to gas, electrical and fire safety and the possible presence of legionella and asbestos in its buildings.

We considered the following areas as part of the audit:

- Policies and procedures in relation to electrical safety, gas safety, legionella, asbestos, and fire management safety, and how these conform to relevant legislation and regulations.
- Annual gas safety checks.
- Electrical and Portable Appliance Testing (PAT).
- Annual legionella risk assessments, flushing and temperature monitoring. Asbestos registers and status monitoring.
- Fire safety management and equipment testing.

The following risk was reviewed as part of this audit and an assessment made of the residual risk.

Risk Reviewed	Assessment
Gas, electrical and fire safety, as well as legionella and asbestos management is not effectively managed, potentially leading to incidents affecting the health and safety of employees and the public, with the potential of loss of life.	High

Thirteen actions were agreed as part of this review, including two Priority 1 actions. **\*\*Outcomes of the current follow up to be added\*\***

### **Agreed Actions**

Over the year, we have found the organisation to be supportive of Internal Audit findings and responsive to the actions agreed as part of the audit process. We have noted that turnaround times in finalising reports continues to improve as we implement an agile approach to the audit process, discussing and agreeing actions prior to or during the close-out of our reviews; negating the need for lengthy draft report discussions.

An internal process is in place whereby the Improvement Team maintains a record of recommendations raised (from Internal Audit and from other sources) and record progress towards implementation. This is reported to the Joint Audit Committee (JAC). In addition, a programme of follow up work is also scheduled each year.

### **Changes to the Internal Audit Plan**

The schedule provided at the end of this report contains a list of all audits agreed for delivery as part of the 2023/24 Audit Plan and the outturn to date. In total, 16 Force and OPCC audits have been completed, with one piece of work still in progress and a further two pieces deferred to 2024/25. It is important that Members are aware of the status of all audits and that this information helps place reliance on the work of Internal Audit and its ability to complete the plan as agreed.



# Summary of Audit Work 2023/24

At the conclusion of audit assignment work each review is awarded a "Control Assurance Definition";

## Assurance Definitions

<b>No Assurance</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.
<b>Limited</b>	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 audited.
<b>Reasonable</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Substantial</b>	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 audited.

## Summary of Audit Opinion

Table 1: Summary of Audit Opinions

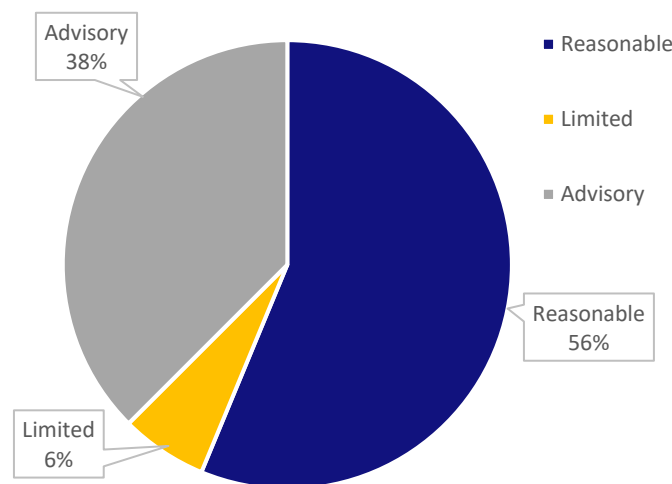


Table 2: Audit Work by Type

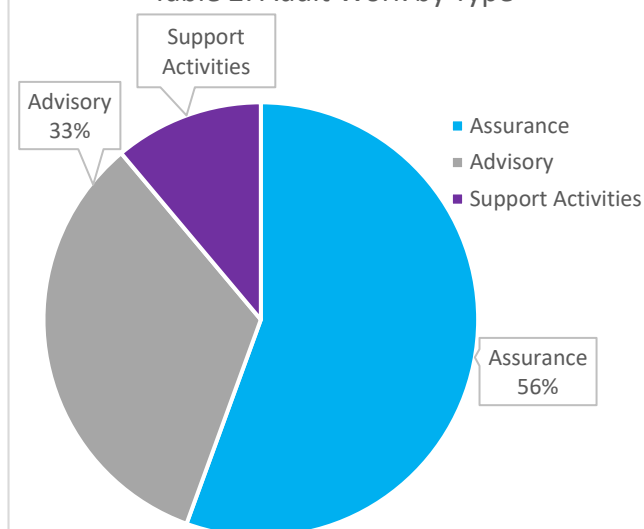


Table 1 above indicates the spread of assurance opinions across our work completed during the past year.

Table 2 indicates the completed audit work by type. Whilst assurance work is the main focus of Internal Audit, in an ever-changing landscape, Internal Audit has the knowledge and skills to be able to provide advisory work that supports the organisation in understanding these changes.

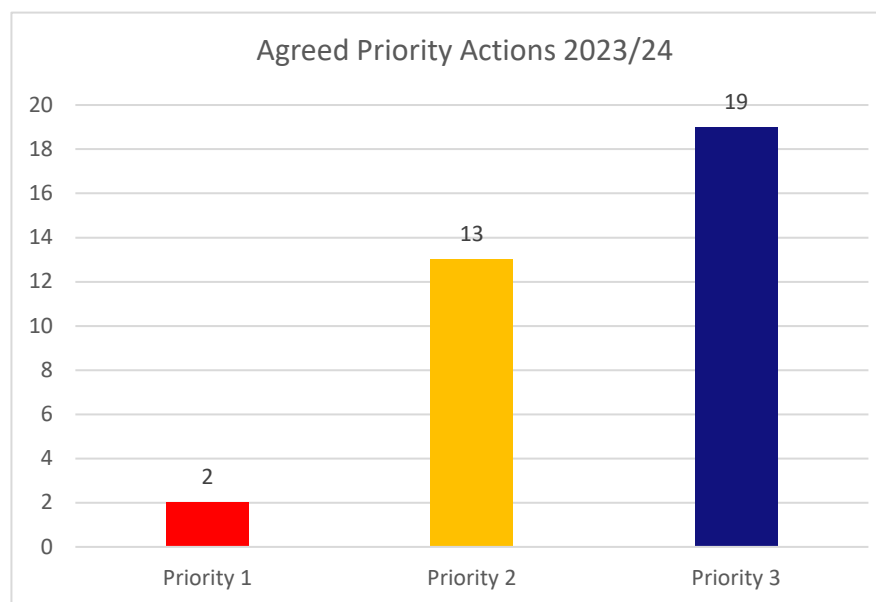
## Summary of Audit Work 2023/24

### SWAP Performance - Summary of Audit Actions by Priority

We rank our actions on a scale of 1 to 3, with 3 being medium or administrative concerns to 1 being areas of major concern requiring immediate corrective action



### Priority Actions



## Added Value 2023/24

### Added Value

Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.

Throughout the year, SWAP strives to add value wherever possible i.e. going beyond the standard expectations and providing something 'more' while adding little or nothing to the cost.



### Added Value

#### Innovations and Enhancements to our Audit Process

During 2023/24, we have continued to integrate 'Agile Auditing' into our audit process. With increased collaboration and a joint commitment with the service under review, it is possible to complete audits faster and more efficiently. With the support of SWAPs Data Analytics team, we continue to include analysis of data as part of our auditing wherever possible. This allows us not only the opportunity to test whole populations of data, but where this is not possible or appropriate, to be able to use data analytics to target our testing in a more effective manner.

