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JOINT AUDIT RISK ASSURANCE COMMITTEE AGENDA

DATE OF MEETING	Wednesday 22 nd July 2026
TIME OF MEETING	10:00
LOCATION	In person – Conference Room 3 HQ
PCC CONTACT OFFICER	Ms M Poole
CONSTABULARY CONTACT OFFICER	Mr A Price
DISTRIBUTION	<u>Force/OPCC</u> Commissioner N Ndiweni – Roberts – NNR Chief Constable S Blatchly – SB Deputy Chief Constable – M Shooter - MS Mr A Dale - AD Ms M Romano – MR Ms M Poole – MP Mr A Price - AP Ms D Brown – DB Bev Bull – BB Tracy Wilson - TW <u>Audit</u> Ms S Knowles (Mazars) - SK Mr A Campbell (Mazars) - AC Mr R Anderson (Grant Thornton) - RA Ms L Murray (Grant Thornton) – LM <u>Members of the JARAC</u> Ms S Sunderland (Chair) - SS Ms J Charlton - JC Mr L Harrold - LH Mr A Jenkinson - AJ Mr B Mellor - BM Ms S Beecham – SB2

AGENDA 22nd July 2026

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5		JARAC BUSINESS ITEMS		
5A		FORWARD PLAN	SS CHAIR	P
6		EXTERNAL AUDIT		
6A		EA PROGRESS REPORTS	RA/LM	P
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7		INTERNAL AUDIT		
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7B		INTERNAL AUDIT ANNUAL REPORT AND OPINION 25/26	SK/AC	P
7C		EMSOU INTERNAL AUDIT REGIONAL REPORT	CHAIR	P
7D		IA RECOMMENDATION LOG	CHAIR	P
8		INTERNAL CONTROL AND GOVERNANCE		
8A		FINANCIAL MONITORING AND PLANNING 26/27 UPDATE	BB	P
8B		SAVINGS PLAN	BB	P
8C		DRAFT PCC & CC FINANCIAL STATEMENTS OF ACCOUNTS FOR 25/26	AD/BB	P
8D		ANNUAL FINANCIAL EXCEPTION REPORTING (ANY BREACHES OF FINANCIAL REGULATIONS)	BB	P
8E		PCC AND FORCE ANNUAL GOVERNANCE STATEMENT	AD/BB	P
8F		OPCC RISK MANAGEMENT UPDATE	AD	P
8G		FORCE RISK MANAGEMENT UPDATE	JH	P
8H		POLICIES UPDATE - HEALTH AND SAFETY POLICY	CHAIR	P
8I		POLICIES UPDATE - DATA PROTECTION AND SECURITY BY DESIGN AND DEFAULT POLICY	CHAIR	P

9		GUEST SPEAKERS		
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9B		SECURITY ASSURANCE	AP	V
9C		FORCE PRIORITIES AND LEADERSHIP INCLUSION MODEL	AP	V
		ANY OTHER BUSINESS		

MINUTES of the JOINT AUDIT, RISK and ASSURANCE COMMITTEE PCC/CC ACCOUNTS SIGN OFF MEETING held on 19 FEBRUARY 2026

PRESENT

Ms S Sunderland – in the Chair
Mr A Jenkinson
Mr B Mellor
Ms S Beecham
Mr L Harrold

Apologies:

Ms J Charlton

OPCC Present: Mr A Dale, Ms M Poole,
Constabulary Present: Ms B Bull,
External Audit: Mr R Anderson, Ms K Lees,

01/26	APOLOGIES	
	Ms J Charlton	
02/26	PCC/CC ACCOUNTS SIGN OFF	
	SS opened the meeting to sign off the PCC/CC accounts and asked RA to start with talking through the amendments from the previous version due to the limited time the JARAC members have had to review. RA shared the document and advised this is an updated version of the report that was presented in January. RA apologised for the late sharing of the report. RA confirmed a revised draft was shared with management yesterday morning and there have been some comments came back which GT have reviewed and then shared the revised version last night. RA confirmed that GT is keen to bring the audit work forward for 2025/26 and complete it by November 2026 which is well in advance of the January 2027 backstop date so that we are not in a similar position next year. RA confirmed all the changes which have been made are highlighted in yellow in the document and both himself and KL will discuss these further. RA referred to page 6 of the document and confirmed GT work is now complete subject to a final review and receipt of the signed financial statements. The backstop date is next Friday 27th February 2026 which GT are keen to finalise things in	

	advance of this. RA confirmed the updates on this page are that management have made an adjustment which impacts the primary statements which KL will discuss later. However this adjustment has not been subject to audit as it relates to PPE and this is an area that GT are not able to conclude on in 2024/25, meaning that GT audit opinions will be disclaimed this is due to the ongoing lack of assurance over opening balances and being unable to conclude on reserves as well as the split of local government pension liability between the PCC and CC accounts. RA confirmed that when Gt presented the report previously there was a risk flagged around the police officers pension scheme liability in the pension fund account, this work has now been completed and this will not be featured in the disclaimer which is a positive outcome. RA confirmed there is only three substantial areas for GT to regain assurance on and there is a clear route for doing that in each area. RA moved onto page 8 and confirmed within the previous report GT highlighted some difficulties around the reconciliation of PPE note to the valuation report and the fixed asset register subsequent to this further reconciliation was provided by management which led to an amendment on the accounts however, GT have been able to conclude on this in time before the backstop date, so whilst the adjustment has been made GT are not providing assurance in relation to the adjustment itself. RA moved onto page 16 and confirmed that the audit risks are unchanged from what GT reported in the previous version. RA picked out the findings which have been added in relation to significant risks. RA confirmed that on the expenditure recognition risk GT identified one reportable unadjusted misstatement and an associated control recommendation which KL will cover in more detail. RA confirmed that this was immaterial and its only just over the reporting threshold, it wasn't indicative of any manipulation and it didn't impact the overall decision of the fraud and expenditure recognition risk but because it was over the reporting threshold it is reflected in the report. RA moved onto the evaluation of land and buildings and advised GT are still undertaking detailed sample testing evaluations which has now been completed and is a positive step in regaining assurance. RA confirmed that GT have raised a recommendation around the retention of evidence by the valuation expert but GT have obtained the evidence they required and have the sufficient evidence to conclude on it. RA	
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	confirmed this is separate to the overall view on PPE where GT are not concluding because of the reconciliation differences. RA moved onto the valuation of the pension fund liability and explained that GT have completed the work on police officer pension scheme and the pension fund account so they were able to conclude in the area but RA referenced the recommendation GT made around access to the pension fund administrator so that GT can complete the test in a more timely manner in 2025/26. RA moved onto page 24 and discussed the other risk that GT highlighted was the adoption of IFRS 16 and when GT last presented the report RA did highlight the changes made to some of the recommendations. RA emphasises the importance of revaluing the right of use assets with a particular emphasis on the joint venture as GT work does indicate a risk of an understatement in relation to these assets so the recommendation is unchanged but further context has been added to support this. RA moved onto page 26 around the group audit and explained that this page confirms the findings from the PCC and CC audits and adds to the findings in relation to the Derbyshire Police and Fire LLP. The principal work GT has done is around the valuation of the joint assets which are held within the LLP and then feeds into the group balance sheet. RA confirmed that GT identified an understatement in the valuation of one of these assets which has a knock-on impact on the value. The impact was again immaterial but over the reporting threshold so was mentioned in the report. RA moved onto page 37 of the report and explained the summary of GT findings in relation to related parties and RA highlighted that in concluding the work there was on transaction identified which required disclosure in the note and this has been added into the final version of the accounts which is presented today. Lastly, RA moved onto page 38 and explained the change in the body of report and advised this is a repeat of the reference to the significant matter and how GT have progressed the reconciliation issue since the last report presented in January. RA handed over to KL. KL started with page 44 around the audit adjustments and explained this is where all adjustments that have been made to the account are listed. There is only one around how the value is reported, and the fixed asset register and the PPE note all tied together. GT did look at a couple of iterations of the	
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	reconciliation that management was preparing which tied this area together, but GT ran out of time before the backstop to fully audit this but based on the final version of the reconciliation that management did they did make an adjustment which reduces the value of PPE which will be an important piece of work for next year's audit which is an achievement. KL moved onto the unadjusted misstatements the first one relating to expenditure and this was during GT sample testing of the expenditure population GT identified 2 invoices where the service that the force was paying for spanned more than one financial period so it started part way in 2024/25 and moved into 2025/26. This should have been put into prepayments to recognise that the force had paid for a service in advance of actually receiving it. KL advised one of these invoices was very small so wasn't reported however the other was for around 1.7 million. KL confirmed these impacts all sets of accounts but because in the CC accounts the reduction in expenditure would be netted off by a reduction in the funding that it gets from the PCC so it is a net nil impact so it only really affects the PCC accounts. KL confirmed the second adjustment related to the value of the joint venture recognising the group accounts being held at fair value and this has worked out that the PCCs groups share of the net assets of the joint venture. So the net assets figure is primarily driven by the valuation of the assets that the JV hold, the two big ones being the HQ and JTC. GT tested the valuations of these assets and whilst the HQ was fine the JTC did identify an error in the valuation and it was significantly understated meaning that it needs to be increased. KL confirmed when the value of the asset is increased in the JV accounts the JV net assets in total jump up which means that the PCC group share of the net assets would also increase as well and would result in a revaluation increase going through the groups. This hasn't been actioned as present so it is unadjusted in the set of accounts which have been presented today. KL moved onto the next page and confirmed that t when you add up all of the impacts of the unadjusted misstatements on each of the sets of accounts, nothing is material, which is a good sign because otherwise that would end up in the disclaimer of opinion. KL confirmed we're in a good position. KL moved onto disclosures and advised several of these were already reported in January however KL covered the highlighted areas. KL confirmed there was a couple of new disclosures relating to pensions around the split of the pension liability between the CC and PCC, although these are not new they have been added to the disclosure section. KL moved onto the second disclosure around pensions which was one	
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	that was originally reported as an unadjusted misstatement in January around an issue on the asset valuations in the pension fund this is because it does impact the value of the gross assets and therefore the value of the net liability however because of the LGPS being in a surplus position any movement on the value of the assets would be an offset by an equal and opposite movement so this means it is a disclosure only issue because it would affect the numbers in the pension liability note but not the primary statements. KL confirmed that GT noted some inconsistencies in the capital financing note that GT weren't able to tie up around a consistency check between the CFR note and elsewhere in the account. This remains unadjusted. In the financial instruments note KL confirmed the fair value disclosure was updated following audit. The final one was around the PCCs AGS being slightly different to the CC AGS as you would expect but the PCC one was missing some information around the prior year findings. KL confirmed the majority of the recommendations have already been raised in the January version of this document but there is some management responses added now for some of these which are highlighted in yellow. KL moved onto the three new recommendations, one of these relating to the capital financing requirement note and this relates to the inconsistencies discussed in the disclosure section. The second one being around retaining valuation evidence which RA covered with the valuations work. The third one was around the matching of expenditure in the correct year which has again been covered off in the unadjusted misstatement section. KL flagged two more areas around the one area already discussed on the JTC evaluation and noted that whilst the recommendation has been assessed as being implemented because they have been valued it is just an issue around one of those valuations. KL opened this up to questions. LH raised a question for AD/BB with issues escalating around the pension administrator and getting information from them, can this be raised as an area of concern. As it remains difficult to gather information from them. BB added there is a contract in place with the pension administrator in terms of who provides the service and meetings have taken place with them. With the team being new to it they now understand what is required and hopefully	
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	moving forward there will be a better position for the report in 2025/26. SB raised a query around the 3 areas RA confirmed there was a route through these areas, SB wanted clarity on whether this was for 2025/26. SB raised a second question around if there was a reason for the valuation of the JTC being under. SB raised a third question on the posting of the journals because this has been an issue in previous years and whether GT saw some progress in that area or if it was a repeated issue with no progress at all. RA assured SB that the first of the three areas was the split of the pension liability between the PCC and CC and there is currently discussion taking place to receive these two separate reports which would give a basis for splitting the pension liability which then subject to audit would address the issue. The second area is around PPE and understanding the new asset register being implemented testing of a full valuation has been done this year so if GT are able to complete the reconciliations and assured over the completeness of the PPE balance GT will be able to test this at the next tear end and hopefully provide the required assurance. The final one is the most challenging being the reserves RA confirmed there is a programme of work he has piloted elsewhere in 2024/25 which can get us to a place where you can regain assurance over reserves and it involves going back to the years which were disclaimed by the previous auditors and doing some focus work around te reserves and classification of expenditure and some journal testing. This would obviously involve additional costs and input from management etc but if this is completed and doesn't identify any issues. RA moved onto the JTC and advised that he believes it was due to the floor areas so the values used and incorrect gross internal area for the asset and GT challenged this and they relooked at it and realised the area used for the valuation should be higher. SS went back to RA first response around what it would take to get to the point where we could get rid of the disclaimer. SS asked for BB and AD thoughts. BB she would need to understand the level of work required and whether we could get completed within the time frame for next years sign off being November 2026. BB would need to have the conversation with RA to see exactly what it entails and whether it is achievable.	
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	AD added that this work needs to be done the question is when and whether the team have the capacity to do this. SS advised she would like to see this work being done to avoid it dragging on any longer. SS asked if RA was able to provide AD and BB with an idea of what would be involved could we have a proposed decision brought back to the JARAC meeting as to whether we are going to try to implement this for the 2025/26 audit. BB confirmed she was happy to do this if RA can provide the information. ACTION: RA, AD and BB to have discussions on the gaining assurance on the reserves and the work it entails to bring a proposed decision to the JARAC. SS thanked RA and KL for running through the report and confirmed that the changes are just those that have been discussed due to the lack of time to be able to review line for line. BB confirmed that the main impact on the figures is the £1.8m which has been adjusted for the PPE. SS confirmed with RA and KL that all of the discussed changes have been checked into both of these sets of accounts. RA confirmed that a final check on the signed version will be done to confirm that GT are happy. SS confirmed on the basis of all above are the JARAC members happy to recommend to the Chief Constable and Police and Crime Commissioner that they are in a position to sign off the accounts and enable external auditors to give their opinion. All JARAC members present agreed with this. SS thanked all involved for the work done to pull this together.	
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MINUTES of the JOINT AUDIT, RISK and ASSURANCE COMMITTEE meeting held on 29 APRIL 2026

PRESENT

Ms S Sunderland – in the Chair
 Mr A Jenkinson
 Mr B Mellor
 Ms S Beecham
 Mr L Harrold

Apologies:

Ms J Charlton
 Ms S Knowles

OPCC Present: Mr A Dale, Ms M Romano, Ms D Brown, Ms M Poole,
Constabulary Present: Mr A Price, Ms M Shanley, Ms B Bull, Ms K Andrews,
Internal Audit: Mr A Campbell
External Audit: Mr R Anderson

21/26	APOLOGIES	
	Ms J Charlton Ms S Knowles	
22/26	DECLARATIONS OF INTEREST	
	None.	
23/26	MINUTES OF THE MEETING OF THE JARAC HELD ON 28 JANUARY 2026	
	The minutes of the previous meeting held on 28 January 2026 were considered and agreed as an accurate record. SS asked about the minutes from the extraordinary meeting in February 2026 to formally Sign off the PCC/CC Accounts, and that the minutes of that meeting would be brought to the next committee meeting in July 2026 for formal approval. ACTION: MP to add the minutes from the February 2026 Sign off of PCC/CC accounts to the July JARAC agenda.	ACTION: MP to add the minutes from the February 2026 Sign off of PCC/CC accounts to the July JARAC agenda.
24/26	REVIEW OF ACTIONS	
	SS went through the action log and reviewed progress against actions from the previous meeting.	

	04/26- It was confirmed that Internal Audit reports continue to be circulated to Members as they are finalised. AD confirmed that EE is doing more work within Nottinghamshire OPCC but will allocate somebody to circulate the reports in EE absence. ACTION: AD to allocate a member of OPCC to ensure IA reports continue to be circulated to JARAC members. 05/26- The Forward Plan had been updated to reflect forthcoming business, and this can be closed. 06/26- Actions are complete and can be closed. 07/26- The papers were received and this action can now be closed. 08/26- The Internal Audit Recommendation Tracker is updated and can now be closed. 09/26- A discussion re this action on the Capital Report in Closed Session. 12/26- It was noted that actions relating to policy feedback had been fed back and can be closed. The JARAC were satisfied with the progress on the actions reported.	ACTION: AD to allocate a member of OPCC to ensure IA reports continue to be circulated to JARAC members.
JARAC BUSINESS ITEMS		
25/26	FORWARD PLAN	
	The Committee reviewed the Forward Plan. SS advised that the July meeting would be particularly substantial, notably due to consideration of the Draft Statement of Accounts. SS highlighted it necessary to schedule an additional special meeting in November to sign off the Statement of Accounts. Members discussed availability and agreed that early planning would be beneficial to ensure full attendance in late November 2026. ACTION: MP to arrange a Sign off Statement of Accounts JARAC meeting for end of November 2026 on MS Teams. SS confirmed whether anyone had anything to raise on the forward plan and moved on to the next agenda item.	ACTION: MP to arrange a Sign off Statement of Accounts JARAC meeting for end of November 2026 on MS Teams.
26/26	EXTERNAL AUDIT – Grant Thornton	
	RA presented the Joint Audit Plan for 2025/26 and advised that the plan had been developed taking account of prior year audit outcomes and the wider Local Audit Reset and	

	Recovery programme. RA confirmed that the core significant risks remain unchanged from the previous year, specifically management override of controls, valuation of land and buildings and the valuation around the LGPS liabilities. RA highlighted a new significant risk relating to the implementation of the new Fixed Asset Register system. This was identified due to the scale of data migration and the importance of ensuring completeness and accuracy of asset information, as well as the effectiveness of associated controls. RA confirmed this would be an area of focused audit testing. RA provided an update on progress to date, advising that interim audit work was largely complete. No significant issues had been identified at this stage that would prevent progression to final audit, although detailed testing was still to be undertaken. RA outlined the timeline for final audit work, which is scheduled to take place between June and November 2026. He explained that a key element of the audit approach this year will be the work required to rebuild assurance over opening balances, following the previous disclaimer of opinion. This work is aligned to national guidance under the NAO Local Audit Reset and Recovery programme. Members sought assurance regarding the achievability of the proposed timetable, particularly given the additional work required to rebuild assurance. RA acknowledged that timelines remain challenging but advised that early engagement with finance teams had been positive and that work was being carefully phased to prioritise material and higher-risk areas. SS emphasised the importance of early visibility of any risks or delays, noting the impact that further slippage could have on confidence in financial reporting. RA confirmed that regular updates would be provided to the Committee and that any emerging issues would be escalated promptly. Members also sought clarification on Value for Money arrangements. RA advised that no significant risks had been identified at this stage and that this work would continue alongside the financial statements audit. The Committee noted the report and the approach outlined, recognising the scale of work required to restore full audit assurance and the importance of continued oversight through JARAC.	
27/26	INTERNAL AUDIT	

