2025/2026

PCC FOR AVON & SOMERSET

STATEMENT OF ACCOUNTS

POLICE AND CRIME COMMISSIONER FOR AVON AND SOMERSET

Police & Crime Commissioner for Avon & Somerset
Officers of the Police & Crime Commissioner

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

Clare Moody	Police & Crime Commissioner for Avon & Somerset Constabulary Phone 01278 646188
Kevin Slocombe	Deputy Police & Crime Commissioner for Avon & Somerset Constabulary from 23/07/2025 Phone 01278 646188
Alice Ripley	Chief of Staff and Monitoring Officer to the Police & Crime Commissioner for Avon & Somerset to 31/07/2025
Sally Fox	Deputy Monitoring Officer to the Police & Crime Commissioner for Avon & Somerset from 01/04/2025 to 14/09/2025 Monitoring Officer to the Police & Crime Commissioner from 15/09/2025 to 01/03/2026 Phone 01278 646188
Andy Champness	Temporary Chief of Staff and Monitoring Officer to the Police & Crime Commissioner for Avon & Somerset from 23/07/2025 to 15/09/2025
Karl Parfitt	Chief Executive and Monitoring Officer to the Police & Crime Commissioner for Avon & Somerset from 02/03/2026 Phone 01278 646188
Paul Butler	Chief Finance Officer to Police & Crime Commissioner for Avon & Somerset Phone 01278 646188

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

Police & Crime Commissioner for Avon & Somerset

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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 2025/26. 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 2026** - 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 2025 the PCC approved a 2025/2026 net revenue budget of £411.2m, an increase of £20.1m (5.1%) on the previous year. This budget was funded through a combination of Government grants (£231.6m/56.3%) and local council tax (£179.6m/43.7%). In total £405.9m was provided to the Chief Constable in order to support the provision of policing services to the communities of Avon & Somerset, an increase of £19.6m (5.1%).

In order to manage ongoing inflationary and other cost pressures the Constabulary needed to identify and deliver additional savings of £6.4m, which when combined with the increase in funding enabled us to deliver a balanced budget. This took cumulative savings since 2010/2011 to £110m.

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.

The underlying revenue performance against budget delivered a small overspend of £0.3m (0.1%) after adjusting for necessary increases in our insurance provision. This small deficit has been offset by an appropriate transfer from reserves to achieve a breakeven position.

Revenue performance was 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 included:

- **Officer pay and allowances** – has overspent by £0.8m/0.4% against budget. This reflects the pay award agreed at 4.2% with effect from September 2024, which created a cost pressure greater than the 2.8% increase we had originally budgeted for. The pressure created by the pay award was recognised by the Government who provided additional grant funding (see income below) to compensate.

- **Officer overtime** – has overspent by £0.9m/10.8% against budget. The overspend was primarily driven by operational demands, including abstractions related to student officers, managing the operational pressures of demand across the summer months, the requirement to provide resilience for local and national operations and events, including mutual aid deployments for high-profile operations. A proportion of this overtime overspend is offset by income, for example mutual aid requirements, policing of football and the Glastonbury Festival.

- **Staff pay and allowances** – has overspent by £1.0m/0.9% against budget. In common with officer pay the reason for this overspend was the 4.2% pay award which mirrored that agreed for police officers. We estimate that this added £0.9m to our costs above the 2.8% originally budgeted for and therefore, were it not for this, we would have largely been on budget for the year. The overspend is offset by the additional grant funding provided by the Government (see income below).

- **Staff overtime** – has overspent by £0.2m/8.9% against budget. The staff overtime is driven predominantly by the underlying vacancies.

- **Pensions** – has overspent by £1.0m/11.5% against budget. This overspend includes some pension strain cost resulting from redundancies, as well as higher than budgeted costs for ill-health retirements during the year.

- **Premises** – has underspent by £0.7m/4.3%, which reflects underspends on both energy costs and on business rates following successful appeals for two properties.

- **Transport** – has overspent by £0.1m/0.8%, which is predominantly a reflection of inflationary increases and pressures on the repairs and maintenance costs of our fleet of vehicles, as well as some travel costs for our student officers attending their studies.

- **Supplies and services** – have overspent by £1.2m/8.4%, reflecting overspends on kennelling costs associated with the seizure of dangerous dogs, legal fees for external counsel and estates costs for professional services and cleaning costs. These have been partially offset by an underspend against the force wide equipment budget.

- **Partnerships** – have underspent by £0.1m/0.3%, which is largely reflective of vacancies within our Major Crime Investigation Team and our shared specialist training function, offset by overspends in relation to mutual aid support provided from other forces for the policing of protests locally, and an overspend in forensics following pro-active work to reduce historic backlogs in digital evidence processing.

- **Income** – the force has received £5.7m/9.9% more in income than was budgeted for. This includes additional specific purpose grant funding in support of the officer and staff pay awards (£2.7m), grant funding for temporary over-achievement of officer uplift (£0.5m), additional income for policing at Hinkley Point and income within Criminal Justice on Safeguarding and VIPER (£0.7m). We also over-achieved our income budget for operational mutual aid and special services income (£0.6m), offsetting overtime pressures as above and over-achieved against our investment income by £1.0m, reflecting the strong returns seen throughout the year.

A full account of the financial performance for 2025/2026 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 2026, covers the five-year period from 2026/2027 through until 2030/2031. The below provides the headlines from this forecast, however, we recognise the current economic and funding environment will continue to present challenges and we will continue to proactively monitor and adjust our forecasts as necessary.

4.1 Revenue Budget

In common with policing nationally, our current revenue forecasts show that 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.

Police & Crime Commissioner for Avon & Somerset

	Current	MTFP Forecast				
	25/26 £'000	**26/27 £'000**	**27/28 £'000**	**28/29 £'000**	**29/30 £'000**	**30/31 £'000**
Budget requirement	*425,864*	459,067	477,869	494,615	508,001	522,988
Less; Total funding	*-425,864*	-454,734	-470,858	-486,251	-498,636	-511,223
(Surplus)/Deficit before savings		**4,333**	**7,011**	**8,364**	**9,365**	**11,765**
Less; Planned new savings		-4,333	-7,011	-8,364	-8,364	-8,364
(Surplus)/Deficit after savings		-	-	-	**1,001**	**3,401**

NB – the way in which funding has been accounted for changed from 2026/27 in line with national recommendations. This means that the 25/26 budget figure above (£425.9m) is different to that against which financial performance is reported above. The difference is accounted for through the change in accounting approach for specific revenue grant funding.

The key assumptions that underpin this forecast position are:

- Our funding is forecast to grow by £85.4m/20.0% p.a. by 2030/2031, driven by cumulative increases to both the core grant funding (+£36.9m/17.0%) and to council tax funding (+£48.5m/27.0%) over this period.

- Our budget requirement is forecast to increase by £97.1m/22.8% p.a. by 2030/2031, driven by many factors, including
  - Inflationary adjustments to officer and staff pay incorporating the full year of the 4.2% pay award, and then 3.0% in 2026/27, 2027/28, 2028/29 and 2.5% in each year thereafter, increasing costs by £55.4m p.a. by 2030/2031.
  - Adjustments to the average cost of an officer and staff which reflects the gradual maturing of our workforce profile and the incremental pay progression that is associated with this, resulting in an increase of £3.8m p.a. by 2030/2031.
  - Increases to police officer costs of £3.3m p.a. by 2030/31 which reflects the recurring growth delivered in 2025/26 through the neighbourhood policing grant, and the assumption we will permanently retain the additional uplift officers recruited to help ensure that national uplift plans are realised.
  - Inflationary increases to general and specific (e.g. fuel, utilities, etc) non-pay costs are assumed to add £12.2m p.a. by 2030/2031.
  - Increases to our share in the cost of partnerships, reflecting the impact of the same assumptions made around pay and inflation as against our own budgets, as well as increase to the employer national insurance – an increase of £4.0m p.a. by 2030/2031.
  - Reductions to the ring-fenced grant funding by £1.1m, which reflects the expectation that the additional uplift maintenance grant will continue, but at a reduced value of £2.4m, as well as the loss of funding to support additional costs of the XL bully dog ban.
  - Reductions to income budgets, reflecting inflationary increases and forecast decreases in return on investments – by £1.4m in 2026/2027 and a reduction of £1.6m p.a. by 2030/2031.
  - Adjustments to budgets recognising a reduction of £1.8m p.a. from 2026/2027, reflecting the changes against our previous plans, including elements of inflationary provision set aside in 2025/2026 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 £4.3m p.a. from 2026/2027, rising to £8.4m by 2030/2031.

The implementation of our replacement ERP system has been delayed until later in 2026/2027 and will have a financial impact which is being reflected within our Medium Term Financial Plan.

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. The MTFP process also has independent scrutiny from the Police & Crime Panel as part of the statutory role they play in reviewing the PCC's precept proposal every year.

4.2 Treasury Management

In the financial year 2025/2026 the PCC complied in full with the CIPFA prudential code of practice and CIPFA Treasury Management code of practice and operated within all agreed prudential indicators set out in the published Treasury Management Strategy Statement.

The PCC continued to adopt a passive borrowing strategy and will only take new borrowing if absolutely required to manage risk, support capital programmes and manage cash holdings. No additional long-term borrowing was taken in 2025/26, as a result long-term borrowing was £40m after scheduled repayments. In addition to new debt funding, the PCC utilises direct revenue funding, capital reserves, receipts from the sale of assets and other government grants in order to fund capital programmes which must all have approved business cases.

Cash balances reduced during the year due to the timing of cashflows but cash remains sufficient to underwrite the reserve levels required by the PCC for risk and capital funding and manage working capital movements. Deposit return rates were weaker in 2025/26 with yield decreasing to £3.61m from £4.46m for the previous year. With the cash holdings, the PCC has retained the approved counterparties that may be used to spread risk and maximise returns whilst always adhering to the agreed counterparty ratings limits and prudential indicators set out in the published treasury management strategy.

4.3 Policing Precept

In December 2025, the policing minister confirmed that PCCs would have the flexibility to raise the policing precept by up to £15 p.a. for an average band D property in setting the 2026/2027 budget. This flexibility reflected the ongoing expectation that policing would need to meet a significant proportion of their inflationary pressures through the precept, with the police grant not being maintained at a proportionate level. In accordance with this announcement and after engagement with the public, the PCC chose to recommend an increase of the maximum amount, equivalent to 5.1%. Following review, the Police and Crime Panel endorsed this proposal, enabling the PCC to confirm approval of this increase and the underlying budget.

4.4 Capital and Projects

During the year capital and projects spend amounted to £21.4m. The following table shows how the money was spent:

Capital & Projects Expenditure	£'000
Asset Replacement & Renewal	8,767
Digital Projects	398
Estate Projects	5,302
Funded	1,330
Capital Total	**15,797**
Revenue Projects	5,643
Capital and projects Total	**21,440**

The MTFP includes a capital and projects programme of £124.8m over the next five years, with identified funding at the time this programme was presented of £120.8m, resulting in a funding deficit of £4m.

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 includes £10.7m for the replacement of 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 £13.2m on ICT projects, including the roll out of new digital communications devices to replace our legacy airwave radio systems as well as several smaller projects.

Forecast spend on our estate of £25.9m includes some ongoing capital replacement and repairs work, a number of projects including plans in Yeovil, Bath, Radstock, and Central Bristol (Trinity Road) as well as force-wide projects to introduce electric vehicle charging capabilities across our estate.

We will continue to review options for how we can close the deficit in our funding, which includes 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 – a cost that all of policing is going to need to be able to fund.

4.5 Approach to Future Challenges and Funding

The Funding Settlement confirmed at the start of 2026 set out the government's approach to police funding. The Government confirmed its commitment to strengthening Neighbourhood Policing whilst removing the requirement to adhere to total officer number expectations previously mandated. The MTFP does not currently consider potential implications arising from the announced abolition of PCCs, nor the ongoing work around future police reform, as there is insufficient certainty to incorporate this at this stage. However, even setting this aside, we do not have any certainty from the Spending Review or budget to inform longer term planning. We have therefore maintained our approach to budgeting and financial planning and reflected national planning assumptions within our modelling. The proportion of our funding that comes from the council tax precept continues its relentless increase and we acknowledge the cumulative cost to our residents' household budgets.

The 2026/27 settlement provided a £9.1m (3.5%) increase in grant funding which was less than the full cost of the 4.2% pay award implemented in September 2025. Consequently the PCC was effectively constrained to implement the full flexibility in Precept increase to provide for future pay awards and other inflationary pressures. Nevertheless, our plans recognise the ongoing need to identify and deliver further savings and efficiencies, both to balance budgets and to provide for necessary investment.

Avon and Somerset continues to maintain that the force is comparatively underfunded when compared to the national average, and more so when measured against forces with major cities within their geography. The funding formula has long been recognised as needing significant review, however, we accept that this is unlikely to happen outside of the wider police reform timetable and therefore any change is not assumed within our MTFP. The challenges facing policing and Avon & Somerset are added to by the ongoing expansion of government expectation and legislative changes which add to police demand without associated funding, whether this relates to systemic changes, such as the Sentencing Act, or demand created around dangerous dogs.

Inevitably, there will be ongoing cost pressures across the MTFP, particularly in key areas such as I.T., estates and fleet, as well as in capital budgets with the need to introduce an electric vehicle charging infrastructure and a new Emergency Services Network secure communication system. Nevertheless, 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 we will maintain our policy of delivering long-term sustainable budgeting which underpins this development.

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

5 Commissioning

Over £10.9 million was invested by the PCC in 2025/26, alongside significant contributions from partners, to deliver the Police and Crime Plan for Avon and Somerset. This funding has supported a broad range of commissioned services and grant-funded activity, alongside continued success in securing additional national funding to strengthen local provision and respond to emerging need. Overall investment has enabled the OPCC to expand support for victims, strengthen prevention activity, and enhance partnership approaches to tackling crime and harm.

Overall, commissioning in 2025–26 has focused on delivering sustainable, partnership-driven services that provide early intervention, protect the most vulnerable, and improve outcomes for victims. Continued investment, combined with external funding and strong collaboration with local and national partners, has enabled the OPCC to respond to increasing demand while maintaining a clear focus on prevention, recovery and long-term impact.

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 2025/2026 we have identified and delivered £1.4m of in-year savings (£3.4m across full contract term), of which £0.9m is cashable and £0.5m non-cashable, through procurement and ongoing contract management activity. 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 £3.1bn. This is reduced when the pension scheme assets of £0.6bn are considered. The net liability of £2.5bn 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.

8 Conclusion

The overarching principles of prudent and effective management of the financial affairs of the PCC and Chief Constable have been, and continue to be, applied as part of the strategic management of the organisation. Best practices and CIPFA guidance and codes of practice in financial management, governance, and treasury management are being followed.

The PCC, the Chief Constable, their CFOs and the senior leadership teams 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. Maintaining the most effective balance of these priorities continues to be at the heart of our governance approach, including a focus on ongoing financial stability in planning, rather than focussing on short-term solutions to structural pressures.

To understand the performance from the last year and see the progress made against the Police and Crime Plan people can refer to the Performance Section in the Annual Governance Statement of these Accounts and to the Annual Report 2025/26 which is published on the PCC's website.

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. We recognise both the opportunities and challenges presented from increased resources being invested in neighbourhood policing and from new technologies and systems. We also understand the need to balance other areas of increasing demand, such as fraud, cyber-related crime. It is clear that delivering these ambitions will need to take place within a challenged public spending environment and a significant and ongoing efficiency and savings expectation. Our financial and operational planning is designed to ensure that we continue to deliver this and to do so whilst encouraging broad and effective public engagement, scrutiny and challenge.

Within this context the PCC's Chief Finance Officer within the MTFP process and when considering Going Concern, has considered the authority's financial resilience and the circumstances that may give rise to a report under Section 114 of the Local Government Act 1988. The financial and strategic planning processes, and the position in respect of reserves, liquidity and adequacy of provisions, support the affirmation that no conditions have been identified that would require the issue of a Section 114 notice at the date of approval of these accounts.

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

30th September 2026

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 11 to 28 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 2026 and its income and expenditure for the year ended 31 March 2026.



Clare Moody
Police and Crime Commissioner
30th September 2026



Paul Butler
Chief Finance Officer to PCC
30th September 2026

Independent auditor's report to the Police and Crime Commissioner for Avon and Somerset

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of the Police and Crime Commissioner for Avon and Somerset (the 'Police and Crime Commissioner') and its subsidiary the Chief Constable (the 'group') for the year ended 31 March 2026, which comprise the Group Comprehensive Income and Expenditure Statement, the PCC Comprehensive Income and Expenditure Statement, the Group Movement in Reserves Statements, the PCC Movement in Reserves Statements, the Group Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including material accounting policy information, and include the police pension fund financial statements comprising the Police Officers Pension Fund Account and Pension Fund Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the group and of the Police and Crime Commissioner as at 31 March 2026 and of the group's expenditure and income and the Police and Crime Commissioner's expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2024) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Police and Crime Commissioner and the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Chief Finance Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Police and Crime Commissioner and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Police and Crime Commissioner and the group to cease to continue as a going concern.

In our evaluation of the Chief Finance Officer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 that the Police and Crime Commissioner and group's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Police and Crime Commissioner and the group. In doing so we had regard to the guidance provided in Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2024) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Police and Crime Commissioner and group and the Police and Crime Commissioner and group's disclosures over the going concern period.

