

**Chief
Constable
statement of
accounts
2023/24**

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PREFACE

Introduction to the 2023/24 Statement of Accounts by Jason Hogg, Chief Constable of Thames Valley Police

We've kept the public safe at major events including the Coronation of King Charles III, Royal Ascot, the Henley Royal Regatta and Reading Festival. Presidents Zelenskyy and Biden visited the Thames Valley and we protected other global leaders during the world's first AI summit at Bletchley Park.

Our relentless approach to reducing homicide and serious violence has made the Thames Valley one of the safest areas in the country. Our 2023/24 figures show we have reduced knife crime by over 10% this year, and cases of serious violence grievous bodily harm are at their lowest level for five years.

Our communities tell us they want us to be more visible, so this year we put neighbourhood policing at the heart of our delivery. We're doubling the number of officers on the streets, and we've also our highest ever number of police officers, having exceeded the target set by Home Office.

In January this year the Police and Crime Panel approved the budget proposals of Police and Crime Commissioner Matthew Barber to increase the council tax police precept by 25p per week (£13 yearly increase per band D house) for 2024/25.

I understand that for many the challenges of the cost of living have not gone away; and times continue to be tough for households. My sincere thanks to the residents of the Thames Valley for this extra investment, which will allow us to continue to protect our communities.

My thanks also to the public of the Thames Valley for their ongoing support. We are committed to protecting our communities and we will do all we can to fight crime, protect the vulnerable and support victims.

Jason Hogg
Chief Constable. Thames Valley Police

THE NARRATIVE REPORT

The Statement of Accounts has been prepared in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA). It therefore aims to provide information to help the reader:

- Understand the overarching financial position of the Chief Constable
- Have confidence that the Chief Constable has spent public money wisely and has been accounted for in an appropriate manner.
- Be assured that the financial position of the Chief Constable is sound and secure.

The style and format of the accounts complies with CIPFA standards and is similar to that of previous years. The structure of this Narrative Report is set out below.

1. Background of Chief Constable and the Police and Crime Commissioner
2. Our Strategy
3. Financial performance
4. Operations
5. People
6. Outlook
7. Summary and conclusion

1. BACKGROUND OF THE PCC AND CHIEF CONSTABLE

Thames Valley Police (TVP) is the largest non-metropolitan force in England and Wales. It serves the three counties of Berkshire, Buckinghamshire and Oxfordshire, with an area of 2,216 square miles and a population of over 2.4m people. The force has more than 5,100 police officers, 3,950 staff members and over 700 Special Constables and volunteers.

The Chief Constable has direction and control over the force's officers and staff. The Chief Constable is operationally independent and accountable to the law for the exercise of police powers.

The Police and Crime Commissioner (PCC) is elected to secure an efficient and effective police service, and to hold the Chief Constable to account for delivering this. The PCC sets the budget for the force, and commissions services for victims and for crime prevention. TVP's two main sources of funding are grants from the Home Office and Council Tax. The PCC sets the Council Tax level.

The Chief Constable and the PCC are established as separate legal entities (Corporations Sole). The Corporate Governance Framework describes how the Chief Constable and the PCC conduct their business and discharge their responsibilities. In this document, the term TVP covers the Group – i.e. the Chief Constable and PCC.

2. OUR STRATEGY

As part of his legal responsibilities the Chief Constable has set out his priorities in his Strategic Plan for 2023/24:

- Serving Victims
- Building Trust
- Fighting Crime
- Valuing our People

TVP is currently conducting a Force Review, considering internal structures to make sure we are organised in the best possible way to meet current and future challenges including financial challenges by ensuring our resources are focused on our priority areas.

TVP is working to build an environmentally sustainable police service. The Environmental Sustainability Strategy aims to reduce the impacts of Thame Valley Police on the environment; enable us to become a more resource efficient and resilient organisation; and embed environmental sustainability considerations within our decision-making processes at all levels.

Many services are delivered in collaboration with other forces to maximise service delivery and value for money. TVP collaborates with Hampshire on Information and Communication Technology (ICT), Information Management Unit, Contact Management and specialist operational services through our Joint Operations Unit (JOU). TVP leads the Counter Terrorism Police South East (CTPSE), the South East Regional Organised Crime Unit (SEROCU) and the Chiltern Transport Consortium for fleet management services. TVP is also a member of South East and Eastern Police Insurance Consortium (SEERPIC).

2a. Our Commitment to Sustainability

TVP set an Environmental Sustainability Strategy in 2022 and appointed a new role to lead in supporting its delivery. The strategy covers seven themes: emissions from buildings, emissions from transport, waste, water, biodiversity, procurement and engagement.

As part of our sustainability journey we continue to review approaches and targets. TVP is in the process of modifying the methodology applied to its emissions calculations, this is to bring the approach in line with commonly recognised methods and align to a voluntary shared methodology being formed between some blue light organisations. This will allow TVP to report emissions by internationally recognised scopes.

Using TVPs current reporting approach and for the most recent available data (2022/23), total reported emissions are -44.6% against a 2009/10 baseline. This total breaks down as;

- emissions from buildings -56.6 % compared to 2009/10 against a targeted reduction of 85% by 2032.
- emissions from transport -18.6% compared to 2009/10 against a targeted reduction of 50% by 2032.

As part of our process for moving forward TVP has commissioned and is carrying out consultations to understand;

- Fleet transition to alternative fuels
- Decarbonisation of its buildings

In addition, TVP is initiating work to assess its climate change risk exposure for our assets, operations and people. This work will set TVP's pathway to decarbonisation, mitigation and adaption and will inform a revision of the current strategy. A foundation of all this work is engagement and behaviour and for this a programme to enable staff participation and to realise low costs financial and carbon savings is being finalised.

TVP's environmental policy: <https://www.thamesvalley.police.uk/policies/policy---environmental-management.pdf>

3. FINANCIAL PERFORMANCE

Key Financial Influences

Prices (measured by CPIH) increased by 4.2% in the 12 months to March 2024. TVP has been particularly affected by rises in fuel prices, increasing costs of construction contracts, impacts as a consequence of supply chain issues and people retention within the Force.

Police officer salaries are set by the Home Office. Police officers were awarded a 7% pay award increase. The element of the police officer pay award above 2.5% was funded by an additional Home Office grant. Police staff pay is set within TVP. Staff were awarded a pay rise of 7% to match the Officer award which exceeded our budget provision by 5% and put pressure on the budget for 2023/24 and beyond.

Home Office police funding has not kept pace with cost pressures since the financial crash of 2008. With slow economic context, government funding continues to be a risk. More of the burden of funding the police has fallen on Council Tax payers. In 2023/24 the maximum amount by which the PCC could increase the Precept (without a referendum) was set at £15. The PCC used the full flexibility to set the Council Tax Precept at £256.28 per annum for a Band D property in 2023/24. Future increases in Council Tax are not guaranteed – inflation increases pressure within the force for an increase, but also results in cost-of-living pressures on taxpayers.

TVP has a good history of delivering productivity savings every year since 2010 and using these to balance annual budgets or reinvesting them in frontline policing. In 2023/24 the force delivered £2m of budget savings through its efficiency programme. Efficiency plans, including the Force Review of internal structures, are expected to make further savings of £20m over the next two years to allow TVP to meet its financial pressures. Savings for 2024/25 have already been identified and progress is being made for 2025/26. This challenge is being closely managed to deliver this level of savings on top of earlier efficiencies.

TVP plans significant investment in the force estate over the coming years, including maintenance and refurbishment of the existing estate, and new developments for priorities such as Forensics and Custody. The estates capital requirement is £132m over the next four years, with further potential requirements over the coming decade.

Interest rates have increased rapidly over the past year. The Bank of England Official base rate rose from 0.1% during 2021 to 5.25% by April 2024. This has resulted in increased income from the PCC's investments with banks during the year. However, if higher rates persist, it will mean that borrowing to support capital funding in the long term will be more challenging.

Funding for the Group

Funding to cover general activities is broken down as follows:

Funding	2022/23 £000	2023/24 £000	Increase %
Home Office Grants	277,141	278,051	0.3%
Council Tax	228,095	248,620	8.9%
Total	505,236	526,671	4.2%

Chief Constable Expenditure

The following table provides a high-level comparison between the approved budget for 2023/24 and actual expenditure for TVP operational budgets i.e. those under the direction and control of the Chief Constable.

TVP Operational Budgets - Direction & Control of the Chief Constable	Annual Budget £000	Annual Outturn £000	Annual Variance £000
Pay & Employment Costs			
Police Officer Pay & Allowances	311,868	313,182	1,314
Police Officer Overtime	14,514	13,319	(1,195)
Staff/PCSO Pay & Allowances	158,746	162,761	4,015
Other Employee Expenses	13,456	16,108	2,652
	498,584	505,370	6,787
Overheads			
Premises Related Expenditure	20,511	21,611	1,100
Transport Related Expenditure	11,364	11,566	203
Supplies & Services	77,879	75,119	(2,760)
Third Party Payments	48,041	45,460	(2,581)
Specific Grants	(102,529)	(102,071)	458
Force Income	(50,060)	(56,282)	(6,221)
	5,205	(4,596)	(9,801)
Regional Collaborative Services			
South East Regional Organised Crime Unit	41,379	36,661	(4,718)
Counter Terrorist Policing South East	41,691	42,494	803
Counter Terrorist Specialist Firearms Officers	4,578	5,518	940
Chiltern Transport Consortium	18,699	20,012	1,313
Government Grants & Partnership Income	(106,347)	(104,685)	1,662
	£0	£0	£0
Cost of Operational Policing	503,789	500,775	(3,014)

Pay & Employment Costs

The overall overspend on pay & employment costs is driven by the increased pay award at 7% for both Officers and Staff, of which £3m was unfunded by the Home Office. The overspend on Staff is inflated by circa £4m from spend on joint projects which is offset by additional income from those joint partners. Our high level of recruits in training and increased recruitment costs due to the high turnover have also put pressure on other employee cost, some of which have been offset by police staff and PCSO vacancies remaining high.

Overtime costs have reduced through tighter oversight and proactive management of claims, this underspend support the savings being removed from the budget in 2024/25.

NARRATIVE REPORT AND FINANCIAL REVIEW

Overheads

The overall underspend on overheads represents increased expenditure and costs on utilities such as electricity, together with remedial building works and repairs, which have been offset by reduced spends in ICT and third-party payment to collaborative partners, especially for the JOU. The increased income partly covers the increased project staff costs, and also represents higher than forecast interest receipts.

Regional Collaborative Services

The regional collaborative services are fully funded through various independent grants and regional force contributions, all of which are balanced up at the year end and charged to the respective forces revenue budgets.

a) Group level

The Group level incorporates all income and expenditure controlled by both the PCC and the CC. The final revenue surplus for 2023/24 was £6.343m which was appropriated to the Estates Reserve (£5m) and the I&P Reserve (£1.343m) to support the long-term investment programmes.

	Annual Budget £000	Annual Outturn £000	Annual Variance £000
Cost of Operational Policing (from Above)	503,789	500,775	(3,014)
PCC Controlled Expenditure	5,648	5,468	(180)
Capital Financing	20,935	21,765	830
Interest on Balances	(5,225)	(9,807)	(4,582)
Statutory Accounting Adjustments*	648	573	(75)
Appropriations From Balances	781	7,490	6,709
Cost of Services	526,576	526,671	(95)
Funded By			
General Grant Income	(278,051)	(278,051)	0
Council Tax	(248,526)	(248,620)	(95)
	(526,576)	(526,671)	(95)
Net Revenue Position	0	0	0

* Statutory Accounting Adjustments:

+£16k Depreciation and Impairment losses (cost of assets sold)

-£589k Income from the sale of Police Vehicles

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Capital Expenditure

The following table shows the net capital position for the whole Group compared to the active capital budget for 2023/24. The variance of £12.267 million comprises scheme underspends of £1.181 million and slippage of expenditure of £11.086 million.

At the start of the financial year, the PCC (on behalf of the Group) approved an annual Capital Programme of £51.324m. During the year the active capital budget was adjusted downwards to £46.181m to reflect prior year re-phasing, grant funding and capital elements of approved projects. Please see below detail:

<u>2023/24 Budget</u>	Approved MTCP (Jan 2023)	Slippage 22/23	Rephasing 23/24	Budget Changes 2023/24	Revised Budget 2023/24
	£000	£000	£000	£000	£000
Property	34,902	2,111	(24,027)	6,320	19,307
Technology & Business Change	8,095	2,263	(1,528)	2,971	11,801
Grants	0	0	0	6,564	6,564
Equipment	2,751	0	(404)	(87)	2,261
Vehicles	5,576	62	0	611	6,249
Total	51,324	4,436	(25,958)	16,380	46,181

	Annual Budget £000	Actual Spend £000	Annual Variance £000
Property schemes	19,307	11,592	(7,715)
ICT schemes and Business Change	11,801	7,094	(4,707)
Equipment	2,261	1,891	(370)
Vehicles	6,249	6,744	495
Grant Funded Schemes	6,564	6,594	30
Total	46,181	33,914	(12,267)

The Force continues to improve the efficiency and effectiveness of its estate by reducing the overall size of the estate and replacing inefficient expensive buildings with operational focused buildings. Some programme slippage has occurred due to prevailing market conditions.

TVP is taking advantage of opportunities provided by technological advancements to improve operational policing and working practices. The investment in ICT hardware and infrastructure continues to be coordinated to ensure individuals have appropriate refreshed devices operating across a secure infrastructure.

Balance Sheet

The Balance Sheet is a snapshot of the Chief Constable's assets, liabilities and cash balances. The high-level summary is as follows:

Net Assets	At 31 March 2023 £000	At 31 March 2024 £000
Non-current assets	31,113	89,715
Net current assets	(65,761)	(70,880)
Pension liabilities	(3,360,623)	(3,464,880)
Other long-term liabilities and provisions	(6,556)	(4,894)
Net Assets	(3,401,837)	(3,450,939)

Reserves are as follows:

Reserves	At 31 March 2023 £000	At 31 March 2024 £000
Usable reserves	0	0
Unusable reserves	(41,214)	(41,323)
Pensions reserve	(3,360,623)	(3,409,616)
Net Assets	(3,401,837)	(3,450,939)

The pension liabilities is made up of £3,465m associated with the unfunded police officer pension scheme and the net surplus of £55m in the funded Local Government Pension Scheme (LGPS) for police staff. The police officer pension scheme is underwritten by the Home Office who provide an annual top-up grant to fund the difference between pension payments and income from employee and employer contributions.

4. DEMAND

The demand from the public for our services has remained high, particularly evident in our 999 volumes which rose by 9% compared with last year resulting in a total of 404,654 calls being received. Service levels were similar to last year with 85.8% of calls answered within 10 seconds. In contrast calls to our 101 service reduced by 5% to a yearly total of 471,512 calls. Over the course of the year the average time to answer 101 calls was 6 minutes and 18 seconds.

Online reporting levels increased by 14% compared with last year. Whilst not as high as during the covid pandemic when the force was receiving high volumes of reports regarding covid rule breaches, the 108,114 online reports received is significantly higher than pre-pandemic levels.

449,412 incidents were recorded in 2023/24 of which 175,459 were crimes. This represents a decrease of 3.5% in the crime numbers against last year.

The Force has seen crime reductions in many areas:

- Homicide down by 19% with 13 offences in 2023/24 compared with 16 the previous year
- Violence with injury down by 4.4% compared with last year
- Non-Rape Sexual Offences down by 9% compared with last year
- Vehicle crime down 7% compared with last year
- Public Order down by 26% compared with last year

However the Force has seen increases in crime in a number of areas:

- Rape up by 5% compared with last year
- Business Robbery has more than doubled, up 112% compared to last year
- Trafficking in drugs up by 25% compared with last year
- Possession of weapons up 17% compared to last year
- Shoplifting up 38% compared to last year

However, the figures for Burglary and Robbery reflect the impact of Covid on these crime type with the return to normality, post pandemic as more people are out and about across the region. Hence a comparison to 2019/20 is also provided for context

- Residential Burglary – up 2% compared to last year (32% decrease to 2019/20)
- Robbery of Personal Property up 6% compared with last year (25% decrease to 2019/20)

There were 29,018 crimes resulting in formal action taken, which includes cases going to court or an out of court resolution, decreased in the last year with 2,006 fewer outcomes than the previous 12 month period. The number of offences resulting in a person being charged increased by 7.7% with charges for rape increasing by 17.4%; other sexual offences by 13.6% and charges for shoplifting increasing by 79.4%.

5. PEOPLE

The Home Office announced the national Uplift programme recruitment drive in July 2019, aiming to recruit an additional 20,000 police officers across all police forces in England by March 2023. TVP exceeded its national Uplift Programme target by 175 police officers, bringing the total number of police officers to 5,034 by the end of March 2023 – a total increase of 784 officers since 2019. This financial year, 2023-24, we have continued to recruit growth posts and the total number of officers as at 31 March 2024 is 5,120.

The PUP has understandably focussed efforts on the recruitment of police officers over the last 3 years. This has had an impact on our ability to recruit support staff, which when coupled with the labour market conditions and shortfalls of available labour across many industries, has resulted in a higher level of turnover and recruitment challenges in some roles. A review of the recruitment process has been undertaken and streamlined where possible. Hybrid working continues to provide a greater level of flexibility for our workforce, which is particularly beneficial for attracting and retaining police staff.

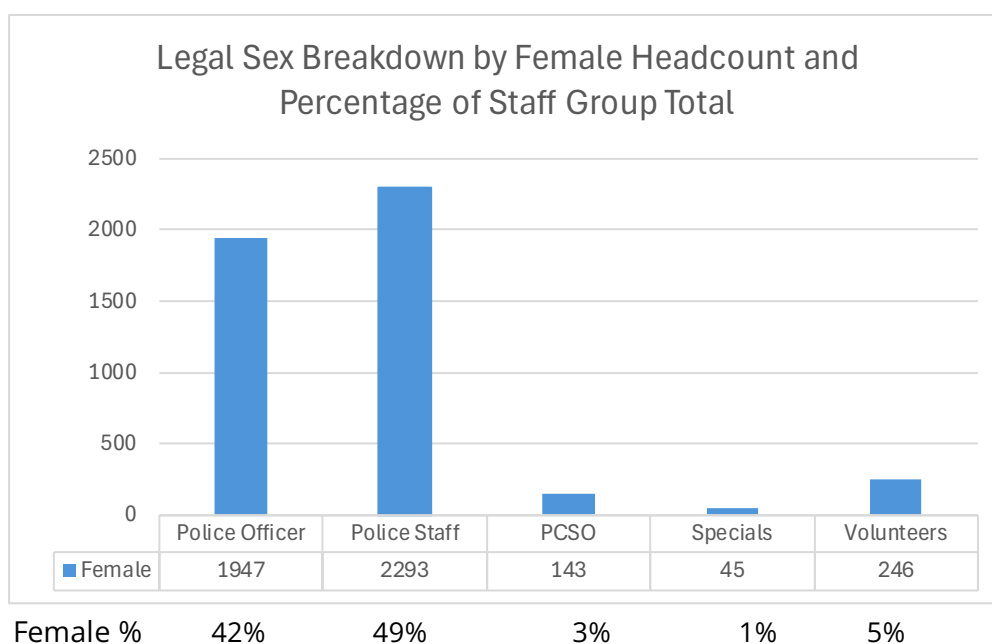
At 31st March 2024 Thames Valley Police employed 9,099 people in full and part time contracts. We also had 184 unpaid members of the special constabulary and 520 volunteers giving a total workforce of 9,803.