	AC presented the Internal Audit progress report and outlined delivery against the 2025/26 Audit Plan. It was noted that progress remained behind the original planned profile, with a number of audits at draft stage awaiting management responses and some audits yet to be completed. LH raised concern regarding the extent of slippage against the approved plan, querying whether sufficient audit coverage would be achieved across key risk areas to support a robust Head of Internal Audit annual opinion. LH highlighted the risk that delays could result in significant control weaknesses being identified late in the audit cycle, limiting both management response and Committee scrutiny. LH also queried the position regarding core financial systems audits, including Agresso, and whether assurance in these areas was being delivered in a timely manner. In particular, LH questioned whether delays or weaknesses in these systems could present a wider risk to the overall financial control environment. In relation to Agresso, LH asked whether, where control weaknesses had been identified, sufficient mitigating (compensating) controls were in place to maintain assurance over financial processes. AC responded that core financial systems remain a key area of audit focus, and that where weaknesses are identified, these are assessed within the overall risk framework. AC confirmed that mitigating controls are considered as part of forming audit opinions, although their effectiveness is dependent on consistent application. AJ raised a query from the floor seeking clarification on how assurance is obtained over financial processes where system controls are known to be developing or partially embedded, and whether reliance is placed on manual controls in such cases. AC confirmed that this is considered during audit testing, with both system and manual controls evaluated as part of the overall control framework. SB raised a specific query regarding VAT receipts when claiming expenses, noting the potential risk where receipts do not clearly evidence VAT or are incomplete. SB queried how such issues are considered within audit work and whether this presents a compliance or financial risk. Action – BB to consider whether there is a need for a policy review for claiming expenses and requiring a VAT receipt. AC advised that expenses processes and compliance	Action – BB to consider whether there is a need for a policy review for claiming expenses and
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	controls, including VAT evidence, are considered within relevant audits. Any control weaknesses or inconsistencies identified would be reported and risk-assessed accordingly, including consideration of financial and compliance implications. AC acknowledged the overall concerns regarding delivery and confirmed that resourcing pressures had impacted progress. However, this was being actively managed, and remaining audits were being prioritised on a risk basis, with key areas such as financial systems continuing to receive focus. In response to LH's query regarding the impact on the annual opinion, AC advised that whilst there remains some risk associated with delivery, there was currently no indication that an opinion could not be provided. This position would continue to be monitored closely, with escalation to the Committee as required. ACTION: Internal Audit (AC/SK) to attend JARAC pre-meetings to provide updates on audit progress and delivery ahead of formal Committee meetings. LH also raised concern regarding the lack of forward visibility of audit delivery, requesting clearer scheduling of when key audits would be reported. AC confirmed that a more detailed audit delivery schedule for 2026/27 would be shared outside of the meeting. ACTION: AC to circulate the detailed 2026/27 Internal Audit delivery schedule to Members outside of the meeting. SS supported the concerns raised, emphasising the importance of ensuring the Committee receives timely and phased assurance, particularly across key financial control areas. Members agreed that enhanced oversight arrangements would support improved visibility and assurance in the short term. SS raised concern regarding the assessment of the EMSOU POCA recommendation as low risk, noting that this appeared inconsistent with the nature of the issue described. SS highlighted that the discussion suggested a lack of control over assets, which would ordinarily be expected to represent a more significant risk within the financial control environment. SS queried how the risk rating had been determined and whether sufficient weight had been given to the potential impact of weaknesses in asset control,	requiring a VAT receipt. ACTION: Internal Audit (AC/SK) to attend JARAC pre-meetings to provide updates on audit progress and delivery ahead of formal Committee meetings. ACTION: AC to circulate the detailed 2026/27 Internal Audit delivery schedule to Members outside of the meeting.
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	particularly in the context of financial reporting and audit assurance. AC acknowledged the point raised and advised that risk ratings are determined based on a combination of impact and likelihood, including consideration of whether mitigating controls are in place. AC explained that, whilst the issue identified weaknesses in control, there were factors which reduced the overall risk rating, however confirmed that this would be kept under review. AD provided further context regarding asset management arrangements, advising that work is ongoing to strengthen controls and improve the accuracy and completeness of asset records, particularly in relation to system improvements and oversight arrangements. ACTION: AC to take this back and consider a review of the audit opinion on the EMSOU assets register recommendation. Members noted the position but emphasised the importance of ensuring that risk ratings accurately reflect the significance of control weaknesses, particularly in key financial areas such as assets.	ACTION: AC to take this back and consider a review of the audit opinion on the EMSOU assets register recommendation.
28/26	IA RECOMMENDATION LOG	
	SS considered the Internal Audit Recommendation Tracker. It was noted that one outstanding action relating to the publication of the Positive Action Strategy had now been completed and the committee was happy for this to be formally closed.	
	INTERNAL CONTROLS AND GOVERNANCE	
29/26	YEAR END ACCOUNTING ARRANGEMENTS & ACCOUNTING POLICIES 2025/26	
	BB presented the report outlining the year end accounting arrangements and proposed accounting policies for 2025/26. It was noted that the statutory deadline for publication of the unaudited Statement of Accounts remains 30 June 2026, with audit completion aligned to revised national backstop dates. BB advised that there were no material changes to accounting policies, with the exception of updates relating to the approach to asset valuation, including the proposed use of indexation between full valuations in line with Code requirements. SS queried progress against the year end closedown timetable and sought assurance that the accounts would be delivered within the required deadlines, particularly given the additional work linked to rebuilding audit assurance. SS	

	highlighted the importance of maintaining pace to avoid creating further pressure during the external audit phase. BB advised that work was slightly behind the original internal timetable, with some returns submitted later than planned. However, this was not currently considered to represent a material risk to delivery of the accounts. BB confirmed that progress is monitored on a weekly basis, with any emerging risks escalated accordingly. SS further queried whether the current timetable allowed sufficient contingency for audit queries and potential rework, particularly given the compressed audit window. BB acknowledged the point and advised that contingency had been factored into planning assumptions, although noted that the timetable remains tight and will require continued focus. SS also queried whether appropriate consideration had been given to the PCC / CC split within the year end accounting arrangements, particularly in the context of asset valuation and financial reporting. SS emphasised the importance of ensuring that transactions, balances and assets are correctly apportioned between the Commissioner and the Chief Constable. BB confirmed that the PCC / CC split forms a core element of the year end process and is embedded within the accounting framework. It was noted that established methodologies are applied to ensure appropriate allocation, supported by both internal review and external audit scrutiny. Members noted the response and emphasised the importance of ensuring this remains under close review, given its significance to the accuracy and transparency of the financial statements. SS reiterated the importance of maintaining a clear focus on delivery against the timetable and ensuring that the Committee is sighted on any emerging risks at an early stage. BB provided further detail on activity undertaken in preparation for the year end process, noting the interdependency with External Audit requirements. It was confirmed that information requests from Grant Thornton were received in early March and were subsequently reviewed to assess both scope and deliverability within the current financial year. BB advised that the requirements were considered collectively across finance teams, with work allocated accordingly and documentation uploaded to support audit requirements. It was noted that a significant proportion of the requests related to Property, Plant and Equipment (PPE) and historic balance sheet data.	
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	BB explained that, although the volume of requests initially appeared substantial, much of the information was already available from previous accounts preparation work. As a result, the team were able to collate and provide the required information efficiently. Members were advised that further audit queries are expected to arise following detailed testing. However, due to the current focus on delivering the draft 2025/26 Statement of Accounts, it has been agreed that finance resources will prioritise completion of the closedown process before responding to additional audit queries. It was noted that engagement with External Audit in relation to follow-up queries will primarily take place during the July to September period, in line with the audit timetable. Members acknowledged that this phased approach supports effective management of resources whilst maintaining progress towards statutory reporting deadlines.	
30/26	REBUILDING EXTERNAL AUDIT ASSURANCE UPDATE	
	BB provided further detail on the work undertaken to respond to External Audit information requests. It was noted that requirements from Grant Thornton were received on 2 March, following which a detailed review was undertaken to assess what information was required and whether it would be achievable within the current reporting year. BB confirmed that a meeting was held internally to consider the request, and the requirements were subsequently coordinated and allocated across relevant teams. All requested documentation has now been uploaded in response to the audit request. It was noted that a significant proportion of the information requested related to Property, Plant and Equipment (PPE) and historical balance sheet information. BB advised that, whilst the volume of requests initially appeared substantial, much of the information was already available from prior year accounts preparation, and the team were able to collate and provide the information without significant difficulty. BB highlighted that further queries from External Audit are expected to arise as part of their detailed testing work. It was agreed that responses to these queries will be managed in line with the audit timetable, with a focus on prioritising delivery of the draft 2025/26 accounts in the immediate term. BB advised that, given the current stage of the closedown process, finance teams are prioritising completion of the draft accounts and therefore will not be responding to audit queries until after this phase is complete. It was noted that the majority of detailed audit engagement and resolution of	

	queries is expected to take place during the July to September period, in line with the audit timetable and backstop arrangements. SS noted that this approach would help ensure focus is maintained on delivery of the draft accounts, whilst allowing sufficient time for audit queries to be addressed in a structured way.	
31/26	FINANCIAL HANDBOOK (FORWARDED FROM JAN 26 MEETING)	
	AD/BB presented the updated Financial Handbook. Members welcomed the document and recognised the significant amount of work undertaken, noting it as a comprehensive and detailed piece of work. SS commented positively on the document and noted that discussion at the pre-meeting had highlighted opportunities to improve effectiveness in reviewing large documents. SS requested that, for future documents of this scale, a cover sheet be provided summarising key changes, to give Members a clear overview of the extent and nature of updates. SS noted that the tracked changes version of the document had been helpful in supporting review. BM thanked officers for the document and advised that he would submit a small number of minor drafting comments to MR outside of the meeting. BM raised a number of broader points arising from the document: BM queried how the organisations intend to promote and embed the Financial Handbook across the Force and OPCC, noting that whilst responsibility is referenced within the document, there was limited detail on how awareness would be achieved in practice. AD highlighted that, given the size and complexity of the document, consideration should be given to producing a more accessible or summarised version, to support understanding of key principles and requirements. AD acknowledged the points raised and confirmed that further work is required to consider how best to socialise the document, including highlighting key delegations and controls. It was agreed that this would be taken forward.	ACTION: AD/BB to develop an approach for promoting and embedding the Financial

	ACTION: AD/BB to develop an approach for promoting and embedding the Financial Handbook across the organisation BM also raised a number of specific governance points within the document: Reference to a monitoring system to review compliance with financial standards, to be reported to JARAC. BA noted that Members did not recall seeing such reporting and queried whether this required further development. ACTION: AD/BB to review references to compliance monitoring and reporting to JARAC within the Financial Handbook. Reference to Internal Audit involvement following fraud or irregularity investigations. BM queried whether this occurs in practice. Officers advised that this would typically depend on the nature of the issue, and that it may be appropriate to amend the wording to reflect that Internal Audit involvement is determined on a case-by-case basis. to review and clarify wording relating to Internal Audit involvement following fraud investigations. Reference to the maintenance and reporting of ex gratia payments, with BM suggesting that this could be incorporated into the existing financial exceptions reporting for improved oversight. ACTION: AD/BB to consider inclusion of ex gratia payments within financial exceptions reporting. AD & BB acknowledged the points raised and agreed that the relevant sections would be reviewed and clarified as appropriate. SS also provided minor drafting comments on JC behalf, including reference to the inclusion of Global Internal Audit Standards, which will be incorporated. The Committee welcomed the document and noted the proposed actions to strengthen communication, clarity and oversight.	Handbook across the organisation. ACTION: AD/BB to review references to compliance monitoring and reporting to JARAC within the Financial Handbook. ACTION: AD/BB to consider inclusion of ex gratia payments within financial exceptions reporting.
32/26	POLICIES UPDATE – PROFESSIONAL STANDARDS REPORTING POLICY	
	The JARAC reviewed the professional Standards Reporting Policy. SS raised on JC behalf that, whilst the policy references a	

	range of relevant legislation, it did not explicitly reference the Employment Rights Act 2025, particularly in relation to the expansion of whistleblowing protections to include disclosures relating to sexual harassment. KA advised that this amendment had already been identified and should have been incorporated into the policy. It was agreed that this would be checked and confirmed, and an updated version circulated if required. SS queried when the policy was last subject to Internal Audit review, noting that it had been some time since this had taken place. It was confirmed that the policy is not currently included within the 2026/27 Internal Audit Plan. AD suggested that consideration should be given to bringing this forward to ensure adequate assurance is maintained. SB said in relation to whistleblowing protections and policy clarity. Members noted that, whilst the policy states that detrimental treatment would not be tolerated, it would be beneficial to explicitly reference that this is also supported by legal protections under legislation, to strengthen confidence for individuals raising concerns. SB also suggested that timeframes within the policy could be strengthened, noting that reference to responding in a “timely manner” may benefit from clearer guidance, such as expectations around acknowledgement, initial assessment and investigation stages. It was also recommended that the policy include reference to external organisations such as Protect, to provide additional options for individuals seeking advice or making disclosures. BM also raised a point regarding the positioning of confidentiality within the document, noting that reassurance about confidentiality is currently located later in the policy. It was suggested that this should be brought forward to the beginning of the document, given its importance to individuals considering raising concerns. KA acknowledged the feedback provided and confirmed that the policy would be reviewed to incorporate the suggested amendments, where appropriate. The Committee welcomed the constructive input and supported the policy subject to these refinements.	
33/26	COMPLAINTS PERFORMANCE – UPDATE ON MEETINGS WITH IOPC REP FORCE/OPCC	
	MR provided an update on recent engagement with the IOPC, including meetings with the regional representative and Director General.	

	MR advised that feedback from the IOPC was positive overall, with Derbyshire performing in line with forces of a similar size. No significant issues were identified in relation to PSD performance, and timeliness was considered acceptable. The IOPC also confirmed that referrals being made are appropriate, with no concerns raised regarding decision-making thresholds. It was noted that a key emerging issue nationally is the increasing complexity of complaints, particularly linked to the use of artificial intelligence (AI). Complaints are increasingly being submitted in highly structured and legally framed formats, which has resulted in increased time required for review and investigation. It was noted that this is also impacting review processes and completion times. MR advised that this trend is being seen across forces and is being actively discussed at a national level, including consideration of how the IOPC may respond to these developments. Members noted that this presents both risks and opportunities, and that technology is influencing both demand and service delivery. Discussion took place regarding the organisation's own use of AI. It was confirmed that AI is being explored to support processes, particularly in managing high volumes of repetitive or complex complaints, including persistent complainers. However, MR emphasised that use of AI is currently limited and carefully controlled, with particular consideration given to data protection, governance, ethical considerations and proportionality. It was noted that, where AI is used, personal data is removed and outputs are reviewed to ensure suitability, particularly where individuals may require communication in a more accessible format. Officers highlighted that the organisation is seeking to balance efficiency gains with the need to ensure appropriate safeguards are in place. MR and KA discussed the broader implications of AI and noted that failure to adapt may result in increasing pressure on resources, given the evolving nature of demand. KA provided an overview of complaints performance and it was noted that there has been a slight increase in complaint volumes, which was in line with expectations and reflective of national trends. Despite increased demand, performance remains strong, with over 96% of complaints retained and managed locally, albeit this has increased workload for the team.	
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	Timeliness of complaint handling was reported as good when compared to similar forces and national benchmarks. Members were advised of a recent increase in conduct matters, with 29 recorded in the first three months of the current year compared to 53 across the whole of the previous year. This is being actively monitored to assess whether this represents a sustained trend or an early spike in activity. Complaints were reported to broadly fall into three key themes: • Delivery of service and police response • Use of police powers, including arrest and detention • Officer behaviour, including communication and professionalism It was confirmed that detailed performance data is reviewed monthly, enabling analysis by individual, team and department. This supports early identification of trends and implementation of preventative measures, with a focus on reducing future complaints as well as managing those received. KA highlighted the range of scrutiny and assurance mechanisms in place, including independent panels reviewing vetting decisions, suspensions and complaints and conduct outcomes. This provides additional confidence that decisions are appropriate and proportionate. KA explained that the IOPC continues to provide positive feedback on referral quality, confirming that matters referred are appropriate and that thresholds are being correctly applied. SS welcomed the update and acknowledged the strong performance position, whilst noting the ongoing challenges associated with increasing demand and complexity.	
34/26	OPCC COMPLAINTS UPDATE	
	MR presented the OPCC Complaints performance report, highlighting a continued increase in complaint reviews over recent years. It was noted that reviews increased from 73 in 2023/24 to 109 in 2024/25 (a 49% increase), with a further rise to 127 projected for 2025/26. MR explained that, whilst each review varies in complexity, an average review can take approximately three days to complete, including investigation, review and write-up. Members noted that the increase in both volume and complexity has placed significant pressure on available resources.	

	It was reported that the number of upheld reviews had also increased significantly, with corresponding increases in recommendations, learning points and feedback. Members noted that upheld cases require more detailed investigation and reporting, further contributing to delays. MR advised that, as a result of these factors, the average time taken to complete reviews increased from 50 days in 2023/24 to 104 days in 2024/25. Members noted that this escalation had been recognised and addressed through the introduction of additional support. To manage the backlog, external support was commissioned through Sancus, a national provider used by some OPCCs to undertake complaint reviews. MR advised that whilst this provided additional capacity to reduce the backlog, it carries a financial cost compared to internal delivery. Members noted that the backlog, had now been cleared. MR outlined the underlying causes of the backlog, including: • A sustained increase in the number of reviews received • An increase in the number of upheld cases, requiring more detailed work • Changes in PSD personnel, including new staff in key decision-making roles, resulting in a period of adjustment and learning • Increasing complexity of complaints, including the impact of AI and increased numbers of allegations per case Looking forward, MR advised that demand continues to increase year-on-year, with limited internal capacity to absorb this growth. Members noted that the use of external support remains an option, subject to operational need and budget considerations. Members sought assurance on the impact of recommendations and learning identified through the review process. MR confirmed that all recommendations, learning and feedback are formally shared with the Force, who are required to respond within a defined timeframe outlining actions to be taken or rationale where actions are not accepted. It was explained that learning is disseminated through a range of mechanisms, including organisational communications, team briefings and system-based recording (e.g. Centurion) for individual officers. This supports identification of trends and escalation where repeated issues are identified. Members welcomed the existence of a structured feedback loop but noted the importance of ensuring that learning is	
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	applied in a timely manner. It was acknowledged that delays in providing feedback can reduce its effectiveness, particularly where there is a gap between the incident and the learning being communicated. Discussion took place regarding the extent to which feedback to individual officers is implemented. MR advised that whilst the OPCC can recommend actions, final decisions rest with the Force. However, the OPCC continues to challenge and provide rationale where learning is not adopted. It was confirmed that complaint data is retained and monitored to identify repeat issues or individuals, supporting further intervention where necessary. Members noted that PSD are responsive to feedback and that there is ongoing positive engagement between organisations. The Committee noted the report, recognising both the positive management of backlog pressures and the ongoing challenge of increasing demand and complexity within the complaints system.	
35/26	ANY OTHER BUSINESS	
36/26	JARAC MEMBER SELF ASSESSMENT	
	SS discussed the JARAC Member self-assessment, noting that the formal checklist had not been completed this year as previous assessments had consistently reflected a positive position. Instead, Members had undertaken a general discussion at the pre-meeting to identify areas for improvement. SS outlined two key themes arising from the discussion: • The need for improved information sharing between meetings, particularly in relation to significant developments (e.g. White Papers and national changes). Members suggested that where briefings are prepared for internal staff, consideration should be given to sharing these, or appropriate summaries, with the Committee to ensure Members remain informed. • The need for regular technical updates, noting that this had been discussed previously but had not yet been implemented. Members agreed that revisiting this would support ongoing effectiveness. AD confirmed that updates could be shared where appropriate and agreed to consider how best to provide this information in a proportionate and useful format for the committee.	ACTION: OPCC / Force to consider

	ACTION: OPCC / Force to consider delivery of regular technical updates for Members. SS also highlighted the benefit of introducing cover sheets for committee papers, noting that these had been used previously. It was agreed that cover sheets should provide a brief summary of key points, changes and actions required, rather than detailed summaries, and should support the committee in focusing their review. ACTION: OPCC / Force to reintroduce cover sheets for committee papers, supported by a simple template. It was agreed to reintroduce cover sheets for papers where appropriate and to explore the use of a simple template to support consistency. The discussion also referenced the importance of maintaining visibility of governance transition arrangements, noting the ongoing changes relating to the future Mayor's Office structure. AD confirmed that updates would continue to be provided as further information becomes available. End of open session.	delivery of regular technical updates for Members. ACTION: OPCC / Force to reintroduce cover sheets for committee papers, supported by a simple template
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JOINT AUDIT, RISK AND ASSURANCE COMMITTEE – OPEN SESSION – JULY 2026

REVIEW OF ACTIONS

Agenda Item	Report Title and Action Required	Responsible Officer	Progress
02/26	PCC/CC ACCOUNTS SIGN OFF		
	RA, AD and BB to have discussions on the gaining assurance on the reserves and the work it entails to bring a proposed decision to the JARAC.	RA, AD and BB	Discussions have happened and were covered in the external audit update to the last meeting and BB also presented a paper in April Jarac meeting. RA has a report on the agenda which outlines the strategy to regaining assurance.
23/26	MINUTES OF THE MEETING OF THE JARAC HELD ON 28 JANUARY 2026		
	MP to add the minutes from the February 2026 Sign off of PCC/CC accounts to the July JARAC agenda.	MP	Complete.
24/26	REVIEW OF ACTIONS		
	AD to allocate a member of OPCC to ensure IA reports continue to be circulated to JARAC members.	AD	Complete.
25/26	FORWARD PLAN		
	MP to arrange a Sign off Statement of Accounts JARAC	MP	Complete.

	meeting for end of November 2026 on MS Teams.		
27/26	INTERNAL AUDIT		
	BB to consider whether there is a need for a policy review for claiming expenses and requiring a VAT receipt.	BB	This action will be completed when the new Financial Services Manager commences in post (expected to be Sept 2026).
	Internal Audit (AC/SK) to attend JARAC pre-meetings to provide updates on audit progress and delivery ahead of formal Committee meetings.	MP to arrange (SK & AC)	Complete.
	AC to circulate the detailed 2026/27 Internal Audit delivery schedule to Members outside of the meeting.	AC	Complete.
	AC to take this back and consider a review of the audit opinion on the EMSOU assets register recommendation.	AC	We have reviewed the findings of our collaboration audit and have made no changes to our audit opinion, as recorded in our annual conclusion.
08/26	IA RECOMMENDATION LOG		
	ACTION: MP/MS to ensure IA tracker is updated for the new reports.	MP/KS	Complete.
31/26	FINANCIAL HANDBOOK		
	AD/BB to develop an approach for promoting and embedding the Financial Handbook across the organisation	AD/BB	The approach is to be developed during quarter 2 2026/27 due to the capacity within the team being on the statement of accounts in quarter 1.

	AD/BB to review references to compliance monitoring and reporting to JARAC within the Financial Handbook.	AD/BB	Completed.
	AD/BB to consider inclusion of ex gratia payments within financial exceptions reporting.	AD/BB	Ex gratia payments is included within financial exceptions reporting. The financial exception reporting is on the July agenda.
36/26	JARAC MEMBER SELF ASSESSMENT		
	OPCC / Force to consider delivery of regular technical updates for Members.	OPCC/FORCE	Ongoing.
	OPCC / Force to reintroduce cover sheets for committee papers, supported by a simple template	MP/KS	Complete moving forward.