In auditing the financial statements, we have concluded that the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Police and Crime Commissioner and the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Chief Finance Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. The Chief Finance Officer is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in November 2024 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit of the financial statements, the other information published together with the financial statements in the Statement of Accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Police and Crime Commissioner under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

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

Responsibilities of the Police and Crime Commissioner and the Chief Finance Officer

As explained more fully in the Statement of Responsibilities, the Police and Crime Commissioner is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Finance Officer. The Chief Finance Officer

is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Police and Crime Commissioner and the group and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks, including CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, Local Audit and Accountability Act 2014, Accounts and Audit Regulations 2015 (as amended), Local Government Act 2003, Police Reform and Social Responsibility Act 2011, Public Service Pensions Act 2013, Police Pension Fund Regulations 2006 and Police Pensions Regulations 2015.
- We enquired of management and the Police and Crime Commissioner concerning the Police and Crime Commissioner and group's policies and procedures relating to:
    - the identification, evaluation and compliance with laws and regulations;
    - the detection and response to the risks of fraud; and
    - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the Police and Crime Commissioner whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the Police and Crime Commissioner and group's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. We determined that the principal fraud risk was in relation to:
    - management override of controls, specifically posting inappropriate or unauthorised journal entries to manipulate the financial results for the year, and the potential for management bias in significant accounting estimates and critical judgements.
- Our audit procedures to address the principal fraud risk included:
    - evaluating the design and implementation of the controls that management has in place over the preparation, posting and authorisation of journal entries, including controls intended to prevent and detect fraud;
    - analysing the complete journal listing and determining criteria for selecting high-risk and unusual journals. We identified and testing unusual journal entries posted during the year and as part of the accounts production process, considering the appropriateness of the accounts used, and inspecting supporting evidence and corroboration; and

- obtaining an understanding of the significant accounting estimates and critical judgements applied by management, challenging the assumptions and judgements made and considering whether there was evidence of management bias or unreasonable estimation.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it or recognise non-compliance.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the group and Police and Crime Commissioner audit team members included consideration of their
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the police sector
  - understanding of the legal and regulatory requirements specific to the Police and Crime Commissioner and group including:
    - the provisions of the applicable legislation
    - guidance issued by CIPFA/LASAAC and SOLACE
    - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - the Police and Crime Commissioner and group's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - the Police and Crime Commissioner and group's control environment, including the policies and procedures implemented by the Police and Crime Commissioner and group to ensure compliance with the requirements of the financial reporting framework.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements – the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Police and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2026.

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

Responsibilities of the Police and Crime Commissioner

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

Auditor's responsibilities for the review of the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

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

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the relevant guidance issued by the Comptroller and Auditor General. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Police and Crime Commissioner plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Police and Crime Commissioner ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Police and Crime Commissioner uses information about its costs and performance to improve the way it manages and delivers its services.

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

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

We cannot formally conclude the audit and issue an audit certificate for Police and Crime Commissioner for Avon and Somerset for the year ended 31 March 2026 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have received confirmation from the National Audit Office that the audit of the Whole of Government Accounts is complete for the year ended 31 March 2026. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2026.

Use of our report

This report is made solely to the Police and Crime Commissioner, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 85 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Police and Crime Commissioner those matters we are required to state to the Police and Crime Commissioner in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Police and Crime Commissioner as a body, for our audit work, for this report, or for the opinions we have formed.

Julie Masci

Julie Masci, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Bristol

30 September 2026

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.

The financial year 2025/26 was the first full year for Police & Crime Commissioner (PCC) Clare Moody. The PCC appointed a Deputy (DPCC), Kevin Slocombe, in July 2025.

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[1].

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.

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 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

[1] www.avonandsomerset-pcc.gov.uk/ reports-publications/policies-procedures/joint-governance-framework/

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 2025/26 financial year covers the period from 1 April 2025 to 31 March 2026 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 Joint Governance Framework is being reviewed by the new Chief Executive.

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.

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.

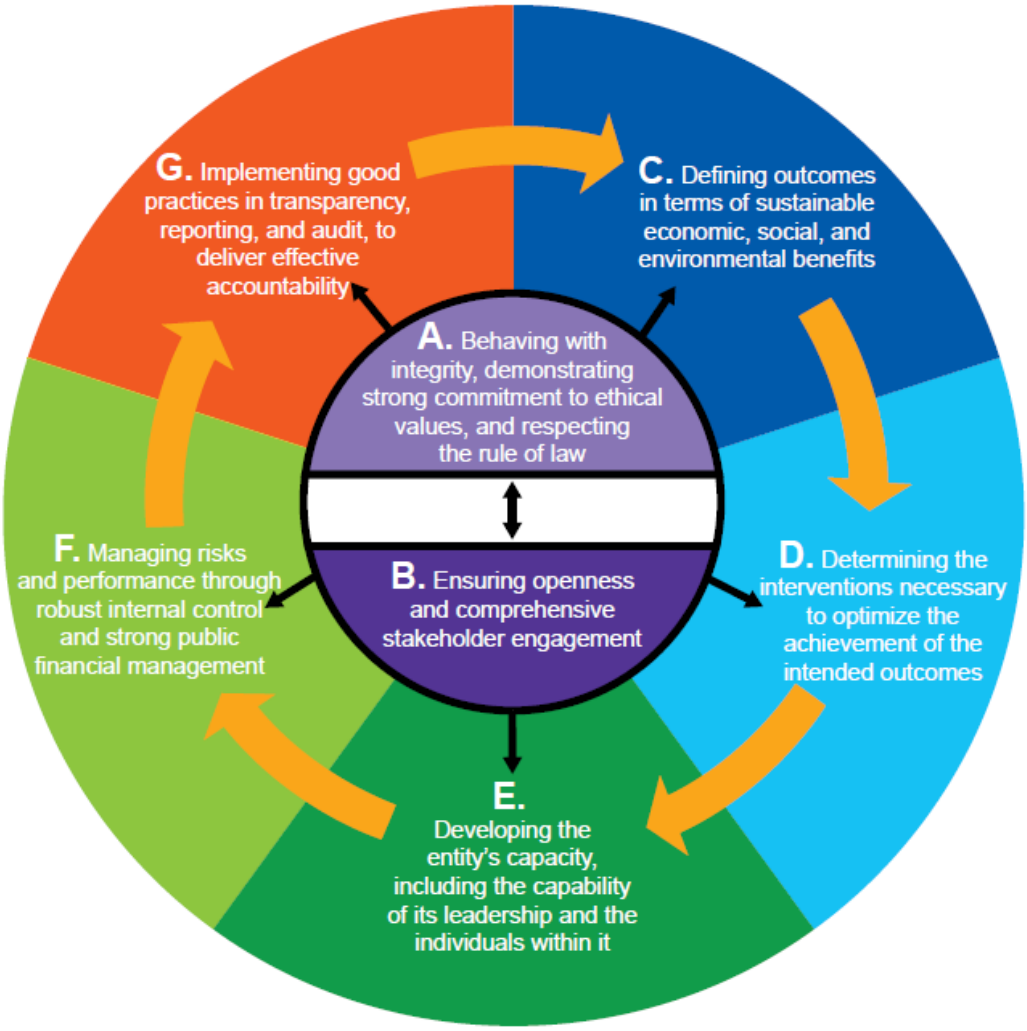


Figure 1 CIPFA principles of good governance

Image sourced from IFAC/CIPFA International Framework: Good Governance in the Public Sector - Executive Summary PDF publication

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 2025/26 the OPCC dealt with 197 complaint reviews of which 8% were upheld. In the last year the average length of time it took for the OPCC to deal with a complaint review was just 4 days; compared to 44 days nationally and 62 days in the most similar group of forces.

Another important system of redress, that the PCC has responsibility for, relates to police officer misconduct. The panels consist of two Independent Panel Members (IPMs), are chaired by a Chief Officer and advised by a Legally Qualified Person (LQP). The OPCC are responsible for maintaining suitably available IPMs and LQP.

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 2025/26 there was one appeal.

2.2 Principle B – ensuring openness and comprehensive stakeholder engagement

Police & Crime Commissioner for Avon & Somerset

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 service for their area. Therefore, the two most important stakeholders are the public and the Constabulary. Since taking office the PCC has ensured a strong focus on engagement with both these groups of stakeholders.

2.1.1 Public

The PCC has external engagement days on Fridays and in addition to this has various ad hoc public engagements. The PCC has held another series of public forums over the last year.

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 the public.

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. Key Performance Indicators (referenced at 2.6.2) based on the local survey are as follows:

- Public confidence
- Public feelings of safety
- Public who have seen a police officer
- Public that feel informed on local policing
- Public who are aware of opportunities to have their say on local policing

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** – 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 2025/26 the panel met quarterly as planned in June, September, December 2025 and March 2026.
- **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 stop and search, use of force including Taser and the use of body worn video. In the financial year 2025/26 the panel met quarterly as planned in June, September, December 2025 and March 2026.
- **Out of Court Resolutions Scrutiny 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 2025/26 the panel met quarterly as planned in June, September, December 2025 and March 2026.

During the last year the OPCC have also supported the Tackling Disproportionality Independent Scrutiny Board[2]. 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

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 meets with other elected officials across Avon and Somerset including Councillors and MPs. The PCC and the DPCC have continued to meet with the Local Authority leaders and CEOs from across Avon and Somerset.

As part of the Friday engagement day the PCC regularly visits other partner agencies and services, from various sectors.

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.

[2] https://www.avonandsomerset-pcc.gov.uk/working-for-you/tackling-racial-disproportionality/

In order to support PCC oversight of existing and potential collaborations the PCCs employ a Regional Collaboration Advisor.

2.2.5 National Representation

The PCC is 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 PCC is the joint lead for two portfolios: Victims and Prevention and Children & Young People. 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 are set out in the Avon & Somerset Police and Crime Plan 2024-29. This was developed with significant consultation as discussed above.

Priority 1 Strengthen neighbourhood policing to provide a visible police presence, engage with communities, and tackle ASB.

Priority 2 Reduce violent crime, with a specific focus on (a) male violence against women and girls and (b) serious youth violence.

Priority 3 Prevent crime by working together with other organisations and the public to build safer communities.

Priority 4 Support victims to ensure they get the help they need when they need it.

Priority 5 Improve standards of policing so that people receive a fair and effective service.

The full plan can be accessed on the website at www.avonandsomerset-pcc.gov.uk.[3]

Outcomes defined in the Police and Crime Plan are:

- Reduce crime and harm
- More confident communities
- Safer places
- Greater satisfaction with the service provided by the police.
- Increased reporting of crimes to the police and increased 'intelligence' received from communities.
- Fewer incidents of ASB.
- Victims of ASB receiving a better service from the police and partners.
- More trust and confidence in the police, especially among women and girls and children.

[3] https://www.avonandsomerset-pcc.gov.uk/wp-content/uploads/2024/12/AS-Police-Crime-Plan-2024-2029-09DEC24-1.pdf

- Reduction in the carrying and use of knives to commit crime.
- Better protection of children and vulnerable adults from criminal exploitation.
- A night-time economy which is safer for people to enjoy.
- A reduction in misogyny within the policing culture.
- Quicker investigations and more positive outcomes for violent crime.
- Increased awareness and reporting of crime, especially hidden crimes.
- Less reoffending.
- Reduction of harm caused to and by users of illegal drugs.
- Improved life chances, especially for children, that make communities safer.
- Fewer traffic collisions – especially those that result in death and serious injury.
- Successful diversion of people away from court
- Reduce disproportionality in the criminal justice system.
- Increased victim satisfaction with the police and criminal justice system.
- More trust and confidence in the police.
- Greater satisfaction with the service provided by the police.
- Improved morale and wellbeing of the police workforce.
- A police service that is equitable for all people.
- An inclusive police workforce that is representative of the communities it serves and where all employees are treated fairly
- Increase positive outcomes from reported crime.

2.4 Principle D – determining the interventions necessary to optimise the achievement of the intended outcomes

About 99% 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. New service contracts commenced on 1 April 2025.

PCC funding has contributed towards a number of OPCC portfolios over 2025/26:

- **Victim Services** – The OPCC has continued to prioritise high-quality, accessible support for victims, supported by Ministry of Justice funding of over £1.9m alongside additional uplift funding for domestic abuse and sexual violence services. From April 2025, new seven-year victim support contracts were implemented, providing greater stability and enabling services to plan for the longer term. Commissioned and grant-funded services include advocacy, emotional and practical support, sexual violence services, restorative justice, and support for victims of exploitation. More than 52,000 victims were supported across commissioned services during the year, with over 40,000 reporting improved ability to cope and recover. The Lighthouse Safeguarding Unit supported over 37,000 victims, continuing to provide a central access point into services. Modern slavery support was delivered by Unseen, which

supported 95 victims during the year. Services for children and young people, including the Young Victims Service, supported more than 580 individuals, ensuring early intervention and tailored support. The Avon and Somerset Victim Service (ASVS) completed its first full year, supporting over 4,400 victims through a coordinated partnership model. Through Ministry of Justice Strategic Commissioning Funding, the OPCC worked with Lighthouse and TONIC to redesign the Lighthouse website, using direct feedback from victims. The new site is clearer, more accessible and easier to navigate, enabling both victims and professionals to better understand and access available support. The fund also enabled the OPCC to lead the development of a non-fatal strangulation awareness campaign and associated professional training, alongside investment in service improvement and innovation. This has contributed to improved understanding of high-risk domestic abuse behaviours and strengthened local pathways and responses.

- **Serious Violence** – The OPCC continued to receive significant Home Office funding to support the Violence Reduction Unit (VRU) and delivery of the Serious Violence Duty, with over £1.8m invested across partnerships, local authorities and the VRP Hub. The Avon and Somerset model remains locally devolved, working through Violence Reduction Partnerships aligned to Community Safety Partnership areas and overseen by a Strategic Governance Group chaired by the PCC. Funding has supported multi-agency interventions, youth engagement, and prevention programmes targeting those most at risk. Additional Home Office investment has supported hotspot and hyperlocal activity, combining visible policing with problem-oriented and community-led interventions to reduce serious violence and anti-social behaviour in priority locations.

- **Perpetrators and Prevention** – The OPCC has continued to invest in services addressing the root causes of offending, including mental health, substance misuse, and reoffending, with over £2.1 million invested across these areas in 2025–26**.** This includes investment in Integrated Non-Custodial Services, mental health triage, and targeted prevention programmes. The DRIVE domestic abuse perpetrator programme remained a key element of this work, supporting more than 200 high-risk perpetrators and strengthening victim safety through coordinated multi-agency responses. Prevention activity has also been supported through the Police and Crime Grant to Community Safety Partnerships **(**£697,000**),** enabling a wide range of local initiatives including early intervention for children and young people, community safety projects, and targeted work on anti-social behaviour and repeat offending. The OPCC has also strengthened its focus on learning and evidence through initiatives such as the “Learning Loop”, helping to better understand the needs of high-risk cohorts and improve commissioning decisions and service pathways.

- **Safer Streets and Community Safety Funding** – Targeted investment has continued through a range of grant programmes and partnership funding, including activity delivered through local authorities and the voluntary sector. This includes nearly £700,000 of Police and Crime Grant funding supporting community safety initiatives, environmental improvements, and education-based prevention activity focused on healthy relationships, harmful behaviour and exploitation.

- **Hotspot Response** – The OPCC was successful in securing over £1.8 million of Home Office Hotspot Response and related funding, including investment in hotspot patrol activity **(**£1.25m**),** problem-oriented policing and hyperlocal interventions **(**£544k**),** and programme management and analytical capability. This funding has supported targeted enforcement and prevention initiatives in areas most affected by crime and disorder.

Overall, commissioning in 2025–26 has focused on delivering sustainable, partnership-driven services that provide early intervention, protect the most vulnerable, and improve outcomes for victims. Continued investment, combined with external funding and strong collaboration with local and national partners, has enabled the OPCC to respond to increasing demand while maintaining a clear focus on prevention, recovery and long-term impact.

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[4].

In February 2022 *Identifying Disproportionality in the Avon and Somerset Criminal Justice System*[5] was published. This report contains recommendations for different agencies across the various workstreams. The Local Criminal Justice Board established a sub-group to oversee this work – the Tackling Disproportionality Steering Committee – which has been chaired by the Chief Constable. The governance of this is currently under review at the time of writing. This programme of work is also overseen by the Tackling Racial Disproportionality Independent Scrutiny Board (ISB) which is supported by the OPCC.

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

In July 2025 the PCC appointed a DPCC to support her in her role, to provide public affairs advice and to build on important regional and national partner relationships, to deliver the Police and Crime Plan.

The last year has been challenging in relation to the role of Chief Executive (CEx) (formerly Chief of Staff) of the OPCC. The former CEx was on long-term sick leave for the first half of the year and then left their role. The new CEx did not start until March 2026. During this time there was some consultant support provided and a temporary CEx for a few months; the Monitoring Officer role was discharged by the Director of Performance & Accountability during this time. This has limited the capacity and leadership of the OPCC for a year.

The focus of the last year has been on staff performance, work life balance and wellbeing. The OPCC Wellbeing strategy was updated in June 2025, and a number of initiatives were introduced to enhance the wellbeing support to the team. Training and development continues to be promoted through the Personal Development Review process and 1:1s with line managers and through the OPCC Learning and Development Plan which has a commensurate training budget. The team are required to undertake a number of mandatory e-learning modules to ensure compliance with information management, health & safety, security and preventing sexual harassment. The Senior Leadership undertook "360°" reviews to support leadership development. Lunch and learn initiative was introduced to support learning on a more informal basis which has proved popular.

The Online Applicant Tracking System continues to make our recruitment processes more effective and efficient for Hiring Managers, HR team and candidates

The OPCC HR continue to work alongside ASP colleagues to test a new HR and Finance cloud based back-office system (ERP Oracle). The go live has been delayed to April and November 2026. The new system will use current technology and have a more intuitive user interface and ways of working and the OPCC will use this system to help automate processes.