Below is the make-up of the workforce. This includes headcount of circa 918 officers and staff equating to circa 892 FTE who work in regional collaborated units such as the CT Policing South East (CT PSE), CT Special Branch, Regional Prison Intelligence, SE Regional Organised Crime Unit (SEROUC), SE ROCU Collaboration, Regional Specialist Firearms and the Chiltern Transport Consortium (CTC).

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Category	Workforce	Full Time Equivalent
Police Officers	5,120	5,079
Police Staff	3,713	3,509
PCSO	266	255
Paid employees	9,099	8,843
Special Constabulary	184	N/A
Volunteers	520	N/A
Total Workforce	9,803	N/A

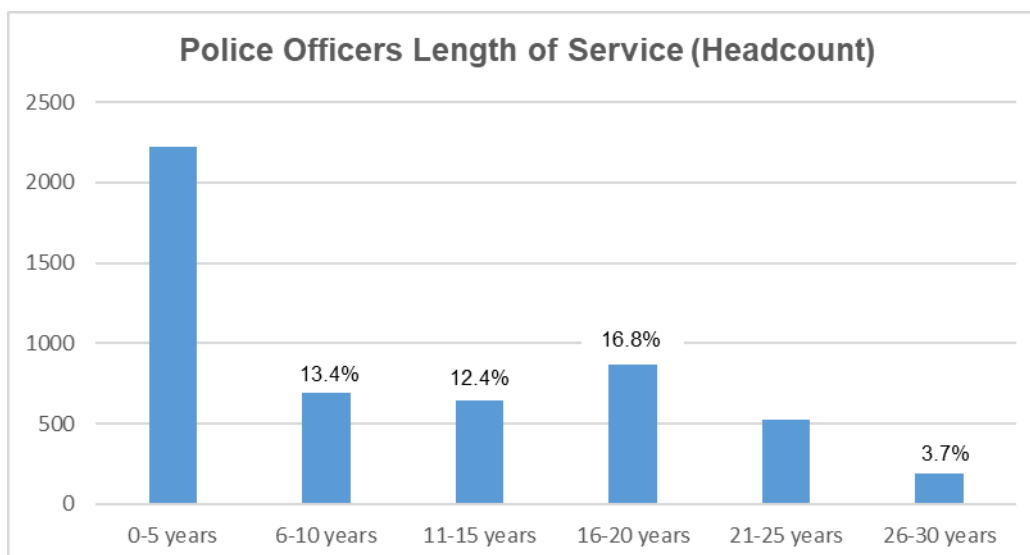
The following graph shows the Legal Sex breakdown for each type of employee and volunteer, for example that there are 1,947 female police officers, making up 42% of all police officers.



Both Female Police Officers and Staff numbers and have increased from 2023/24. Female Police Officers % has increased from 37 to 42%, whilst Female Police Staff % has reduced from 61 to 49%.

In terms of police officers, Thames Valley has a relatively “young” workforce in terms of experience with 69% of officers having less than 15 years’ service, as shown below.

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Compared to last year, this illustrates the increase in the number of new in service headcount.

The following table shows the ethnic makeup of the workforce, please note that these numbers include seconded Officers which are excluded from the workforce numbers above.

ETHNICITY	Police Officer	Police Staff	PCSO	Specials	Volunteers	All Staff Groups
White	4,641	3,278	236	161	459	8,775
Asian	134	127	9	14	23	307
Black	33	45	0	2	4	84
Mixed	132	66	6	5	10	219
Other	17	14	1	0	3	35
Unknown/Prefer not to say	188	183	14	2	21	408
TOTAL	5,145	3,713	266	184	520	9,828

ETHNICITY	2023/24		2022/23	
	All Staff Groups	%	All Staff Groups	%
White	8,775	89	8555	89
Asian	307	3	314	3
Black	84	1	75	1
Mixed	219	2	203	2
Other	35	0	37	0
Unknown/Prefer not to say	408	4	380	4
TOTAL	9,828		9,564	

In line with Trade Union (Facility Time Publication Requirements) Regulations 2017 (SI 2017/328) the Chief Constable has an obligation to report annually on paid time off provided to trade union representatives for trade union duties and activities. The following details relate to 2022/23. There was the equivalent of 15 FTE trade union representatives and the total cost of facility time represents 0.06% of the total pay bill.

6. OUTLOOK

Medium Term Financial Plan

The PCC (on behalf of the Group) approved the financial plans for 2024/25 in January 2024 and they are available on the PCC's website in the Budget Book at [Budget - Thames Valley PCC \(thamesvalley-pcc.gov.uk\)](https://www.thamesvalley-pcc.gov.uk)

The revenue budget for 2024/25 includes provision for maintaining the national police uplift programme (PUP) increase in officers numbers which gave TVP an additional 728 officers (excluding regional), together with an additional 80 Officers funded through the increase in Council Tax provision.

A high-level summary of the Medium-Term Financial Plan (MTFP) is provided below. This includes all expenditure to be incurred by the CC and the PCC, as well as all resources to be received by both legal entities.

	Estimated Budget 2024/25 £000	Estimated Budget 2025/26 £000	Estimated Budget 2026/27 £000	Estimated Budget 2027/28 £000
<u>Expenditure</u>				
Opening Budget	526,307	556,519	575,004	593,745
Inflation				
General	2,393	824	825	523
Pay	30,868	11,022	10,366	10,193
Specific	3,597	4,225	3,233	3,303
Productivity Savings	(7,592)	(12,830)	(2,000)	(2,000)
Growth	1,955	14,020	6,713	6,536
Reserve Funding	(1,009)	1,224	(396)	164
Revised Budget Requirement	556,519	575,004	593,745	612,464
<u>Funded By</u>				
Opening Budget	(526,307)	(556,519)	(574,307)	(592,622)
Council Tax	(14,642)	(15,116)	(15,616)	(16,130)
Government Grants	(15,570)	(2,672)	(2,699)	(2,726)
Revised Funding	(556,519)	(574,307)	(592,622)	(611,478)
Annual Shortfall / (Surplus)	0	697	426	(137)
Cumulative Shortfall / (Surplus)	0	697	1,123	986

The above figures are based on the approved council tax increase of £13 for 2024/25. This was approved by the Police and Crime Panel on 18th January 2024. Future years show assumed increases in subsequent years at £10 per annum. This is only a planning assumption, and the PCC will set Council Tax each year.

NARRATIVE REPORT AND FINANCIAL REVIEW

All the assumptions underpinning the current MTFP will be revisited and updated in coming months as work is undertaken on the next budget cycle for 2025/26.

2024/25 will be a financially tough year with significant unknown costs particularly in relation to annual pay awards, the continued impact on cost-of-living and the unprecedented recent high inflation rates, although we are seeing some signs of recovery.

The Police service, both nationally and locally, is going through a period of reform to adjust to the financial challenges created by constrained resources and respond to the increasing complexity and quantum of crime. This reform requires investment in well-trained officers and staff, as well as the new technologies that will facilitate the change in the way policing services are delivered. This investment increases the financial pressures and will be carefully managed by the force and considered as part of the Force Review and future Medium Term Financial Plans.

The productivity strategy continues to delivery savings with a focus on the Force review and the ongoing work to identify new areas to reconsider how and what we do but will ensure we continue to focus the maximum level of resources on our priorities.

Medium Term Capital Plan

The Medium-Term Capital Plan (MTCP) costing £179.7m million over the five-year period 2023/24 to 2027/28 was approved by the PCC (on behalf of the Group) in January 2024. Overall, this will provide the Force with appropriate infrastructure and assets to deliver innovative policing strategies with fewer resources.

	Revised Budget 2023/24	2024/25	2025/26	2026/27	2027/28	Total 2024/25 to 2027/28
	£000	£000	£000	£000	£000	£000
Property	19,307	51,316	16,920	2,336	1,902	91,781
Technology & Business Change	11,696	6,018	3,035	16,723	5,376	42,848
Grants	8,235	0	0	0	0	8,235
Equipment	2,246	700	740	288	288	4,262
Dashcams	102	404	0	0	0	506
Vehicles	5,678	6,010	6,250	6,927	7,245	32,110
Capital Project Total to be Financed	47,264	64,448	26,945	26,274	14,811	179,742

The MTCP will be funded through a combination of capital grants, revenue contributions, capital receipts, reserves and borrowing. Key focuses of the MTCP are:

- To ensure the property estate remains fit for purpose and effectively utilised, linking in with the Smart ways of working principles, identifying opportunities to streamline assets and develop the estate infrastructure; maintaining core sites, improving core training facilities and progressing the Asset Management Plan.
- To ensure provision is made for ICT & Business Change Technology, to maintain and develop the existing infrastructure and invest in the core technologies required to provide innovative digital policing services.
- The maintenance, development and replacement of other core assets (e.g. Vehicles, and Communication Infrastructure) to maximise the advantage of new technology and reflect legislative changes.

Financial Resilience

TVP's financial resilience is evidenced and supported by:

- Strong governance arrangements, as detailed in the Corporate Governance Framework
- Efficient and effective internal audit service that reports directly to the Joint Independent Audit Committee.
- A track record of delivering productivity savings, with further savings of £20m planned over the next two years.
- TVP's Medium Term Financial Plan and Medium-Term Capital Plan set out balanced budgets for 2023/24 and the following three years supported by reasonable, if challenging, assumptions. They are published in the Budget Book on the PCC's website.
- Appropriate levels of reserves, in particular building up reserves to support long term estates capital requirements.
- Borrowing costs are low - below 1% of Net Revenue Expenditure throughout the next four years.

The most significant financial risks faced by TVP are inflation, funding and the long term need for investment in property. With > 80% of revenue expenditure on people costs, the cost-of-living crisis and the government's response, will have a direct impact on TVP. Despite challenges faced, we continue to invest in recruiting new officers, and this year we met our target of recruiting new officers to the force to achieve 5,123 officers at the end of the year.

LINKS

For more detailed information please refer the following documents:

- Police and Criminal Justice Plan <https://www.thamesvalley-pcc.gov.uk/police-and-criminal-justice-plan/>
- Strategic Plan <https://www.thamesvalley.police.uk/police-forces/thames-valley-police/areas/au/about-us/our-commitment/>
- Crimefighters Strategy <https://www.thamesvalley-pcc.gov.uk/our-work/crimefighters/>
- Budget Book <https://www.thamesvalley-pcc.gov.uk/our-information/finances/budget/>
- Corporate Governance Framework <https://www.thamesvalley-pcc.gov.uk/our-information/finances/financial-regulations/>

Linda Waters
Director of Finance

EXPLANATION OF ACCOUNTING STATEMENTS

The Accounts and Audit Regulations 2015 require the PCC and Chief Constable to produce a Statement of Accounts each financial year. These statements contain a number of different elements which are explained below.

Statement of Accounts

The **Auditor's Report** gives the auditor's opinion on whether the accounts provide a true and fair view of the financial position and operations for the year.

Statement of Responsibilities sets out the respective responsibilities of the Chief Constable and his chief finance officer

The **Core Financial Statements** are:

The Movement in Reserves Statement is a summary of the changes to the Group's reserves over the course of the year. Reserves are divided into "usable" cash reserves which can be invested in capital projects or service improvements and "unusable" accounting reserves which must be set aside for specific purposes. All usable reserves are held by the PCC and therefore the Group.

The **Comprehensive Income and Expenditure Statement (CIES)** record all of the CC's income and expenditure for the year. This presentation of information is in line with CIPFA guidance and is commensurate with the in-year internal reporting to management of income and expenditure. (See the outturn position table on page 6 for more detail of the in-year reporting).

The CC CIES shows an accounting deficit of £112.318 million however this statement should not be viewed in isolation. To gain a true understanding of the Group's financial performance for the year, it is necessary to view the Movement in Reserves Statement which shows how this accounting deficit is managed in the balance sheet. Following the police officer pension fund liabilities and accounting adjustments and transfers to revenue reserves, there is a decrease £4.403 million in the general reserve.

The **Balance Sheet** is a snapshot of the CC's assets, liabilities, cash balances and reserves at the year-end date.

The **Cash Flow Statement** shows the reasons for changes in the CC's cash (and cash equivalents) balances during the year, and whether that change is due to operating activities, new investment or financing activities (such as repayment of borrowing and other long term liabilities).

The **Supplementary Financial Statements** are:

The **Annual Governance Statement** explains the governance processes and procedures in place to enable the PCC and Group to carry out their functions effectively. The AGS highlights the Group's internal control environment, comments on its effectiveness and identifies issues for future work.

The **Notes** to these financial statements provide more detail about the Group's accounting policies and individual transactions.

The **Police Pension Fund Accounts** sets out the financial position of the Police Pension Fund as at 31st March 2024

AUDIT REPORT AND OPINION

**INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE FOR THAMES
VALLEY POLICE**

Opinion

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AUDIT REPORT AND OPINION

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AUDIT REPORT AND OPINION

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AUDIT REPORT AND OPINION

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The Chief Constable's 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 (the Director of Finance) has the responsibility for the administration of those affairs.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- Approve the statement of accounts

I approve these accounts on behalf of Thames Valley Police

Jason Hogg
Chief Constable
XXXXXXX

Director of Finance

The Director of Finance 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 Great Britain ('the Code').

In preparing this Statement of Accounts, the Director of Finance has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the Code.
- Kept proper accounting records which were up to date;
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

In my opinion, the Statement of Accounts gives a true and fair view of the financial position of the Thames Valley Police as at 31st March 2024 and its income and expenditure for the year then ended.

Linda Waters, MBA ACA
CFO - Director of Finance
XXXXXXX

MOVEMENT IN RESERVES STATEMENT

Movement in Reserves Statement for the years ended 31st March 2023 and 2024

Note	General Fund £000	Earmarked Reserves £000	Capital Receipts Reserve £000	Capital grant unapplied £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
						21	
Balance at 31st March 2022	0	0	0	0	0	(5,177,023)	(5,177,023)
<u>Movement in reserves during 2022/23</u>							
Total comprehensive Expenditure and Income	(183,318)				(183,318)	1,953,492	1,770,174
Adjustments between accounting basis & funding basis under regulations	6 183,318				183,318	(178,164)	5,154
Net increase/Decrease before transfers to Earmarked Reserves	0	0	0	0	(0)	1,775,328	1,775,328
Transfers to/from earmarked reserves							
Increase/Decrease in Year	0	0	0	0	(0)	1,775,328	1,775,328
Balance at 31st March 2023 carried forward	0	0	0	0	0	(3,401,695)	(3,401,696)
<u>Movement in reserves during 2023/24</u>							
Total comprehensive Expenditure and Income	(112,318)				(112,318)	63,074	(49,244)
Adjustments between accounting basis & funding basis under regulations	6 112,318				112,318	(112,318)	0
Net increase/Decrease before transfers to Earmarked Reserves	0	0	0	0	0	(49,244)	(49,244)
Transfers to/from earmarked reserves							0
Increase/Decrease in Year	0	0	0	0	0	(49,244)	(49,244)
Balance at 31st March 2024 carried forward	0	0	0	0	0	(3,450,939)	(3,450,939)

All earmarked reserves belong to the PCC on behalf of the Group. The Chief Constable therefore had no transfers to/from earmarked reserves during the year and no usable or earmarked reserve balances at year end.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

Expenditure and Funding Analysis Disclosure Note

The Expenditure and Funding Analysis is a disclosure note that shows how annual expenditure is used and funded from resources (government grants and council tax) by police bodies in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes by the Chief Constable's Management Team. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement. See note 5 for more details. Please note that this is not a primary statement

	2022/23			2023/24		
	Net expenditure charged to general fund £000	Adjustments between Accounting basis & Funding basis £000	Net expenditure in the CIES £000	Net expenditure charged to general fund £000	Adjustments between Accounting basis & Funding basis £000	Net expenditure in the CIES £000
<i>TVP operational budgets under the direction & control of the Chief Constable</i>						
Employees	389,118	185,676	574,794	419,407	112,715	532,122
Premises	22,428		22,428	24,715		24,715
Transport	25,004		25,004	26,289		26,289
Supplies & Services	74,761		74,761	86,098		86,098
Third Party Payments	28,263		28,263	33,067		33,067
Capital Charges	30,847	(7,512)	23,335	12,991	(561)	12,430
Non specific Income	(190,345)		(190,345)	(211,660)		(211,660)
Cost of Services	380,075	178,164	558,239	390,907	112,154	503,060
Other income & expenditure	(380,075)	5,154	(374,921)	(390,907)	164	(390,743)
Surplus or Deficit	(0)	183,318	183,318	0	112,318	112,318
Opening General Fund Balance	0			0		
Add surplus or Deficit	(0)			0		
Transfers to/from reserves & General Balances	0			0		
Closing General Fund Balance	(0)			0		

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

Comprehensive Income and Expenditure Statement 2023/24

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.