JARAC FORWARD PLAN 2026/27

OCTOBER 2026			
Papers Deadline to OPCC – 16th September 2026	JARAC Meeting Date – Wednesday 21st October 2026		
Standard Item	Forward Plan	IA Progress Report	Sarah Knowles - Paper
Standard Item	Forward Plan	External Audit Update	Richard Anderson - Paper
Standard Item	Forward Plan	JARAC Annual Report	All JARAC Members - Paper
Standard Item	Forward Plan	Financial Monitoring and Planning 26/27 Update	Bev Bull - Paper
Standard Item	Forward Plan	Fraud and corruption theme review (themes announces at agenda setting) – anti fraud and corruption policy, whistle blowing policies	
Standard Item	Forward Plan	Complaints Performance –Force	Az Ahmed - Paper
Standard Item	Forward Plan	Complaints Performance – OPCC	Marie Romano - Paper
Standard Item	Forward Plan	IS Disaster Recovery – RC to attend to update	Richard Cariss – Paper
Standard Item	Standard Item	Savings Plan	Andrew Price – Paper
Standard Item	Forward Plan	Policies update	Chair – Paper
Standard Item	Forward Plan	HMIC Activity Progress update	Emma Aldred - Paper
Standard Item	Forward Plan	Assurance Map/Framework Annual Report	Andrew Dale/ Marie Romano
Guest Speaker	Previous Meeting Action	OPCC Performance Update	Jennifer Connolly-Thompson -Paper
November 2027			
Papers Deadline to OPCC -	ADHOC Special Meeting to sign off PCC/CC accounts – DATE TBC		
Guest Speaker/ Standard Item	Forward Plan Item/ Previous Meeting Action Item	Name of Agenda Items	Lead Officer/ Staff Member

Standard Item	Forward Plan	External audit ISA 260 Report 25/26 (GT) inc. audit plan	Richard Anderson - Paper
Standard Item	Forward Plan	PCC/CC Sign Off Of Accounts	BB/AD

November special meeting sign off of accounts etc

JANUARY 2027			
Papers Deadline to OPCC – 14th Jan 2027	JARAC Meeting dates – Wednesday 28th January 2027		
Guest Speaker/ Standard Item	Forward Plan Item/ Previous Meeting Action Item	Name of Agenda Items	Lead Officer/ Staff Member
Standard Item	Forward Plan	IA Progress Report inc. detailed reports from recent audits	Sarah Knowles - Paper
Standard Item	Forward Plan	Financial Monitoring and Planning	Bev Bull- Paper
Standard Item	Forward Plan	Work Force and Planning – PUP and ARR	Andrew Price - Paper
Standard Item	Forward Plan	Budget 27/28 update	Bev Bull- Paper
Standard Item	Forward Plan	Force risk management update – Risk Register	Jo Hobson– Paper
Standard Item	Forward Plan	OPCC risk management update – Risk Register	Andrew Dale/Efe Eruego – Paper
Standard Item	Forward Plan	Policies update	Chair - Paper
Standard Item	Forward Plan	JARAC Member Self-Assessment initial discussion (CIPFA Checklist)	Chair - Verbal
Standard Item	Forward Plan	Transport Update on IA recommendations/KPI's/Dashboards (DCC)	Andrew Price - Paper
Standard Item	Forward Plan	Health and Safety mandatory training and compliance and inspections	Jo Hobson - Paper
Standard Item	Forward Plan	Assurance Framework	Andrew Dale/Efe Eruego/ Marie Romano - Paper
Standard Item	Forward Plan	Savings Plan	Andrew Price – Paper
Standard Item	Forward Plan	OPCC Complaints Update	Marie Romano - Paper
Standard Item	Forward Plan	HMIC KPI Update	Emma Aldred - Paper
Standard Item	Forward Plan	Gifts, gratuities and hospitality policy and Annual Report on Declarations	Jay Elliott / Bev Bull - Paper
APRIL 2027			
Papers Deadline to OPCC –	JARAC Meeting date – DATE TBC		
Guest Speaker/ Standard Item	Forward Plan Item/	Name of Agenda Items	Lead Officer/ Staff Member

	Previous Meeting Action Item		
Standard Item	Forward Plan	JARAC Member Self – Assessment (CIPFA Checklist)	Chair – Paper
Standard Item	Forward Plan	Force Policies	Chair - Paper
Standard Item	Forward Plan	IA Progress Reports	Sarah Knowles/Alexander Campbell – Paper
Standard Item	Forward Plan	Year End Accounting Arrangements & Accounting Policies 26/27	Bev Bull – Paper
Guest	Forward Plan	Environmental Strategy Update	Richard Brunt - Paper
Guest	Forward Plan	Key Security Control Update	Richard Cariss - Paper
Standard Item	Forward Plan	Savings Plan	Andrew Price - Paper
Standard Item	Forward Plan	Financial Monitoring and Planning 26/27	Bev Bull– Paper
Guest	Forward Plan	HMIC Activity (including VFM profiles)	Emma Aldred – Paper/Verbal
Guest	Forward Plan	Six monthly Complaints Performance – Update on meetings with IOPC Rep Force/OPCC	Az Ahmed – Paper
JULY 2027			
Papers Deadline to OPCC –	JARAC Meeting Date – DATE TBC		
Guest Speaker/ Standard Item	Forward Plan Item/ Previous Meeting Action Item	Name of Agenda Items	Lead Officer/ Staff Member
Standard Item	Forward Plan	Internal Audit Progress Report	Sarah Knowles/Alexander Campbell - Paper
Standard Item	Forward Plan	Internal audit annual report and opinion 26/27	Sarah Knowles/Alexander Campbell - Paper
Standard Item	Forward Plan	Draft PCC & CC Financial Statements of Accounts for 26/27	Andrew Dale/Bev Bull - Papers
Standard Item	Forward Plan	External Audit Progress Report	Richard Anderson - Paper
Standard item	Forward Plan	External Audit Recommendations Progress Report	Bev Bull - Paper
Standard Item	Forward Plan	Annual Financial Exception Reporting (Any breaches of financial regulations)	Bev Bull - Paper
Standard Item	Forward Plan	PCC and Force Annual Governance Statement	Andrew Dale/Bev Bull - Paper
Standard Item	Forward Plan	Policies update	Chair – Paper OPEN
Standard Item	Forward Plan	OPCC Risk Management Update	Andrew Dale – Paper
Guest	Forward Plan	Force Risk Management Update	Jo Hobson - Paper
Standard Item	Forward Plan	Financial Monitoring and Planning 27/28 Update	Bev Bull - Paper
Standard Item	Forward Plan	Savings Plan	Andrew Price - Verbal

Standard Item	Forward Plan	HMIC KPI Update	Emma Aldred
Standard Item	Forward Plan	Data Quality Audit update report	Adam Wilkins – Paper

Regaining Assurance Strategy for the Police and Crime Commissioner for Derbyshire and the Chief Constable for Derbyshire

June 2026



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Regaining Assurance Strategy for the Police and Crime Commissioner for Derbyshire and Chief Constable for Derbyshire

This report sets out our plan to rebuild audit assurance at the Police and Crime Commissioner for Derbyshire (the PCC) and the Chief Constable for Derbyshire (the CC) following the disclaimer of opinion issued under the statutory backstop for the years ended 31 March 2022 to 31 March 2025. This plan has been agreed with management and will be communicated to the Ministry of Housing, Communities and Local Government (MHCLG) in July 2026.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

Richard Anderson

Director
 For Grant Thornton UK LLP

Chartered Accountants

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Key messages

Audit Report

We anticipate our audit reports for 2025/26 will be modified.

Following disclaimed audit reports for the years 2021/22 to 2024/25, we do not expect to be able to support an unmodified opinion on the 2025/26 financial statements. Our audit focus is on in-year transactions, closing balances and build back of assurance over reserves, PPE and pensions, with sign-off targeted for 30 November 2026. There will be gaps in assurance over prior year comparators.

Trajectory

Two-year plan to unmodified by 2026/27

Aligned to NAO LARRIG guidance, with build-back of assurance over opening balances, reserves, property and pensions across the 2025/26 and 2026/27 audits.

The PCC and CC

Delivery depends on the PCC and CC

Successful build-back requires high-quality draft accounts, comprehensive working papers, timely audit access and continued focus on internal controls. We have discussed and agreed the strategy and trajectory for rebuilding assurance with the Section 151 Officers. The fee will be agreed and reported to the Joint Audit Risk and Assurance Committee in due course. Section 31 grant funding has been provided to resource the work.

MHCLG capacity assessment

We have assessed the PCC and CC as Category A

An assessment is required by 31 July 2026 covering build-back timing, opinion trajectory and key risks. More detail is available on page 6.

Background

What and why

As part of the regaining assurance process we are engaging with MHCLG and PSAA as key stakeholders in monitoring and supporting the agenda across the sector.

MHCLG and PSAA have made a joint request for us to provide information for each body subject to the build-back process. The requested information includes a capacity assessment for each body, to be produced with input from both the audit team and the audited body.

The assessment is intended to give MHCLG and PSAA a more granular understanding of: progress of build-back work to date; planned timing of future work; the year in which a qualified opinion and an unmodified opinion are likely to be achieved; key audit risks; the audited body's capacity to support the build-back; and any significant constraints, including restrictions on the auditor's capacity.

Process

The following pages set out our response.

The information will be used by MHCLG to:

- Better understand the nature and impact of key risks and constraints on the build-back process
- Identify and/or evaluate any significant problems that would benefit from further policy intervention and develop appropriate solutions.
- To develop reliable estimates of the overall cost and timescale of the build-back process and support the review of the build-back grant funding model in autumn 2026.
- To support the government's stewardship of local authorities (including in relation to Local Government Reorganisation) and other bodies by identifying bodies for which an ISA-compliant build-back is unlikely to be possible by the end of 2027/28 and the reasons for this.

Overall assessment and key risks

Under the MHCLG capacity assessment framework, we have provisionally assessed this audit as Category A. The framework categorises audits as follows:

A

Capable of an ISA-compliant approach within the build-back period, relatively straightforward.

B

Capable of an ISA-compliant approach, but with significant operational difficulties.

C

Not capable of an ISA-compliant approach by 2027/28 due to major systemic problems.

D

Not capable of an ISA-compliant approach by 2027/28 due to practical constraints (adequate systems in principle).

Principal factors supporting our assessment

Technical challenges

There are technical challenges to rebuilding assurance in the complexity of statutory reserves held by the PCC. This will be the main focus of our additional work.

In 2024/25, we were unable to obtain sufficient appropriate audit evidence over the allocation of the closing LGPS net defined benefit pension liability between the Chief Constable and the PCC. This was due to the absence of separate IAS 19 reports from the actuary. We understand that management has requested separate reports for 2025/26, which we expect will address this issue.

We will also need to test movements in property, plant and equipment (PPE) for the period from 1 April 2022 to 31 March 2023 to gain assurance over the classification of expenditure and the accuracy of capital accounting entries during the disclaimed period.

In addition, we will need to obtain assurance over the closing PPE balance as at 31 March 2026. We have been unable to gain sufficient assurance in this area in our previous two audits for the years ended 31 March 2024 and 31 March 2025.

Audited body capacity

We acknowledge that the additional work required to rebuild assurance will require additional input from the finance team. Management has indicated that they can support this work as part of the 2025/26 audit.

Expected audit report trajectory

Our planning estimate of when our audit report is expected to transition from disclaimed to qualified, and from qualified to unmodified, is set out below. These are planning estimates only; they cannot be taken as a commitment or guarantee as to the opinion eventually issued for a given year.

PCC Group	2024/25 Disclaimed Disclaimed opinion issued on 25 February 2026.	2025/26 Qualified Transition to qualified opinion anticipated reflecting partial build-back of prior-year balances. There will still be gaps in assurance over prior year comparators.	2026/27 Unqualified Unmodified opinion anticipated, subject to satisfactory completion of the build-back work programme and absence of any new significant issues.
	2024/25 Disclaimed Disclaimed opinion issued on 25 February 2026.	2025/26 Qualified Transition to qualified opinion anticipated reflecting partial build-back of prior-year balances. There will still be gaps in assurance over prior year comparators.	2026/27 Unqualified Unmodified opinion anticipated, subject to satisfactory completion of the build-back work programme and absence of any new significant issues.

What the opinion types mean

Unmodified (clean): the financial statements give a true and fair view, in all material respects.

Qualified ("except for"): true and fair, except for one or more identified areas where we could not obtain sufficient evidence or where we disagree with the accounting treatment.

Disclaimer of opinion: we could not obtain sufficient evidence to form any opinion — effectively, no audit assurance.

Build-back work programme

The table below summarises when we plan to undertake build-back work for each audit area. It is consistent with the information we will submit to MHCLG within the capacity assessment by 31 July 2026.

Audit area	Timing and approach
Statutory reserves	Substantive testing will be required over movements in reserves during the periods subject to disclaimers of opinion, aligned to NAO LARRIG. This work is planned to be delivered alongside the 2025/26 audit.
Property assets	Substantive testing will be required over historic transactions such as additions, depreciation and disposals, aligned to NAO LARRIG. Testing closing balance at 31 March 2026. This work is planned to be delivered alongside the 2025/26 audit.
Pension deficit / surplus	Substantively covered each audit year from 2025/26 onwards.
Working balances (cash, receivables, payables)	Substantively covered each audit year from 2025/26 onwards.
Other audit work (journals, payroll, grants, disclosures)	Substantively covered each audit year from 2025/26 onwards.
Pension fund	Substantively covered each audit year from 2025/26 onwards.

We will refresh this timetable and report to you in subsequent Audit Findings Reports if material changes arise.

Next steps and timetable

The key milestones in the regaining assurance programme are set out below.

April 2026

Completion of 2025/26 interim audit work and LARRIG risk assessment.

30 June 2026

Submission of draft 2025/26 financial statements.

31 July 2026

MHCLG capacity assessment submitted, with the PCC's and CC's comments where available.

November 2026

Completion of the 2025/26 audit.

30 November 2026

Issue the audit report for the year ended 31 March 2026.

31 January 2027

2025/26 backstop date for publication of audited financial statements.

January 2027

Commencement of 2026/27 audit.

2026/27 audit

Target year for return to unmodified opinion, subject to satisfactory progress.



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Police and Crime Commissioner for Derbyshire and the Chief Constable for Derbyshire

Audit progress report; regaining assurance
progress report; and sector updates

July 2026

Agenda

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4	Audit deliverables	06
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6	Sector updates	10
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Audit Progress Report

Introduction

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This paper provides the Joint Audit Risk and Assurance Committee (JARAC) with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a series of sector updates in respect of emerging issues which the Committee may wish to consider.

Members of the JARAC can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications:

[Local government | Grant Thornton](#)

If you would like further information on any items in this briefing or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

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Progress as at July 2026

Financial Statements Audit

Our 2025/26 Audit Plan was presented to the Joint Audit, Risk and Assurance Committee on 29 April 2026, outlining our risk assessment and planned approach to the financial statements audit. There have been no changes to this assessment or approach since that date.

As part of our interim audit visit, we have completed advance testing in the following areas:

- Operating expenditure – obtained a breakdown of expenditure recorded in the ledger up to month 11 and performed testing on a sample of selected items.
- Fees and charges – obtained a breakdown of fees and charges recorded in the general ledger up to month 11 and performed testing on a sample of selected items.
- Grant income – obtained a breakdown of grant income recorded in the general ledger up to month 11 and performed testing on a sample of selected items.
- Property, plant and equipment – written to the external valuation expert and selected a sample of additions up to month 11.
- Payroll expenditure – obtained a breakdown of starters and leavers up to month 11 and performed testing on a sample of selected items. We also confirmed the planned use of audit data analytics (ADA) at year end.

Based on work performed during the interim visit, no issues have been identified on evidence supplied to date.

Our final accounts audit work is scheduled to take place between Monday 22 June and Friday 20 November 2026. As previously discussed with Joint Audit, Risk and Assurance Committee, we will present our Audit Findings Report in November 2026 to ensure compliance with our internal reporting deadline of 30 November 2026.

Value for Money

There are no changes to the risk assessment set out in our audit plan, with no risks of significant weaknesses currently identified. Our specialist Value for Money (VfM) audit team is currently documenting arrangements relating to Financial Sustainability, Governance, and Improving Economy, Efficiency and Effectiveness. We continue to keep our risk assessment under review. Where appropriate, we will update our assessment to reflect any emerging risks or findings, and we will report these to you in the Auditors' Annual Report.

We intend to issue our final Auditors' Annual Report, alongside our Audit Findings Report and the financial statements audit opinion, in November 2026.

Audit Deliverables

Below are the audit deliverables planned for 2025/26

2025/26 Deliverables	Planned Date	Status
Audit Plan We are required to issue a detailed audit plan to the JARAC setting out our proposed approach in order to give an opinion on the 2025/26 financial statements.	29 April 2026	Completed
Audit Findings Report The Audit Findings Report will be reported to the JARAC	November 2026	Not yet due
Auditor’s Report This includes the opinion on your financial statements.	November 2026	Not yet due
Auditor’s Annual Report This report communicates the key outputs of the audit, including our commentary on value for money arrangements.	November 2026	Not yet due

After the backstop, regaining assurance

After the Backstop

On 26th March 2026, the government [published the names of 22 councils and one combined authority](#) that missed the local audit backstop deadline on 27th February 2026.

The number that missed the 27th February 2026 deadline was more than 50% lower than one year before, on 28th February 2025, when 53 local government bodies missed the deadline.

However, [PSAA data](#) demonstrates that restoring assurance following the issuance of a disclaimer of opinion is a gradual process that requires time and sustained effort:

- ❖ 47.3% of all opinions that met the February 2025 backstop date were disclaimed.
- ❖ This number only fell to 41.1% one year later for all opinions that met the February 2026 backstop date.

Rebuilding assurance over English local government and police accounts remains a work in progress for many. With responsibilities and opportunities for the sector expanding rapidly, audited bodies need to continue working with auditors to secure the financial transparency expected of pivotal players in government.

The next statutory backstop dates fall on:

- ❖ 31st January 2027, for the publication of audited 2025/26 financial statements; and
- ❖ 30 November 2027 for the publication of audited 2026/27 financial statements.

We have agreed with Management to complete the 2025/26 financial statements audits by the end of November 2026.

We set out recommendations for the Joint Audit, Risk and Assurance Committee in our recent report: [Local audit reset: What comes after the backstop? | Grant Thornton](#)

- ❖ Recruit independent members with appropriate skills and experience.
- ❖ Hold management and auditors to account.
- ❖ Understand the approach to be taken to rebuilding audit assurance where previous accounts were disclaimed:
- ❖ Ensure appropriate consideration is given to future financial management where local government reorganisation applies.

Regaining assurance

Local audit recovery update

A major challenge for auditors in regaining assurance, and returning to an unqualified audit opinion, is that without undertaking audit work in respect of old year transactions, where these were not subject to audit procedures, there will be uncertainty as to whether reserves have been properly accounted for.

The National Audit Office (NAO) published guidance in September 2024 for auditors, as part of its Local Audit Reset and Recovery Guidance (LARRIG) series. This sets out key considerations that may assist auditors in regaining assurance at audited bodies where the audit report has been disclaimed due to the backstop.

The LARRIG provides principles as well as indicative procedures which, with the application of professional judgement, enable the auditor to regain assurance in respect of opening balances. These include a framework for auditors to:

- Assess risk at an entity wide level
- Assess risk at a line item level including in respect of specific balances and reserves
- Determine a response to risk, including appropriate testing of prior year transactions.

For many authorities a reasonable pathway exists through the application of the auditing standards to where the auditor may issue an opinion that is based upon sufficient appropriate audit evidence. The guidance is clear that the timeframe in which this can be achieved will vary depending on the circumstances of individual engagements. It is also clear that there will be authorities where it may not be possible to recover assurance solely through the application of the auditing standards.

The first priority at all audited bodies which have previously been backstopped is to gain assurance regarding in year transactions and closing balances for the current audit year. Timely preparation of draft accounts and high quality supporting working papers is fundamental to the success of audit closedown. We look for all bodies to prioritise this in enabling the sector to return to balance.

The Ministry of Housing, Communities and Local Government has requested an assessment by 31st July 2026 of capacity for rebuilding assurance.

Our assessment for Derbyshire Police is presented alongside this report.

Sector Updates

CIPFA Bulletin 23 – Closure of the 2025/26 financial statements

CIPFA has issued Bulletin 23 (April 2026) to support finance teams in preparing the 2025/26 Statement of Accounts. The bulletin covers key areas that should be considered for 2025/26.

Indexation of non-investment assets

The bulletin includes a useful list of answers to frequently asked questions on indexation for preparers of accounts.

Key reminders include:

- ❖ Authorities need to adopt a five-year revaluation cycle, with indexation in intervening years, replacing more frequent revaluations.
- ❖ It applies to most property, plant and equipment, along with leased assets if measured at valuation.
- ❖ Indexation maintains asset values in line with market changes, and authorities should continue to review asset lives and indicators of impairment.
- ❖ CIPFA do not prescribe which indices authorities may use - authorities must select appropriate indices, justify choices, and use the latest available data.
- ❖ In rare cases where no index is available a desktop valuation is required in year three.

For a full copy of Bulletin 23, see [CIPFA Bulletin 23 – Closure of the 2025/26 financial statements | CIPFA](#)

More detailed guidance on indexation is available in CIPFA's [CIPFA Bulletin 22 Indexation application guidance | CIPFA](#)

Joint Audit, Risk and Assurance Committee can help by asking:

- ❖ What assurance is available that the indexation applied is appropriate for the various assets within the scope of indexation, and is supported by sufficient external evidence and professional input?

Audit Committee resources

Commentary from Grant Thornton on recovering the accounts preparation and audit timetable:

[Local audit reset: What comes after the backstop? | Grant Thornton](#)

Latest guidance and learning from Grant Thornton on local government reorganisation and devolution:

[Navigating the future: The dual challenge of local Government reorganisation and devolution | Grant Thornton](#)

[Dual delivery - How can areas successfully reorganise local government and implement devolution at the same time?](#)

[Learning from the new unitary councils](#)

Grant Thornton learning on procurement and contract management:

[Local government procurement and contract management](#)

Audit Committee and organisational effectiveness in local authorities (CIPFA):

<https://www.cipfa.org/services/support-for-audit-committees/local-authority-audit-committees>

LGA Regional Audit Forums for Audit Committee Chairs

These are convened at least three times a year and are supported by the LGA. The forums provide an opportunity to share good practice, discuss common issues and offer training on key topics. Forums are organised by a lead authority in each region. Please email ami.beeton@local.gov.uk LGA Senior Adviser, for more information.