We have also begun to introduce Force access to our audit management system AuditBoard. We have produced a number of dashboards to enable better transparency and oversight of our work

We have also:

- Initiated a regional benchmarking review regarding recruitment and retention.
- Reviewed risk areas and audits undertaken with other partners to inform our 2024/25 audit plan.
- We hold regular meetings with the Chief Finance Officers, the Audit and Inspection Team as well as the Chief of Staff and the Deputy Chief Constable.
- Accessed benchmarking information from other police forces and local authorities.
- Attended and contributed to national Police Audit Group conferences.
- Been shortlisted in the IIA's Audit and Risk Awards for Development of Internal Audit Best Practice as well as the Public Sector Finance Awards for Excellence in Public Sector Audit.


#### Regular Updates

To help key officers in the Force keep abreast of changes, SWAP produces a monthly newsletter that provides information on topical areas of interest for public sector organisations.

#### Counter Fraud Team


SWAP's Counter Fraud Team has also facilitated access to counter fraud intelligence resources and issued alerts and newsletters to key officers in the Force.

## Summary of Internal Audit Work 2023/24


Link to FMS	Link to Police & Crime Plan	Audit Area	Status	Opinion	No of Actions	1 = Major		3 = Medium
						Action		
						1	2	3
Completed Work								
* Force-Wide Functions	* Leading the police to be efficient & effective.	<b>Estates – Compliance with Statutory Obligations</b> <i>To ensure the organisation effectively manages risks relevant to gas, electrical and fire safety and the possible presence of legionella and asbestos in its buildings.</i>	Completed	Low Limited	13	2	5	6
* Force-Wide Functions	* Leading the police to be efficient & effective.	<b>Personal Development Unit - Tutoring</b> <i>To provide assurance over the effectiveness of controls in place to ensure student recruits achieve competency to patrol independently, particularly in respect of those controls related to tutoring under the Policing Education Qualifications Framework (PEQF).</i>	Completed	Low Reasonable	4	0	2	2
* Protecting the Vulnerable	* Engaging, supporting and working with communities, victims and partner organisations. * Leading the police to be efficient & effective.	<b>Victim Support Services</b> <i>To provide assurance that the Force is providing victims of crime with appropriate support to help them cope, recover and be protected from re-victimisation.</i>	Completed	Low Reasonable	5	0	3	2
* Finance	* Leading the police to be efficient & effective.	<b>Accounts Receivable</b> <i>To provide assurance that the Force has effective key control frameworks in place for accounts receivable processes.</i>	Completed	Medium Reasonable	1	0	0	1
* Finance	* Leading the police to be efficient & effective.	<b>Accounts Payable</b> <i>To provide assurance that the Force has effective key control frameworks in place for accounts payable processes.</i>	Completed	Medium Reasonable	2	0	2	0



## Summary of Internal Audit Work 2023/24


Link to FMS	Link to Police & Crime Plan	Audit Area	Status	Opinion	No of Actions	1 = Major		3 = Medium
						Action		
						1	2	3
* Knowledge Management and ICT * Force-Wide Functions	* Leading the police to be efficient & effective.	<b>Strategic Approach to ICT</b> <i>To provide assurance that the Forces Strategic Approach to IT links with their obligations regionally and nationally to police initiatives.</i>	Completed	Medium Reasonable	1	0	1	1
* Wellbeing * Force-Wide Functions	* Leading the police to be efficient & effective.	<b>Wellbeing</b> <i>To review the effectiveness of the force's arrangements to manage officer and staff wellbeing and to ensure that the Force is applying a consistent organisational approach to the promotion and safeguarding of the wellbeing of its employees.</i>	Completed	High Reasonable	0	0	0	0
* Force-Wide Functions	* Leading the police to be efficient & effective. * Increasing the legitimacy of, and public confidence in, the police and criminal justice system.	<b>Corporate Performance Management</b> <i>To provide assurance over the effectiveness of the Force's Performance Management Framework to provide accurate and timely information to help facilitate informed decision making and to prompt corrective action where performance is deemed inadequate / unsatisfactory.</i>	Completed	High Reasonable	1	0	0	1
* Finance	* Leading the police to be efficient & effective.	<b>Cash Handling</b> <i>To provide assurance that cash funds seized by the Force are collected and handled correctly, recorded accurately and held securely.</i>	Completed	High Reasonable	5	0	0	5
* Force-Wide Functions	* Preventing and fighting crime. * Leading the police to be efficient & effective	<b>Proceeds of Crime (POCA) and Crypto Currency Seizure</b> <i>To provide assurance over the effectiveness of controls in place for the receipt and management of POCA money, assets and crypto currency, and how the Force uses these funds to support policing objectives.</i>	Completed	High Reasonable	1	0	0	1

## Summary of Internal Audit Work 2023/24

Link to FMS	Link to Police & Crime Plan	Audit Area	Status	Opinion	No of Actions	1 = Major		3 = Medium
						Action		
						1	2	3
* Responding to the Public * Knowledge Management and ICT	* Leading the police to be efficient & effective. * Increasing the legitimacy of, and public confidence in, the police and criminal justice system.	<b>IT Service Desk Follow Up</b>  <i>To provide assurance that the actions agreed to mitigate against the risk exposure identified within the 2022/23 limited assurance opinion audit of the IT Service Desk have been implemented.</i>	Completed	Advisory	N/A	-	-	-
* Finance * Investigations	* Leading the police to be efficient & effective.	<b>Management of Evidential Property Follow Up</b>  <i>To provide assurance that the agreed actions to mitigate against the risk exposure identified within the 2022/23 Limited opinion audit of Evidential Property have been implemented.</i>	Completed	Advisory	N/A	-	-	-
* Force-Wide Functions	* Leading the police to be efficient & effective.	<b>Reasonable Adjustments Follow Up</b>  <i>To provide assurance that the agreed actions to mitigate against the risk exposure identified within the 2022/23 Limited opinion audit of Reasonable Adjustments have been implemented.</i>	Completed	Advisory	N/A	-	-	-
* Investigations	* Leading the police to be efficient & effective. * Increasing the legitimacy of, and public confidence in, the police and criminal justice system.	<b>Criminal Justice Position Statement</b>  <i>To provide members of the Joint Audit Committee (JAC) with an update on the Criminal Justice Department’s transformational project.</i>	Completed	Advisory	N/A	-	-	-
* Finance * Investigations * Collaboration	* Leading the police to be efficient & effective. * Increasing the legitimacy of, and public confidence in, the police and criminal justice system.	<b>Digital Forensics Outsourcing Review (Regional)</b>  <i>To undertake a comparison of in house and external costs in order to better inform decision making and reduce overall spend.</i>	Completed	Advisory	N/A	-	-	-



## Summary of Internal Audit Work 2023/24

Link to FMS	Link to Police & Crime Plan	Audit Area	Status	Opinion	No of Actions	1 = Major		3 = Medium
						Action		
						1	2	3
* Managing Serious and Organised Crime * Collaboration	* Preventing & fighting crime. * Leading the police to be efficient & effective.	Regional Organised Crime Unit (ROCU) Review (Regional)	Completed	Advisory	N/A	-	-	-
		A review of the governance arrangements in place for the ROCU.						
* Force-Wide Functions	* Leading the police to be efficient & effective.	Follow Up of Agreed Actions	Completed	Support Activities	N/A	-	-	-
* Force-Wide Functions	* Leading the police to be efficient & effective.	Planning, Reporting and Advice	Completed	Support Activities	N/A	-	-	-
In Progress								
* Knowledge Management and ICT * Force-Wide Functions	* Leading the police to be efficient & effective.	Information Governance	Fieldwork	-	-	-	-	-
		To provide assurance over the Force’s internal controls surrounding the processing, recording, retention, and disposal of data.						
Audits Deferred/Removed								
* Force-Wide Functions	* Leading the police to be efficient & effective.	Regional Recruitment and Retention Benchmarking Review	Deferred	Agreed to defer this regional piece to Q1 2024/25. This piece of work is now in progress.				
		To undertake a recruitment and retention benchmarking review to identify any best practice, areas for concern or any benefits which may impact recruitment or retention.						
* Investigations	* Leading the police to be efficient & effective. * Increasing the legitimacy of, and public confidence in, the police and criminal justice system.	Criminal Justice	Deferred	The Force requested this audit be deferred from Q4 2023/24 to Q2 2024/25 as an internal review has recently been completed and improvements due to be implemented between January - March 2024, with a post implementation review to be completed at the end of 2023/24.				
To provide assurance on the processes in place for responding to Action Plans/ No Further Action (NFA) responses to cases from the Crown Prosecution Service (CPS).								





