Gloucestershire Constabulary

Chief Constable for Gloucestershire

Statement of Accounts 2024/25

Audited

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NARRATIVE REPORT BY THE CHIEF CONSTABLE'S CHIEF FINANCE OFFICER

The purpose of this report is to provide a clear guide to the most significant matters reported in the accounts and to comment on the Constabulary's financial performance and economy, efficiency and effectiveness during the year.

The Police Reform and Social Responsibility Act 2011 established the Chief Constable for Gloucestershire and the Police and Crime Commissioner (PCC) for Gloucestershire as separate legal entities (corporations sole). The primary function of the Chief Constable is the exercising of operational policing duties under the Police Act 1996. The PCC's function is to hold the Chief Constable to account for the exercise of these duties, thereby securing the maintenance of an efficient and effective police force in Gloucestershire. The Chief Constable is accountable to the PCC.

Both the PCC and the Chief Constable are required to publish statement of accounts. For accounting purposes, the PCC and the Chief Constable together are known as the Group. A separate set of statutory accounts has been published for the PCC and Group to recognise all of the financial transactions incurred during 2024/25 for policing Gloucestershire. The accounts which follow show the Chief Constable's financial results for 2024/25.

The Chief Constable holds office as a servant of the crown and is not an employee. They have a statutory responsibility for the control over officers and employs the majority of the staff.

The PCC is elected by the public every four years and holds the Chief Constable to account for the exercise of his functions and those of persons under his direction and control. The PCC has retained employment only of staff in the Office of the PCC (OPCC). The PCC has retained ownership of all assets, and all contracts are let in the name of the PCC. The PCC is responsible for establishing all reserves and controls the cash flow. Chris Nelson, the Conservative candidate was re-elected as Police and Crime Commissioner (PCC) for Gloucestershire on 2nd May 2024 for a period of four years. It is Mr Nelson's second term in office following his election in 2021 (his first term was reduced to three years following the COVID-19 pandemic).

Organisational Overview and External Environment

Gloucestershire is a largely rural county encompassing the Cathedral city of Gloucester, the historic Spa town of Cheltenham, the Royal Forest of Dean and a number of picturesque Cotswolds villages. Gloucestershire's urban centres are diverse with a thriving night-time economy.

The County hosts a number of significant events throughout the year which attract national attention. These include the National Hunt Festival (Gold Cup) at Cheltenham Racecourse, the Royal International Air Tattoo at Fairford, the Tall Ships Festival at Gloucester Docks and the annual Cheese Rolling competition at Cooper's Hill.

There are a number of royal households including Highgrove, the residence of King Charles and Queen Camilla as well as Gatcombe Park, the home of Princess Anne, two small airports and two universities: the University of Gloucestershire and the Royal Agricultural University. GCHQ is one of the UK's leading intelligence agencies and as such a large employer in the county.

The Police and Crime Prevention Plan for 2025/2029 was launched following the election of the PCC in May 2024 and is reviewed annually. Every PCC must set out the policing priorities for their area, which form the basis for the Police and Crime Prevention Plan. The PCC set six priorities:

- Creating safer communities
- Tackling violence against women and girls
- Strengthening your Constabulary
- Targeting the causes of crime
- Supporting victims and reducing reoffending
- Improving trust and confidence in policing

Governance

The Accounts and Audit Regulations 2015 require that the Annual Governance Statement accompanies the Statement of Accounts. The Chief Constable and the PCC have prepared a joint statement and have elected to publish the statement as a separate document. The Annual Governance Statement gives an assessment of the effectiveness of internal control procedures and should report any significant governance issues that have been identified. There are no significant governance issues.

Our approach to good governance:

- Governance of all ongoing operational matters is a Constabulary responsibility
- The Office of the Police and Crime Commissioner (OPCC) is represented effectively at all appropriate groups and boards
- Without prejudice to the operational independence of the Chief Constable and the specific duties of the Police and Crime Commissioner, governance is undertaken only once (where possible) on behalf of both legal entities
- Decision-making will take place at the most efficient and effective level in a style that is supportive and inclusive
- There is appropriate opportunity by relevant stakeholders to influence direction and key decisions
- Clear communication and visibility of decision making is available to staff and the public.

The Constabulary is subject to rigorous scrutiny and checks by a number of bodies to ensure that it is operating in accordance with its mandate. A number of these have statutory obligations including His

Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) which makes judgments on various areas of the Constabulary's activity, identifies areas for improvement and makes recommendations

The force is headed by the Chief Constable who is supported by the Deputy Chief Constable, and the Assistant Chief Officer. Our policing style is clear and based upon a local presence through visible and accessible neighbourhood policing teams, together with teams who respond to emergencies, investigate serious crimes and tackle cybercrime as well as a range of other support units.

We work with our partners, local communities and those who come into contact with us as victims, witnesses, partners, volunteers and staff, so that we are clear on what it is we need to do to deliver our priorities and make improvements to our policing services.

Strategic Objectives

Our strategic objectives for the 2024/25 year were:

Making Our Communities Safer

We will reduce the number of crimes which have the greatest harm and impact on our communities, working collaboratively with private, public and voluntary partners.

High Professional Standards

We will serve our communities with pride and care. We will maintain high standards of professional and operational practices, and investigative excellence, ensuring evidence informs our decision making and that we are accessible to all who need us. Our increased range of digital services will keep us connected.

People are our greatest asset

We will be renowned for recruiting, developing and retaining a motivated and diverse workforce that has the right skills and capabilities to provide an efficient and effective service. We will work in a positive, data driven, digitally equipped environment which recognise the unique pressures of policing and the value of supportive leadership and wellbeing.

In addition, the Constabulary is committed to the protection of the environment and recognises the need for the principles of environmental management and sustainable development to become an integral part of day-to-day activities and future planning. To achieve this, the Constabulary has developed and implemented an environmental management system, externally audited against the ISO 14001 standard. It first achieved ISO 14001 certification in 2006 and the most recent recertification was achieved in January 2022. Each certification lasts for three years.

The Constabulary successfully bid for and received grant funding to install air source heat pumps.

Risks and Opportunities

Effective risk management is an essential element of the Constabulary's planning and accurate and timely identification; assessment and management of risks are key to our decision making. We ensure that there are appropriate structures and processes in place to identify and evaluate risks and that appropriate controls and mitigation techniques are developed to address them.

We face three types of risks - strategic, operational and ethical. We comply with the National Police Chiefs' Council (NPCC) Risk Principles in our management of those risks.
Risks are identified through the delivery plans held by each business area and may then be escalated to our Strategic Risk Register via the Risk Review Group, which meets quarterly to scrutinise high scoring 'red' risks (collated from delivery plans).

These risks are monitored so they can be mitigated/identified at an early stage. Risks are reported by exception to the Constabulary's Governance Board. Decisions are made through these fora to accept or mitigate escalated risks, in line with risk appetite and tolerance levels.

In relation to financial risks and opportunities the approach is to maintain a register which is regularly reviewed by the Finance Panel, with reporting by exception to the Constabulary's Governance Board. Risks and opportunities may then either be mitigated or reduced through management action such as applying a control. If they cannot be reduced or mitigated in this way they will then be escalated to in-year reporting in the financial performance reports or through to the Medium-Term Financial Plan.

Financial Performance

The resources put into Policing are split into three separate areas: revenue, capital and pensions.

Revenue

Revenue budgets pay for the staffing and day to day running costs of the organisation and also allow for a prudent level of reserves set aside for known future needs. This is funded from a combination of Central Government funding and Council Tax. The central government bodies (Home Office and the Ministry of Housing, Communities and Local Government) determine their contributions as part of the national funding settlements made in December each year and the PCC makes the decisions about how much Council Tax to set in February of each year. Central Government funds its contributions from all the taxes paid to HMRC and Council Tax is collected by local councils.

In February 2024, the PCC approved a revenue expenditure budget of £162.755m, funded by £83.770m grant from central government, £74.585m from Council Tax and £4.400m from reserves. The police element of the Band D Council Tax was set at £308.08, an increase of £13.00 (4.4%) on that set for 2023/24.

This revenue budget was split:

Constabulary budget	£159.264m
OPCC budget	£ 2.151m
PCC's Commissioning fund	£ 1.340m
Total	£162.755m

Capital

The PCC owns all force assets and hence they are included on the Balance Sheet of the PCC and Group but not the Chief Constable. Day to day management is delegated to the Chief Constable who receives a budget to fund these costs from the PCC.

Capital budgets are funded by the sale of excess assets, reserves built up from previous years' revenue budgets, specific grant funding from central government, borrowing and with revenue budget funding for assets with a short life, such as IT equipment.
In February 2024 the PCC approved a capital expenditure budget for April 2024 to March 2025 of £17.927m funded by £1.179m capital grant and revenue contributions, £11.672m of new borrowing and £5.077m of reserves.

The capital budget was split:

£3.2m on new IT systems and equipment including body worn video and radios
£4.4m on replacing the core records management system
£2.5m on replacing vehicles going out of service
£0.1m on environmental works including vehicle charging infrastructure
£0.1m on operational equipment including body armour
£2.1m on essential estates work

A further £5.5m was set aside for a number of projects in the development pipeline but without formal approval or a final business case. This was the estimated cost of these projects in future years. They included significant projects to address the replacement, upgrade or refresh of other legacy ICT and estates.

Pension Costs

The pensions costs for existing staff and officers which will need to be paid in the future are met from contributions from the revenue budget. Police pensions are paid by the local Policing Pensions Fund and then any costs in excess of current contributions are recovered from central government as a grant.