CIPFA Application Note: Global Internal Audit Standards in the UK Public Sector

[Global Internal Audit Standards in the UK Public Sector | CIPFA](#)

CIPFA Good Governance

[Delivering Good Governance in Local Government Addendum](#)

The Three Lines of Defence Model (IAA)

<https://www.theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf>

Risk Management Guidance / The Orange Book (UK Government):

<https://www.gov.uk/government/publications/orange-book>



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External Audit Recommendations Progress Update – July 2026

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Number	Audit team - Issue and risk documented in prior year AFR	Audit team - Prior year recommendation to resolving issue & management response in 24/25	Management Update July 2026
1	Unable to reconcile fixed asset register We have been unable to obtain a fixed asset register that reconciles to the financial statements and valuation report. This is a significant deficiency and there is a risk that the PPE balance within the financial statements could be materially misstated.	We recommend that management improve the quality of the fixed asset register. The fixed asset register should be updated and fully reconciled to the valuer's report, trial balance and financial statements as part of ~~close down~~ and prior to the commencement of the final accounts audit. Management response A CIPFA compliant asset management software is being implemented for the 2025/26 accounts. The software includes an asset register and a compliant and robust methodology of calculating the capital accounting entries. The system will provide an asset register that will agree to the ledger and financial statements. A reconciliation of the fixed asset register to the valuer's report, trial balance and financial statements will be completed as part of the closedown.	The initial opening balances were input to the new asset management system in preparation for using it in closing down. However, following training with the supplier, they informed us that the indexation module would not be available until after the deadline for publication of the accounts. As indexation is a major component, the accounts have been completed in the same way as previous years using Excel spreadsheets to reconcile the PPE balances. A full asset register will be provided to the external auditors that reconciles to the valuers report, the trial balance and financial statements for 2025/26. A Fixed Asset Register showing force-owned assets, leased assets and non-valued property assets was provided to the auditors for 2024/25 reconciled to the PPE note in March 2026. COMPLETE
2	Lack of approval limits for some journals Journal users can post and authorise standard in-year journals. Although there are some controls in place that minimise risks associated with this, there are no approval limits and no other preventative controls for these journals. There is a risk that fraudulent postings could be made.	We recommend that authorisation and approval limited are applied and enforced. Management response There are other controls in place that would identify a fraudulent posting, all control and suspense accounts and other balance sheet code are reconciled, and journal entries to revenue codes would be picked up in the budget monitoring. All year end journals and 25% of in year journals are reviewed by a senior member of Strategic Finance. We will increase this to all journals being reviewed by a senior member of Strategic Finance.	A process has been implemented where reports are run at the end of each period that summarise all the journals that have been posted. The journal entries are checked and approved by a Senior Operational Management Accountant in the first instance then passed to the Corporate Finance Manager for review and final sign off. The reports have been run and checks carried out and approved for each period up to P12 for 2025/26. COMPLETE
3	Inadequate control over privileged accounts within Unit 4 We identified that privileged access rights in Unit 4 are linked to the security profile SYSADMIN, which had been assigned to 5 finance users. Although security logging is enabled for login activity, there are no proactive controls in place to monitor the activities of these privileged accounts. Granting SYSADMIN-level access to finance users significantly increases the risk of unauthorised or inappropriate system changes, as these accounts can override application controls. Without active monitoring, malicious or accidental actions – such as altering system configurations, creating or deleting user accounts, or disabling audit logs – may go undetected. This could compromise system integrity, disrupt operations and weaken the overall control environment.	We recommend that management: - Review all users with SYSADMIN or equivalent privileged access and validate business justification. Remove privileged access from finance users unless ~~absolutely necessary~~; assign least privilege roles instead. Where privileged access is required, implement compensating controls, such as logging and regular independent review of privileged activity. - Use password vaults and session monitoring for privileged accounts. - Establish a formal policy for privileged access management, including periodic reviews and approval workflows. Management response Going forward in order to reduce any risk associated with SYSTEM access we will create a new "Agresso Admin" role, which will allow access to Create/Update/Delete certain fixed registers but remove access to the high-risk areas e.g. Accounts Payable and Accounts Receivable. Two of the Senior System Administrators will retain full SYSTEM access this is considered the minimum number of staff necessary to ensure appropriate cover. In addition, a series of automated alerts have been put in place to identify when amendments to fixed registers have been made. These will pick up amendments performed by Agresso Admin and Senior System Administrators and are forwarded to the Senior System Administrators for review. The two Senior System Administrators will receive and review the changes made by each other. Agresso is accessed through Single Sign On through the users force network login. All of the above processes allow for monitoring and review by the senior roles of the activities performed by Agresso Admin. Access to these roles will remain limited and any amendments performed on a one in one out basis and approved by the Senior System Administrators.	The Agresso Admin role has been created and the users have been moved leaving the two Senior System Administrators as the System users. Automated alerts are generated from within Agresso which capture any fixed register amendments made. For any changes made Agresso Admin roles an alert sends an e-mail to Martin Cantrill and Steve Litchfield for review. For changes made by either of the 2 full system users an alert e-mails the other full system user for review. This process is now live with alerts being sent daily to reflect any changes made. COMPLETE

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4	Inappropriate segregation of duties as developers have access to the production environment As above, we identified that 5 finance users had been granted SYSADMIN access, allowing them to both develop and implement changes into the production environment. We understand that due to operational constraints, segregation of these roles has not been implemented, and independent monitoring of changes made by these users is not performed. The ability for the same user to develop and deploy changes in the production environment bypasses standard change management controls, increasing the risk of: • Unauthorised or untested changes being introduced into production. • System instability or data integrity issues due to lack of independent review. • Fraud or malicious activity going undetected, as there is no segregation or monitoring.	We recommend that management: • Review all users with SYSADMIN or equivalent privileged access and validate business justification. Remove privileged access from finance users unless absolutely necessary; assign least privilege roles instead. Where privileged access is required, implement compensating controls, such as logging and regular independent review of privileged activity. • Use password vaults and session monitoring for privileged accounts. • Establish a formal policy for privileged access management, including periodic reviews and approval workflows. Management response Going forward ~~in order to~~ reduce any risk associated with SYSTEM access we will create a new "Agresso Admin" role, which will allow access to Create/Update/Delete certain fixed registers but remove access to the high-risk areas e.g. Accounts Payable and Accounts Receivable. Two of the Senior System Administrators will retain full SYSTEM access this is considered the minimum number of staff necessary to ensure appropriate cover. In addition, a series of automated alerts have been put in place to identify when amendments to fixed registers have been made. These will pick up amendments performed by Agresso Admin and Senior System Administrators and are forwarded to the Senior System Administrators for review. The two Senior System Administrators will receive and review the changes made by each other. Agresso is accessed through Single Sign On through the users force network login. All of the above processes allow for monitoring and review by the senior roles of the activities performed by Agresso Admin. Access to these roles will remain limited and any amendments performed on a one in one out basis and approved by the Senior System Administrators.	The Agresso Admin role has been created and the users have been moved leaving the two Senior System Administrators as the System users. Automated alerts are generated from within Agresso which capture any fixed register amendments made. For any changes made Agresso Admin roles an alert sends an e-mail to Martin Cantrill and Steve Litchfield for review. For changes made by either of the 2 full system users an alert e-mails the other full system user for review. This process is now live with alerts being sent daily to reflect any changes made. COMPLETE
5	Late publication of financial statements The draft financial statements were not published until 31 July 2025, after the statutory deadline of 30 June 2025. There is a risk that late publication of draft financial statements will lead to delays in the audit, and the deadline for publishing audited accounts may be at risk.	We recommend that management implements and monitors a strict closedown plan for producing and publishing draft financial statements in line with the statutory deadline. Management response A decision was taken to delay the publication of the accounts due to the timing of internal governance processes which meant the outturn report for 2024/25 was to be approved at a meeting of the Finance and Assurance Board on the 14 July 2025. It was deemed inappropriate for the accounts to be published prior to this meeting as the accounts include the narrative statement which includes details of the outturn position. This would have meant the outturn position would be in public domain in advance of the approval of the outturn position by the PCC. The dates for the meeting of Finance and Assurance Board to approve the outturn report for 2025/26 have been reviewed and enable the report to be approved prior to the statutory deadline for the accounts to be published.	The accounts timetable was set to achieve the statutory deadline of the 30th June 2026 for the draft accounts publication. The Financial Assurance Board meeting was brought forward to enable the approval of the outturn position prior to 30th June accounts deadline. The Draft accounts for 2025/26 were published on the 30th June 2026. COMPLETE

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6	Impact of IFRS 16 on PFI liabilities We have identified that management has not updated the PFI models to take account of changes to payments for the lease element arising from changes to an index or rate, as required by the standard. There is a risk that the PFI liabilities are misstated.	We recommend that management update the PFI models to incorporate this change. Management response The PFI models will be updated to take account of changes to payments for the lease element arising from changes to an index or rate, as required by IFRS16.	A meeting was held with MUFG, The Treasury Advisors on 13/03/2026 to discuss and confirm the requirements for 2025/26. MUFG are providing the calculations for the impact of indexation changes on the lease element under IFRS 16. There has been a late notification from the PFI provider regarding a change to the indices that applied for 25/26 which delayed the data being sent to MUFG. The calculations were received from MUFG on 29th June and the full report being received on the 3rd July. The entries needed to reflect the IFRS16 will be completed for the final accounts. IN PROGRESS - will be completed once entries finalised.
7	Completeness and valuation of right of use assets and lease liabilities Through discussion with management, we have determined that there are gaps in management's assessment of IFRS 16 and the subsequent right of use assets and lease liabilities. We have identified 6 peppercorn leases without corresponding right of use assets (this is where the liability is <u>minimal</u> but a right of use asset should be valued) and a further 18 right of use assets where the leased land and buildings require revaluation.	We recommend that management re-review the lease register to identify all arrangements that fall within the scope of IFRS 16, and fully determine the associated right of use asset and lease liability balances. Management response The lease register will be fully reviewed to identify all arrangements that fall within the scope of IFRS 16. The associated right of use asset and lease liability balances will be determined in accordance with IFRS 16.	All leases have been reviewed and assessed in accordance with IFRS 16 All IFRS16 lease information is recorded in an auditable spreadsheet. COMPLETE
8	Consistency and clarity of capital financing requirement (CFR) and minimum revenue provision (MRP) Some consistency issues have been identified between the CFR note and figures disclosed elsewhere in the financial statements. We have also noted that the MRP working paper contains historic hardcoded data that is difficult to support. There is a risk that insufficient reserves are being set aside.	We recommend that management ensure working papers provide as clear an audit trail as possible, including the support of historic data used in MRP calculations as far as practicable. This will help smooth the rebuilding assurance process. Management response The file path for the working to support the hard coded figure in the MRP working paper has been added to provide a clear audit trail.	The CFR note has been checked against other figures in the statements of accounts and cross referenced to the figures in other notes in the 2025/26 statements. The current, and any previous, working papers now show a link to the original working to support the hard coded figure. COMPLETE

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9	Retention of evidence to support asset valuations While no issues have been identified in our sample testing of asset valuations undertaken during the year, we have identified a deficiency in the retention of supporting evidence. We also noted that management did not robustly challenge the assumptions used by the valuer. There is a risk that inappropriate data is used in asset valuation calculations and cannot be supported.	We recommend that management work with the valuer to retain all supporting evidence used in the asset valuation exercise, and that key assumptions are reviewed and challenged where needed. Management response In the future we will include the requirements for the valuer to ensure they have supporting evidence for the asset valuations in the instruction to the valuers. We will provide the valuer with any evidence we need to provide for them to complete the valuations. The assumptions used by the valuers will be reviewed and challenged where needed.	Valuers have been instructed to retain comparable source data on email sent to them on 26/02/2026 and a confirmation was received. Alongside the valuations a supporting report has been provided by the valuer and retained with the valuation reports. IN PROGRESS - will be closed once evidence has been sought and provided from the valuers as part of the External Audit process.
10	Matching expenditure invoices to the appropriate period We identified some instances of expenditure that spanned both 2024/25 and <u>2025/26</u>, but were fully recognised in 2024/25. There is a risk that expenditure becomes materially overstated if multiple instances of this recognition occur.	We recommend that management implements a process to identify instances of expenditure covering multiple financial years and allocate the expenditure to the appropriate financial period. Management response It was agreed with previous auditors that any new contracts would be split and recognised in the year the costs relate to, but for those contracts that were already in place the costs would continue to be recognised in full in the year the cost was incurred because of the effect this would have on the outturn position of the force. This issue will be addressed in the 2025/26 accounts with the relevant costs written forward into 2026/27. The current process for accruals is sufficient to identify invoices that cover multiple financial years.	The accrual process for 2025/26 was changed and the costs of the invoices for the older contracts have been split over the appropriate financial years/periods. This resulted in a one-off underspend of £1.2m in the accounts. COMPLETE
11 (23/24 Recommendation not actioned in 24/25)	Member data and benefits paid relating to the PPS We recommended that management holds discussions with the appropriate personnel to ensure that the required reports and evidence are provided for audit in a timely manner.	Management confirmed that the information required from XPS was requested in April 2025 following the audit team's initial notification. This information was provided and reconciled in January 2026, nine months after the initial request. No issues were identified from our testing in this area.	Discussions were held regarding the delay in the reports with XPS. An email was sent requesting the information on 06/03/2026. There were issues getting the information due to a change in systems at XPS, the information was received on 29/05/2026. Last years month 12 pensions report provided each element type split by employee but the one provided this year is not split, so a more detailed version of the month 12 report was requested on 04/06/2026 and chased on 22/06/2026. Further chaser sent to XPS 08/07/2026. The detailed report was used to provide a reconciliation for the auditors which they used to select their sample. IN PROGRESS will be closed once detailed month 12 report received.

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12 (23/24 Recommendation not actioned in 24/25)	Review of intra-group accounting treatment We recommended that management undertakes a review of the accounting treatment of intra-group balances and transactions, including the presentation of these in both the PCC and Chief Constable financial statements. This review should be documented and <u>make reference</u> to accounting standards and the Code where relevant.	Management has confirmed that they are satisfied the accounting treatment and presentation of the intra-group balances is correct and reflects the underlying transactions. They acknowledge, however, that the narrative and clarity of the presentation could be improved for the reader. Due to resourcing constraints, no changes were made in the 2024/25 financial statements, and the approach remains consistent with the prior year.	Narrative have been added to the draft published accounts to explain the balances. COMPLETE
13 (23/24 Recommendation not actioned in 24/25)	Actuarial reports for both the PCC and Chief Constable We recommended that management obtain separate LGPS IAS 19 reports from the actuary for the PCC and Chief Constable. This will provide a more accurate basis for the pension liability estimate in the financial statements.	No separation of liabilities was implemented in 2024/25 due to timescales and materiality issues. Management have confirmed that they will engage with the Pension Fund Scheme providers to review options for 2025/26 and understand what can be done to achieve these requirements.	Separate LGPS Reports have been received and have been reflected in the 2025/26 published draft accounts. COMPLETE
14 (23/24 Recommendation not actioned in 24/25)	Fixed asset register reconciliation to the general ledger We recommended that a reconciliation is prepared and reviewed at the time of preparing the financial statements and retained for an audit trail.	We have been unable to successfully reconcile the fixed asset register to the property, plant and equipment note within the draft financial statements. Management have not provided a final version of supporting working papers or evidence of a final reconciliation. We have raised a new recommendation to replace this one.	Request replaced by no 1 above
15 (23/24 Recommendation not actioned in 24/25)	Journals not subject to review or authorisation We recommended that controls are implemented to ensure all journals are authorised by an appropriate staff member.	We understand from management that all accrual journals and journals posted after year end are now reviewed by a senior member of Strategic Finance, demonstrating that they are starting to address this issue. However, it is still possible for journals to be posted without authorisation. This recommendation will only be fully addressed when all journals are subject to review.	Request replaced by no 2 above

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Office of the Police & Crime Commissioner for Derbyshire and Derbyshire Police

Joint Audit, Risk and Assurance Committee – 22 July 2026

Internal Audit Progress Report

Date Prepared: July 2026

01	Snapshot of Internal Audit Activity 2025/26
02	Latest Reports Issued – Summary of Findings
03	Overview of Collaboration Plan 2025/26
04	Key Performance Indicators 2025/26
05	Snapshot of Internal Audit Activity 2026/27
06	Overview of Internal Audit Plan 2026/27
07	Overview of Collaboration Plan 2026/27
08	Key Performance Indicators 2026/27
09	Definitions of Assurance Levels and Recommendation Priority Levels
A1	Latest Reports Issued
A2	Thought Leadership & Sector Insights

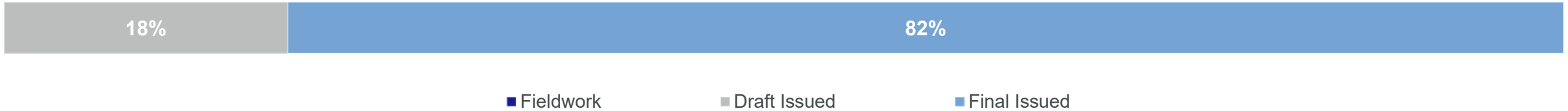
Disclaimer

This report ("Report") was prepared by Forvis Mazars LLP at the request of the Office of the Police & Crime Commissioner for Derbyshire ("OPCC") and Derbyshire Police ("Force") and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of OPCC and Force and to the fullest extent permitted by law Forvis Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in this report for further information about responsibilities, limitations and confidentiality.

01. Snapshot of Internal Audit Activity 2025/26

Below is a snapshot of the current position of the delivery of the 2025/26 Internal Audit Plan.

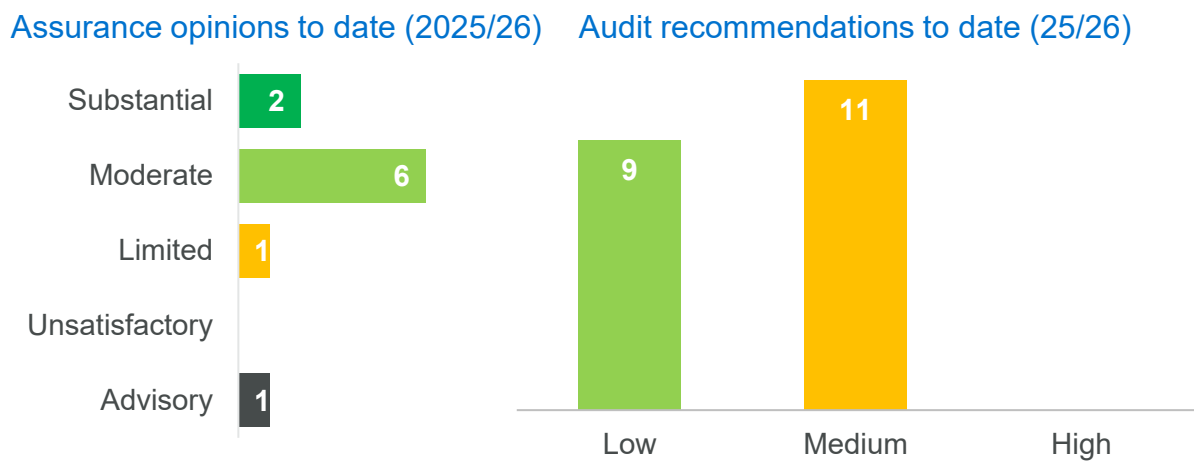


JARAC decisions needed

- Note the progress being reported and consider final reports included separately in **Appendix 1**.

RAG status of delivery of plan to timetable

On Track



Key updates
Since our last update to the committee, we have issued the Final report for the Skills Audit, Custody Governance, Mobile Device Management, OPCC Performance & Delivery and Fleet Standards audits. The draft reports have been issued for the IT – Legacy Systems audit.

We have separately provided our Annual Conclusion with the **Annual Report**, and this paper also includes an overview of the Internal Audit Plan.

Since our last update to the committee, the Final report has been issued for the EMSOU Forensics Accreditation audit.

An overview of the Collaboration Plan can be found in **Section 3**.

02. Latest Reports Issued – Summary of Findings

Skills Audit 2025/26

Your One Page Summary

Audit Objective: To review the recording and monitoring of Skills within Derbyshire Police.

Audit rationale						
Why the Audit is in Your 2025/26 Plan			Your Strategic Objective			
Following PEEL inspection (2021/22) findings regarding understanding of skills, this engagement will review the application of controls and management reporting regarding training compliance.			Supporting Victims and Safeguarding			
Summary of our opinion						
Limited Opinion See Appendix A1 for definitions			Summary of Recommendations			
			High (Priority 1)	-	Actions agreed by you	100%
			Medium (Priority 2)	4	High Priority completion	N/A
			Low (Priority 3)	-	Overall completion	March 2027
Summary of findings						

Examples of good practice	Highest Priority Findings	Key root causes
✓ A documented leadership framework, which sets out the skills and training required, is in place for those seeking promotion. ✓ Training compliance is monitored within the Force Training and Commissioning Group ✓ 2025-26 training plan in place which documents the upcoming training required.	• Lack of documented training strategy and framework • Unclear what training and skills requirements are for roles. • Manual error and completion issues within Training Administration System • Force Training and Commissioning Group have not met since June 2025	• No documented role-expectations on training and skills. • Delays in developing the new People Strategy due to new members of Senior Staff within the Learning and Development Team. • The Training Administration System requires manual input leading to human error.

02. Latest Reports Issued – Summary of Findings

Custody Governance 2025/26

Your One Page Summary

Audit Objective: To assess the design and effectiveness of the control framework for custody governance.

Audit rationale						
Why the Audit is in Your 2025/26 Plan					Your Strategic Objective	
Due to ongoing inspections by His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services and incidents involving custody care within the region.					Bringing Offenders to Justice	
Summary of our opinion						
Moderate Opinion See Appendix A1 for definitions			Summary of Recommendations			
			High Priority	-	Actions agreed by you	100%
			Medium Priority	2	High Priority completion	N/A
			Low Priority	-	Overall completion	June 2026
Summary of findings						

Examples of good practice

- ✓ Policies and framework are in place which clearly outline the custody processes, such as Force Custody Policy (October 2025), Use of Force in Custody SOP (October 2025) and the Children in Custody SOP (October 2025).
- ✓ From our sample testing of 12 females and 12 children in custody from August 2025 to January 2026 we noted that legal representation was provided where requested, and also appropriate adults were required.

Value for Money

As the Force is not funded to accommodate under-18-year-olds, the costs of accommodation can be reimbursed to the Force under Section 21(3) of the Children Act 1989 by the local authority that the child is ordinarily resident. However, we have noted that the Force has made a policy decision not to recover these costs from local authorities and instead bears the costs itself.

Highest Priority Findings

- Single point of contact not assigned to those in custody in all of our sample testing.
- Juvenile risk assessments not completed in five cases during sample testing

Key root causes

- Lack of capacity and human error.
- Potentially looking to cease to use juvenile specific-risk assessment

02. Latest Reports Issued – Summary of Findings

Mobile Device Management 2025/26

Your One Page Summary

Engagement Objective: To assess the Force's management of assets held across the estate to ensure that efficient systems are in operation and waste or write offs of assets are minimised.