[4] www.avonandsomerset-pcc.gov.uk/reports-publications/independent-custody-visiting-schemes-annual-reports/

[5] www.avonandsomerset-pcc.gov.uk/wp-content/uploads/2022/01/Identifying-Disproportionality-Report.pdf

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 the holding to account of the Chief Constable. This has 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[6]. Over the last year the meeting has had a stronger focus on the Areas for Improvement from the last PEEL inspection and on the questions the inspectorate ask and what they define as characteristics of good.

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 on a quarterly basis. 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 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 the national policing priorities. Additional performance data is also included in the Quarterly Implementation Plan Report. Both these reports are scrutinised by the Police and Crime Panel.

One of the other key mechanisms of performance oversight is the Constabulary's Integrated Performance Quality Framework. Reporting on this framework is structured around the Constabulary's strategic outcomes, where improvements are needed, PEEL Areas for Improvement and PEEL themes. The report has continued to be discussed at the Constabulary Management Board (CMB) and also scrutinised at GSB throughout the last year.

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.

[6] www.avonandsomerset-pcc.gov.uk/reports-publications/police-crime-board-reports/

While it must be acknowledged that the Constabulary have made improvements and there has been progress in some areas, when looking at the KPIs below it is evident there is still more work to do.

In terms of financial performance, as can been seen in these group accounts, there was net expenditure of £411.5m, compared to a budget of £411.2m: resulting in an overspend of £0.3m/0.1%. This headline is the final position after year-end accounting adjustments, including carry forwards and provisions, have been made. The final overspend position will be balanced by use of the revenue smoothing reserve.

The current MTFP shows the first three years are balanced but the deficits in years four and five of £1.0 million and £3.4 million respectively. This is an improved position compared to the previous MTFP projections.

The forecast deficits will require further 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 police staff headcount reductions.

Police & Crime Plan Key Performance Indicators

The new performance framework has not been finalised at the time of writing. As an interim position, and for consistency, the below table contains KPIs used in last year's statement – where they are still relevant to the current Plan – and realigned to the new priorities. There are a small number of additional measures where there were clear gaps or data that was evidently relevant.

Measure	2024/25	2025/26	Change
Overarching measures			
All recorded crime	168,148	174,749	6,601
Public confidence (from local survey)	62.2%	59.0%	-3.2%
Public confidence (from national survey)*	67.7%	69.9%	2.2%
Public feelings of safety during the day	96.4%	95.0%	-1.4%
Public feelings of safety after dark	70.7%	68.9%	-1.8%
Priority 1 – Strengthen neighbourhood policing			
Public who have seen a police officer / PCSO in the last month	46.4%	48.0%	1.6%
Public that feel informed on local policing	30.9%	30.3%	-0.6%
Public who are aware of opportunities to have their say on local policing	28.2%	25.9%	-2.3%
ASB incidents	75,426	81,727	6,301
Victim satisfaction – ASB	72.8%	67.3%	-5.5%
Hate crime recorded crime	5,879	6,664	785
Hate crime positive outcome rate	13.3%	12.3%	-1.0%
Priority 2 – Reduce violent crime			
DA recorded crime	25,109	26,564	1,455
DA positive outcome rate	8.4%	9.1%	0.7%
Sexual offences recorded crime	7,622	7,712	90
Sexual offences positive outcome rate	8.9%	10.6%	1.7%
Stalking & harassment recorded crime	18,438	20,800	2,362
Stalking & harassment positive outcome rate	5.9%	5.5%	-0.5%
Serious youth violence recorded crime	1,770	1,872	102
Serious youth violence positive outcome rate	16.4%	18.1%	1.7%
Robbery – personal recorded crime	1,398	1,528	130
Robbery – personal positive outcome rate	7.6%	10.2%	2.6%
Priority 3 – Prevent crime			
Reoffending rate*	27.0%	27.0%	0.0%

Police & Crime Commissioner for Avon & Somerset

Measure	2024/25	2025/26	Change
Drug trafficking recorded crime	597	1,419	822
Drug trafficking positive outcome rate	54.5%	26.8%	-27.7%
Drug disruptions	126	292	166
Rural crime recorded crime	624	812	188
Rural crime positive outcome rate	4.6%	6.5%	1.9%
Road traffic collisions resulting in death or serious injury	453	809	356
Priority 4 – Support victims			
Victim satisfaction – overall	68.0%	63.8%	-4.2%
Victim satisfaction – burglary	64.1%	59.7%	-4.4%
Victim satisfaction – hate crime	72.2%	55.4%	-16.8%
Victim satisfaction – violent crime	65.2%	60.0%	-5.2%
Priority 5 – Improve standards of policing			
999 calls answered within 10 seconds	90.0%	97.3%	7.3%
101 abandonment rate	8.0%	4.4%	-3.6%
Immediate response timeliness	80.2%	80.1%	-0.1%
Priority response timeliness	58.0%	59.3%	1.4%
Routine response timeliness	58.2%	42.1%	-16.2%
All positive outcome rate	10.4%	11.4%	0.9%
Burglary – residential recorded crime	4,575	4,749	174
Burglary – residential positive outcome rate	5.0%	5.4%	0.4%
Vehicle offences recorded crime	10,184	9,112	-1,072
Vehicle offences positive outcome rate	3.0%	3.6%	0.6%
Theft from the person recorded crime	768	719	-49
Theft from the person positive outcome rate	0.8%	1.3%	0.5%
Employee engagement	55.5%	53.9%	-1.6%
Overall, I am happy at work	62.4%	62.3%	-0.1%
My Manager theme score	66.9%	69.8%	2.9%
I have the tools I need to do my job effectively	60.6%	61.2%	0.6%
I have the skills I need to do my job effectively	76.8%	77.7%	0.8%
I think ASP respects individual differences	65.4%	63.0%	-2.4%
Disproportionality of stop and search – Asian	1.4	1.6	0.3
Disproportionality of stop and search – Black	6.8	7.1	0.3
Disproportionality of stop and search – Mixed	3.1	2.5	-0.6
Disproportionality of stop and search – Other	3.1	3.1	0.0
Disproportionality of use of force – Asian	0.8	0.8	0.0
Disproportionality of use of force – Black	4.4	4.0	-0.4
Disproportionality of use of force – Mixed	1.5	1.6	0.1
Disproportionality of use of force – Other	1.4	1.3	-0.1
% of workforce that are Asian	0.88%	1.00%	0.13%
% of workforce that are Black	0.66%	0.71%	0.05%
% of workforce that are Mixed	1.90%	1.96%	0.06%
% of workforce that are Other	0.26%	0.20%	-0.06%

* Latest available national data and the year preceding that

Police & Crime Commissioner for Avon & Somerset

Police & Crime Plan Key Performance Indicators Definitions

Overarching measures
Public confidence (local) – measured by the Avon & Somerset Police & Crime Survey, a quarterly 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".
Public confidence (national) – measured by the Crime Survey for England and Wales – the latest data available is for the calendar year 2024: this included 531 responses from residents of Avon and Somerset.
Public feelings of safety – measured by the Avon & Somerset Police & Crime Survey. This shows the percentage of people who answered "fairly safe" or "very safe" when asked "how safe do you feel in your local area?"
Priority 1 – Strengthen neighbourhood policing
Officer/PCSO visibility – is measured by the Avon & Somerset Police & Crime Survey. This shows the percentage of people who answered "today / yesterday", "in the last seven days" or "in the last month" when asked "when did you last see a police officer or a police community support officer in your local area?"
Public that feel informed on local policing – measured by the Avon & Somerset Police & Crime Survey. This shows the percentage of people who answered "fairly well informed" or "very well informed" when asked "how well informed do you feel about what the police are doing to tackle crime and anti-social behaviour in your area?"
Public who are aware of opportunities to have their say on local policing – is measured by the Avon & Somerset Police & Crime Survey. This shows the percentage of people who answered "yes" when asked "Are you aware of opportunities to have your say about policing issues in your local area?"
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.
Priority 2 – Reduce violent crime
Domestic abuse – is where a person is abusive towards another person, they are personally connected and are 16 years of age or older.
Serious youth violence – offences that result in the death of a person, endanger life, wounding offences, robbery of personal property and possession of a bladed article; and where either the offender or the victim are under 25 years of age.
Priority 3 – Prevent crime
Reoffending rate – Ministry of Justice data showing proven reoffending figures for offenders who were released from custody, received a non-custodial conviction at court, or received a caution or reprimand.
Drug trafficking – these are drug offences, other than simple possession offences, such as drug supply.
Drug disruptions – an activity to counter a threat of serious and organised crime, related to drugs, and it has a tangible result. This could include seizing criminal assets, arresting somebody or safeguarding people who are vulnerable to exploitation by organised criminals.
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.
Priority 4 – Support victims
Victim satisfaction – is measured by a local telephone survey of a sample of victims of ASB, burglary, hate crime and violent crime. In 2024/25 there were 1,025 total respondents. This shows the percentage of victims that said they were satisfied with their "whole experience".
Priority 5 – Improve standards of policing
101 abandonment rate – this is the proportion of 101 calls were the call hung-up before being answered by Avon and Somerset Police. This is an average rate of both the switchboard line and the secondary line when a person is transferred to a call handler.
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. • Immediate – 15 minutes for urban areas and 20 minutes for rural areas • Priority – 1 hour • Routine – 12 hours
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.
Vehicle offences – involve theft of or from vehicles
Employee engagement and the six measures below this – are measured through the annual Avon and Somerset Police workforce survey. This shows the percentage of the workforce who agree with each statement.
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.

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

Police Question Time (PQT) was a monthly meeting, lasting approximately half an hour, where the PCC put questions about the performance of Avon and Somerset Police to the Chief Constable. The meetings were broadcast live, through Facebook, and the recordings were kept on the PCC's website. The last PQT took place in December 2025, the decision to end this was because of low engagement from the public.

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
- Minutes of GSB
- PCC responses to HMICFRS recommendations
- Reports of scrutiny panels
- Performance reports
- Financial reports and accounts including the MTFP
- Expenses and gifts
- Freedom of Information requests; other statutory and non-statutory reports
- The Strategic Risk Register
- 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.

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, as well as minutes of their meetings,

which can be found on the website www.avonandsomerset-pcc.gov.uk[7]. The four meetings of the JAC for the financial year took place in July, September and December 2025 as well as April 2026.

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 a quarterly basis, to fulfil its duties including scrutiny of the PCC's proposed precept increase (and MTFP).

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 2025/26 these considerations took account of

- HMICFRS PEEL Report (see below) and progress against the Areas for Improvement
- 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 2025/26 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.

3.1 Internal Audit

Throughout 2025/26 the Internal Audit function completed eight substantive audits, four advisory/ follow-up audits as well as contributing towards regional work. The eight substantive audits were:

- Network Boundary Defences
- Interpreters
- Overtime and Shift Allowances
- Management of Officer Restrictions
- Neighbourhood Policing and Public Engagement
- Hybrid Working
- Benefits Realisation
- Property Stores and Records Management

[7] www.avonandsomerset-pcc.gov.uk/reports-publications/joint-audit-committee-reports/

Each substantive internal audit conducted throughout the year receives a graded assurance opinion from the auditors. The assurance levels are; none, limited, reasonable and substantial. Three of the audits resulted in a reasonable assurance opinion and five resulted in a limited assurance opinion. The conclusion of our internal auditors was that there were no high risk operational areas and 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 31 recommendations during 2025/26, of which:

- 12 were identified as findings that require attention, the lowest grading (priority 3)
- 18 were identified as findings that are important and require the attention of management, the middle grading (priority 2)
- One was identified as a finding that was fundamental requiring immediate attention (priority 1).

We recognise that the recommendations from our internal auditors provide us with a number of important actions which we need to progress.

It should be noted that at the time of writing five audits are still in progress:

- ICT Procurement and Contract Management
- Payroll and Expenses
- Workforce Planning
- Regional Motor Insurance
- Regional Collaboration Governance Review.

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 2024 with the report published in February 2025. 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
	Police powers and public treatment	Developing a positive workplace	Responding to the public	
	Preventing crime		Investigating crime	
			Protecting vulnerable people	
			Managing offenders	
			Leadership and force management	

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 16 Areas for Improvement (AFIs). The Constabulary have regular oversight of the progress being made against these through their governance structures and the PCC has oversight of through the Governance and Scrutiny Board. At the time of writing ASP have had 11 of 16 AFIs formally closed by HMICFRS.

3.3 Significant Risks

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

Risk	Progress
Governance Failure (SR1)	This has now become a more significant risk primarily due to the PCCs being abolished from May-28. There is still uncertainty on how this will work in the new model or the impact that will be felt during the transition period.
Failure to deliver the Police and Crime Plan (SR2)	A significant risk to policing remains the lower levels of public confidence in the police; this applies in Avon and Somerset and across England and Wales. This has been a risk for a number of years. This undermines the British model of policing by consent. The underlying causes are complex and include dissatisfaction with service levels in a context of increasing and changing demand on the police, perceived lack of police visibility 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. While the new Police and Crime Plan is more focused it is still an ambitious plan with prevention being a key focus. Prevention cannot be achieved in isolation by the police, and requires partnership working.
Financial incapability or ineffectiveness (SR3)	The current MTFP shows the first three years are balanced but the deficits in years four and five of £1.0million and £3.4million respectively. This is an improved position compared to the previous MTFP projections.

The PCC's full Strategic Risk Register can be found published in the papers of the JAC for June 2026[8].

[8] www.avonandsomerset-pcc.gov.uk/reports-publications/joint-audit-committee-reports/

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 are satisfied that our internal governance processes will identify any improvements that are needed and that appropriate steps will be taken to enhance our governance and improve our assurance.



Clare Moody
Police and Crime Commissioner
30th September 2026



Paul Butler
PCC's Chief Finance Officer
30th September 2026



Karl Parfitt
PCC's Chief Executive
30th September 2026

Police & Crime Commissioner for Avon & Somerset

Group Comprehensive Income and Expenditure Statement for the year ended 31 March 2026

Restated Gross Expenditure £'000	Restated Gross Income £'000		Restated Total 2024/2025 £'000	Comprehensive Income and Expenditure Statement - Group	Gross Expenditure £'000	Gross Income £'000	Total 2025/2026 £'000
				Expenditure			
506,866	-71,201	1	435,665	Police Services - OCC	505,918	-74,530	431,388
2,612	-51		2,561	OPCC	2,761	-58	2,703
9,408	-7,587		1,821	Commissioning costs	9,462	-8,829	633
518,886	**-78,839**		**440,047**	**Net cost of police services**	**518,141**	**-83,417**	**434,724**
			-56,729	Police pension top-up grant			-56,645
			-191	Gain on disposal of non-current assets			-258
			-56,920	**Other operating expenditure**			**-56,903**
			5,593	Interest payable and similar charges			5,549
			-4,465	Interest and investment income			-3,614
			-165	Income and expenditure in relation to investment properties			-73
			168	Changes in the market value of investment properties			-111
			125,830	Net interest on pensions			137,550
			126,961	**Financial and investment income and expenditure**			**139,301**
			-139,874	Police - revenue grant			-145,060
			-69,272	Ex-DCLG formula funding			-71,838
			-3,331	Council tax top-up grant			-3,331
			-11,378	Council tax support and transition grant			-11,378
			-9,244	1 Pensions grant			-8,378
			0	National insurance grant			-6,290
			-459	Capital grant and contributions			-909
			-167,797	Council tax - local authorities			-178,579
			46	Donated Asset Fair Value Gain/Loss			-44
			-401,309	**Taxation and non-specific grant income**			**-425,807**
			108,779	**Deficit on provision of services**			**91,315**
			-269,368	Re-measurement of pension assets and liabilities			-108,107
			-3,466	Gain on revaluation			-434
			-272,834	**Other comprehensive income and expenditure**			**-108,541**
			-164,055	**Total comprehensive income and expenditure**			**-17,226**

Police & Crime Commissioner for Avon & Somerset

PCC Comprehensive Income and Expenditure Statement for the year ended 31 March 2026

Restated PCC Expenditure	Restated PCC Income		Restated Total 2024/2025	Comprehensive Income and Expenditure Statement - PCC	PCC Expenditure	PCC Income	Total 2025/2026
£'000	£'000		£'000		£'000	£'000	£'000
				Expenditure			
2,612	-51		2,561	OPCC	2,761	-58	2,703
9,408	-7,587		1,821	Commissioning costs	9,462	-8,829	633
12,020	**-7,638**		**4,382**	**Net cost of police services before funding**	**12,223**	**-8,887**	**3,336**
506,866	-71,201	1	435,665	Intragroup funding adjustment	505,918	-74,530	431,388
518,886	**-78,839**		**440,047**	**Net cost of police services**	**518,141**	**-83,417**	**434,724**
			-56,729	Police pension top-up grant			-56,645
			-191	Gain on disposal of non-current assets			-258
			-56,920	**Other operating expenditure**			**-56,903**
			5,593	Interest payable and similar charges			5,549
			-4,465	Interest and investment income			-3,614
			-165	Income and expenditure in relation to investment properties			-73
			168	Changes in the market value of investment properties			-111
			125,830	Intragroup adjustment (pension interest cost)			137,550
			126,961	**Financial and investment income and expenditure**			**139,301**
			-139,874	Police - revenue grant			-145,060
			-69,272	Ex-DCLG formula funding			-71,838
			-3,331	Council tax freeze grant			-3,331
			-11,378	Council tax support and transition grant			-11,378
			-9,244	1 Pensions grant			-8,378
			0	National insurance grant			-6,290
			-459	Capital grant and contributions			-909
			-167,797	Council tax - local authorities			-178,579
			46	Donated Asset Fair Value Gain/Loss			-44
			-401,309	**Taxation and non-specific grant income**			**-425,807**
			108,779	**Deficit on provision of services**			**91,315**
			-269,368	Intragroup adjustment (Re-measurement of pension assets and liabilities)			-108,107
			-3,466	Gain on revaluation			-434
			-272,834	**Other comprehensive income and expenditure**			**-108,541**
			-164,055	**Total comprehensive income and expenditure**			**-17,226**

1. In the 2024/25 statement of accounts, the £9.244m pension grant was part of the gross income figure for Police services - OCC within the net cost of police services. To improve consistency between police forces, it was decided that this should be in the taxation and non-specific grant income section of the Comprehensive income and expenditure statement.