**AVON &  
SOMERSET**  
POLICE & CRIME  
COMMISSIONER



**SWAP**  
INTERNAL AUDIT SERVICES  
Helping Organisations to Succeed

Report 11b

# Avon & Somerset Constabulary and Office of the Police and Crime Commissioner Joint Audit Committee (JAC)

## Report of Internal Audit Activity – June 2024

Internal Audit ■ Risk ■ Special Investigations ■ Consultancy

## Executive Summary

SWAP is required to provide an annual opinion to support the Annual Governance Statement.

As part of our plan progress reports, we will look to provide an ongoing opinion to support the end of year annual opinion.

We will also provide details of any significant risks that we have identified in our work. A reminder of our assurance opinions and risk assessment is on our [website](#).

The Chief Executive for SWAP reports company performance on a regular basis to the SWAP Directors and Owners Boards.



### Audit Opinion & Significant Risks

We are able to provide a reasonable rolling assurance opinion, based on work completed in 2023/24 and 2024/25 to date. We have identified no significant risks via our work this year.



### Audit Plan Progress

Since the last committee in March 2024, the following audits have been completed:

- Personal Development Unit – Training
- Proceeds of Crime (POCA) and Crypto Currency Seizure
- Victim Support Services
- Strategic Approach to ICT
- ERP Programme Management

These audit reports are submitted with this update. Further detail is provided on the status of each audit in Appendix A and performance against the annual budget is summarised in the table below:

Performance Measure	2024/25 Performance
<b><u>Delivery of Annual Audit Plan</u></b>	
Completed	8.5%
Reporting	0%
In Progress	11%
Scoping	8.5%
Not Yet Due (Q2-4)	61%
Ongoing Support (Planning, reporting & Advice)	11%

The 2023/24 **Information Governance** review is now in progress. Following agreement from the Regional S151 Officers, the **Regional Recruitment & Retention** review has been deferred to Q1 2024/25 and is now also in progress.


## Internal Audit Plan Progress 2023/24

The 2024/25 **Estates – Compliance with Statutory Obligations Follow Up** and **Corporate Credit Card** reviews are both in progress.



# Internal Audit Plan Progress 2024/25

## Appendix A

Audit Area	Estimated Cost	Status	Opinion	No of Recs	1 = Major			3 = Minor
					Recommendations			
					1	2	3	
2023/24								
Personal Development Unit - Tutoring	£4,635.00	Completed	Reasonable	4	0	2	2	
Proceeds of Crime (POCA) and Crypto Currency Seizure	£4,635.00	Completed	Reasonable	1	0	0	1	
Victim Support Services	£5,600.63	Completed	Reasonable	5	0	3	2	
Strategic Approach to ICT	£5,021.25	Completed	Reasonable	1	0	1	0	
Information Governance	£4,635.00	In Progress	-	-	-	-	-	
Regional – Recruitment and Retention Benchmarking Review	£3,862.50	In Progress	Agreed with S151 Officer to audit to Q1 2024/25.					
Criminal Justice	£3,862.50	Deferred	Agreed with S151 Officer to audit to Q2 2024/25.					
2024/25								
ERP Programme Management	£5,970.00	Completed	-	-	-	-	-	
Estates – Compliance with Statutory Obligations Follow Up	£3,184.00	In Progress	-	-	-	-	-	
Corporate Credit Cards	£3,184.00	In Progress	-	-	-	-	-	
Culture within Specialist Teams	£5,970.00	Scoping	-	-	-	-	-	
Treasury Management	£4,776.00	Not Yet Due	-	-	-	-	-	
ICT Allocation	£4,776.00	Not Yet Due	-	-	-	-	-	
Planning, Reporting & Advice	£7,960.00	Ongoing	N/A	-	-	-	-	

## Audit Objective

To provide assurance over the effectiveness of controls in place to ensure student recruits achieve competency to patrol independently, particularly in respect of those controls related to tutoring under the Policing Education Qualifications Framework (PEQF).

## Link to CRR

**Risk 2** – Failure to meet expectations of improved performance and service delivery.

**Risk 3** – Failure to grow, develop and then maintain the workforce and leadership culture, capacity and capability.

## Executive Summary



### Assurance Opinion

There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

### Management Actions

Priority 1	0
Priority 2	2
Priority 3	2
<b>Total</b>	<b>4</b>

### Organisational Risk Assessment

**Medium**

Our audit work includes areas that we consider have a medium organisational risk and potential significant impact.

The key audit conclusions and resulting outcomes should be considered by both senior management and the Audit Committee.

## Key Conclusions



Questionnaire feedback from student officers rated the tutorship experience 7.4 out of 10 and their tutors' mentoring ability 7.8 out of 10. There were concerns, however, regarding their experience of tackling 'difficult' jobs early on. 58% of respondents claimed they had more than one tutor during the Personal Development Unit (PDU) phase. The tutorship experience was viewed less favourably by those with more than one tutor.



Tutors can feedback to their sergeants and during tutor continuous professional development (CPD) days regarding their concerns with tutoring. We were unable to verify any written examples where tutors had provided feedback and that feedback had been acted upon. The Force would benefit from a more proactive approach by completing a tutor survey, like the student officer survey which has been planned.



The current tutor model allows the Force to cope with higher volumes of tutors selected from a wider pool of officers. This model is favoured whilst numbers following Uplift remain relatively high. Limitations to the model, however, include a higher turnover of tutors as they must complete their own work on top of tutoring. Student officers are also more likely to experience jobs 'inappropriate' for their experience level.



The Force has internal assurance mechanisms in place to assess the effectiveness of tutoring. This includes the review of student competency trackers and meetings between students, tutors and assessors. The Force is also planning to implement regular student officer surveys, like the one completed in our review.

## Audit Scope

We focused on the following areas as part of our review:

- Selection and recruitment of tutors ensuring the right people with the right skills and experience are being appointed to deliver the best tutoring possible.
- Assessment of the Force's capacity, capability, and delivery model to tutoring as part of the PEQF.
- The effectiveness of tutoring to deliver required numbers.
- Recognition and support available to tutors.
- Whether feedback and learning from student officers, tutors and other key stakeholders is being gathered and acted upon to help improve processes.

The audit did not review the tutoring arrangements for Degree Holder Entry Programme students and detectives. Questionnaire feedback was from student officers who passed through the unit between October 2020 and January 2023.

## Summary

Our reasonable assurance opinion reflects that there are some well managed processes and controls in place within the PDU. There are areas, however, which can be improved. Although mechanisms are in place to receive tutor feedback, these are reactive rather than proactive. Consideration should be given to producing regular tutor satisfaction surveys. The current PDU model has been chosen as the preferred method to pass high numbers through the PDU, however, student officer feedback has highlighted concerns regarding their experience of tutorship. These findings are consistent with another Force which implemented a similar model. Internal assurance mechanisms are in place for student officers, however, to discuss their PDU experience. We saw evidence where IPS had been extended to ensure satisfactory student competency. Actions and findings are summarised in the Findings and Action Plan.



## Audit Findings & Management Action Plan - April 2024

### Finding 1.1: Tutor statistics

We reviewed tutor demographics and distribution within the force at the time of testing (January 2024). A summary of these findings is seen below.