Engagement rationale					
Why the engagement is in Your 2024/25 Plan		Your Strategic Risk		Your Strategic / Tactical Objective	
With a large number of devices issued to personnel and following the introduction of the Smarter Working Workstream, we reviewed the controls in place with regards to the entitlement and issue of mobile devices.		STR0088 - Failing to provide suitable facilities to deliver operation policing services.		Finance and Resources.	
Summary of our opinion					
Moderate Opinion See Appendix A1 for definitions		Summary of Recommendations			
		High (Priority 1)	-	Actions agreed by you	100%
		Medium (Priority 2)	1	High Priority completion	N/A
		Low (Priority 3)	-	Overall completion	October 2026
Summary of findings					
Examples of good practice		Highest Priority Findings			
✓ Structured governance frameworks are in place for device selection and procurement, ensuring decisions are formally reviewed, approved, and aligned to security and financial considerations. ✓ User personas are clearly defined and linked to HR roles, with documented policies setting consistent device entitlements across staff groups. ✓ Comprehensive lifecycle and refresh schedules are established and adhered to, with no exceptions identified against defined replacement timelines.		✓ Provisioning processes are well-controlled and proactive, with devices pre-configured and issued in line with start dates or training cohorts. ✓ Robust incident management controls exist for damaged, lost, or stolen devices, including formal reporting, tracking, and timely disabling of assets.			
		Key root causes • Data quality and lifecycle control issues impacting utilisation reporting.			

02. Latest Reports Issued – Summary of Findings

OPCC Performance & Delivery2025/26

Your One Page Summary

Engagement Objective: To review the Performance and Delivery arrangements within Derbyshire OPCC.

Engagement rationale						
Why the Audit is in Your 2025/26 Plan			Your Strategic Objective			
Following the creation of a new department within the OPCC, the review covered the controls in place to hold the Force and PCC to account against the Police and Crime Plan, and areas for improvement.			Finance and Resources			
Summary of our opinion						
Moderate Opinion See Appendix A1 for definitions			Summary of Recommendations			
			High (Priority 1)	-	Actions agreed by you	100%
			Medium (Priority 2)	-	High Priority completion	N/A
			Low (Priority 3)	2	Overall completion	July 2026
Summary of findings						

Examples of good practice

- ✓ Quarterly performance scorecards are produced using defined Force dashboards and external data sources, with responsibilities for data extraction and independent checking recorded within the scorecard.
- ✓ Performance scorecards are accompanied by narrative briefings that are circulated and used to support discussion and scrutiny
- ✓ A Corporate Delivery Tracker records OPCC, Force, government and partner activity against Police and Crime Plan priorities, with actions mapped to sub priorities, years and delivery owners.
- ✓ Public Assurance Meeting webpages publish reports aligned to Police and Crime Plan priorities, including narrative commentary supported by data tables, charts and trend information.

Highest Priority Findings

- Operational guidance exists for Performance and Delivery activity, but no overarching documented framework governing the function.
- Incomplete capture of partner delivery activity within the Corporate Delivery Tracker.

Key root causes

The new Performance and Delivery team has developed over time through established ways of working. As a result, processes have been documented, but the higher level articulation of purpose, scope, roles, responsibilities and lines of assurance has not yet been consolidated into a single, formal policy governing the function.

02. Latest Reports Issued – Summary of Findings

Fleet Standards 2025/26

Your One Page Summary

Audit Objective: To assess the design and effectiveness of the control framework for Fleet Standards.

Audit rationale					
Why the engagement is in Your 2025/26 Plan		Your Strategic Risk		Your Strategic / Tactical Objective	
Following several collisions and incidents involving police vehicles reported locally in the last year, and a new risk being added to the Strategic Risk Register.		STR0142 – Performance of the fleet and driving standards		Supporting Victims and Safeguarding	
Summary of our opinion					
Moderate Opinion See Appendix A1 for definitions		Summary of Recommendations			
		High Priority	-	Actions agreed by you	100%
		Medium Priority	1	High Priority completion	N/A
		Low Priority	1	Overall completion	September 2026
Summary of findings					

Examples of good practice	Highest Priority Findings	Key root causes
✓ From a review of drivers, we have confirmed that training records are retained in individual driver folders and recorded on TAS. ✓ We completed a walkthrough, selecting a vehicle used in a pursuit capacity, confirming via the Power BI and TAS that the last driver, held the required advanced certification to operate the vehicle. ✓ We selected a sample of seven incidents from the past 12 months and confirmed that, where appropriate, they had been reviewed by the Driving Standards Panel.	• Lack of reporting to Senior Management. • The Driving Policy is not reflective of current practices.	• Changes in the reporting mechanisms/information. • Amendments to the Policy have been made outside of the formal review cycle.

02. Latest Reports Issued – Summary of Findings

EMSOU Forensics Accreditation 2025/26

Your One Page Summary

Audit Objective: To assess the design and effectiveness of the control framework for forensic accreditation management at the East Midlands Special Operations Unit – Forensic Services (EMSOU-FS).

Audit rationale

Why the Audit is in Your 2025/26 Plan

This review will provide assurance regarding the Unit's control framework in place for managing, achieving and maintaining forensic accreditation.

Summary of our opinion

Substantial Opinion				Summary of Recommendations			
See Appendix A1 for definitions				High (Priority 1)	-	Actions agreed by you	100%
X				Medium (Priority 2)	-	High Priority completion	N/A
				Low (Priority 3)	1	Overall completion	March 2027

Summary of findings

Examples of good practice

- ✓ Training, competency and quality assurance procedures are in place for each forensic area.
 - ✓ A range of governance structures are in place to oversee forensic accreditation, including the quarterly Regional SAI Accreditation Group, biannual Management Review Meetings, monthly Quality Meetings, and monthly EMSOU-FS Accreditation Meetings.
 - ✓ Budget for forensic accreditation is allocated as part of the Unit's annual budget setting process, with specific budgets for each forensic area. We confirmed this is monitored as part of monthly Budget Monitoring Reports for individual forces.
- ✓ The Quality Team complete internal audits on accredited areas on a four-year cycle. This includes review of quality and technical processes and procedures to ensure compliance with accredited standards.
 - ✓ Non-conforming actions arising from internal audits and annual UKAS visits are logged on quality management system, BizzMine.
 - ✓ EMSOU-FS has already achieved accreditation in ISO17020 across 4/10 bases and are working with UKAS to expand this over the coming years, as well as including all the aspects of the INC-100 minimum scope to achieve compliance by April 2027.

Low Priority Finding

- No accreditation strategy or implementation plan in place outlining how the Unit will work towards achieving and maintaining accreditation compliance.

Key root causes

- The Unit's strategic approach to forensic accreditation has not been formally defined.

03. Overview of Collaboration Plan 2025/26

The table below lists the status of all reviews within the 2025/26 Collaboration Plan.

Review	Original Days	Revised Days	Status	Start Date	AC	Assurance Level	Total	High	Medium	Low
EMSOU POCA Income	10	10	Final Issued	18-Sep-25	Apr 26	Moderate	3	-	1	2
EMSOU Forensics Accreditation	10	10	Final Issued	09-Mar-26	Jul-26	Substantial	1	-	-	1
Totals	20	20				Totals	4	-	1	3

04. Key Performance Indicators 2025/26

Number	Indicator	Criteria	Performance
1	2024/25 Annual report provided to the JARAC	As agreed with the Client Officer	July 2025
2	Annual Operational and Strategic Plans to the JARAC	As agreed with the Client Officer	March 2025
3	Progress report to the JARAC	7 working days prior to meeting	Achieved
4	Issue of draft report	Within 10 working days of completion of exit meeting	89% (8 / 9)
5	Issue of final report	Within 5 working days of agreement of responses	78% (7 / 9)
6	Audit Brief to auditee	At least 10 working days prior to commencement of fieldwork	60% (6 / 10)
7	Customer satisfaction (measured by survey) “Overall evaluation of the delivery, quality and usefulness of the audit” Very Good, Good, Satisfactory, Poor or Very Poor	85% average with Satisfactory response or above	100% (2 / 2) 1 – Very Good 1 – Satisfactory

04. Key Performance Indicators 2025/26 (Cont.)

Review	Date of ToR	Start of Fieldwork	Days Notice (10)	Exit Meeting	Draft Report	Time from Close to Draft Report (10)	Management Comments Received	Time to Received Comments (15)	Final Report Issued	Time Taken to Issue Final Report (5)
Positive Action - Promotion/Recruitment	02-Jul-25	21-Jul-25	13	14-Aug-25	11-Sep-25	12	25-Sep-25	10	03-Oct-25	3
Governance & Oversight	21-Aug-25	03-Sep-25	8	07-Nov-25	20-Nov-25	6	05-Dec-25	11	17-Dec-25	5
Core Financials	29-Jul-25	08-Sep-25	28	30-Oct-25	30-Oct-25	0	18-Nov-25	13	05-Feb-26	30
Risk Management	07-Oct-25	27-Oct-25	14	14-Nov-25	20-Nov-25	3	01-Dec-25	7	04-Dec-25	3
IT - Legacy Systems	27-Jun-25	08-Dec-25	115	24-Apr-26						
Skills Audit	20-Jan-26	02-Feb-26	9	23-Feb-26	11-Mar-26	8	06-May-26	37	14-May-26	4
Custody Governance	30-Jan-26	11-Feb-26	8	21-Apr-26	23-Apr-26	2	14-May-26	14	19-May-26	1
Mobile Device Management	21-Jan-26	16-Feb-26	18	18-May-26	28-May-26	6	17-Jun-26	14	24-Jun-26	3
OPCC Performance and Delivery	17-Feb-26	09-Mar-26	14	20-Apr-26	23-Apr-26	3	17-Jun-26	37	07-Jul-26	8
Fleet Standards	20-Apr-26	27-Apr-26	5	27-May-26	28-May-26	1	16-Jun-26	13	24-Jun-26	4
Assurance Framework - Advisory										

05. Snapshot of Internal Audit Activity 2026/27

Below is a snapshot of the current position of the delivery of the 2026/27 Internal Audit Plan.



JARAC decisions needed

- Note the progress being reported and consider final reports included separately in **Appendix 1**.

RAG status of delivery of plan to timetable

On Track

Key updates
Since presenting the plan to the committee, fieldwork is ongoing for our Financial Fraud audit, and we continue to plan and scope the remaining audits from the 2026/27 plan.
An overview of the Internal Audit Plan can be found in **Section 6**.

We have presented our collaboration plan for 2026/27 to the Regional CFOs and FDs at their meeting on 26 February 2026, we continue to plan and scope the audits from the 2026/27 plan.
An overview of the Collaboration Plan can be found in **Section 7**.

Assurance opinions to date (2026/27) Audit recommendations to date (26/27)



06. Overview of Internal Audit Plan 2026/27

The table below lists the status of all reviews within the 2026/27 Plan.

Review	Original Days	Revised Days	Status	Start Date	AC	Assurance Level	Total	High	Medium	Low
Financial Fraud	10	10	Fieldwork	29-Jun-26			-	-	-	-
Disciplinary Process	10	10	In Planning	05-Oct-26			-	-	-	-
Core Financials	10	10	In Planning	24-Aug-26			-	-	-	-
VAWG Strategy	10	10	In Planning	27-Aug-26			-	-	-	-
Data Quality Follow Up	5	5	In Planning	16-Sep-26			-	-	-	-
Workforce Planning	10	10	In Planning	19-Oct-26			-	-	-	-
Force Partnership Working	10	10	In Planning	05-Nov-26			-	-	-	-
Environmental Sustainability Follow Up	5	5	In Planning	18-Dec-26			-	-	-	-
IT - Cyber Security	10	10	In Planning	TBC			-	-	-	-
FOIs / SARs	10	10	In Planning	02-Feb-27			-	-	-	-
Capital Programme	10	10	In Planning	11-Feb-27			-	-	-	-
Totals	100	100				Totals	-	-	-	-

07. Overview of Collaboration Plan 2026/27

The table below lists the status of all reviews within the 2026/27 Collaboration Plan.

Review	Original Days	Revised Days	Status	Start Date	AC	Assurance Level	Total	High	Medium	Low
EMSOU Digital Forensics	10	10	In Planning	10-Aug-26			-	-	-	-
East Midlands Police Legal Services (EMPLS)	10	10	In Planning	16-Nov-26			-	-	-	-
Totals	20	20				Totals	-	-	-	-

08. Key Performance Indicators 2026/27

Number	Indicator	Criteria	Performance
1	2024/25 Annual report provided to the JARAC	As agreed with the Client Officer	July 2026
2	Annual Operational and Strategic Plans to the JARAC	As agreed with the Client Officer	March 2026
3	Progress report to the JARAC	7 working days prior to meeting	Achieved
4	Issue of draft report	Within 10 working days of completion of exit meeting	-
5	Issue of final report	Within 5 working days of agreement of responses	-
6	Audit Brief to auditee	At least 10 working days prior to commencement of fieldwork	50% (1 / 2)
7	Customer satisfaction (measured by survey) “Overall evaluation of the delivery, quality and usefulness of the audit” Very Good, Good, Satisfactory, Poor or Very Poor	85% average with Satisfactory response or above	-

08. Key Performance Indicators 2026/27 (Cont.)

Review	Date of ToR	Start of Fieldwork	Days Notice (10)	Exit Meeting	Draft Report	Time from Close to Draft Report (10)	Management Comments Received	Time to Received Comments (15)	Final Report Issued	Time Taken to Issue Final Report (5)
Financial Fraud	25-Jun-26	29-Jun-26	2							
Disciplinary Process	02-Jul-26	05-Oct-26	66							
Core Financials		24-Aug-26								
VAWG Strategy		27-Aug-26								
Data Quality Follow Up		16-Sep-26								
Workforce Planning		19-Oct-26								
Force Partnership Working		05-Nov-26								
Environmental Sustainability Follow Up		18-Dec-26								
IT - Cyber Security		TBC								
FOIs / SARs		02-Feb-27								
Capital Programme		11-Feb-27								

09. Definitions of Assurance Levels and Recommendation Priority Levels

Definitions of Assurance Levels	
Substantial Assurance	The framework of governance, risk management and control is adequate and effective.
Moderate Assurance	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited Assurance	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
Unsatisfactory Assurance	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

Definitions of Recommendations		
High (Priority 1)	Significant weakness in governance, risk management and control that if unresolved exposes the organisation to an unacceptable level of residual risk.	Remedial action must be taken urgently and within an agreed timescale.
Medium (Priority 2)	Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk.	Remedial action should be taken at the earliest opportunity and within an agreed timescale.
Low (Priority 3)	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.	Remedial action should be prioritised and undertaken within an agreed timescale.

A1

Latest Reports Issued

Skills Audit 2025/26



01 Summary Action Plan

Below is a high level summary of the actions that are intended to support your management of this risk area. Further detail about our findings, which have been discussed with management, are provided in our detailed action plan (see 03 Detailed Action Plan).

Ref	Recommendation	Priority	Responsible Person	Due Date
1	The Force should review the current governance arrangements in place and ensure that they meet on a regular basis. The action tracker should be strengthened to assign clear deadlines and status updates.	Medium	Catherine Parker – Director of People Services	31 March 2027
2	The Force should: 1. Complete the draft People Strategy 2025-29 and ensure that the Training Strategy is aligned to this and sets out more detail on Learning and Development expectations. 2. Develop and approve a Training and Learning Strategy which would align with the Force's operational and strategic priorities.	Medium	Catherine Parker – Director of People Services	31 March 2027
3	The Force should: 1. Use skills or role matrixes to define what mandatory training is required for officers, staff, and volunteers. 2. Ensure that mandatory training completion is monitored in an appropriate governance forum (please see recommendation 4)	Medium	Catherine Parker – Director of People Services	31 March 2027
4	The Force should: 1. Ensure that the officer who has not completed Public and Personal Safety Training ("PPST") is booked onto a course as a matter of urgency. 2. Review the transferee process to ensure that all relevant training is accurately recorded in TAS when a transferee begins at Force. 3. Communicate to trainers the requirement to confirm attendance/completion within TAS and set expected timeframes for this to have been completed.	Medium	Catherine Parker – Director of People Services	31 March 2027

	4. Use attendance information from TAS to inform rebooking for any missed or interrupted training and remind learning and development team to re-allocate in a timely manner.			
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02 Value for Money and Sector Comparison

Within each of our reports, we summarise any observations we have made about the effectiveness, efficiency and economy of your operations. This is to support our portfolio of public and social sector organisations with value for money considerations. We also summarise how you compare to similar organisations, which is intended to bring you the benefit of our insight.

Value for Money	Sector Comparison
 Value for money (VfM) considerations have become increasingly important as resource constraints continue to pressure police forces. A training management system supports the recording and monitoring of individual skills, ensuring officers remain competent. The Force currently uses the Training Administration System (TAS) to record, monitor, and update individual training and accreditation records. The Learning and Development (L&D) team is responsible for maintaining these records, and training that is approaching expiry is identified through TAS and subsequently planned in collaboration with the relevant Delivery Sergeant. Once dates are agreed, the L&D team manually creates the training event within TAS. However, due to the volume of manual input required, our audit identified 13 instances of human error and data inaccuracies within TAS from a sample of 1,007 staff and officers across seven job profiles. These issues, based on the job profile and types of training, present a risk to operational effectiveness. Further detail on these data quality concerns is provided in Section 3. In addition to TAS, the Force also utilises College Learn for e-learning modules. While this provides access to national learning products, it does not integrate with current Force systems. Our audit also noted that College Learn does not issue automated reminders for officers whose e-learning is due for completion. Specialist training, such as firearms competencies, continues to be recorded within Chronicle. This creates a multi-system environment in which training information is fragmented across platforms	 Following recent inspection findings some Force areas are conducting large-scale mandatory upskilling to ensure investigative competence. This can include implementing comprehensive mandatory training packages for all staff who conduct investigations for example. Furthermore, HMICFRS comment that Forces can use data to identify gaps in training or use training plans to fulfil capability gaps. We confirmed that at Derbyshire a 2025-26 plan is in place which outlines the training required. However, a further improvement to this would be clearer expectations of what skills are required for specific roles, as mentioned in Section 03. Moreover, research from the Open University Police Learning Report (2019)¹ found that better performing forces typically: • Use structured processes to identify training needs. • Apply robust evaluation of training effectiveness. • Encourage innovation and evidence-based learning. • Ensure training is integrated with operational demands and readiness for transformation. Governance mechanisms at Derbyshire, such as the Force Training Commissioning Group, are currently used to approve training bids made by departments.

¹ [Implementing Transformation of Police Training and Development: Follow up Survey Report](#)

03 Detailed Action Plan

We have identified areas where there is scope to improve the control environment. Our detailed findings are provided below. Definitions for the levels of assurance and recommendations used within our reports are included in Appendix A1.

1. Review required of current governance and monitoring framework	
Finding(s) and Risk	Recommendation(s)
We would expect a robust monitoring framework that allows Senior Management to review compliance and adjust training requirements. We noted that there is a Force Training Commissioning Group which should meet quarterly. This is made up of Head of Departments and Senior Police Staff who determine training bids, assess KPIs and look at key risks. Although this Group is required to meet quarterly, it has not met since June 2025 due to multiple cancellations as there had been no learning requests. As a result, there has been no formal review of training performance, compliance issues, or risk indicators for more than six months. Additionally, while an action tracker exists, there is no evidence of significant actions being taken to respond to low completion rates for mandatory training. No escalations, targeted interventions, or corrective measures have been documented and where data is shared this has been significantly out of date by the time it is presented. Risk and Impact: Compliance is not being monitored on a regular basis and lack of strategic oversight	The Force should review the current governance arrangements in place and ensure that they meet on a regular basis. The action tracker should be strengthened to assign clear deadlines and status updates. Root Cause(s) Lack of appreciation at senior level regarding importance of governance framework for skills and training.
Management Comments / Agreed Actions	
The effectiveness, timeliness and Terms of Reference for the Force Training & Commissioning Group (FTCG) is already an area identified for improvement following the appointment of the new Head of OL&D. This will also capture the monitoring and reporting of associated actions. The timescales and scope of this review will be agreed between the Director of People Services and Head of OL&D. Monitoring and reporting of compliance rates for mandatory training is an area where progress is already underway in relation to Code of Ethics using the resource capability of the East Midlands L&D Hub (EMSLDH) with the governance process for reporting being reviewed. Currently this is the Performance	

Assurance Board and Our People Board, but this could be incorporated into the review of FTCCG. The Force will also work collaboratively with divisional and departmental SMTs to ensure they take accountability for compliance rates in their areas.

Responsible Person	Catherine Parker – Director of People Services	Action Due Date	31 March 2027
		Priority Level	Medium

2. Lack of documented training strategy and framework			
Finding(s) and Risk		Recommendation(s)	
A training and learning strategy would normally set out the objectives, methods, and techniques required to meet organisational skill needs, support operational capability, and guide investment in workforce development. During our review, we confirmed that currently there is no active training strategy in place. During the review, it was confirmed that while several training activities occur across departments, these are not aligned under a single overarching framework. We noted that a draft People Strategy (2025–29) is under review, which includes a strand focused on professional development and modernising the Learning and Development (L&D) function. However, this does not currently constitute a formal Training and Learning Strategy and has not yet been approved or implemented. Risk and Impact: Training may be reactive, rather than strategically planned leading to inconsistent standards and investment decisions which are not aligned to Force needs		The Force should:	
		1. Complete the draft People Strategy 2025-29 and ensure that the Training Strategy is aligned to this and sets out more detail on Learning and Development expectations. 2. Develop and approve a Training and Learning Strategy aligned to the Force’s strategic plan.	
		Root Cause(s)	
		Delays in developing and finalising the Force’s People Strategy to ensure alignment with the Force’s recently published 4 year Strategic Plan.	
Management Comments / Agreed Actions			
People Strategy to be aligned with Force Strategic Plan and Force priorities and agreed by new Chief Officer Team within given timescales. This will then provide the framework for development of a Learning & Development Strategy.			
Responsible Person	Catherine Parker – Director of People Services	Action Due Date	31 March 2027
		Priority Level	Medium

3. Lack of documented training and skills requirements depending on role	
Finding(s) and Risk	Recommendation(s)
The Force does not currently maintain a documented skills or role matrix. Such a matrix would define the required training and learning for each role type (including officers, staff, volunteers, and specialist posts). Currently, training is administered in two mechanisms. Firstly, e-learning training is delivered through the College Learn platform. Departmental and divisional training is recorded through the Training Management System. We selected a sample of 15 new starters from the 2025 calendar year and sought to confirm whether they have completed training on both College Learning and TAS. As there are currently no documented expectations, we assessed these on a case-by-case basis. We noted the following exceptions: 3018950: Only training around CCTV was conducted on College Learn. We are unclear, due to the lack of skills matrix, whether this EMSOU regional officer is expected to conduct further training on College Learn 3019997: This special constable has been enrolled onto non-contact sexual offences in April 2025 and Stalking or harassment in May 2025 but has not completed this training. It is unclear the reasons as to why this may be. We were advised that College Learn is unable to send reminders for incomplete training. Our sample also included three volunteers, including from witness support and police cadet. Across these three we noted inconsistent training completion on College Learn. Two individuals had no training completed on College Learn whilst a volunteer vehicle cleaner had completed ethics training. Currently there are no documented expectations on what training volunteers are to complete. Risk and Impact: Training is delivered inconsistently which may not meet the Force needs. There is difficulty assessing compliance with mandatory training given that expectations are not documented.	The Force should: 1. Use skills or role matrixes to define what mandatory training is required for officers, staff, and volunteers. 2. Ensure that mandatory training completion is monitored in an appropriate governance forum (please see recommendation 4)
	Root Cause(s)
	No documented role-expectations on training and skills.