Police staff are eligible to be members of the Local Government Pension scheme. Both the employee and Constabulary make contributions into the scheme which are invested into a pension fund administered by Gloucestershire County Council.

Financial Monitoring

Financial performance against the revenue and capital budgets were monitored throughout the year and reported monthly to the Finance Panel which is chaired the OPCC Chief Executive and are presented to the PCC Governance Board which is attended by both the PCC and the Chief Constable, Chief Finance Officers from both the Constabulary and the OPCC, the Chief Executive of the OPCC and other senior staff.

Revenue Outturn

The outturn for the year to 31 March 2025 shows an underspend of £0.448m, 0.3% of the Net Revenue Budget, after reserve transfers to revenue of £4.254m. This left total general reserves at 31 March 2025 at £20.983m, including a general fund reserve of £6.035m, 4% of the net expenditure budget. The outturn reflects a number of variances, including additional one-off collection fund benefit of £0.490m.

Capital Outturn

The original budget of £17.927m for 2024/25 reduced to £15.549m due to in year adjustments and deferrals to future periods.
Capital spend in 2024/25 was £9.859m, of which replacement vehicles (£3.199m) and Niche, the new operational records management system (£1.738m) were the two most significant investments.

Spend in 2024/25 was behind budget mainly due to the planned deferral of ICT infrastructure investment totalling £3.8m which also includes the part delivery of Niche which will take place in 2025/26.

This expenditure was financed by:

	£m
Revenue Contribution and capital grant	2.489
Reserves	0.335
Borrowing	7.035
Total	**9.859**

The reserves of the Group are held by the PCC and are available for the Chief Constable to utilise in the performance of their duties, with approval by the PCC. Details of these reserves and their purposes are included in these financial statements. The PCC has a Reserves Strategy which is published on the OPCC website.

In reading these accounts, it should be noted that the Balance Sheet mainly reflects police pension scheme liabilities, which are underwritten by the PCC and that all bank accounts are held by the PCC and all income and funding is received by the PCC. As a result the Cash Flow Statement for the Chief Constable does not show any figures.

Strategy and Resource Allocation

Gloucestershire received just a £3.947m (2.71%) increase in government grant for 2024/25 set against a £13.846m (9.4%) increase in net cost. Government grant funding now represents 53% of the total funding for Gloucestershire, compared to 66% in 2010.

The budget for 2024/25 provided the resources to deliver the Police and Crime Prevention Plan in year and over the medium term. Nearly 80% of budgeted expenditure is for the cost of officers and staff. This budget provided investment in staffing, ICT systems and equipment which will enable officers to carry out their core policing roles.

In order to develop the MTFP it is necessary to make a number of assumptions regarding funding and costs for 2025/26, 2026/27 and 2027/28. The assumptions for the 2024/25 MTFP are:

- There will be a pay rise for officers and staff in September 2024 of 2.5% and this will be repeated across the planning period, as per the assumptions within the Comprehensive Spending Review.
- Inflation assumptions are based upon the rates for the Consumer Price Index (CPI) projected by the Office for Budget Responsibility (OBR).
- Grant funding will increase by the Constabulary's national share of funding of the amounts announced for the spending review period.
- There will be no formula funding review during the MTFP period.
- It is assumed that the tax base will increase by 1.0% per year for the next three years. For 2024/25 the tax base has increased by 1.16%.
- The MTFP assumes that there is a small Collection Fund surplus and that deficits can be met from the funding provided in 2023/24 for the MTFP period.
- The PCC will put the council tax up each year by the maximum flexibility.
- The investment in the plan is frontloaded and any further investment in officers is not assumed. Therefore, any further investment in officers in that period would need to come from efficiency savings.

A continued focus on delivering efficiencies and savings is required to meet the fiscal challenge across the medium term.

Operational Performance

In the 12 months to March 2025, Gloucestershire Constabulary recorded 45,827 crimes. In the year prior, there were 52,350 crimes which is a 12.5 per cent reduction. The Constabulary receives approximately 10,762 "101 calls" per month and 7,387 "999 calls" per month (based on a twelve-month average). Our officers arrive at the scene of an emergency incident on average within 11 minutes, and at "prompt" incidents within two hours 10 minutes. Our Force operational priorities are set based upon understanding the threat, harm and risk posed by criminality within the county. They are:

- Child Abuse and Exploitation
- Domestic Abuse
- Violence and Intimidation Against Women and Girls
- Serious and Organised Crime
- Road Traffic Collisions

Each priority has an operational lead and has developed a plan to prevent crime, protect victims and pursue offenders.

Operational performance was monitored through the Chief Constable's Performance Board which followed the cessation of the Operational Policing Board and the creation of ACC-led Accountability meetings. The board was chaired by the Chief Constable and was enabled by Performance, Quality and Business Intelligence.

In October 2024, the substantive Chief Constable was suspended, and an interim Chief Constable was appointed two weeks later, later being successfully appointed as temporary Chief Constable, providing stability for the organisation whilst the misconduct process was conducted.

Basis of Preparation and Presentation

The Statement of Accounts are prepared on a going concern basis, assuming that Gloucestershire Constabulary will continue in operation for the foreseeable future.

It is the purpose of the statement of accounts to demonstrate that the Chief Constable has accounted for public money properly and in accordance with all relevant financial standards. The accounts provide useful information to a wide range of users about the financial position, financial performance and cash flows of Gloucestershire Constabulary because they are in the same format as those prepared by others and therefore directly comparable. The accounts are, therefore, necessarily detailed and technical with explanatory notes.

The Chief Constable is required by statute to make funding decisions on a different basis from the way in which these decisions are reported within the Statement of Accounts. The Expenditure and Funding Analysis statement shows how the managed costs differ from the reported costs in these statements. This is because a number of adjustments are made in the statement of accounts to incorporate accounting adjustments in the areas of pensions, employee benefits and depreciation which are not funded by statute.

For accounting purposes the concept of “substance over form” requires that the economic substance of transactions and events must be recorded in the financial statements rather than just their legal form, in order to present a true and fair view of the affairs of the entity. These accounts are produced in line with this concept.

The format and content of the Accounts are laid down by the Code of Practice on Local Authority Accounting in the UK 2024/25 (the ‘Code’) based on International Financial Reporting Standards, adopted by CIPFA, the professional body of public sector accountants. The accounting policies adopted by the Chief Constable comply with recommended accounting practices and are explained on pages 21 to 25.

The Accounts reflect the current legislative framework as well as the local arrangements operating in practice. Key elements of this framework include:

The Police Reform and Social Responsibility Act 2011
The Home Office Financial Management Code of Practice for the Police Service of England and Wales
Scheme of Delegation between the PCC and the Chief Constable
Corporate Governance Framework for the Group.

These financial statements include the following:

- Statement of Responsibilities. This sets out the responsibilities of the Chief Constable and the Chief Finance Officer in respect of the Statement of Accounts
- Comprehensive Income and Expenditure Statement. This recognises the financial resources belonging to the PCC consumed at the request of the Chief Constable for the year to 31st March 2025 (as opposed to the overall cost of policing Gloucestershire as shown by the Group Accounts)
- Movement in Reserves Statement. This statement summarises the movements to and from the reserves for the year 2024/25. The only movements applicable to the Chief Constable accounts are those relating to pensions. All reserves are held by the PCC, not by the Chief Constable
- Balance Sheet as at 31st March 2025. The Balance Sheet shows the value of the assets and liabilities recognised by the Chief Constable. The Balance Sheet includes pension liabilities and assets. The net pension liability is underwritten by an intra-group debtor with the PCC
- Cash Flow Statement. This shows the changes in cash and cash equivalents of the Chief Constable during the accounting period. The Chief Constable does not manage any of these transactions and accordingly this statement does not show any figures. Movements of monies are included in the Accounts of the PCC

- Police Pension Fund Accounts. These comprise the Fund account, the Net assets Statement and the related notes, shown at the end of the Statement of Accounts.

Pension Schemes

The Group participates in two pension schemes: the Police Pension Scheme and the Local Government Pension Scheme (LGPS). Both schemes are categorised as ‘defined benefit’ schemes.

The Police Pension Scheme is an unfunded defined benefit scheme. There are no investment assets built up to meet pension liabilities, and cash has to be generated to meet actual pension’s payments as they fall due. Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pension funds for the year are less than the amounts payable, the Group must annually transfer an amount required to meet the deficit to the pension fund. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by a central government top-up grant. The Group received a top up grant for 2024/25 of £21.647m for 100% of the deficit.

The Group is obliged to include the police pension accounts in their statement of accounts, and the Fund Account and Notes are shown on pages 42 to 44.

In accordance with the requirements of International Accounting Standard No 19 – Employee Benefits (IAS19), as amended, the Chief Constable Statement of Accounts includes net pension liabilities and a pension’s asset in its Balance Sheet, and entries in the Comprehensive Income and Expenditure Statement to reflect movements in the assets and liabilities relating to the pension schemes.

I hope that the explanatory notes to these Accounts have been helpful. A summary set of accounts for the Group has been produced and is published on the Gloucestershire Constabulary website.

Matt Ulyatt FCPFA
Section 151 and Chief Constable’s Chief Finance Officer
Date: 19 December 2025

RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Chief Constable's Responsibilities

The Chief Constable is required to:

- Make arrangements for the proper administration of his financial affairs and to secure that one of his officers (the Chief Finance Officer) has the responsibility for the administration of those affairs
- Manage his affairs to secure economic, efficient and effective use of resources and to safeguard his assets
- Approve the Statement of Accounts.