2. Pension Liability has been restated due to a change in value of service cost and financial assumptions by £935,000 following correction in payroll data.

We have restated the 2024/25 figures to show both of these changes.

Police & Crime Commissioner for Avon & Somerset

Group Movement in Reserves Statements 2024/2025 and 2025/2026

Movement in reserves statement 2025/2026

	Revenue General Fund £'000	Capital Receipts Reserves £'000	Total Usable Reserves £'000	Total Unusable Reserves £'000	Total £'000
Balance as at 31 March 2025	**41,140**	**12,697**	**53,837**	**-2,340,347**	**-2,286,510**
Total comprehensive income and expenditure	-91,315	0	**-91,315**	**108,541**	**17,226**
Adjustments between accounting & funding basis under regulations	88,290	0	**88,290**	**-88,290**	**0**
Increase/decrease(-) in 2025/2026	-3,025	0	**-3,025**	**20,251**	**17,226**
Balance as at 31 March 2026	**38,115**	**12,697**	**50,812**	**-2,320,096**	**-2,269,284**

Movement in reserves statement 2024/2025

	Revenue General Fund £'000	Capital Receipts £'000	Total Usable Reserves £'000	Total Unusable Reserves £'000	Total £'000
Balance as at 31 March 2024	**47,147**	**12,697**	**59,844**	**-2,510,806**	**-2,450,962**
Impact of adoption of IFRS16	397		**397**		**397**
Restated total comprehensive income and expenditure	-108,779	0	**-108,779**	**272,834**	**164,055**
Restated adjustments between accounting & funding basis under regulations	102,375	0	**102,375**	**-102,375**	**0**
Restated increase/decrease(-) in 2024/2025	-6,007	0	**-6,007**	**170,459**	**164,452**
Restated Balance as at 31 March 2025	**41,140**	**12,697**	**53,837**	**-2,340,347**	**-2,286,510**

Police & Crime Commissioner for Avon & Somerset

PCC Movement in Reserves Statements 2025/2026 and 2024/2025

Movement in reserves statement 2025/2026	Revenue General Fund	Capital Receipts Reserves	Total Usable Reserves	Total Unusable Reserves	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 31 March 2025	**41,140**	**12,697**	**53,837**	**-2,340,347**	**-2,286,510**
Total comprehensive income and expenditure	-91,315	0	**-91,315**	**108,541**	**17,226**
Adjustments between accounting & funding basis under regulations	88,290	0	**88,290**	**-88,290**	**0**
Increase/decrease(-) in 2025/2026	-3,025	0	**-3,025**	**20,251**	**17,226**
Balance as at 31 March 2026	**38,115**	**12,697**	**50,812**	**-2,320,096**	**-2,269,284**

Movement in reserves statement 2024/2025	Revenue General Fund	Capital Receipts Reserves	Total Usable Reserves	Total Unusable Reserves	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 31 March 2024	**47,147**	**12,697**	**59,844**	**-2,510,806**	**-2,450,962**
Impact of adoption of IFRS 16	397		**397**		**397**
Restated total comprehensive income and expenditure	-108,779	0	**-108,779**	**272,834**	**164,055**
Restated adjustments between accounting & funding basis under regulations	102,375	0	**102,375**	**-102,375**	**0**
Restated increase/decrease(-) in 2024/2025	-6,007	0	**-6,007**	**170,459**	**164,452**
Restated balance as at 31 March 2025	**41,140**	**12,697**	**53,837**	**-2,340,347**	**-2,286,510**

Police & Crime Commissioner for Avon & Somerset

Group Balance Sheet as at 31 March 2026

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

Restated OCC £'000	Restated PCC £'000	Restated Group 2025 £'000	Balance Sheet	OCC £'000	PCC £'000	Group 2026 £'000	Notes
			Property, plant and equipment				18
0	203,756	203,756	Land and buildings	0	203,199	203,199	
0	19,956	19,956	Vehicles, plant and equipment	0	18,508	18,508	
0	1,077	1,077	Assets under construction	0	7,640	7,640	
0	2,644	2,644	Surplus assets	0	2,599	2,599	
0	5,688	5,688	Right of use assets	0	5,402	5,402	
0	2,621	2,621	Investment properties	0	2,732	2,732	19
0	415	415	Intangible fixed assets	0	208	208	
			Long term assets				
0	462	462	Prepayments	0	30	30	
2,464,679	0	0	Long term liability - intragroup adjustmer	2,446,985	0	0	
2,464,679	**236,619**	**236,619**	**Total non-current assets**	**2,446,985**	**240,318**	**240,318**	
0	1,203	1,203	Inventories (stock)	0	1,043	1,043	
0	15,692	15,692	Short term investments	0	7,650	7,650	30
0	46,539	46,539	Debtors and payments in advance	0	53,381	53,381	22
0	36,127	36,127	Cash and cash equivalents	0	37,757	37,757	23
0	86	86	Assets held for sale	0	86	86	
15,265	0	0	Intragroup debtor	15,312	0	0	
15,265	**99,647**	**99,647**	**Total current assets**	**15,312**	**99,917**	**99,917**	
0	-4,010	-4,010	Bank overdraft	0	-4,660	-4,660	23
0	-1,137	-1,137	Short term borrowing	0	-1,800	-1,800	24
-12,864	-33,787	-46,651	Creditors and receipts in advance	-13,319	-39,501	-52,820	25
0	-15,265	0	Intragroup creditor	0	-15,312	0	
-2,401	-1,336	-3,737	Short term provisions	-1,993	-1,678	-3,671	26
0	-2,014	-2,014	Short term PFI lease liability	0	-2,441	-2,441	21
0	-1,044	-1,044	Short term non-PFI lease liability	0	-1,088	-1,088	20
-15,265	**-58,593**	**-58,593**	**Total current liabilities**	**-15,312**	**-66,480**	**-66,480**	
0	-39,731	-39,731	Long term borrowing	0	-37,932	-37,932	24
0	-10,967	-10,967	Long term provisions	0	-11,626	-11,626	26
0	-44,973	-44,973	Long term PFI liability	0	-42,667	-42,667	21
0	-3,833	-3,833	Long term non-PFI lease liability	0	-3,829	-3,829	20
0	-2,464,679	0	Pensions - intragroup adjustment	0	-2,446,985	0	
-2,464,679	0	-2,464,679	Net defined pension liability	-2,446,985	0	-2,446,985	
-2,464,679	**-2,564,183**	**-2,564,183**	**Total long term liabilities**	**-2,446,985**	**-2,543,039**	**-2,543,039**	
0	**-2,286,510**	**-2,286,510**	**Net assets**	**0**	**-2,269,284**	**-2,269,284**	
0	53,837	53,837	Total usable reserves	0	50,812	50,812	7
0	-2,340,347	-2,340,347	Total unusable reserves	0	-2,320,096	-2,320,096	7
0	**-2,286,510**	**-2,286,510**	**Total reserves**	**0**	**-2,269,284**	**-2,269,284**	



Paul Butler

Chief Finance Officer to PCC

30th September 2026

Police & Crime Commissioner for Avon & Somerset

Group Cash Flow Statement

OCC	Restated PCC 2024/2025	Restated Group 2024/2025	Cash Flow Statement	OCC	PCC 2025/2026	Group 2025/2026
£'000	£'000	£'000		£'000	£'000	£'000
0	**108,779**	**108,779**	**Net surplus(-)/deficit on the provision of services**	**0**	**91,315**	**91,315**
0	-21,285	-21,285	Depreciation and impairment of property, plant and equipment	0	-13,032	-13,032
0	-25	-25	Amortisation of intangible assets	0	-207	-207
0	-168	-168	Movement in Fair Value Investment properties	0	111	111
0	92	92	Movement in Fair Value Financial Instruments	0	-42	-42
0	-46	-46	Movement in Donated assets	0	44	44
2,134	-2,377	-243	Increase(-)/decrease in provision charged back to service	409	-1,036	-627
0	-99,204	-99,204	Charges for retirement benefits in accordance with IAS 19	0	-90,413	-90,413
0	-221	-221	Carrying amounts of non-current assets sold	0	-121	-121
-3,840	-22,881	-26,721	Increase/decrease(-) in long and short term debtors	47	6,402	6,449
1,706	-2,529	-823	Increase(-)/decrease in long and short term creditors	-456	-4,822	-5,278
0	-359	-359	Increase/decrease(-) in stock/WIP	0	-161	-161
0	**-149,003**	**-149,003**	**Adjust net surplus(-)/deficit on the provision of services for non-cash movements**	**0**	**-103,277**	**-103,277**
0	412	412	Proceeds from the sale of property, plant and equipment	0	380	380
0	459	459	Capital grants credited to the surplus or deficit on the provision of service	0	909	909
0	4,521	4,521	Interest received	0	3,572	3,572
0	-5,810	-5,810	Interest paid	0	-5,515	-5,515
0	**-418**	**-418**	**Adjust net surplus(-)/ deficit on the provision of services that are investing or financing activities**	**0**	**-654**	**-654**
0	**-40,642**	**-40,642**	**Net cash flows from operating activities**	**0**	**-12,616**	**-12,616**
0	16,964	16,964	Purchase of property, plant and equipment	0	14,906	14,906
0	-412	-412	Capital receipts	0	-380	-380
0	-459	-459	Capital grant/contribution income due for the year	0	-909	-909
0	16,000	16,000	Purchase of short & long term investments	0	8,000	8,000
0	-28,000	-28,000	Proceeds of short & long term investments	0	-16,000	-16,000
0	-4,521	-4,521	Interest received	0	-3,572	-3,572
0	**-428**	**-428**	**Net cash flow from investing activities**	**0**	**2,045**	**2,045**
0	6,147	6,147	Repayment of long term loans	0	1,137	1,137
0	2,023	2,023	Repayment of PFI Liability	0	2,014	2,014
0	940	940	Repayment of non-PFI lease liability	0	925	925
0	5,810	5,810	Interest paid	0	5,515	5,515
0	**14,920**	**14,920**	**Net cash flow from financing activities**	**0**	**9,591**	**9,591**
0	**-26,150**	**-26,150**	**Net increase(-)/decrease in cash and cash equivalents**	**0**	**-980**	**-980**
0	**-5,967**	**-5,967**	Cash and cash equivalents at the beginning of the reporting period	**0**	**-32,117**	**-32,117**
0	**-32,117**	**-32,117**	Cash and cash equivalents at the end of the reporting period	**0**	**-33,097**	**-33,097**

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 2025/2026 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 2024/2025 and 2025/2026.

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 can become members of the Police Officer pension scheme, with new entrants joining the 2015 scheme as the other legacy schemes are closed to new joiners. These pension schemes are accounted for as defined benefit 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. In Avon and Somerset we are a member of the Somerset Council pension fund.

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 represents the increase in the defined benefit liability arising from employee service earned in the current year. It is charged to the Comprehensive Income and Expenditure Statement (CIES) and allocated to the relevant service areas in which the employees worked.

- **Past service cost**

  This represents the increase in the defined benefit liability arising from scheme amendments or curtailments, where the effects relate to service earned in prior periods. It is charged to the Surplus or Deficit on the Provision of Services in the CIES.

- **Net interest on the net defined benefit liability (or asset)**

  This represents the change in the net defined benefit liability (or asset) during the period, that arises from the passage of time. It is charged to the Financing and Investment Income and Expenditure line of the CIES. Net interest is calculated by applying the discount rate used to measure the defined benefit obligation at the start of the period to the opening net defined benefit liability (or asset), taking account of changes during the period resulting from contributions 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

The Constabulary accounts for leases in accordance with IFRS 16 Leases, as adapted by the Code of Practice on Local Authority Accounting in the United Kingdom. The standard requires lessees to

recognise a right-of-use asset and a corresponding lease liability for most lease arrangements, reflecting the right to use an asset over the lease term and the obligation to make lease payments.

1.8.1 Classification of Leases

The constabulary classifies contracts as leases based on their substance. Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use. The constabulary includes arrangements with nil consideration, peppercorn or nominal payments.

1.8.2 Initial Measurement

Leases are recognised as right-of-use assets with a corresponding liability at the commencement date of the lease, being the date at which the leased asset is available for use by the Constabulary.

The authority initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the authority's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined.

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received.

However, for peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.

1.8.3 Subsequent Measurement

The right-of-use asset is subsequently measured using the fair value model. The authority considers the cost model to be a reasonable proxy for fair value for leases (with the exception of peppercorn or nil consideration leases), as the leases have provision for regular rent reviews. Peppercorn or nil consideration leases have been valued using market prices or rentals for equivalent land and properties.

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset.

The lease liability is subsequently measured at amortised cost, using the effective interest method.

The liability is remeasured when

- there is a change in future lease payments arising from a change in index or rate
- the Constabulary changes its assessment of the end date of the lease (for example, whether it will exercise a purchase, extension or termination option).

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

1.8.4 Low Value and Short Lease Exemption

The Constabulary excludes leases

- for low-value items that cost less than £12,000 when new, provided they are not highly dependent on or integrated with other items, and
- with a term shorter than 12 months (comprising the non-cancellable period plus any extension options that the authority is reasonably certain to exercise and any termination options that the authority is reasonably certain not to exercise).

1.8.5 Lease Expenditure

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straight line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low-value items or shorter than 12 months are expensed.

Depreciation and impairments charges relating to right-of-use assets are not charges against council tax, as the cost of non-current assets is fully provided for under separate arrangements for

capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

1.9 Property, Plant and Equipment

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.

From 1 April 2025, the Code of Practice on Local Authority Accounting in the United Kingdom requirements changed in respect of revaluations of property, plant and equipment and authorities must either apply a rolling programme of revaluations or revalue their assets every five years, with annual indexation applied to assets during the four intervening years. Where indices cannot be obtained without undue cost or effort, assets are revalued using a quinquennial revaluation with a desktop revaluation in year three.

In accordance with our existing accounting policies, assets included at fair value or current value (i.e. land and buildings) are re-valued where there have been material changes in the value, or a change in use, and as a minimum every five years with indexation applied in the intervening years in accordance with the RICS Red Book requirements.

For the year ended 31 March 2025, all of the properties of the Commissioner's property portfolio were valued by qualified Surveyors from Wilkes Head Eve. The valuations were carried out in accordance with the methodologies and bases of estimation set out in the professional standards of the Royal Institute of Chartered Surveyors. For the year ended 31 March 2026, the change in value has been estimated using Building Cost Information Services (BCIS) TPI index, the Knight Frank Land index, and Co Star Data Export of Capital values for both retail, industrial and Office in Bristol and Somerset.

The movement in indices used to ensure the value of an asset is kept materially up to date are shown below:

Non-Specialist assets

	Index Source	Percentage change
Office Annual Bristol	CoStar	-1.62%
Office Annual Somerset	CoStar	1.22%
Industrial Annual Bristol	CoStar	4.27%
Industrial Annual Somerset	CoStar	0.84%
Retail Annual Bristol	CoStar	-0.62%
Retail Annual Somerset	CoStar	-1.52%
Retail Annual Somerset	CoStar	-1.40%

Specialist (DRC) assets

	Source	Percentage change
Buildings	BCIS	2.8%
Land	Knight Frank	-5%

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 as a proxy for current value. 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 18 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.
- 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. Cash & Cash equivalents also include the bank overdraft as it is a key part of the cash management process for cashflow

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 surplus or deficits on the local authorities' collection funds that have been charged to the comprehensive income and expenditure statement as it falls due from council tax payers compared to the statutory arrangements for paying across amounts to the general fund from the collection 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 Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Group's position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balance and comparative amounts for the prior period.

1.22 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

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- 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.
- The use by the Chief Constable of assets held by the PCC has not been judged to represent a lease arrangement under IFRS 16
    - There is no contract that gives rise to a lease; the provision of buildings and equipment by the PCC to the Chief Constable is more of a statutory requirement rather than a contractual arrangement.
    - Control of the assets sits under the PCC. The PCC makes decisions on buying and selling properties and other assets and entering into and terminating lease contracts.
    - The ultimate benefits of the asset are obtained jointly by the PCC and Chief Constable.

3 Accounting Standards Issued but not Adopted

The following accounting standards have been issued but not adopted by CIPFA and their impact on the financial statements is currently unknown

- The changes to the measurement of non-investment assets within the 2025/2026 Code which include adaptions and interpretations of IAS 16 and IAS 38
- The effects of changes in foreign exchange rate (lack of exchangeability) (IAS 21)
- Insurance Contracts (IFRS 17)
- Contracts Referencing Nature-dependent Electricity (Amendments IFRS 9 and IFRS 7) issued in December 2024

4 Assumptions Made About the Future and the Sources of Estimations

4.1 Pension Liability

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 15 to 17 regarding the assumptions that have been used by the actuaries to provide an estimate of the liability.

Pension fund assets (relevant in the case of the Local Government Pension Scheme) are measured at fair value which requires reference to the market conditions held at the measurement date. The market has been subject to volatility, however markets have continued trading and information was available to measure the fund assets at the measurement date.