- 75% of tutors are male.
- 50% of tutors are under the age of 30; 75% are under 35.
- 78% of tutors have between 3 and 6 years of police service. Only 8% have more than 11 years of experience.
- 20 police locations across Avon & Somerset had at least one tutor. Broadbury Road Police Station had the most with 17 tutors.

Diversity data on tutor ethnicity, sexual orientation and religion was also provided. When compared to full force data, there were no significant differences in data.

All data is mostly in line with force demographic data, however, there may be a need for greater representation of female and more experienced tutors. A full breakdown of the demographics can be seen in Appendix 1. This report and all actions should be presented and discussed at the Police Constable Degree Apprenticeship (PCDA) and Degree Holder Entry Programme (DHEP) Programme Board.

#### 1.1a Agreed Action

The PDU Sergeant to share the findings at the PCDA and DHEP Programme Board for discussion and to liaise with response and neighbourhood policing teams to consider greater representation of female and more experienced tutors.

Priority	3	SWAP Reference	AP# 4171
Responsible Officer	PDU Sergeant		
Timescale	30 <sup>th</sup> June 2024		

### Finding 1.2: PDU delivery model and comparison

The force's current approach to tutoring is an 'on-shift' model. Student officers will complete initial training in their first year and complete a 12-week tutorship phase in their second year. This consists of student officers joining response teams, and sometimes neighbourhood policing teams, where they will be assigned a tutor who will prepare them for Independent Patrol Status (IPS).

The model has been adopted to allow a higher number of tutors to be recruited from a wider pool, and to pass through a high number of student officers following Operation Uplift. The force has reviewed the model regularly at different stages of Uplift and have identified a 'preferred' dedicated unit model, however, they will need to complete the current cohorts before being able to properly consider this.

A review at another force where the dedicated unit is adopted has seen success and positive feedback from both tutors and student officers. A summary of this benchmarking can be seen in Appendix 2. Our reviews of forces 1 and 2 occurred in September 2022, therefore, these models may have changed.

The force should continue to review their approach to the PDU regularly to ensure they are using the most beneficial model for all involved.

#### 1.2a Agreed Action

The PDU Sergeant to share the findings at the PCDA and DHEP Programme Board for discussion and to continue to consider the PDU model at regular intervals to ensure the most beneficial model is being used based on the force's circumstances.

Outputs raised in actions 1.3a and 1.4a should be considered during these reviews.

Priority	3	SWAP Reference	AP# 4170
Responsible Officer	PDU Sergeant		
Timescale	30 <sup>th</sup> June 2024		

## Finding 1.3: Student officer feedback

We sent a survey to 370 student officers. We had a response rate of 12% (46). The most notable trends drawn from the survey are summarised below.

- 33% of respondents went past 12 weeks during their IPS. Of which 13% was due to tutor availability.
- 98% of respondents were based with response teams, the remainder with neighbourhood policing teams.
- 60% of respondents in the North/Urban areas of ASP's policing area, compared to 52% in South/Rural areas, felt they were 'in at the deep end', being exposed to challenging jobs immediately.
- 52% of South respondents said they were confident they were experienced enough for sign off compared to 44% of North respondents.
- North respondents scored tutor experience at 7.32 out of 10 compared to 7.5 in the South.
- North respondents scored tutor mentoring ability at 7.5 out of 10 compared to 8.1 in the South.
- Students who had one tutor during the PDU phase felt more confident in their policing ability than those with more than one tutor.
- Perceived tutorship experience with one tutor was higher (8 out of 10) than those with more than one tutor (6.6 out of 10).

Results from this survey and subsequent internal surveys should be reviewed and feedback acted upon where appropriate. Results should also be consulted when considering a review of the PDU model.

### 1.3a Agreed Action

The PDU Sergeant to share the findings at the PCDA and DHEP Programme Board for discussion and to develop a survey designed to capture student officers' views of the PDU tutoring experience and support offered to them. This should capture views for each cohort, and outcomes considered where appropriate.

Priority	2	SWAP Reference	AP# 4168
Responsible Officer	PDU Sergeant		
Timescale	30 <sup>th</sup> June 2024		

## Finding 1.4: Tutor feedback

We reviewed the mechanisms used by the force to measure tutor feedback. Tutors can feed back during regular meetings with their sergeants and at continuing professional development days which the force has been running for just over a year. There was no formal recorded feedback or hard copy evidence we were able to review to ensure tutor feedback had been recorded and discussions acted upon. We therefore recommend that surveys are completed at least annually to proactively understand tutor opinions and views, like planned student officer surveys.

### 1.4a Agreed Action

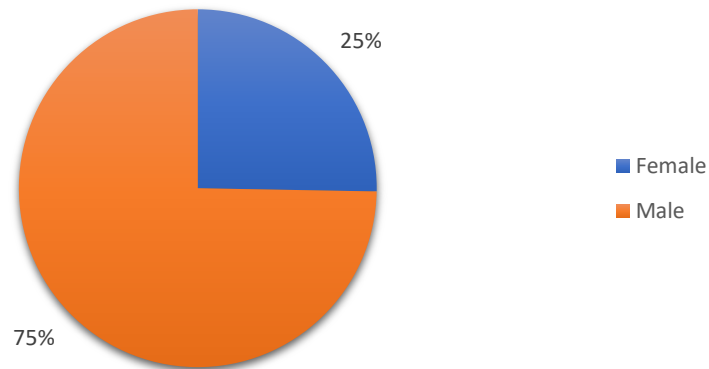
The PDU Sergeant to share the findings at the PCDA and DHEP Programme Board for discussion and to develop a survey designed to capture tutors' views of the PDU tutoring experience and support offered to them. This should be completed at least annually, and outcomes considered where appropriate.

Priority	2	SWAP Reference	AP# 4169
Responsible Officer	PDU Sergeant		
Timescale	30 <sup>th</sup> June 2024		