- Reliable, auditable device utilisation reporting
- Reduced risk of over-provisioning and unnecessary spend

Responsible Person	Richard Apaya – Head of Service Operations (DDaT)	Action Due Date	31 October 2026
		Priority Level	Medium

4. Manual error and completion issues within Training Administration System	
Finding(s) and Risk	Recommendation(s)
The Training Administration System (TAS) is the Force's primary system for recording and monitoring training. TAS enables trainers to add completed skills to an individual's profile while the Central Duties Hub (CDH) is responsible for enrolling staff onto relevant courses, although this was previously carried out by the Learning and Development (L&D) team. Those delivering training complete the attendance records. We reviewed TAS records (exported January 2026) for a sample of seven roles and identified issues relating to audit trail, accuracy, and completeness of data. The following exceptions were noted: Armed Response Unit: - One officer who had method of entry training completed in September 2022 had their skill shortened from two years to 12 months. It was unclear why this was done, despite other statuses within TAS which could have been utilised, such as skill 'expired to be renewed'. - One officer who had Firearms training interrupted in March 2025 was not subsequently booked onto another course. It was unclear what the reason for interruption was. Contact Management Supervisor: - Three out of 23 members of staff did not have skills being added to their profile following completion of Thrive Plus training. - Two members of staff missed RASSO first responder training in February 2025. They were not rebooked onto a subsequent training session despite later courses being conducted in March. Dog Handler - Four members of staff completed Public Order Dog Handler training in June 2025 however this was still being reflected as 'reserved' within TAS.	The Force should: 1. Ensure that the officer who has not completed Public and Personal Safety Training (PPST) is booked onto a course as a matter of urgency. 2. Review the transferee process to ensure that all relevant training is accurately recorded in TAS when a transferee begins at Force. 3. Communicate to trainers the requirement to confirm attendance/completion within TAS and set expected timeframes for this to have been completed. 4. Use attendance information from TAS to inform rebooking for any missed or interrupted training and remind the Central Duties Hub to re-allocate in a timely manner. Root Cause(s) The Training Administration System requires manual input leading to human error.

Investigation Officer One officer did not attend Public and Personal Safety Training (PPST) refresher training on the 24th of March 2025 as they were sick. This is mandatory training that must be completed by officers for them to be deployable. According to a spreadsheet used by workforce planning this officer is currently deployed. Risk and Impact: Officers may be deployed without required skills. Inaccurate skills records could weaken assurance and internal oversight.			
Management Comments / Agreed Actions TAS must be acknowledged as the single source of information relating to training information and attendance data, with timeliness of update a key focus. The planned HR Gateway system upgrade will enhance and improve the TAS functionality however timescales for this upgrade are yet to be determined. The police officer transferee process has recently been reviewed with training captured from other Forces a key focus which has already resulted in changes. Continued resourcing gaps in L&D Admin over the last 18 months and uncertainty of future resourcing requirements have impacted the effectiveness of the team and therefore the timeliness of updates, hence it is recommended that a post implementation review of ways of working and processes linked to training allocation is undertaken following the transition of L&D posts to the Central Duties Planning Team.			
Responsible Person	Catherine Parker – Director of People Services	Action Due Date	31 March 2027
		Priority Level	Medium

A1 Audit Information

Agreed Audit Objective and Scope

The objectives of our audit were to assess whether the OPCC and Force has in place adequate and appropriate policies, procedures and controls in relation to Skills and Training, with a view to providing an opinion on the extent to which risks in this area are managed. The audit considered the following risks relating to the area under review:

Governance

- Inconsistent approaches to training, managing training compliance and skills.
- The Force and OPCC's senior leadership are unaware of the risks, issues faced and their performance in managing training.

Learning Management

- The Force and OPCC are unable to demonstrate that training has been undertaken.
- It is unclear what training the Force and/or OPCC determines to be mandatory.

- The Force and OPCC's senior leadership are unable to monitor training completion and compliance.

Skills Audit

- The Force and OPCC are unable to identify current and potential gaps in skills and develop an action/training plan.
- The Force and OPCC's senior leadership are unaware of identified gaps in skills and actions being taken.

Scope Limitations

In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control. Any testing performed was conducted on a sample basis. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

Custody Governance 2025/26



01 Summary Action Plan

Below is a high level summary of the actions that are intended to support your management of this risk area. Further detail about our findings, which have been discussed with management, are provided in our detailed action plan (see 03 Detailed Action Plan).

Ref	Recommendation	Priority	Responsible Person	Due Date
1	The Force should remind custody sergeants that a single point of contact should be recorded within the custody record for both Women and Children.	Medium	Superintendent 2814 Nicholls – Head of Criminal Justice	30 June 2026
2	The Force should: 1. Communicate to members of Custody staff the importance of completing the method of travel detainees are using to leave custody within the Risk Assessment. 2. In line with the re-adoption of the Juvenile Risk Assessment following the recent NCPI, remind custody sergeants to complete this risk assessment and monitor completion.	Medium	Superintendent 2814 Nicholls – Head of Criminal Justice	30 June 2026

02 Value for Money and Sector Comparison

Within each of our reports, we summarise any observations we have made about the effectiveness, efficiency and economy of your operations. This is to support our portfolio of public and social sector organisations with value for money considerations. We also summarise how you compare to similar organisations, which is intended to bring you the benefit of our insight.

Value for Money	Sector Comparison
 Value for Money (VfM) considerations can arise in various ways, and our audit process aims to include an overview of the efficiency of systems and processes in place within the auditable area. It is important for Custody arrangements to be effective by providing legal rights and an appropriate adult where appropriate. We selected a sample of 12 children and 12 women in custody from August 2025 to January 2026. We found that all were provided their legal rights. For children, we noted an appropriate adult was provided. However, it was additionally noted that there were several cases where specialist juvenile risk assessments had not been completed for children during their stay in custody or at their release. There were also cases where single points of contact had not been assigned to women and/or children in a timely manner, or at all. This exposes the Force to increased risk of incidents involving these persons and any liability for damages that could have occurred in instances of injury. As the Force is not funded to accommodate under-18-year-olds, the costs of accommodation can be reimbursed to the Force under Section 21(3) of the Children Act 1989 by the local authority that the child is ordinarily resident. However, we have noted that the Force has made a policy decision not to recover these costs from local authorities and instead bears the costs itself. We would expect this decision to be kept under regular review.	 From our reviews of custody at other forces in the region, we have raised common recommendations related to the privacy of detainees in custody suites, such as detainees being booked in at a general booking area where personal information can be heard by other detainees. Although we did not review the privacy of custody suites specifically as part of our review of Derbyshire, we noted that currently Derbyshire only has a female wing in Deby, not at Ripely, whilst one is currently being built at Chesterfield. At other forces, we found that separate designated cells have been put in place for children and vulnerable persons, we noted that Derbyshire currently has dedicated juvenile detention facilities in Ripley and Derby custody suites. We were advised by the custody Inspector that, where these cells are not available, juveniles are provided with the safest environment away from other detainees. Section 38(6) of the Police and Criminal Evidence Act 1984 (PACE) requires duty officers to secure the transfer of children who have been charged and denied bail to more appropriate local authority accommodation, where LAs have a duty to accommodate the child under Section 21 of the Children Act 1989. At Derbyshire, we were informed that this approach is not currently taken on a consistent basis due to the lack of vacancies of suitable accommodation. However, requests to Local Authorities should be made anyway, and if refused, the costs of should be reimbursed by the Force.

03 Detailed Action Plan

We have identified areas where there is scope to improve the control environment. Our detailed findings are provided below. Definitions for the levels of assurance and recommendations used within our reports are included in Appendix A1.

1. Lack of Single Point of Contact within our sample testing			
Finding(s) and Risk		Recommendation(s)	
Force's Children Standard Operating Procedures state that children are given a Single Point of Contact (SPOC) and this should be recorded on the custody record. Similarly, female detainees are also usually provided with a female Single Point of Contact. From our sample of 12 children, we noted in four cases (ranging from August 2025 to December 2025) a young person SPOC was not in place. Likewise, from a sample of 12 women in custody we noted the following inconsistent exceptions in providing a SPOC: C25137683 October 2025 - Detention was at 11.21am however a female single point of contact was not appointed till 07:36am the next day. Risk and Impact: Vulnerable detainees do not have one consistent member of custody staff to raise concerns with, or their wellbeing could be at risk.		The Force should remind custody sergeants that a single point of contact should be recorded within the custody record for both Women and Children.	
		Root Cause(s)	
		Lack of capacity and human error	
Management Comments / Agreed Actions			
The force acknowledges there is a gap in this area which has resulted in Criminal Justice carrying out dip sampling of every female and child detainee in custody over a 3 month period. This has highlighted the fact that the majority of Sergeants carry out the appropriate risk assessments and allocation of female spocs, however this also highlighted some repeat discrepancies by the same individuals which has resulted in further 1-2-1 inpts to custody managers and Inspectors alongside a reminder to all custody Sergeants. This reminder has also been built into the PACE Detention reviews by the custody managers in order to minimise any further discrepancies.			
Responsible Person		Action Due Date	30 June 2026
Superintendent 2814 Nicholls – Head of Criminal Justice		Priority Level	Medium

2. Incomplete risk assessment or handover notes within the custody record	
Finding(s) and Risk	Recommendation(s)
As per the Custody Policy (October 2025), throughout detention custody officers are to continually assess the risk of the detainee as per PACE and APP. All reviews of risk are to be recorded within the custody record. The Force uses NICHE as the custody record. Furthermore, at handover the relieving custody officer should review each risk assessment in Niche and be satisfied that there are sufficient controls. The Standard Operating Procedure for children also mentions that if the detainee is a child, there is an additional juvenile release log on Niche which should be completed. From our sample testing we sought to confirm whether risk assessments during and at the end of custody were completed. From our sample of 12 women, we noted two cases where it was not clear how the individual was leaving the station once detention was complete: - C25153244 November 2025: Not clear what method they were using to get home. We were advised by Custody Sergeant that <i>'Making own way home'</i> should have been stated on the risk assessment. - C25125418 December 2025: Did not document upon risk assessment how the individual was leaving the station. From our sample testing of 12 children, we confirmed five cases (October – January 2026) where there was no juvenile specific risk assessment conducted, upon the child leaving custody. We were advised by the Custody Sergeant that management are currently assessing whether this risk assessment needs to be continued. Furthermore, for one child (c2600510 January 2026) there were no notes within the Custody Record upon handover, so it was not clear whether all information and risks were passed on to new custody officer. Risk and Impact: Vulnerable detainees have not had risk assessments completed once they leave, which could lead to harm to themselves or the public. Handover notes are not completed which could lead to miscommunication when new custody leads come in.	The Force should: 3. Communicate to members of Custody staff the importance of completing the method of travel detainees are using to leave custody within the Risk Assessment. 4. In line with the re-adoption of the Juvenile Risk Assessment following the recent NCPI, remind custody sergeants to complete this risk assessment and monitor completion.
	Root Cause(s)
	Potentially looking to cease to use juvenile specific-risk assessment

Management Comments / Agreed Actions

Recommendation Part 1 – This has been done

Recommendation Part 2 – The bespoke juvenile pre-release risk assessment isn't a mandatory requirement under PACE or APP, only that a pre-release RA is completed as they would for all detainees. The bespoke juvenile one was put onto Niche by one of our shared forces. It was adopted originally but it was moved away from due to issues with the risk assessment and asking mandatory questions that the custody Sgt wouldn't know the answer to. That said following the recent NCPI we have re adopted it.

Responsible Person	Superintendent 2814 Nicholls – Head of Criminal Justice	Action Due Date	30 June 2026
		Priority Level	Medium

A1 Audit Information

Agreed Audit Objective and Scope

The objectives of our audit were to assess whether the OPCC and Force has in place adequate and appropriate policies, procedures and controls in relation to Custody Governance, with a view to providing an opinion on the extent to which risks in this area are managed. The audit considered the following risks relating to the area under review:

Vulnerable People

- There is not an evidence-based assessment for vulnerability, leading to the exacerbation of existing health issues
- The Force is not engaging proactively with partners outside of law enforcement to identify and address the challenges facing vulnerable persons or to avoid custody (where appropriate).
- The Force uses unsuitable techniques of restraint, such as prone restraint, for vulnerable persons in custody or they are restrained for long periods.
- Vulnerable persons are not regularly monitored, allowing medical events and incidents to occur without timely and/or appropriate intervention.

Women in Custody

- Health and Welfare assessments are not carried out when women enter custody, leading to healthcare needs and existing conditions not being accommodated.
- Safety of women in custody is not considered, such as separate accommodation and segregated schedules for showering.
- Risk assessments are not carried out at the end of custody or when organising visitation, to minimise the risk of harm to the public, further harm to the victim and the risk of physical, emotional or mental abuse of the offender.

Children in Custody

- The Force does not engage with partners, practitioners, community members, researchers and policy makers to reduce the contact between Police and Children.
- Reasons for denying police bail are not clearly recorded, especially justifications regarding denial in the child's own interest.
- Alternatives to custody, such as local authority accommodation, are not considered for children interacting with law enforcement, in accordance with the Police and Criminal Evidence Act 1984, the Children Act 1989 and the UN Convention on the Rights of the Child
- Requests for transfer to local authority secure accommodation are not justified and/or the justification is not clearly recorded.
- The Force is not collecting reimbursement from Local Authorities where they have failed to provide accommodation.
- When considering custody, a risk assessment is not performed, or does not consider: the child's age, mental, and physical health' child's understanding of the situation and their capacity to cope with stress; potential impact of custody on wellbeing, and the child's family circumstances.
- When a child is detained, this is not kept as short as possible, especially avoiding overnight detention.
- While in custody, children are unable to access healthcare, education and recreational activities, including provision for those whose first language isn't English.

- While in custody, regular reviews of the child's situation are not carried out to ensure that custody remains necessary and appropriate.

Cross Cutting Risks

- Inadequate policies and procedures are in place regarding custody arrangements
- Officers and staff are not trained to provide adequate support and respectfully interact with vulnerable persons, children and women in custody.

- Information regarding individual legal rights is not available to all detainees, including easy read versions for vulnerable people, children and others who need help in understanding their rights.
- Vulnerable persons and children do not have access to legal representation and/or appropriate adults to allow them to appropriately participate in decisions that affect them, or they are not sourced in a timely manner.
- Female custody personnel are not assigned to care for women and girls in custody.

Scope Limitations

In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control. Any testing performed was conducted on a sample basis. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

Mobile Device Management 2025/26



01 Summary Action Plan

Below is a high level summary of the actions that are intended to support your management of this risk area. Further detail about our findings, which have been discussed with management, are provided in our detailed action plan (see 03 Detailed Action Plan).

Ref	Recommendation	Priority	Responsible Person	Due Date
1	The Force should strengthen mobile device utilisation reporting by improving data quality and lifecycle controls, including: 1. Clearly separating out decommissioned and duplicate devices within asset management systems. 2. Define and apply consistent rules for devices held by staff/officers during periods of long-term absences. 3. Formally integrate reliable utilisation metrics into management reporting.	Medium	Richard Apaya – Head of Service Operations (DDaT)	31 October 2026

02 Value for Money and Sector Comparison

Within each of our reports, we summarise any observations we have made about the effectiveness, efficiency, and economy of your operations. This is to support our portfolio of public and social sector organisations with value for money considerations. We also summarise how you compare to similar organisations, which is intended to bring you the benefit of our insight.

Value for Money (VfM)	Sector Comparison
 Value for Money (VfM) considerations can arise in various ways and our audit process aims to include an overview of the efficiency of systems and processes in place within the auditable area. The Force demonstrates a strong foundation for achieving value for money through effective governance and standardisation, this includes: • Structured approval processes for device selection and procurement, ensuring decisions are aligned to technical, security and financial considerations. • Clearly defined user personas linked to HR roles, which standardise device allocation and reduce the risk of over- or under-provisioning. • The use of a limited set of enterprise-grade devices supports consistency, reduces support costs and enables economies of scale. • Robust controls over lost, stolen and damaged devices further protect asset value. However, we have noted that there are weaknesses in data quality and the use of utilisation data, including: • Issues such as duplicate records, devices awaiting decommissioning remaining on systems, and inactivity linked to long-term absence reduce the reliability of management information. • Reporting on utilisation is not fully embedded into management reporting or strategic initiatives, reducing the extent to which data is used to drive cost optimisation and asset efficiency.	 The Force demonstrates strong operational maturity in mobile device management, with controls broadly aligned to national expectations for security, standardisation and lifecycle management. Many Forces are still managing legacy and fragmented systems, with significant expenditure being focussed on “keeping the lights on” rather than optimisation or innovation. This places Derbyshire ahead of many forces, however, in line with the National Policing Digital Strategy, leading practice is increasingly defined by the effective use of data and analytics to drive value for money and asset optimisation. In this area, the Force is less mature, with data quality issues and limited embedding of utilisation insights constraining its ability to fully optimise its asset base.

03 Detailed Action Plan

We have identified areas where there is scope to improve the control environment. Our detailed findings are provided below. Definitions for the levels of assurance and recommendations used within our reports are included in Appendix A1.

1. Impact of data quality issues on management reporting	
Finding(s) and Risk	Recommendation(s)
The Force has developed reporting capability (via Cetero and Power BI) that can be used to monitor device activity and compliance indicators such as recent uptime, “last seen” status and indicative working locations. In addition, some control responses exist for prolonged inactivity, for example mobile devices/MDTs that are inactive for an extended period may be soft-barred from network access and require Service Desk intervention to restore access. However, the reliability and usefulness of utilisation reporting is constrained by data quality and lifecycle-state weaknesses within the underlying asset records. In particular, reporting can be distorted where devices appear inactive for legitimate reasons (such as long-term sickness or maternity leave where devices may not be returned), and where records include devices that are awaiting decommissioning, duplicates, or assets that have already been replaced but remain visible as “live” on the system. This makes it difficult to confidently distinguish genuinely under-utilised devices from those appropriately inactive, which in turn limits the Force’s ability to use the reporting for decision making processes. As a result, utilisation insights are not yet sufficiently embedded into routine management reporting and decision-making, reducing the timeliness and quality of asset management decisions (e.g., identifying surplus devices, rationalising holdings, and targeting recovery/redeployment activity). Risk and Impact: Inaccurate or incomplete reporting allowing inefficient use of assets or lack of value for money in decisions regarding mobile devices.	The Force should strengthen mobile device utilisation reporting by improving data quality and lifecycle controls, including: 1. Clearly separating out decommissioned and duplicate devices within asset management systems. 2. Define and apply consistent rules for devices held by staff/officers during periods of long-term absences. 3. Formally integrate reliable utilisation metrics into management reporting. Root Cause(s) Data quality and lifecycle control issues impacting utilisation reporting.

Management Comments / Agreed Actions

The force broadly accepts the audit findings and recognises that improvements are required to strengthen the accuracy, governance, and reliability of mobile device utilisation reporting. It should be noted that specifically related to mobile devices, the force uses a nationally mandated design and the Intune MDM which has specific limitations in terms of how mobile devices are tracked and any devices that don't communicate (sync) at least every 30 days are effectively removed from the monitoring. This is a function of the product, which Derbyshire cannot change.

Current arrangements for asset management, lifecycle tracking, and reporting exist; however, as identified through both this audit and existing internal review activity, there are data quality inconsistencies and gaps in standardised lifecycle controls, which impact the reliability of utilisation reporting and management insight.

A programme of work will be undertaken to enhance asset data quality, standardise lifecycle rules, and embed reliable utilisation metrics into management reporting.

Action Plan

Action 1: Strengthen Asset Data Quality and Status Classification

Objective:

Ensure all mobile device records are accurate, uniquely identified, and clearly classified by lifecycle status.

Actions:

- Implement standardised asset status categories across systems:
 - Active / In Use
 - In Stock
 - Decommissioned / Disposed
 - Duplicate / Orphaned
- Establish routine data quality controls, including:
 - Monthly de-duplication reviews
 - Cross-referencing asset records against HR datasets
- Introduce controls to ensure timely updates of asset status following:
 - Device returns

-
- Reassignments
 - Disposal activities

Deliverables:

- Updated Asset Management Standard / SOP
- Configured status fields in asset management system
- Monthly data quality reporting dashboard

Owner: Digital Workplace & Mobility Manager

Support: Service Operations Team

Target Date:

- Design and agreement: 31st August 2026
- Full Implementation: 31st October 2026

Action 2: Define Lifecycle Rules for Devices Held During Long-Term Absence

Objective:

Ensure consistent treatment of devices assigned to staff during long-term absence, preventing inaccurate utilisation reporting.

Actions:

- Define business rules for handling devices during:
 - Long-term sickness
 - Maternity / paternity leave
 - Secondment / restricted duties
- Agree decision model (e.g. retain, recover to stock, or reallocate) based on role criticality and duration thresholds
- Align asset status updates with HR absence data feeds where possible
- Embed rules into operational procedures and service desk processes

Deliverables:

-
- Documented lifecycle and allocation rules
 - Updated operational procedures (Service Desk & Digital Workplace teams)
 - Communication to managers and supervisors

Owner: DDaT Head of Service Operations

Support: HR / Digital Workplace & Mobility

Target Date:

- Policy definition: 31 August 2026
- Process implementation: 31 October 2026

Action 3: Establish and Embed Reliable Utilisation Metrics

Objective:

Provide accurate and consistent mobile device utilisation data to inform decision-making and governance.