The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the Chief Constable's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts the Chief Constable's Chief Finance Officer has:

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

The Chief Constable's Chief Finance Officer has also:

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

CERTIFICATION OF THE ACCOUNTS BY THE CHIEF CONSTABLE'S CHIEF FINANCE OFFICER

I certify that the Statement of Accounts gives a true and fair view of the financial position of the Chief Constable for Gloucestershire as at 31 March 2025 and his income and expenditure for the year then ended.

Matt Ulyatt FCPFA
Chief Constable's Chief Finance Officer
Date: 19 December 2025

CERTIFICATION OF THE ACCOUNTS BY THE CHIEF CONSTABLE FOR GLOUCESTERSHIRE

I approve the Statement of Accounts.

Maggie Blyth
T/Chief Constable
Date: 19 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE FOR GLOUCESTERSHIRE

Report on the Audit of the Financial Statements

Opinion on financial statements

We have audited the financial statements of the Chief Constable for Gloucestershire (the 'Chief Constable') for the year ended 31 March 2025, which comprise the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Movement in Reserves Statement, the Cash Flow Statement and notes to the financial statements, including a summary of material accounting policy information and include the police pension fund financial statements comprising the Fund Account and Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25.
In our opinion the financial statements:

- give a true and fair view of the financial position of the Chief Constable as at 31 March 2025 and of the Chief Constable'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 2024-25; 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 Chief Constable in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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

The Chief Finance Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant government body of the intention to dissolve the Chief Constable without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements.

In auditing the financial statements and having 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 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 Chief Constable'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.

In connection with our audit, 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 this gives rise to a material misstatement in the financial statements or a material misstatement of the other information. 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 'Delivering Good Governance in Local Government Framework 2016 Edition' published by CIPFA and SOLACE, 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 Chief Constable under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or;
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

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

Responsibilities of the Chief Constable and the Chief Finance Officer

As explained more fully in the Statement of Responsibilities, the Chief Constable is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Finance Officer. The Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

We have also obtained an understanding of the legal and regulatory frameworks that the Chief Constable operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context are those related to the reporting frameworks (the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25, the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 (as amended by the Accounts and Audit (Amendment) Regulations 2024), the Local Government Act 2003, Local Government Finance Act 1988 (as amended by the Local Government Finance Act 1992 and the Local Government Finance Act 2012), the Police Reform and Social Responsibility Act 2011, the Public Service Pensions Act 2013, the Police Pension Fund Regulations 2006 and the Police Pensions Regulations 2015).

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

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing Committee meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Challenging assumptions and judgements made by management in its significant accounting estimates in respect of defined benefit pensions liability valuations; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

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

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including material misstatements in the financial statements or non-compliance with regulation, will be detected by us, even though the audit is properly planned and performed in accordance with the ISAs (UK). The risk increases the further removed compliance with a law or regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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 matters

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

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

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

- The previous external auditors identified a significant weakness in the Group's arrangements for securing economy, efficiency and effectiveness in their Auditor's Annual Report for 2022/23. This was in relation to deficiencies in effectively delivering domestic abuse services to the public. We had identified in our review of arrangements for the year ended 31 March 2024 that plans had been developed to address the weakness. Our review for the year ended 31 March 2025 has identified that these plans are still to be fully implemented. We have recommended that the Group should continue with the implementation of the proposed actions in relation to the management of domestic abuse to ensure that it is delivering an effective service to the public.

- In February 2025, HMICFRS published the findings of a review under the rolling programme for review of child protection arrangements. This review identified three areas where the Constabulary was found to be inadequate with corresponding causes of concern for each. These matters indicated that there was a significant weakness in arrangements for securing economy, efficiency and effectiveness in the use of resources. We recommended that the action plan developed to address the findings of HMICFRS is implemented as soon as possible.

Responsibilities of the Chief Constable

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

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

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

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

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

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

We cannot formally conclude the audit and issue an audit certificate for the Chief Constable for Gloucestershire for the year ended 31 March 2025 in accordance with the requirements of Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have confirmation from the NAO that no additional work (beyond submission of the Assurance Statement) will be required in respect of the Whole of Government Accounts exercise. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2025.

Use of our report

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

Nathan Coughlin, Key Audit Partner
for and on behalf of Bishop Fleming Audit Limited
Chartered Accountants and Statutory Auditors

Plymouth

19 December 2025

Chief Constable Comprehensive Income and Expenditure Statement for the year ended 31 March 2025

2023/24 Gross Expenditure £000s	2023/24 Gross Income £000s	2023/24 Net Expenditure £000s		Note Number	2024/25 Gross Expenditure £000s	2024/25 Gross Income £000s	2024/25 Net Expenditure £000s
			Financial resources of the PCC consumed at the request of the Chief Constable				
150,482	0	150,482	Policing Services		152,618	0	152,618
150,482	**0**	**150,482**	**Total financial resources of the PCC consumed at the request of the Chief Constable**	8	**152,618**	**0**	**152,618**
0	(150,482)	(150,482)	Intra-group funding		0	(152,618)	(152,618)
150,482	**(150,482)**	**0**	**Net Cost of Service**		**152,618**	**(152,618)**	**0**
50,022	0	50,022	Net Interest on the net defined benefit liability	9	49,359	0	49,359
0	(50,022)	(50,022)	Intra-group funding pensions interest costs		0	(49,359)	(49,359)
50,022	**(50,022)**	**0**	**Total Financing and Investment Income and Expenditure**		**49,359**	**(49,359)**	**0**
21,906	(21,906)	0	Police Pension Fund Top-Up Grant/Contribution		21,647	(21,647)	0
18,321	0	18,321	Intra-group funding (actuarial loss on police pensions)		151,503	0	151,503
40,227	**(21,906)**	**18,321**	**Non-specific grant income and contributions**		**173,150**	**(21,647)**	**151,503**
40,227	**(21,906)**	**18,321**	**Surplus/deficit on provision of services**		**173,150**	**(21,647)**	**151,503**
0	(18,321)	(18,321)	Remeasurement of the net defined benefit liability	9	0	(151,503)	(151,503)
0	**(18,321)**	**(18,321)**	**Other Comprehensive Income and Expenditure**		**0**	**(151,503)**	**(151,503)**
40,227	**(40,227)**	**0**	**Total Comprehensive Income and Expenditure**		**173,150**	**(173,150)**	**0**

The Comprehensive Income and Expenditure Statement above reflects the PCC financial resources consumed at the request of the Chief Constable for 2024/25. In practice all the respective costs are paid for by the PCC and the Comprehensive Income and Expenditure Statement includes the intra-group adjustments referred to below in the Notes to the Accounts (Note 2), resulting in a nil balance for Total Comprehensive Income and Expenditure.

Movement in Reserves Statement for the Chief Constable 2023/24 and 2024/25

	General Fund Balance £000	Capital Receipts Reserve £000	Revenue Contribution to capital unapplied £000	Capital Grants Unapplied £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2023	-	-	-	-	-	-	-
Movement in reserves during 2023/24							
Total Comprehensive Expenditure and Income	(18,321)	-	-	-	**(18,321)**	**18,321**	-
Adjustments between accounting basis & funding basis under regulations	18,321	-	-	-	**18,321**	**(18,321)**	-
Increase or (decrease) in 2022/23	-	-	-	-	-	-	-
Balance at 31 March 2024 carried forward	-	-	-	-	-	-	-

	General Fund Balance	Capital Receipts Reserve	Revenue Contribution to capital unapplied	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2024	-	-	-	-	-	-	-
Movement in reserves during 2024/25							
Total Comprehensive Expenditure and Income	(151,503)	-	-	-	**(151,503)**	**151,503**	-
Adjustments between accounting basis & funding basis under regulations	151,503	-	-	-	**151,503**	**(151,503)**	-
Increase or (decrease) in 2024/25	-	-	-	-	-	-	-
Balance at 31 March 2025 carried forward	-	-	-	-	-	-	-

These statements show only the remeasurement of the net defined benefit liability relating to pensions for the years ended 31 March 2024 and 31 March 2025. All reserves are held by the PCC. The financial consequences of the operational activities undertaken by the Chief. Constable can be seen in the Comprehensive Income and Expenditure Statement.

Chief Constable Balance Sheet as at 31 March 2025

31 March 2024 £'000		Note Number	31 March 2025 £'000
1,071,900	Long Term Debtors - Intra group adjust	9	937,700
1,071,900	**Total Long Term Assets**		**937,700**
8,981	Short term Debtors	14	7,982
8,981	**Total Current Assets**		**7,982**
8,981	Short term creditors & provisions	14	7,982
8,981	**Total Current Liabilities**		**7,982**
1,071,900	Pension Liabilities	9	937,700
1,071,900	**Total Long Term Liabilities**		**937,700**
0	**Net Assets**		**0**
	Financed by:		
0	**Usable reserves**		0
0	**Unusable Reserves**		0
0	**Total Reserves**		**0**

Matt Ulyatt FCPFA
Chief Constable's Chief Finance Officer
Date: 19 December 2025

Chief Constable Cash Flow Statement for the year ended 31 March 2025

2023/24 £'000		2024/25 £'000
	Operating Activities	
0	Cash inflows	0
0	Cash outflows	0
0	**Net cash flows from operating activities**	**0**
0	**Investing Activities**	0
0	**Financing Activities**	0
0	**Net (increase)/decrease in cash and cash equivalents**	**0**
0	**Cash and cash equivalents at the beginning of the reporting period**	**0**
0	**Cash and cash equivalents at the end of the reporting period**	**0**

This statement does not show any cash flows for the years ending 31 March 2024 and 2025 as all payments were made from the Police Fund which is held by the PCC and similarly all income and funding is received by the PCC during the year. The financial consequences of the operational activities undertaken by the Chief Constable can be seen in the Comprehensive Income and Expenditure Statement

NOTES TO THE ACCOUNTS

1. Statement of accounting policies 2024/25

a. General principles

These financial statements have been prepared in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom 2024/25* ("Code of Practice").

