

Chief Constable for Devon & Cornwall Police

STATEMENT OF ACCOUNTS FOR 2025/26



Devon & Cornwall
POLICE

UNAUDITED

Officers of the Chief Constable

The statutory officers of the Office of the Chief Constable and contact details are as follows:



Chief Constable
James Vaughan
From 13/12/2024



Chief Financial Officer to the Chief Constable
David Wilkin
From 30/09/2024

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Middlemoor
Exeter
EX2 7HQ

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Statement of Accounts 2025/26

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Accompanying Reports



Devon & Cornwall
POLICE

Narrative Report by David Wilkin, Chief Financial Officer

1.0 INTRODUCTION

- 1.1 Welcome to the Chief Constable's Statement of Accounts for 2025/26. The statement of accounts present the income and expenditure on service provision for the year and the value of the Chief Constable's assets and liabilities at the end of the financial year. This is done in accordance with proper accounting practices as defined in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code).
- 1.2 The Police and Crime Commissioner and the Chief Constable form an accounting group for reporting purposes. These accounts are the Chief Constable's single entity accounts. The single entity accounts for the Police and Crime Commissioner and the accounts for the Group are presented together in a separate [document](#). The Group accounts include the income and expenditure in this set of accounts, as well as the Police and Crime Commissioner's income and expenditure, a full Balance Sheet, details of reserves, and cashflow.
- 1.3 The aim of this narrative report is to provide an easily understandable explanation of the Chief Constable's financial performance in 2025/26 and the position at the end of the financial year.
- 1.4 The primary function of the Chief Constable is to provide an efficient and effective police service in Devon, Cornwall and the Isles of Scilly. The Force's mission is to prevent and detect harm; protect the vulnerable and reduce crime.
- 1.5 The Force purpose statement defines the reason we exist; it is our foundation. It weaves our values into our corporate DNA and illustrates how our service positively impacts the people we serve. The purpose will be delivered through the six objective areas underpinning it:
- Reducing the workload pressure across local policing to improve confidence and visibility
 - Improve our investigative quality, victim care and crime recording standards
 - Respond to contact from the public more quickly and effectively, with better triage, leading to enhanced service delivery
 - To develop a flexible and agile policing service to communities through an operationally competent workforce, without constraint or boundaries
 - Increase supervisory capacity and capability and develop a future proofed workforce plan which reflects projected demand and public need
 - Align our estate, fleet, and ICT objectives with public and organisational need



Narrative Report by David Wilkin, Chief Financial Officer Continued

2.0 RESOURCES AVAILABLE

- 2.1 The Police and Crime Commissioner for Devon and Cornwall allocates the majority of the available annual funding to the Chief Constable. In 2025/26, the allocation to the Chief Constable was £424.4m out of the total Police and Crime Commissioner funding of £432.9m.
- 2.2 The Chief Constable works with the Police and Crime Commissioner in agreeing a Medium Term Financial Strategy (MTFS), identifying budget requirement for the following year and for the subsequent three years.
- 2.3 The 2025/26 budget was set in the context of an increase of Police Grant funding of 6.0%, which included Devon and Cornwall's share of the uplift funds allocated nationally for the 20,000 additional officers; and the Police and Crime Commissioner's increase to the Council Tax precept of £13.70 (4.99%) for a band D property.
- 2.4 These increases resulted in a 2025/26 budget of £432.9m which was a funding increase of £26.4m from the 2024/25 budget of £406.5m. The table below shows how these additional funds were allocated:

Summary	2025/26	
	£'m	£'m
Additional Funding		
Core Grant and Council Tax	26.4	
Specific Grant	7.1	
		33.5
Increase		
Additional Investments	3.6	
Regional Growth	1.0	
		4.6
Unavoidable Changes		
Pay Award Inflation	15.3	
Incremental Increases	5.1	
Other Pay Changes	(3.0)	
National Insurance Increase	6.3	
Neighbourhood Policing - additional	2.3	
Inflation	1.7	
Non-Pay Costs	4.4	
Capital Funding	1.8	
		33.9
Investment		1.2
Change in the use of Reserves		0.1
Investment Interest		(0.5)
Increased Income		(5.8)
Savings		0.0

- 2.5 The 2025/26 budget also included funding and strategic investment for:
- Maintaining officer numbers at 3,610 by 31 March 2026
 - Prioritising spending areas that are essential to the delivery of the Police and Crime Plan and to improving the long term efficiency of policing
- 2.6 The 2025/26 budget also made a provision for a number of unavoidable costs such as pay inflation, increments and existing policy commitments.

Narrative Report by David Wilkin, Chief Financial Officer Continued

2.7 Pay awards were budgeted at 2.8%, and inflation was applied on non-pay budgets only to areas subject to inflationary pressures. The Consumer Price Index (CPI) at November 2024 was 2.6%, a decrease of 1.3% when compared to 3.9% in November 2023; electricity and gas contracts are based on market prices and were expected to decrease, with other inflationary/contractual pressures assumed at 2%.

3.0 2025/26 OUTCOMES

Uplift Officers

3.1 The government's three-year Uplift Programme was designed to deliver 20,000 additional police officers nationally by 31 March 2023; this was successfully achieved and provided Devon and Cornwall with 564 additional officers over the course of the programme taking the force to a total officer number of 3,610 full time equivalents (FTE).

3.2 The provisional finance settlement announced in December 2024 outlined the government's intention to maintain the increased officer levels, and the financial settlement for 2025/26 included a ringfenced grant of £8.2m to maintain the uplift headcount (3,679). Payment was subject to maintaining the increased headcount at 30 September 2025 and 31 March 2026.

3.3 At 31 March 2026 the actual headcount was 3,704, which achieved 25 over the target.

3.4 The Force was able to achieve these additional posts partly as a result of the Police and Crime Commissioner's decision to fund officers in excess of the uplift target, funded through precept. This means that as these officers were already included within the budgeted FTE of 3,610 the additional headcount uplift does not take the establishment over the assumed position. The Force ended the year at 3,623, 13 FTE above the budgeted number.

Investment

3.5 The 2025/26 (MTFS) identified ongoing revenue investments of £3.6m. This supported:

- Improving public confidence by reducing time taken to investigate complaints.
- Police and Crime Commissioner Strategic Investments Fund.
- Investments in: - Digital Asset Management System, crime investigation, legal support, and health/wellbeing initiatives.

Savings

3.6 Savings of £3.2m were built into the 2025/26 budget to be achieved through reviews of Criminal Justice, Contact, and Workforce Mix. The savings were identified in full but there was only a part year delivery in 2025/26.

Narrative Report by David Wilkin, Chief Financial Officer Continued

4.0 Actual Expenditure 2025/26

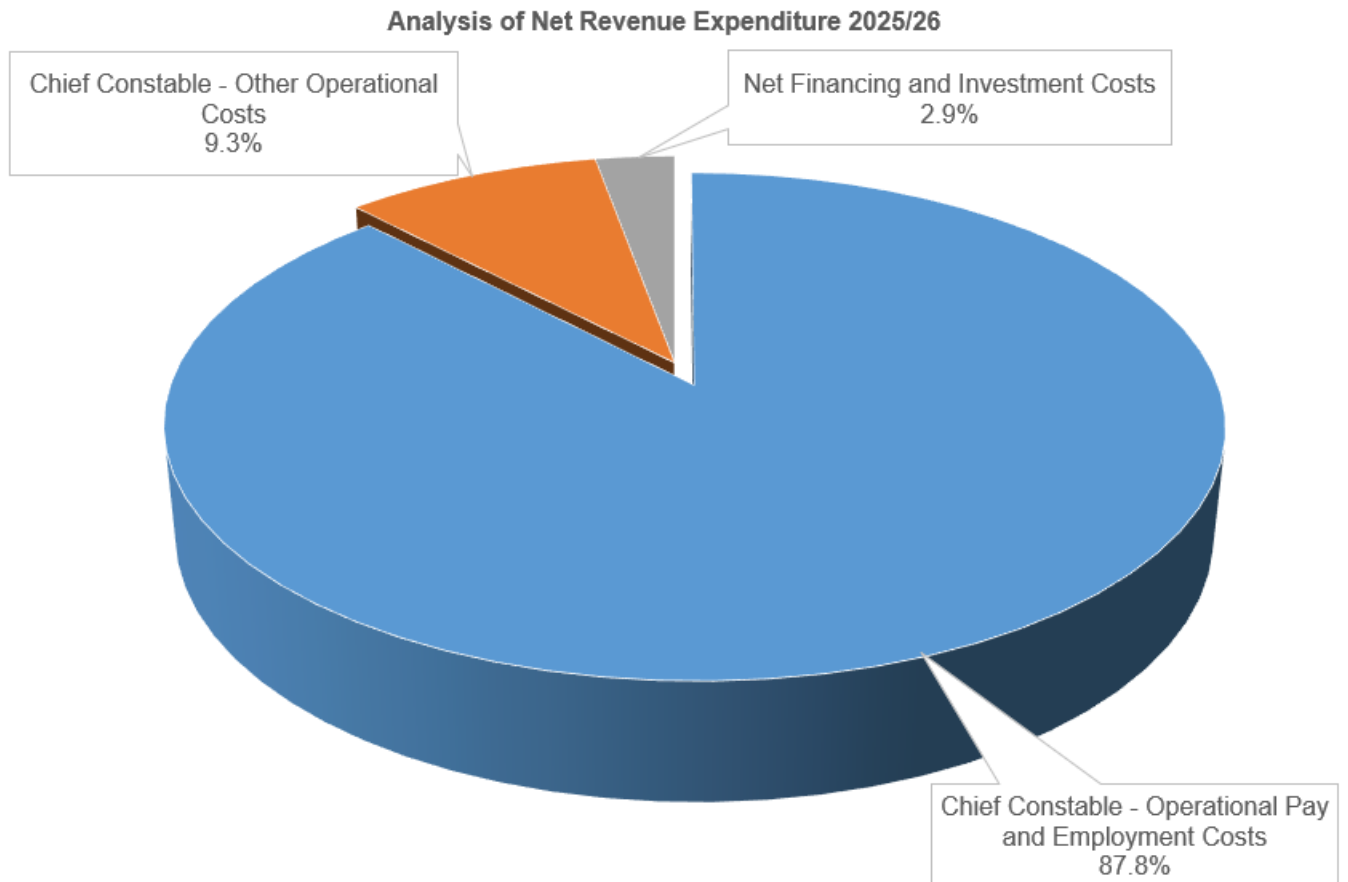
4.1 The Chief Constable spent £424.420m against the budget allocation of £424.445m, resulting in an overspend of £0.25m.

4.2 **Expenditure and Funding Analysis** shows how council tax and funding for the year has been used in providing services compared with resources consumed in accordance with generally accepted accounting practices.

The table below shows how the expenditure and funding analysis note and outturn relate to each other:

Reconciliation	2025/26
	£'000
Expenditure and Funding Analysis	
Net Cost of Services	424,154
Financing and Investment Income	266
Budget Allocation	424,420
Outturn	
Chief Constable	424,445
Overspend transferred to General Balances	(25)
Budget Allocation	424,420

4.3 The chart below shows a breakdown of total net revenue expenditure for 2025/26 by category of spend.



Narrative Report by David Wilkin, Chief Financial Officer Continued

- 4.4 Although the budget for 2025/26 was set within the context of high inflation, with CPI increasing from 2.6% to 3.3% during the year. The pay award of 4.2% award was significantly above the budgeted level of 2.8%, with the cost of living, resourcing and supply chains still under extreme pressure. This level of inflation was higher than originally estimated when setting the budget. These pressures not only had a cash effect on the Force but also affected the ability to deliver projects within timescales and on budget.
- 4.5 There were a number of over and underspends during the year; the most significant of which are detailed below:
- Police Officer Pay - Higher than budgeted levels of leavers, sickness and career breaks, along with a lower starting FTE compared to when the budget was set, higher regional officers and secondments, reduced NI and changes to geographical charging have contributed to an underspend against police officers pay of £3.860m.
 - Police Officer Overtime - The continual strain on overtime budgets has created an overspend of £1.872m.
 - Police Community Support Officer (PCSO) Pay - An overspend position of £400k is offset by Neighbourhood Policing Grant income.
 - Police Staff/Agency - An underspend position of £5.087m is shown, however presentation is distorted because the Neighbourhood Policing grant spend was budgeted in full against Police staff when in reality significant costs fell elsewhere (PCSO, Revenue Contribution to Capital, Non Pay and Officers).
 - Non pay - An overspend position of £3.381m due to overspends on supplies and services and transport, along with outturn accounting adjustments such as provisions and stock, offset by savings in communications and computing and estates.
 - Income - Overall income is £6.341m higher than originally expected. A proportion of this (Circa £1.3m) is in relation to income from seconded officers and staff. Other contributions, such as S27, Proceeds of Crime Act and Apprentice Levy income received offset charges elsewhere in the forecast.
- 4.6 Throughout the financial year the Executive agreed spend mitigations on overtime and overheads totalling £2.5m.
- 4.7 After taking into account carry-forward requests of £2.423m the £2.398m underspend reduces to a small residual overspend of £25k, which was charged to General Balances.