Actions:

- Define a standard utilisation methodology, including:
 - Primary metric (e.g. "last seen" / activity-based indicators)
 - Data sources (e.g. Intune, asset system)
 - Exclusions (e.g. decommissioned, duplicate, inactive absence cases)
 - Cleanse baseline data prior to reporting implementation
 - Develop a central reporting dashboard including:
 - Devices per user
 - Active vs inactive devices
 - Devices outside lifecycle
 - Integrate utilisation reporting into:
 - Monthly Service Operations reporting
-

-
- Governance boards (e.g. DDaT SLT / SIMBa where relevant)

Deliverables:

- Approved utilisation metric definition
- Baseline cleansed dataset
- Live reporting dashboard and monthly reporting pack

Owner: Digital Workplace & Mobility Manager

Support: CDaT and Service Operations teams

Target Date:

- Metric definition and data validation: 30 September 2026
- Reporting implementation: 30 November 2026

Overall Delivery Milestones

Milestone	Date
Asset data standards agreed	31 August 2026
Absence lifecycle rules defined	31 August 2026
Data quality improvements implemented	31 October 2026
Utilisation metrics defined and validated	31 October 2026
Lifecycle processes embedded	31 October 2026
Full reporting embedded into governance	30 November 2026

Expected Outcomes

- Improved accuracy and integrity of asset data
-

- Reliable, auditable device utilisation reporting
- Reduced risk of over-provisioning and unnecessary spend

Responsible Person	Richard Apaya – Head of Service Operations (DDaT)	Action Due Date	31 October 2026
		Priority Level	Medium

A1 Engagement Information

Agreed Engagement Objective and Scope

The objectives of our engagement were to assess whether the Office of the Police & Crime Commissioner for Derbyshire and Derbyshire Police have in place adequate and appropriate policies, procedures, and controls in relation to Mobile Device Management with a view to providing an opinion on the extent to which risks in this area are managed. The engagement considered the following risks relating to the area under review:

Policies and Procedures

- Inconsistent approaches to the provision of mobile devices for staff and officers;
- Inconsistent entitlements applied to staff and officers; and,
- Mobile devices are refreshed at inconsistent intervals.
- Staff and Officers are not appropriately reporting lost and/or stolen devices.

Distribution and Provisioning

- Devices are not provided to new starters upon request; and,
- Devices are not correctly configured for the correct user persona.

Loss and Damage

- Staff and Officers are not appropriately reporting damaged devices; and,

Analytics and Reporting

- The Force and OPCC are unaware of how mobile devices are being used and utilised within the organisation;
- The use and utilisation of mobile devices is not being considered as part of the Force's Smarter Working Workstream; and,
- Senior Management are unaware of how mobile devices are being used and utilised within the organisation, and the progress of any projects related to mobile devices (i.e. refresh programmes).

Scope Limitations

In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control. Any testing performed was conducted on a sample basis. The results of our data analysis work are reliant on the quality and accuracy of data provided to us. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

OPCC Performance & Delivery 2025/26



01 Summary Action Plan

Below is a high level summary of the actions that are intended to support your management of this risk area. Further detail about our findings, which have been discussed with management, are provided in our detailed action plan (see 03 Detailed Action Plan).

Ref	Recommendation	Priority	Responsible Person	Due Date
1	The OPCC should develop a Policy regarding Performance and Delivery Monitoring, including: - the purpose and scope of the function. - clearly defined roles and responsibilities. - interactions between the Force and OPCC, and - key lines of assurance provided to the OPCC and Commissioner.	Low	Jennifer Connolly-Thompson – Head of Performance and Delivery	01 July 2026
2	The OPCC should develop and implement a clear and consistent process for capturing, recording and updating partner delivery activity within the Corporate Delivery Tracker, including defined responsibilities and minimum information requirements.	Low	Jennifer Connolly-Thompson – Head of Performance and Delivery	01 July 2026

02 Value for Money and Sector Comparison

Within each of our reports, we summarise any observations we have made about the effectiveness, efficiency and economy of your operations. This is to support our portfolio of public and social sector organisations with value for money considerations. We also summarise how you compare to similar organisations, which is intended to bring you the benefit of our insight.

Value for Money	Sector Comparison
 Value for money considerations remain a central feature of performance and delivery oversight within Police and Crime Commissioners’ offices, particularly in the context of sustained financial pressure and increasing demand. Effective performance monitoring arrangements support transparency, facilitate informed decision-making and enable limited resources to be directed towards priority outcomes. The Office of the Police and Crime Commissioner for Derbyshire has direct access to the Force’s performance dashboards, providing visibility of live and historical performance data beyond the summary information formally reported within governance forums. This access enables the OPCC to validate, explore and contextualise performance information where required, rather than relying solely on narrative summaries or periodic reports produced by the Force. This arrangement supports value for money by reducing the need for bespoke reporting requests or parallel data production. Where questions arise through governance meetings, public assurance processes or internal review, OPCC officers are able to directly reference the underlying dashboards to confirm trends, drill into activity levels and better understand performance drivers. This limits additional analytical effort by the Force and avoids the resource cost associated with producing ad-hoc data extracts solely for assurance purposes. Performance monitoring over time is supported through the design of KPI scorecards, which include comparative period data and directional indicators. This enables emerging trends to be identified and analysed by the commissioner without the need for additional analytical workstreams.	From our experience across the policing and wider public sector client base, well-established performance and delivery arrangements are typically characterised by a small number of core monitoring tools that are used consistently across governance, assurance and reporting activity.  Well-performing peers commonly maintain a structured performance reporting cycle built around regular scorecards and supporting narrative briefings. These are often produced on a quarterly or monthly basis and reused across internal management meetings, senior assurance forums and commissioner briefings. This enables organisations to achieve oversight and accountability without commissioning multiple bespoke reports for different audiences. In comparable organisations, scorecards are frequently supplemented by concise briefings that provide context from operational governance forums, such as Force Boards, enabling a clearer line of sight between operational activity and strategic oversight. Central delivery trackers are also a common feature amongst peers, particularly where Police and Crime Plans contain multiple priorities and sub-priorities spanning several years. Such trackers typically draw together information from multiple sources much like at Derbyshire, including OPCC activity, Force reporting, partner delivery and national initiatives. Where this approach is adopted, it supports integrated oversight and reduces the need for separate tracking arrangements for different contributors. We typically see that OPCCs achieve effective oversight without excessive resource commitment make use of layered reporting. This includes internal management updates, senior officer assurance meetings and public assurance meetings used widely to support transparency and accountability we note Derbyshire OPCC are in line with good practice in this area.

Value for Money

Finally, public reporting arrangements support transparency while remaining proportionate. Performance information is made available through established publication routes, including Public Assurance Meeting reports and the Annual Report, utilising material already prepared for governance purposes. This approach supports public accountability without incurring additional reporting costs or requiring bespoke engagement exercises.

03 Detailed Action Plan

We have identified areas where there is scope to improve the control environment. Our detailed findings are provided below. Definitions for the levels of assurance and recommendations used within our reports are included in Appendix A1.

1. Operational guidance exists for Performance and Delivery activity, but no overarching documented framework governing the function	
Finding(s) and Risk	Recommendation(s)
We would expect the OPCC to maintain a documented framework that sets out how the performance and delivery function operates, the key lines of assurance provided to the PCC in respect of force activity, the processes in place to support trend analysis, the arrangements for tracking actions taken to deliver against the Police and Crime Plan, and how this information is reported back to the force and made publicly available. While we note many of the above-described processes are currently in place which describe many of the above processes in practice, including how performance and delivery information is collected, validated, analysed, tracked, reported and published, we note that there is no single, formally documented policy that brings these processes together into an overarching framework or clearly sets out how they collectively provide assurance to the PCC and public.. Where the OPCC should develop a Policy regarding Performance and Delivery Monitoring, this should include: • The purpose and scope of the performance and delivery function, including how it supports oversight of force activity. • Clearly defined roles and responsibilities within the performance and delivery team and how these interact with other OPCC and Force functions. • Key lines of assurance provided to the OPCC and Commissioner, including the sources of information relied upon and how assurance is formed. Risk and Impact: Without a documented framework the Performance and Delivery function may operate without a clearly articulated mandate, resulting in uncertainty over what it is responsible for, how it supports oversight of force activity, and how its outputs should be interpreted or relied upon by the OPCC and the PCC. This may	The OPCC should develop a Policy regarding Performance and Delivery Monitoring, including: • the purpose and scope of the function. • clearly defined roles and responsibilities. • interactions between the Force and OPCC, and • key lines of assurance provided to the OPCC and Commissioner. • Root Cause(s) The new Performance and Delivery team has developed over time through established ways of working and team knowledge rather than through the creation of a framework

reduce clarity over decision making, weaken accountability between teams, and make it difficult to evidence how assurance over force activity is formed, complete and consistent, even where underlying data and reporting processes are operating as intended.			
Management Comments / Agreed Actions			
Draft Governance Policy created in response to this recommendation. This will then be absorbed into the suite of OPCC Policies and reviewed as per routine schedules.			
Responsible Person	Jennifer Connolly-Thompson – Head of Performance and Delivery	Action Due Date	01 July 2026
		Priority Level	Low

2. Incomplete capture of partner delivery activity within the Corporate Delivery Tracker

Finding(s) and Risk

The Force is expected to support delivery against the Police and Crime Plan 2024 - 2029¹ (PCP). We noted that Derbyshire OPCC maintains a Corporate Delivery Tracker, which is used by the Performance and Delivery team to monitor actions being taken by both the OPCC and the Force in support of delivery of the PCP. We reviewed the Corporate Delivery Tracker and noted that it is structured to map actions against each of the PCP priorities and sub-priorities, totalling 37 sub-priorities across six priority areas. We were advised by the Head of Performance and Delivery that the Tracker has multiple inputs, including monthly updates provided by OPCC teams through Service Plans, which are reviewed and incorporated into the Corporate Delivery Tracker and reported to the PCC on a regular, normally monthly, basis.

We reviewed the Corporate Delivery Tracker and identified a number of areas for the 2025/26 period where either no action, or insufficiently detailed action, had been recorded. Of the 37 sub-priorities, we noted that the majority of delivery areas included an update describing activity underway, with the exception of the Partner Delivery area, where actions were not recorded against 17 of the sub-priority areas. We were advised by the Head of Performance and Delivery that this was a known issue and that there is currently no consistent process in place to capture and record partner delivery activity, with information being obtained on an ad hoc basis, and that addressing this has been identified for development within the team.

Risk and Impact: Progress against the Police and Crime Plan may not be fully visible as partner activity is not being fully captured or recognised, resulting in some areas of delivery against the Police and Crime Plan going unnoticed.

Recommendation(s)

The OPCC should develop and implement a clear and consistent process for capturing, recording and updating partner delivery activity within the Corporate Delivery Tracker, including defined responsibilities and minimum information requirements.

Root Cause(s)

As the performance and delivery function is a relatively new team and processes for consistently capturing and recording partner delivery activity have not yet been fully defined or embedded, resulting in the current reliance on ad hoc arrangements

Management Comments / Agreed Actions

Currently the capacity within the P & D Team limits the ability to action this fully, however, resources have been created to ensure monitoring of CSP actions in relation to the Police and Crime Plan are extracted as part of bi-annual CSP engagement with the OPCC/Commissioning Team.

¹ [Police and Crime Plan 24-29](#)

Responsible Person	Jennifer Connolly-Thompson – Head of Performance and Delivery	Action Due Date	01 July 2026
		Priority Level	Low

A1 Audit Information

Agreed Audit Objective and Scope

The objectives of our audit were to assess whether the OPCC and Force has in place adequate and appropriate policies, procedures and controls in relation to Performance and Delivery, with a view to providing an opinion on the extent to which risks in this area are managed. The audit considered the following risks relating to the area under review:

Data Collection

- The OPCC is not considering performance data regarding the Force's activity.
- The OPCC is not tracking relevant actions the Force is taking to deliver against the Police & Crime Plan.

Analysis

- The OPCC is not comparing the Force's performance against agreed targets.
- The OPCC is not tracking the Force's performance over time to identify and track improvements.
- The OPCC is not monitoring performance against the Police & Crime Plan against other performance data to identify any issues or conflicts.

Reporting

- The Force is unaware of the outputs from the OPCC's performance monitoring.
- The PCC is unaware of the outputs from the OPCC's performance monitoring.
- The OPCC's performance monitoring is not publicly available.

Scope Limitations

In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control. Any testing performed was conducted on a sample basis. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

Fleet Standards 2025/26



01 Summary Action Plan

Below is a high-level summary of the actions that are intended to support your management of this risk area. Further detail about our findings, which have been discussed with management, are provided in our detailed action plan (see 03 Detailed Action Plan).

Ref	Recommendation	Priority	Responsible Person	Due Date
1	The Force should: 1. Establish the type of data that would be beneficial for senior management to have oversight on in relation to driver training, authorisations, and incidents. 2. Incorporate this reporting into existing governance structures, such as PAB.	Medium	Lee Welsby – Inspector, Roads Policing	30 September 2026
2	The Force should ensure that: 1. The updated Driving Policy is reported to the next Policy Assurance Group (PAG) meeting for approval. 2. Once approved, the Policy should be communicated throughout the Force.	Low	Lee Welsby – Inspector, Roads Policing	31 August 2026

02 Value for Money and Sector Comparison

Within each of our reports, we summarise any observations we have made about the effectiveness, efficiency and economy of your operations. This is to support our portfolio of public and social sector organisations with value for money considerations. We also summarise how you compare to similar organisations, which is intended to bring you the benefit of our insight.

Value for Money	Sector Comparison
 Value for Money (VfM) considerations can arise in various ways, and our audit process aims to include an overview of the efficiency of systems and processes in place within the auditable area. The Force demonstrates value for money in its delivery of driver training with training records maintained and evidence of targeted refresher training being applied based on individual need. Sample testing of five drivers from the driver history spreadsheet confirmed that training records are complete and up to date, and that incidents are reviewed. In addition, the Force has adopted a more pro-active and cost-efficient approach to managing driver performance by moving away from a penalty points system to an early intervention model. Testing of collision reviews demonstrated that incidents are assessed by the Driving Standards Review Panel, with tailored refresher training and development actions implemented based on individual circumstances. This targeted approach helps to reduce repeat incidents and avoids unnecessary blanket retraining, ensuring training resources are deployed where needed. In terms of resourcing, while no issues were identified during the audit, we were advised by the Roads Policing Inspector that an Officer who is on light duties is currently supporting the Driving Standards team. This Officer is expected to return to their normal role in July, so this may present a potential gap going forward.	 From our reviews of across the sector with note that Derbyshire Police Force aligns with good practice areas at other Forces such as: <u>College of Policing curriculum</u> Derbyshire delivers approximately 21 driver training courses aligned to the College of Policing curriculum, with training content and structure informed by national standards. This is consistent with other Forces. <u>Driver classifications and authorisation levels</u> The Force has a structured framework (Basic, Response, Advanced) which determines permitted driving activities. This tiered model is widely used across policing to manage risk and ensure officers operate within competency levels. <u>Formal post-incident review arrangements</u> The use of a Driving Standards Review Panel to assess collisions and identify training or disciplinary outcomes aligns with established practices across other Forces. However, the Forces approach is still developing due to a lack of a formally approved Driving Policy, which we have raised in Section 3. <u>Management reporting</u> Upon review of the January 2026 PAB slides, we noted that the information presented lacks sufficient operational detail. In comparison, other Forces typically have dedicated teams responsible for collating and reporting this level of information to senior management. We have raised this in Section 3

03 Detailed Action Plan

We have identified areas where there is scope to improve the control environment. Our detailed findings are provided below. Definitions for the levels of assurance and recommendations used within our reports are included in Appendix A1.

1. Lack of reporting to Senior Management.	
Finding(s) and Risk	Recommendation(s)
The Force should routinely report to senior management on training completion, driver authorisations, and incidents relating to driver standards, as this ensures oversight and accountability across operational activities. Regular reporting enables leadership to confirm that officers are trained and authorised, reducing the likelihood of unsafe driving practices. Additionally, monitoring incident data allows for the identification of trends and emerging risks, which supports the implementation of targeted improvements. We were advised by the Inspector that the Driving Standards Review Panel meet monthly, and the outputs feed into the Operational Fleet Meetings, which take place every six weeks and are supported by a documented action log. The Operational Fleet Meetings then inform the strategic level discussions at the Police Advisory Board (PAB). We reviewed the PAB slides from January 2026; we note that this includes an overview of general fleet categorised by maintenance and accident. However, we note that this does not include reporting on driver training completion or authorisations related to driving standards. We advised that there have been changes in reporting processes in the last 12 months, as well as in the type of information requested by the OPCC. We were unable to locate the contact details for the individuals responsible for management reporting so were unable to confirm why the reporting lacks details. Risk and Impact: Where driver training completion and authorisation data is not routinely reported to senior management, there is a risk that effective oversight and assurance of driver competency is weakened. This may result in untrained or	The Force should: 1. Establish the type of data that would be beneficial for senior management to have oversight on in relation to driver training, authorisations, and incidents. 2. Incorporate this reporting into existing governance structures, such as PAB.
	Root Cause(s)
	Changes in the reporting mechanisms/information.

unauthorised personnel undertaking driving duties, increasing the likelihood of road safety incidents, non-compliance, and reputational damage.			
Management Comments / Agreed Actions			
1. Establish the data that needs to be shared – This is for OPCC and CoT to decide what they want/and how to share. 2. Reporting methods is again a process for the OPCC and CoT to decide what is being shared and how they want this to happen.			
Responsible Person	Lee Welsby – Inspector, Roads Policing	Action Due Date	30 September 2026
		Priority Level	Medium

2. The Driving Policy is not reflective of current practices.			
Finding(s) and Risk		Recommendation(s)	
The Force should have an up-to-date and formally approved Driving Policy in place, as it provides clear guidance on expected behaviour, responsibilities, and standards when operating vehicles, helping to reduce the risk of incidents. In addition, the Driving Policy should outline thresholds for remedial action, including retraining and the withdrawal of driving authority. The Force requires the Driving Policy to be updated on an annual basis. We reviewed the current approved Driving Policy and noted that it was last updated in August 2025. We were advised by the Roads Policing Inspector that there have been changes to the Policy, such as the removal of the penalty points system from current working processes. The Inspector provided a draft Driving Policy, which we reviewed and confirmed reflects these changes; however, we were advised that the updated version has not yet been formally approved by the Policy Assurance Group. Risk and Impact: Where the Driving Policy is not up to date and formally approved, there is a risk that officers rely on outdated or unofficial guidance, leading to inconsistent practices and increased likelihood of inappropriate or unsafe driving behaviours.		The Force should ensure that: 1. The updated Driving Policy is reported to the next Policy Assurance Group (PAG) meeting for approval. 2. Once approved, the Policy should be communicated throughout the Force.	
		Root Cause(s)	
		Amendments to the Policy have been made outside of the formal review cycle.	
Management Comments / Agreed Actions			
1. The policy will be with PAG by the end of June 2026. 2. Communication plan is in place to share via Chiefs Orders once approved by PAG.			
Responsible Person		Action Due Date	31 August 2026
Lee Welsby – Inspector, Roads Policing		Priority Level	Low

A1 Audit Information

Agreed Audit Objective and Scope

The objectives of our audit were to assess whether the OPCC and Force has in place adequate and appropriate policies, procedures and controls in relation to Fleet Standards, with a view to providing an opinion on the extent to which risks in this area are managed. The audit considered the following risks relating to the area under review:

Driver Training & Authorisations

- Training is not delivered in line with College of Policing driver training curriculum.
- The Force does not have a clear authorisation framework, differentiating driver categories and permitted activities.
- Competencies, assessment outcomes and authorisation statuses are not retained as training records.
- Officers and staff are not subject to restricted vehicle access unless appropriately authorised.

Driver Behaviour & Competence Monitoring

- There is not a structured process for post-incident, collision and near-miss reviews.
- Findings from reviews are not fed back into refresher training, supervision and/or withdrawal of authority.
- Findings and incidents are not being reviewed for identification of adverse patterns, such as repeat collisions, complaints and/or use of force links.

Enforcement and Remedial Action

- There are not clear thresholds for remedial action, including retraining and withdrawal of driving authority.
- There is not a clear process for joint working between Professional Standards, Learning & Development and operational leadership regarding driver-related outcomes.
- Evidence is not retained to support decisions where remedial actions have or have not been taken.

Governance & Management Reporting

- Senior leadership is unaware of training completion, authorisations and incidents related to driving standards.
- Risks related to driving standards are not captured, including mitigating controls regarding training and monitoring.
- The OPCC is unaware of driving risks, training compliance and incident, as they relate to financial, reputational and public-confidence implications.

Scope Limitations

In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control. Any testing performed was conducted on a sample basis. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

During fieldwork, we were not provided with evidence regarding management reporting to the OPCC and evidence of how they are made aware of driving risks, training compliance and incidents (as they relate to financial, reputational and public-confidence implications).

EMSOU Forensics Accreditation 2025/26



01 Summary Action Plan

Below is a high level summary of the actions that are intended to support your management of this risk area. Further detail about our findings, which have been discussed with management, are provided in our detailed action plan (see 03 Detailed Action Plan).

Ref	Recommendation	Priority	Responsible Person	Due Date
1	EMSOU-FS should develop an overarching forensic accreditation strategy or implementation plan that clearly defines the statutory and regulatory accreditation requirements the Unit is required, or intends, to comply with, and sets out how the Unit will achieve and maintain compliance.	Low	Claire Millar – EMSOU Director of Forensics Louise Shaw – EMSOU Head of Quality	31 March 2027

02 Value for Money and Sector Comparison

Within each of our reports, we summarise any observations we have made about the effectiveness, efficiency and economy of your operations. This is to support our portfolio of public and social sector organisations with value for money considerations. We also summarise how you compare to similar organisations, which is intended to bring you the benefit of our insight.