	2022/23			2023/24		
	Gross expenditure £000	Gross Income £000	Net Expenditure £000	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
<i>TVP operational budgets under the direction & control of the Chief Constable</i>						
Employees	574,794	0	574,794	532,122	0	532,122
Premises	22,428	0	22,428	24,715	0	24,715
Transport	25,004	0	25,004	26,289	0	26,289
Supplies & Services	74,761	0	74,761	86,098	0	86,098
Third Party Payments	28,263	0	28,263	33,067	0	33,067
Capital Charges	14,904	0	14,904	12,430	0	12,430
Specific Income	0	(190,345)	(190,345)	0	(211,660)	(211,660)
Financial resources of the PCC consumed at the request of the	740,154	(190,345)	549,808	714,721	(211,660)	503,060
Intra group funding			(503,358)			(544,313)
Cost of Services	740,154	(190,345)	46,450	714,721	(211,660)	(41,253)
Other operating Expenditure:						
Gain/loss on disposal of fixed asset	8c		5,154	2,362		2,362
Levies to national police service			0			0
Financing & investment income & expenditure:						
Interest payable			0			0
Impairment loss allowance	8a		0			0
Pensions interest cost	8a	126,560	126,560	151,208		151,208
Interest & investment income			0			0
Taxation & non specific grant income			0			0
Surplus/deficit on provision of service			178,164			112,318
Surplus/deficit on revaluation of fixed assets			0			0
Remeasurement of net defined liability			(1,953,492)			63,074
Other gain/loss			0			0
Total other comprehensive Income and Expenditure			(1,953,492)			63,074
Total comprehensive Income & Expenditure			(1,775,328)			175,392

CASHFLOW

The Balance Sheet

The Balance Sheet shows the value at 31st March of the assets and liabilities recognised by the Chief Constable. Net assets are matched by the unusable reserves held by the Chief Constable. (i.e. those that the Chief Constable is not able to use to provide services). This category includes reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31/03/2023 £000		Note	31/03/2024 £000
	Long Term Assets		
24,891	Property, Plant and Equipment	13	29,916
5,988	Intangible assets	15	4,307
0	Long term investments		0
234	Long term debtors	17	227
	Asset related to defined benefit pension schemes	23	55,264
31,113	Total Long Term Assets		89,715
	Current Assets		
0	Short term investments		0
2,765	Inventories	16	3,373
43,363	Short term debtors	17	73,792
0	Cash and cash equivalents		0
0	Assets held for sale		0
46,128	Total Current Assets		77,165
	Current Liabilities		
0	Short term borrowing		0
(57,508)	Short term creditors	18	(103,161)
(2,288)	Provisions	19	(5,073)
(6,087)	Accumulated absences		(6,612)
(46,005)	Intra group balance	4	(33,199)
(111,889)	Total Current Liabilities		(148,045)
	Long Term Liabilities		
0	Long term creditors		0
(5,622)	Provisions	19	(3,994)
0	Long term borrowing		0
(3,360,623)	Liability related to defined benefit pension schemes	23	(3,464,880)
(944)	Donated assets account		(901)
0	Capital grants received in advance		0
(3,367,189)	Total Long Term Liabilities		(3,469,774)
(3,401,837)	Net Assets / (Liabilities)		(3,450,939)
	Reserves		
0	Usable reserves		0
(3,401,837)	Unusable reserves	21	(3,450,939)
(3,401,837)	Total Reserves		(3,450,939)

CASHFLOW

The Cash Flow Statement

This statement does not show any cash flows for the year ending 31st March 2023 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.

	Note	31/03/2023	31/03/2024
		£000	£000
Net (surplus)/deficit on the provision of services		183,318	112,318
Adjust net surplus/deficit for non cash movements	24	(183,318)	(112,318)
Adjust for items included in surplus/deficit that are investing and financing activities		0	0
Net cash flows from Operating Activities		0	0
Investing Activities	24	0	0
Financing Activities		0	0
Net increase (-) or 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	0

GENERAL ACCOUNTING POLICIES

a. General principles

These financial statements have been prepared in accordance with the Code of Practice (the code) on Local Authority Accounting in the United Kingdom issued by the Chartered Institute of Public Finance and Accountancy (CIPFA), the Accounts and Audit Regulations 2015. The accounting policies contained in the Code apply International Financial Reporting Standards (IFRS) as adapted for the public sector by the International Public Sector Accounting Standards (IPSAS). The accounts have been compiled in accordance with the code, except that it has departed from the code in respect of the treatment of certain types of inventories in order to achieve a true and fair presentation. (See note 18 for more details)

Going Concern basis of preparation

The accounts are prepared on a going concern basis; that is, on the assumption that the functions of the entity will continue in operational existence for the foreseeable future from the date that the accounts are authorised for issue. This assessment is based on statutory nature of the services provided by the organisation. It is expected that the services would continue to be delivered by a public authority even if the current structures were changed. Management is not aware of any prospective changes to legislation or government policy that would undermine this assessment.

Notwithstanding this statutory basis for the going concern assessment, management have also separately assessed, and are content that, the organisation is financially sustainable, with adequate reserves and sound financial plans including budgets that are realistic and deliverable. The Group regularly reviews and updates its Medium-Term Financial Plan (see Narrative Statement section 6), incorporating known factors that will impact it, and assumptions for the inevitable risk and uncertainty that accompanies any financial forecast. In addition, the Group has a reserves policy and approach to delivering savings, combined with regular monitoring and reporting. This assurance is recorded in the Annual Governance Statement, in particular the appendix reviewing financial sustainability and financial management; and the budget and medium term financial plans, in particular the Financial Plans Recommendation and Strategy.

Investment balances and cash flow are managed at a Group level. Management produce a rolling 12 month cashflow forecast to give more immediate assurance. The Group's financial forecast for 2024/25 has been reviewed alongside assumptions for 2025/26 and a prudent profile of cashflows to support management in assessing and confirming the Group's financial sustainability to X. The planned timing of cash flows, in conjunction with the reserves balances, means that that the Group can meet its operational obligations over the period.

PCC, Group and Chief Constable

Following the passing of the Police Reform and Social Responsibility (PRSR) Act 2011, Thames Valley Police Authority was replaced on 22nd November 2012 with two corporation sole bodies, the Police and Crime Commissioner (PCC) for Thames Valley and the Chief Constable. Both bodies are required to prepare separate Statement of Accounts. The PCC is also required to produce Group accounts.

The term 'Group' is used to indicate individual transactions and policies of the PCC and Chief Constable for the year ended 31 March 2024. The identification of the PCC as the holding organisation and the requirement to produce group accounts stems from the powers and responsibilities of the PCC under the PRSR Act 2011.

The Financial Statements included here represent the accounts for the PCC and Group. The financial statements cover the 12 months to the 31 March 2024.

Some figures within tables may not sum up exactly due to rounding differences when stating values to the nearest thousand pounds.

b. Accruals of expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Supplies are recorded as expenditure when they are consumed.
- Where expenditure has been recognised (using estimates when appropriate) but cash has not been paid, a creditor for the relevant year is recorded in the Balance Sheet.
- Where income and expenditure has been recognised (using estimates when appropriate) but cash has not been received or paid, a debtor or creditor for the relevant year is recorded in the Balance Sheet.

c. Jointly Controlled Operations and Jointly Controlled Assets

Jointly controlled operations are activities undertaken by the Chief Constable in conjunction with other ventures that involve the use of the assets and resources of the ventures rather than the establishment of a separate entity. The Chief Constable recognises on its Balance Sheet the assets that it controls and the liabilities that it incurs and debits and credits the CIES with the expenditure it incurs and the share of income it earns from the activity of the operation. Jointly controlled assets are items of property, plant or equipment that are jointly controlled by the Chief Constable and other ventures, with the assets being used to obtain benefits for the ventures. The joint venture does not involve the establishment of a separate entity. The Chief Constable accounts for only its share of the jointly controlled assets, the liabilities and expenses that it incurs on its own behalf or jointly with others in respect of its interest in the joint venture and income that it earns from the venture.

d. Government grants and other contributions

Whether paid on account, by instalments or in arrears, revenue government grants and third party contributions are recognised as income at the date that the PCC satisfies the conditions of entitlement to the grant / contribution.

The grant / contribution is recognised within the CIES as income when the conditions of entitlement are known to be satisfied. If the grant / contribution has been received in advance of need then the amount is transferred to a Grant in Advance account.

Grants to cover general expenditure (e.g. Police Grant) are credited to the CIES within the provision of services.

Where capital grants are credited to the CIES, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account (CAA). Amounts in the Capital Grants Unapplied

e. Overheads and support services

In line with CIPFA's Police Objective Analysis, the costs of support services are fully allocated to the Chief Constable's services.

f. VAT

The Chief Constable does not submit a separate VAT return and the PCC submits a single VAT return on behalf of the group. Income and expenditure in the comprehensive income and expenditure

statement excludes any amounts related to VAT, as VAT collected is payable to HM Revenue and Customs and the vast majority of VAT paid is recoverable from it.

1. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED

Paragraph 3.3.2.13 of the Code requires changes in accounting policy to be applied retrospectively unless alternative transitional arrangements are specified in the Code. Paragraph 3.3.4.3 requires an authority to disclose information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted by the Code for the relevant financial year.

The only standard introduced by the 2024/25 Code where disclosures are required in the 2023/24 financial statements in accordance with the requirements of paragraph 3.3.4.3 of the Code which affects policing are:

- IFRS 16 Leases
- Classification of Liabilities as Current or Non Current (IAS 1)
- Lease Liability in a sale and leaseback IFRS 16)
- Non-Current Liabilities with Covenants (IAS 1)
- International Tax Reform (IAS 12)
- Supplier Finance Arrangements (IAS 7 and IFRS &)

We are currently not in a position to reasonably estimation the possible impact that the application of the above standards will have on the 2024/25 accounts

2. SIGNIFICANT ESTIMATES AND JUDGEMENTS IN APPLYING THE ACCOUNTING POLICIES

The preparation of the financial statements requires the Group to make judgements, estimates and assumptions that affect the application of policies and reporting amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors, the results of which form the basis of making judgements about the values and liabilities that are not readily apparent from other sources. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised. Material estimates and assumptions are made in the following cases:

- a. A judgment has been made of the expenditure allocated between the PCC and Chief Constable to reflect the financial resources of the PCC consumed at the request of the Chief Constable. 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 published guidance at the time (SeRCOP). In arriving at this approach various interested parties were consulted including senior management in both corporate bodies and careful consideration given to the PRSR Act and Home Office guidance.
- b. The costs of a pension arrangement require estimates regarding future cash flows that will arise under the scheme liabilities. The assumptions underlying the valuation used for IAS 19 reporting are the responsibility of the PCC as advised by their actuaries. The financial assumptions are largely prescribed at any point and reflect market expectations at the reporting date. Assumptions are also made around the life expectancy of the UK population.
- c. Changes to IFRS 11 (Joint Arrangements) required the Chief Constable to classify their collaborative arrangements. Senior Management within both Thames Valley Police and their collaboration partners have considered the nature of the arrangements and most importantly, whether joint control exists within each arrangement, and in each case, a judgement has been made that the arrangement is outside the scope of the new collaboration standard. The Chief

NOTES TO THE ACCOUNT

Constable will continue to account for its own share of income and expenditure of each arrangement. Details of these values are shown in note 11 (related party transactions)

- d. During 2022/23 Thames Valley Police continued to operate the national store for Personal Protective Equipment (PPE) on behalf of all police forces in the country. The stock was initially supplied by forces and paid for via Home Office grant but this was then taken over (both supply and funding) by the Department of Health. TVP was responsible for the onward distribution as determined by the National Police Coordination Centre. As such, it has been determined that TVP are operating as an agent and not as principal in the acquisition and distribution of the stock. The PPE stock is held as an inventory on the Balance Sheet, valued at average market price, but no entries will be shown through the Consolidated Income and Expenditure Statement

3. ASSUMPTIONS MADE ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The key judgements and estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year involved the pension liability for police staff. The discount rates used to calculate the pension liabilities are estimates, any changes in which could impact on the total liability of the relevant pension funds. See note 23 for a sensitivity analysis and details of the impact of a change in the discount rate. Furthermore, the full impact of the McCloud/Sargeant judgement on both the police officer and police staff pension schemes is still unknown. For full explanation, see note 23.

4. INTRA GROUP ADJUSTMENTS

Both the Police and Crime Commissioner and the Chief Constable are separate legal entities. The Group statement of accounts (PCC Group) reflects the consolidated accounts of the PCC and its subsidiary the Chief Constable

The table below shows the movement through an intra group account within the respective accounts during 2022/23 and 2023/24. There are no outstanding intra group balances at year end, as the PCC paid all financial resources consumed at the request of the Chief Constable and an intra group adjustment was made to offset the Chief Constable's consumption of resources

Intra group balances for 2022/23	PCC	CC	Group
Opening balance as at 1 st April 2022	0	0	0
Balance sheet intra group adjustment	(46,005)	46,005	0
PCC resources consumed at the request	(506,635)	506,635	0
PCC Intra group adjustment	(552,640)	552,640	0

Intra group balances for 2023/24	PCC	CC	Group
Opening balance as at 1 st April 2023	0	0	0
Balance sheet intra group adjustment	(33,199)	33,199	0
PCC resources consumed at the request	(544,313)	544,313	0
PCC Intra group adjustment	(577,512)	577,512	0

NOTES TO THE ACCOUNT

5. NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS

	2022/23				2023/24			
Adjustments from General Fund to arrive at the CIES amounts	Adjustments for capital purposes	Net change for the pensions Adjustments	Other differences	Total Adjustments	Adjustments for capital purposes	Net change for the pensions Adjustments	Other differences	Total Adjustments
<i>TVP operational budgets under the direction & control of the Chief Constable</i>								
Employees		185,644	32	185,676		112,191	524	112,715
Premises								
Transport								
Supplies & Services								
Third Party Payments								
Capital Charges	(7,512)			(7,512)	(561)			(561)
Non specific Income								
net cost of services	(7,512)	185,644	32	178,164	(561)	112,191	524	112,154
other income & expenditure from the expenditure & funding analysis	5,154			5,154	164			164
General Fund & surplus or	(2,358)	185,644	32	183,318	(397)	112,191	524	112,318

6. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Chief Constable in the year in accordance with proper accounting practice. All items are adjustments between the general fund balance and the unusable reserves shown below.

2023/24

	General Fund Balance £000	Capital Receipts Reserve £000	Unusable Reserves £000
Adjustments to the Revenue Resources			
Amounts by which income and expenditure included in the CIES are difference from revenue for the year calculated in accordance with statutory requirements:			
Pensions costs (transferred to or from the pensions reserve)	112,191		(112,191)
Financial instruments (transferred to the financial instruments adjustment account)	0		0
Council tax (transfers to or from the collection fund adjustment account)	0		0
Holiday Pay (transferred to the accumulated absences account)	524		(524)
reversal of entries in relation to capital expenditure (charged to the capital adjustment account)	12,430		(12,430)
Non current assets written off on disposal (charged to capital adjustment account)	971		(971)
Total Adjustments to the Revenue Resources	126,116		(126,116)
Adjustments between revenue and capital Resources			
Transfer of non current asset sale proceeds from revenue to capital receipts reserve	(807)	807	
Statutory provision for the repayment of debt (transfer from the capital adjustment account)			
Capital expenditure financed from revenue balances (transfer to the capital adjustment account)	(12,991)		12,991
Total Adjustments between revenue and Capital Resources	(13,798)	807	12,991
Adjustments to capital resources			
Use of capital receipts reserve to finance capital expenditure	0	(807)	807
Application of capital grants to finance capital expenditure	0		0
Total Adjustments to capital resources	0	(807)	807
Total Adjustments	112,318	0	(112,318)

NOTES TO THE ACCOUNT

2022/23

	General Fund Balance £000	Capital Receipts Reserve £000	Unusable Reserves £000
Adjustments to the Revenue Resources			
Amounts by which income and expenditure included in the CIES are difference from revenue for the year calculated in accordance with statutory requirements:			
Pensions costs (transferred to or from the pensions reserve)	185,644		(185,644)
Financial instruments (transferred to the financial instruments adjustment account)	0		0
Council tax (transfers to or from the collection fund adjustment account)	0		0
Holiday Pay (transferred to the accumulated absences account)	32		(32)
reversal of entries in relation to capital expenditure (charged to the capital adjustment account)	14,750		(14,750)
Non current assets written off on disposal (charged to capital adjustment account)	0		0
Total Adjustments to the Revenue Resources	200,426		(200,426)
Adjustments between revenue and capital Resources			
Transfer of non current asset sale proceeds from revenue to capital receipts reserve	5,154	(5,154)	
Statutory provision for the repayment of debt (transfer from the capital adjustment account)			
Capital expenditure financed from revenue balances (transfer to the capital adjustment account)	(22,262)		22,262
Total Adjustments between revenue and Capital Resources	(17,108)	(5,154)	22,262
Adjustments to capital resources			
Use of capital receipts reserve to finance capital expenditure	0	0	0
Application of capital grants to finance capital expenditure	0		0
Total Adjustments to capital resources	0	0	0
Total Adjustments	183,318	(5,154)	(178,164)

7. EVENTS AFTER THE BALANCE SHEET DATE

Accounting Policy

When an event occurs after the balance sheet date which provides evidence of conditions that existed at the balance sheet date an adjusting event occurs and the amounts recognised in the Statement of Accounts will be adjusted to take into account any values that reflect the adjusting event. Where an event occurs after the Balance sheet date that is indicative of conditions that arose after the balance sheet date, the amounts recognised in the statement of accounts are not adjusted but disclosed as a separate note to the accounts. Events after the balance sheet date are reflected up to the date when the statement of accounts is authorised for issue and published.

8. ANALYSIS OF ITEMS IN COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

a) Financing and Investment income and expenditure

	2022/23 £000	2023/24 £000
Interest payable	0	0
Impairment loss allowance	0	0
Pensions interest cost on net defined benefit liability	126,560	151,216
Subtotal Financing and Investment expenditure	126,560	151,216
Interest and investment income	0	0
Total Operating Expenditure	126,560	151,208

b) Specific grant income

	2022/23 £000	2022/23 £000
PFI grant	(1,032)	(1,032)
Counter terrorism grant (including dedicated security posts)	(57,927)	(41,245)
SEROCU grant	(4,908)	(4,042)
Disclosure Bureau Services	(1,804)	(2,180)
Home Office (Serious violence, Violence reduction unit)	(4,162)	(4,227)
Use of the apprenticeship levy	(2,014)	(2,202)
Pensions grant	(4,312)	(4,312)
Safer Streets	(991)	(400)
Recruitment uplift grant	(5,713)	(13,517)
Local Council Tax Guarantee	(2,133)	0
Specialist Firearms	(4,153)	(3,875)
Security Grant	(9,098)	(7,686)
Home Office ICT Grant	0	(20,000)
Innovation Fund	0	(1,712)
Pay Award Grant	0	(10,054)
Other small grants	(920)	(799)
Total specific grant income	(99,167)	(117,283)

c) Operating Expenditure

	2022/23 £000	2023/24 £000
Gain (-)/loss on disposal of fixed asset	5,154	192
Levies to national police service	0	0
Total Operating Expenditure	5,154	192

9. OFFICERS' REMUNERATION

The following sums have been paid to members of the Chief Constable's Management Team.