5.0 CAPITAL PROGRAMME

- 5.1 The table below shows the Chief Constable's capital expenditure, and funding, during 2025/26. The majority of the assets relating to policing, most significantly buildings, are owned by the Police and Crime Commissioner. However certain items of equipment and ICT are considered to be under the ownership and control of the Chief Constable. Capital expenditure in this respect consists of an ongoing programme of rationalisation, replacement and enhancement of assets, all with an expected life of more than one year, and with a value in excess of £20k.

	£'000
<u>Capital Investment</u>	
Equipment and ICT	1,763
<u>Funded by</u>	
Delegation from the Police and Crime Commissioner	(1,763)

ICT and capital equipment across the Force area is replaced when necessary to ensure that officers and staff have the most appropriate access to technology and equipment to support them in their roles. The majority of ICT assets are reflected on the Police and Crime Commissioner's Balance Sheet. The capital purchases that fall under the Chief Constable are primarily equipment, including mobile data handsets, body worn video, and operational equipment.

Narrative Report by David Wilkin, Chief Financial Officer Continued

6.0 WORKFORCE RESOURCES

6.1 Workforce costs make up 86% of the annual expenditure of Devon and Cornwall Police.

6.2 Police Officers

31/03/25 (FTE)		31/03/26 (FTE)
3,610	Police Officers - Budgeted	3,610
3,615	Police Officers - Actual	3,623
5	(Under)/Over	13

Police Officer numbers were maintained during the year in line with national uplift targets which were not achieved at 30 September but were achieved at 31 March.

6.3 Police Community Support Officer's

31/03/25 (FTE)		31/03/26 (FTE)
150	Police Community Support Officer's - Budgeted	199
141	Police Community Support Officer's - Actual	174
(9)	(Under)/Over	(25)

PCSO numbers were increased during the year as part of the Neighbourhood Policing Guarantee.

6.4 Police Staff

The analysis of police staff numbers is made complex by the use of temporary and agency staff. In addition, the financial arrangements for the Alliance with Dorset Police mean some staff employed by one Force will be charged to another. For the purposes of this report, the numbers below reflect the FTE of police staff charged against the Chief Constable's accounts.

31/03/25 (FTE)		31/03/26 (FTE)
2,195	Police Staff - Actual	1,922

There was a net decrease in FTE during the year as a result of changes made within the MTFs, short term temporary funded posts, use of agency staff and posts funded by third parties.

Narrative Report by David Wilkin, Chief Financial Officer Continued

7.0 PERFORMANCE

External Indicators

- 7.1 The principal independent financial indicators available to the Chief Constable and the Police and Crime Commissioner are as follows:
- 7.2 HMICFRS PEEL Report – His Majesty’s Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) review each Force to examine their Efficiency, Effectiveness and Legitimacy. The most recent published review was June 2026, the inspection looked at how well the Force performed in nine areas of policing, and gave graded judgements in eight of the nine, as follows:

Outstanding	Good	Adequate	Requires improvement	Inadequate
		Police powers and public treatment	Leadership and force management	Investigating crime
		Preventing and deterring crime	Developing a diverse and inclusive workforce	Safeguarding children and adults
			Responding to the public	
			Managing fraud	

On the 30 July 2025 His Majesty’s Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS) officially confirmed that the Force has been removed from the Engage phase, its enhanced phase of monitoring. The report from the latest PEEL inspection review undertaken in early 2026 has now been published. HMICFRS commented on the report – “Devon and Cornwall police is making progress, particularly in its financial management, control room and prevention work. Continued focus on developing the workforce, improving investigation standards and safeguarding vulnerable people will be essential for sustained improvement. I expect to see more progress in the areas we have set out where it needs to improve, and I will continue to monitor performance”.

- 7.3 Auditor’s Annual Report – External auditors provided a commentary on the arrangements in place to secure economy, efficiency and effectiveness in the use of resources for both the Police and Crime Commissioner and the Chief Constable for the year ending 31 March 2026.
- 7.4 The HMICFRS Value for Money Profile 2025 – this does not provide an opinion but states key financial and performance information of Devon and Cornwall Police in comparison to other Forces. The report did not indicate any significant outliers within Devon and Cornwall Police’s information.

Narrative Report by David Wilkin, Chief Financial Officer Continued

Force Demand

7.5 The total number of calls for service received are detailed in the table below.

No. of Contacts	2024/25	2025/26	% Change	Notes
Calls: -				
999	298,001	307,865	3%	
101	443,489	474,997	7%	
Other incoming call lines	41,077	40,427	(2%)	This includes Blue Light, Alarms, vulnerable victims, X-Directory, FIM, Firearms, Press.
Interactions: -				
Emails	93,956	104,395	11%	
Texts	363	1,667	359%	
Webchats	0	9	-	
Total	876,886	929,360	6%	

The data shows a 6% increase across all categories.

8.0 FUTURE FINANCIAL OUTLOOK

8.1 The Chief Constable and the Police and Crime Commissioner formally update and approve the MTFS annually during the budget setting process.

8.2 Grant funding for 2026/27 was provided by the new government as a one-year settlement ahead of a comprehensive spending review that reported in June 2025. Excluding food and energy prices inflation rose by 3.2% in the year to November 2025. Electricity and gas contracts are based on market energy prices and are expected to level out in 2026/27. The full year effect of the 2025/26 pay award of 4.2% must be accounted for in future years.

8.3 The government has permitted a maximum council tax increase of £15 for 2026/27 within its overall funding announcement, but even with this additional funding a gap remains.

8.4 2026/27 was only a one-year funding settlement, the Force has considered a longer term, strategic approach to the workforce to protect and enhance service delivery and, critically, to maintain and enhance public confidence in policing; whilst enabling a balanced budget to be achieved.

8.5 The 2026/27 budget supports a structured financial approach to facilitate additional and sustainable resources to:

- Maintain police officer numbers at 3,610
- Support the neighbourhood policing guarantee (13,000 more staff nationally)
- Provide additional investment to support complaint handling
- Modernisation of ICT systems

8.6 Planning for beyond 2026/27 remains very challenging. There are a number of things which will impact on this planning, including:

- Future pay awards for officers and staff
- Ongoing inflationary pressures
- Staff turnover and, in particular, police officer leavers
- Future government spending reviews and funding settlements
- Future council tax referendum principles
- Ongoing impact of council tax premiums for second homes
- Police Reform impact, including the abolishment of the Police and Crime Commissioner role
- Review of the police funding formula
- Centrally driven ICT programmes such as the replacement of Airwave

Narrative Report by David Wilkin, Chief Financial Officer Continued

9.0 GOVERNANCE ARRANGEMENTS

- 9.1 The Annual Governance Statement is published alongside this document. The Annual Governance Statement describes the internal control environment for the Chief Constable. It also comments on the effectiveness of the governance arrangements and identifies issues that require further work.
- 9.2 The Chief Constable and the Police and Crime Commissioner maintain separate risk registers and collaborate to ensure their accuracy and appropriateness. Further details are set out in the Annual Governance Statement.

10.0 THE STATEMENT OF ACCOUNTS

A brief explanation of the purpose of each of the four primary statements is provided below together with a high-level summary.

Movement in Reserves Statement - shows the changes in the Chief Constable's financial resources over the year.

Summary Movement in Reserves	Movement 2024/25 £'000	Change £'000	Movement 2025/26 £'000
Surplus or (Deficit) on the Provision of Services	(122,518)	69,443	(53,076)
Remeasurement of the net defined benefit (liability) asset	122,518	(69,443)	53,076
Total Usable Reserves	0	0	0

The significant change relates to the accounting adjustments for pensions. The accounting adjustments applied have been prepared in accordance with generally accepted accounting practices. They are reversed out of the Chief Constable movement in reserves statement via an intra-group adjustment and shown in the Police and Crime Commissioner accounts.

Comprehensive Income and Expenditure Statement - this statement shows the accounting cost in the year of providing services in accordance with accounting standards. This amount is different to the amount funded by taxation due to the accounting treatment of certain costs such as depreciation and pensions.

Summary Comprehensive Income and Expenditure Statement	Gross Expenditure 2025/26 £'000	Gross Income 2025/26 £'000	Net Expenditure 2025/26 £'000
Cost of Services	467,511	(80,883)	386,628
Pensions Top-Up Grant	0	(58,979)	(58,979)
Pensions Interest	164,191	(21,902)	142,289
Intra-Group Adjustments	(578,626)	161,764	(416,862)
(Surplus)/Deficit on Provision of Services	53,076	0	53,076
Remeasurement of the Pensions Net Defined Benefit Liability (Asset)	(53,076)	0	(53,076)
Total Comprehensive Income and Expenditure	0	0	0

The statement highlights that the expenditure is dominated by the net cost of providing services which is mainly the costs of policing. The other most significant cost is the pensions interest cost and remeasurement of the pension fund. These costs are calculated in accordance with generally accepted accounting practices and reflects the cost of the pensions at the time employees earn their retirement benefits even though the benefits will not actually be payable until employees retire.

Narrative Report by David Wilkin, Chief Financial Officer Continued

Balance Sheet as at 31 March 2026 - shows how the resources available to the Chief Constable are held in the form of assets and liabilities.

Summary Balance Sheet	Balance as at	Balance as at	Movement
	31/03/2025	31/03/2026	
	£'000	£'000	£'000
Long Term Assets	2,541,194	2,529,427	(11,767)
Current Assets	68,997	97,254	28,257
Current Liabilities	(68,997)	(97,254)	(28,257)
Long Term Liabilities	(2,541,194)	(2,529,427)	11,767
Net Assets	0	0	0

Cash Flow Statement - shows how the movement in resources has been reflected in cash flows.

Summary Cash Flow Statement	Cash Flows	Cash Flows
	2024/25	2025/26
	£'000	£'000
Net (Surplus) or Deficit on the Provision of Services	122,518	53,076
(Increase)/Decrease in pensions liability	(122,518)	(53,076)
Net Cash (Inflows)/Outflows from Operating Activities	0	0

The notes to the financial statements include the accounting policies and give further information on the entries within the main statements as well as supplementary information. These are further supplemented by a glossary of terms.

David Wilkin BSc CPFA
Chief Financial Officer to the Chief Constable
15 June 2026

Further Information: This publication provides a review of the financial performance of the Chief Constable for 2025/26. It may be read in conjunction with the [Police and Crime Commissioner/Group Accounts](#) and the [Police and Crime Plan](#)

Independent Auditor's Report to the Chief Constable for Devon, Cornwall and the Isles of Scilly

These Financial Statements have not yet been audited. The audited accounts will be presented to the Independent Audit Committee and published when available.

Statement of Responsibilities

The Chief Constable's Responsibilities

The Chief Constable is required to:

- make arrangements for the proper administration of the financial affairs of Devon and Cornwall Police and to secure that one of his officers has the responsibility for the administration of those affairs. That officer is the Chief Financial Officer to the Chief Constable
- manage the affairs of Devon and Cornwall Police to secure economic, efficient and effective use of resources and safeguard its assets
- approve the Statement of Accounts

Approval of the Accounts

I approve the Statement of Accounts.

James Vaughan
Chief Constable

The Chief Financial Officer's Responsibilities

The Chief Financial Officer is responsible for the preparation of the Chief Constable's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC "Code of Practice on Local Authority Accounting in the United Kingdom 2025/26" (the Code).

In preparing this Statement of Accounts, the Chief Financial Officer has:

- selected suitable accounting policies and applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with the Code of Practice
- kept proper accounting records that were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities

Chief Financial Officer's Certificate

I certify that this Statement of Accounts for the year ended 31 March 2026 gives a true and fair view of the financial position of the Chief Constable for Devon, Cornwall and the Isles of Scilly at the reporting date and of the income and expenditure for the year ended 31 March 2026.

David Wilkin
Chief Financial Officer to the Chief Constable
15 June 2026

Financial Statements



Devon & Cornwall
POLICE

Movement in Reserves Statement

This statement only shows the pension related transactions from the start of the year to the end of the year for 2024/25 and 2025/26 as all reserves are managed by the Police and Crime Commissioner. The financial consequences of the operational activities undertaken by the Chief Constable is shown in the Comprehensive Income and Expenditure Statement.