Following the passing of the Police Reform and Social Responsibility Act 2011 the Gloucestershire Police Authority was replaced on 22nd November 2012 with two 'corporation sole' bodies, the Police and Crime Commissioner (PCC) for Gloucestershire and the Chief Constable for Gloucestershire. Both bodies are required to prepare separate Statement of Accounts. The accounting policies below reflect the powers and responsibilities of the Chief Constable as designated by the Act and the Home Office Financial Management Code of Practice for the Police Service, England and Wales 2012. The accounting policies defined here are consistent with local regulations and practice as well as the Group policies.

The Financial Statements included here represent the accounts for the Chief Constable. The Financial Statements cover the twelve months to 31st March 2025.

All expenditure is paid for by the PCC, including the wages of police staff and officers, and no actual cash transactions or events take place between the two entities. Costs are however recognised within the Chief Constable's accounts to reflect the financial resources consumed at the request of the Chief Constable and the economic benefit this brings about. For example an economic benefit is recognised to reflect the utilisation of the PCC owned long term assets which mirrors depreciation of property, plant and equipment.

b. Estimation Techniques

Accounting policies and estimation techniques have been selected and exercised, having regard to the accounting principles and contents set out in IAS 8 and IPSAS 3 (*Accounting Policies, Changes in Accounting Estimates and Errors),* specifically:

- The qualitative characteristics of financial information
- Relevance
- Reliability
- Comparability
- Understandability
- Materiality
- Pervasive accounting concepts
- Accruals
- Going concern
- Primacy of legislative requirements

c. Accruals of expenditure & Income

Activity is accounted for in the year it takes place, not simply when cash payments are made. Supplies are recorded as expenditure when they are consumed and the provision of services (including services provided by employees) are recorded as expenditure when the service is received rather than when payments are made. All manual accruals with a value of £1,000 or more will be processed in the accounts.

d. Material Items

When items of income and expenditure are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement (CIES) or in the notes to the accounts, depending on how significant the items are to an understanding of the Chief Constable's financial performance.

e. Provisions

Provisions are made when 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 amount of the obligation. Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

f. Grants and contributions

Grants and contributions, including donated assets, shall not be recognised until there is reasonable assurance that the Chief Constable will comply with the conditions attached to them and that the grants or contributions will be received. Grants and contributions shall be accounted for on an accruals basis, and recognised immediately in the Comprehensive Income and Expenditure Statement as income, except to the extent that the grant or contribution has a condition that the Chief Constable has not satisfied.

g. Leases

From 1 April 2024 the Code requires the adoption of IFRS16, with an adjustment to the balance sheet for 2024/25.

For any new contracts entered into on or after 1 April 2024, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three out of four evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use.
- the Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or CIES if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the Comprehensive Income and Expenditure Account on a straight-line basis over the lease term.

h. Overheads

The Chief Constable has a policy of not recharging support service overhead costs to front line service providing departments, they are reported separately. However for the purposes of the preparation of the Comprehensive Income and Expenditure Statement the full cost of support service overheads are included in Policing Services under the Net Cost of Service.

i. Employee Benefits

Post employment benefits

As part of the terms and conditions for its officers and for staff employees, the Group offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Group has a commitment to make payments that need to be disclosed at the time that employees earn their future entitlement. The Group participates in two separate pension schemes:

- The Local Government Pension Scheme (LGPS) for staff employees, administered locally by Gloucestershire County Council. This is a funded defined benefit salary scheme, meaning that the Group and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

- The Police Pension Scheme for police officers, comprising three separate elements:

  a. Police Pension Scheme (PPS)
  b. New Police Pension Scheme (NPPS)
  c. 2015 CARE scheme (CARE)

  These schemes (PPS, NPPS and CARE) are not viewed as materially different as each scheme provides benefits of a similar nature or character - a defined benefit index linked pension, payable from a retirement date. Each scheme also provides survivor benefits, a death in service benefit, injury pension and payment of an ill-health pension. The differences between the schemes are how the benefits are accrued - the accrual rate with which a member earns benefits and the salary used to calculate the pension (pension is linked to final salary or career average salary). These differences do not make the schemes materially different in nature or character. Each scheme is also subject to the same risks.

The costs of retirement benefits are included in the Chief Constable Comprehensive Income and Expenditure Statement when they are earned by employees, rather than when the benefits are eventually paid as pensions. Accrued net pension liabilities have been assessed on an actuarial basis in accordance with IAS 19 Employee Benefits. The net liability and a pensions debtor for all schemes has been recognised on the Chief Constable Balance Sheet, as have entries in the Chief Constable Comprehensive Income and Expenditure Statement for movements in the asset/liability relating to the schemes. These are offset by an intra-group adjustment transferring costs to the PCC.

Actuarial gains and losses are recognised when changes in the net pension liability arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions.

Benefits payable during employment

Short term employee benefits are those due to be settled within 12 months of the year end. These include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits for current employees. The financial consequences of these benefits are recognised in the Chief Constable Comprehensive Income and Expenditure Statement in the year in which the employee renders service to the Chief Constable.

Compensated absences are periods during which an employee does not provide services to the employer, but benefits continue to be paid. Compensated absences may be accumulating e.g. annual leave and flexi-time, or non-accumulating e.g. sick leave and maternity leave. Accumulating absences are those that are carried forward and can be used in future periods if the current period entitlement is not used in full. Short-term (due to be settled within 12 months after the year end of the period in which the employee renders the service) accumulating compensated absences shall be:

- recognised when employees render services that increases their entitlement to future compensated absences.
- measured as the additional amount that the Chief Constable expects to pay as a result of unused entitlement that has accumulated at the Balance Sheet date including associated employers national insurance and pension contributions.

Termination benefits

Termination benefits are amounts payable as a result of a decision by the Chief Constable to terminate a member of staff's employment before their normal retirement date or their decision to accept voluntary redundancy. These are recognised in the Chief Constable Comprehensive Income and Expenditure Statement when the Chief Constable is demonstrably committed to the termination of the employment of an individual or group of employees or making an offer to encourage voluntary redundancy.

j. VAT

The Chief Constable does not submit a VAT return. The PCC submits a single VAT return on behalf of the Group. Expenditure in the Chief Constable Comprehensive Income and Expenditure Statement excludes any amounts relating to VAT as all VAT is remitted to /from HM Revenue & Customs.

k. Events after the Balance Sheet date

The Chief Constable will account for events after the reporting period in accordance with IAS 10 (Events after the Reporting Period), except where interpretations or adaptations to fit the public sector are detailed in the Code.

Two types of events after the Reporting Period can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period (adjusting events), and
- those that are indicative of conditions that arose after the reporting period (non-adjusting events).

The Chief Constable will adjust the amounts recognised in its Comprehensive Income and Expenditure Statement to reflect adjusting events after the reporting period, but will not adjust its statements for non-adjusting events. However for material non-adjusting events the Chief Constable will disclose the nature of the event and provide an estimate of its financial effect.

2. Assumptions made about the future and other major sources of estimation uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Chief Constable about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The estimates and assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The items in the Chief Constable 2024/25 Comprehensive Income and Expenditure Statement for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

a. Pension scheme liabilities: Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Group with expert advice about the assumptions to be applied. The impact of the McCloud judgement and GMP are included as estimates in the pension schemes. The value of these pension scheme liabilities at 31st March 2025 was £0.938 billion (2023/24: £1.072 billion). A sensitivity analysis on the assumptions made is detailed in note 9.

b. Pensions Asset Ceiling (LGPS): Our Actuaries have carried out a calculation in perpetuity under IFRIC 14 for the current year based on a discount rate of 5.80%, a salary increase rate of 3.25%, and projected service costs per annum of £4.961m. Any one or all of these factors could change over the next year before the next triennial revaluation. The value of the LGPS pension scheme asset as at 31 March 2025 before any asset ceiling adjustments was £75.587m, after the asset ceiling adjustment the asset value was reduced to £nil (31 March 2024: £nil). See further details in note 9.

3. Accounting Standards that have been issued but have not yet been adopted

The following standards have been issued but have not yet been adopted:
- AS 21 The Effects of Changes in Foreign Exchange Rate
- IFRS 17 Insurance Contracts

- The changes to the measurement of non-investment assets within the 2025/26 Code include adaptations and interpretations of IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets.

4. Critical Judgements in applying accounting policies

In applying the accounting policies set out earlier in this document, the Chief Constable has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- A judgement has been made of the expenditure allocated between the PCC and the Chief Constable to reflect the financial resources of the PCC consumed at the request of the Chief Constable. The Chief Constable is judged to incur all expenditure in the Net Cost of Service (£159.1m (2023/24: £160.3m)) apart from that generated directly by the Office of the Police and Crime Commissioner (£6.5m (2023/24: £9.8m)). All income is judged to be received by the PCC. The basis adopted for this allocation was determined by the Group in accordance with the standard set of activities for each corporate body identified in CIPFA's SeRCOP.

5. Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources by the Chief Constable in comparison with those resources consumed or earned by the Chief Constable in accordance with generally accepted accounting practices. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Expenditure and Funding analysis

2023/24				2024/25		
Net expenditure chargeable to the General Fund £000s	Adjustments between the Funding and Accounting basis £000s	Net expenditure in the Comprehensive Income and Expenditure Statement £000s		Net expenditure chargeable to the General Fund £000s	Adjustments between the Funding and Accounting basis (Note a) £000s	Net expenditure in the Comprehensive Income and Expenditure Statement £000s
175,598	(25,116)	150,482	Police services	183,525	(30,907)	152,618
(175,598)	25,116	(150,482)	Intragroup adjustment	(183,525)	30,907	(152,618)
0	**0**	**0**	**Net Cost of Services**	**0**	**0**	**0**
0	18,321	(18,321)	Other income & Expenditure	0	151,503	(151,503)
0	**18,321**	**(18,321)**	**Surplus or deficit**	**0**	**151,503**	**(151,503)**
0			**Opening General Fund balance**	**0**		
0			Less/plus surplus/deficit on general fund balance in year	0		
0			**Closing General Fund balance at 31st March**	**0**		

<u>Note a – Net changes for the pensions adjustments</u>

This column includes the removal of employer pension contributions as allowed by statute and the replacement with current service and past service costs on the net cost of services line. The net interest on the defined benefit liability charged to the Comprehensive Income and Expenditure Statement is included in the other income and expenditure line.

6. Expenditure and Income analysed by nature

The Chief Constable's expenditure and income is analysed as follows:

Expenditure and Income analysed by nature

	2023/24 £'000	2024/25 £'000
Expenditure		
Actuarial gain/loss on police pensions	18,321	151,503
Police Pension fund	21,906	21,647
Total Expenditure	**40,227**	**173,150**
Income		
Government grants & contributions	(21,906)	(21,647)
Total Income	**(21,906)**	**(21,647)**
Surplus/Deficit on the provision of services	**18,321**	**151,503**

7. Subjective analysis of spending

2023/24 £000		2024/25 £000
	Financial resources of the PCC consumed at the request of the CC	
68,586	Police pay and allowances	72,839
44,150	Staff pay and allowances	47,595
3,506	Other employee expenses	3,716
16,013	Police pensions	19,257
(26,550)	IAS19 Pension costs	(32,056)
9,681	Premises	9,057
2,844	Transport	2,670
25,866	Supplies and services	22,424
1,751	Agency and contracted services	1,666
4,635	Depreciation	5,450
150,482	**Total financial resources of the PCC consumed at the request of the CC**	**152,618**
(150,482)	Intra group adjustment	(152,618)
0	**Net Cost of Service**	**0**

This table presents the Net Cost of Service expenditure detailed in the Comprehensive Income and Expenditure Statement in the form of a subjective analysis.

8. Pension costs

As part of the terms and conditions of employment of its officers and staff, the Group makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Group has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement.

The Group participates in two separate pension schemes:

- The Local Government Pension Scheme (LGPS) for police staff, administered locally by Gloucestershire County Council. This is a funded defined benefit salary scheme, meaning that the Group and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets. The defined benefit is based on a combination of final and average salary dependent on when the participant joined the scheme. The scheme is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the pensions committee of Gloucestershire County Council. Policy is determined in accordance with the Pension Fund Regulations.

  The investment managers of the fund are appointed by the committee and consist of:
  - Arcmont Asset Management Ltd.
  - Blackrock Investment Management (UK) Ltd.
  - Brunel Pension Partnership Ltd.
  - Golub Capital Partners International LP
  - Gresham House Specialist Investment
  - Octopus Investments
  - Resonance Impact Investment Ltd.
  - Schroders Greencoat Wessex Gardens LP
  - Technology Venture Partners LLP

- The Police Pension Scheme, comprising three elements: Police Pension Scheme (PPS), the New Police Pension Scheme (NPPS) and the CARE scheme for police officers. These are unfunded defined benefit final salary schemes, administered by the Group, meaning that there are no investment assets built up to meet the pension liabilities and cash has to be generated to meet actual pensions payments as they eventually fall due. Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pension fund for the year are less than the amounts receivable, the Group must annually transfer an amount required to meet the deficit to the pension fund. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by central government pension top-up grant. If however the pension fund is in surplus for the year, the surplus is required to be transferred from the pension fund to the Group, which must then repay the amount to central government. The scheme is operated under the regulatory framework for the Police Pension Schemes and the governance of the scheme is the responsibility of the Chief Constable, who is the Scheme Manager for the Force. From April 2015 the Scheme Manager is assisted by a Pensions Board. There are no investment assets, so investment managers have not been appointed.

The principal risks to the Group of the pension schemes are:
- The longevity assumptions,
- Statutory changes to the schemes,
- Structural changes to the schemes (i.e. Large scale withdrawals from the scheme),
- Changes to inflation,
- Bond yields and the performance of the equity investments held by the LGPS.

These are mitigated to a certain extent by the statutory requirements to charge to the General Fund the amounts required by statute as described in the accounting policies note.

McCloud / Sargeant

Background

On 16 July 2020 HM Treasury published their Public service pension schemes consultation: changes to the transitional arrangements to the 2015 Schemes, which contained the proposed remedy regarding the McCloud/Sargeant remedy.

On 4 Feb 2021 HM Treasury published their response to the consultation. This response confirmed: that the legacy schemes would be closed from 31 March 2022; a remedy would be introduced for the period 2015-2022 based on a deferred choice underpin basis; and, eligibility criteria for members to access the remedy.

On 19 July 2021 the Public Service Pensions and Judicial Offices Act 2022 was taken to the House of Lords. This got royal assent on 10 March 2022 and the Act came into force from 1 April 2022. HMT directions to accompany the act were published on 14th December 2022. The Act closed the legacy schemes from 31 March 2022 and brought the retrospective remedy into force from 1 October 2023.

Remedy

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

The main elements of the Act are:

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

Impact on pension liability
Allowing for all eligible members to accrue benefits from their legacy scheme during the remedy period would lead to an increase in the Police Pension Scheme liabilities. For Gloucestershire Constabulary, this affects 1,179 members. Scheme actuaries originally estimated the increase in scheme liabilities for Gloucestershire Constabulary to be £63.2m of pension scheme liabilities.

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

Compensation Claims

In addition to the remedy, claimants have lodged claims for compensation for injury to feelings.

Claims are separated into two litigation cases; Aarons claims brought by Leigh Day representing individual officers in a group claim. Roderick and Slade, claims bought by Penningtons on behalf of the Police Federation. These claims were brought after the finding of discrimination by the Court of Appeal in McCloud and Sargeant.

Aarons

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 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.

Penningtons

As at 31 March 2025, 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.

Transactions relating to post-employment benefits

The costs of retirement benefits are included in the Net Cost of Service when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge made against the council tax precept is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement.

The following transactions have been made in the Group and Chief Constable Comprehensive Income and Expenditure Statement and the Movement in Reserves Statement during the year:

	2023/24 £000	2024/25 £000
Local Government Pension Scheme (LGPS)		
Comprehensive Income and Expenditure Statement		
Net cost of services		
Current service cost	7,208	6,931
Amount charged against the General Fund Balance for pensions in the year: Employers' contributions payable to the scheme	(6,858)	(7,287)
Financing and investment income and expenditure		
Net interest on the net defined benefit liability	8,522	8,944
Expected return on assets in the scheme	(9,300)	(10,785)
Remeasurement of the net defined benefit liability		
Actuarial gains and losses arising on changes in demographic assumptions	(1,067)	(320)
Actuarial gains and losses arising on changes in financial assumptions	(12,659)	(34,358)
Other experience	5,635	(1,762)
IFRIC 14 Asset Ceiling	37,822	37,765
Return on plan assets (excluding the amount included in the net interest expense)	(12,752)	872
Net charge to the Comprehensive Income & Expenditure Statement	16,551	0
Movement in Reserves Statement		
Reversal of net charges made for retirement benefits in accordance with IAS19	16,551	0

	2023/24 £000	2024/25 £000
Police Pension Schemes (PPS, NPPS & CARE)		
Comprehensive Income and Expenditure Statement		
Net cost of services		
Current service cost	12,600	11,200
Past service costs (including curtailments)	200	200
Amount charged against the General Fund Balance for pensions in the year: Retirement benefits payable to pensioners	(39,700)	(43,100)
Financing and investment income and expenditure		
Net interest on the net defined benefit liability	50,800	51,200
Remeasurement of the net defined benefit liability		
Actuarial gains and losses arising on changes in demographic assumptions	(5,600)	(13,200)
Actuarial gains and losses arising on changes in financial assumptions	(58,200)	(154,400)
Expected pension increase order	28,500	(7,200)
Other experience	0	21,100
Net charge to the Comprehensive Income & Expenditure Statement	(11,400)	(134,200)
Movement in Reserves Statement		
Reversal of net charges made for retirement benefits in accordance with IAS19	11,400	134,200

An intra-group adjustment transfers these costs from the Chief Constable accounts to those of the PCC.