	Year	Note	Salary, Fees & Allowance	Bonuses	Total Remuneration excluding Pension Contribution	Total
			£	£	£	£
Police Force						
John Campbell	2022/2023	1	187,074		187,074	187,074
(Chief Constable)	2023/2024		0		0	0
Jason Hogg	2022/2023	2	152,634		152,634	199,150
(Chief Constable)	2023/2024		197,014		197,014	255,879
Ben Snuggs	2022/2023	3			0	0
(Deputy Chief Constable)	2023/2024		159,601		159,601	207,623
Tim De Meyer	2022/2023	4	135,695		135,695	172,997
(Assistant Chief Constable)	2023/2024		1,522		1,522	1,731
Tim Metcalfe	2022/2023		123,762	500	124,262	158,572
(Assistant Chief Constable)	2023/2024		136,728		136,728	174,928
Dennis Murray	2022/2023	5	121,689		121,689	154,911
(Assistant Chief Constable)	2023/2024		122,339		122,339	156,041
Katy Barrow-Grint	2022/2023	6	0		0	0
(Assistant Chief Constable)	2023/2024		125,727		125,727	160,360
Christian Bunt	2022/2023		101,662	500	102,162	131,395
(Temporary Assistant Chief Constable)	2023/2024		137,296		137,296	175,672
Linda Waters	2022/2023		123,304	500	123,804	144,272
(Director of Finance)	2023/2024		133,579		133,579	155,306
Steven Chase	2022/2023	7	6,210		6,210	7,239
(Director of People)	2023/2024		0		0	0
Christine Kirby	2022/2023		116,027	500	116,527	135,788
(Director of People)	2023/2024		127,280		127,280	148,189
Mike Lattanzio	2022/2023	8	204,430		204,430	204,430
(Chief Digital and Information Officer)	2023/2024		151,754		151,754	151,754

Note 1 John Campbell left 31/03/2023, took non paid holiday up to the 16th April 2023

Note 2 Jason Hogg Became Chief Constable 01/04/23

Note 3 Ben Snuggs became Deputy Chief Constable 06/04/23

Note 4 Tim De Meyer left 02/04/23

Note 5 Dennis Murray Left in 06/10/23 but returned 07/11/23

Note 6 Katy Barrow-Grint became ACC 05/04/23

Note 7 Steven Chase left on 19/04/2022

Note 8 Mike Lattanzio was on a temporary contract in 22/23, now employed by TVP

NOTES TO THE ACCOUNT

Following changes to taxation regulations no chief officers have any taxable personal use of vehicles and therefore no longer incur a benefit in kind.

The following table shows the number of police officers and staff employed and paid directly by TVP whose total remuneration package exceeded £50,000. In this respect, total remuneration comprises gross pay as recorded on employee's P60 tax returns, together with taxable benefits in kind as disclosed to the HM Revenue and Customs on Form P11D. This table excludes those senior officers whose salaries etc. are disclosed separately above, as well police officers and staff who, as at 31st March 2024, are seconded to national bodies such as the College of Policing

Total Remuneration	2022/23	2023/24
£		
110,000 - 124,999	3	6
105,000 - 109,999	2	7
100,000 - 104,999	2	7
95,000 – 99,999	11	12
90,000 – 94,999	9	18
85,000 – 89,999	16	20
80,000 – 84,999	19	29
75,000 – 79,999	29	47
70,000 – 74,999	42	91
65,000 – 69,999	160	283
60,000 – 64,999	339	409
55,000 - 59,999	573	720
50,000 – 54,999	862	1,002
	2,067	2,651

10. FEES PAYABLE TO EXTERNAL AUDITORS

The audit fee payable to the external auditors during the year totalled £165k (£91k in 22/23) for the group of which the portion relating to the Chief Constable was £52k (£28k in 22/23).

11. RELATED PARTY TRANSACTIONS

Central Government has effective control over the general operations of the Chief Constable - it is responsible for providing the statutory framework within which the Chief Constable operates and provides the majority of its funding in the form of grants. Details of significant transactions with government departments are disclosed elsewhere in the Statement of Accounts.

The Chiltern Transport Consortium provides a vehicle fleet management service to TVP, Bedfordshire Police, Cambridgeshire Constabulary, Hertfordshire Police, British Transport Police, Civil Nuclear Constabulary and the National Investigation Service. The following table provides a high level split of gross costs.

NOTES TO THE ACCOUNT

	2022/23	2023/24
	£000	£000
TVP	5,654	5,540
Bedfordshire Police	2,524	2,870
Civil Nuclear Constabulary	765	927
Hertfordshire Police	3,021	3,278
Cambridgeshire Constabulary	2,615	2,686
British Transport Police	2,946	3,269
National Investigation Service	36	41
External Income & Trfs to Reserves	(286)	1,160
Total Gross Cost	17,274	19,744

The South East Regional Organised Crime Unit (SEROUCU) comprises several different capabilities as recommended by the National ROCU board. The following table provides a high level split of gross costs.

	2022/23	2023/24
	£000	£000
TVP	6,361	10,357
Hampshire Police	4,876	6,051
Sussex Police	4,104	5,079
Surrey Police	3,102	3,756
Kent Police	38	30
External Income	10,546	11,388
Total Gross Cost	29,027	36,661

TVP lead the regional Counter Terrorism Specialist Firearms Officers unit for Thames Valley, Hampshire, Surrey, Sussex and Kent but officers remain employed by their home force and hence their costs do not show in the TVP ledger. As lead TVP receives the full grant from National Counter Terrorism Police Head Quarters and distributes to the regional partners.

	2022/23	2023/24
	£000	£000
TVP	3,188	3,154
Hampshire Police	(296)	(449)
Surrey / Sussex / Kent Police	(1,322)	(1,735)
External Income	4,071	4,459
Total Gross Cost	5,640	5,429
Net Direct Expenditure Incurred by other forces	4,093	4,299
Total Unit Gross Cost	9,734	9,728

TVP leads the Regional Collaboration of a number of intelligence functions through the Counter Terrorist Policing South East (CTPSE) unit, which co-ordinates these function to enable the South East forces of Thames Valley, Hampshire, Surrey, Sussex and Kent to respond appropriately to threats in the region. Most of the officers remain employed by their Home forces as do their direct costs.

NOTES TO THE ACCOUNT

	2022/23	2023/24
	£000	£000
TVP	786	998
Hampshire Police	(147)	(139)
Surrey / Sussex / Kent Police	(171)	(325)
Total Gross Cost	468	533
Net Direct Expenditure incurred by other forces	1,189	1,390
Total Unit Gross Cost	1,657	1,923

We collaborate with Hampshire Police in terms of ICT, Information Management and ANPR which are led by TVP, and also Operations which is led by Hampshire. The following table provides a high-level split of the gross costs incurred by each force for the combined units for 2023/24.

	2022/23	2023/24
	£000	£000
TVP	62,835	69,680
Hampshire Police	47,996	55,403
Total Gross Cost	110,831	125,083

Chief Officers are required to declare whether they, or any member of their immediate family, have had any related party transactions (i.e. significant financial dealings) with the PCC or Thames Valley Police during the financial year. A letter has been sent to all chief officers to collect this information and the outcome is that there are two material related party transaction to disclose in 2023/24:

During the period April 2023 – March 2024 the Chief Digital and Information Officer and his wife were both senior members of the ICT department. The CIO's wife is a consultant, appointed through a recruitment agency. Invoices relating to the consultancy are appropriately scrutinised and the Chief Information Officer does not approve the invoices of his wife.

12. TERMINATION BENEFITS

Accounting Policy

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 charged as an expense in the cost of services in the Comprehensive Income and Expenditure at the point in which the Chief Constable can no longer withdraw the offer of termination benefits.

Termination benefits are accounted for in the year in which the decision is made, not when the individual leaves TVP.

The number of exit packages with total cost per band and total cost of compulsory and other redundancies are set out in the table below:

NOTES TO THE ACCOUNT

2023/24

Exit package cost	Number of	Number of	Total number of
£0 - £40,000*	4	0	4
Total	5	0	5

*due to confidentiality and the small number of people within the bands we cannot disclosure further details

2022/23

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages	Total cost of exit packages in each band £000
£0 - £20,000	3	4	7	59
£20,001 - £40,000	0	4	4	96
£40,001 - £60,000	1	2	3	156
£60,001 - £80,000	0	0	0	0
£80,001 - £100,000	0	1	1	99
£100,000 -				
£150,000	0	1	1	138
Total	4	12	16	548

The figures shown above include, where appropriate, the cost to the Chief Constable of paying the pension strain on those employees who accepted early retirement. Pension strain is a payment made to the pension fund to reflect the additional cost to the fund of the employee retiring early. It is not a payment made to the individual employee.

Voluntary redundancies are only agreed in situations where, by accepting a volunteer, the Chief Constable avoids or reduces the requirement to select and implement compulsory redundancies.

13. PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Property, Plant and Equipment are assets that have physical substance and are held for use in the provision of services or for administrative purposes on a continuing basis. The de-minimus level policy is to capitalise all ICT expenditure over £50,000 on a total collaborative project basis, with a lower figure of £25,000 for equipment. Schemes with strategic importance (e.g. vehicles, force wide ICT projects, desktop PCs etc.) are also capitalised

Recognition

Expenditure on the acquisition, creation or enhancement of property, plant and equipment is capitalised on an accruals basis, provided that they yield benefits to the Chief Constable and the services they provide are for more than one financial year. Expenditure that secures, but does not extend the previously assessed standards of performance of an asset (e.g. repairs and maintenance) is charged to revenue as it is incurred. Assets under construction are recorded in the balance sheet at cost.

Measurement

Assets are initially measured at cost, comprising all expenditure that is directly attributable to bringing the asset into working condition for its intended use. Assets are carried in the balance sheet at the lower of net current replacement cost or net realisable value in existing use.

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

NOTES TO THE ACCOUNT

Where non property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.

Disposals

When an asset is disposed of, sale proceeds are transferred to the usable capital receipts reserve and the gain or loss on disposal is shown in the CIES

Depreciation

This is provided for all assets with a useful finite life, by allocating the value of the asset in the balance sheet over the periods expected to benefit from their use, on a straight line basis.

- Plant, furniture and equipment – a percentage of the value of each class of assets in the Balance Sheet, as advised by a suitably qualified officer
- Vehicles, - a percentage of the value of each class of assets in the Balance Sheet, as advised by a suitably qualified officer. Once the vehicle reaches its residual value we stop depreciating

Grants and contributions

Grants and contributions relating to capital expenditure shall be recognised in the CIES as income except to the extent that the grant or contribution has a condition that the Chief Constable has not satisfied. In that event the amount subject to condition is transferred to the capital grants receipts in advance account. Where the conditions of the grant / contribution are satisfied, but expenditure for which grant is given has not yet been incurred, then such sums will continue to be transferred to the capital grants unapplied reserve.

Movement on Fixed Assets

2023/24 Movements

	Vehicles Plant and Equipment £000	Total £000
Cost or Valuation		
At 1st April 2023	60,875	60,875
Additions	16,053	16,053
Revaluation increases /(decreases) to RR		0
Revaluation increases /(decreases) to SDPS		0
Disposals	(9,752)	(9,752)
Reclassifications		0
Write out fully depreciated assets		0
Depreciation written out on revaluation		0
At 31st March 2024	67,176	67,176
Depreciation and Impairment		
At 1st April 2023	36,356	36,356
Depreciation charge	9,576	9,576
Depreciation written out on revaluation		0
Disposal	(8,671)	(8,671)
Write out fully depreciated assets		0
Reclassifications		0
At 31st March 2024	37,261	37,261
Net Book Value		
At 31st March 2024	29,915	29,915

RR = Revaluation Reserve

SDPS = Surplus or Deficit in Provision of Services

2022/23 Movements

	Vehicles Plant and Equipment £000	Total £000
Cost or Valuation		
At 1st April 2022	56,400	56,400
Additions	9,587	9,587
Revaluation increases /(decreases) to RR		0
Revaluation increases /(decreases) to SDPS		0
Disposals	(5,699)	(5,699)
Reclassifications	588	588
Write out expenditure not adding value		0
Write out fully depreciated assets		0
Depreciation written out on revaluation		0
At 31st March 2023	60,876	60,876
Depreciation and Impairment		
At 1st April 2022	32,695	32,695
Depreciation charge	8,533	8,533
Impairment losses / (reversals) to SDPS		0
Disposal	(5,243)	(5,243)
Write out fully depreciated assets		0
Reclassifications		0
At 31st March 2023	35,985	35,985
Net Book Value		
At 31st March 2023	24,891	24,891

Capital Commitments

The Chief Constable does not have any significant amounts outstanding on capital contracts as at 31 March 2023.

14. CAPITAL EXPENDITURE AND FINANCING

The Chief Constable spent £16.053m on the acquisition and enhancement of long term assets in 2023/24. Financing of the total capital programme can be found in the Group accounts

	2022/23	2023/24
	£000	£000
Land and buildings	0	0
Vehicles, plant and other equipment	5,657	10,524
Information, communications and technology	3,930	4,626
Total tangible fixed asset expenditure	9,587	15,150
Intangible assets (i.e. computer software licences)	1,070	903
Total Capital Expenditure	10,657	16,053

15. INTANGIBLE ASSETS

Accounting Policy

Expenditure on assets that do not have physical substance but are identifiable and controlled by the Chief Constable (e.g. software licences) are capitalised where it will bring benefits to the Chief Constable for more than one financial year. Internally generated assets include complex system costs and IT development costs. These are also capitalised where it will bring benefits to the group for more than one year. The balance is amortised to the CIES on a straight line basis over the economic life of the investment (over 5 years) to reflect the pattern of consumption of benefits.

	2022/23			2023/24		
	Internally Generated	Other Assets	Total	Internally Generated	Other Assets	Total
	£000	£000	£000	£000	£000	£000
Gross Book Value						
Opening balance	20,987	9,928	30,915	21,829	9,284	31,113
Additions (purchased and internally generated)	842	229	1,071	1,008	903	1,911
Write out fully depreciated items	0	(873)	(873)	0	(5,816)	(5,816)
Closing balance	21,829	9,284	31,113	22,837	4,372	27,208
Depreciation						
Opening balance	(11,735)	(7,723)	(19,458)	(15,701)	(9,424)	(25,126)
Amortisation charged to income and expenditure	(3,966)	(2,574)	(6,540)	(4,168)	(598)	(3,592)
Write out fully depreciated items	0	873	873	0	5,816	5,816
Closing balance	(15,701)	(9,424)	(25,126)	(19,870)	(4,206)	(22,902)

NOTES TO THE ACCOUNT

Net Book Value	6,127	(140)	5,987	4,141	(165)	4,307
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16. INVENTORIES

Accounting Policy

The Group holds stocks of uniforms, vehicle equipment, personal protective equipment (PPE) and other operational equipment. All stocks are valued at purchase price. This is not consistent with IAS2 which requires stocks to be valued at the lower of cost or net realisable value. However, net realisable value for many stock items such as uniforms would be negligible, therefore to comply with IAS2 would significantly understate the value to the Group of the assets held.

The value of inventories held by the Group as at 31st March 2024 is £3.373m. This is categorised as follows:

	2022/23	2023/24
	£000	£000
Uniforms	723	1,065
Transport – parts and equipment	223	295
Other operational equipment	876	1,113
Personal Protective Equipment *	944	901
Total	2,765	3,373

* As at 31st March 2024, Thames Valley Police held inventories of personal protective equipment on behalf of the Department of Health for onward distribution to all other 43 police forces in England and Wales. The Group are acting as an agent in this regard as TVP do not hold responsibility for ordering the stock or determining who should receive the stock. The value at the year end was £0.901 million, which was calculated at an average market price at the time of stock count.

The amount of TVP owned inventories recognised as an expense through the Comprehensive Income and Expenditure Statement during each year is as follows:

	2022/23	2023/24
	£000	£000
Uniforms	1,787	1,626
Transport – parts, livery and equipment	2,414	2,887
Other operational equipment	276	276
Total	4,478	4,788

There was £2k of inventory write downs during 2023/24

As detailed in the accounting policy above, the Group departs from IAS2 by valuing stock at purchase price rather than net realisable value. The financial effect of complying with the code would be to reduce the value of TVP owned stock on the balance sheet as at 31st March 2024 from £3.373m to £2.97m, as per the table below.

	2022/23	2023/24
	£000	£000
Uniforms	0	0
Transport – parts and equipment	7	7
Other operational equipment	827	1,069

NOTES TO THE ACCOUNT

Total	834	1,076
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17. DEBTORS

	At 31 March 2023 £000	At 31 March 2024 £000
Amounts falling due after more than one year		
Trade receivables	202	202
Prepayments	0	0
Other receivable amounts	32	25
Total long term debtors	234	227
Amounts falling due within one year		
Trade receivables	17,205	22,651
Prepayments	5,924	5,896
Other receivable amounts	20,255	45,247
	43,393	73,794
Less provision for doubtful debts	(30)	(2)
Total current debtors	43,363	73,792
Total debtors	43,597	74,019

18. CREDITORS

	At 31 March 2023 £000	At 31 March 2024 £000
Trade payables	38,110	59,028
Other payables	19,398	44,134
	57,508	103,161

19. PROVISION

Accounting Policy

Provisions are made where an event has taken place that gives the Group an obligation that probably requires settlement by a transfer of economic benefits, but where the timing of the transfer is uncertain.

Provisions are charged to the appropriate service revenue account in the year that the Group becomes aware of the obligation, based on the best estimate of the likely settlement. When payments are eventually made they are charged to the provision set up in the Balance Sheet.

Insurance Provision

The Group maintains a provision to meet insurance claims under a self-insurance scheme. There are cumulative limits to these, above which claims would be met by the Group's insurers. This provision covers two main areas of insurance, namely motor and employees/public liability. The adequacy of the insurance provision is assessed annually by a firm of actuaries. Payments for employees and public liability insurance are notoriously long tail, which means that it could be as long as 7 years before all current claims are finally paid and settled.

NOTES TO THE ACCOUNT

Allard Provision

Following successful claims in the court case Allard v Devon and Cornwall Police for unpaid overtime following recalls to duty, the judge has selected a number of test cases to consider all of the issues arising in these claims against forces across the country. Having completed calculations using estimated information we have made a provision for £2.0m, including potential interest which may become due.

Comparative figures for provisions are not required.

	2023/24 £000
Opening balance at 1 April 2023	7,911
Transactions during the year:	
Additional provisions made in the period	1,204
Amounts used (incurred and charged against the provision) in the period	(48)
Amounts transferred to/from earmarked insurance reserve	
Closing balance at 31 March 2024	9,067
Short term Insurance Provision	5,073
Long term Insurance Provision	3,994
Closing balance at 31 March 2024	9,067

20. CONTINGENT ASSETS AND LIABILITIES

Accounting Policy

The Chief Constable recognises material contingent assets and liabilities, which arise from past events, whose existence can only be confirmed by the occurrence of one or more uncertain future events, which are not wholly within the Chief Constable's control.