Current Year	Notes	General Fund Balance	Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Reserves
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2025		0	0	0	0	0	0	0
Movement in Reserves								
Surplus or (Deficit) on the Provision of Services		(53,076)	0	0	0	(53,076)	0	(53,076)
Remeasurement of the net defined benefit (liability) asset		53,076	0	0	0	53,076	0	53,076
Total Comprehensive Income and Expenditure		0	0	0	0	0	0	0
Balance at 31 March 2026		0	0	0	0	0	0	0

Comparative Year	Notes	General Fund Balance	Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Reserves
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2024		0	0	0	0	0	0	0
Movement in Reserves								
Surplus or (Deficit) on the Provision of Services		(122,518)	0	0	0	(122,518)	0	(122,518)
Remeasurement of the net defined benefit (liability) asset		122,518	0	0	0	122,518	0	122,518
Total Comprehensive Income and Expenditure		0	0	0	0	0	0	0
Balance at 31 March 2025		0	0	0	0	0	0	0

Comprehensive Income and Expenditure Statement

This statement reflects the Police and Crime Commissioner's financial resources consumed by the Chief Constable for 2024/25 and 2025/26. In practice all the respective costs are paid for by the Police and Crime Commissioner. This Statement includes intra-group transactions resulting in a nil balance for Total Comprehensive Income and Expenditure.

2024/25				2025/26			Notes
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure	
£'000	£'000	£'000		£'000	£'000	£'000	
451,828	(68,299)	383,529	Chief Constable	467,511	(80,883)	386,628	8
451,828	(68,299)	383,529	Cost of Services	467,511	(80,883)	386,628	
0	(52,185)	(52,185)	Pensions Top Up Grant	0	(58,979)	(58,979)	
(451,828)	120,484	(331,344)	Intra-Group Transaction	(467,511)	139,862	(327,649)	
0	0	0	Cost of Services Net of Pensions Top Up Grant	0	0	0	
			Financing and Investment Income and Expenditure				
145,605	(20,986)	124,619	Pensions Interest	164,191	(21,902)	142,289	18
(145,605)	20,986	(124,619)	Pensions Interest - Intra-Group Transaction	(164,191)	21,902	(142,289)	
122,518	0	122,518	Remeasurement of the Net Defined Benefit Liability (Asset) - Intra-Group Transaction	53,076	0	53,076	18
122,518	0	122,518	(Surplus)/Deficit on Provision of Services	53,076	0	53,076	
		(122,518)	Remeasurement of the Net Defined Benefit Liability (Asset)			(53,076)	
		(122,518)	Other Comprehensive Income and Expenditure			(53,076)	
		0	Total Comprehensive Income and Expenditure			0	

David Wilkin
Chief Financial Officer to the Chief Constable

Unaudited accounts issued: 15 June 2026

Audited accounts issued: Date to be confirmed

Balance Sheet

The Chief Constable owns some long term assets and holds current assets and liabilities as well as long term liabilities which relate to employee benefits. The Chief Constable does not hold reserves. The intra-group transaction entries on the Balance Sheet represents the Police and Crime Commissioner's responsibility to provide funds to the Chief Constable over the long term.

31 March 2025		31 March 2026	Notes
£'000		£'000	
	Long Term Assets		
1,936	ICT and Equipment	2,882	12
2,539,258	Pensions Liabilities - Intra-Group Debtor	2,526,545	4
2,541,194	Total Long Term Assets	2,529,427	
	Current Assets		
25,042	Short Term Debtors	41,128	14
14,754	Accumulated Absences - Intra-Group Debtor	15,300	4
586	Provisions Intra-Group Debtor	603	4
28,615	Short Term Creditors - Intra-Group Debtor	40,223	4
68,997	Total Current Assets	97,254	
	Current Liabilities		
(25,042)	Short Term Debtors - Intra-Group Creditor	(41,128)	4
(14,754)	Accumulated Absences	(15,300)	16
(586)	Provisions	(603)	17
(28,615)	Short Term Creditors	(40,223)	15
(68,997)	Total Current Liabilities	(97,254)	
	Long Term Liabilities		
(2,539,258)	Pensions Liabilities	(2,526,545)	18
(1,936)	ICT and Equipment - Intra-Group Creditor	(2,882)	4
(2,541,194)	Total Long Term Liabilities	(2,529,427)	
0	Net Assets	0	

David Wilkin
Chief Financial Officer to the Chief Constable

Unaudited accounts issued: 15 June 2026

Audited accounts issued: Date to be confirmed

Cash Flow Statement

The surplus or deficit on the provision of services represents the transfer of funds from the Police and Crime Commissioner to cover the actuarial gains/losses arising from the pension's valuation shown against the increase/decrease in pensions liability line.

2024/25 £'000		2025/26 £'000	
122,518	Net Surplus or (Deficit) on the Provision of Services	53,076	18
	Adjustments to net (Surplus) or Deficit on the Provision of Services for non-cash movements		
(122,518)	Increase/(Decrease) in pensions liability	(53,076)	
0	Net Cash (Inflows)/Outflows from Operating Activities	0	
0	Cash and Cash Equivalents at the end of the reporting period	0	
0		0	

Notes to the Accounting



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Notes to the Accounting

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Note 1 Accounting Policies

1. GENERAL PRINCIPLES

The statements of account summarises the Chief Constable's transactions for the 2025/26 financial year and its position at the year end of 31 March 2026. The Chief Constable is required to prepare an annual statement of accounts by the Accounts and Audit Regulations 2015 in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under Section 12 of the Local Government Act 2003.

The accounting convention adopted in the statement of accounts is principally historical cost modified by the revaluation for certain categories of non-current assets and financial instruments. The financial statements have been prepared with due regard to the going concern principle.

2. ACCRUALS OF INCOME AND EXPENDITURE

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

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue in the Comprehensive Income and Expenditure Statement for the income that might not be collected

3. ACCOUNTING POLICY DEVELOPMENTS AND CHANGES

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

4. PRIOR PERIOD ADJUSTMENTS, ESTIMATES AND ERRORS

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

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

5. EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the statement of accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the statement of accounts is adjusted to reflect such events
- those that are indicative of conditions that arose after the reporting period – the statement of accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect

Note 1 Accounting Policies Continued

Events taking place after the date of authorisation for issue of the audited accounts are not reflected in the statement of accounts.

6. CONTINGENT LIABILITIES

A contingent liability arises where an event has taken place that gives the Chief Constable a possible obligation whose existence can only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Chief Constable.

Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

7. JOINT OPERATIONS

The Chief Constable participates in a number of partnership activities. These arrangements involve the Chief Constable carrying out activities relevant to their own functions jointly with others. The Chief Constable accounts for only its share of the jointly controlled assets; and for the liabilities, expenses and income that the Chief Constable incurs with respect to their interest in the partnerships.

8. OVERHEADS AND SUPPORT SERVICES

The cost of overheads and support services are charged to each area that falls under the Chief Constable for accountability and financial performance.

9. EMPLOYEE BENEFITS

9.1 Benefits Payable during Employment

Short term employee benefits are those due to be settled wholly within 12 months of the year end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Chief Constable. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year end that employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the surplus or deficit on the provision of services but then reversed out through the Movement in Reserves Statement in the Police and Crime Commissioner accounts to the accumulated absences account so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

9.2 Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Chief Constable to terminate an employee's employment before the normal retirement date. The amount is charged on an accruals basis to the Comprehensive Income and Expenditure Statement when the Chief Constable is demonstrably committed to the termination of the employment of an employee. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Police and Crime Commissioner Group to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. These provisions are shown in the Chief Constable accounts and then offset via an intra-group adjustment.

In the Movement in Reserves Statement in the Police and Crime Commissioner accounts, appropriations are required to and from the pensions reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year end.

Note 1 Accounting Policies Continued

9.3 Post-Employment Benefits

Up until 31 March 2022, employees of the Chief Constable were members of four separate pension schemes:

- The Police Officer 1987 Scheme (PPS)
- The Police Officer 2006 Scheme (NPPS)
- The Police Officer 2015 Scheme (CARE)
- The Local Government Pensions Scheme (CARE)

From 1 April 2022, employees of the Chief Constable were members of two separate pension schemes:

- The Police Officer 2015 Scheme (CARE)
- The Local Government Pensions Scheme (CARE)

All schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees who worked for the Chief Constable.

9.3.1 Police Officers' Pension Schemes

All Police Officers' Pension Schemes are accounted for as defined benefits schemes.

The liabilities of the Police Officers' Pension Schemes are included in the Balance Sheet on an actuarial basis using the projected unit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc., and projected earnings for current employees.

An estimate of the employer's future cashflows is made using notional cashflows based on the estimated duration of all Police Schemes. These estimated cashflows are then used to derive a Single Equivalent Discount Rate (SEDR). The discount rate derived is such that the net present value of the notional cashflows, discounted at this single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve (where the spot curve is assumed to be flat beyond the 30 year point).

9.3.2 The Local Government Pension Scheme

The Local Government Pension Scheme is accounted for as a defined benefits scheme.

The liabilities of the Local Government Pension Scheme are included in the Balance Sheet on an actuarial basis using the projected unit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc., and projected earnings for current employees. This liability is shown in the Chief Constable accounts and then offset via an intra-group adjustment.

An estimate of the employer's future cashflows is made using notional cashflows based on the estimated duration of the past service liability. These estimated cashflows are then used to derive a Single Equivalent Discount Rate (SEDR). The discount rate derived is such that the net present value of the notional cashflows, discounted at this single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve (where the spot curve is assumed to be flat beyond the 30 year point).

The assets of the Devon County Council pension fund attributable to the Chief Constable are included in the Balance Sheet at their fair value:

- | | | |
|-----------------------|---|-----------------------|
| • quoted securities | - | current bid price |
| • unquoted securities | - | professional estimate |
| • unitised securities | - | current bid price |
| • property | - | market value |

Note 1 Accounting Policies Continued

9.3.3 Net Pensions Liability Analysed

The change in the net pension's liability for the Pension Schemes is analysed into the following components:

Service cost comprising:

- current service cost - the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked
- past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years - debited to the surplus or deficit on the provision of services in the Comprehensive Income and Expenditure Statement
- net interest on the net defined benefit liability (asset), i.e. net interest expense for the Chief Constable - the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the financing and investment income and expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period and taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments

Remeasurements comprising:

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

Benefits paid (only applicable to the Police Officer Pension Schemes):

- cash paid to pensioners including injury pension payments

Contributions paid (only applicable to the Local Government Pension Scheme):

- cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense

9.3.4 Police Officers' Injury Benefits

The Chief Constable makes payment under the Police Injury Benefits Regulations. These payments are accounted for in the same way as payments under the main police officers' pension schemes. The figures are included within the unfunded pension calculation as the injury benefits may be financially significant with volatile actuarial gains and losses. These have been estimated by the independent actuary.

9.3.5 Impact on Reserves in the Police and Crime Commissioner accounts

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Police and Crime Commissioner Group to the pension fund in the year, not the amount calculated according to the relevant accounting standards. These provisions are shown in the Chief Constable accounts and then offset via an intra-group adjustment. This intra-group adjustment is taken into the Police and Crime Commissioner accounts and included within the Movement in Reserves Statement. This allows transfers to and from the pensions reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year end. The negative balance that arises on the pensions reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Note 1 Accounting Policies Continued

9.4 Discretionary Benefits

The Chief Constable also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

10. PROVISIONS

Provisions are made where an event has taken place on or before the Balance Sheet date that gives the Chief Constable a legal or constructive present obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement when the Chief Constable has an obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation taking into account the relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed (or reduced) and credited back to the Comprehensive Income and Expenditure Statement.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that the reimbursement will be received if the Chief Constable settles the obligation.

A provision would be made for termination payments due to staff resulting from restructuring when the Chief Constable has raised a valid expectation to the staff affected that it will carry out restructuring by starting to implement a particular restructuring plan or announcing its main features to those affected by it. Each element of any Force restructuring plan will be treated separately, and provision made of the estimated termination payments as and when each element of the plan is announced.

11. PROPERTY, PLANT AND EQUIPMENT

Assets that have physical substance and are held for use in the supply of services or for administrative purposes and that are expected to be used during more than one financial year are classified as property, plant and equipment. Assets that do not have physical substance and are held for use in the supply of services or for administrative purposes and that are expected to be used during more than one financial year are classified as intangible. Property, plant and equipment and intangible assets are accounted for in the Police and Crime Commissioner accounts with the exception of certain operational assets, which are set out in the Scheme of Consent. These operational assets are offset on the Balance Sheet by a long term liability representing the requirement that the Chief Constable pays for these assets over their operational life. The long term liability will be written down in line with the depreciation policy as set out in the note.

The expenditure within the Comprehensive Income and Expenditure Statement of the Chief Constable includes a charge for use of property, plant and equipment and intangible assets based on the fair value of the assets used by the Chief Constable to deliver a policing service. The accounting policies of the Group in relation to depreciation and amortisation are set out within the financial statements of the Police and Crime Commissioner.

11.1 Recognition

Expenditure on the acquisition, creation or enhancement is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Chief Constable for more than one year and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Note 1 Accounting Policies Continued

11.2 Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management

Assets are carried in the Balance Sheet using the following measurement bases:

- ICT - depreciated historical cost
- Equipment - depreciated historical cost
- Assets under construction - historical cost

11.3 Depreciation

Depreciation is provided for all ICT, and equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life and assets that are not yet available for use (i.e. asset under construction).