A remedy process to resolve the age discrimination of the pension changes resulting from the reform of public service pension schemes has been published by HM Treasury. The Treasury has confirmed that: legacy schemes are closed from 31 March 2022; a remedy has been introduced for the period 2015-2022 based on a deferred choice underpin basis; and eligibility criteria for members to access the remedy. From 1 April 2022, members accrue benefits in the career average revalued earnings (CARE) scheme. The estimated impact of McCloud/Sargeant has been factored into the IAS19 pension valuations estimates since 2018/19. These estimates have evolved as assumptions underpinning them have evolved.

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

Police Officer Sensitivity Analysis	£'000	£'000	£'000
Adjustment to discount rate	**0.10%**	**0.0%**	**-0.1%**
Present value of total obligation	2,413,011	2,446,059	2,479,892
Projected service cost	18,521	19,639	20,796
Adjustment to long term salary increase	**0.10%**	**0.0%**	**-0.1%**
Present value of total obligation	2,448,522	2,446,059	2,443,606
Projected service cost	19,639	19,639	19,639
Adjustment to pension increases and deferred revaluation	**0.10%**	**0.0%**	**-0.1%**
Present value of total obligation	2,478,459	2,446,059	2,414,416
Projected service cost	20,842	19,639	18,476
Adjustment to life expectancy assumptions	**+1 year**	**None**	**-1 year**
Present value of total obligation	2,522,771	2,446,059	2,371,821
Projected service cost	20,472	19,639	18,822

4.2 Short and Long Term Provisions

In determining the provisions set aside at 31 March 2026 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.

5 Events After the Balance Sheet Date

There are no post balance sheet events to date.

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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.

2024/2025							2025/2026				
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	Net expenditure in the comprehensive I & E Restated *	Group Expenditure and Funding Analysis	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	£'000
386,234	63,223	449,457	-21,765 *	**427,692**	**435,666**	Police Services - OCC	405,940	76,259	482,199	-50,811	431,388
2,474	87	2,561	0	**2,561**	**2,561**	OPCC	2,645	58	2,703	0	2,703
2,396	-575	1,821	0	**1,821**	**1,821**	Commissioning costs	2,612	-1,979	633	0	633
391,104	**62,735**	**453,839**	**-21,765**	**432,074**	**440,048**	**Net cost of police services**	**411,197**	**74,338**	**485,535**	**-50,811**	**434,724**
		0	-191	**-191**	**-191**	Gain on disposal of non-current assets			0	-258	-258
		-56,729	0	**-56,729**	**-56,729**	Pension Top up Grant			-56,645	0	-56,645
		-56,729	**-191**	**-56,920**	**-56,920**	**Other operating expenditure**			**-56,645**	**-258**	-56,903
		0	5,593	**5,593**	**5,593**	External interest payable			0	5,549	5,549
		0	-4,465	**-4,465**	**-4,465**	Interest and investment income			0	-3,614	-3,614
			-165	**-165**	**-165**	Income from Investment properties				-73	-73
			168	**168**	**168**	Movement in fair value of investment property				-111	-111
		0	125,830	**125,830**	**125,830**	Net interest on pensions			0	137,550	137,550
		0	**126,961**	**126,961**	**126,961**	**Financial and investment income and expenditure**			**0**	**139,301**	139,301
		-139,874	0	**-139,874**	**-139,874**	Police - revenue grant			-145,060	0	-145,060
		-69,272	0	**-69,272**	**-69,272**	Ex-DCLG formula funding			-71,838	0	-71,838
		0	-459	**-459**	**-459**	Capital grant and contributions			0	-909	-909
		-3,331	0	**-3,331**	**-3,331**	Council tax freeze grant			-3,331	0	-3,331
		-11,378	0	**-11,378**	**-11,378**	Council tax support and transition grant			-11,378	0	-11,378
		0	0	**0**	**0**	National insurance grant			-6,290	0	-6,290
		0	0	**0**	**-9,244**	Pension grant			-8,378	0	-8,378
		-167,248	-549	**-167,797**	**-167,797**	Council tax - local authorities			-179,590	1,011	-178,579
			46	**46**	**46**	Donated Asset				-44	-44
											0
		-391,103	**-962**	**-392,065**	**-401,309**	**Taxation and non-specific grant income**			**-425,865**	**58**	-425,807
391,104	**62,735**	**-447,832**	**125,808**	**-322,024**	**-331,268**		**411,197**	**74,338**	**-482,510**	**139,101**	**-343,409**
		6,007	**104,043**	**110,050**	**108,780**	**Surplus(-)/deficit on provision of services**			**3,025**	**88,290**	**91,315**
		47,147				**Opening balance of general fund**			**41,140**		
		-6,007				Transfers to reserves made in year			-3,025		
		41,140				**Closing balance of general fund**			**38,115**		

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Adjustments to arrive at the chargeable to general reserves column consists of the transfers to & from reserves and intercompany charges.

2024/2025 Capital Purposes £'000	Pension Adjustment £'000	Other Adjustment £'000	Total Adjustment £'000	Total Adjustment Restated £'000	Group Expenditure and Funding Analysis Adjustment between accounting & funding basis	2025/2026 Capital Purposes £'000	Pension Adjustment £'000	Other Adjustment £'000	Total Adjustment £'000
4,698	-25,355 *	-1,108	**-21,765**	**-23,036**	Police Services - OCC	-2,376	-47,137	-1,298	-50,811
4,698	**-25,355**	**-1,108**	**-21,765**	**-23,036**	**Net cost of police services**	**-2,376**	**-47,137**	**-1,298**	**-50,811**
-191	0	0	**-191**	**-191**	Gain on disposal of non-current assets	-258	0	0	-258
-191	**0**	**0**	**-191**	**-191**	**Other operating expenditure**	**-258**	**0**	**0**	**-258**
0	0	5,593	**5,593**	**5,593**	External interest payable	0	0	5,549	5,549
0	0	-4,465	**-4,465**	**-4,465**	Interest and investment income	0	0	-3,614	-3,614
0	0	-165	**-165**	**-165**	Income from Investment properties	0	0	-73	-73
0	0	168	**168**	**168**	Movement in fair value of investment property	0	0	-111	-111
0	125,830	0	**125,830**	**125,830**	Net interest on pensions	0	137,550	0	137,550
0	**125,830**	**1,131**	**126,961**	**126,961**	**Financial and investment income and expenditure**	**0**	**137,550**	**1,751**	**139,301**
-459	0	0	**-459**	**-459**	Capital grant and contributions	-909	0	0	-909
0	0	-549	**-549**	**-549**	Council tax - local authorities	0	0	1,011	1,011
0	0	46	**46**	**46**	Donated Asset	0	0	-44	-44
-459	**0**	**-503**	**-962**	**-962**	**Taxation and non-specific grant income**	**-909**	**0**	**967**	**58**
-650	**125,830**	**628**	**125,808**	**125,808**		**-1,167**	**137,550**	**2,718**	**139,101**
4,048	**100,475**	**-480**	**104,043**	**102,772**	**Total adjustment between accounting and funding basis**	**-3,543**	**90,413**	**1,420**	**88,290**

In the 2024/25 statement of accounts, the £9.244m pension grant was part of the gross income figure for Police services - OCC within the net cost of police services. To improve consistency between police forces, it was decided that this should be in the taxation and non-specific grant income section of the Comprehensive income and expenditure statement.

We received an updated pension actuary report for 2024/25 after the 2024/25 statement of accounts was published.

We have restated the 2024/25 figures to show both of these changes.

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7 Notes to the Movement in Reserves Statement

These notes support the movement in reserves statement shown on page 31

Group Movement in Reserves Statement 2025/2026	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 2025	**41,140**	**12,697**	**53,837**	**2,090**	**103,510**	**-308**	**-2,464,679**	**-13,402**	**32,442**	**-2,340,347**
Total comprehensive income and expenditure	-91,315	0	**-91,315**	0	434	0	108,107	0	0	**108,541**
Adjustments between accounting & funding basis under regulations										
Reversal of items included to I&E										
Amortisation of intangible assets	207	0	**207**	0	0	0	0	0	-207	**-207**
Depreciation of non-current assets	15,076	0	**15,076**	0	0	0	0	0	-15,076	**-15,076**
Revaluation Gain	-2,044	0	**-2,044**	0	0	0	0	0	2,044	**2,044**
Movement in market value of investment properties	-111	0	**-111**	0	0	0	0	0	111	**111**
Capital grants and contributions	-909	0	**-909**	0	0	0	0	0	909	**909**
Council tax collection fund adjustment	1,011	0	**1,011**	-1,011	0	0	0	0	0	**-1,011**
Gain(-)/loss on disposal of non-current assets	-258	379	**121**	0	0	0	0	0	-121	**-121**
Holiday pay accrual adjustment	522	0	**522**	0	0	0	0	-522	0	**-522**
Fair value adjustment in respect of financial instruments	42	0	**42**	0	0	-42	0	0	0	**-42**
Net IAS 19 charge for retirement benefits	171,334	0	**171,334**	0	0	0	-171,334	0	0	**-171,334**
Income in relation to donated assets	-44	0	**-44**	0	0	0	0	0	44	**44**
Insert amounts excluded in I&E										
Minimum revenue provision	-5,149	0	**-5,149**	0	0	0	0	0	5,149	**5,149**
Revenue contribution to finance capital	-5,209	0	**-5,209**	0	0	0	0	0	5,209	**5,209**
IAS 19 employers contributions payable	-80,921	0	**-80,921**	0	0	0	80,921	0	0	**80,921**
Other adjustments include:										
Use of capital receipts reserve to finance capital	0	-379	**-379**	0	0	0	0	0	379	**379**
Reserves used to finance capital	-5,257	0	**-5,257**	0	0	0	0	0	5,257	**5,257**
Increase/decrease(-) in 2025/2026	-3,025	0	**-3,025**	-1,011	434	-42	17,694	-522	3,698	**20,251**
Balance as at 31 March 2026	**38,115**	**12,697**	**50,812**	**1,079**	**103,944**	**-350**	**-2,446,985**	**-13,924**	**36,140**	**-2,320,096**

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Group Movement in Reserves Statement 2024/2025	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 2024	**47,147**	**12,697**	**59,844**	**1,541**	**100,044**	**-400**	**-2,634,843**	**-13,455**	**36,307**	**-2,510,806**
Impact of adoption of IFRS16	397	0	**397**							
Restated total comprehensive income and expenditure	-108,779	0	**-108,779**	0	3,466	0	269,368	0	0	**272,834**
Adjustments between accounting & funding basis under regulations										
Reversal of items included to I&E										
Amortisation of intangible assets	25	0	**25**	0	0	0	0	0	-25	**-25**
Depreciation of non-current assets	18,867	0	**18,867**	0	0	0	0	0	-18,867	**-18,867**
Revaluation loss	2,418	0	**2,418**	0	0	0	0	0	-2,418	**-2,418**
Movement in market value of investment properties	168	0	**168**	0	0	0	0	0	-168	**-168**
Capital grants and contributions	-459	0	**-459**	0	0	0	0	0	459	**459**
Council tax collection fund adjustment	-549	0	**-549**	549	0	0	0	0	0	**549**
Gain(-)/loss on disposal of non-current assets	-191	412	**221**	0	0	0	0	0	-221	**-221**
Holiday pay accrual adjustment	-53	0	**-53**	0	0	0	0	53	0	**53**
Fair value adjustment in respect of financial instruments	-92	0	**-92**	0	0	92	0	0	0	**92**
Restated net IAS 19 charge for retirement benefits	176,456	0	**176,456**	0	0	0	-176,456	0	0	**-176,456**
Income in relation to donated assets	-351	0	**-351**	0	0	0	0	0	351	**351**
Insert amounts excluded in I&E										
Minimum revenue provision	-4,821	0	**-4,821**	0	0	0	0	0	4,821	**4,821**
Revenue contribution to finance capital	-7,579	0	**-7,579**	0	0	0	0	0	7,579	**7,579**
IAS 19 employers contributions payable	-77,252	0	**-77,252**	0	0	0	77,252	0	0	**77,252**
Other adjustments include:										
Use of capital receipts reserve to finance capital	0	-412	**-412**	0	0	0	0	0	412	**412**
Reserves used to finance capital	-4,212	0	**-4,212**	0	0	0	0	0	4,212	**4,212**
Increase/decrease(-) in 2024/2025	-6,007	0	**-6,007**	549	3,466	92	170,164	53	-3,865	**170,459**
Balance as at 31 March 2025	**41,140**	**12,697**	**53,837**	**2,090**	**103,510**	**-308**	**-2,464,679**	**-13,402**	**32,442**	**-2,340,347**

Police & Crime Commissioner for Avon & Somerset

PCC Movement in Reserves Statement 2025/2026	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 2025	**41,140**	**12,697**	**53,837**	**2,090**	**103,510**	**-308**	**-2,464,679**	**-13,402**	**32,442**	**-2,340,347**
Total comprehensive income and expenditure	-91,315	0	**-91,315**	0	434	0	108,107	0	0	**108,541**
Adjustments between accounting & funding basis under regulations										
Reversal of items included to I&E										
Amortisation of intangible assets	207	0	**207**	0	0	0	0	0	-207	**-207**
Depreciation of non-current assets	15,076	0	**15,076**	0	0	0	0	0	-15,076	**-15,076**
Revaluation Gain	-2,044	0	**-2,044**	0	0	0	0	0	2,044	**2,044**
Movement in market value of investment properties	-111	0	**-111**	0	0	0	0	0	111	**111**
Capital grants and contributions	-909	0	**-909**	0	0	0	0	0	909	**909**
Council tax collection fund adjustment	1,011	0	**1,011**	-1,011	0	0	0	0	0	**-1,011**
Gain(-)/loss on disposal of non-current assets	-258	379	**121**	0	0	0	0	0	-121	**-121**
Holiday pay accrual Inter group adjustment	522	0	**522**	0	0	0	0	-522	0	**-522**
Fair value adjustment in respect of financial instruments	42	0	**42**	0	0	-42	0	0	0	**-42**
Net IAS 19 charge for retirement benefits	171,334	0	**171,334**	0	0	0	-171,334	0	0	**-171,334**
Income in relation to donated assets	-44	0	**-44**	0	0	0	0	0	44	**44**
Insert amounts excluded in I&E										
Minimum revenue provision	-5,149	0	**-5,149**	0	0	0	0	0	5,149	**5,149**
Revenue contribution to finance capital	-5,209	0	**-5,209**	0	0	0	0	0	5,209	**5,209**
IAS 19 employers contributions payable	-80,921	0	**-80,921**	0	0	0	80,921	0	0	**80,921**
Other adjustments include:										
Use of capital receipts reserve to finance capital	0	-379	**-379**	0	0	0	0	0	379	**379**
Reserves used to finance capital	-5,257	0	**-5,257**	0	0	0	0	0	5,257	**5,257**
Increase/decrease(-) in 2025/2026	-3,025	0	**-3,025**	-1,011	434	-42	17,694	-522	3,698	**20,251**
Balance as at 31 March 2026	**38,115**	**12,697**	**50,812**	**1,079**	**103,944**	**-350**	**-2,446,985**	**-13,924**	**36,140**	**-2,320,096**

Police & Crime Commissioner for Avon & Somerset

PCC Movement in Reserves Statement 2024/2025	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 2024	**47,147**	**12,697**	**59,844**	**1,541**	**100,044**	**-400**	**-2,634,843**	**-13,455**	**36,307**	**-2,510,806**
Impact of adoption of IFRS16	397		**397**							
Restated total comprehensive income and expenditure	-108,779	0	**-108,779**	0	3,466	0	269,368	0	0	**272,834**
Adjustments between accounting & funding basis under regulations										
Reversal of items included to I&E										
Amortisation of intangible assets	25	0	**25**	0	0	0	0	0	-25	**-25**
Depreciation of non-current assets	18,867	0	**18,867**	0	0	0	0	0	-18,867	**-18,867**
Revaluation loss	2,418	0	**2,418**	0	0	0	0	0	-2,418	**-2,418**
Movement in market value of investment properties	168	0	**168**	0	0	0	0	0	-168	**-168**
Capital grants and contributions	-459	0	**-459**	0	0	0	0	0	459	**459**
Council tax collection fund adjustment	-549	0	**-549**	549	0	0	0	0	0	**549**
Gain(-)/loss on disposal of non-current assets	-191	412	**221**	0	0	0	0	0	-221	**-221**
Holiday pay accrual Inter group adjustment	-53	0	**-53**	0	0	0	0	53	0	**53**
Fair value adjustment in respect of financial	-92	0	**-92**	0	0	92	0	0	0	**92**
Restated net IAS 19 charge for retirement benefits	176,456	0	**176,456**	0	0	0	-176,456	0	0	**-176,456**
Income in relation to donated assets	-351	0	**-351**	0	0	0	0	0	351	**351**
Insert amounts excluded in I&E										
Minimum revenue provision	-4,821	0	**-4,821**	0	0	0	0	0	4,821	**4,821**
Revenue contribution to finance capital	-7,579	0	**-7,579**	0	0	0	0	0	7,579	**7,579**
IAS 19 employers contributions payable	-77,252	0	**-77,252**	0	0	0	77,252	0	0	**77,252**
Other adjustments include:										
Use of capital receipts reserve to finance capital	0	-412	**-412**	0	0	0	0	0	412	**412**
Reserves used to finance capital	-4,212	0	**-4,212**	0	0	0	0	0	4,212	**4,212**
Increase/decrease(-) in 2024/2025	-6,007	0	**-6,007**	549	3,466	92	170,164	53	-3,865	**170,459**
Balance as at 31 March 2025	**41,140**	**12,697**	**53,837**	**2,090**	**103,510**	**-308**	**-2,464,679**	**-13,402**	**32,442**	**-2,340,347**