We have no contingent assets or liabilities to report

21. UNUSABLE RESERVES

The Chief Constable keeps a number of reserves that are required to be held for statutory reasons. They cannot be used to provide services. This category of reserves includes those which hold timing differences shown in the Movement in Reserves Statement line "adjustments between accounting basis and funding basis under regulations"

	At 31 March 2023 £000	At 31 March 2024 £000
Accumulated Absences Account	(6,087)	(6,612)
Capital Adjustment Account	(35,126)	(34,712)
IAS 19 Pensions Reserve	(3,360,623)	(3,409,616)

NOTES TO THE ACCOUNT

Total	(3,401,837)	(3,450,939)
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Accumulated Absences Account

Accounting Policy

Short term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave, TOIL (time off in lieu) paid sick leave, bonuses and non-monetary benefits for current employees and these benefits are recognised as an expense in the year in which the employee renders service to the Chief Constable. IAS 19 (Employee Benefits) requires the Chief Constable to account for short term compensating absences which include time owing and annual leave accrued by accruing for the benefits which have accumulated but are not taken by the balance sheet date.

	At 31 March 2023 £000	At 31 March 2024 £000
Opening balance	6,055	6,087
Reversal of prior year accrual	(6,055)	(6,087)
Accrual for accumulated absences at year end	6,087	6,612
Closing balance	6,087	6,612

Capital Adjustment Account (CAA)

The CAA absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Chief Constable as finance for the costs of acquisition, construction and enhancement.

	At 31 March 2023 £000	At 31 March 2024 £000
Opening Balance	(41,729)	(35,126)
Direct Revenue Financing	21,262	12,990
Receipts on disposal of fixed assets	544	825
Carrying value of disposed assets	(5,699)	(971)
Less:		
Annual depreciation and impairment	(9,505)	(12,430)
Closing balance	(35,126)	(34,712)

IAS 19 Pension Reserve

	At 31 March 2023 £000	At 31 March 2024 £000
Opening balance	(5,129,287)	(3,360,623)
Remeasurement of the net defined benefit liability/(asset)	1,934,293	36,684
Reversal of items relating to retirement benefits debited or credited to the surplus or deficit on the provision of services in the CIES	(294,611)	(231,946)
Employer's pension contributions and direct payments to pensions payable in the year	128,982	143,802
Closing balance	(3,360,623)	(3,409,616)

22. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Chief Constable's activities expose it to the following financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the Chief Constable

Credit risk

Credit risk arises from credit exposures to the Chief Constable's customers.

The following analysis summarises the Chief Constable's potential maximum exposure to credit risk on financial assets, based on experience of default and uncollectability over the last five financial years.

	Amount at 31 March 2024 £000	Historical experience of default %	Adjustment for market conditions at March 2023 %	Estimated maximum exposure to default and write- off £000
Customers	10,597	0.28	0.11	11

Customers

Customers are assessed, taking into account their past trading experience and other factors, with new customers being subject to pre-payments for services to be received, in accordance with procedures set by the PCC.

The PCC does not generally allow credit for customers, such that £6.280m of the £10.597m balance on the Accounts Receivable ledger at 31 March 2024 is past its due date for payment (i.e. 30 day payment terms). The past due amount can be analysed by age as follows:

	31-Mar-2023	31-Mar-2024
	£000	£000
Less than three months	4,540	2,786
Three to six months	97	219
Six months to one year	16	3,197
More than one year	15	78
Total	4,667	6,280

23. PENSIONS

Accounting Policy

Post employment benefits

The Chief Constable operates three pension schemes for police officers and a single scheme for police staff.

Police Officers

The Police Pension Scheme (PPS) is a contributory occupational pension, governed by the Police Pension Regulations 1987 (as amended) and related regulations that are made under the Police Pensions Act 1976. The 2006 Police Pension Scheme (NPPS) which started on 1 April 2006, is a contributory occupational pension scheme governed by the Police Pension Act 1976 (as amended by the Police Pension Regulations 2007). The Police Pension Scheme 2015 which started on 1st April 2015 is also a contributory occupational pension governed by the Police Pension Act 1976 (as amended by the Police Pension Regulations 2015) Officers make a contribution from their pensionable pay, based on salary bandings. The employee's contribution is set nationally by the Home Office and is subject to triennial revaluation. A Pension Fund was set up on 1 April 2006 to administer all three schemes.

This is an unfunded scheme administered by the Chief Constable, meaning that there are no investment assets built up to meet the pensions 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 pensions fund for the year is less than amounts payable, the Chief Constable must annually transfer an amount required to meet the deficit to the pensions 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 Chief Constable who must then repay the amount to central government

The PPS, NPPS and the 2015 scheme are defined benefit schemes paid from revenue (without managed pension assets) Accrued net pension liabilities have been assessed on an actuarial basis in accordance with IAS 19 Employee Benefits, the net liability and a pensions reserve for both Pension schemes has been recognised on the balance sheet, as have entries in the CIES for movements in the asset / liability relating to the defined benefit scheme. Transfers into and out of the scheme representing joining and leaving police officers, are recorded on a cash basis in the pension fund, because of the length of time taken to finalise the sums involved.

Following the code's requirements, IAS 19 has been fully recognised in the Chief Constable and Group accounts. Scheme liabilities as shown on the balance sheet are calculated by determining future liabilities for pension payments and applying a discount rate equal to the yield on an index of long dated AA rated corporate bonds as at 31 March 2023. The pension liabilities in these accounts have been calculated accordingly at a discount rate of 2.00%. (2.00% 2021/22).

NOTES TO THE ACCOUNT

Police Staff

Police staff are eligible to join the Local Government Pension Scheme (LGPS) administered by Buckinghamshire Council. This is a funded scheme. In 2022/23 the Chief Constable paid an employer's contribution representing 16.6% of pensionable pay. The contribution rate is determined by the Fund's actuary based on valuations every three years.

Additional contributions are payable to cover the cost of any early retirements except those due to ill-health. In addition the Chief Constable is responsible for all pension payments relating to any added years' benefits, together with the related increases.

The values for each scheme are shown separately in the notes. Assets are measured at fair value which is assessed on the basis of bid price. Liabilities are measured using the projected unit method.

Transactions relating to retirement benefits

The Chief Constable pays employer contributions at a rate of 24.2% of pensionable salary into the police pension fund and 16.6% into the LGPS fund. To reflect the financial consequences of utilising the services of police officers and staff during the year, an amount for pensions is reflected in the chief constables Comprehensive Income and Expenditure Statement (CIES). The cost is determined independently of the funding of the scheme. It measures the full liability estimated to be generated in year (at today's prices) as valued by actuaries.

	Police Pension Scheme		LGPS	
	2022/23 £000	2023/24 £000	2022/23 £000	2023/24 £000
Comprehensive Income and Expenditure Statement				
<i>Cost of Services</i>				
• current service costs	128,690	62,110	38,904	18,005
• past service costs	0	0	0	0
• curtailment and settlements	0	0	440	0
• Administration expenses	0	0	518	623
<i>Financing and Investment Income and Expenditure</i>				
• Net interest on defined liability	125,230	153,780	9,881	(2,572)
<hr/>				
<i>Total Post Employment Benefit Charged to the Surplus or deficit on the Provision of Services</i>	253,920	215,890	81,522	16,056
<hr/>				
<i>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>				
• actuarial gains and losses and return on plan assets	(1,524,860)	33,730	(476,518)	(33,532)
<hr/>				
<i>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>	(1,270,940)	249,620	(435,516)	(435,827)
<hr/>				
Movement in Reserves Statement				
• reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code	253,920	215,890	41,002	16,056
<hr/>				
<i>Actual amount charged against council tax for pensions in the year:</i>				
• employers' contribution payable to scheme	53,875	63,775	20,592	22,832
• retirement benefits payable to pensioners				
<hr/>				

NOTES TO THE ACCOUNT

Assets and liabilities in relation to retirement benefits

Reconciliation of present value of scheme liabilities:

	Unfunded liabilities: Police Pension Scheme		Funded liabilities: LGPS	
	2022/23 £000	2023/24 £000	2022/23 £000	2023/24 £000
Opening balance at 1 April	4,715,800	3,336,230	1,114,244	695,279
Current service cost	105,420	36,110	38,593	19,026
Interest cost	125,230	153,780	26,626	32,747
Contributions by scheme participants	23,270	26,000	8,182	9,978
Actuarial gains (-) and losses	(1,524,860)	33,730	(476,518)	(33,532)
Losses on curtailments	0	0	311	0
Benefits paid (net of transfers in)	(108,630)	(120,970)	(15,917)	(17,196)
Past service costs	0	0	0	0
Unfunded pension payments	0	0	(242)	(257)
Historical adjustment between assets and liabilities	0	0	0	0
Closing balance at 31 March	4,715,800	3,464,880	1,114,244	706,045

Reconciliation of fair value of the scheme assets:

	LGPS	
	2022/23 £000	2023/24 £000
Opening balance on 1 April	700,757	670,886
Interest on assets	25,457	35,319
Actuarial gains and losses (-)	(67,085)	36,882
Employer contributions, including unfunded benefits	20,352	22,832
Contributions by scheme participants	8,182	9,978
Benefits paid	(16,159)	(17,453)
Administration expenses	(618)	(623)
Historical adjustment between assets and liabilities	0	1,021
Closing balance on 31 March	670,886	758,842
Net liability on the LGPS	24,393	(52,797)

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 rates of return experienced in the respective markets.

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The Police Scheme has been assessed by the Government Actuaries Department. The Buckinghamshire Fund liabilities have been assessed by Barnett Waddington, an independent firm of actuaries, estimates for the Buckinghamshire Fund being based on the latest full valuation of the scheme as at 1 April 2022.

NOTES TO THE ACCOUNT

The principal assumptions used by the actuary have been:

	Police Pension Scheme		LGPS	
	2022/23	2023/24	2022/23	2023/24
Mortality assumptions				
Men	21.9	21.9	21.1	20.8
• Women	23.5	23.6	24.6	24.3
Longevity at 65 for future pensioners (years)				
Men	23.5	23.6	22.3	22
• Women	25.0	25.1	26.0	25.7
Rate of inflation - CPI	2.60%	2.60%	2.90%	2.85%
Rate of increase in salaries	3.85%	3.85%	3.90%	3.90%
Rate of increase in pensions	2.60%	2.60%	2.90%	2.90%
Rate of discounting scheme liabilities	4.65%	4.75%	4.80%	4.80%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below 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 assumptions in longevity, for example, assume that life expectancy increases or decrease for men and women. In practice, this is unlikely to occur and changes in some of the assumptions may be interrelated.

Impact on the Defined Benefit Obligation

	Police Pension Scheme		LGPS	
	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
	£ million	£ million	£ million	£ million
Longevity (increase or decrease by 1 year)	84.00	(84.00)	730.00	(683.00)
Rate of increase in salaries				
• LGPS (increase or decrease by 0.1%)			707.00	(705.00)
• Police Pension (increase or decrease by 0.5%)	37.00	(37.00)		
Rate of increase in pensions				
• LGPS (increase or decrease by 0.1%)			719.00	(693.00)
• Police Pension (increase or decrease by 0.5%)	266.00	(266.00)		
Rate for discounting schemes				
• LGPS (increase or decrease by 0.1%)			692.00	(720.00)
• Police Pension (increase or decrease by 0.5%)	(271.00)	271.00		

NOTES TO THE ACCOUNT

The Police Pension Scheme has no assets to cover its liabilities. The LGPS assets consist of the following categories, by proportion of the total assets held:

	At 31 March 2023	At 31 March 2024
	%	%
Equities – UK	0	0
Equities - Overseas	51	51
Gilts	8	9
Bonds	11	12
Property	5	6
Cash	2	1
Infrastructure	7	8
Alternative assets	0	0
Private Equity	5	10
Multi Asset/Diversified Income	9	3
Private Debt	2	0
Total	100	100

McCloud / Sargeant judgement

McCloud and 2016 valuation cost control

Claims of age discrimination were brought in relation to the terms of transitional protection by groups of firefighters and members of the Judiciary in the McCloud/Sargeant legal case (referred herein as “McCloud”) and the Court of Appeal handed down its judgment on this claim on 20 December 2018, ruling that the transitional protection arrangements were discriminatory on the basis of age. As a result, the cost control element of the 2016 valuation was paused whilst the Government addressed the need to remedy this discrimination across all public service pension schemes. The cost cap mechanism for the 2016 valuation has since been un-paused and the calculations complete, with the outcome being no changes to benefits or contributions. The treatment of the deferred choice underpin as a member cost for cost cap purposes, along with the 4 year spreading period, was challenged in a Judicial Review which was heard in early 2023. The claims made in the Judicial Review were dismissed by the High Court, in a judgment handed down on Friday 10 March 2023. No allowance has therefore been made in our accounting disclosures as at 31 March 2023.

McCloud Remedy

The McCloud remedy window ran from 1 April 2015 to 31 March 2022. Eligible members will be able to elect which scheme they wish to receive benefits from for this period. Due to the differing benefits structures we expect the majority of eligible police members to elect to take legacy scheme (1987 Scheme or 2006 Scheme) benefits for the remedy period. An allowance for McCloud remedy was first included in the 2018/19 disclosures as a past service cost for four years remedy service from 2015-2019. This past service cost was attributed proportionally to the 1987 and 2006 schemes. For subsequent years to 2021/22 an allowance was made in the 2015 service costs for the annual accrual of additional remedy service. Now that the remedy window is closed we have moved all McCloud related liabilities for eligible members for the period 2019 to 2022 to the associated legacy schemes. This means all McCloud liability are held within the legacy scheme we expect benefits to be paid from. This has led to a past service cost of £76m added to the 1987 Scheme and a past service cost of £13m in the 2006 Scheme. As these liabilities are no longer held within the 2015 Scheme we have a past service gain of £89m.

POLICE PENSION FUND ACCOUNTS

Police Pension Fund Account Statements

The Chief Constable is responsible for administering the Police Pension Fund in accordance with the Police Reform and Social Responsibility Act 2011. During the year all payments and receipts are made to and from the PCC Police Fund. This statement shows income and expenditure for the police pension schemes and does not form part of the chief constable or the PCC Group's statement of accounts.

Fund Accounts

	2022/23 £000	2023/24 £000
Contributions Receivable		
From employer		
- normal	(53,919)	(59,189)
- early retirements	(587)	(756)
From members	(23,290)	(26,021)
Transfers in		
- individual transfers in from other schemes	(714)	(512)
Benefits Payable		
- pensions	94,649	103,868
- commutations and lump sum retirement benefits	14,710	13,833
- lump sum death benefits	88	0
Payments to and on account of leavers		
- refund of contributions	150	46
- individual transfers out to other schemes	98	14
Sub-total for the year before transfer from the Group of an amount	31,184	31,283
Additional funding payable by the Group to fund the deficit for the	(31,184)	(31,283)
Net amount	0	0

¹The annual deficit on the Police Pensions Account is funded in full by the Home Office Pension's Top-up grant. This income is shown in the PCC and Group Income and Expenditure Account

Pension Fund Net Asset Statement

	2022/23 £000	2023/24 £000
Unpaid pension benefits	0	0
Amount owing from the general fund	0	0
Net Current Assets and Liabilities	0	0

Annual Governance Statement 2023/24

This Annual Governance Statement explains how the Police and Crime Commissioner (PCC) and Chief Constable for Thames Valley have complied with their published corporate governance framework for the year ended 31 March 2024, including plans for the financial year 2024/25.

A glossary of terms is provided at the end of the Statement of Accounts.

SCOPE OF RESPONSIBILITY

Following the introduction of the Police Reform and Social Responsibility Act 2011 (the 2011 Act), the PCC and Chief Constable were established on 22nd November 2012 as separate legal entities ('corporations sole') which means they are both entitled to own assets and employ staff. However, the 2011 Act gives PCCs responsibility for the totality of policing within their force area and requires them to hold their force Chief Constable to account for the operational delivery of policing.

Under the 2011 Act, the PCC is the recipient of all funding, including government grant, precept and other sources of income related to policing and crime reduction, and all funding for a force must come via the PCC. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, who provides professional advice and recommendations to the PCC. However, the PCC is ultimately accountable to the public for the management of the Police Fund.

The PCC is responsible for ensuring his business is conducted in accordance with the law and proper standards of governance and, consequently, that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively in the discharge of their statutory duties and powers. Both the PCC and Chief Constable are required to, and have, appointed chief financial officers who each have a fiduciary duty to the local taxpayer for securing the efficient use of public funds. Under the Local Government Act 1999 the PCC makes arrangements to secure continuous improvement in the way their functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the PCC is responsible for putting in place proper arrangements for the governance of his affairs and facilitating the exercise of his functions, which includes ensuring a sound system of internal control is maintained and that arrangements are in place for the management of risk. In exercising this responsibility, the PCC places reliance on the Chief Constable to support the governance and risk management processes.

The Chief Constable is accountable to the law for the exercise of police powers and to the PCC for the delivery of efficient and effective policing, management of resources and expenditure by the police force. At all times the Chief Constable, including police officers and staff under his direction and control, remains operationally independent in the service of the public. In discharging his overall responsibilities, the Chief Constable is responsible for establishing and maintaining appropriate risk management processes, governance arrangements and ensuring that there is a sound system of internal control which facilitates the effective exercise of these functions.

The Policing Protocol Order 2023 requires both the PCC and Chief Constable to abide by the seven principles of personal conduct set out in 'Standards in Public Life: First Report of the Committee on Standards in Public Life' (commonly known as the 'Nolan Principles'), i.e. 'Selflessness', 'Integrity', 'Objectivity', 'Accountability', 'Openness', 'Honesty' and 'Leadership'. The Nolan Principles are incorporated into the PCC's Code of Conduct.

The College of Policing 'Code of Ethics' 2024 applies to every individual who works in policing, including the Chief Constable and PCC. The Code of Ethics sets out ethical principles of Courage, Respect and Empathy, and Public Service.

In addition, the statutory Code of Practice for Ethical Policing gives direction to the Chief Constable on promoting and supporting ethical and professional behaviour within the force.