Depreciation is calculated on the following bases:

- Information and Communications Technology (ICT) – depreciation is charged monthly, using the straight-line allocation, from the first of the month of acquisition starting in the year of acquisition. The asset life of individual groups of assets has been assessed and each group is depreciated individually according to the asset life
- Equipment – these assets are given specific asset lives and are depreciated monthly, using the straight-line allocation

11.4 Disposals

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet, (whether ICT or equipment) is written off to the other operating expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal).

The written off value of disposals is not charged against council tax as the cost of non-current assets is fully provided for under separate arrangements for capital financing as shown in the Police and Crime Commissioner Group accounts together with the amounts that are appropriated to the Capital Adjustment Account from the General Fund balance in the Movement in Reserves Statement.

11.5 Impairment

An asset is tested for impairment whenever there is an indication that the asset might be impaired. Losses recognised are posted to the Comprehensive Income and Expenditure Statement.

12. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from HMRC. VAT receivable is excluded from income.

13. EXCEPTIONAL ITEMS

When items of expenditure are outside the normal type of expenditure incurred by the Chief Constable they will be disclosed separately on the face of the Comprehensive Income and Expenditure Statement if they are material and separate disclosure would be made to aid the understanding of the Chief Constable's financial performance.

Note 1 Accounting Policies Continued

14. CHARGES TO REVENUE FOR NON-CURRENT ASSETS

The Comprehensive Income and Expenditure Statement is debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service

The Police and Crime Commissioner is not required to raise council tax to fund the depreciation and impairment losses that are charged against the Chief Constable's Comprehensive Income and Expenditure Statement. However, there is a requirement to make an annual contribution (minimum revenue provision) from revenue towards the reduction in the overall borrowing requirement (equal to an amount calculated on a prudent basis determined by the Group in accordance with statutory guidance). Depreciation and impairment losses are therefore replaced by the contribution in the General Fund balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two as shown in the Police and Crime Commissioner Group accounts.

15. COST AND INTRA-GROUP RECOGNITION

In practice, all income is received by the Police and Crime Commissioner and all expenditure is paid by the Police and Crime Commissioner from the Police Fund. No actual cash transactions or events take place between the two entities. From an accounting perspective, costs are recognised within the Chief Constable's accounts to reflect the financial resources consumed at the request of the Chief Constable. The income recognised in the Chief Constable's accounts is the income collected by the Police and Crime Commissioner on behalf of the Chief Constable.

Note 2 Accounting Standards Issued, Not Adopted

Appendix C of the CIPFA code requires Local Authorities 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. Standards that fall into this category that are relevant to the Chief Constable accounts are:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)
- Annual improvements to IFRS accounting standards – Volume 11

All of these standards will be incorporated in the Code from 2026/27. However, CIPFA has indicated that these standards will not have a significant impact on the amounts anticipated to be reported in the financial statements.

Note 3 Critical Judgements in Applying Accounting Policies

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

- The Police and Crime Commissioner Group has had to make judgements about the allocation of expenditure between the Police and Crime Commissioner and the Chief Constable. The basis adopted was arrived at after considering the CIPFA Service Reporting Code of Practice and the Police Reform and Social Responsibility Act. Further detail is shown in Note 4
- Estimation of the pension element of the provision is on the basis of apportionment of the total actuarially assessed liability for future pensions benefits for the Group between the two corporate bodies on the basis of current cashflows
- The use by the Chief Constable of leased assets held by the Police and Crime Commissioner has not been judged to represent a lease arrangement under IFRS 16 as:

There is no contract that gives rise to a lease; the provision of buildings and equipment by the Police and Crime Commissioner to the Chief Constable is more of a statutory requirement rather than a contractual arrangement.

Control of the assets resulting from lease arrangements sits under the Police and Crime Commissioner. The Police and Crime Commissioner makes decisions on buying and selling properties and other assets and entering and terminating lease contracts.

The ultimate benefits of the asset are obtained jointly by the Police and Crime Commissioner and Chief Constable.

Note 4 The Chief Constable as an Accounting Entity

The Chief Constable is part of an accounting group along with the Police and Crime Commissioner (referred to as the Police and Crime Commissioner Group). The accounting recognition of the Group's assets, liabilities and reserves reflects the powers and responsibilities of the Police and Crime Commissioner and the Chief Constable as designated by the Police Reform and Social Responsibility Act 2011 and the Revised Home Office Financial Management Code of Practice for the Police Service, England and Wales 2018. This accounting treatment is also underpinned by the relationships as defined by local regulations, local agreement and practice.

The Police and Crime Commissioner receives all government funding and income, and the Chief Constable does not hold any cash or reserves. When the Police and Crime Commissioner's resources are consumed at the request of the Chief Constable all payments are made by the Police and Crime Commissioner from the Police Fund and no cash movements occur between the two bodies.

A long term debtor has been established in the Chief Constable's Balance Sheet to reflect the continuing requirement on an elected policing body, as required under the Police Reform and Social Responsibility Act 2011, for the Police and Crime Commissioner to provide funds to the Chief Constable for the payment of assets and liabilities. Should the Police and Crime Commissioner be required to settle future liabilities, there is no long-term expectation that the Home Office will provide this funding. Similarly, the Chief Constable could not be expected to fund the liability as the Chief Constable (the current grant arrangements notwithstanding) has no assets, cash reserves, income receipts or other sources of funding. It is reasonable to expect that should the Police and Crime Commissioner Group be required to settle future liabilities (however unlikely this may be), then settlement would result in an outflow of resources from the Police and Crime Commissioner.

For accounting and regulatory purposes, the Police and Crime Commissioner and the Chief Constable are classed as Local Authorities and are covered by the CIPFA Code of Practice for Local Authority Accounting 2025/26.

The financial consequences of the activity under the control of the Chief Constable are shown in these accounts. As the Chief Constable does not hold reserves, the Comprehensive Income and Expenditure Statement shows the gross cost of policing which is offset by intra-group adjustments to reflect the payments and accruals made by the Police and Crime Commissioner at the request of the Chief Constable. The result of these adjustments is that the Chief Constable has a nil balance on the General Fund. The intra-group adjustments are mirrored in the Police and Crime Commissioner's Accounts. The intra-group transactions are summarised in the table below.

Note 4 The Chief Constable as an Accounting Entity Continued

All of the assets and liabilities and reserves of the Police and Crime Commissioner Group with the following exceptions are recognised on the Police and Crime Commissioner's Balance Sheet. The exceptions are:

- Employment liabilities for officers and staff under the direction of the Chief Constable are recognised on the Chief Constable's Balance Sheet. The liability in the Chief Constable's Balance Sheet for these items is offset by a long term debtor reflecting the Police and Crime Commissioner's responsibility to provide funds from the Police Fund each year to enable the Chief Constable to administer the police pensions
- Certain categories of long term and current assets are shown on the Chief Constable's Balance Sheet. These assets are offset in the Balance Sheet by a long term and short term creditor respectively
- Certain categories of current liabilities are shown on the Chief Constable's Balance Sheet. These liabilities are offset in the Balance Sheet by a short term debtor

Intra-Group Transactions	2024/25		2025/26	
	Chief Constable	Police and Crime Commissioner	Chief Constable	Police and Crime Commissioner
Comprehensive Income and Expenditure Statements	£'000	£'000	£'000	£'000
Cost of Services	(383,529)	383,529	(386,628)	386,628
Pensions Top Up Grant	52,185	(52,185)	58,979	(58,979)
Net Cost of Policing	(331,344)	331,344	(327,649)	327,649
Pensions Interest Cost - Intra-Group Transaction	(124,619)	124,619	(142,289)	142,289
Actuarial (Gains)/Losses on Pensions Funds - Intra-Group Transaction	122,518	(122,518)	53,076	(53,076)
Balance Sheet	Chief Constable	Police and Crime Commissioner	Chief Constable	Police and Crime Commissioner
	£'000	£'000	£'000	£'000
Long Term Assets/Liabilities				
Pensions Liabilities	(2,539,258)	0	(2,526,545)	0
Pensions Liabilities - Intra-Group Debtor	2,539,258	0	2,526,545	0
Pensions Liabilities - Intra-Group Creditor	0	(2,539,258)	0	(2,526,545)
ICT and Equipment Assets	1,936	0	2,882	0
ICT and Equipment - Intra-Group Creditor	(1,936)	0	(2,882)	0
ICT and Equipment - Intra-Group Debtor	0	1,936	0	2,882
Current Assets/Liabilities				
Current Liabilities	(43,955)	0	(56,126)	0
Current Liabilities - Intra-Group Debtors	43,955	0	56,126	0
Current Liabilities - Intra-Group Creditors	0	(43,955)	0	(56,126)
Current Assets	25,042	0	41,128	0
Current Assets - Intra-Group Creditors	(25,042)	0	(41,128)	0
Current Assets - Intra-Group Debtors	0	25,042	0	41,128
Unusable Reserves				
Intra-Group Transactions	0	(2,556,235)	0	(2,538,661)

When the Balance Sheets for the two corporate bodies are consolidated into the Group Balance Sheet these intra-group transactions are eliminated.

Note 5 Events after the Reporting Period

The unaudited statement of accounts was authorised for issue on 15 June 2026. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2026, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

Note 6 Assumptions Made about the Future and Other Major Sources of Estimation and Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Police and Crime Commissioner Group about the future or that are otherwise uncertain. Estimates are made by taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The item in the Chief Constable's Balance Sheet at 31 March 2026 for which there is a significant risk of material adjustment in the forthcoming financial year is as follows:

6.1 Pensions Liability

Uncertainties

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries and pensions are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Pension fund assets (relevant in the case of the Local Government Pension Scheme) are measured at fair value which requires reference to the market conditions held at the measurement date. The market has been subject to volatility, however markets have continued trading and information was available to measure the fund assets at the measurement date. A firm of consulting actuaries is engaged to provide expert advice about the assumptions to be applied.

Valuation Assumption

The standard assumptions recommended by the actuaries have been considered and approved for use in the valuing of the pension liabilities. This year an accounting surplus has been calculated and therefore additional assumptions have been recommended in order to establish the net defined benefit value. These additional assumptions have also been approved. All assumptions are set out in the Defined Benefit Pension Schemes Note.

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

Settlement and curtailment events are assumed to be material and are remeasured using current assumptions and the fair value of plan assets at the time of the event.

Effect if Actual Results Differ from Assumptions

The effects on the net pension's liability of changes in individual assumptions are shown in the Defined Benefit Pension Schemes Note.

Notes to the Comprehensive Income and Expenditure Statement



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Notes to the Comprehensive Income and Expenditure Statement

- Note 7 Expenditure and Funding Analysis
- Note 8 Expenditure and Income Analysed by Nature
- Note 9 External Audit Costs
- Note 10 Officers' Remuneration
- Note 11 Related Party Transactions, Partnerships and Collaborations

Note 7 Expenditure and Funding Analysis

The expenditure and funding analysis shows how annual expenditure is used by the Chief Constable. All costs are paid for by the Police and Crime Commissioner which is funded from government grants, council tax and other income. The Police and Crime Commissioner meets the Chief Constable's expenditure in full by an intra-group transaction. There is no net expenditure chargeable to the General Fund.

2025/26									
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Outturn	Reserve Adjustments	Net Expenditure Chargeable to the General Fund	Intra-Group Adjustments	Net Expenditure in the CIES	Intra-Group Adjustments			
						Adjustments for Capital Purposes	Net Change for Pensions Adjustments	Other Differences	Total Adjustments
						(Note 7.1)	(Note 7.2)	(Note 7.3)	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Constable	424,154	321	424,475	(37,847)	386,628	3,789	(42,946)	1,310	(37,847)
Cost of Services	424,154	321	424,475	(37,847)	386,628	3,789	(42,946)	1,310	(37,847)
Pension Top Up Grant	0	0	0	(58,979)	(58,979)	0	(58,979)	0	(58,979)
Intra-Group Transaction	(424,154)	(321)	(424,475)	96,826	(327,649)	(3,789)	101,925	(1,310)	96,826
Cost of Services Net of Pensions Top Up Grant	0	0	0	0	0	0	0	0	0
Pensions Interest	0	0	0	142,289	142,289	0	142,289	0	142,289
Pensions Interest - Intra-Group Transaction	0	0	0	(142,289)	(142,289)	0	(142,289)	0	(142,289)
Actuarial (Gains)/Losses on Pension Funds - Intra-Group Transaction	0	0	0	53,076	53,076	0	53,076	0	53,076
(Surplus)/Deficit on the Provision of Services	0	0	0	53,076	53,076	0	53,076	0	53,076

Note 7 Expenditure and Funding Analysis Continued

2024/25									
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Outturn	Reserve Adjustments	Net Expenditure Chargeable to the General Fund	Intra-Group Adjustments	Net Expenditure in the CIES	Intra-Group Adjustments			
						Adjustments for Capital Purposes	Net Change for Pensions Adjustments	Other Differences	Total
						(Note 7.1)	(Note 7.2)	(Note 7.3)	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Constable	399,206	5,536	404,742	(21,213)	383,529	2,053	(25,045)	1,779	(21,213)
Cost of Services	399,206	5,536	404,742	(21,213)	383,529	2,053	(25,045)	1,779	(21,213)
Pension Top Up Grant	0	0	0	(52,185)	(52,185)	0	(52,185)	0	(52,185)
Intra-Group Transaction	(399,206)	(5,536)	(404,742)	73,398	(331,344)	(2,053)	77,230	(1,779)	73,398
Cost of Services Net of Pensions Top Up Grant	0	0	0	0	0	0	0	0	0
Pensions Interest	0	0	0	124,619	124,619	0	124,619	0	124,619
Pensions Interest - Intra-Group Transaction	0	0	0	(124,619)	(124,619)	0	(124,619)	0	(124,619)
Actuarial (Gains)/Losses on Pension Funds - Intra-Group Transaction	0	0	0	122,518	122,518	0	122,518	0	122,518
(Surplus)/Deficit on the Provision of Services	0	0	0	122,518	122,518	0	122,518	0	122,518

Note 7 Expenditure and Funding Analysis Continued

7.1 Adjustment for Capital Purposes

This column deducts the depreciation, minimum revenue provision, finance lease and revenue contributions from the cost of the Chief Constable's services and are then offset via an intra-group adjustment.