Assets and liabilities in relation to retirement benefits
Reconciliation of present value of the scheme liabilities:

	LGPS 2023/24 £000	LGPS 2024/25 £000	Police Pension Schemes 2023/24 £000	Police Pension Schemes 2024/25 £000
As at 1st April	(177,160)	(219,964)	(1,083,300)	(1,071,900)
Current service cost	(7,208)	(6,931)	(12,600)	(11,200)
Net interest on the net defined benefit liability	(8,522)	(8,944)	(50,800)	(51,200)
Contributions by scheme participants	(2,237)	(2,435)	(6,800)	(7,300)
Transfers (in)out	0	0	(100)	100
Remeasurement of the net defined benefit liability				
- Actuarial gains/losses arising from changes in demographic assumptions	1,067	320	5,600	13,200
- Actuarial gains/losses arising from changes in financial assumptions	12,659	34,358	58,200	154,400
- Expected pension increase order	0	0	(28,500)	7,200
- Other experience	(5,635)	1,762	0	(21,100)
- IFRIC 14 Asset Ceiling	(37,822)	(37,765)	0	0
Benefits paid	4,894	4,528	46,600	50,300
Past service cost (including curtailments)	0	0	(200)	(200)
As at 31st March	(219,964)	(235,071)	(1,071,900)	(937,700)

Reconciliation of fair value of the scheme assets:

	LGPS 2023/24 £000	LGPS 2024/25 £000
As at 1st April	193,711	219,964
Expected rate of return	9,300	10,785
Remeasurement of the net defined benefit liability		
- Return on assets	12,752	(872)
- Other experience	0	0
Employers contributions	6,858	7,287
Contributions by scheme participants	2,237	2,435
Benefits paid	(4,894)	(4,528)
As at 31st March	219,964	235,071

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

Scheme History

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Present value of liabilities						
- LGPS	(183,118)	(258,946)	(255,389)	(177,160)	(182,142)	(197,306)
- IFRIC14 Asset Ceiling	0	0	0	0	(37,822)	(37,765)
	(183,118)	(258,946)	(255,389)	(177,160)	(219,964)	(235,071)
- Police Pension Schemes	(1,337,400)	(1,657,400)	(1,574,200)	(1,083,300)	(1,071,900)	(937,700)
- Total	(1,520,518)	(1,916,346)	(1,829,589)	(1,260,460)	(1,291,864)	(1,172,771)
Fair value of assets in LGPS	135,651	176,993	193,889	193,711	219,964	235,071

Surplus/(deficit) in the scheme						
- LGPS	(47,467)	(81,953)	(61,500)	16,551	0	0
- Police Pension Schemes	(1,337,400)	(1,657,400)	(1,574,200)	(1,083,300)	(1,071,900)	(937,700)
- Total	(1,384,867)	(1,739,353)	(1,635,700)	(1,066,749)	(1,071,900)	(937,700)

The corporate bond yield (upon which the discount rate is derived) has risen over the period, which has led to a 0.95% increase in the discount rate used by the Constabulary's actuary to calculate pension fund assets and liabilities. This increased the overall LGPS pension results, before any asset ceiling adjustment, from a net surplus of £37.822m in 2023/24 to a net surplus of £75.587m in 2024/25. The surplus position on funded liabilities is £76.716m and a deficit of £1.129m on unfunded liabilities in 2024/25.

Under IFRIC 14 a defined benefit liability is calculated as the net total of the present value of the defined benefit obligation minus the fair value at the end of the reporting date of the plan assets. If the fair value of the plan assets exceeds the calculated obligations (an "asset"), IAS 19 contains a restriction over the amount of the asset that can be recognised. In effect it requires a calculation of the 'Asset Ceiling', this being based on the future, current and past service costs less expected contributions. The Constabulary has commissioned the actuary to carry out this calculation and the result for 2024/25 is a restriction on the Surplus recognised, thus the net surplus on the LGPS scheme of £75.587m before the asset ceiling adjustment was reduced to £nil (£nil balance in 2023/24).

The Group has elected not to restate the fair value of scheme assets for previous periods as permitted by IAS19. The liabilities show the underlying commitments that the Group has to pay retirement benefits. The present value of the Defined Benefit Obligation and projected pension expense have decreased as at 31st March 2025 due to:

- a rise in real bond yields, resulting in a gain appearing in the "Change in financial assumptions" line within the disclosures; and
- the mortality assumption has been updated to use the latest published CMI tables and the proportion married assumption has been updated for the 2024 triennial valuation. This has resulted in a small gain coming through in the "Change in demographic assumptions" line within the disclosures.
- With regard to the Police Pension Scheme, the updated membership information as at 31 March 2024 has been used.

The total liability of £0.938 billion has a substantial impact on the net worth of the Group as recorded in the Balance Sheet, resulting in a negative overall balance of £0.888 billion. However, statutory arrangements for funding the deficit mean that the financial position of the Group remains healthy.

The total contributions expected to be made to the LGPS by the Group in the year to 31st March 2026 is £7.0m. and the projected current service cost is £5.0m. The projected current service costs for the Police Pension Schemes for 2025/26 are £7.3m. The current service cost represents the increase in the benefits earned by the employees in the current period based on their pay and length of service.

Lump sum commutation payments are based on the position at 28th February 2025 i.e. eleven months of actual data.

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. Both the Police Pension Schemes and the Local Government Pension Scheme have been assessed by Hymans Robertson LLP, an independent firm of actuaries. Estimates for the Local Government Pension Scheme have been based on the latest full valuation of the scheme as at 31st March 2022. Estimates for the Police Pension schemes are based on the latest full valuation of the scheme as at 31st March 2024. The principal assumptions used by the Actuary have been:

	LGPS		Police Pension Schemes	
	2023/24	2024/25	2023/24	2024/25
Long term expected rate of return on assets in the scheme:				
Equity investments	4.85%	5.80%	-	-
Bonds	4.85%	5.80%	-	-
Property	4.85%	5.80%	-	-
Cash	4.85%	5.80%	-	-
Mortality Assumptions:				
Longevity at 65 for current pensioners:				
Male	21.4	21.3	21.5	21.3
Female	24.1	24.0	24.4	24.2
Longevity at 65 for future pensioners:				
Male	21.9	21.8	22.9	23.1
Female	25.6	25.6	25.7	25.5
Rate of inflation	2.75%	2.75%	3.10%	3.15%
Rate of increase in salaries	3.25%	3.25%	3.10%	3.15%
Rate of increase in pensions	2.75%	2.75%	2.75%	2.80%
Expected return on assets	4.85%	5.80%	-	-
Rate for discounting scheme liabilities	4.85%	5.80%	4.85%	5.80%
Take-up of option to convert annual pension into retirement lump sum	50% all schemes	50% all schemes	90% all schemes	90% all schemes

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below, prepared by the actuary (Hymans Robertson LLP), have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The estimations in the sensitivity analysis have followed the accounting policies for the scheme i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

LGPS

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in financial assumptions at year ended 31st March 2025	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	3,313
1 year increase in member life expectancy	4%	6,379
0.1% increase in the Salary Increase Rate	0%	139
0.1% increase in the Pension Increase Rate (CPI)	2%	3,267

Change in financial assumptions at year ended 31st March 2024	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	3,983
1 year increase in member life expectancy	4%	7,286
0.1% increase in the Salary Increase Rate	0%	437
0.1% increase in the Pension Increase Rate (CPI)	2%	3,617

Police Pension Schemes

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in financial assumptions at year ended 31st March 2025	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	9%	81,410
1 year increase in member life expectancy	3%	28,130
0.5% increase in the Salary Increase Rate	<1%	2,600
0.5% increase in the Pension Increase Rate (CPI)	7%	66,570

Change in financial assumptions at year ended 31st March 2024	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	10%	105,230
1 year increase in member life expectancy	3%	32,160
0.5% increase in the Salary Increase Rate	<1%	6,570
0.5% increase in the Pension Increase Rate (CPI)	8%	84,380

Local Government Pension Scheme Assets

The Police Pension Schemes have no assets to cover their liabilities.

The Local Government Pension Scheme's assets consist of the following categories:

	Fair value of scheme assets at 31 March 2024			**Fair value of scheme assets at 31 March 2025**		
Asset Category	**Quoted prices in active markets (£000)**	**Quoted prices not in active markets (£000)**	**Total (£000)**	**Quoted prices in active markets (£000)**	**Quoted prices not in active markets (£000)**	**Total (£000)**
Cash & cash equivalents	**5,423.4**	**-**	**5,423.4**	**3,092.2**	**-**	**3,092.2**
Property						
UK	7,948.7	5,600.7	13,549.4	7,816.8	6,412.7	14,229.5
Overseas	-	4,301.8	4,301.8	-	4,376.4	4,376.4
Total Property	**7,948.7**	**9,902.5**	**17,851.2**	**7,816.8**	**10,789.1**	**18,605.9**
Private equity	**-**	**5,262.5**	**5,262.5**	**-**	**6,730.5**	**6,730.5**
Investment funds and Unit trusts						
Equities	-	132,689.5	132,689.5	-	143,009.4	143,009.4
Bonds	16,110.2	23,658.8	39,769.0	16,921.3	23,753.5	40,674.8
Other	-	18,753.2	18,753.2	-	22,784.7	22,784.7
Total Investment funds and Unit trusts	**16,110.2**	**175,101.5**	**191,211.7**	**16,921.3**	**189,547.6**	**206,468.9**
Derivatives						
Foreign exchange	**215.2**	**-**	**215.2**	**173.5**	**-**	**173.5**
TOTAL ASSETS	**29,697.5**	**190,266.5**	**219,964.0**	**28,003.8**	**207,067.2**	**235,071.0**

None of the property assets included in the scheme are occupied by the Police and Crime Commissioner for Gloucestershire. The LGPS year-end asset values are at bid value as required under IAS19.

Impact on the Group's cash Flows

The objectives of the schemes are to keep employers' contributions at as constant a rate as possible. With regards the LGPS the County Council has agreed a strategy with the scheme's actuary to use a balanced investment strategy to minimise long-term cash contributions from employers and meet the regulatory requirement for long-term cost efficiency. Funding levels are monitored on an annual basis. The latest triennial valuation for the LGPS was completed on 31st March 2022 and for the Police Pension schemes on 31st March 2024.