(Copies of the PCC's Code of Conduct and the College of Policing's Code of Ethics can be found at:

[Code of Ethics.](#)

https://www.college.police.uk/What-we-do/Ethics/Ethics-home/Documents/Code_of_Ethics.pdf

In addition, from an organisational perspective, the PCC and Chief Constable have approved and adopted a Code of Corporate Governance (the Code) which is consistent with the principles of the CIPFA / SOLACE guidance 'Delivering Good Governance in Local Government'

<http://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>

This Annual Governance Statement explains how the PCC and Chief Constable have complied with the Code and the requirements of Regulation 6 of the Accounts and Audit Regulations 2015 to conduct a review of the effectiveness of the system of internal control.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. The fundamental function of good governance in the public sector is to ensure that statutory entities (in this case, the PCC and Chief Constable) achieve their intended outcomes whilst acting in the public interest at all times.

The governance framework comprises the systems and processes, and culture and values by which the PCC and Chief Constable discharge their responsibilities and through which the police service accounts to and engages with the community. It enables the PCC to monitor the achievement of his strategic objectives and to consider whether these objectives have led to the delivery of appropriate, cost-effective services, including achieving value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically.

THE GOVERNANCE FRAMEWORK

The key elements of the systems and processes that comprise the governance arrangements that have been put in place for the PCC and Thames Valley Police (TVP) include:

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

The PCC and the Chief Constable have developed and approved a 'Joint Corporate Governance Framework' which clarifies the working relationship between the PCC, Chief Constable and their respective staff. This includes the code of corporate governance, the scheme of delegation and financial regulations. The Framework is informed by the requirements of 'The Good Governance Standard for Public Services' and is consistent with the seven Nolan Principles of standards in public life.

The College of Policing 'Code of Ethics' 2024 supports and guides every individual who works in policing. The Code of Ethics sets out ethical principles of Courage, Respect and Empathy, and Public Service.

In addition, the statutory Code of Practice for Ethical Policing 2023 gives direction to the Chief Constable on promoting and supporting ethical and professional behaviour within the force.

Measures are in place to ensure that the PCC, Deputy PCC (when appointed) and employees of the Office of the PCC (OPCC) and TVP are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. This includes the Anti-Fraud, Bribery and Corruption Policy and

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guidance on the acceptance of gifts, loans and hospitality. Notifications of disclosable interests and a register of gifts and hospitality are published on the PCC and the Force websites.

The PCC and Chief Constable have transparent and accessible arrangements for dealing with complaints received from the public.

The Force has a Professional Standards Department (PSD) whose role is to uphold the ethical and professional standards of TVP. PSD manages the application of police misconduct regulations, and the administration of complaints by members of the public against the quality of service they have received from the Force and/or the conduct of police officers and police staff below the rank of Chief Constable. The PCC has a statutory responsibility to undertake reviews (formerly known as 'appeals') of the handling and outcome of complaints made against the Force, where requested by complainants, to improve transparency and accountability on behalf of the public. Furthermore, complaints against the Chief Constable are dealt with by the PCC. The independent Thames Valley Police and Crime Panel (PCP) handles formal complaints made against the PCC.

A Professional and Ethical Standards Panel has been jointly established by the PCC and Chief Constable to facilitate the discharge of their respective statutory obligations around handling and monitoring of police complaints, and to ensure that issues relating to policing integrity, ethics and professional standards are independently considered to maintain public confidence in policing. It does this by providing an annual assurance report to the PCC and Chief Constable, a copy of which can be found on the website

In addition, in 2023, the Independent Scrutiny and Oversight Board (ISOB) has been conceived and developed based on the national structure for the Police Race Action Plan. Its purpose is to provide independent oversight of the work of Thames Valley Police concerning the Race Action Plan.

Both the PCC and Chief Constable are required to demonstrate respect for the rule of law and comply with relevant laws and regulations. To that end, both employ in-house legal advisors to provide assurance and guidance upon lawful decision-making. The PCC is independent of Force management and operational decision-making, which is the responsibility of the Chief Constable. Established mechanisms and guidance are in place to ensure that the PCC and Chief Constable do not breach or misuse their legal and regulatory powers inadvertently. The PCC and his Deputy (when appointed) are subject to the PCC's Code of Conduct and Oath of Office, and the Chief Constable (and all other individuals who work in policing) are subject to the College of Policing's Code of Ethics, both of which are consistent with the Nolan principles. The Chief of Staff of the OPCC is also the designated statutory Monitoring Officer, and the OPCC Head of Governance and Compliance is Deputy Monitoring Officer, with responsibility for advising on the legality and appropriateness of the PCC's actions and decisions.

The PCC and Chief Constable create the conditions for all members of the OPCC and Force to be able to discharge their responsibilities in accordance with good practice. Guidance originating from the College of Policing and NPCC is disseminated Force-wide by the Learning and Development Team in People Services and/or the Policing Strategy Unit. Similarly, best practice for PCCs is obtained via the Association of Police and Crime Commissioners (APCC), Association of Policing and Crime Chief Executives (APAC²E) and Police and Crime Commissioners' Treasurers Society (PACCTS), and is disseminated amongst the OPCC.

The Force employs a Force Vetting Manager and team within the Professional Standards Department to ensure compliance with relevant national vetting standards.

B. Ensuring openness and comprehensive stakeholder engagement

The PCC has a statutory responsibility to consult the Chief Constable and obtain the views of the community and victims of crime about the policing of the Force area, and they must have regard to their views as well as the priorities of responsible authorities within the Thames Valley and relevant government bodies before issuing a police and crime plan (the Police and Criminal Justice Plan).

The Police and Criminal Justice Plan must be published by the end of the financial year in which the PCC is elected and, may be reviewed and revised, as necessary and appropriate, to ensure it remains

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relevant and fit for purpose. In so doing, the PCC is helping to ensure that local policing services address the priorities of local communities and that the Force is being held to account for the way services are delivered to the public.

The PCC's 'Police and Criminal Justice Plan 2021-2025' discharges the above duties and sets out his strategic policing and crime reduction priorities and key aims, and how these will be delivered, over the four-year period of his current tenure of office. The delivery of his Plan is supported by the Force's Strategic Plan, the OPCC's internal Strategic Delivery Plan and the corporate Financial Strategy. The Police and Criminal Justice Plan has due regard to the Strategic Policing Requirement as issued by the Home Secretary and is developed in consultation with the Chief Constable, informed by the views of the local community, victims of crime and the priorities of other key stakeholders.

The independent Thames Valley Police and Crime Panel meets regularly to review and scrutinise the decisions and actions of the PCC and his performance in delivering the priorities and key aims contained in his Police and Criminal Justice Plan. It also meets specifically to consider the PCC's proposed annual council tax precept increase; Police and Criminal Justice Plan, Annual Report and any proposed senior appointments to the roles of Deputy PCC, Chief Constable, OPCC Chief of Staff and OPCC Chief Finance Officer.

Arrangements have been agreed upon and implemented for the PCC to hold the Chief Constable to account for Force performance and compliance with other requirements. These arrangements include a schedule of formal public and private meetings, i.e. regular public Performance and Accountability Meetings (formerly known as 'Level 1' meetings), with the reports and agendas published on the PCC's website, supplemented by regular fortnightly informal, private, liaison meetings between the PCC and Chief Constable (in respect of which minutes are taken but not published).

The Framework of Corporate Governance defines the parameters for decision-making, including delegations, financial regulations and contract regulations. The PCC has published his policy statement on decision-making. All formal and significant PCC decisions taken under this policy are published on his website.

The PCC proactively publishes information to maintain openness and transparency with the public on this same website; in doing so, he also meets his obligations under the Elected Local Policing Bodies (Specified Information) Order 2011 (as amended) and, as a public authority, under the Freedom of Information Act 2000.

The PCC published his 2022/23 Annual Report last June (2023) which highlighted key achievements against his strategic Police and Criminal Justice Plan. The PCC's 2023/24 Annual Report is due to be published in June 2024.

The Chief Constable has prepared and published the TVP Strategic Plan. A performance update on the strategic plan is provided to the PCC's Performance and Accountability meetings every 8 weeks, in respect of which the agenda and papers are published on the PCC's website.

Key information about the Force, including the Strategic Plan, is published on the TVP website. Information about neighbourhood policing, partnerships and sponsors, corporate events and public misconduct or special case hearings is also published, including details of upcoming hearings and how to attend. The site also allows for crimes and road traffic incidents to be reported, feedback to be given or complaints made.

The PCC and Chief Constable regularly attend local authority council meetings across the Thames Valley and provide formal briefings to constituency MPs on topical policing and crime issues at both a local and national level. In addition, the Police and Crime Panel acts as a two-way mechanism to enable local authority Panel representatives to inform the PCC of their local policing and crime matters of importance to their respective authorities and communities, and to brief their authorities on the activities and initiatives of the PCC (and the Panel).

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The PCC works with and part-funds local authority Community Safety Partnerships, Youth Offending Teams and Drug and Alcohol Teams across the Thames Valley to support crime reduction and community safety activities in their local areas. Such activities are aligned with the PCC's strategic priorities and key aims, as set out in the Police and Criminal Justice Plan and are funded by the PCC's Community Safety Fund. Through working in partnership, these activities not only help the PCC to deliver their strategic objectives but also support partners in achieving their local priorities too.

The PCC chairs the Thames Valley Local Criminal Justice Board, which meets regularly to consider and discuss the performance of the local criminal justice system and any issues or initiatives being addressed individually and collectively by the criminal justice agencies. The PCC has chaired this Board since January 2019. An Assistant Chief Constable (ACC) represents TVP on the Board.

The Force has appropriate mechanisms for engaging with a variety of external organisational stakeholders. The Chief Constable generally attends Local Authority Chief Executive's meetings annually. The Chief Constable has delivered a presentation and answered questions in an open forum to each Council across the Thames Valley.

The South East Regional Integrated Policing (SERIP) Board considers regional change programmes and projects. All collaborative change programmes are supported by appropriate change frameworks to ensure appropriate governance processes are adopted and supported by standard products including risk and issue logs.

The OPCC and TVP communication and engagement strategies explain how local people can interact with the PCC and the Chief Constable to ensure that their views inform decision making, accountability and future direction.

In so doing, the PCC is helping to ensure that local policing services address the priorities of local communities and that the Force is being held to account for the way services are delivered to the public and at what cost. Furthermore, the decisions and actions of the PCC are subject to regular review and scrutiny by the Police and Crime Panel.

The Chief Constable has a statutory duty to make arrangements for obtaining the views of persons within each neighbourhood about crime and disorder in that neighbourhood. Force engagement with the public takes place on many levels, from daily street contact and phone calls to attendance at public meetings and formal surveys in relation to service priorities, levels and quality. Community Forums have been established across the force area and are active partnerships between the public, statutory and voluntary agency partners and local policing teams. "Have your say" is a consultation and priority-setting process which aims to increase public consultation and ensure that the Force tackles issues which most concern communities. In addition, the Force has active social media outlets including Facebook and Twitter. The Thames Valley Alert system also enables electronic public engagement en masse.

C. Defining outcomes in terms of sustainable service and economic benefits

The PCC's Police and Criminal Justice Plan sets out his strategic policing and crime reduction priorities and key aims, and how these will be delivered over his tenure of office.

The Chief Constable has published the annual TVP Strategic Plan, outlining a clear vision of the organisation's purpose, priorities and strategic intentions, taking account of the PCC's Police and Criminal Justice Plan and the Home Secretary's national Strategic Policing Requirement. Progress against the Force's strategic objectives (the seven 'Priority Outcomes') is assessed through focussed Strategic Plan success measures and reviewed via the Service Improvement Reviews, Force Performance Group and Strategic Vulnerabilities framework.

The organisation is committed to the identification and consideration of collaboration opportunities regarding systems, processes and resources to sustain service delivery and increase the capacity and resilience of the organisation without diminishing capability and access to specialist services.

Major partnerships and consortia involving the Force and the PCC are governed by formal collaboration agreements established under Section 22A of the Police Act 1996, or by Memoranda of Understanding,

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as appropriate. Joint collaboration oversight boards provide strategic oversight and an approval process for intended service outcomes to be delivered for collaboration activity. These collaboration boards comprise Chief Officers and the PCC from each Force area participating in the collaboration, supported by appropriate advisors from the respective Force departments / SERIP.

There are also partnership arrangements in place with other agencies and stakeholders to manage vulnerability caused by the changing crime landscape, including Multi-Agency Safeguarding Hubs (MASHs).

The Medium Term Financial Plan (MTFP) and Medium Term Capital Plan (MTCP) ensure that planned activities to support the objectives of the PCC and Chief Constable are financially sustainable in the longer term. The Productivity Strategy is an integral part of the MTFP and identifies where savings and efficiencies can be achieved, and hence more resources directed to priority areas. Service delivery is reviewed within the Force's Governance & Service Improvement (GSI) department, developing an understanding of present and future demand to inform organisational and operational strategies aimed at sustaining service delivery or improvement. The Force Review has been initiated to achieve effectiveness improvements and efficiencies, to improve service delivery with our finite resources, ensuring the financial sustainability of the force.

Risk and business continuity matters are managed through a governance framework at a local and strategic level, to manage and mitigate threats to service delivery. Strategic Risk and Business Continuity are managed within the Force's GSI department, bringing together horizon scanning, local risk registers and change-programme risk and business continuity issues.

The Force and PCC both have a duty to consider the impact on equality of proposed changes to policies, procedures and practices. Equality Impact Assessments are routinely undertaken by TVP for policies and change programmes to assess the impact internally and externally on staff, stakeholders and the public.

D. Determining the actions necessary to achieve the intended outcomes

The Force planning cycle incorporates the annual Force Management Statement, financial plans, workforce plans and the PCC's Police and Criminal Justice Plan to inform the Force's annual Strategic Plan. Priority activities, measures and intended outcomes are proposed and approved through the Chief Constable's Management Team (CCMT) and monitored through the service improvement framework and quarterly updates to inform the PCC's Performance and Accountability meetings.

The Chief Constable maintains a rolling MTFP, which forms the basis of the annual budgets and provides a framework for the evaluation of future proposals. These are accompanied by mid-term workforce plans, managed by the People Directorate.

Decision-making at all levels of the Force is undertaken within the framework of the National Decision Model, which has the Code of Ethics at its core. The National Decision Model was introduced to ensure a greater focus on delivering the mission of policing, acting in accordance with values, enhancing the use of discretion, reducing risk aversion and supporting the appropriate allocation of limited policing resources as the demand for them increases. Both are now fully embedded in the Force, to ensure officers have the tools to act lawfully in their decision-making and to enable them to use their full powers for the benefit of citizens, communities and other stakeholders.

Collaborative projects and programmes, or those requiring the support of a collaborated unit to deliver, are co-ordinated and prioritised based on priorities, strategic objectives, capacity and financial capability and are governed through a Joint Change Governance board with representation from Thames Valley Police, Hampshire Constabulary and collaborated units.

In-flight programmes are managed by a Programme Board, chaired by a Senior Responsible Officer. Updates inform the Joint Portfolio Meeting, run collaboratively with Hampshire Constabulary, to enable coordination, planning and oversight of resources from enabling departments to achieve the desired outcomes. All programmes and projects have strategic oversight through the Force Transformation

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Board, DCCs' Collaboration Board, and respective Chief Officer Groups. Collaborated programmes consider and manage shared risks and issues.

The PCC and Chief Constable's joint system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability.

The Chief Constable produces a MTFP and a MTCP, which are reviewed throughout the financial year alongside the OPCC's reserves to provide an effective financial probity framework for decision making. The MTFP and MTCP are closely aligned with the PCC's Police and Criminal Justice Plan and the Force Strategic Plan. The PCC approves the MTFP and the MTCP as well as the Force's annual budgets. The Police and Crime Panel must review the PCC's proposed council tax precept increase and make recommendations to the PCC before he formally sets the annual budget in February each year. Formal budget monitoring is undertaken on a regular basis throughout the year and reviewed at the regular liaison meetings between the PCC and Chief Constable.

The Productivity Strategy forms an integral part of the MTFP and incorporates the outcomes of initiatives such as Effectiveness & Efficiency or the Estates Asset Management Plan.

Force and Local Police Area Tasking and Co-ordination Group processes enable the regular review of operations, performance and resource deployment in an operational setting. CCMT provides strategic oversight for performance against Strategic Plan measures and priorities, as well as financial plans and asset management plans.

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

The PCC and Chief Constable ensure that their statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the organisation. Specialist advice, in areas such as taxation, legal matters and treasury management, is sourced externally, as this is more practical and cost-effective.

Chief Officers have clearly defined leadership roles and are responsible for implementing strategy and managing the delivery of services within their respective portfolios.

Officers and staff manage their performance and continuous development through the Performance Development Review framework. An annual assessment of competencies linked to Strategic Plan outcomes is supported by interim reviews and a requirement for officers and staff to undertake Continuous Professional Development. The framework also allows for the management of unsatisfactory performance or attendance where it is identified. The Force has a stated Health and Wellbeing Strategy, along with a workforce plan focussed on recruitment, retention and resilience. Progress on becoming increasingly representative of the communities the Force serves is also an area of focus. The Force is committed to being considered an employer of choice.

Chief Officers have promoted a learning environment climate focussed on continuous service improvement, recognising the importance of independent and peer review when needed. Integral to this is the identification of lessons learned, recommendations and identified areas for improvement through the end of project / programme closure reports undertaken before transitioning to business as usual, results analysis, individual management reviews, serious case reviews and Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) audit / inspection processes.

The PCC has received appropriate induction training. As the PCC has a power to appoint a Deputy to assist him discharge his statutory functions, where appointed the Deputy PCC will also receive appropriate induction training. Ongoing training and development for the PCC (and the Deputy PCC when appointed) includes attendance at appropriate national conferences and seminars.

The PCC has also implemented a staffing structure within the OPCC to ensure it has the necessary capability and capacity to support him deliver his statutory functions, such as commissioning services

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for victims and witnesses. 'Victims First' is the overarching name for all the PCC's services in providing support for victims of crime.

The Chief of Staff as Head of Paid Service, monitors the workload and performance of the PCC's office via the internal OPCC Strategic Delivery Plan, which allows them to monitor activities and identify workload priorities and staffing capacity needs in accordance with the delivery of the PCC's strategic priorities. This is presented to the PCC at the Performance and Accountability Meeting.

The PCC is a member of the national Association of Police and Crime Commissioners (APCC). The Chief Constable and fellow chief officers are members of the National Police Chiefs' Council (NPCC).

F. Managing risks and performance through robust internal control and strong public financial management

The Chief Constable, officers and staff all recognise that risk management is an integral part of their daily function, in operational, corporate and change environments. The Risk Management Policy is supported by the Risk and Business Continuity Communications Strategy. The management of risk is governed through the Force Risk Management Group, which exists to oversee strategic risk management and business continuity processes; take ownership of strategic risk issues; delegate actions to appropriate risk managers; accept strategic risk reports and recommendations through the Governance and Service Improvement department, authorise actions and allocate resources where necessary.