7.2 Net Change for Pensions' Adjustments

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

- **For services** – this represents the removal of the employer pension contributions made by the Group on behalf of the Chief Constable as allowed by statute and the replacement with current service costs and past service costs
- **For financing and investment income and expenditure** – the net interest on the defined benefit liability is charged to the Comprehensive Income and Expenditure Statement

These contributions and charges are shown in the Chief Constable accounts and then offset via an intra-group adjustment.

7.3 Other Differences

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and the amounts payable/receivable such as accumulated absences are recognised in the Chief Constable accounts and then offset via an intra-group adjustment.

7.4 Chief Constable Outturn

The Chief Constable reported outturn is the sum of the amount disclosed against the Chief Constable line plus interest payable and interest and investment income. In the Statement of Accounts, the interest payable and interest and investment income is under the control of the Police and Crime Commissioner and shown under the category financing and investment income and expenditure.

Note 8 Expenditure and Income Analysed by Nature

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

2024/25	Expenditure/Income	2025/26
£'000		£'000
355,118	Expenditure	
83,073	Employee benefit expenses	356,557
13,637	Other service expenses	94,676
	Depreciation and impairment	16,278
451,828	Total Expenditure	467,511
	Income	
(24,745)	Fees, charges and other service income	(28,582)
(43,554)	Government grants and contributions	(52,301)
(52,185)	Pension top up grant	(58,979)
(120,484)	Total Income	(139,862)
331,344	Cost of Services including the Pension Top Up Grant and excluding the Intra-Group Transaction	327,649

All government funding and income is received by the Police and Crime Commissioner. When resources are consumed at the request of the Chief Constable all payments are made by the Police and Crime Commissioner from the Police Fund and no cash movements occur between the two bodies.

Note 9 External Audit Costs

The Chief Constable has incurred the following costs in relation to the audit of the Statement of Accounts:

2024/25 £'000		2025/26 £'000
63	Standard fees payable to external auditors with regard to external audit services carried out by the appointed auditor for the year	64
63	As per the audit plan	64

Note 10 Officers' Remuneration

10.1 Remuneration

This note shows the officer remuneration costs for officers and staff employed by the Chief Constable above the rank of Chief Superintendent and the staff equivalent.

2025/26	Note	Salary, Fees and Allowances £	Bonuses, Subsistence and Expenses Allowances £	Benefits in Kind £	Total Remuneration excl. Pension Contributions £	Employers Pension Contributions £	Total Remuneration incl. Pension Contributions £
Chief Constable							
Salary £150,000 plus per year							
Chief Constable - William Kerr to 25/07/25		349,270	0	0	349,270	0	349,270
Interim Chief Constable - James Vaughan		204,581	0	0	204,581	0	204,581
Deputy Chief Constable - James Colwell		179,549	0	0	179,549	59,590	239,139
Temporary Deputy Chief Constable to 31/08/25 and Assistant Chief Constable - David Thorne		161,499	0	0	161,499	53,218	214,717
Salary £50,000 to £149,999 per year							
Assistant Chief Constable		142,492	0	10,740	153,232	49,012	202,244
Assistant Chief Constable until 16/11/25		98,213	0	0	98,213	30,084	128,297
Assistant Chief Constable		149,584	0	0	149,584	49,012	198,596
Assistant Chief Constable until 30/06/25		32,807	0	0	32,807	9,806	42,613
Assistant Chief Officer - People		142,643	4,467	0	147,110	24,930	172,040
Director of Legal Services	1	142,643	4,467	0	147,110	24,930	172,040
Chief Financial Officer (Director of Finance and Resources)		142,643	4,467	0	147,110	24,930	172,040
Assistant Chief Officer - Gross Misconduct Chair from 09/02/26		7,293	0	0	7,293	1,378	8,671
Assistant Chief Constable – Seconded to British Transport Police	2	128,839	0	0	128,839	43,244	172,083

Note 10 Officers' Remuneration Continued

2024/25	Note	Salary, Fees and Allowances £	Bonuses, Subsistence and Expenses Allowances £	Benefits in Kind £	Total Remuneration excl Pension Contributions £	Employers Pension Contributions £	Total Remuneration incl Pension Contributions £
Chief Constable							
Salary £150,000 plus per year							
Chief Constable - William Kerr		211,766	0	0	211,766	0	211,766
Interim Chief Constable - James Vaughan from 13/12/24		59,263	8,901	0	68,164	0	68,164
Acting Chief Constable to 21/01/25 and Deputy Chief Constable from 22/01/25 - James Colwell		196,621	94	0	196,715	56,138	252,853
Temporary Deputy Chief Constable - David Thorne		169,770	0	0	169,770	56,138	225,908
Salary £50,000 to £149,999 per year							
Assistant Chief Constable		136,838	0	10,740	147,578	47,016	194,594
Assistant Chief Constable to 30/06/24		40,737	0	0	40,737	11,437	52,174
Assistant Chief Constable		143,931	0	0	143,931	47,016	190,947
Assistant Chief Constable		143,931	0	0	143,931	47,016	190,947
Assistant Chief Constable from 03/06/24		125,295	0	0	125,295	38,066	163,361
Assistant Chief Constable from 09/09/24 to 02/03/25		113,805	0	0	113,805	37,610	151,415
Assistant Chief Officer - People		137,272	4,467	0	141,739	23,915	165,654
Director of Legal Services	1	137,272	4,467	0	141,739	23,915	165,654
Chief Financial Officer (Director of Finance and Resources) to 20/05/24		18,352	612	0	18,964	3,190	22,154
Chief Financial Officer (Director of Finance and Resources) from 30/09/24		70,243	58,832	8,000	137,075	12,255	149,330
Assistant Chief Constable 15/07/24 to 03/11/24, Assistant Chief Constable - Seconded to British Transport Police from 04/11/24	2	115,943	0	0	115,943	38,066	154,009

Note 10 Officers' Remuneration Continued

10.1 Notes

2025/26

1. The Director of Legal Services provides a service to Devon and Cornwall Police and Dorset Police. The contract of employment is with Devon and Cornwall Police and for this reason the remuneration disclosure is made in the Statement of Accounts for Devon and Cornwall Police. Dorset Police meet a proportion of the costs of this post.
2. The costs of the officer seconded to the British Transport Police have been met by the British Transport Police.

2024/25

1. The Director of Legal Services provides a service to Devon and Cornwall Police and Dorset Police. The contract of employment is with Devon and Cornwall Police and for this reason the remuneration disclosure is made in the Statement of Accounts for Devon and Cornwall Police. Dorset Police meet a proportion of the costs of this post.
2. The costs of the officer seconded to the British Transport Police have been met by the British Transport Police.

10.2 Termination Costs

The total termination costs (exit costs) shown in the table below are the payments made to individuals plus payments to recompense the pension fund for the strain calculated on an actuarial basis in 2024/25 and 2025/26. They relate to staff employed by the Chief Constable. The costs charged in the Comprehensive Income and Expenditure Statement include adjustments for the sharing of cost with Dorset Police. The adjustments are set out in the table below:

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band		
	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25 £'000	2025/26 £'000	
£0 – £20,000	2	0	9	9	11	9	56	48	
£20,001 - £40,000	1	0	1	1	2	1	57	28	
£60,001 - £80,000	2	0	1	0	3	0	205	0	
£120,001- £160,000	1	0	0	1	1	1	120	143	
Total included in bandings and in CIES	6	0	11	11	17	11	438	219	
Adjustments to reflect costs charged in Comprehensive Income and Expenditure Statement									
Redundancy cost recharged to Dorset Police as part of Strategic Alliance agreement							(72)	117	
Redundancy cost recharged from Dorset Police as part of Strategic Alliance agreement							47	(3)	
Exit Costs charged to the Comprehensive Income and Expenditure Statement							413	333	

Note 10 Officers' Remuneration Continued

10.3 Remuneration Bands

The figures presented below do not include the remuneration of the senior employees and relevant police officers as they have been disclosed separately but do include other police staff and police officers' remuneration.

2024/25		2025/26
Number of employees	Remuneration Band	Number of employees
721	£50,000 - £54,999	732
445	£55,000 - £59,999	603
325	£60,000 - £64,999	303
191	£65,000 - £69,999	255
59	£70,000 - £74,999	123
30	£75,000 - £79,999	45
17	£80,000 - £84,999	20
15	£85,000 - £89,999	16
8	£90,000 - £94,999	9
7	£95,000 - £99,999	12
3	£100,000 - £104,999	9
5	£105,000 - £109,999	0
4	£110,000 - £114,999	0
0	£115,000 - £119,999	8
1,830	Total	2,135

10.3.1 Notes

- The above table does not include staff and officers paid below £50,000 who make up approximately 69% of the workforce
- Pay scales for police officers are set nationally
- There has been an increase in the number of employees receiving above £50,000. This is mainly due to being in receipt of a pay award.

Note 11 Related Party Transactions, Partnerships and Collaborations

11.1 Related Party Transactions

The Chief Constable is required to disclose material transactions with related parties, including the Police and Crime Commissioner, central government, other local authorities, members, senior officers and their close families. At present all transactions are managed through the Police and Crime Commissioner's Fund Account and are reported in the Group accounts. For this reason, the Chief Constable does not have any transactions with external bodies. Details of the related parties in terms of transactions undertaken at the request of the Chief Constable are as follows:

11.1.1 Officers

The Chief Executive of the Office of the Police and Crime Commissioner has written to all senior officers explaining the need for disclosure.

The Assistant Chief Officer (People) is a non-executive director on the College of Policing Board. The Board position is reserved for a member of police staff and no remuneration is received.

The Assistant Chief Constable for Local Policing and Partnerships is the Chair for the Board of Trustees of Surf Live Saving GB. This organisation is a national surf lifesaving charity which Devon and Cornwall Police have a contract with. The contract is for the development and delivery of a water safety training package. The Assistant Chief Constable was not involved in the negotiations of the contract.

Note 11 Related Party Transactions, Partnerships and Collaborations Continued

11.2 Partnerships

11.2.1 Partnerships

The Peninsular Road Safety Partnership was replaced with the Vision Zero South West Road Safety Partnership with effect from 9 August 2021. The partnership is a collaborative arrangement between a number of local organisations (including Highways England, Councils and Fire and Rescue organisations from across the Force area), and governance is provided by a Partnership Governance Board.

2024/25		Partnerships	2025/26	
Expenditure £'000	Income £'000		Expenditure £'000	Income £'000
7,065	(7,065)	Vision Zero South West Road Safety Partnership	8,044	(8,044)

The table above shows expenditure that has passed through the Chief Constables accounts. There are no significant jointly controlled assets or liabilities as at 31 March 2026.

11.3 Collaborations

The Police and Crime Commissioner's Group have signed up to a number of joint operations. This involves joint working with specified Police Forces as part of a collaborative agreement. The activities undertaken involve the use of the assets and resources of the joint operators. The table below shows the regional activities.

2024/25		Notes	Joint Operation	2025/26
Expenditure £'000				Expenditure £'000
10,116	11.3.1	South West Regional Forensics Services	11,325	
621	11.3.2	South West Police Procurement Services	650	
6,069	11.3.3	South West Regional Organised Crime Unit (ROCU)	6,634	
688	11.3.4	South West Regional Programme	855	
17,494			19,464	

11.3.1 South West Regional Forensics Services

South West Regional Forensics Services is a partnership with Avon and Somerset Police, Wiltshire Police and Dorset Police. There are bases in all four Forces, with each Force employing a number of staff. The cost totalled £31.286m which was spent on operational costs and was split on a percentage basis, with Devon and Cornwall contributing 36.20%, Avon and Somerset contributing 34.82%, Wiltshire contributing 13.68% and Dorset contributing 15.30%. The Force cost for the year was £11.325m.