The LGPS scheme was amended from 1st April 2014 to become a career average scheme for benefits built up from that date. The Police pension scheme reforms came into place from 1st April 2015.

The weighted average durations of the defined benefit obligation for scheme members are detailed below:

	Weighted average duration as at 31st March 2024 (years)	Weighted average duration as at 31st March 2025 (years)
LGPS	21	21
Police pension schemes	18.5	16.4

9. Exit packages

The numbers of exit packages with total cost per band and total cost of the compulsory and other departures for the Chief Constable are set out below.

2024/25

Exit package cost band (£)	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages	Total cost of exit packages £000
1 – 4,999	0	13	13	42.9
5,000 – 9,999	1	8	9	59.3
10,000 – 19,999	0	24	24	252.2
20,000 – 39,999	0	2	2	69.8

2023/24

Exit package cost band (£)	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages	Total cost of exit packages £000
1 – 4,999	0	3	3	10.2
5,000 – 20,000	1	1	2	19.9

The total cost of exit packages includes pension strain costs arising from early retirement without actuarial reduction of pension.

2024/25 includes the packages paid as part of the “Mutually Agreed Resignation” Scheme (MARS).

Gloucestershire Constabulary introduced MARS as part of its ongoing efforts to reduce costs and achieve a balanced budget. This scheme allowed police staff members, including PCSOs, to voluntarily resign from the organisation in exchange for a lump-sum payment of up to £10,000 (pro rata for part-time staff).
The scheme was not available to police officers.
As a result of MARS, 40 staff members left the force in 2024/25, at a total cost of £350k.

10. Remuneration of Senior Staff

The Chief Constable is required, under the Accounts and Audit (England) Regulations 2014, to report the numbers of staff with pay and benefits in excess of £50,000 in multiples of £5,000. This includes the remuneration of senior employees and relevant police officers which are also disclosed individually.

	Number of Employees	
Remuneration Band	**2023/24**	**2024/25**
£50,000 - £54,999	188	226
£55,000 - £59,999	114	143
£60,000 - £64,999	85	104
£65,000 - £69,999	33	63
£70,000 - £74,999	14	13
£75,000 - £79,999	8	14
£80,000 - £84,999	9	7
£85,000 - £89,999	5	6
£90,000 - £94,999	1	3
£95,000 - £99,999	2	2
£100,000 - £104,999	2	2
£105,000 - £109,999	0	1
£110,000 - £114,999	0	1
£115,000 - £119,999	1	0
£120,000 - £124,999	0	2
£125,000 - £129,999	1	0
£130,000 - £134,999	2	1
£135,000 - £139,999	0	1
£140,000 - £144,999	0	1
£145,000 - £149,999	0	0
£150,000 - £154,999	1	0
£155,000 - £159,999	0	0
£160,000 - £164,999	0	0
£165,000 - £169,999	0	0
£170,000 - £174,999	0	1

The Chief Constable is required, under the Accounts and Audit (England) Regulations 2014, to disclose individual remuneration details for senior employees and relevant police officers. Details for 2023/24 and 2024/25 are as follows:

2024/25 Post holder information	Salary (including fees & allowances) £	Bonuses £	Expense allowances £	Compensation for loss of office £	Benefits in Kind £	Expenses/ Other Payments £	Total Remuneration excluding pension contributions 2024/25 £	Employers pension contributions £	Total Remuneration including pension contributions 2024/25 £
R Hansen **Chief Constable (see Note 1)**	169,435	0	780	0	711	0	**170,926**	59,810	**230,737**
M Blyth **Temporary Chief Constable** **from 22/10/24**	77,149	0	0	0	0	0	**77,149**	0	**77,149**
Deputy Chief Constable **Leaver 21/6/24**	33,312	0	0	34,532	0	0	**67,844**	11,759	**79,603**
ACC - Crime, Justice and Vulnerability	134,400	0	6,037	0	0	0	**140,436**	47,260	**187,696**
ACC - Temporary - Misconduct and Legitimacy	120,332	0	4,821	0	0	0	**125,153**	42,388	**167,541**
ACC - Temporary - Operations and Local Policing	120,694	0	48,142	0	0	0	**168,836**	42,605	**211,441**
ACO - Director of People and Business Services	132,900	0	6,405	0	0	0	**139,305**	25,650	**164,954**
CC Chief Finance Officer (see Note 3) **from 7/10/24**	54,940	0	0	0	0	0	**54,940**	10,663	**65,603**

Notes:
1. Chief Constable Rod Hansen was suspended on 07/10/24.
2. From 11/11/24, the role of Deputy Chief Constable was undertaken through a secondment from Thames Valley Police. The total cost of this from 11/11/24 to 31/03/25 £85,372
3. The role of CC Chief Finance Officer was undertaken on a part time basis by CIPFA through a contract for services. The cost of this from 01/04/24 to 06/10/24 was £121,683 which includes a management charge to CIPFA.
4. The expense allowances includes the taxable value of payments made.
5. The benefits in kind entries do not refer to cash payments made to the officers but to the notional value of the benefit provided instead of cash payments. The benefits refer to the provision of home security alarms and vehicles.

2023/24 Post holder information	Salary (including fees & allowances) £	Bonuses £	Expense allowances £	Compensation for loss of office £	Benefits in Kind £	Other Payments £	Total Remuneration excluding pension contributions 2023/24 £	Employers pension contributions £	Total Remuneration including pension contributions 2023/24 £
Mr. Hansen Chief Constable	152,778	0	780	0	18,498	0	**172,056**	47,873	**219,929**
Deputy Chief Constable	129,616	0	0	0	7,587	0	**137,203**	40,181	**177,383**
Seconded Officer to SW Regional ACC	129,258	0	780	0	989	0	**131,027**	39,081	**170,108**
ACC - Crime, Justice and Vulnerability	113,011	0	6,405	0	0	0	**119,416**	32,660	**152,076**
ACC - Temporary - Crime, Justice and Vulnerability from 08/01/24	26,592	0	310	0	0	0	**26,902**	8,598	**35,499**
ACC - Operations and Local Policing from 04/12/2023	37,414	0	7,000	0	2,508	0	**46,922**	11,598	**58,521**
ACO - Director of People and Business Services from 01/04/2023	126,068	0	6,405	0	0	0	**132,473**	24,961	**157,434**
Interim CC Chief Finance Officer (see Note 1) Leaver 05/04/23	5,530	0	0	0	0	0	**5,530**	271	**5,801**
PCC Chief Finance Officer (part time) CC Chief Finance Officer (part time between 06/04/2023 to 18/06/2023) Leaver 10/10/2023	56,533	0	0	0	0	0	**56,533**	11,194	**67,727**

Notes:
1. From 19/06/23 the role of CC Chief Finance Officer was undertaken on a part time basis by CIPFA through a contract for services. The cost of this from 19/06/23 to 31/03/24 was £105,596.
2. The expense allowances includes the taxable value of payments made.
3. The benefits in kind entries do not refer to cash payments made to the officers but to the notional value of the benefit provided instead of cash payments. The benefits refer to the provision of home security alarms, vehicles and a telephone line.

12. Related Party Transactions

The Chief Constable is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Chief Constable or to be controlled or influenced by the Chief Constable.

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

His Majesty's Government has significant influence over the general operations of the Chief Constable. It is responsible for providing the statutory framework within which the Chief Constable operates and provides a significant proportion of the main funding (57% (2023/24 56%)) in the form of grants which are paid to the PCC. It also prescribes the terms of many of the transactions that the Group has with other parties. Grants received from His Majesty's Government by the PCC are set out in the PCC and Group Statement of Accounts 2024/25.

Officers and staff – during 2024/25 there were no financial material declared related party transactions to disclose.

13. Payments to External Auditors

The following fees were paid to external auditors during the year:

	2023/24	2024/25
	£000	£000
External Audit services – Chief Constable Scale Fee	47	54

These costs are included in the Agency and Contracted section of the subjective analysis (Note 8). Additional fees of £4.1k have been billed for the CC in relation to the 2024/25 statutory audit.

14. Short term debtors/creditors

	2023/24	2024/25
	£000	£000
Debtors		
Police pension fund Home Office grant	5,207	3,313
Amounts due from PCC	3,774	4,669
Total	**8,981**	**7,982**
Creditors		
Short term compensated absences	3,018	4,167
March pay paid in April	756	502
Amounts due to PCC	5,207	3,313
Total	**8,981**	**7,982**

15. Post Balance Sheet Events

There are no adjusting or non-adjusting post balance sheet events.

16. Contingent Liabilities

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 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 2025, 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.

No other known contingent liabilities.

Gloucestershire Police Pension Fund Account
For the year ended 31 March 2025

2023/24 £'000		2024/25 £'000
	Contributions receivable	
	From employer	
15,976	- basic contributions at 31% of pensionable pay	19,232
1,121	- other (maternity/paternity/sickness, remedy, capital charge ill health & the 30+ scheme)	915
17,097		20,147
7,016	From members	7,408
	Transfers in	
415	Individual transfers in from other schemes	46
42	Transfer from Avon & Somerset Constabulary	32
457		78
24,570		**27,633**
	Benefits payable	
(39,043)	Pensions	(42,144)
(7,338)	Commutations and lump sum retirement benefits	(6,934)
0	Lump sum death benefits	0
(46,381)		(49,078)
	Payments to and on account of leavers	
(96)	Individual transfers out to other schemes	(202)
(46,477)		**(49,280)**
(21,906)	**Sub-total for the year before transfer from the PCC of amount equal to the deficit**	**(21,647)**
21,906	**Additional funding payable by PCC to meet deficit for the year**	**21,647**
0	**Net amount payable for the year**	**0**

Gloucestershire Police Pension Fund Net Assets Statement
as at 31st March 2025

2023/24 £'000	Current Assets	2024/25 £'000
5,207	Funding to meet deficit receivable from PCC – Top up grant	3,314
3,446	Other current assets – Pensions prepaid	3,561
8,653		6,875
	Current Liabilities	
(8,653)	Other current liabilities	(6,875)
0	**Net Assets**	**0**

Notes to the Gloucestershire Police Pension Fund Accounts

1. General Description of Fund's Operations

The Police Officer Pension Fund is administered by the Chief Constable in accordance with the Police Pensions Act 1976, as amended by the Police Reform and Social Responsibility Act 2011. This is administered from a separate local police pensions account, rather than direct from the Comprehensive Income and Expenditure Statement. The pensions account is topped up by the Group if the contributions are insufficient to meet the cost of pension payments. The Group receives a Police Pension Top Up Grant from the Home Office for an amount equal to the deficit on the Police Pension Fund Account.