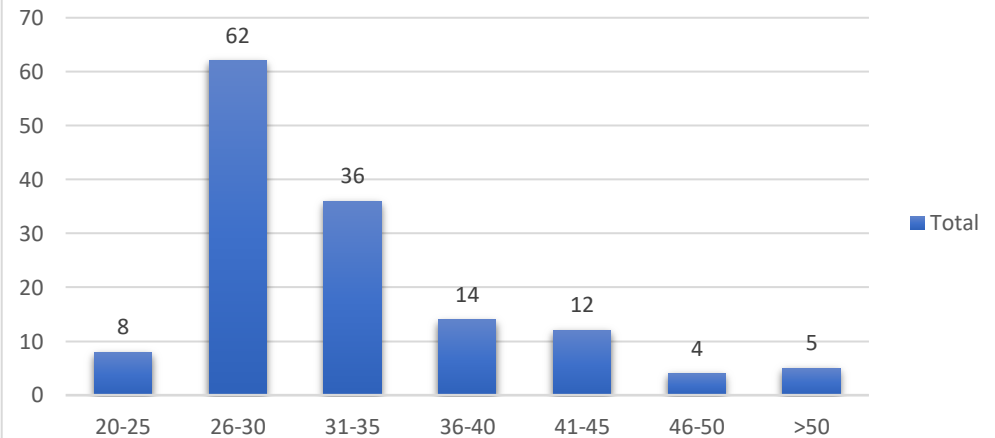
## Appendix 1

## Tutor statistics (correct as of January 2024)

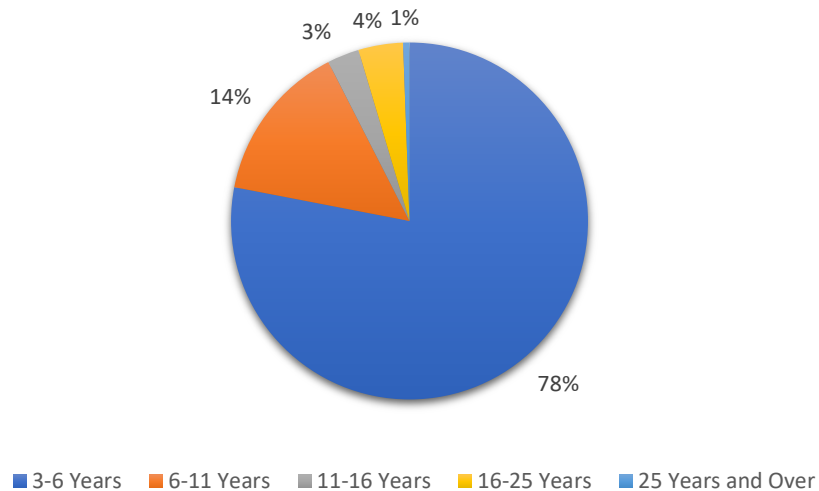
### Tutor Sex



### Tutor Age



### Tutor experience (years of police service)

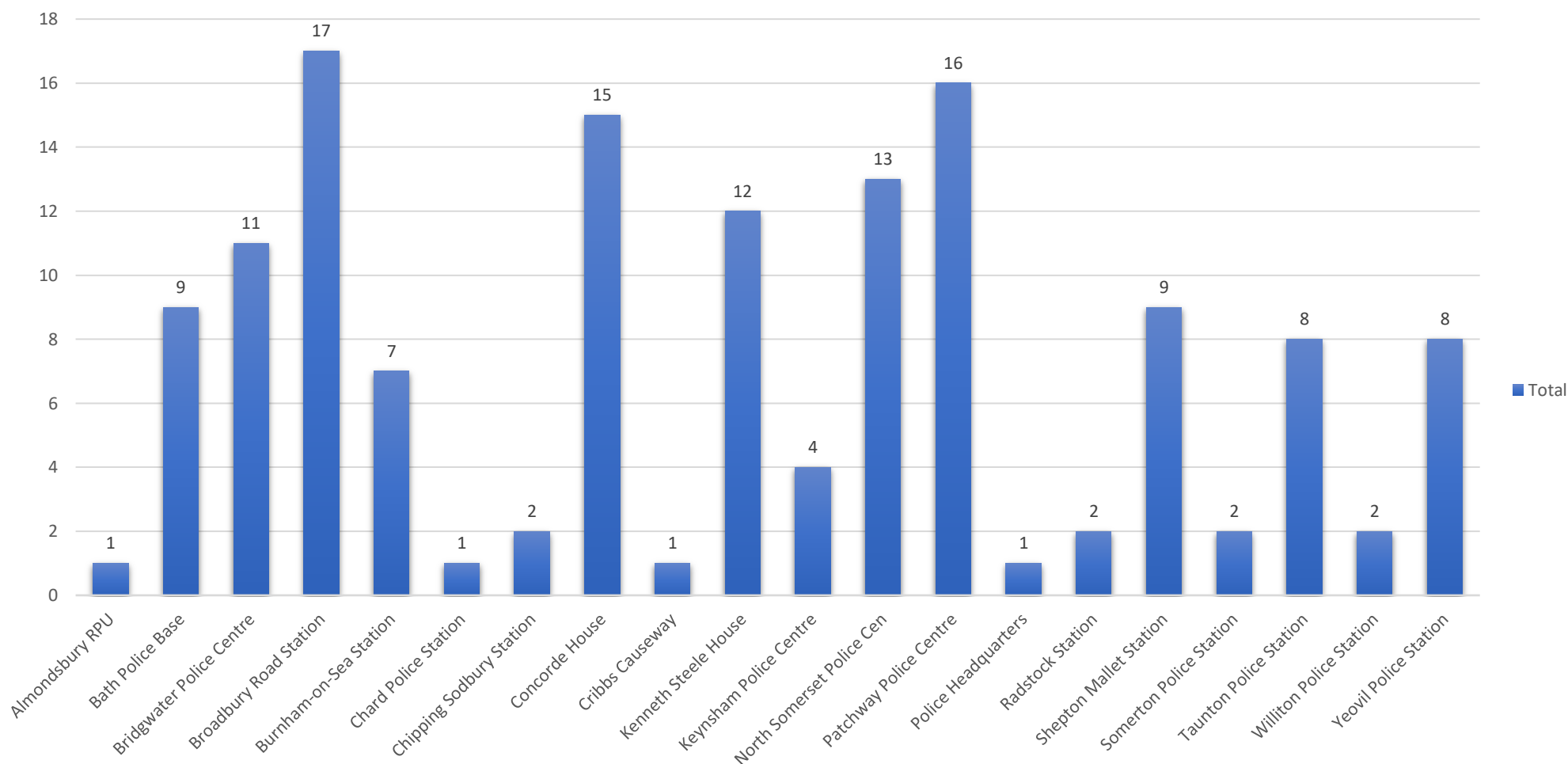


Ethnicity	Tutor %	ASC %
Asian	0.70%	0.85%
Black	0.00%	0.67%
Mixed	1.76%	2.04%
White	91.55%	90.05%
Other	0.35%	0.25%
Unknown	0.00%	0.01%
Prefer not to say	5.63%	6.11%

Sexual Orientation	Tutor %	ASC %
Bisexual	5.28%	2.89%
Gay / Lesbian	3.87%	2.98%
Heterosexual	78.17%	81.66%
Prefer to self-describe	0.35%	0.69%
Prefer not to say	11.97%	10.99%
Unknown	0.35%	0.79%

Religion	Tutor %	ASC %
Buddhist	0.00%	0.27%
Christian	23.94%	32.06%
Hindu	0.00%	0.13%
Jewish	0.35%	0.09%
Muslim	0.70%	0.64%
None	54.23%	52.33%
Other	2.46%	2.00%
Sikh	0.35%	0.16%
Sunni Muslim	0.00%	0.03%
Prefer not to say	17.25%	11.57%
Unknown	0.70%	0.72%

## Number of Tutors by location (January 2024)



## Appendix 2

## Personal Development Unit model benchmarking

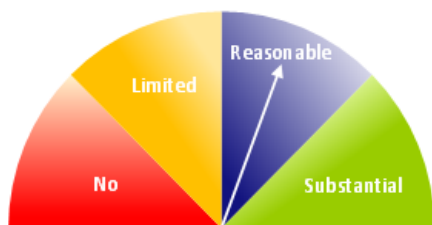
	Model	Benefits	Limitations
<b>Force 1</b>  (reviewed September 2022)	<b>Dedicated PDU unit</b>  Entire 10-week phase spent in the unit.	<ul style="list-style-type: none"> <li>Dedicated unit allows officers to gain experience in a 'protected' learning environment.</li> <li>Students can freely move to other locations to complete/repeat remaining jobs in their portfolio prior to IPS sign off (tailored experience).</li> </ul>	<ul style="list-style-type: none"> <li>Students can still be called to assist teams to fill demand gaps. Therefore, they may still go to 'inappropriate' jobs based on their experience. A memorandum of understanding was developed between the PDU and Local Police Area (LPA) leadership to reduce this likelihood.</li> </ul>
<b>Force 2</b>  (reviewed September 2022)	<b>Hybrid model</b>  Week 1 - PDU support week;  Weeks 2-8 - training with squads on the front line;  Weeks 9-12 - PDU assessment phase	<ul style="list-style-type: none"> <li>Hybrid model allows the force to select higher volumes of tutors selected from a wider pool of officers.</li> <li>Allows more officers to pass through the PDU.</li> </ul>	<ul style="list-style-type: none"> <li>Resilience tutors must shadow students whilst finding time to complete their own work. Resulting in a higher turnover of tutors.</li> <li>Difficult for the PDU Inspector to quality assure tutor performance during the period away from the unit, leading to inconsistencies of student experience of a range of jobs.</li> <li>PDU Inspector does not have complete oversight of student welfare when away from the unit.</li> <li>Students train with teams and may be exposed to 'inappropriate' jobs based on their experience which can be unsuitable for their development and sees higher rates of dropouts compared to Force 1.</li> <li>Unable to easily locate to other areas to complete/repeat remaining jobs.</li> </ul>
<b>Avon and Somerset Police</b>	<b>On-shift</b>  Entire 12+ week phase spent with squads on the front line.	<ul style="list-style-type: none"> <li>Model allows the force to select higher volumes of tutors from a wider pool of officers.</li> <li>Allows more officers to pass through the tutoring phase.</li> <li>Officers are with the teams they will likely end up with following IPS sign off.</li> </ul>	<ul style="list-style-type: none"> <li>Resilience tutors must shadow students whilst finding time to complete their own work. Resulting in a higher turnover of tutors.</li> <li>Students train with teams and may be exposed to 'inappropriate' jobs based on their experience which can be unsuitable for their development and sees higher rates of dropouts (c.10%) compared to Force 1.</li> <li>Anecdotal student experiences were less positive than those provided for force 1. ASP and force 2 were similar.</li> <li>Not able to locate to other areas to complete/repeat remaining jobs.</li> </ul>