11.3.2 South West Police Procurement Services

South West Police Procurement Services is a partnership with Wiltshire Police, Gloucestershire Police, Dorset Police and Avon and Somerset Police. Staff are employed by Devon and Cornwall Police and based across the region. The Force cost for the year was £650k. Most of the £2.037m total cost is split on a percentage basis with Devon and Cornwall contributing 31.93%, Wiltshire Police contributing 12.07%, Gloucestershire Police contributing 11.78%, Dorset contributing 13.50% and Avon and Somerset contributing 30.72%.

11.3.3 South West Regional Organised Crime Unit (ROCU)

South West ROCU is a partnership with Dorset Police, Wiltshire Police, Gloucestershire Police and Avon and Somerset Police as the lead Force. Staff are employed by each partnering Police Force based within one of two hubs (North and South). The Force cost for the year was £6.634m. The total cost of £20.777m is split on a percentage basis with Devon and Cornwall Police contributing 31.93%, Dorset contributing 13.50%, Wiltshire contributing 12.07%, Gloucestershire contributing 11.78% and Avon and Somerset contributing 30.72%.

Note 11 Related Party Transactions, Partnerships and Collaborations Continued

11.3.4 South West Regional Programme

The South West Regional Programme is a partnership with Dorset Police, Devon and Cornwall Police, Gloucestershire Police, Wiltshire Police with Avon and Somerset Police as the lead Force. The Programme consists of a range of teams that manage the implementation of collaboration business change projects. Costs are shared with the Forces that are involved in each project. The cost totalled £2.328m of which £1.192.8m was split on the following percentage basis, with Devon and Cornwall contributing 31.93%, Avon and Somerset contributing 30.72%, Wiltshire contributing 12.07%, Dorset contributing 13.50% and Gloucestershire contributing 11.78%. The remaining costs related to the Quality Standards team and SWPC Regional Project Team totalling £810.7k and £324.8k with Devon and Cornwall contributing 35.54% and 33.82% respectively. The programme also includes South West Disaster Victim Identification and Casualty Bureau Co-ordination and the Body worn Video project. The Disaster Victim Identification and Casualty Bureau, with Devon and Cornwall as lead Force, totalled £162.4k for the region and Devon and Cornwall incurred £51.9k at 31.93%. The Body Worn Video project cost the region £75.9k, of which Devon and Cornwall incurred £24.2k, both at 31.93%. The total Force cost for the year was £855k.

Notes to the Balance Sheet



Devon & Cornwall
POLICE

Notes to the Balance Sheet

- Note 12 ICT and Equipment
- Note 13 Provisions
- Note 14 Accumulated Absences
- Note 15 Capital Expenditure and Financing
- Note 16 Debtors
- Note 17 Creditors
- Note 18 Defined Benefit Pension Schemes
- Note 19 Contingent Liabilities

Note 12 ICT and Equipment

This table sets out the ICT and Equipment held by the Chief Constable.

31 March 2025			Movements	31 March 2026		
Operational Assets ICT and Equipment	Assets Under Construction ICT and Equipment	Total		Operational Assets ICT and Equipment	Assets Under Construction ICT and Equipment	Total
£'000	£'000	£'000	Cost	£'000	£'000	£'000
8,029	11	8,040	Balance at 1 April	3,700	0	3,700
623	59	682	Additions	1,763	0	1,763
(5,022)	0	(5,022)	Disposals	(399)	0	(399)
70	(70)	0	Reclassification	0	0	0
3,700	0	3,700	Balance at 31 March	5,064	0	5,064
Accumulated Depreciation						
(6,206)	0	(6,206)	Balance at 1 April	(1,764)	0	(1,764)
(580)	0	(580)	Depreciation Charge	(810)	0	(810)
5,022	0	5,022	Disposals	392	0	392
(1,764)	0	(1,764)	Balance at 31 March	(2,182)	0	(2,182)
Net Book Value						
1,823	11	1,834	Balance at 31 March 2024	0	0	0
1,936	0	1,936	Balance at 31 March 2025	1,936	0	1,936
0	0	0	Balance at 31 March 2026	2,882	0	2,882

12.1 Recognition

Expenditure on an individual item or a project or programme of work is capitalised when the following de-minimis level is met:-

- ICT £20k
- Equipment £20k

12.2 Depreciation

A review of asset lives has taken place in 2025/26 and the useful life for some assets has been amended. The following useful lives and approaches to depreciation have been used to calculate depreciation charges:

12.2.1 Information and Communications Technology (ICT)

Classes of ICT assets are given specific asset lives. These are within the range 1-9 years. ICT assets are depreciated monthly over the forecast useful life of the asset.

12.2.2 Equipment

Equipment assets are given specific asset lives that are within the range 1-9 years. These assets are depreciated monthly over the forecast useful life of the asset.

Note 12 ICT and Equipment Continued

12.3 Asset Transfers

There were no assets transferred from the Police and Crime Commissioner to the Chief Constable in 2025/26.

12.4 Componentisation

Component assets are recognised separately from the main asset that they are associated with when the value of the component is more than 20% and greater than £2.5m of the main asset value. No assets have met the criteria in 2025/26.

12.5 Derecognition

An annual review of assets classed as ICT and Equipment on the asset register has been undertaken which has resulted in derecognition of a number of assets that have reached the end of their useful lives or which have been disposed.

12.6 Impairment

No assets were identified as being impaired in 2025/26.

Note 13 Capital Expenditure and Financing

Within the four-year financial planning model, the Police and Crime Commissioner approves an annual capital programme to provide and maintain buildings, ICT and other equipment for the Force. Part of the capital programme relates to non-current assets under the ownership and control of the Chief Constable. The table below shows what was spent on assets held by the Chief Constable with the finance being provided by the Police and Crime Commissioner.

2024/25 £'000		2025/26 £'000
0	Opening Capital Financing Requirement	0
	Capital Investment:	
682	Equipment and ICT	1,763
682		1,763
	Less Sources of Finance:	
(682)	Delegation from the Police and Crime Commissioner - Intra Group Transaction	(1,763)
(682)		(1,763)
0	Increase/(Decrease) in Capital Financing Requirement	0
0	Closing Capital Financing Requirement	0

Note 14 Debtors

31 March 2025		31 March 2026
£'000		£'000
14,912	Central Government Bodies	25,932
2,677	Other Local Authorities	4,245
6	National Health Service	37
7,447	Other Entities and Individuals	10,914
25,042	Total Debtors	41,128

Note 15 Creditors

31 March 2025		31 March 2026
£'000		£'000
(7,178)	Central Government Bodies	(8,166)
(5,642)	Other Local Authorities	(7,507)
(332)	National Health Service	(1,740)
(15,463)	Other Entities and Individuals	(22,810)
(28,615)	Total Creditors	(40,223)

Note 16 Accumulated Absences

The Chief Constable provides benefits to employees in the form of annual leave. In addition, staff who work hours in excess of their contract hours may be awarded time off in lieu. These are accumulating absences that may be carried forward for use in future periods. The obligation to make future payments is recognised in the Comprehensive Income and Expenditure Statement and is a liability on the Chief Constable's Balance Sheet as follows:

2024/25		2025/26
£'000		£'000
(12,908)	Balance at 1 April	(14,754)
12,908	Settlement or cancellation of accrual made at the end of the preceding year	14,754
(14,754)	Amounts accrued at the end of the current year	(15,300)
(1,846)	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(546)
(14,754)	Balance at 31 March	(15,300)

Note 17 Provisions

2025/26	Remuneration Total £'000
Current Liabilities	
Balance at 1 April 2025	(586)
Additional provisions made	(12)
Amounts used / reversed / change in reserve	(5)
Balance at 31 March 2026	(603)
<hr/>	
2024/25	Total £'000
Current Liabilities	
Balance at 1 April 2024	(1,390)
Additional provisions made	(56)
Amounts used / reversed / change in reserve	860
Balance at 31 March 2025	(586)

17.1 Remuneration Provision

17.1.1 Contractual pay claims

The current level of the provision is estimated to be sufficient to meet known claims. These payments are expected to be made in 2026/27.

17.1.2 Employment termination

Judgements are applied in determining the level of the employment tribunal provision.

Note 18 Defined Benefit Pension Schemes

As part of the terms and conditions of employment of its officers and staff, the Chief Constable makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Chief Constable has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement. During 2021/22, the Chief Constable operated four pension schemes, three for police officers and one for police staff. From 1 April 2022, members of the police officer pension scheme will accrue benefits in the career average revalued earning (CARE) scheme. Therefore, from this date, the Chief Constable operated two pension schemes, one for police officers and one for police staff. All are defined benefits schemes, providing members with benefits based on their pensionable pay and length of service. The disclosures on pensions use specialist terminology. Definitions are provided in the glossary.

Following successful claims by individuals against the transitional arrangements for many public sector schemes, the Public Service Pensions and Judicial Offices Act was passed in March 2022. This puts in place legislative changes to provide a remedy for members that were in active service on or prior to 31 March 2012 and on or after 1 April 2015. The valuation provided reflects this legislation.

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

Note 18 Defined Benefit Pension Schemes Continued

A similar adjustment arising from the McCloud/Sargeant judgement has been made for the Local Government Pension Scheme.

The Chief Constable recognises the cost of retirement benefits for police officers and police staff. These costs are reflected in the intra-group transactions between the Chief Constable and the Police and Crime Commissioner. The impact of these transfers is that the pension liabilities on the Chief Constable's Balance Sheet are matched by intra-group debtors which reflect the Police and Crime Commissioner's long-term responsibility to provide funds to enable the Chief Constable to administer the police pensions.

18.1 Police Officer Schemes

18.1.1 Participation in Pension Schemes

From 1 April 2015 both the 1987 and 2006 Police Officers' pension schemes were replaced by a new scheme with a future accrual based on the career average retained earnings (CARE) model for new entrants. Both final salary police schemes closed from April 2015, however, there is protection for those who were members of the scheme prior to April 2012, who will be entitled to the benefits which would have accrued in their legacy scheme up to April 2022, at the point of their retirement. The new scheme is open to all newly recruited officers.

The police officer pension schemes are unfunded defined benefit final salary schemes administered by the Chief Constable for Devon and Cornwall, meaning that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. Pensions are financed from the Chief Constable's and employee's (police officers) contributions. Any deficit is met by the Home Office in the form of a top up grant. The Chief Constable's and the employee contributions are paid into a separate Police Officers' Pension Fund Account.

Police Pension Fund Regulations require Police and Crime Commissioners to transfer a sum not exceeding the amount that the Police Pensions Fund is in deficit at 31 March from the Police and Crime Commissioner's General Fund into the Police 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 Police and Crime Commissioner, who then must repay the amount to central government. The Chief Constable makes payments under the Police Injury Benefits Regulations. These payments are accounted for in the same way as payments under the main police officer pension scheme. The independent actuary has estimated the costs and they are included within Police Officers scheme disclosure.

18.1.2 Reconciliation of present Value of the Scheme of Liabilities (Defined Benefit Obligation)

31 March 2025 £'000		31 March 2026 £'000
(2,605,173)	Opening balance at 1 April	(2,530,576)
(33,903)	Current service cost	(22,021)
(125,026)	Interest cost	(143,407)
(20,898)	Contributions from scheme participants	(21,263)
	Remeasurement gains and (losses):	
(21,049)	• Actuarial gains/(losses) arising from changes in demographic assumptions	(47,295)
352,352	• Actuarial gains/(losses) arising from changes in financial assumptions	107,661
(206,277)	• Experience gains/(losses) on defined benefit obligation	(7,234)
127,399	Benefits paid	136,982
1,999	Injury pension payments	2,052
(2,530,576)	Closing balance at 31 March	(2,525,101)

Note 18 Defined Benefit Pension Schemes Continued

18.1.3 Transactions relating to Retirement Benefits

The Chief Constable recognises the cost of retirement benefits for police officers in the reported cost of services when they are earned by police officers, rather than when the benefits are eventually paid as pensions. These costs are reflected in the intra-group transactions between the Chief Constable and the Police and Crime Commissioner. The impact of these transfers is that the pension liabilities on the Chief Constable's Balance Sheet are matched by intra-group debtors which reflect the Police and Crime Commissioner's long-term responsibility to provide funds to enable the Chief Constable to administer the police pensions.