Police & Crime Commissioner for Avon & Somerset

8 Income and Expenditure Analysed by Nature

2024/2025							2025/2026		
OCC £'000	OCC Restated £'000	PCC £'000	PCC Restated £'000	Group £'000	Group Restated £'000	Income and Expenditure analysed by nature	OCC £'000	PCC £'000	Group £'000
334,196	334,196	2,013	2,013	**336,209**	**336,209**	Employee costs	354,776	2,217	**356,993**
16,053	16,053	0	0	**16,053**	**16,053**	Premises costs	16,383	0	**16,383**
5,396	5,396	11	11	**5,407**	**5,407**	Transport costs	5,196	13	**5,209**
45,718	45,718	429	429	**46,147**	**46,147**	Supplies & services	50,885	365	**51,250**
29,034	29,034	159	159	**29,193**	**29,193**	Partnership costs	31,125	166	**31,291**
25,109	25,109	0	0	**25,109**	**25,109**	Misc, central, & grants	24,283	0	**24,283**
0	0	9,408	9,408	**9,408**	**9,408**	Commissioning	0	9,462	**9,462**
21,310	21,310	0	0	**21,310**	**21,310**	Depreciation, amortisation, & impairment	13,239	0	**13,239**
-25,408	-26,679	0	0	**-25,408**	**-26,679**	Employee benefit expenses	-46,614	0	**-46,614**
125,830	125,830	0	0	**125,830**	**125,830**	Net interest on pensions	137,550	0	**137,550**
56,729	56,729	0	0	**56,729**	**56,729**	Net deficit on Police pension fund	56,645	0	**56,645**
0	0	5,685	5,685	**5,685**	**5,685**	Interest payments	0	5,506	**5,506**
0	0	-191	-191	**-191**	**-191**	Gain on disposal of fixed assets	0	-258	**-258**
0	0	-92	-92	**-92**	**-92**	Fair value adjustment for Financial Instruments	0	42	**42**
0	0	46	46	**46**	**46**	Donated Asset Fair Value	0	-44	**-44**
-633,967	-632,696	633,967	632,696	**0**	**0**	Intragroup adjustment	-643,468	643,468	**0**
0	**0**	**651,435**	**650,164**	**651,435**	**650,164**	**Total expenditure**	**0**	**660,937**	**660,937**
-20,899	-20,899	-357	-357	**-21,256**	**-21,256**	Sales, rent, fees, & charges	-23,260	-582	**-23,842**
-1,785	-1,785	0	0	**-1,785**	**-1,785**	Seconded officers	-1,542	0	**-1,542**
0	0	-3,006	-3,006	**-3,006**	**-3,006**	Commissioning of victim support services	0	-3,869	**-3,869**
-20,578	-20,578	0	0	**-20,578**	**-20,578**	Counter terrorism policing grant	-22,549	0	**-22,549**
0	0	-1,626	-1,626	**-1,626**	**-1,626**	Serious Violence grant	0	-1,837	**-1,837**
0	0	0	0	**0**	**0**	Neighbourhood policing grant	-4,575	0	**-4,575**
-12,122	-12,122	0	0	**-12,122**	**-12,122**	Uplift grant	-8,006	0	**-8,006**
-9,244 *	0	0	-9,244	**-9,244**	**-9,244**	Officer pensions grant	0	-8,378	**-8,378**
-15,818	-15,818	-2,650	-2,650	**-18,468**	**-18,468**	Other specific grants	-14,598	-2,598	**-17,196**
0	0	-4,629	-4,629	**-4,629**	**-4,629**	Interest and investment income	0	-3,687	**-3,687**
0	0	168	168	**168**	**168**	Changes in the MV of investment properties	0	-111	**-111**
0	0	-139,874	-139,874	**-139,874**	**-139,874**	Police - revenue grant	0	-145,060	**-145,060**
0	0	-69,272	-69,272	**-69,272**	**-69,272**	Ex-DCLG formula funding	0	-71,838	**-71,838**
0	0	-459	-459	**-459**	**-459**	Capital grant and contributions	0	-909	**-909**
0	0	-3,331	-3,331	**-3,331**	**-3,331**	Council tax freeze grant	0	-3,331	**-3,331**
0	0	-11,378	-11,378	**-11,378**	**-11,378**	CT Support & transition grant	0	-11,378	**-11,378**
0	0	0	0	**0**	**0**	National insurance grant	0	-6,290	**-6,290**
0	0	-167,797	-167,797	**-167,797**	**-167,797**	CT- local authorities	0	-178,579	**-178,579**
0	0	-56,729	-56,729	**-56,729**	**-56,729**	Police pension Top up grant	0	-56,645	**-56,645**
80,445 *	71,201	-80,445	-71,201	**0**	**0**	Intragroup adjustment	74,530	-74,530	**0**
0	**0**	**-541,385**	**-541,385**	**-541,385**	**-541,385**	**Total income**	**0**	**-569,622**	**-569,622**
0	**0**	**110,050**	**108,779**	**110,050**	**108,779**	**Surplus/deficit on provision of services**	**0**	**91,315**	**91,315**

In the 2024/25 statement of accounts, the £9.244m pension grant was part of the gross income figure for Police services - OCC within the net cost of police services. To improve consistency between police forces, it was decided that this should be in the taxation and non-specific grant income section of the Comprehensive income and expenditure statement.

We received an updated pension actuary report for 2024/25 after the 2024/25 statement of accounts was published.

We have restated the 2024/25 figures to show both of these changes.

The employee benefit expense line includes the holiday pay charge, pension costs and employer's contribution. This year it is a credit value due to the pension costs being lower than the employer's contribution.

9 Paying Staff

Disclosure of Remuneration for Senior Employees 2025/2026

Post Holder Information	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2025/2026	Pension Contributions	Total Remuneration Including Pension Contributions 2025/2026
	£	£	£	£	£
Police and Crime Commissioner	92,011	0	92,011	17,114	109,125
Chief Constable - S Crew	204,264	10,254	214,518	72,105	286,623
	296,275	**10,254**	306,529	**89,219**	395,748

Disclosure of Remuneration for Senior Employees 2024/2025

Post Holder Information	Note	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2024/2025	Pension Contributions	Total Remuneration Including Pension Contributions 2024/2025
		£	£	£	£	£
Police and Crime Commissioner	1	9,289	0	9,289	1,728	11,017
Police and Crime Commissioner	2	79,311	0	79,311	14,752	94,063
Chief Constable - S Crew		190,338	9,608	199,946	67,189	267,135
		278,938	**9,608**	288,546	**83,669**	372,215

Note 1 Outgoing PCC left on 08/05/2024

Note 2 Elected the new PCC for Avon and Somerset. Commenced on 09/05/2024

Police & Crime Commissioner for Avon & Somerset

Disclosure of Remuneration for Senior Employees 2025/2026

Post Holder Information	Note	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2025/2026	Pension Contributions	Total Remuneration Including Pension Contributions 2025/2026
		£	£	£	£	£
PCC Employees						
Chief Finance Officer to the PCC		115,000	0	115,000	21,390	136,390
Chief of Staff and Monitoring Officer to the PCC	1	123,971	0	123,971	7,095	131,066
Deputy Police and Crime Commissioner	2	47,321	0	47,321	3,460	50,781
OCC Employees						
Deputy Chief Constable - J Reilly		168,548	1,865	170,413	59,497	229,910
ACC - Neighbourhoods, Partnership & Response		131,034	6,280	137,314	46,255	183,568
ACC - CID & Public Protection		146,345	1,836	148,181	49,012	197,193
ACC - Operational Support and Tasking	3	12,323	0	12,323	4,122	16,445
T/ACC - Operational Support and Tasking	4	69,730	0	69,730	24,615	94,345
ACC - Operational Support and Tasking	5	77,403	0	77,403	25,779	103,181
Chief Officer - Finance, Resources and Innovation		138,845	1,434	140,279	25,825	166,104
Chief Officer - People and Organisational Development		146,345	0	146,345	25,825	172,170
Force Medical Officer		97,347	0	97,347	18,107	115,454
Chief Officer - Misconduct Panel Chair	6	24,531	0	24,531	4,295	28,827
Chief Officer - Misconduct Panel Chair	7	109,044	0	109,044	0	109,044
		1,407,786	**11,415**	1,419,201	**315,277**	1,734,478

Note 1 Chief of Staff and Monitoring Officer to the PCC left 31/07/2025

Note 2 New Deputy Police and Crime Commissioner commenced 23/07/2025

Note 3 ACC - Op Support and Tasking retired 01/05/2025

Note 4 Temporary ACC - Op Support and Tasking appointed on 07/04/2025 due to retirement of ACC on 01/05/2025. Remained in temporary post until 02/11/2025

Note 5 New ACC - Op Support and Tasking commenced 01/09/2025

Note 6 Chief Officer: Misconduct Panel Chair left on 09/06/2025

Note 7 Chief Officer: Misconduct Panel Chair - started 02/06/2025 on a temporary contract

Police & Crime Commissioner for Avon & Somerset

Disclosure of Remuneration for Senior Employees 2024/2025

Post Holder Information	Note	Salary (including fees & allowances)	Benefits in Kind	Total Remuneration Excluding Pension Contributions 2024/2025	Pension Contributions	Total Remuneration Including Pension Contributions 2024/2025
		£	£	£	£	£
PCC Employees						
Chief Finance Officer to the PCC		110,129	0	110,129	20,484	130,613
Chief of Staff and Monitoring Officer to the PCC		112,275	0	112,275	20,883	133,158
OCC Employees						
Deputy Chief Constable - J Reilly		159,741	844	160,585	55,506	216,091
ACC - Strategic Improvement		140,691	0	140,691	47,016	187,707
ACC - Neighbourhoods, Partnerships & Response	1	118,212	6,050	124,262	41,729	165,991
ACC - Investigations & Operational Support		133,879	345	134,224	44,612	178,836
Chief Officer - Finance, Resources and Innovation		133,191	8,662	141,853	24,773	166,626
Chief Officer - People and Organisational Development		134,356	0	134,356	23,595	157,951
Force Medical Officer - D Bulpitt	2	12,365	0	12,365	2,300	14,665
Force Medical Officer - B Harrison	3	53,846	0	53,846	10,015	63,861
Misconduct Panel Chair	4	79,583	0	79,583	13,887	93,470
		1,188,268	**15,901**	1,204,169	**304,800**	1,508,969

Note 1 A new ACC - Neighbourhoods Partnership Response was appointed on 01/04/2024

Note 2 Force Medical Officer retired on 31/05/2024

Note 3 New Force Medical Officer appointed on 03/09/2024

Note 4 Misconduct Panel Chair temporary role appointed on 05/08/2024

Police & Crime Commissioner for Avon & Somerset

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 2024/2025 Number	Pay Range	OCC Number	PCC Number	Total 2025/2026 Number
622	2	624	£50,000 - £54,999	693	0	693
435	3	438	£55,000 - £59,999	566	4	570
259	2	261	£60,000 - £64,999	274	0	274
172	0	172	£65,000 - £69,999	222	2	224
55	1	56	£70,000 - £74,999	90	0	90
13	1	14	£75,000 - £79,999	27	1	28
11	1	12	£80,000 - £84,999	14	1	15
4	0	4	£85,000 - £89,999	14	0	14
10	0	10	£90,000 - £94,999	8	0	8
3	0	3	£95,000 - £99,999	4	1	5
4	0	4	£100,000 - £104,999	2	0	2
3	0	3	£105,000 - £109,999	6	0	6
3	0	3	£110,000 - £114,999	1	0	1
0	0	0	£130,000 - £134,999	0	0	0
0	0	0	£140,000 - £144,999	1	0	1
1,594	**10**	**1,604**		**1,922**	**9**	**1,931**

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 7 staff redundancies were recognised during the year, the details of which are presented in the table below.

Compulsory & Voluntary Redundancies 2024/2025		Exit Packages	Compulsory & Voluntary Redundancies 2025/2026	
Number	£'000	Banding	Number	£'000
17	72	£0 - £19,999	7	42
3	87	£20,000 - £39,999	0	0
4	160	£40,000 - £59,999	0	0
1	75	£60,000 - £79,999	0	0
0	0	£80,000 - £99,999	0	0
0	0	£100,000 - £179,999	0	0
25	**394**		**7**	**42**

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

2024/2025 £'000	External Audit Costs	2025/2026 £'000
	Police and Crime Commissioner:	
121	Fees for external audit services paid to Grant Thornton	133
	Chief Constable:	
73	Fees for external audit services paid to Grant Thornton	80
194		**213**

As part of the Government's response to the Redmond Review, the Department for Levelling Up, Housing, and Communities (DLUHC) provided a grant of £22,507, split by PCC £14,630 and CC £7,877 (2024/25 £23,115 split by PCC £15,069 and CC £8,046) 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 2025/2026 were based on the scale fee. The final fees for the audit have not yet been confirmed. These 2025/2026 figures also include £10.6k includes final variation fees in relation to 23/24. £9.9k estimated additional fees relating to 2024/25, and £9.9k estimated additional fees relating to 2025/26.

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

2024/2025 £'000	Council Tax	2025/2026 £'000
19,328	Bath and North East Somerset Council	20,776
37,351	Bristol City Council	39,717
23,087	North Somerset Council	24,368
59,478	Somerset Council	63,571
28,553	South Gloucestershire Council	30,147
167,797		**178,579**

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. Jon Cummins, who is the Assistant Chief Constable, has received £8,000 for relocation costs during 2025/2026 (during 2024/2025 we rendered £4,032 of services relating to the use of accommodation at our HQ between April 2024 and January 2025 to Jon Cummins).

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 £21,699.42 in 2025/2026 (£120,189 in 2024/2025). Payments were also made to the Avon and Somerset Constabulary Force Club in 2025/2026 of £6,850.90 (£7.052 in 2024/2025).

14 Joint Arrangements

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

2024/2025 Expenditure £'000	Joint Operations	2025/2026 Expenditure £'000
5,780	South West Regional Organised Crime Unit	6,214
1,844	Firearms Training	1,954
836	Counter Terrorism Specialist Firearms Officers	955
6,480	Major Crime Investigation (Brunel)	6,925
11,140	South West Forensic Services	11,345
146	Regional ACC	194
54	Disaster Victim Identification / Casualty Bureau	50
1,064	Other Regional Programmes	1,204
27,344	**Total**	**28,841**

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 (31.9%), Dorset (13.5%), Gloucestershire (11.8%) and Wiltshire (12.1%). The total net cost of the operation, after government grants and sundry income, was £20,228,820 in 2025/2026 (£18,863,333 in 2024/2025).

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 2025/2026 was 41.1% for Avon and Somerset, 33.6% for Gloucestershire and 25.3% for Wiltshire. The total cost of the operation was £4,335,720 in 2025/2026 (£4,159,833 in 2024/2025).

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 (64%), Gloucestershire (17%) and Wiltshire (19%). The total cost of the operation was £1,779,582 in 2025/2026 (£1,558,448 in 2024/2025).

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 £10,820,985 in 2025/2026 (£10,125,587 in 2024/2025).

14.5 South West Forensic Services

South West Forensic Services is a collaboration between Avon and Somerset (34.8%), Devon and Cornwall (36.2%), Dorset (15.3%) and Wiltshire (13.7%) to provide forensic services. The total cost of the operation was £31,532,082 in 2025/2026 (£31,554,482 in 2024/2025).

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 (11.8%), Devon and Cornwall (31.9%), Dorset (13.5%) and Wiltshire (12.1%). The total cost for the ACC was £632,466 in 2025/2026 (£477,319 in 2024/2025).

14.7 Disaster Victim Identification / Casualty Bureau

This is a collaboration between Avon and Somerset (30.7%), Gloucestershire (11.8%), Devon and Cornwall (31.9%), 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 £162,388 in 2025/2026 (£176,683 in 2024/2025).

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 £3,808,838 in 2025/2026 (£3,389,972 in 2024/2025).

15 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, this transaction is then netted off by an intragroup adjustment in the MIRS to move the charge to the PCC accounts, this is evident through note 6 Expenditure and Funding Analysis table.

2025 £'000		IAS 19 Pension Liabilities	2026 £'000
	Restated *		
-2,453,287	-2,452,352	Police officers	-2,446,059
-12,327	-12,327	Police staff	-926
-2,465,614	**-2,464,679**		**-2,446,985**

	Police Staff		Police Officers		Total	
	2024/2025 £'000	2025/2026 £'000	2024/2025 £'000	2025/2026 £'000	2024/2025 £'000	2025/2026 £'000
Comprehensive income and expenditure statement			Restated*		Restated*	
Cost of services:						
Current service cost	17,921	11,425	33,565	32,294	21,834	50,215	33,259
Administration expenses	398	368	0	0	0	398	368
Past service cost including curtailments	13	157	0	0	0	13	157
Financing and investment income and expenditure:							
Net interest cost	110	-1,388	125,720	125,720	138,938	125,830	137,550
Total post employment benefits charged to the surplus or deficit on the provision of services	**18,442**	**10,562**	**159,285**	**158,014**	**160,772**	**176,456**	**171,334**
Other post employment benefits charged to the comprehensive income and expenditure statement							
Return on plan assets increase (-) / decrease	13,633	-23,502	0	0	0	13,633	-23,502
Changes in demographic assumptions	-1,277	11,854	34,813	34,850	45,867	33,573	57,721
Changes in financial assumptions	-102,152	-20,967	-341,114	-340,819	-105,007	-442,971	-125,974
Experience gain/loss(-) on defined benefit obligations	-1,244	34,798	91,946	91,950	7,429	90,706	42,227
Changes in effect of asset Ceiling	93,869	717	0	0	0	93,869	717
Other actuarial gain/loss(-)	0	-2,126	-58,178	-58,178	-57,170	-58,178	-59,296
Total other comprehensive income	**2,829**	**774**	**-272,533**	**-272,197**	**-108,881**	**-269,368**	**-108,107**
Movement in reserves statement							
Reversal of net charges made for retirement benefits in accordance with the code	-18,442	-10,562	-159,285	-158,014	-160,772	-176,456	-171,334
Actual amount charged against the general fund balance for pensions in the year							
Employer's contribution to scheme	21,952	22,627	47,403	47,403	50,324	69,355	72,951
Retirement benefits payable to pensioners	116	110	7,781	7,781	7,860	7,897	7,970

* Prior year has been restated due to a change in value of service cost and financial assumptions by £935,000 following correction in payroll data

16 Pensions for Police Officers – OCC

Employees' contribution 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. Employer contributions to the Police Officer Pension Scheme are projected at £47,253,000 in the financial year 2026/2027.