## Audit Objective

To provide assurance that the Forces Strategic Approach to IT links with their obligations regionally and nationally to police initiatives.

Report 11d

## Executive Summary



### Assurance Opinion

There is generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

### Management Actions

Priority 1	0
Priority 2	1
Priority 3	1
<b>Total</b>	<b>2</b>

### Organisational Risk Assessment

Medium

Our audit work includes areas that we consider have a medium organisational risk and potential significant impact. The key audit conclusions and resulting outcomes should be considered by both senior management and the Audit Committee.

## Key Conclusions



We were unable to evidence links to the Strategic Objectives within projects and programmes, or any other initiatives and frameworks. There needs to be clear links around how projects and programmes link to organisational objectives. There is a risk that without these links clearly defined, projects and programmes will not achieve the Forces' strategic objectives.



We were unable to evidence an IT Accountability and Delegation Framework. There is a risk that without a documented Accountability and Delegation Framework IT projects and programmes processes may not be followed.



The Director of IT used relevant analysis to reflect the intent and strategic objectives of the Digital Strategy. This is now complemented by the Digital Roadmap for delivery which covers Local, Regional, and National IT areas for delivery.



We evidenced that the organisational Visions and Objectives are incorporated into ongoing monitoring and review to assess if the Vision and Objectives are being achieved. The organisations Vision and Objectives are clearly communicated through cascade briefings from key leadership events and strategic leadership forums.

## Audit Scope

We assessed the adequacy and effectiveness of the Strategic Approach to IT, considering factors such as alignment with organisational goals and objectives, compliance with regulations, risk management practices, and achievement of value for money.

We assessed if strategies are developed and implemented to align IT initiatives with the overall business strategy.

Detailed testing was undertaken to provide assurance of the effectiveness of the Forces Strategic Approach to IT.

## Other Relevant Information

Although there is no specific Vision and Objectives for the IT Directorate, the organisations' Vision and Objectives are embedded within IT. The reasoning behind this is to work as a business partner rather than a separate entity. The organisation understands that IT underpins everything they aim to achieve.

## Audit Findings & Management Action Plan

Finding 1: Lack of links to Strategic Objectives within projects and programmes.	Action			
<p>Although there are Force-wide communications regarding changes, which include contributions required from the deliverables, there is no mention of Strategic Objectives.</p> <p>We evidenced a Project Mandate, Business Case, Business Analysis work packages document, and a Project Closure report, and although the Business Case mentions joined up systems (collaboration) there are no links to Strategic Objectives within the report.</p> <p>However, we were provided with a Corporate Strategy overview document that explained the IT Directorates work to achieve outstanding alignment to the Corporate Strategy 2022 - 2025.</p> <p>Within the other documents we reviewed, there is no mention of strategic links or actions. Deliverables, milestones, benefits, and lessons learned could all be linked to the Corporate Strategy.</p> <p>Within the Avon and Somerset Corporate Strategy 2022-25, there are six Digital Principles, if these are the focus of the Strategic Approach to IT, there needs to be links to these principles within IT documentation, such as programme and project plans.</p> <p>There is a risk that without consideration of the Corporate Strategy and defining project and programmes requirements to align to these, they may not achieve the Forces Strategic Objectives.</p>	<p>Management will ensure that clarity is provided around which part of the Corporate Strategy IT projects need to relate to. If it is the Digital Principles, the Director of the Chief of Staff, as the owners of the project management templates, should ensure there are clear links to the Principles throughout project management documentation to direct and focus project requirements.</p> <p>New initiatives, such as the Strategic Imperatives, need to clearly outline how they should be linked to IT.</p> <p>Management will ensure that once the documentation is updated, project and programme documentation will show how project objectives link to the Corporate Strategy.</p>			
	Priority	2	SWAP Reference	AP#4154
	Responsible Officer		Director of the Chief of Staff	
	Timescale		30 <sup>th</sup> June 2024	

## Finding 2: Lack of an Accountability and Delegation Framework.

We were unable to evidence the IT Directorate Accountability and Delegation Frameworks.

We noted that the process is currently more custom practice than a documented process.

We were informed that there are many across the Directorates of the organisation, however, they were not readily available. These need to be easy and readily available for all staff to access.

There is a risk that without a documented IT Directorate Accountability and Delegation Framework, IT project and programme processes could not be followed leading to projects and programmes being delayed.

Creation of a RACI for the IT Directorate would give clear accountability and delegation within the Directorate, ensuring that in the event of an absence within the Projects and Programme teams, they have clear instruction and direction.

## Action

The Director of IT should use roles and responsibilities, such as a RACI, to document an Accountability and Delegation Framework. This should be role specific so that if there is a change of personnel it is still relevant.

Management will ensure that an Accountability and Delegation Framework is documented and made available for all staff.

Priority	3	SWAP Reference	AP#4176
Responsible Officer	Director of IT		
Timescale	30 <sup>th</sup> June 2024		



### Audit Objective

To provide assurance that the Force is providing victims of crime with appropriate support to help them cope, recover and be protected from re-victimisation.

### Executive Summary

	Assurance Opinion	Management Actions	Organisational Risk Assessment	Medium
	Reasonable (Low) - There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	<b>Priority 1</b>	0	Our audit work includes areas that we consider have a medium organisational risk and potential impact.  The key audit conclusions and resulting outcomes warrant further discussion and attention at senior management level.
		<b>Priority 2</b>	3	
		<b>Priority 3</b>	2	
		<b>Total</b>	5	

### Key Conclusions

	OPCC performance management of the Lighthouse Safeguarding Unit (LSU) is conducted on an ad hoc basis, although Ministry of Justice (MoJ) data is regularly provided. Formalisation of OPCC key performance indicators and regular dialogue would be of benefit. Force Bluestone/Soteria learning could also be shared.
	Five actions agreed during our 2021/22 review have not yet been implemented. This was due to resource limitations in the LSU and national programme dependencies. Priority two actions included developing a performance monitoring framework and the inclusion of data regarding repeat victims of crimes.
	Forward proactive work is being completed by the Force to anticipate and respond to guidance regarding future Victim Code of Practice (VCoP) scrutiny and performance monitoring. Further work regarding data collection/interpretation, and the governance framework required by the OPCC, will need to be addressed.
	Improvements to working practices in the LSU have advanced in relation to standardising working practices and strengthening responses to demand spikes across hubs. In addition, digital initiatives have delivered enhancements and efficiencies; work in this area is ongoing and with reference to national programmes.
	We were satisfied with the Force and OPCC's strategic aims and objectives in relation to Victim Support Services and the governance and scrutiny in place in relation to the OPCC's external service providers. Operation Bluestone/Soteria programmes and national operating model plans were also well managed.