2024/25 £'000	Comprehensive Income and Expenditure Statement	2025/26 £'000
	Cost of Services	
33,903	Current service cost	22,021
	Financing and Investment Income and Expenditure	
125,026	Net interest expense	143,407
158,929	Total Post-Employment Benefits charged to the Surplus or Deficit on the Provision of Services	165,428
	Other Post-Employment Benefits charged to the Comprehensive Income and Expenditure Statement	
	Remeasurement of the net defined benefit liability comprising:	
21,049	• Actuarial (gains)/losses arising on changes in demographic assumptions	47,295
(352,352)	• Actuarial (gains)/losses arising on changes in financial assumptions	(107,661)
206,277	• Experience (gains)/losses on defined benefit obligation	7,234
33,903	Total Post-Employment Benefits charged to the Comprehensive Income and Expenditure Statement	112,296
	Intra-Group Adjustment	
(158,929)	Reversal of net charges made to the Surplus or Deficit on the Provision of Services for post-employment benefits in accordance with the code	(165,428)
	Actual amounts charged against the General Fund Balance for pensions in the year:	
56,315	Employers' contributions payable to scheme	58,792
52,185	Home Office Top Up Grant	58,979

18.1.4 Impact on the Cashflows held by the Police and Crime Commissioner

The liabilities show the underlying commitments that arise from the fact that the Chief Constable has to pay retirement benefits over a long-term period. The total liability of £2.525bn has a substantial impact on the net worth as recorded in the Balance Sheet. However, statutory arrangements for funding the deficit mean that the financial position remains healthy, as:

- scheme deficits are met by the Home Office
- finance is only required to be raised to cover police pensions when the pensions are actually paid, not when they are earned

The total employer contributions expected to be made to the Police Pension Fund Account in the year to 31 March 2027 is £63.082m.

Note 18 Defined Benefit Pension Schemes Continued

18.1.5 Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates and salary levels.

The Police Officer Pension Scheme liabilities have been estimated for accounting purposes by Barnett Waddingham LLP, an independent firm of actuaries, estimates being based on the latest full valuation of the scheme as at 31 March 2024.

Employer contributions are set every four years as a result of the combined actuarial valuation of the Scheme required by the Home Office on behalf of the Home Secretary. The last combined actuarial valuation was completed at 31 March 2020 and set contributions for the period from 1 April 2024 to 31 March 2027. The next combined actuarial valuation will be carried out as at 31 March 2024.

The significant assumptions used by the actuary have been:

2024/25	Mortality Assumptions:	2025/26
	Longevity at 65 for current pensioners:	
21.2	Men	21.9
23.4	Women	23.8
	Longevity at 65 for future pensioners:	
22.5	Men	23.4
24.8	Women	25.4
	Financial Assumptions:	
3.20%	Rate of RPI inflation	3.30%
3.90%	Rate of increase in salaries	3.90%
2.90%	Rate of increase in pensions	2.90%
5.80%	Rate for discounting scheme liabilities	6.10%

The estimated weighted average duration of the Police Officer schemes is 14 years, and it is this duration that has been used to derive the assumptions. The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below has been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in 2024/25.

Impact on the Defined Benefit Obligation in the Scheme	Increase in Assumption £'000	Decrease in Assumption £'000
Mortality age rating assumption (increase or decrease in 1 year)	79,423	(76,877)
Rate of increase in salaries (increase or decrease by 0.1%)	3,039	(3,026)
Rate of increase in pensions (increase or decrease by 0.1%)	32,683	(31,928)
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	(33,879)	34,666

18.1.6 Amendments to member contribution structures

Following consultation, the Government has recently announced changes to the member contribution structures for both the Police Pension and Firefighters' Pension Schemes, which take effect from 1 April 2026. The changes are anticipated to lead to a slight increase in the average rate of member contributions paid into these Schemes.

Note 18 Defined Benefit Pension Schemes Continued

One consequence of these amendments is that the theoretical future cost of member benefits attributable to authorities is expected to slightly decrease, all else being equal. The impact of this has been reflected within the projected service cost for the period after 1 April 2026.

18.2 Police Staff Scheme

18.2.1 Participation in Pension Schemes

Police Staff are part of the Local Government Pension Scheme administered by Devon County Council. This is a funded defined benefit career average retained earnings scheme, meaning that the Chief Constable and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities over time with investment assets. In addition to the above scheme there are arrangements for the award of discretionary post-employment benefits upon early retirement – this is an unfunded defined benefit arrangement under which liabilities are recognised when awards are made. As these benefits are unfunded, cash has to be generated to meet actual pension payments as they fall due.

18.2.2 Transactions Relating to Retirement Benefits

The Chief Constable recognises the cost of retirement benefits for police staff in the reported cost of services when they are earned by police staff, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of post-employment /retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement in the Police and Crime Commissioner's accounts. The following transactions have been made for the police staff scheme in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year.

2024/25 £'000	Comprehensive Income and Expenditure Statement	2025/26 £'000
	Cost of Services	
	Service cost comprising:	
12,808	• Current service cost	9,703
79	• Past service cost	126
0	• (Gain)/loss from settlements	0
279	• Administration expenses	329
	Financing and Investment Income and Expenditure	
(407)	Net interest expense	(1,118)
12,759	Total Post Employment Benefits charged to the Surplus or Deficit on the Provision of Services	9,040
	Other Post Employment Benefits Charged to Comprehensive Income and Expenditure Statement	
	Remeasurement of the net defined benefit liability comprising:	
6,233	• Return on plan assets (excluding the amount included in the net interest expense)	(17,845)
(1,048)	• Actuarial (gains)/losses arising on changes in demographic assumptions	9,961
(59,184)	• Actuarial (gains)/losses arising on changes in financial assumptions	(24,255)
3	Apportionment adjustment	476
0	Other actuarial (gains)/losses	1,523
(773)	Experience (gains)/losses on defined benefit obligation	38,185
57,277	Changes in effect of asset ceiling	(7,990)
15,267	Total Post Employment Benefit charged to the Comprehensive Income and Expenditure Statement	9,095

Note 18 Defined Benefit Pension Schemes Continued

2024/25 £'000		2025/26 £'000
	Intra-Group Adjustment	
(12,759)	Reversal of net charges made to the Surplus or Deficit on the Provision of Services for post-employment benefits in accordance with the code	(9,040)
	Funded Liabilities	
	Actual amount charged against the General Fund Balance for pensions in the year:	
£'000		£'000
15,646	Employers' contributions payable to scheme	16,180
	Unfunded Liabilities	
	Actual amount charged against the General Fund Balance for pensions in the year:	
£'000		£'000
153	Retirement benefits payable to pensioners	153

18.2.3 Pension Assets and Liabilities recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Chief Constable's obligation in respect of its defined benefit plans is as follows:

31 March 2025 £'000		31 March 2026 £'000
(385,181)	Present value of the defined benefit obligation	(427,332)
(85,792)	Changes in effect of asset ceiling	(82,751)
462,291	Fair value of plan assets	508,639
(8,682)	Net liability arising from defined benefit obligation	(1,444)

Note 18 Defined Benefit Pension Schemes Continued

18.2.4 Reconciliation of Present Value of the Scheme of Liabilities (Defined Benefit Obligation)

31 March 2025		31 March 2026
£'000		£'000
(416,696)	Opening balance at 1 April	(385,181)
(12,808)	Current service cost	(9,703)
(20,579)	Interest cost	(20,784)
(5,325)	Contributions from scheme participants	(5,582)
	Remeasurement gains/(losses):	
1,048	• Actuarial gains/(losses) arising from changes in demographic assumptions	(9,961)
59,184	• Actuarial gains/(losses) arising from changes in financial assumptions	24,255
773	• Experience gains/(losses) on defined benefit obligation	(38,185)
61	Apportionment adjustment	2,373
(79)	Past service cost including gains/(losses) on curtailments	(126)
9,240	Benefits paid	15,562
(385,181)	Closing balance at 31 March	(427,332)

18.2.5 Reconciliation of the Movements in the Fair Value of Scheme (Plan) Assets

The Chief Constable's contribution to the Local Government Pension Scheme for the accounting period to 31 March 2027 is estimated to be £14.571m. This estimation excludes the capitalised cost of any early retirements or augmentations which may occur after 31 March 2026. These projections are based on the assumptions as at 31 March 2026.

31 March 2025		31 March 2026
£'000		£'000
434,618	Opening fair value of scheme assets	462,291
22,364	Interest income	26,851
	Remeasurement gains/(losses):	
(6,233)	• The return on plan assets, excluding the amount included in the net interest expense	17,845
(63)	Apportionment adjustment	(2,849)
(279)	Administration expenses	(329)
15,799	Contributions from employer	16,333
5,325	Contributions from employees into the scheme	5,582
(9,240)	Benefits paid	(15,562)
0	Other actuarial gains/(losses)	(1,523)
462,291	Closing fair value of scheme assets	508,639

Note 18 Defined Benefit Pension Schemes Continued

18.2.6 Local Government Pension Scheme assets comprised:

31 March 2025		31 March 2026
£'000	Fair Value of Scheme assets	£'000
	Cash and cash equivalents	
10,265	UK Equities	14,752
233,453	Overseas Equities	248,530
109,395	Other Bonds	115,579
38,435	Property	37,447
47,909	Infrastructure	51,750
10,879	Target Return Portfolio	0
11,938	Cash	12,350
17	Alternative Assets	(93)
0	Gilts	28,324
462,291	Total	508,639

18.2.7 Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates and salary levels.

The liabilities have been estimated by Barnett Waddingham LLP, an independent firm of actuaries, estimates being based on the latest full triennial valuation of the scheme as at 31 March 2025.

The significant assumptions used by the actuary have been:

2024/25		2025/26
	Long-term expected rate of return on assets in the scheme:	
5.85%	Equity investments	6.15%
5.85%	Bonds	6.15%
5.85%	Other	6.15%
	Mortality assumptions:	
	Longevity at 65 for current pensioners:	
21.4	Men	21.5
22.7	Women	24.2
	Longevity at 65 for future pensioners:	
22.7	Men	23.1
24.1	Women	25.9
	Financial Assumptions:	
3.20%	Rate of RPI inflation	3.25%
3.95%	Rate of increase in salaries	3.85%
2.95%	Rate of increase in pensions	2.85%
5.85%	Rate for discounting scheme liabilities	6.15%

The past service liability duration has been estimated at 17 years. This duration has been calculated based on the membership data provided for the most recent full valuation of the liabilities at 31 March 2025. The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below has been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in 2024/25.

Note 18 Defined Benefit Pension Schemes Continued

Due to changes in interest rates in recent years, there have been improvements in funding levels on the accounting basis which has resulted in some LGPS employers with an accounting surplus at the balance sheet date. This is the case for the Chief Constable. When a surplus is calculated, the standard requires the net defined benefit asset to be measured at the lower of the surplus in the defined benefit plan, and the asset ceiling. We have instructed Barnett Waddingham LLP, an independent firm of actuaries to carry out this calculation. They have established that the impact of the asset ceiling is £82.751m. The calculation assumes that:

- The Employer does not have the right to a refund of surplus at the level required by the accounting standard. Any surplus recognised is based on the economic benefit from a reduction in contributions.
- The Employer is a scheduled body and assumed to participate indefinitely.
- The requirement for the employer to make contributions to the Fund is considered to be a minimum funding requirement. For the period beyond the existing rates and adjustments certificate, their best estimate is that the existing rates remain in force. This is based on the fund actuary's methodology which is designed to provide a stable contribution rate, in the absence of any other readily available figure.

The analysis shows that:

2024/25 £'000	Net Pension Asset in the Statement of Financial Position	2025/26 £'000
385,181	Present value of the defined benefit obligation	427,332
(1,274)	Present value of unfunded obligation	(1,404)
383,907	Present value of funded obligation	425,928
(462,291)	Fair value of fund assets	(508,639)
(78,384)	Deficit/(Surplus)	(82,711)
85,792	Impact of asset ceiling	82,751
1,274	Present value of unfunded obligation	1,404
8,682	Net defined benefit liability/(asset)	1,444

The potential economic benefit from the reduction in future contributions has been calculated to be nil. Since this is less than the unadjusted net asset of £82.751m, the initial impact of the asset ceiling is £82.751m. The Chief Constable is not making any contribution towards a funding deficit therefore there is no onerous commitment. In addition, there is an unfunded liability of £1.404m resulting in a final deficit to be recognised of £1.404m.

A reconciliation of the impact of the asset ceiling is shown below:

	£'000
Opening impact of asset ceiling	85,792
Interest on impact of asset ceiling	4,949
Actuarial losses / (gains)	(7,990)
Closing impact of asset ceiling	82,751

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

Note 18 Defined Benefit Pension Schemes Continued

18.2.8 Impact on the Defined Benefit Obligation in the Scheme

	Increase in Assumption £'000	Decrease in Assumption £'000
Mortality age rating assumption (increase or decrease in 1 year)	12,867	(12,444)
Rate of increase in salaries (increase or decrease by 0.1%)	495	(492)
Rate of increase in pensions (increase or decrease by 0.1%)	6,646	(4,545)
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	(6,564)	6,728

18.2.9 Other Assumptions

It is assumed that:

- Members will exchange pension to get 50% of the maximum available cash on retirement. For every £1 of pension that members commute, they will receive a cash payment of £12 as set out in the Regulations;
- Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age; and
- The proportion of the membership that had taken up the 50:50 option at the previous valuation date will remain the same.