Due to likely impact of cyber-attacks on front line policing, all police forces are monitored by the National Monitoring Centre (NMC) operated by Police Digital Services. In addition, both TVP and HIOWC have interfaces into the cyber response planning. Both forces approach risk management, strategic governance, and Business Continuity separately and the Joint units (JOU) work closely with each of these teams to ensure a holistic approach and response. The teams lead on testing business units through desk-top scenarios, which are supported by JICT to assess the readiness of individual team's response during a cyber-event. Lessons learned are captured and actions set where required to close any gaps identified during these exercises. Cyber business Continuity resilience is tested both technically in ICT and also organisationally. Cyber BC exercises have been taking place across the whole force.

The PCC and Chief Constable monitor service delivery effectively via their respective performance regimes.

The PCC has a duty to hold the Chief Constable to account for the performance of TVP generally. The PCC has therefore implemented an effective scrutiny and oversight function. The PCC holds quarterly public 'Performance and Accountability' meetings at which the Chief Constable is required to demonstrate that the Force is performing against the strategic priorities and key aims in the PCC's Police and Criminal Justice Plan, the Home Secretary's Strategic Policing Requirement and the Force's own Strategic Plan. Similarly, the PCC meets fortnightly with the Chief Constable on a private, informal, basis to review and discuss more regularly the general performance of the Force against topical national, regional and local issues. The PCC maintains an HMICFRS tracker to follow up on any risks to the performance of the Force that have been highlighted by HMICFRS inspections.

The OPCC provides an update against its internal Strategic Delivery Plan to the PCC via the OPCC Strategic Management Group monthly meetings and quarterly Performance and Accountability meetings. The PCC, therefore, receives regular reports on service delivery plans and on progress towards outcome achievement of the priorities and aims set out in the Police and Criminal Justice Plan.

The Chief Constable holds quarterly Performance Group meetings together with his management team, regularly attended by the PCC as an observer, in which the Chief Constable reviews performance of the Force against the annual Strategic Plan. The Service Improvement Review framework is a comprehensive schedule of LPA or Departmental review meetings, starting with a period of fieldwork, and culminating with a meeting, chaired by the DCC with attendance from the local command team, to review findings and set actions. A performance update against the Force Strategic Plan is considered quarterly at CCMT meetings. This same meeting determines and monitors Force strategy, policies and

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performance. Gold Groups are set up and managed in response to particular areas of vulnerability or to manage particular areas of performance as necessary, for example in response to a critical incident.

The Chief Constable has implemented monthly Demand & Performance meetings, chaired by the DCC, attended by ACC of crime and ACC LP, the FCR and 3 Chief Superintendents. The meeting reviews the Demand and Performance paper. In addition, the Improvement and Innovation meeting has also been set up, chaired by the DCC, in which constructive challenge and debate on recommendations, thematic operational policies and procedures is encouraged. The findings of these meetings are fed into the Chief Constable's Performance Group or CCMT.

The Force Risk Management Group oversees risk management within the Force and is chaired by the Chief Constable. The Group focuses on strategic risks but also monitors risk management processes across the Force, including within change programmes as well as a risk radar that considers potential future risks for the force. The OPCC maintains its own strategic risk register.

A Joint Independent Audit Committee (JIAC) operates in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) guidance and the Home Office Financial Management Code of Practice. The JIAC's main role is to provide assurance to the PCC and Chief Constable that the corporate internal control and governance framework, including risk management, is operating adequately and effectively. It does this by providing an annual assurance report to the PCC and Chief Constable. The JIAC meets in public, and reports and minutes are placed on the PCC's website.

Effective counter-fraud and anti-corruption arrangements are in place and are monitored, in the main, by the Force's Professional Standards Department. The Anti-Fraud, Bribery and Corruption Policy is updated every two years.

The Internal Audit Team provides assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control.

The Force manages its information in accordance with the Data Protection Act 2018 and the UK General Data Protection Regulation (UK GDPR), the Freedom of Information Act 2000 and the Code of Practice on the Management of Police Information. This is overseen by the Information Governance Board chaired by the Chief Information Officer (who also holds the position of Senior Information Risk Owner). The Joint Information Management Unit leads on information compliance for both TVP and Hampshire Constabulary (HC) and ensures that appropriate policies and procedures are in place. The Joint Information Management Unit is also responsible for providing guidance on the lawful sharing of information with partners, completion of Data Protection Impact Assessments and maintaining a library of Information Sharing Agreements. Information Asset Owners have been appointed to manage the risks to specific information types, supported by a network of data guardians. National Centre for Applied Learning Technologies (NCALT) training packages on the Code of Practice on the Management of Police Information and the Government Security Classification policy are mandatory for all officers, staff and volunteers who have access to information and completion rates are monitored by the Information Governance Board.

The PCC and Chief Constable's joint system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability.

Financial management arrangements

The annual financial strategy and the capital strategy for the forthcoming financial year are approved as part of the annual financial planning in January each year. The PCC and Chief Constable have agreed a Value for Money Strategy during 2023/24 and this approach is reflected in the financial arrangements.

The Chief Constable produces a MTFP and a MTCP which are regularly reviewed during each financial year and form the basis of the annual budgets, to provide an effective framework for decision-making. Formal budget monitoring is undertaken on a regular basis throughout the year, i.e. it is

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regularly reviewed by the CCMT as well as being presented to the PCC's regular liaison meetings between the PCC and Chief Constable.

The Productivity Strategy is an integral part of the MTFP, challenging the effectiveness of the force and identifying savings and efficiencies to help balance the budget whilst achieving the PCC's and Chief Constable's objectives. The delivery savings within the Productivity Strategy are monitored as part of the regular financial monitoring, and by the Force Transformation Board.

The Chief Internal Auditor reports jointly to the PCC's Chief Finance Officer and the Chief Constable's Director of Finance. The Chief Internal Auditor provides a regular update to the JIAC and provides an independent opinion on the adequacy and effectiveness of the risk management, control and governance processes.

The financial management arrangements conform with the governance requirements of the CIPFA Financial Management Code.

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

The PCC and the Chief Constable attempt to strike a balance between providing the right amount of information to satisfy transparency demands and enhance effective public scrutiny whilst not being too onerous to provide and for users to easily access and understand.

The PCC's decisions and actions are scrutinised by the Police and Crime Panel, which includes reviews of significant documentation produced by the OPCC for the benefit of the public.

The PCC complies with the Elected Local Policing Bodies (Specified Information) Order 2011 (as amended) and publishes required information on his website. Decisions of significant public interest made by the PCC are published in accordance with a template that ensures they are easy to access and interrogate. Similarly, public reports are compiled in accordance with best practice and scrutinised by the JIAC. Furthermore, the OPCC (and TVP) take all reasonable steps to help make sure our online services are accessible to all users, including disabled people.

The Chief Constable's Corporate Communications department oversees communications to the public on behalf of the Force. In doing so they abide by the corporate style guide, which is designed to ensure communications are issued in an understandable style appropriate to the intended audience. In addition, the PCC has his own communications team.

The PCC and Chief Constable both report at least annually on performance, value for money, and the stewardship of resources to stakeholders in a timely and understandable way.

The PCC and Chief Constable maintain a process to assess the extent to which the organisation is applying the principles contained in the Framework of Corporate Governance and publish the results of that assessment in the Annual Governance Statement, including an action plan for improvement and evidence to demonstrate good governance in action.

The PCC and Chief Constable ensure that the performance information that accompanies the financial statements is prepared in a consistent and timely basis and the statements allow for comparison with other similar entities.

The PCC and Chief Constable ensure that all accepted recommendations for corrective action made by external audit are acted upon.

The Joint Internal Audit team has direct access to the PCC, Chief Constable and the JIAC, and provides assurance with regard to the organisation's governance arrangements. The JIAC monitors progress with regards to the timely implementation of agreed internal audit report actions.

Both the PCC and Force are subject to external independent scrutiny and review, through the external audit of their financial statements, systems and management arrangements, and through the inspection

of policing performance by HMICFRS. The resultant audit and inspection reports are published on both the PCC and TVP websites.

HMICFRS is charged with independently assessing the effectiveness, efficiency and legitimacy of police forces and fire and rescue services, in the public interest. The PCC is required to publish a response to formal reports issued by HMICFRS. The Force engages fully with the cycle of Police Effectiveness, Efficiency and Legitimacy (PEEL) inspections, Joint Targeted Area Inspections and Thematic Inspections as required.

The PCC and Chief Constable make the best use of peer challenge, reviews and inspections from regulatory bodies and professional partners (e.g. College of Policing) and implement agreed recommendations.

Before delivering key services through third-party suppliers, the PCC and Chief Constable gain assurance on risks associated with service delivery and subject these arrangements to regular review.

When working in partnership, the PCC and Chief Constable ensure that the arrangements for accountability are clear and that the need for wider public accountability has been recognised.

ARRANGEMENTS FOR REVIEW OF EFFECTIVENESS

The PCC and Chief Constable are responsible for reviewing the adequacy and effectiveness of the governance framework on at least an annual basis. This includes:

a) The Police and Crime Commissioner

The PCC has the following key statutory duties and powers to:

- produce and publish a five-year Police and Criminal Justice Plan that sets out the PCC's policing and crime objectives;
- set the annual policing budget and council tax precept;
- secure the maintenance of an efficient and effective police force;
- hold the Chief Constable to account for the exercise of their functions and of those personnel under their direction and control;
- undertake reviews (formerly known as appeals), where requested by a complainant, of the handling and outcome of their complaints made against the Force;
- handle complaints made against the Chief Constable;
- have regard to the relevant priorities of, and act in co-operation with responsible authorities in exercising their crime and disorder reduction responsibilities, including the making of related grants to any person;
- make arrangements with criminal justice bodies to provide an efficient and effective criminal justice system for the Force area;
- commission victims' support services;
- power to take on the responsibility for the governance of fire and rescue services within the Force area; and
- produce and publish an annual report.

The following key governance activities took place during 2023/24 and demonstrate how the PCC has discharged these powers and duties during that year:

- The PCC published his 2022/23 Annual Report in June 2023 to highlight major achievements during that financial year and to report on operational and financial performance during 2022/23
- The OPCC published its Strategic Delivery Plan for 2023/24. This is an internal OPCC management action plan that supports the PCC in monitoring the delivery of both policing and non-policing activities, aligned with his Police and Criminal Justice Plan. Progress reports were presented to the PCC in public meetings regularly throughout the year, and the Plan is reviewed and updated annually.

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- During the autumn of 2023, the PCC worked closely with the Chief Constable to update the MTFP (2024/25 to 2027/28). He submitted his budget and council tax proposals for 2024/25 to the Police and Crime Panel on 19 January 2024. The Panel endorsed his £13 increase in Band D council tax.
- The PCC is actively engaged in the oversight and scrutiny of key collaboration activities (e.g. South East region; bilateral with Hampshire; Chiltern Transport Consortium and the National Police Air Service).
- The PCC has actively engaged with stakeholders and undertaken a Scrutiny Review of the governance structures which underpin the entire external scrutiny both of joint panels and panels owned solely by TVP. Recommendations from this review were published in March.
- The PCC has been actively engaged in the scrutiny of major Force business change programmes.
- Four PCC public Performance and Accountability meetings (formerly known as 'Level 1' meetings) were held in 2023/24, supplemented by fortnightly private and informal liaison meetings between the PCC and Chief Constable, to enable the PCC to hold the Chief Constable to account.

b. The Force

The CCMT met on 14 occasions as part of the strategic governance framework between April 2023 and March 2024. This also included finance and strategic planning sessions. The Joint Chief Officers Group (TVP and HC) met formally in May 2023 to determine and monitor collaborated strategy, policies and performance. Governance structures incorporated internal arrangements for the safety and wellbeing of officers and staff, as well as external arrangements for the enactment of new legislation and the continuity of policing services to the public.

The Strategic Risk Register and Business Continuity incidents are reviewed quarterly at CCMT and emerging risks were discussed at a monthly Risk, Improvement and Learning meeting. Existing business continuity plans were reviewed and revised to reflect evolving challenges.

Key discussions during the year included the review of the MTFP, MTCP, the PCC reserves and the Asset Management Plan, as part of the annual budget cycle. The financial plans were considered several times and the associated decisions facilitated the formal approval of the Revenue Estimates and Capital Estimates 2023/24 by the PCC at his Level 1 meeting in January 2024. As part of the annual budget process, the Productivity Strategy was reviewed and continues to play an important role in identifying options to address the budget shortfall and ensure the use of resources is focused on priority areas. Delivery of the outcomes from the Effectiveness & Efficiency Programme remains a central aspect of productivity.

CCMT reviews finance and workforce planning, performance and HMICFRS activity regularly. Strategic Risks and Business Continuity are included quarterly. Other significant areas of note discussed in 2023/24 include Strategic Priorities, recruitment and retention and Senior Appointment Boards. The Strategic Plan success measures are reviewed comprehensively at the Operational and Organisational Force Performance Group meetings that are held monthly.

The Force Transformation Board met every other month to review all in-flight change programmes in the Thames Valley only portfolio including programmes under the six pillars of the TVP 2025 strategy alongside the delivery of the savings plan (Productivity Strategy). The Joint DCC Collaboration Board met every other month as part of the governance for all bi-lateral programmes including the Contact Management Programme, RMS and Digital First. The regional SERIP board met twice in 2022 to review the Emergency Services Mobile Communications Programme (ESMCP). These governance boards are in addition to the regular programme boards chaired by each programmes' Senior Responsible Owner. Both CCMT and Force Transformation Board are aligned to bilateral forums including the Joint Chief Officer Group and DCCs Collaboration Board, and regional forums such as SERIP.

The Governance & Service Improvement department continues to draw together corporate and strategic elements of the organisation. The over-arching function is to provide a central point of coordination, governance, strategy, policy and guidance development, change delivery, and the provision of internal evaluation of delivery including the identification of opportunities for continuous improvement.

The PEEL inspection report 2023-2025 was published on 6th December 2023 and looks at police effectiveness, efficiency and legitimacy. The findings show the force has improved in some areas, although there is more we need to do to across 5 areas in particular; protecting vulnerable people, investigating crime, responding to the public, managing suspects and offenders and leadership and

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force management. TVP has been actively working on improvements in key areas identified in the inspection and providing monthly assurance updates to HMICFRS with evidence of progress. All recommendations and areas for improvement from inspection activity are being actioned and are tracked, updated and signed off via the DCC Risk, Improvement and Learning meeting before uploading onto the HMICFRS monitoring portal. The Risk, Improvement and Learning meeting, chaired by the DCC, has been established to provide governance, leadership and drive to continuously improve and innovate in support of the Force's strategic aims; central to this is the timely delivery of improvement activity and the identification, sharing and adoption of organisational learning from all areas, reviews and inspections. This forum will ensure accountability, coordination, and timeliness of action. There have been 12 meetings between April 2023 and March 2024.

c. **The Joint Independent Audit Committee**

During 2023/24 the JIAC met five times to consider the external audit and internal audit plans for 2023/24, as well as receive timely updates in terms of risk management and business continuity. The JIAC also received regular briefings, including appropriate written reports, during the year from the PCC, Chief Constable and relevant senior officers. JIAC members also attend Force working groups (including the Force Transformation Board, TVP/HC Bilateral Governance Board and Performance Group) and other panel meetings (including the Professional and Ethical Standards Panel) as observers to gain a greater understanding of current governance, operational and risk activities and to assist their judgment of the adequacy of the overall Corporate Governance Framework.

The JIAC's Annual Assurance Report for 2023 was presented to the PCC and Chief Constable at their JIAC meeting on 15 December 2023. At that time the JIAC was able, based on the information that they had considered collectively or knew about individually, to give assurance to the PCC and Chief Constable that the risk management and internal control environment in Thames Valley was operating efficiently and effectively.

d. **The Governance Advisory Group**

A joint OPCC/TVP officer governance group (the 'Governance Advisory Group') operates with the following terms of reference:

- To provide advice to the PCC and Chief Constable on the application of statutory requirements and guidance relating to issues of corporate governance;
- To review and provide feedback on the effectiveness of the corporate governance systems determined by the PCC and Chief Constable.

The Governance Advisory Group also developed this joint Annual Governance Statement for 2023/24.

e. **Internal Audit**

As at March 2023, the 2023/24 Joint Internal Audit Plan was collated and endorsed by the JIAC. The plan has been completed and on the basis of this work, the opinion of both organisations' governance, risk and control frameworks is **reasonable assurance**. A combined opinion is provided due to both organisations sharing a number of business as usual processes and systems.

The governance, risk management and control arrangements are good, although some action is required to improve efficiency or effectiveness. The opinion demonstrates a good awareness and application of effective risk management, control and governance to facilitate the achievement of both organisations' objectives, outcomes and delivery of services. Areas were identified through our work where the design or effectiveness of arrangements in place required enhancing or strengthening. Where these areas were reported, management responded positively, identifying appropriate actions to address the risks raised. At a statistical level, the overall opinion represents an improvement compared to the previous year. However, as the Joint Internal Audit Plan does not include the same audits year on year, this cannot be taken as a direct comparison.

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In terms of the implementation of audit actions and mitigation of risk, progress has been generally good across both organisations. The number of actions completed (between 2021 and 2024) is 67%, with only 8% being overdue. However, there was a significant increase in the number of overdue actions reported during the year, peaking at 60 in October. This was reduced to 36 by March 2024, but the monitoring of progress in implementing audit report actions will continue to be a specific focus for 2024/25.

As in previous years, to support this year's opinion additional sources of assurance were utilised where they provided commentary on the effectiveness of the organisations' governance framework or general management of risk. The assurances obtained provided a positive view of the organisation's arrangements and supported the overall opinion of reasonable assurance.

f. External audit

In recent years, audit opinions have been delayed across the sector. EY provided unqualified audit opinions relating to the 2021/22 accounts in October 2023, and the 2022/23 accounts in May 2024. Audit certificates for the 2020/21 and 2021/22 were provided in April 2024. The audit certificate for 2022/23 is outstanding, awaiting the NAO's position on the Whole of Government Accounts.

g. Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS)

During 2023/24 HMICFRS published a number of reports regarding inspection activity, research or super-complaints. These are considered by the Force via the DCC's Risk Improvement and Learning meeting. All reports are publicly available on the HMICFRS website.