### Audit Scope

- The Force's strategic aims and objectives in relation to supporting victims of crime and mechanisms to monitor the achievement of these (including ICT programmes).
- The operational delivery of support to victims of crime and improvements planned/in progress in relation to growth within the Lighthouse Safeguarding Unit (LSU).
- Internal mechanisms and dip sampling in place to provide assurance regarding compliance with the Code of Practice for Victims of Crime (timeliness of action taken; victim engagement; repeat victims; and how the Force/OPCC assess quality of service and outcome satisfaction).
- An evaluation of learning from ASC Operation Soteria and Operation Bluestone Pillars 3 and 6.
- The governance, oversight, and scrutiny arrangements in place for victim support.
- Follow-up of actions agreed during our 2021/22 Victim Support Services review.

### Other Key Points

We discussed LSU growth, confirming that there had been an uplift in roles within the safeguarding environment (Force Uplift officers). Although this will ultimately have a positive impact on releasing time from Victim and Witness Care Officer roles, this had not yet been fully realised due to recruitment, ongoing training of new officers and handover delays. Demand and inflationary pressures have increased, however, redirection of rape and serious sexual offences (RASSO) victims to the Bluestone RASSO Unit will also have had an impact (although post charge activity is still dependent upon the LSU). The LSU are balancing core duties with the requirement to resource improvements and increase performance monitoring. The Unit has, however, worked with ICT to deliver digital advances and efficiencies and the move to a two Hub model has also helped to manage demand spikes and standardisation of approach.

## Audit Findings & Management Action Plan - April 2024

Finding 1. 2021/22 Review Action Follow-Up	Action			
<p>We noted the following regarding the six agreed actions from our 2021/22 review:</p> <ol style="list-style-type: none"><li>Interim review of Victim Services Strategy (2020-25): <b>Incomplete due to integration of victim centred approach into all force service strategies. Request to close.</b></li><li>Update to internal working practices, aligning with national guidance: <b>Complete.</b></li><li>Development of performance monitoring framework to summarise Qlik data: <b>Outstanding but resource now in place to produce LSU specific dashboard to feed into wider Victims Code of Practice (VCoP) compliance framework monitoring.</b></li><li>Victim engagement platform feasibility appraisal: <b>Ongoing and part of IT element of Force Change programme, also reliant upon national progress in this area.</b></li><li>Reporting and analysis of repeat victims of crime: <b>Outstanding but will be completed as part of the performance monitoring framework action.</b></li><li>Survey extension to a wider spectrum of victims: <b>In progress – task and finish group reviewing best practice and plan is to launch online victim survey. Feedback will be integrated with outcomes from other feedback mechanisms (e.g., complaints).</b></li></ol> <p>We concluded that although 5/6 actions were not complete, progress was being made and had been dependent on resourcing and national programmes of work. A considered approach to repeat/persistently targeted victims should be prioritised, however, in order to maximise the potential of data analytics to inform contact with victims.</p>	<p>The Head of Victim Care &amp; Safeguarding has agreed to:</p> <ul style="list-style-type: none"><li>address the remaining actions from the 2021/22 SWAP review, particularly regarding performance management; and</li><li>and improve the identification and analysis of repeat/persistently targeted victims of crime.</li></ul>			
	Priority	2	SWAP Reference	AP#4151
	Responsible Officer		Head of Victim Care & Safeguarding	
	Timescale		30 September 2024	
Finding 2. Victim Code of Practice (VCoP) Compliance	Action			
<p>We concluded that sufficient work was being completed in anticipation of the Ministry of Justice (MoJ) Victim Code of Practice (VCoP) compliance metrics, but the Force may wish to consider the feedback we have provided in relation to next steps taken. Specifically in relation to:</p> <ul style="list-style-type: none"><li>Ensuring all aspects of the VCoP have been captured, considered and correctly and fully interpreted;</li><li>Ensuring those rights allocated to other agencies have been correctly interpreted and are not also pertinent to the Force;</li><li>Confirming if data capture is in place for all ‘events’ required to be reported on and functionality in Niche has been maximised; and</li><li>Liaising with the Crown Prosecution Service (CPS) to ensure Witness Management System (WMS) data is as accessible and accurate as possible.</li></ul>	<p>The Performance &amp; Assurance Lead (P&amp;A Department) has agreed to consider the feedback provided during the review to inform future development of Victim Code of Practice compliance metrics.</p>			
	Priority	3	SWAP Reference	AP#4145

## ASP Victim Support Services – Findings & Action Plan



A significant proportion of the Lighthouse Safeguarding Unit (LSU) work relates to post charge support. The data relating to this exists in WMS and is not in any way accessible for performance/demand management purposes.

The Force plans to review 20 Niche reports per month to meet MoJ requirements of 120 for every six month period. The Team estimates that it will take c.33hrs per month to complete.

<b>Responsible Officer</b>	Performance & Assurance (P&A) Lead (P&A Department)
<b>Timescale</b>	30 September 2024

### Finding 3. Operation Bluestone Soteria Progress & Governance

The Project Plan and National Operating Model (NOM) were reviewed as evidence of the Force embedding lessons learnt from Operation Bluestone regarding victim engagement, particularly for Pillar 3 (Victim Engagement Utilising a Procedural Justice Approach).

The implementation of the Rape and Serious Sexual Offence (RASSO) Unit has been the cornerstone of improvements, with Engagement Officers acting as continuous single points of contact for RASSO victims, from first report of the crime through to court proceedings. The Unit now works directly with Independent Sexual Violence Advisors (ISVAs) and will be co-located in order to further improve coordination.

Progress with Pillar 6 is less advanced due to its later initiation and resourcing challenges; however, work has been completed testing new analytical software (Soze: Advanced Digital Investigation Platform) to support frontline analysis of digital forensic data. This software may not be the final agreed solution and is subject to corporate approval and further testing/market appraisal. Sufficient consideration has been given to the appropriate resourcing for the pillar lead role to advance progress in this area through to project conclusion.

Recent progress has also been made in relation to working with local victim support providers and the Crown Prosecution Service (CPS) to review 'no further action' (NFA) RASSO/Domestic Abuse/Stalking cases via the NFA Scrutiny Panel to promptly feedback back lessons learnt to investigators. A formal governance framework for summarising and reporting outcomes from this panel has yet to be agreed, however, the Joint Operational Improvement Meetings (JOIMs) may offer the appropriate arena for this to be addressed.