18.2.10 Virgin Media Case

The background to this case is that where the rules of a contracted-out defined benefit scheme were amended, the Scheme Actuary would provide a "section 37" confirmation that the scheme continues to meet the contracting-out requirements. The original court case in June 2023 decided that certain rule amendments were invalid in absence of the actuarial certification (potentially including cases where such a confirmation cannot now be located). Barnett Waddingham understand that the Government Actuary's Department is currently reviewing historic amendments to the Local Government Pension Scheme in this context and the Scheme Advisory Board are liaising with Government Actuary's Department on whether the relevant certificates were available for past scheme changes. HM Treasury is currently assessing the implications for all public service pension schemes; however, HM Treasury do not believe the Virgin Media case expressly addresses whether confirmation is required for public service pension schemes. Barnett Waddingham understands their view to be that the relevant amendments in the Local Government Pension Scheme would have been made by legislation – and therefore would remain valid until revoked or repealed by subsequent legislation or declared void by a court.

Barnett Waddingham advises that there is insufficient information to assess the potential impact of this case. As they are unable to quantify the impact, no provision has been made in the valuation of the Local Government Pension Scheme

18.2.11 Impact on the Cashflows held by the Police and Crime Commissioner

The objectives of the scheme, as administered by Devon County Council, are to keep employer's contributions at as constant a rate as possible. A strategy has been agreed with the scheme's actuary to achieve a funding level of 100% over the next 17 years. Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation will be carried out as at 31 March 2028 and will set contributions for the period from 1 April 2029 to 31 March 2032.

Devon County Council publishes details of the Fund's performance. More detail can be found on their website devonpensionfund.org.uk/

Note 18 Defined Benefit Pension Schemes Continued

18.2.12 Total Pensions Assets and Liabilities recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Chief Constable's obligation in respect of its Police Officer and Police Staff Pension Schemes is as follows.

31 March 2025		31 March 2026
£'000		£'000
(2,530,576)	Police Officers Pension Schemes	
	Present value of the defined benefit obligation	(2,525,101)
(2,530,576)	Total Police Officer benefit obligation	(2,525,101)
	Police Staff Pension Scheme	
(385,181)	Present value of the defined benefit obligation	(427,332)
(85,792)	Changes in effect of asset ceiling	(82,751)
462,291	Fair value of plan assets	508,639
(8,682)	Total Police Staff benefit obligation	(1,444)
(2,539,258)	Net liability arising from defined benefit obligation	(2,526,545)
(2,530,576)	Police Officer Pensions Liabilities - Intra-Group Creditor	(2,525,101)
(8,682)	Police Staff Pensions Liabilities - Intra-Group Creditor	(1,444)
(2,539,258)	Impact on the Chief Constable Balance Sheet	(2,526,545)

Note 19 Contingent Liabilities

19.1 Compensation Claims

In respect of the McCloud Pension case, claimants have lodged claims for compensation under two active sets of litigation, Aarons and Penningtons. Government Legal Department settled the injury to feelings claims for Aarons on behalf of Chief Officers without seeking any financial contributions. The settlement of the injury to feelings claims for Aarons sets a helpful precedent, therefore no liability in respect of compensation claims is recognised in these accounts. Pecuniary loss claims remain stayed under advice from Counsel, but it is expected that most of these claims will be settled under the current compensation mechanism that is provided for under the Public Service Pensions and Judicial Offices Act (PSPJOA) 2022. As at 31 March 2026, it is not possible to reliably estimate the extent or likelihood of Pennington's claims being successful, and therefore no contingent liability in respect of compensation claims is recognised in these accounts.

19.2 Beckmann

The Chief Constable has provided a Beckmann indemnity, to cover enhanced redundancy benefits of TUPE'd employees over a certain age. Initial calculations indicate a potential cost of £700k however the number of employees affected by this have not yet been confirmed and there is still uncertainty whether the liability will transpire

Pension Fund Statement



Devon & Cornwall
POLICE

Police Officers' Pension Fund Statement (PFS)

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 Police and Crime Commissioner Group Police Fund. The statement shows income and expenditure for the Police Pension Scheme, this expenditure is not consolidated into the Police and Crime Commissioner Group Accounts.

31 March 2025 £'000		31 March 2026 £'000
	Contributions Receivable	
(53,601)	Employers (normal)	(55,445)
(20,898)	Employees (normal)	(21,263)
(715)	Ill Health capital charge	(1,295)
	Transfers In	
(49)	Individual transfers from other schemes	(651)
	Benefits payable	
108,391	Pensions	113,754
19,057	Commutations and lump sum retirement benefits	23,832
	Payment to and on account of leavers	
0	Individual transfers to other schemes	47
52,185	Net amount paid during the year	58,979
(52,185)	Transfer from Police Fund*	(58,979)
0	Net amount payable / receivable for the year	0
*Additional contribution funded from the Police Fund is met by a top up grant from the Home Office		
50,651	Received in year	49,899
1,534	Debtor	9,080
52,185		58,979

The Police Officer Pension Fund is unfunded and has no investment assets.

The Police Officer Pension Fund which is administered by the Chief Constable has been set up for the specific purpose of administering the collection of contributions, the payment of pensions and the refund to central government for the balance outstanding for each year. The fund does not hold any investment assets nor does it reflect the liabilities to pay present and future pensioners.

The main benefits payable are police officer pensions, lump sums that represent the commutation of pensions and other lump sum payments. The employer paid a contribution equal to 35.3% of police officer pay for 2025/26. As this contribution was insufficient to meet the net costs of benefits after employees' contributions, the account was balanced to nil at the year end by the Home Office top up grant.

The above accounting statement complies with the accounting policies where applicable.

Further information can be found in the Defined Benefits Pension Schemes Note.

This Financial Statement does not take account of liabilities to pay pensions and other benefits after the 31 March 2026.

Glossary



Devon & Cornwall
POLICE

Glossary

Accounting Period	The period of time covered by the accounts runs from 1 April to 31 March.
Accrual	Amounts included in the final accounts to cover income and expenditure relating to the accounting period but neither paid nor received by 31 March. (For example, goods delivered in March but not invoiced by suppliers until April.)
Actuarial Gains and Losses	Changes in the net pension's liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions.
Actuarial Valuation	An independent report on the financial status of a Pension Fund, which shows the estimated cost today of providing benefits in the future.
Agency Services	Services provided by one body (the agent) on behalf of, and generally with payment from, the responsible body
Amortised Cost	This method applies to both financial assets and liabilities. It is a method of determining the Balance Sheet carrying amount and periodic charges or credits to the Income and Expenditure Account of a financial instrument from the expected cash flows. This approach sees through the contractual terms (for example discounts and premiums) to measure the real cost from entering into a financial liability.
Appropriation	Charges to the revenue account that build up funds and reserves in the balance sheet.
Asset	Physical assets such as equipment and financial assets such as cash and amounts owed by debtors.
Bid Price	A valuation of financial assets based on the highest price a buyer is willing to offer.
Budget	The plan for providing resources to meet its service obligations. The Office of the Police and Crime Commissioner sets an annual budget within a four year financial strategy.
Capital Expenditure	The cost of buying or building significant assets (e.g. land and buildings) which have a long-term value to the Office of the Police and Crime Commissioner. (<i>Also referred to as capital spending or capital payments</i>).
Capital Grants	Grants received that can only be used to pay for capital projects.
Capital Receipts	Income from the sale of capital assets (land, buildings, etc.). In the public sector, there are generally strict rules on what the receipts can be spent on.
Carrying Amount	This is the amount of a financial asset or liability that should be recorded in the Balance Sheet for a given date based upon the correct measurement approach for the financial asset or liability.
Cash Flow Statement	This statement summarises the inflows and outflows of cash.
CIPFA	The Chartered Institute of Public Finance and Accountancy, the professional body that sets accounting standards for the public sector.
CIES	Comprehensive Income and Expenditure Statement.
Contingent Liability	A possible cost of past events where the amount to be paid is not certain, or when the payment may not actually be made. (For example, where a court case is still undecided.)
Council Tax	A tax based on the value of property, which is administered by District and Unitary authorities.
Creditors	Amounts owed for work done, goods received or services received, but for which payment has not been made by the end of the accounting period.

Glossary Continued

Current Assets and Liabilities	Current assets are items that can be readily converted into cash. Current liabilities are items that are due immediately or in the short-term.
Current Service Cost	The increase in the benefits earned by employees in the current period based on their pay and length of service. This is charged to the net cost of services.
Curtailments	Curtailments arise as a result of the early payment of accrued pensions on retirement on the grounds of efficiency or redundancy or where the Employer has allowed employees to retire on unreduced benefits before they would otherwise have been able to do so.
Debtors	Amounts due but unpaid by the end of the accounting period.
Defined Benefit Scheme	A pension scheme which defines the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme.
Depreciation	The accounting principle that spreads the cost of a fixed asset over its useful working life.
Discretionary Benefits	Retirement benefits which the employer has no legal, contractual or constructive obligation to award and which are awarded under discretionary powers.
Earmarked Reserves	These reserves represent monies set aside to be used for a specific purpose.
Exit Costs	These are costs of packages for which have been committed to. The cost of the package includes the termination benefits, all relevant redundancy costs including compulsory and voluntary redundancy costs, pension contributions in respect of added years, ex gratia payments and other departure costs.
Expected Return on Assets	The average rate of return expected over the remaining life of the pension scheme from the actual investments held by the scheme. Fees charged by investment managers are taken out. The net income is credited to net operating expenditure.
Experience Gains and Losses (IAS 19 Pensions disclosure)	This shows the impact of actual experience differing from the accounting assumptions, such as pension increases differing from those assumed and unexpected membership movements.
Fair Value	This is defined as the amount for which an asset could be exchanged or a liability settled, assuming that the transaction was negotiated between parties knowledgeable about the market in which they are dealing and willing to buy/sell at an appropriate price, with no other motive in their negotiations other than to secure a fair price. In most cases, this amount will be the transaction price, e.g. the amount of a loan made.
Fixed Assets	Something of practical use that can be measured in cash terms, e.g. land and buildings, or computer and radio equipment.
FTE	Full Time Equivalent.
FVPL	Classification of Financial asset. FVPL stands for, Fair Value through profit or loss.
Impairment	A loss in the value of a fixed asset, caused by physical damage (such as a major fire) or a significant reduction in market value.
Interest Cost	The expected increase during the period in the present value of the scheme liabilities because members of the scheme are one year closer to retirement. This is charged to net operating expenditure.

Glossary Continued

International Financial Reporting Standards (IFRS)	Accounting standards issued by the International Accounting Standards Board and from which the CIPFA code of Practice on Local Authority Accounting is derived.
Medium Term Financial Strategy (MTFS)	Often referred to as MTFS, it is the financial plan and management of funding, spending and savings over a four year period.
Minimum Revenue Provision	The minimum amount that must be charged to the General Fund each year.
OPCC	Officer of the Police and Crime Commissioner.
Past Service Cost	The increase in the benefits earned by employees from their service in previous years arising because of improved retirement benefits. These costs are paid directly by the employer and are charged to the net cost of services.
Pension Scheme (Defined Benefit)	A pension scheme that pays benefits to members based on the rules of the scheme and not on the value of the pension fund. Benefits are usually based on pay and length of service.
Pension Scheme (Funded)	Each year both employers and members pay standard contributions that are invested in a separate pension fund. Benefits to contributors and their dependants are paid out of investments held in the fund.
Pension Scheme (Unfunded)	Members pay a standard contribution each year. The employer then pays the cash difference between members' annual contributions and the annual cost of benefits to contributors and their dependants.
PCC	Police and Crime Commissioner.
PCSO	Police Community Support Officer.
PFS	Police Officers' Pension Fund Statement.
Precept	A levy collected by District and Unitary Councils from council taxpayers on behalf of the Police and Crime Commissioner.
Present value (or Net Present Value)	The amount of money that must be put aside today to pay for a cost in the future, allowing for inflation and interest rates.
Provisions	Amounts set aside to meet costs that are likely to be incurred, but where the actual amount and timing are uncertain.
Related Parties	Individuals or other bodies who have significant control and influence over the financial and operating policies of an entity.
Reserves	Amounts set aside to meet the cost of specific future expenditure.
Revaluation Reserve	The Reserve records the accumulated gains on the fixed assets arising from increases in value. It is debited with the part of the depreciation charge for the asset relating to the revaluation. Any balance on this account is written back to the Capital Adjustment Account upon disposal of the asset.
Running Costs	Costs from the use of premises, transport and equipment, and other general expenditure needed to provide a service.
Termination Benefits	These are payable as a result of either an employer's decision to terminate an employee's employment before the normal retirement date; or an employee's decision to accept voluntary redundancy in exchange for those benefits excluding any voluntary early retirements.
TUPE	Transfer of Undertakings Protection of Employment.