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.

2024/2025 £'000	Cost of Injury and Ill-Health Benefits - Police Officers	2025/2026 £'000
7,781	Payments to pensioners	7,860

2024/2025 £'000	Pensions Account	2025/2026 £'000
124,565	Benefits paid to officers	128,037
-67,836	Less contributions received	-71,392
56,729	**Balance met from PCC Group**	**56,645**

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 14 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		2025/2026	2024/2025
Current pensioners			
	Males	21.9	21.2
	Females	23.8	23.4
Retiring in 20 years			
	Males	23.4	22.5
	Females	25.4	24.8

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

2024/2025 %		2025/2026 %
5.80	Discount rate	6.10
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)	3.30
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 2026 is as follows

2024/2025 £'000 Restated*		Present Value of Police Pension Scheme Liabilities	2025/2026 £'000
-2,621,719	-2,621,719	Present value of schemes liability as at 1 April	-2,452,352
		Movements in the year	
-33,565	-32,294	Current service cost	-21,834
131,611	131,611	Estimated benefits paid (net of transfers in)	134,442
-18,249	-18,249	Contributions by scheme participants	-19,088
-125,720	-125,720	Interest costs	-138,938
341,114	340,819	Change in financial assumptions	105,007
-34,813	-34,850	Change in demographic assumptions	-45,867
-91,946	-91,950	Experience gain/loss on defined benefit obligations	-7,429
-2,453,287	**-2,452,352**	**Present value of schemes liability as at 31 March**	**-2,446,059**

Pension Liability has been restated due to a change in value of service cost and financial assumptions by £935,000 following correction in payroll data.

The movement in the fair value of scheme assets for the year to 31 March 2026 is as follows

2024/2025 £'000		Fair Value of Police Pension Scheme Assets	2025/2026 £'000
0	**0**	Present value of schemes assets as at 1 April	**0**
		Movements in the year	
58,178	58,178	Other actuarial gain	57,170
55,184	55,184	Contributions by employer	58,184
18,249	18,249	Contributions by scheme participants	19,088
-131,611	-131,611	Estimated benefits paid (net of transfers in)	-134,442
0	**0**	**Present value of schemes assets as at 31 March**	**0**

17 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

2024/2025 Payments £'000	Percentage of Employees' Contributions	Pension Costs - Police Staff	2025/2026 Payments £'000	Percentage of Contributions
21,981	130-296	PCC's contribution	22,643	130-296

During 2025/2026 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 £18,169,000 in the financial year 2026/2027.

Since April 2024 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 2025/2026 is £936,000, the amount paid in 2024/2025 was £901,000

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 15.

A full valuation of the pension scheme liabilities was last undertaken as at 31 January 2021. This work has been updated for the 2025/2026 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 18 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		2025/2026	2024/2025
Current pensioners			
	Males	22.3	21.1
	Females	23.9	23.0
Retiring in 20 years			
	Males	23.9	22.4
	Females	25.6	24.4

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

2024/2025 %		2025/2026 %
5.90	Discount rate	6.20
3.85	Rate of increase in salaries	3.90
2.85	Rate of increase in pensions in payment	2.90
3.10	Change in Retail Price Index (RPI)	3.25
2.85	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 2026 is estimated to be 9.9%. The estimated value of the PCC's share of the fund's assets is £666,383,000 on a bid value basis (2024/2025 £591,171,000).

It should be noted that as interest rates have increased over recent periods, there have been improvements in funding levels on the accounting basis which has resulted in some LGPS employers with an accounting surplus at the balance sheet date. This is the case for the Police and Crime Commissioner Group. When a surplus is calculated, the standard requires the net defined benefit asset to be measured at the lower of the surplus in the defined benefit plan, and the asset ceiling. We have instructed Barnett Waddingham LLP, an independent firm of actuaries to carry out this calculation. They have established that the impact of the asset ceiling is £151m. The calculation assumes that

- There is no prospect of the Employer having an unconditional right to a refund of surplus on the basis that such a payment would be at the discretion of the Fund
- The Employer is a scheduled body and assumed to participate indefinitely
- Primary contributions are considered to be a minimum funding requirement
- The minimum funding requirement exceeds the current cost of accrual and so the potential economic benefit from future contribution reductions is nil
- There is no onerous funding commitment due no requirement of Employer's obligation to pay future deficit contributions,
- The value of the asset ceiling is therefore nil (2024/25 £11,451k).

The Constabulary has elected not to restate the fair value of scheme assets for previous periods as permitted by IAS19.

The assets are made up of the following

2024/2025 £'000	2024/2025 %	Assets	2025/2026 £'000	2025/2026 %
		Equities		
65,279	11.1	UK - Unquoted	80,134	12.0
350,135	59.2	Overseas - Unquoted	400,668	60.0
23,738	4.0	Private equity	26,711	4.0
439,152	**74.3**		**507,513**	**76.0**
		Gilts - Public Sector		
11,209	1.9	UK fixed interest	11,717	2.0
11,209	1.9	UK index linked	11,717	2.0
22,418	**3.8**		**23,433**	**4.0**
		Other Bonds		
48,690	8.2	UK	52,613	8.0
24,345	4.1	Overseas	26,307	4.0
73,035	**12.3**		**78,920**	**12.0**
39,436	6.7	**Property**	40,115	6.0
17,130	2.9	**Cash (invested internally)**	16,402	2.0
591,171	**100**	**Total assets**	**666,383**	**100**

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

2024/2025 £'000	Police Staff Pensions	2025/2026 £'000
591,171	Share of assets in pension fund	666,383
-142,000	Changes in Asset Ceiling	-151,125
-460,622	Estimated liabilities in pension fund	-515,258
-876	Estimated unfunded liabilities	-926
-12,327	**Deficiency in fund**	**-926**

The movement in the present value of schemes obligations for the year to 31 March 2025 is as follows

2024/2025 £'000	Present Value of Police Staff Liabilities	2025/2026 £'000
-531,786	Present value of defined obligations as at 1 April	**-461,498**
	Movements in the year	
-17,921	Current service cost	-11,425
16,933	Estimated benefits paid (net of transfers in)	15,765
-7,412	Contributions by scheme participants	-7,658
-26,088	Interest costs	-25,636
116	Unfunded pension payments	110
102,152	Change in financial assumptions	20,967
1,277	Change in demographic assumptions	-11,854
1,244	Experience loss(-)/gain on defined benefit obligations	-34,798
-13	Past service cost, including curtailments	-157
-461,498	**Present value of defined obligations as at 31 March**	**-516,184**

The movement in the fair value of scheme assets for the year to 31 March 2026 is as follows

Police & Crime Commissioner for Avon & Somerset

2024/2025 £'000	Fair Value of Police Staff Scheme Assets	2025/2026 £'000
564,523	Fair value of scheme assets as at 1 April	**591,171**
	Movements in the year	
28,248	Interest on assets	35,432
-13,633	Return on assets less interest	23,502
0	Other actuarial gain/loss(-)	2,126
-398	Administration expenses	-368
22,068	Contributions by employer	22,737
7,412	Contributions by scheme participants	7,658
-17,049	Estimated benefits paid (net of transfers in)	-15,875
591,171	**Fair value of scheme assets as at 31 March**	**666,383**

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.

Police & Crime Commissioner for Avon & Somerset

18 Property, Plant and Equipment

Property, Plant and Equipment 2025/2026	Land and Buildings	Vehicles, Plant, Machinery and Equipment	Assets Under Construction	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
As at 1 April 2025	206,139	60,694	1,077	2,602	270,512
Additions during year	1,087	8,219	6,627	0	15,933
Disposals	0	-4,352	0	0	-4,352
Reclassification	64	0	-64	0	0
Revaluation gain/loss (-)					
Recognised in revaluation reserve	-2,687	0	0	16	-2,671
Recognised in surplus & deficit I&E	1,626	0	0	-19	1,607
As at 31 March 2026	**206,229**	**64,561**	**7,640**	**2,599**	281,029
Depreciation and impairment					
As at 1 April 2025	-2,383	-40,738	0	42	-43,079
Depreciation charge	-4,207	-9,545	0	-23	-13,775
Disposals	0	4,230	0	0	4,230
Reclassification	0	0	0	0	0
Revaluation gain/loss (-)					
Recognised in revaluation reserve	3,081	0	0	23	3,104
Recognised in surplus & deficit I&E	479	0	0	-42	437
As at 31 March 2026	**-3,030**	**-46,053**	**0**	**0**	-49,083
Net book value					
As at 31 March 2026	**203,199**	**18,508**	**7,640**	**2,599**	231,946
As at 31 March 2025	**203,756**	**19,956**	**1,077**	**2,644**	227,433

Property, Plant and Equipment 2024/2025	Land and Buildings	Vehicles, Plant, Machinery and Equipment	Assets Under Construction	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
As at 1 April 2024	204,873	52,457	1,503	3,929	262,762
Additions during year	5,116	11,400	933	0	17,449
Disposals	0	-3,163	0	0	-3,163
Reclassification	1,499	0	-1,359	-400	-260
Revaluation gain/loss (-)					
Recognised in revaluation reserve	-1,383	0	0	-323	-1,706
Recognised in surplus & deficit I&E	-3,966	0	0	-604	-4,570
As at 31 March 2025	**206,139**	**60,694**	**1,077**	**2,602**	270,512
Depreciation and impairment					
As at 1 April 2024	-2,142	-33,864	0	109	-35,897
Depreciation charge	-7,263	-9,816	0	-541	-17,620
Disposals	0	2,942	0	0	2,942
Reclassification	168	0	0	5	173
Revaluation gain/loss (-)					
Recognised in revaluation reserve	5,147	0	0	25	5,172
Recognised in surplus & deficit I&E	1,707	0	0	444	2,151
As at 31 March 2025	**-2,383**	**-40,738**	**0**	**42**	-43,079
Net book value					
As at 31 March 2025	**203,756**	**19,956**	**1,077**	**2,644**	227,433
As at 31 March 2024	**202,731**	**18,593**	**1,503**	**4,038**	226,865

Nature of assets held as at 31 March 2026	Land and Buildings	Vehicles, Plant, Machinery and Equipment	Assets Under Construction	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000
Owned	119,409	18,508	7,640	2,599	148,156
Leased	3,062	0	0	0	3,062
PFI	80,728	0	0	0	80,728
	203,199	**18,508**	**7,640**	**2,599**	231,946

Nature of assets held as at 31 March 2025	Land and Buildings	Vehicles, Plant, Machinery and Equipment	Assets Under Construction	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000
Owned	120,086	19,956	1,077	2,644	143,763
Leased	3,414	0	0	0	3,414
PFI	80,256	0	0	0	80,256
	203,756	**19,956**	**1,077**	**2,644**	227,433

Capital Commitments

At 31st March 2026, the constabulary has entered into a number of contracts for the construction or enhancement of property, plant and equipment in 2026/2027 and future years budgeted to £14m. Similar commitments at 31st March 2025 were £2.4m.The major commitments are

- Fleet - £0.8m
- Estates - £12m
- Equipment - £0.7m
- ICT - £0.4m

19 Investment Properties

2024/2025 Investment Property £'000		2025/2026 Investment Property £'000
2,789	**Balance at start of the year**	2,621
	Additions:	
0	Purchases	0
0	Construction	0
0	Subsequent expenditure	0
0	**Disposals**	0
-168	**Net gain/loss from fair value adjustments**	111
	Transfers:	
0	to/from inventories	0
0	from property plant and equipment	0
2,621	**As at 31 March**	**2,732**

20 Right of Use Assets

The authority's lease contracts comprise leases of police stations and reprographic equipment. The table below describes the nature of the constabulary's leasing activities by type of right-of-use asset recognised on balance sheet. The reprographic equipment has been grouped as a single asset, as the equipment is part of a combined contract.

Right of Use Asset	No of Right of Use Assets Leased	Range of Remaining Term at 31 March 26	Average Remaining Lease Term at 31 March 26
Police buildings and offices	30	1 - 42 years	7 years
Reprographic equipment	1	4 years	4 years
Peppercorn buildings and offices	4	1 - 9 years	4 years

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

Right of Use Assets 2025/26	ROU Buildings	ROU Plant & Equipment	Total
	£'000	£'000	£'000
Cost or valuation			
As at 1 April 2025	6,704	141	6,845
Additions during year	386	584	970
Disposals	-158	-141	-299
Reclassification	0	0	0
Revaluation	-22	0	-22
As at 31 March 2026	**6,910**	**584**	7,494
Depreciation and impairment			
As at 1 April 2025	-1,027	-130	-1,157
Depreciation charge	-1,221	-79	-1,300
Disposals	158	141	299
Reclassification	0	0	0
Revaluation	66	0	66
As at 31 March 2026	**-2,024**	**-68**	-2,092
Net book value			
As at 31 March 2026	**4,886**	**516**	5,402
As at 31 March 2025	**5,677**	**11**	5,688

Transactions Under Leases

The authority incurred the following expenses and cash flows in relation to leases

	2024/25 £'000	2025/26 £'000
Comprehensive income and expenditure statement		
Interest expense on lease liabilities	269	294
Expense relating to short-term leases	46	0
Expense relating to exempt leases of low-value items	2	3
Donated Asset Fair Value Gain/Loss	46	-44
Cash flow statement		
Lease payments	940	925

Lease Liabilities

The lease liabilities are due to be settled over the following time periods

	Buildings		Plant & Equipment		Total	
	1st April 2025 £'000	31st March 2026 £'000	1st April 2025 £'000	31st March 2026 £'000	1st April 2025 £'000	31st March 2026 £'000
Payments due within 1 year	1,088	1,005	11	139	1,099	1,144
Payments due between 1 and 5 years	2,737	2,485	0	477	2,737	2,962
Payments due after 5 years	2,528	2,174	0	0	2,528	2,174
Total undiscounted liabilities	**6,353**	**5,664**	**11**	**616**	**6,364**	**6,280**
less interest element	1,486	1,282	1	82	1,487	1,364
Present value of payments due within 1 year	1,033	955	11	133	1,044	1,088
Present value of payments due between 1 and 5 years	2,330	2,124	0	402	2,330	2,526
Present value of payments due after 5 years	1,503	1,303	0	0	1,503	1,303
Total present value obligation	**4,867**	**4,382**	**10**	**535**	**4,877**	**4,917**
Weighted average discount rate	**5.1%**	**5.1%**	**5.6%**	**5.4%**	**5.1%**	**5.2%**

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

2024/2025 PFI Buildings £'000	2024/2025 Total £'000	PFI Assets	2025/2026 PFI Buildings £'000	2025/2026 Total £'000
		Cost or valuation		
82,365	82,365	As at 1 April	80,278	80,278
598	598	Impact of remeasurements of lease liability for IFRS 16	135	135
0	0	Disposals	0	0
		Revaluation gain/loss (-)		
-466	-466	Recognised in revaluation reserve	-1,759	-1,759
-2,219	-2,219	Recognised in surplus & deficit I&E	2,088	2,088
80,278	80,278	**As at 31 March**	**80,742**	80,742
		Depreciation and impairment		
-25	-25	As at 1 April	-22	-22
-3,280	-3,280	Depreciation charge	-1,862	-1,862
0	0	on Disposals	0	0
		Revaluation gain/loss (-)		
2,918	2,918	Recognised in revaluation reserve	1,848	1,848
365	365	Recognised in surplus & deficit I&E	22	22
-22	-22	**As at 31 March**	**-14**	-14
		Net book value		
80,256	80,256	**As at 31 March**	**80,728**	80,728

2024/2025 £'000	PFI Liabilities	2025/2026 £'000
48,412	Balance brought forward	**46,987**
480	Impact of remeasurement of lease liability for IFRS 16	0
48,892	Finance Liability as at 1 April	46,987
-2,023	Liability Paid in Year	-2,014
118	Impact of re-measurement of lease liability due to indexation of future payments	135
46,987	**Finance Liability at 31 March**	**45,108**

The PFI lease liability has been remeasured during 2025/2026, in accordance with IFRS 16, as a change in the inflation index has caused a change in future lease payments.

Payments made in 2025/2026 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

PFI Charges	Service Charge £'000	Lifecycle Replacement Costs £'000	Interest Charge £'000	Liability £'000
Rental paid 2025/2026	2,582	1,060	3,735	2,014
Rentals payable in future years				
Within 1 year	2,673	844	3,586	2,441
Within 2-5 years	10,681	5,609	12,484	9,373
Within 6-10 years	13,406	5,800	10,542	17,951
Within 11-15 years	7,981	2,810	2,490	15,343
Within 16-20 years	0	0	0	0
Total	**34,741**	**15,063**	**29,102**	**45,108**

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.