Below are the inspection reports that contain recommendations or areas for improvement for policing (specific to TVP or nationally). All inspection reports that contain recommendations for the Force require the PCC to publish a formal response within 56 days of the publication of the report, except for reports resulting from super-complaints:

Date published by HMICFRS	National / Force Report	Report Types	Report Title	Date CC Reported to PCC	PCC Response to HMICFRS: Y/N
05/03/2023	National	Child protection	An inspection of how well the police and National Crime Agency tackle the online sexual abuse and exploitation of children	18/05/2023	Y
09/06/2023	National	Annual report	State of Policing: The Annual Assessment of Policing in England and Wales 2022	N/A	N/A
07/07/2023	National	Spotlight	Police performance: Getting a grip	09/08/2023	Y

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11/07/2023	National	Firearms	An inspection of how effective police forces are in the deployment of firearms	09/08/2023	Y
11/08/2023	National	Homicide, Joint Inspection	Homicide prevention: An inspection of the police contribution to the prevention of homicide	07/11/2023	Y
25/08/2023	National	Race, Thematic inspection	Race and policing: An inspection of race disparity in police criminal justice decision-making	07/11/2023	Y
25/08/2023	National	Race, Thematic inspection	Race and Policing: A review of the police service's leadership and governance arrangements for race-related matters	07/11/2023	Y
25/10/2023	Force	Letter	Inspection into Thames Valley Police commissioned by the police and crime commissioner	N/A	Y
08/11/2023	Force	Child protection	Thames Valley – National child protection inspection	18/01/2024	Y
06/12/2023	Force	PEEL	PEEL 2023–2025: An inspection of	N/A	Y

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			Thames Valley Police		
19/12/2023	National	Joint inspection	Meeting the needs of victims in the criminal justice system	18/01/2024	Y

The PCC (or OPCC) is invited to attend the Strategic Brief at the start of inspection activity and the de-brief provided by HMICFRS following each inspection. Alternatively, the Chief Constable may provide the PCC with a briefing following an HMICFRS inspection.

h. Risk management and business continuity

The Force Risk Management Group met four times during 2023/24 as part of the CCMT strategy meetings. High-level strategic risk management and business continuity issues were reported to the JIAC on a timely basis. As at 31st March 2024, there were 21 strategic risks on the Strategic Risk Register and 6 identified issues.

Business continuity incidents, categorised by impact, were detailed in quarterly reports to CCMT and then the JIAC, including measures taken to minimise their impact. Issues reported primarily related to ICT loss of service and estates issues. The JIAC also received information on exercises to test business continuity plans, which now include key learning points.

All risks at a local and strategic level have clear ownership, are regularly reviewed and rescored according to the risk matrix, and are allocated the appropriate risk action – tolerate, treat, transfer, terminate. Risks to collaborated programmes or areas under bi-lateral governance feature on both Forces' registers.

i. Health and Safety and Environmental Management

The Health, Safety and Wellbeing and Environmental Protection Policy Statements are accessible to all staff via the Intranet and displayed on the health and safety notice boards in all TVP premises.

The Health & Safety Annual Report and the Wellbeing report were taken back to JIAC in 2023 for scrutiny and sign off. The report covered the key management areas specified within 'Managing for Health & Safety HSG65 2013 (Appendix A) and documented the continuous improvement of Thames Valley Police policies and procedures for the effective management of health and safety.

The Head of the Governance & Service Improvement (G S & I) Department has overall management responsibility for the governance and implementation of Health and Safety at the operational policing, strategic and tactical levels and in respect of policing infrastructure including buildings.

j. Ethics and Integrity

A protocol between the PCC and Chief Constable provides the PCC with overview and scrutiny of complaints handled by the Force. The Professional and Ethical Standards Panel (previously called Complaints, Integrity and Ethics Panel) meets every two months and reports jointly to the PCC and Chief Constable. The Panel conducts an assessment of how the Force deals with complaints and how the PCC deals with reviews and provides a challenge and support role in respect of how the Force responds to ethical issues.

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During the last 12 months, some of the issues the Panel challenged were how TVP deal with suspects with mental health issues, concern for public confidence, the backlog of digital forensic jobs and prioritisation of caseloads.

The Panel's Annual Assurance Report for 2023 Report highlighted that the Panel had scrutinised matters including the following themes:

- Violence against Women and Girls (VAWG)
- Police perpetrated domestic abuse (PPDA)
- Sexual misconduct
- Stop and search
- Right care, right person
- The Casey Review
- MARLENE – a system that populates complaint data automatically.

The Panel was able to assure the PCC and Chief Constable that the complaints handling and management arrangements in place within TVP are operating efficiently and effectively. However, following the recommendations of the Governance Scrutiny Review, the PESP is due to be split into 2 groups; one looking at complaints and another looking at ethics.

The Force also has an internal Ethics & Integrity Board, chaired by the Head of the Professional Standards Department (PSD), or Workforce Planning, which meets quarterly. The Force has recruited a dedicated Ethics Researcher, supporting the Ethics & Integrity Board. The Ethics Champions network has been rejuvenated, and now meet regularly to discuss ethical considerations or concerns raised from across the Force.

Policies are reviewed by the Strategic Independent Advisory Group to provide feedback on accessibility and raise ethical considerations. These are then taken to the Professional Ethics Standards Panel as necessary and appropriate.

The Chief Constable continues to promote the fundamental importance of TVP officers and staff employing the highest professional standards and principles that are embodied and enforced through the Code of Ethics. All police officers and staff have been required to complete an online training package and attend a dedicated Code of Ethics training session. All new Officers and staff receive training on the Code of Ethics as part of their induction.

During 2023/24, one member left PESP so the total number of members stands at 6.

During 2023/24 the PSD received and processed 3660 complaints and 58 conduct matters and held 29 misconduct meetings and 13 misconduct hearings under the statutory scheme. In addition, the OPCC itself handled 7 complaints made against the Chief Constable and received 272 requests for complaint reviews as per the statutory police complaints scheme.

k. **Thames Valley Police and Crime Panel**

During 2023/24 the independent Police and Crime Panel (PCP) met on 4 occasions. Key activities undertaken by the Panel during the year included reviewing and scrutinising the PCC's Annual Report for the year 2022/2024 and scrutiny and consideration of the PCC's 2023/24 budget and council tax precept proposals. Over and above these specific activities, the Panel continued to receive and consider regular reports on the delivery of the previous PCC's Police and Criminal Justice Plan strategic priorities and key aims, including the contribution made by other partner agencies, and updates on matters of topical interest to the Panel.

In addition, the Panel operates a permanent Complaints Sub-Committee as well as ad-hoc task and finish working groups. During 2023/24 the Chief of Staff of the OPCC, acting under delegated authority on behalf of the PCP, referred 3 complaints against the PCC/Deputy PCC to the PCP for consideration by them under the statutory scheme. None of these complaints were upheld, save for one whereby the Panel made a recommendation for an apology by the PCC and requested an update on the new Caseworker system.

ANNUAL GOVERNANCE STATEMENT

The Panel itself published its own 2022/23 Annual Report in June 2023.

i. Collaboration and partnership working

The joint TVP and HC Joint Collaboration Governance Board formally met six times during 2023/24. This Board oversees and scrutinises the work of the existing collaborative functions (i.e. Contact Management, Joint Operations Unit, Joint ICT and Joint Information Management) as well as the development of collaborated change programmes. Updates are provided on new collaborative opportunities being explored. These formal meetings were supplemented by specific briefings for the PCCs and senior officers as appropriate. In addition to the Governance Board, the Joint Chief Officer Group met 3 times during 2023/24

Governance of collaboration between Forces across the South East region is undertaken at the SE Regional Integrated Policing (SERIP) Board (chaired and attended by Deputy Chief Constables), and by PCCs and Chief Constables at the Regional Governance Board, 2 meetings of the regional governance board were held during 2023/24. The South East Regional Organised Crime Unit, hosted by TVP, brings together the regional organised crime units under one structure. It is operationally aligned with the Counter Terrorism Policing South East unit. A regional Assistant Chief Constable (ACC), who reports directly to the Chief Constable of TVP, exercises overall command of the regional crime and counter-terrorism functions. This ACC also represents serious organised crime at the South East Regional Governance Board and nationally with the National Crime Agency and other key stakeholders.

m. Conclusion

The work carried out by the Governance Advisory Group to review the Joint Corporate Governance Framework itself, and how it has been applied in practice over the financial year 2023/24, has informed the latest review of the Framework. Consequently, the PCC and Chief Constable will be able to satisfy themselves that key governance structures supporting the discharge of their responsibilities have and continue to receive effective scrutiny.

SIGNIFICANT GOVERNANCE ISSUES

It should be noted that significant operational issues facing the organisation are not necessarily a result of weaknesses within the internal control and governance framework.

There were no significant actual or potential governance issues identified in respect of the 2023/2024 year AGS which were due to be monitored during 2023/24

There are currently no significant actual or potential governance issues identified in respect of 2023/2024 activities. Accordingly, the Governance Advisory Group is satisfied to the best of its knowledge that no material breaches of the governance arrangements occurred in 2023/24 and there are no significant weaknesses in the internal control and governance environment.

In any event, the governance arrangements of the PCC and the Chief Constable will remain under review quarterly over the forthcoming financial years.

Matthew Barber

Police and Crime Commissioner

Jason Hogg

Chief Constable

Absolute return portfolio

This refers to investment strategies which target a return that is above zero, and are often linked to other financial benchmarks such as LIBOR (London Inter Bank Offered Rate)

ACC

Assistant Chief Constable

Accruals

The concept that income and expenditure are recognised as they are earned or incurred not as money is paid or received.

Actuarial gains and losses

Actuarial gains and losses arise where actual events have not coincided with the actuarial assumptions made for the last valuation (known as experience gains and losses) or the actuarial assumptions have been changed.

AGS

Annual governance statement

Alternative assets

These are less traditional investments where risks can be greater but potential returns higher over the long term, e.g. investments in private equity partnerships, hedge funds, commodities, foreign currency and futures.

APCC

Association of police & Crime Commissioners

Amortisation

The gradual elimination of a liability, such as a loan, in regular payments over a specified period of time

Appropriations

Transfer of monies between the revenue account and the balance sheet.

Assets

An asset is a resource with economic value that an individual, corporation, or country owns or controls with the expectation that it will provide a future benefit

Bonds

Bonds are debt obligations issued by private corporations to finance a variety of purposes, e.g. business expansion. When a bond is issued, the corporation promises to return the money on a specified date, paying a stated rate of interest. Bonds do not provide ownership interest in the corporation

Budget

A statement of the PCC's plans in financial terms. A budget is prepared and approved by the PCC before the start of each financial year and is used to monitor actual expenditure throughout the year.

Capital Charge

A charge to the revenue account to reflect the cost of using fixed assets.

Capital Expenditure

As defined in the Local Government and Housing Act 1989, but broadly expenditure on the acquisition of a fixed asset or expenditure which extends the life or value of an existing fixed asset.

Capital Financing Requirement

The capital financing requirement (CFR) measures the Group's underlying need to borrow or finance by other long-term liabilities for a capital purpose.

Capital Receipts

Proceeds from the sale of capital assets. They may be used to finance new capital expenditure or repay existing loan debt. Receipts available to finance capital expenditure in future years are held in the usable capital receipts reserve.

Carrying value

An accounting measure of value, where the value of an asset or a company is based on the figures in the company's balance sheet. For assets, the value is based on the original cost of the asset less any depreciation, amortization or impairment costs made against the asset. For a company, carrying value is a company's total assets minus intangible assets and liabilities such as debt. Also known as "book value".

CCMT

Chief Constable's Management Team

Chief Constable

The most senior police officer in charge of a police force

CIES

Comprehensive Income and Expenditure Statement

CIPFA

Chartered Institute of Public Finance and Accountancy, a professional accountancy membership body, and a standard-setting body for UK public sector accountancy.

CMP

Contact Management Platform

Collaboration

Where two or more police forces work jointly, governed by a legal agreement, in order to realise operational efficiency, resilience and cost effectiveness.

Contingency

An event that may occur but that is not likely or intended

CPIH

Consumer Prices Index including owner occupiers' housing costs. This is the most comprehensive measure of inflation, and is produced by the Office for National Statistics

CPS

Crown Prosecution Service

Creditors

Amounts owed by the group at the Balance Sheet date for goods received or work done.

CTC

Chiltern Transport Consortium

CTPSE

Counter Terrorism Police South East (formally known as South East Counter Terrorism Unit)

Current service (pensions) cost

An estimate of the true economic cost of employing people in a financial year, earning years of service that will eventually entitle them to the receipt of a lump sum and pension when they retire. It measures the full liability estimated to have been generated in the year and is thus unaffected by whether any fund established to meet liabilities is in surplus or deficit.

Curtailed & settlements

Curtailed arises as a result of the early payment of accrued pensions on retirement on the grounds of efficiency, redundancy or where the employer has allowed

employees to retire on unreduced benefits before they would otherwise have been able to do so.

DCC

Deputy Chief Constable

Debtors

Amounts due to the Group but unpaid at the Balance Sheet date.

De minimus

An amount so small that it will not have a significant impact on the accounts

Depreciation

A charge calculated either on a straight line or reducing balance basis, to reflect the diminishing value of an asset over its useful economic life.

DHEP

Degree Holder Entry Programme

Direct Revenue Financing

The amount of capital expenditure to be financed by a contribution from the revenue account in a single year.

Earmarked

Monies set aside for a specific purpose

Equities

Shares in UK and overseas companies.

ESMCP

Emergency Services Mobile Communications project

Expected return on assets

The expected return on assets is a measure of the return (income from dividends, interest etc, and gains on invested sums) on the investment assets held by the pension scheme for the year. It is not intended to reflect the actual realised rate by the scheme, but a longer-term measure, based on the value of assets at the start of the year (taking into account movements in assets during the year) and an expected return factor.

Fair Value

Fair value is the value of an asset or liability in an arms length transaction between unrelated willing and knowledgeable parties.

Fixed Assets

Tangible assets which yield benefits to the Group for periods of more than one year

Gilts

The familiar name given to sterling, marketable, fixed interest securities (or bonds) issued by the British Government.

Gold, Silver Bronze groups

A gold–silver–bronze command structure is a command hierarchy used for major operations by the emergency services of the United Kingdom.

Grant

A sum of money given by a government or other organisation for a particular purpose.

Hedge Funds

A specialist fund that seeks to generate consistent returns in all market conditions by exploiting opportunities resulting from inefficient markets.

HC

Hampshire Constabulary

HMICFRS

Her Majesty's Inspectorate of Constabulary, Fire and rescue services

HS&E

Health Safety and Environment

IAS

International Accounting Standard

ICT

Information, Communications & Technology

IFRS

International Financial Reporting Standards

Impairment

This only relates to fixed assets, including cash investments. Impairment is caused either by a consumption of economic benefits or by a general fall in prices.

Intangible Fixed Assets

Assets that do not have a physical substance, but provide a benefit over a period of time, e.g. computer software.

JIAC

Joint Independent Audit Committee

JOU

Joint Operations Unit (with Hampshire Constabulary)

Leasing

A method of financing expenditure over a period of time. There are two main types of lease:

- a) Finance lease - where the risks of ownership are transferred to the lessee and where the assets are recorded in the Group's balance sheet at a current valuation.
- b) Operating Lease - where the risks of ownership stay with the leasing company and the annual rental charges are made via the Revenue Account.

LGPS

Local Government Pension Scheme

Liability

An obligation that legally binds an individual or company to settle a debt

Loans Outstanding

Loans raised to finance capital spending which have still to be paid.

LPA

Local Policing Area

MASH

Multi Agency Safeguarding Hub

MOJ

Ministry of Justice

MPs

Members of Parliament

MTCP

Medium Term Capital Plan

MTFP

Medium Term Financial Plan

Minimum Revenue Provision (MRP)

The minimum amount of the Group's outstanding debt which must be repaid by the revenue account in the year

MiRS

Movement in reserves statement

NCALT

National Centre for Applied Learning Technologies

Net Book Value

The amount at which fixed assets are included in the balance sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.

Net Revenue Expenditure

Expenditure funded by core government grants (police grant, formula grant and legacy council tax grants) and council tax income

Net Present Value (NPV)

The difference between the present value of cash inflows and the present value of cash outflows.

Nolan Principles

The 7 principles of public conduct are: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership

NPAS

National Police Air Service

NPCC

National Police Chiefs Council (the representative body for Chief Constables)

OPCC

Office of the Police and Crime Commissioner

Outturn

The actual level of spending and income in a particular year

Past service (pension) costs

These are non-periodic costs – they arise from decisions taken in the current year, but whose financial effect is derived from years of service earned in earlier years.

PCC

Police and Crime Commissioner

PCDA

Police Constable Degree Apprenticeship

PCP

Police and Crime Panel

PCSO

Police Community Support Officer

PEEL

Police Effectiveness, Efficiency and Legitimacy programme

PESP

Professional and Ethical Standards Panel

PESTELO

Political, Economic, Social, Technological, Environmental, Legal, Organisational (police analysis)

PFI

Private Finance Initiative

Police Funding Formula

A needs based funding formula used by the Home Office to allocate police grant to the 43 police forces in England and Wales

Police Grant

Police grant is allocated by the Home Office using a highly complex needs based formula. This grant finances around 40% of police revenue expenditure.

PPE

Depending on context:

Property, Plant and Equipment; or
Personal Protective Equipment

Precept

Council Tax rate set by the PCC

Provision

An amount set aside to provide for a liability which is likely to be incurred, although the amount and date of that liability are uncertain.

PSD

Professional Standards Department

Public Works Loans Board (PWLB)

A Government body from which local authorities may raise long term loans

PUP

Police Uplift Programme - Home Office plan to fund 20,000 extra police officers before 31st March 2023

Remuneration

All amounts paid to or receivable by a person. It includes taxable expenses and the estimated money value of any other benefits received by an employee other than in cash (e.g. benefits in kind).

Reserves

An amount set aside for a specific purpose and carried forward to meet expenditure in future years. General reserves represent accumulated balances which may be used to support future spending.

Revenue Expenditure

Spending on day to day running expenses of the PCC and Force.

RMS

Resource Management System

RPI

Retail Price Index, a measure of inflation which includes housing costs.

SEERPIC

South East and Eastern Police Insurance Consortium

SeRCOP

Service Reporting Code of Practice

SERIP

South East Regional Integrated Policing

SEROCU

South East Regional Organised Crime Unit

SOLACE

Society of Local Authority Chief Executives

Specific Grants

Government grants to aid certain services, usually paid at a fixed proportion of spending actually incurred.

TVP

Thames Valley Police

Uplift Programme

The Home Office has promised to fund 20,000 extra police officers before 31st March 2023; also known as Police Uplift Programme (PUP)

Usable Capital Receipts

Capital receipts available to finance capital expenditure in future years.

VFM

Value for Money