Action			
The Senior Responsible Officer (Project Bluestone) has agreed to confirm with stakeholders the appropriate governance route for outcomes from 'no further action' (NFA) case reviews conducted at NFA Scrutiny Panels (for RASSO/Domestic Abuse/Stalking cases).			
<b>Priority</b>	<b>3</b>	<b>SWAP Reference</b>	AP#4147
<b>Responsible Officer</b>	Senior Responsible Officer (Project Bluestone)		
<b>Timescale</b>	31 May 2024		

<b>Finding 4. RASSO Unit Integration &amp; Outcomes</b>	<b>Action</b>			
<p>The Force has made significant progress in improving engagement with rape and serious sexual offence (RASSO) victims and this extensive learning could be more formally shared with other stakeholders, e.g., the Lighthouse Safeguarding Unit (LSU)/other crime areas etc, to inform working practices via lessons learnt and agreed best practice.</p> <p>Consideration could also be given to discussing and formalising how the Engagement Officer (RASSO) and Victim &amp; Witness Care Officer (LSU) relationship works in the post charge arena. This will help to improve integration and avoid duplication or omission in required activity.</p>	<p>The Senior Responsible Officer (Project Bluestone) has agreed to consider how the Unit/Project's lessons learnt can be shared Force-wide (particularly with the LSU) and to engage in formalising arrangements for post charge cross-team working.</p>			
	<b>Priority</b>	2	<b>SWAP Reference</b>	AP#4148
	<b>Responsible Officer</b>		Senior Responsible Officer (Project Bluestone)	
	<b>Timescale</b>		30 June 2024	

<b>Finding 5. LSU Performance Management</b>	<b>Action</b>			
<p>From our review of the most recent mid-year return (01/04/23-30/09/24) to the Ministry of Justice (MoJ) (and associated contract management documents) we were satisfied with ongoing OPCC performance monitoring of external victim support service providers.</p> <p>In relation to ‘internal’ arrangements with the LSU, standard ‘part two’ documents are not fully completed (no narrative or six-monthly meeting) due to the nature of the arrangement with the Force but that <i>“there is separate oversight via other BAU methods within ASC.”</i></p> <p>We also noted during our current and previous 2021/22 review, that LSU scrutiny and discussions were ad hoc and often requested for specific reasons (e.g., Spotlight reports/recommissioning bid etc) but not on a regular basis as part of performance management.</p> <p>An agreed action in our last report was to <i>“develop a performance monitoring framework that summarises QlikSense information for key performance areas and victim experience. A suitable audience/committee should be determined for regular review and challenge (to include reporting of repeat victims of crime).</i> This has not yet been implemented.</p> <p>The OPCC may wish to consider formalising six-monthly performance monitoring meetings to facilitate regular discussion, challenge, and support. Increased scrutiny regarding VCoP compliance can also be included in this arena and appropriate key performance indicators agreed.</p>	<p>The Director of Policy &amp; Partnerships has agreed to formalise regular performance monitoring meetings with the Lighthouse &amp; Safeguarding Unit (LSU) and engage in defining appropriate key performance indicators for discussion.</p>			
	<b>Priority</b>	2	<b>SWAP Reference</b>	AP#4149
	<b>Responsible Officer</b>		Director of Policy & Partnerships	
	<b>Timescale</b>		30 June 2024	

## Audit Objective

To provide assurance over the effectiveness of project management arrangements in place to ensure the Force's new ERP system (Oracle Fusion) is delivered on time and on budget.

## Executive Summary



### Assurance Opinion

The review highlighted a generally sound system of governance, risk management and control in place. We identified some issues, non-compliance or scope for improvement which may put at risk the achievement of objectives in the area audited.

### Management Actions

Priority 1	0
Priority 2	0
Priority 3	0
<b>Total</b>	<b>0</b>

### Organisational Risk Assessment

**Medium**

Our audit work includes areas that we consider have a medium organisational risk and potential impact. The key audit conclusions and resulting outcomes warrant further discussion and attention at senior management level.

## Key Conclusions



The ERP programme was initially budgeted to cost £16.1m. This encompasses both revenue and capital costs up until 2029 which include (but are not limited to) the procurement of the system (Oracle), instruction of a contractor (Namos) to help build and implement the system, salary and expense costs for other required resources as well as archiving and support costs for legacy systems. Since the approval of the original business case in 2022, several change requests have been made, adding additional test environments, modules and resources which were built into the original budget by way of contingency. The system's go-live date was postponed from March 2024 to October 2024 due to capacity issues within the programme team and an ambitious delivery plan. This delay is predicted to cost between £2.1m - £3.9m, contingent upon commercial and resource costs that are not yet fully known. In January 2024, the programme was replanned to ensure all tasks could be completed by October 2024. The total cost of the programme is currently forecasted at £18.3m (£2.2m over budget), however, this includes estimated costs in 2024/25 that may change. The programme's budget is regularly monitored and reported to the programme's stakeholders as part of the programme's governance arrangements, which includes frequent reporting to the Chief Finance Officers for the Force and OPCC.



Governance and reporting arrangements are in place to keep all stakeholders informed about progress, risks and issues related to the programme. Minutes and other documentation were provided to support a sample of these measures. A review of the project plan, which outlines all tasks, timescales, and resources necessary for the programme's delivery, was conducted. We identified gaps, inaccuracies, and omissions within the plan. Additionally, there are overdue tasks which could impact the project's delivery timeline. The plan has since been updated and therefore, no action raised.



Once the system goes live in October 2024, the programme will enter a three-month post implementation period known as the 'hypercare' phase. During this phase, support will be provided for each module by the programme team. Specific details of the phase are still under development and have not been finalised. As this development is planned, no action has been raised. However, it is essential that this phase includes a comprehensive review of lessons learned, and stakeholder feedback which will play a crucial role in informing and improving future projects.

## Audit Scope

The audit considered the following areas:

- The project plan, objectives, scope and other relevant documentation for the programme.
- Management of resources and competencies within the project team to deliver the programme on time and budget.
- Governance, monitoring and communication arrangements in place to ensure stakeholders are regularly informed of progress, issues and changes.
- Risk and quality management arrangements in place for the programme.
- The accuracy of budget and cost management processes.
- The project schedule and adherence to timelines.
- Post implementation plans (e.g., lessons learnt, customer/client feedback etc.).

## Conclusion

The Force has a plan and sound governance and reporting arrangements in place to be able to deliver the ERP programme by its scheduled go live date of October 2024. The budget forecast for the programme is currently £2.2m over what was originally planned in 2022/23. However, this includes estimated costs in 2024/25 that could change. According to a report written by Deloitte's in October 2022, the implementation of Oracle should deliver the Force savings ranging between £391k-£767k per annum through more efficient processes and automation. In addition, Oracle (excluding support costs) is estimated to be nearly £1m cheaper to run per year than the current system (SAP).

Unrestricted

Full details of our audit testing are available upon request. Our audit assurance framework and definitions can be found here ([www.swapaudit.co.uk/audit-framework-and-definitions](http://www.swapaudit.co.uk/audit-framework-and-definitions)).

## 1.1 Finding: - ERP programme project plan.

The ERP programme's project plan (the Plan) contains all the tasks required to complete the programme. It should also contain the timescales for completion of each task as well as the resources assigned to deliver the task. A copy of the Plan was provided and reviewed. The findings have been summarised below:

- As of the 30th of April 2024, there were a total of 1195 tasks captured within the Plan. 280 (23%) tasks have been completed, 429 (36%) tasks were overdue, and 486 (41%) tasks were not yet due.
- Of the 429 overdue tasks, 39 (9%) were overdue for three or more months. The earliest overdue task dated to December 2023.
- Of the 429 tasks that were overdue, no resources had been allocated to 123 (29%) of these. 12/123 tasks with no allocated resource were overdue by three or more months.

The above was discussed with the Senior Project Officer who explained, in terms of overdue tasks, the majority of these are due to issues with other systems that need to be integrated with Oracle. For example, delays in receiving information from system providers. They also believe that some of the stated dates may not be accurate in the Plan. With regard to resourcing, they accept that some resources are still to be confirmed. However, there are also tasks in the Plan that do have resource allocated to them but have not been detailed. This is evidenced by the fact that some tasks with no resource have been progressed. For instance, of the 123 tasks with no allocated resource, 34 (27%) have been progressed according to the Plan. Therefore, resource has been allocated but the Plan has not been updated by the programme team.

Following our review in April 2024, the Plan was updated to address the gaps, inaccuracies and omissions noted and therefore, no action has been raised around these. Some tasks are still overdue for the reasons mentioned above, which may affect the program's delivery. However, we were satisfied with the governance arrangements in place to keep stakeholders informed of delivery and to discuss delays. Therefore, no formal action has been raised surrounding overdue tasks. The findings are noted for management information only.