PCC £'000	Total 2025 £'000	Debtors and Payments in Advance	PCC £'000	Total 2026 £'000
40,528	40,528	Trade debtors	48,768	48,768
5,986	5,986	Prepayments	4,578	4,578
25	25	Other	35	35
46,539	**46,539**	**Balance as at 31 March**	**53,381**	**53,381**

23 Cash and Cash Equivalents

2025 £'000	Cash and Cash Equivalents	2026 £'000
77	Cash in hand	77
-4,010	Bank Overdraft	-4,660
36,050	Short term deposits	37,680
32,117	**Balance as at 31 March**	**33,097**

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) and amounts owing to lenders under the terms of a fixed term loan.

2025 £'000	Loans to be Repaid	2026 £'000
1,137	Within one year	1,800
1,800	Between one and two years	3,610
7,804	Between two and five years	4,905
9,968	Between five and 10 years	9,807
20,159	More than 10 years	19,610
40,868	**Total**	**39,732**
	Less:	
-1,137	Transferred to short term borrowings (repayable in 2025/2026)	-1,800
39,731		**37,932**

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, 31st March 2026.

OCC £'000	PCC £'000	Total 2025 £'000	Creditors and Receipts in Advance	OCC £'000	PCC £'000	Total 2026 £'000
0	15,034	15,034	Trade creditors	0	16,039	16,039
0	1,305	1,305	Receipts in advance	0	3,391	3,391
12,864	15,271	28,135	Accruals	13,319	18,467	31,786
0	2,177	2,177	Other	0	1,604	1,604
12,864	**33,787**	**46,651**	**Balance as at 31 March**	**13,319**	**39,501**	**52,820**

26 Short and Long Term Provisions

Short and Long Term Provisions	Balance 1 April 2025 £'000	Reversed Unused £'000	Used in Year £'000	New in Year £'000	Balance 31 March 2026 £'000
Insurance	10,201	0	-1,673	2,328	10,856
Legal services	1,336	-234	-68	644	1,678
Lease provision Dilapidations	766	0	0	5	771
Overtime liability - OCC	2,401	0	-417	9	1,993
	14,704	**-234**	**-2,158**	**2,986**	**15,298**

As at 31 March 2026, the insurance provision has increased to £10,856,000 , 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 2026 and the paid and outstanding claims position as at this date. Due to the introduction of the IFRS 16 lease standard, there is a new provision for the dilapidations of lease premises.

The legal services provision of £1,678,000 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 overtime liability provision at 31 March 2026 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 2026.

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 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. The settlement of the injury to feelings claims for Aarons sets a helpful precedent, therefore no liability in respect of compensation claims is recognised in these accounts. Pecuniary loss claims remain stayed under advice from Counsel, but it is expected that most of these claims will be settled under the current compensation mechanism that is provided for under the Public Service Pensions & Judicial Offices Act (PSPJOA) 2022. As at 31 March 2026, it is not possible to reliably estimate the extent or likelihood of Penningtons claims being successful, and therefore no contingent liability in respect of compensation claims is recognised in these accounts.

27.2 Other Pension Cases

There are two further cases which have 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. The consultation was closed in August 2025 and draft regulation amendments have

been published. There may be an increase due to LGPS defined benefit obligations resulting from the backdated benefit awards to members, these are not anticipated to be significant.

Virgin Media Case - Where any amendments are made to the rules of a contracted–out defined benefit scheme, the Actuary is required to provide a section 37 confirmation that the scheme continues to meet the contracting-out requirements. The original court case decided that certain rule amendments were invalid. For LGPS, the Scheme Actuary are reviewing historic amendments to LGPS and the certificates provided, in this context. Due to insufficient information being available to assess potential impact, our Actuaries are unable to quantify it.

27.3 Motorway Speed Enforcement (Op Cabin)

The Department for Transport (DfT) has confirmed that National Highways is responsible for funding financial redress arising from erroneous speed enforcement linked to certain managed motorway cameras enforced on their behalf by Avon and Somerset. While police forces are involved in supporting the administration of the redress scheme, no liability resulting from this redress is expected to fall to the Police Force or the Police and Crime Commissioner. At the date of approval of these financial statements, the redress scheme has not yet been fully implemented, and the final scope remains subject to further approvals. Accordingly, no provision has been recognised in these accounts, but this matter is disclosed as a contingent liability.

Police & Crime Commissioner for Avon & Somerset

28 Funds and Reserves

28.1 Revenue Reserves and General Fund

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

Revenue Reserves 2025/2026	Balance 1 April 2025	Reserves Used in Year	Transfers to Reserves in Year	Balance 31 March 2026
	£'000	£'000	£'000	£'000
Carry forwards Reserve	32	-32	187	187
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	1,352	-263	0	1,089
New PCC Reserve	640	0	0	640
Total discretionary reserves	**4,814**	**-295**	**187**	**4,706**
SW ROCU Reserve	455	-577	1,530	1,408
Proceeds of crime Reserve	488	-2	583	1,069
Police Property Act Reserve	553	-168	390	775
Grants carried forward Reserve	1,971	-3,400	1,847	418
Hinkley Point Reserve	808	-478	0	330
Road safety Reserve	341	-100	0	241
LRF Reserve	277	-204	57	130
Victim support services Reserve	1,447	-357	0	1,090
Miscellaneous Reserve	265	-700	841	406
Regional programme Reserve	312	-366	161	107
Pension Fund McCloud Reserve	555	-44	0	511
Total non-discretionary reserves	**7,472**	**-6,396**	**5,409**	**6,485**
Capital financing Reserve	10,399	-5,258	0	5,141
Earmarked capital Reserve	19	-19	3,338	3,338
PFI change Reserve	457	0	0	457
Sinking fund Reserve	5,243	-148	158	5,253
ESMCP Reserve	734	0	0	734
Total capital and PFI reserves	**16,852**	**-5,425**	**3,496**	**14,923**
Total earmarked reserves	**29,138**	**-12,116**	**9,092**	**26,114**
General Fund	12,000	0	0	12,000
Total General Fund Balance	**41,138**	**-12,116**	**9,092**	**38,114**

Police & Crime Commissioner for Avon & Somerset

Revenue Reserves 2024/2025	Balance 1 April 2024	Reserves Used in Year	Transfers to Reserves in Year	Balance 31 March 2025
	£'000	£'000	£'000	£'000
Carry forwards Reserve	90	-210	152	32
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	1,779	-3,380	2,953	1,352
New PCC Reserve	739	-99	0	640
Total discretionary reserves	**5,398**	**-3,689**	**3,105**	**4,814**
SW ROCU Reserve	398	-398	455	455
Proceeds of crime Reserve	654	-200	34	488
Police Property Act Reserve	496	-117	174	553
Grants carried forward Reserve	2,253	-1,960	1,678	1,971
Hinkley Point Reserve	683	-734	859	808
Road safety Reserve	655	-314	0	341
LRF Reserve	282	-148	144	278
Victim support services Reserve	2,574	-1,127	0	1,447
Miscellaneous Reserve	102	-622	785	265
Regional programme Reserve	172	-171	311	312
Pension Fund McCloud Reserve	88	0	467	555
Total non-discretionary reserves	**8,357**	**-5,791**	**4,907**	**7,473**
Capital financing Reserve	14,610	-4,211	0	10,399
Earmarked capital Reserve	400	-381	0	19
PFI change Reserve	457	0	0	457
Sinking fund Reserve	5,191	-171	223	5,243
ESMCP Reserve	734	0	0	734
Total capital and PFI reserves	**21,392**	**-4,763**	**223**	**16,852**
Total earmarked reserves	**35,147**	**-14,243**	**8,235**	**29,139**
General Fund	12,000	0	0	12,000
Total General Fund Balance	**47,147**	**-14,243**	**8,235**	**41,139**

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 25/26 MTFP to reflect the inflationary challenges in future financial years.

The **PCC reserve** was established to provide funds to help support the PCC's programme.

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 **Police Property Act 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 **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

2024/2025 £'000	Capital Expenditure and Financing	2025/2026 £'000
93,893	Opening capital financing requirement	**100,442**
6,698	Opening balance adjustment for right of use assets	0
-397	Less donated asset gain posted direct to capital adjustment account	0
	Capital investment	
16,851	Property, plant and equipment	15,798
880	Lease additions	1,105
	Sources of finance	
-412	Capital receipts	-380
-459	Government grants and contributions	-909
-7,198	Revenue contributions	-5,190
-4,593	Earmarked reserves	-5,276
-4,821	Minimum revenue provision	-5,149
-17,483		-16,904
100,442	**Closing capital finance requirements**	**100,441**
	Explanation of movements in year	
6,549	Increase/decrease(-) in underlying need to borrow	-1
6,549	**Increase/decrease(-) in capital financing requirement**	**-1**

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 2025/2026	Current			Non-current	Total 31st March 2026
	Bank overdraft £'000	Borrowings £'000	Creditors £'000	Borrowings £'000	£'000
Fair value through profit or loss	0	0	0	0	0
Amortised cost	4,660	1,800	30,213	37,932	**74,605**
Amortised cost - PFI liabilities	0	2,441	0	42,667	**45,108**
Amoritsed cost - non-PFI liabilities	0	1,088	0	3,829	**4,917**
Total financial liabilities	**4,660**	**5,329**	**30,213**	**84,428**	**124,630**
Other liabilities not defined as financial instruments:					
Tax	0	0	9,287	0	**9,287**
OCC payroll accruals	0	0	13,319	0	**13,319**
Total	**4,660**	**5,329**	**52,819**	**84,428**	**147,236**

Financial liabilities 2024/2025	Current			Non-current	Total 31st March 2025
	Bank overdraft £'000	Borrowings £'000	Creditors £'000	Borrowings £'000	£'000
Fair value through profit or loss	0	0	0	0	**0**
Amortised cost	4,010	1,137	25,477	39,731	**70,356**
Amoritsed cost -PFI liabilities	0	2,014	0	44,973	**46,987**
Amoritsed cost - non-PFI liabilities	0	1,044	0	3,833	**4,877**
Total financial liabilities	**4,010**	**4,195**	**25,477**	**88,537**	**122,220**
Other liabilities not defined as financial instruments:					
Tax	0	0	8,310	0	**8,310**
OCC payroll accruals	0	0	12,864	0	**12,864**
Total	**4,010**	**4,195**	**46,651**	**88,537**	**143,394**

Note – PFI Liabilities are now included within the new lease's standard as shown in note 21

Financial assets 2025/2026	Current Cash and cash equivalents £'000	Investments £'000	Debtors £'000	Total 31st March 2026 £'000
Fair value through profit or loss	11,680	2,650	0	**14,330**
Amortised cost	26,077	5,000	46,675	**77,752**
Total financial assets	**37,757**	**7,650**	**46,675**	**92,082**
Other assets not defined as financial instruments:				
VAT	0	0	2,128	**2,128**
Payments in advance	0	0	4,578	**4,578**
Total	**37,757**	**7,650**	**53,381**	**98,788**

Financial assets 2024/2025	Current Cash and cash equivalents £'000	Investments £'000	Debtors £'000	Total 31st March 2025 £'000
Fair value through profit or loss	11,050	2,692	0	**13,742**
Amortised cost	25,077	13,000	36,108	**74,185**
Total financial assets	**36,127**	**15,692**	**36,108**	**87,927**
Other assets not defined as financial instruments:				
VAT	0	0	4,446	**4,446**
Payments in advance	0	0	5,985	**5,985**
Total	**36,127**	**15,692**	**46,539**	**98,358**

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 £21,418,311 (31 March 2025 22,988,517) compared with a book value of £26,156,627 (31 March 2025 £29,066,269). The fair value of LOBO loans has been assessed at £4,535,881 (31 March 2025 £4,995,442) 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 2025		31 March 2026	
	Carrying amount £'000	Fair value £'000	Carrying £'000	Fair value £'000
Financial liabilities held at amortised cost				
Borrowings - PWLB loans	29,066	22,989	26,157	21,418
Borrowings - LOBO loans	5,275	4,995	5,275	4,536
Borrowings - other	6,500	6,126	8,300	8,287
Bank Overdraft	4,010	4,010	4,660	4,660
Creditors	25,477	25,477	30,213	30,213
PFI liabilities	46,987	58,230	45,107	58,230
Total	**117,315**	**121,828**	**119,712**	**127,344**

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 PFI lease liability has been remeasured during 2025/2026, in accordance with IFRS 16, as a change in the inflation index has caused a change in future lease payments.

Short term creditors are carried at cost and this is a fair approximation of their value.

Lender Option Borrower Option (LOBO)

2025 £'000	Drawdown Date	2026 £'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
5,275	**Total**	**5,275**				

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 2025		31 March 2026	
	Carrying amount £'000	Fair value £'000	Carrying amount £'000	Fair value £'000
Financial assets held at amortised cost				
Cash and cash equivalents	25,077	24,935	26,077	26,923
Investments - Short term	13,000	12,758	5,000	5,150
Debtors	36,108	36,108	46,675	46,675
Total	**74,185**	**73,801**	**77,752**	**78,748**
Financial assets held at Fair Value				
Cash and cash equivalents	11,050	11,050	11,680	11,680
Investments - Short term	2,692	2,692	2,650	2,650
Total	**13,742**	**13,742**	**14,330**	**14,330**

At 31 March 2026 the fair value is assessed as level 1 for cash and cash equivalents held at amortised cost and fair value at £37,757,000 and short term investments at £7,649,880. This compares with a book value of £38,602,774 for cash and equivalents and a book value of £7,799,477 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 2025 £'000	31 March 2026 £'000	31 March 2025 £'000	31 March 2026 £'000
Interest payable and similar charges (excluding PFI)	1,529	1,477	0	0
Interest and investment income	0	0	4,330	3,495

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 2026 investments can be analysed as follows

Credit Rating	31 March 2025 £'000	Default %		Credit Rating	31 March 2026 £'000	Default %
AAA	11,050	0.11	Deposits with Money Market Funds	AAA	11,680	0.10
AA-	38,000	0.07	Deposits with local authorities	AA-	31,000	0.17
A+	0	0.00	Deposits with UK banks	A+	0	0.00
AA-	0	0.00	Deposits with Overseas banks	AA-	0	0.07
N/A	3,000	0.00	CCLA property fund	N/A	3,000	0.00
	52,050		**Total**		**45,680**	

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 £7,904,311 pension fund account debtor with the Home Office (2024/2025 £2,787,082).

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 2026 the total value of these provisions was £96,147 (31 March 2025 £75,064). The remaining value of debtors less these provisions can be analysed as follows

31 March 2025 £'000	Unimpaired Debtors	31 March 2026 £'000
1,281	Less than three months	2,412
61	Over three months	11
1,342		**2,423**

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 2026 the PCC had £14,680,000 (31 March 2025 £14,050,000) in call accounts and money market funds available to manage short term liquidity requirements. The PCC had a further £31,000,000 invested for a period of up to one year from the balance sheet date (31 March 2025 £38,000,000).

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 £213,400 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 17). 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 16 of the accounts

2024/2025 £'000	Police Officers Pension Fund Account	2025/2026 £'000
	Contributions receivable	
	Employers contributions:	
-47,403	35.3% contributions	-50,324
-1,391	Ill health/early retirements	-1,061
-48,794		-51,385
	Employee contributions	
-305	1987 Police Pension Scheme	-79
-1	2006 Police Pension Scheme	0
-18,000	CARE Police Pension Scheme	-19,078
-18,306		-19,157
-736	**Transfers in from other schemes**	**-850**
	Benefits payable	
105,944	Pensions	109,845
16,637	Commutations and lump sum retirement benefits	16,919
122,581		126,764
	Payments to and on account of leavers	
282	Refund of contributions	122
3	Transfers out to other schemes	81
1,699	Other	1,070
1,984		1,273
56,729	**Net amount payable for the year**	**56,645**
0	Additional contribution from the local policing body	0
-56,729	**Transfer from Police Fund to meet deficit**	**-56,645**
0	**Net amount payable/receivable for the year**	**0**

This note shows the pension fund account assets and liabilities as at 31 March 2026

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31 March 2025 £'000	Pension Fund Net Assets	31 March 2026 £'000
	Current assets	
0	Amounts due from Central Government	0
	Current liabilities	
0	Amounts owing to pensioners	0
0	**Net assets**	**0**

Police & Crime Commissioner for Avon & Somerset

Glossary of Terms

Term	Definition
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
Balance Sheet	This represents our overall financial position as at 31 March
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
Creditors	Amounts which are owed to others
CSP	Community Safety Partnerships
CTSFO	Counter Terrorism Specialist Firearms Officers
Current service cost	The value of projected retirement benefits earned by pension scheme members in the current financial year
Debtors	Amounts which are due from others
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

Term	Definition
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
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
GSB	Governance and Scrutiny Board
GSC	Government Security Classification
HMICFRS	His Majesty's Inspectorate of Constabulary and Fire & Rescue Services
HMICFRS PEEL	The HMICFRS PEEL assessment stands for Police Effectiveness, Efficiency and Legitimacy
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
Intangible fixed assets	Assets that are not physical such as software licences
IOPC	Independent Office for Police Conduct
IPM	Independent Panel Member
IT	Information Technology
JAC	Joint Audit Committee
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

Police & Crime Commissioner for Avon & Somerset

Term	Definition
OPCC	Office of Police and Crime Commissioner Staff employed by the Police and Crime Commissioner
PACCTS	Police and Crime Commissioners Treasurers' Society
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)
PCSO	Police Community Support Officer
PFI	Private Finance Initiative
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
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
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
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
SWAP	South West Audit Partnership
SWPPS	South West Police Procurement Service
SW ROCU	South West Regional Organised Crime Unit
TOR	Terms of Reference
VRU	Violence Reduction Units

POLICE AND CRIME COMMISSIONER FOR AVON AND SOMERSET

Further information can be obtained online at:-

www.**avon**and**somerset**-pcc.gov.uk (PCC Website)

www.**avon**and**somerset**.police.uk (Constabulary Website)

Or in writing to:-

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