It should be noted that the Police Pension Fund has no investment assets, and pensions are paid from employer and employee contributions, plus additional funding from the Group. Employer contributions are based on percentages of pensionable pay set nationally by the Home Office and subject to triennial revaluation by the Government Actuary's Department. For the year ended 31st March 2025 the percentage Employer contribution was 35.3% (31% for the year ended 31st March 2024). Under IAS19 the Police Pension Scheme is classed as a defined benefit scheme. Therefore the risk of shortfall remains with the Group. Accordingly, the Group has obtained an actuarial valuation for the scheme.

2. Accounting Policies

a. The Accounts have been prepared to meet the requirements of Regulation 7(1) (d) of the Accounts and Audit (England) Regulations 2014 which states that the Group is obliged to include the police pensions account in its statement of accounts. They also meet the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

b. The Accounts have been prepared on an accruals basis.

c. The Accounts do not take account of liabilities to pay pensions and other benefits in the future. This is reported upon separately in the Actuary's statement, details of which can be found in note 9 of the main statement of accounts.

d. There are no significant estimation techniques employed in the production of the pension fund accounts.

Joint Annual Governance Statement

The Accounts and Audit Regulations 2015 require that the Annual Governance Statement accompanies the Statement of Accounts. The Chief Constable and the PCC have prepared a joint statement and have elected to publish the Joint Annual Governance Statement as a separate document to the Statement of Accounts.

The Annual Governance Statement is a statutory document, which explains the governance processes and procedures in place to enable the Chief Constable and the PCC to carry out his functions effectively. The Statement is available on the Constabulary website.

GLOSSARY OF ACCOUNTING TERMINOLOGY

ACCOUNTING PERIOD
The period of time covered by the accounts, usually a full year, which for this Group runs from 1st April to 31st March.

ACCOUNTING POLICIES
Those principles, bases, conventions, rules and practices applied by an entity that specify how the effects of transactions and other events are to be reflected in its financial statements through:

- recognising
- selecting measurement bases for, and
- presenting assets, liabilities, gains, losses and changes to reserves.

Accounting policies define the process whereby transactions and other events are reflected in financial statements.

ACCRUALS
The concept that income and expenditure are recognised as they are earned or incurred, not as money is received or paid. For example, expenditure accruals relate to the value of goods/services/works received or carried out, but not necessarily paid for, in the period.

AGENCY SERVICES
Services provided by one body (the agent) on behalf of, and generally with payment from, the responsible body.

ANNUAL GOVERNANCE STATEMENT
The Annual Governance Statement comprises mainly a policy statement; recognition of core principles of good governance; the corporate governance arrangements; and an annual governance review. The Annual Governance Statement is a self-contained statement which is submitted to the Audit Committee for review.

AUDITOR'S OPINION
The opinion required by statute from the Chief Constable's external auditors, indicating whether the statement of accounts presents fairly the financial position of the Chief Constable.

BALANCE SHEET
This statement sets out the financial position of the Chief Constable at year-end 31 March. It shows a summary of non-current assets held, the current assets employed, the balances and reserves of the Chief Constable and the Chief Constable's financial liabilities.

BUDGET
The PCC's plan for providing resources to meet his service obligations. The PCC has most recently set an annual budget within a four year financial strategy covering the period 2025/26 to 2028/29.

CASH FLOW STATEMENT
This statement summarises the Chief Constable's inflows and outflows of cash and cash equivalents arising from transactions with third parties during the year, for revenue and capital purposes.

CHIEF CONSTABLE FOR GLOUCESTERSHIRE
The Chief Constable is a separate corporation sole, which was established on 22 November 2012 under the Police Reform and Social Responsibility Act 2011.

CIPFA
The Chartered Institute of Public Finance and Accountancy. This is the main professional body for accountants working in the public sector.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (CIES)
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. PCCs raise taxation 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.

CURRENT SERVICE COST (PENSIONS)
The increase in the present value of a defined benefit scheme's liabilities expected to arise from employee service in the current period.

CURTAILMENT (PENSIONS)
For a defined benefit pension scheme, an event that reduces the expected years of future service of present employees or reduces for a number of employees the accrual of defined benefits for some or all of their future service. Curtailments include:
(a) termination of employees' services earlier than expected, and
(b) termination or amendment to the terms, of a defined benefit scheme, so that some or all future service by current employees will no longer qualify for benefits or will qualify only for reduced benefits.

DEFINED BENEFIT SCHEME
A pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded (including notionally funded).

DEFINED CONTRIBUTION SCHEME
A pension or other retirement benefit scheme into which an employer pays regular contributions fixed as an amount or as a percentage of pay and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

DEPRECIATION
The measure of the wearing out, consumption, or other reduction in the useful economic life of a fixed asset.

ESTIMATION TECHNIQUES
The methods adopted to arrive at estimated monetary amounts, corresponding to the measurement bases selected, for assets, liabilities, gains, losses and changes to reserves. These implement the measurement aspects of the accounting policies, and include selecting methods of depreciation and making provision for bad debts.

EVENTS AFTER THE BALANCE SHEET DATE
Events after the Balance Sheet date are those events, favourable and unfavourable, that occur between the Balance Sheet date and the date when the Statement of Accounts is authorised for issue.

GROUP
The term Group refers to the Police and Crime Commissioner for Gloucestershire and the Chief Constable for Gloucestershire.

INTERNATIONAL ACCOUNTING STANDARD 19 (IAS 19)
IAS 19 prescribes the accounting treatment of short-term employee benefits, post-employment benefits, other long-term employee benefits and termination benefits.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)
International Financial Reporting Standards (IFRS) replaced the annual Statement of Recommended Practice (SoRP) based on GAAP, for all local authorities in the UK from the financial year commencing 1st April 2010.

MOVEMENT IN RESERVES STATEMENT (MIRS)
This statement shows the movement in the year on the different reserves held by the CC, analysed into 'usable reserves' (including the General Fund Balance), and other (unusable) reserves.

PAST SERVICE COST (PENSIONS)
For a defined benefit pension scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits.

POLICE AND CRIME COMMISSIONER FOR GLOUCESTERSHIRE (PCC)

The PCC is a separate corporation sole, which was established on 22 November 2012 under the Police Reform and Social Responsibility Act 2011.

POST BALANCE SHEET EVENTS
Events arising after the balance sheet date which provide additional evidence of conditions that existed at the balance sheet date and are of a material nature.

PROVISION
An amount set aside in the accounts for anticipated future liabilities or specific losses that are reasonably certain to be incurred, but which cannot be quantified accurately at the balance sheet date (are uncertain in amount and date). Provisions have been recognised in the accounts when there is a legal or constructive obligation to transfer economic benefits that can be estimated with a degree of certainty as a result of a past event. Any provision is intended to represent the best estimate at the Balance Sheet date of expenditure required to settle the present obligation; and, later, should only be applied to the precise purpose for which the provision was recognised. Provisions are shown in a note in the full Statement of Accounts.

RELATED PARTY TRANSACTIONS
A related party transaction is the transfer of assets or liabilities or the performance of services by, to or for a related party irrespective of whether a charge is made. Two or more parties are related parties when at any time during the financial period:
(i) One party has direct or indirect control of the other party, or
(ii) The parties are subject to common control from the same source, or
(iii) one party has influence over the financial and operational policies of the other party to an extent that the other party might be inhibited from pursuing at all times its own separate interests, or
(iv) The parties, in entering a transaction, are subject to influence from the same source to such an extent that one of the parties to the transaction has subordinated its own separate interests.

REMUNERATION
All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as those sums are chargeable to UK income tax) and the money value of any other benefits received other than in cash. Pension contributions payable by the employer are excluded.

RETIREMENT BENEFITS
All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment. Retirement benefits do not include termination benefits payable as a result of either (i) an employer’s decision to terminate an employee’s employment before the normal retirement date or (ii) an employee’s decision to accept voluntary redundancy in exchange for those benefits.

SECONDED OFFICERS
These are police officers who, for agreed periods, temporarily work for other organisations. Their salaries and expenses are not included in the Operating Cost Statement.

SHORT-TERM ACCUMULATING COMPENSATED ABSENCES
Absences earned but not taken by the end of the financial year e.g. annual leave entitlement.

TERMINATION BENEFITS
Termination benefits (e.g. redundancy payments), whether they are resulting from a decision by the Group to terminate an employee’s employment before normal retirement date or an employee’s decision to accept voluntary redundancy, are charged to the relevant service line in the Operating Cost Statement.

THIRD PARTY PAYMENTS
Payments made to outside contractors and other bodies who provide specialist or support services for the Chief Constable.