Value for Money	Sector Comparison
 The benefits of forensic accreditation include enhanced credibility and reliability of forensic evidence presented in the criminal justice system, compliance with the Forensic Science Regulator (FSR)'s Code of Practice, and improved consistency and quality of forensic outputs. Achieving value for money (VfM) in forensic accreditation involves balancing these benefits with considerations of cost-effectiveness, operational efficiency, and strategic alignment. Budgetary provision for forensic accreditation activities is approved through the annual budget setting process, with specific accreditation budgets allocated to individual forensic areas, including Crime Scene Investigation (CSI), the Arrow Centre, Digital Forensic Units (DFU), and UKAS assessment activity. Accreditation costs are monitored through monthly Budget Monitoring Reports for individual forces, demonstrating VfM through routine financial oversight and scrutiny of costs. The Quality Team complete a schedule of internal audits on a four-year cycle, aligned to the UKAS accreditation cycle. We noted that high risk areas are subject to more frequent audits, ensuring resources are focused while maintaining assurance over compliance. Operational efficiency is supported using BizzMine quality management system as a single repository for quality, technical and training documentation. Non-conforming work and remedial actions arising from internal audits and UKAS visits are documented and tracked through to completion. The system provides a clear audit trail, supports timely resolution of findings, and reduces administrative overheads associated with managing accreditation across forces.	 The introduction of Version 2 of the Forensic Science Regulator (FSR) Code of Practice in October 2025 brought significant changes, including the suspension of enforcement of compliance with ISO 17020. The Incident Examination Specialist Group (IESG) also advised the introduction of a minimum scope of activity (INC-100), covering forensic scene management and the recovery of DNA, friction ridge detail and footwear marks. As sector-wide consultation highlighted challenges in achieving full compliance across all bases, the FSR confirmed revised expectations in January 2026, including an extension to the ISO 17020 deadline and a requirement for organisations to implement competency frameworks covering all INC-100 activities by April 2027, which will be assessed by UKAS. EMSOU-FS' readiness for future accreditation demands compares favourably with peers. The Unit has already achieved ISO 17020 accreditation across four CSI bases and is working with UKAS to expand this coverage, alongside progressing compliance with the INC-100 minimum scope. Our review noted that consistent practices and competency assessments are in place for DNA and fingerprint recovery across all forces, with validation completed in several other areas. While accreditation is still pending in some areas and competency frameworks for forensic science management roles remain in development, EMSOU-FS has training, competency and quality assurance arrangements in place for most INC-100 activities. This positions the Unit ahead of many forces nationally, who remain in earlier stages of readiness, and indicates that EMSOU-FS are on track to meeting revised regulatory expectations by April 2027.

03 Detailed Action Plan

We have identified areas where there is scope to improve the control environment. Our detailed findings are provided below. Definitions for the levels of assurance and recommendations used within our reports are included in Appendix A1.

1. No accreditation strategy in place.			
Finding(s) and Risk		Recommendation(s)	
We sought to confirm that EMSOU-FS had clearly defined the Unit’s approach to forensic accreditation. Whilst we noted that training, competency and quality assurance procedures are in place for each forensic area, we identified that there is no overarching strategy or implementation plan outlining how EMSOU-FS will achieve and maintain forensic accreditation. There is no documented framework setting out the statutory and regulatory accreditation requirements the Unit is seeking to comply with, nor the roles and responsibilities for coordinating and overseeing accreditation activity across the Unit. Risk and Impact: Without an overarching accreditation strategy, EMSOU-FS risks unclear definition of regulatory scope, ownership and prioritisation of accreditation activity, which may lead to inconsistent understanding of accreditation requirements across forensic areas and an increased risk of inefficiency or future non-compliance.		EMSOU-FS should develop an overarching forensic accreditation strategy or implementation plan that clearly defines the statutory and regulatory accreditation requirements the Unit is required, or intends, to comply with, and sets out how the Unit will achieve and maintain compliance.	
		Root Cause(s)	
		The Unit’s strategic approach to forensic accreditation has not been formally defined.	
Management Comments / Agreed Actions			
Recently the Director of Forensics has proposed a project across EMSOU and the 5 forces to look at how forensic activities are being managed including the compliance and accreditation. This is with an eye on the national landscape, the Police and Forensic reform and the FSR plans. The project has recently been agreed and there are plans to start in June. It is envisaged that an output of this project will be a plan for forensic compliance and accreditation in line with national plans.			
Responsible Person		Action Due Date	31 March 2027

	Claire Millar – EMSOU Director of Forensics; and, Louise Shaw – EMSOU Head of Quality	Priority Level	Low
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A1 Audit Information

Agreed Audit Objective and Scope

The objectives of our audit were to assess whether the OPCC, OPFCC and Forces, collaborating through EMSOU, have in place adequate and appropriate policies, procedures and controls in relation to Forensic Accreditation, with a view to providing an opinion on the extent to which risks in this area are managed. The audit considered the following risks relating to the area under review:

- **Strategy and Governance** – The Unit does not achieve or maintain accreditation regarding forensic activities.
- **Strategy and Governance** – The Unit does not have sufficient oversight of Accreditation Management and are not aware of issues arising.
- **Strategy and Governance** – Strategies are not aligned with national, local and/or organisational objectives regarding accreditation of forensics activity.
- **Accreditation Process** – The Unit is not aware of the forensics activities that can or should be accredited.
- **Accreditation Process** – The Unit is seeking accreditation inappropriately and/or without approval.
- **Accreditation Process** – The Unit has not approved the cost of seeking accreditation in accordance with their financial regulations.
- **Accreditation Process** – The Unit is not ensuring that there is appropriate resource to support the accreditation process, including visits by the accrediting body (UK Accreditation Service - UKAS) and/or the regulator (Forensic Science Regulator – FSR).
- **FSR Minimum Scope Project** – Project managing the Unit's readiness for FSR Compliance is not being managed appropriately, with little to no oversight.
- **Quality Management and Training** – The Unit has not ensured that staff and/or officers are appropriately trained in accredited forensics activities, including continuous professional development.
- **Quality Management and Training** – The Unit does not perform continuous monitoring of compliance to accredited standards for forensics activities.

Scope Limitations

In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control. Any testing performed was conducted on a sample basis. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

A2

Thought Leadership & Sector Insights

Mapping public sector readiness, risk and resilience 2026

Our report examining key challenges and opportunities within the sector



Based on insights from more than 100 senior leaders, it explores how organisations are responding to financial pressures, workforce challenges and digital transformation while building resilience for the future.

Financial sustainability is the defining challenge

Pessimism has dropped significantly (from 56% to 37%), while neutrality has increased, signalling a ‘wait and see’ approach among leaders.

Confidence in managing financial sustainability has fallen sharply (46% to 24%), the steepest decline across all risk areas.

Workforce challenges are intensifying, not easing

The workforce crisis remains systemic:

- 64% cite recruitment as the top organisational risk.
- Retention (43%) and upskilling (40%) follow closely.

Digital ambition is high, but delivery is constrained

Digital transformation is a clear priority:

- 59% prioritise AI and automation.
- 58% prioritise data management and integration.

Mapping public sector readiness, risk and resilience 2026

What does this mean for you?

To navigate the next 12-24 months, key areas for focus should be:

Strengthening financial resilience

- Enhance forecasting and scenario modelling.
- Align budgets to strategic priorities, focusing resources on essential and high-impact services
- Organisations need improved forecasting, cost visibility, and sustainable funding models.

Building a sustainable workforce

- Develop long-term workforce and skills strategies aligned to future service needs and digital ambitions.
- Address retention and culture challenges – take a brave look at culture.
- Invest in upskilling and knowledge transfer to mitigate the impact of an ageing workforce.

- Focus on fewer, higher-impact transformation initiatives rather than overloading portfolios.
- Ensure programmes are realistically scoped, funded,, and resourced.
- Balance ambition with delivery capacity to avoid dilution of outcomes.

Bridging the digital delivery gap

- Prioritise a smaller number of high-impact transformation initiatives to drive measurable outcomes.
- Address legacy systems and data quality issues that are limiting progress.
- Align AI and data ambitions with realistic investment, workforce capability, and infrastructure plans.
- Strengthen governance to ensure digital investment delivers tangible service improvement.

Taking a balanced risk approach

- Break down silos across finance, workforce, and digital to enable more integrated decision-making.
- Embed risk management into strategic planning, not just compliance processes.
- Improve horizon scanning and scenario planning to anticipate emerging risks.
- Be explicit about risk appetite, recognising that not all priorities can be pursued simultaneously.

Download our full report and find more insights at:

<https://www.forvismazars.com/uk/en/insights/our-perspectives-and-publications/public-sector-readiness-risk-resilience-in-2026>

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Statement of Responsibility

We take responsibility to the Office of the Police & Crime Commissioner for Derbyshire (“OPCC”) and Derbyshire Police (“Force”) for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management’s responsibilities for the application of sound management practices.

This report is confidential and must not be disclosed to any third party or reproduced in whole or in part without our prior written consent. To the fullest extent permitted by law Forvis Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation amendment and/or modification by any third party is entirely at their own risk.

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Police & Crime Commissioner for Derbyshire and Derbyshire Police
Joint Audit Risk and Assurance Committee
Draft Internal Audit Annual Report 2025/26

Prepared by: Forvis Mazars
Date: June 2026

Internal Audit Annual Report 2025/26

Disclaimer

This report (“Report”) was prepared by Forvis Mazars LLP at the request of the Office of the Police & Crime Commissioner (OPCC) for Derbyshire & Derbyshire Police (Force) and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of the Office of the Police & Crime Commissioner (OPCC) for Derbyshire & Derbyshire Police (Force) and to the fullest extent permitted by law Forvis Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in this report for further information about responsibilities, limitations and confidentiality.

01 Introduction

Forvis Mazars LLP are the appointed internal auditors to the Office of the Police & Crime Commissioner (OPCC) for Derbyshire & Derbyshire Police (Force). This report summarises the internal audit work undertaken by Forvis Mazars in 2025/26, the scope and outcome of work completed, and incorporates our annual statement on internal controls assurance.

The OPCC and Force retained a full scope internal audit service for 2025/26 which, based on the work we have undertaken, enabled us to provide the enclosed Annual Conclusion on the OPCC and Force arrangements for risk management, control and governance

The report should be considered confidential to the OPCC and Force and not provided to any third party without prior written permission by Forvis Mazars.

The purpose of internal audit is to provide the Joint Audit Risk and Assurance Committee (JARAC), with an independent and objective conclusion on governance, risk management and internal control and their effectiveness in achieving the OPCC and Force's agreed objectives. It also has an independent and objective advisory role to help line managers improve governance, risk management and internal control.

This conclusion forms part of the framework of assurances that is received by the OPCC and Force. Our professional responsibilities as internal auditors are set out within the Internal Audit Charter which establishes our purpose, authority, responsibility, independence and scope, in accordance with the Global Internal Audit Standards (GIAS).

Responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all weaknesses which exist or all improvements which may be made. Effective implementation of our recommendations makes an important contribution to the maintenance of reliable systems of internal control and governance.

Internal audit should not be relied upon to identify fraud or irregularity, although our procedures are designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control will not necessarily be an effective safeguard against collusive fraud.

The report summarises the internal audit activity and, therefore, does not include all matters which came to our attention during the year. Such matters have been included within our detailed reports to the JARAC during the course of the year.

Performance against the Internal Audit Plan

The Plan for 2025/26 was considered by the JARAC on 30 April 2025. In total the plan was for 120 days, including 15 days of Audit Management and 5 days for Collaboration audits.

As noted in the 2025/26 Internal Audit Plan, the approach is a flexible one and, where risks emerge, change or are effectively mitigated, the internal audit plan is reviewed and changes therefore may occur during the year.

The audit findings in respect of each of our finalised reviews, together with our recommendations for action and the management response, were set out in our detailed reports, which have been presented to the JARAC over the course of the year. In addition, we have presented a summary of our reports and progress against the Plan within our Progress Reports to each JARAC.

A summary of the reports we have issued is included in Section 03, additionally Appendix A1 describes the levels of assurance we have used in assessing the control environment and effectiveness of controls and the classification of our recommendations

Acknowledgements

We are grateful to all members of the JARAC, the officers of the OPCC, the Force Director of Finance and Assets, the OPCC Chief Operating Officer and other staff throughout Derbyshire Police for the assistance provided to us during the year.

Sampling methodology

As part of our auditing methodology we use a range of sampling techniques to provide a robust basis for our assurance levels. Where possible we favour conducting whole data set testing.

Our conclusion

On the basis of our audit work, our conclusion on the framework of governance, risk management, and control is **Moderate** in its overall adequacy and effectiveness.

This conclusion is provided on the basis that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control. Certain weaknesses and exceptions were highlighted by our internal audit work and detailed in our individual reports.

These matters have been discussed with management, to whom we have made recommendations, none of which are categorised as 'High'. All of these have been, or are in the process of being addressed, as detailed in our individual reports.

A 'Substantial' assurance level was provided for two internal audits; a 'Moderate' assurance level for six audits, and a 'Limited' assurance for two audits.

Scope of Conclusion

In giving our internal audit conclusion, it should be noted that assurance can never be absolute. The most that the internal audit service can provide to the OPCC and Force is a reasonable assurance that there are no major weaknesses in risk management and internal control processes.

The matters raised in this report are only those which came to our attention during our Internal Audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

03 Internal Audit Work Undertaken in 2025/26

The audit findings in respect of each review, together with our recommendations for action and the management responses are set out in our detailed reports.

We undertook ten in-depth audit reviews covering a number of important control systems, processes, and risks. The results of this work are summarised below.

Audit area	Assurance level	Recommendations				Accepted	Not accepted
		High (Priority 1)	Medium (Priority 2)	Low (Priority 3)	Total		
Governance & Oversight	Substantial	-	-	1	1	1	
Risk Management	Substantial	-	-	2	2	2	-
Positive Action – Promotion / Recruitment	Moderate	-	1	1	2	2	-
Core Financials	Moderate	-	2	2	4	4	-
Custody Governance	Moderate	-	2	-	2	2	-
OPCC Performance & Delivery	Moderate	-	-	2	2	2	-
Mobile Device Management	Moderate	-	1	-	1	1	-
Fleet Standards	Moderate	-	1	1	2	2	-
Skills Audit	Limited	-	4	-	4	4	-
IT Legacy Systems - DRAFT	Limited	-	3	-	3		
Assurance Framework	Advisory						
Total		-	14	9	23	20	-

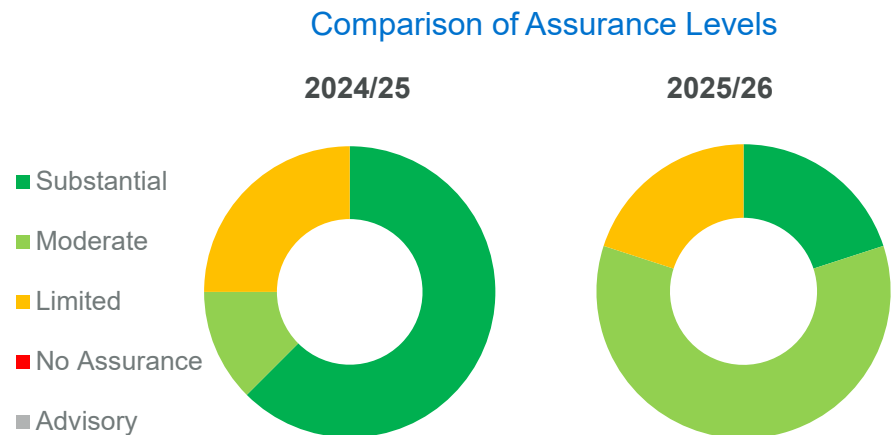
04 Internal Audit Plan 2025/26 vs Budget

The Internal Audit Plan for 2025/26 was for a total of 120 days. During the year, unused days from 2024/25 were carried forward for the Governance & Oversight audit, and the IT Asset Management audit was rescoped as Mobile Device Management.

Audit area	Planned days	Actual Days	Difference	Status
Governance & Oversight	0	10	+10	Final Report
Risk Management	10	10		Final Report
Positive Action – Promotion / Recruitment	10	10		Final Report
Core Financials	10	10		Final Report
Custody Governance	10	10		Final Report
OPCC Performance & Delivery	10	10		Final Report
IT Asset Management	10	0	-10	Replaced with Mobile Device Management
Mobile Device Management	0	10	+10	Final Report
Fleet Standards	10	10		Final Report
Skills Audit	10	10		Final Report
IT Legacy Systems - DRAFT	10	10		Draft Report
Assurance Framework	10	2	-8	Call off days for Advisory
Collaboration	5	5		Fully Utilised
Management	15	15		Fully Utilised
Total	120	122	+2	

05 Benchmarking

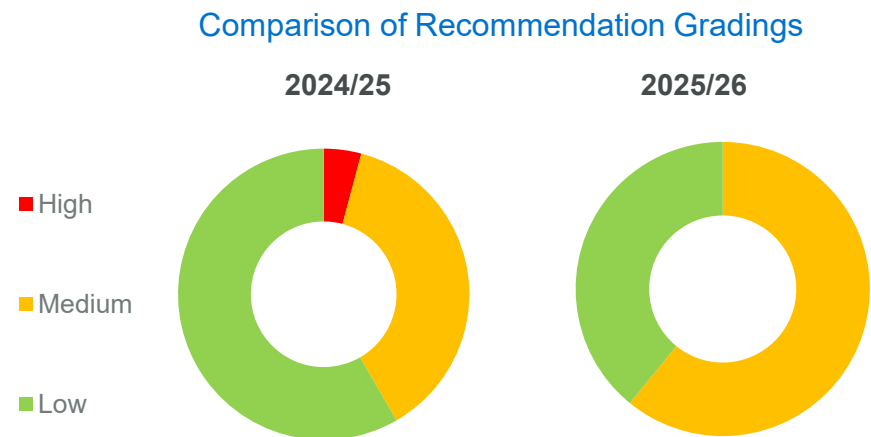
This section compares the Assurance Levels (where given) and categorisation of recommendations made at the OPCC and Force.



In 2024/2025, there were eight audits completed. Five received ‘Substantial’ assurance, one received ‘Moderate’ assurance, and two received ‘Limited’ assurance.

Of the ten audits conducted in 2025/26, two received ‘Substantial’ assurance, six received a ‘Moderate’ assurance and two received a ‘Limited’ assurance.

It should be noted though that the areas of review will not typically be the same given the risk-based nature of the Internal Audit Plan year on year and that caution should be exercised in comparing years.



The total number of recommendations made in 2024/25 was 24, with one High Priority Recommendation being raised.

The total number of recommendations made in 2025/26 was 23. There have been no High priority recommendations raised this year.

As noted above, the areas of review each year will not typically be the same.

06 Performance of Internal Audit

We have provided some details below outlining our scorecard approach to our internal performance measures, which supports our overall annual conclusion.

Compliance with Professional Standards

We employed a risk-based approach to determining the audit needs of Derbyshire OPCC and Force at the start of the year and use a risk-based methodology in planning and conducting our audit assignments.

In fulfilling our role, we abide by the professional standard for internal audit which is governed by the International Professional Practices Framework (IPPF) which includes the Global Internal Audit Standards (GIAS) established by the Institute of Internal Auditors (IIA), alongside the CIPFA Application Note: Global Internal Audit Standards in the UK Public Sector

Performance Measures

We have completed our audit work in accordance with the agreed Plan and each of our final reports has been reported to the JARAC We have reported all KPI data in our JARAC progress reports.

Regular discussions on progress against the Audit Plan have taken place with the OPCC and Force S151 Officers.



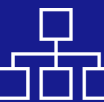
Compliance with Professional Standards



Conflicts of Interest



Performance Measures



Internal Audit Quality Assurance

Conflicts of Interest

There have been no instances during the year which have impacted on our independence and/or lead us to declare any interest.

Internal Audit Quality Assurance

In order to ensure the quality of the work we perform; we have a programme of quality measures which includes:

- Supervision of staff conducting audit work;
- Review of files of working papers and reports by Managers and Partners;
- Annual appraisal of audit staff and the development of personal development and training plans;
- Sector specific training for staff involved in the sector;
- Issuance of technical guidance to inform staff and provide instruction regarding technical issues; and
- The maintenance of the firm’s Internal Audit Manual.



Appendices

- A1 – Definitions of Assurance

A1 Definitions of Assurance

Assurance Gradings

We use categories to classify our assurance over the processes we examine, and these are defined as follows:

Level	Description
Substantial	Findings indicate that on the whole, controls are satisfactory, although some good practice enhancements may have been recommended. We may have made some recommendations to improve good practice.
Moderate	While the control framework has been found to be generally well designed, control issues and / or areas for improvement have been identified. Where action is in progress to address these findings and any other issues known to management, these actions will be at too early a stage to allow a 'substantial' assurance level to be given. The control framework is generally well designed.
Limited	Control weaknesses have been noted that require corrective action if the control framework is to be considered as operating effectively. Where such remedial action has already been identified by management, this will have not yet started at the time of the audit, or is not currently considered to be sufficient, or sufficiently progressing to address the severity of the control weaknesses identified. We found control weaknesses that need to be corrected in order for the control framework to operate effectively.
Unsatisfactory	Findings indicate serious weaknesses in the control framework which could threaten the ability of OPPC and Force to achieve its objectives; or, there is evidence that despite any corrective action already taken, key risks are crystallising in the area under review or have already crystallised. This assurance level may also cover the scenario where our audit work was obstructed such that we cannot conclude on the effectiveness of internal controls.

Recommendation Gradings

To assist management in using our reports, we categorise our recommendations according to their level of priority, as follows:

Priority	Description
High (Priority 1)	Significant weakness in governance, risk management and control that if unresolved exposes the organisation to an unacceptable level of residual risk.
Medium (Priority 2)	Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk.
Low (Priority 3)	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.

Annual Conclusion

For annual conclusions we use the following classifications within our audit reports:

Conclusion	Definition
Substantial	The framework of governance, risk management and control are adequate and effective.
Moderate	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
Unsatisfactory	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

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We take responsibility to the Office of the Police & Crime Commissioner (OPCC) for Derbyshire & Derbyshire Police (Force) for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing a conclusion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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Police & Crime Commissioners for Derbyshire, Leicestershire,
Lincolnshire and Nottinghamshire and Police, Fire & Crime
Commissioner for Northamptonshire

Internal Audit Report

EMSOU – Forensic Accreditation (2025/26)

Audit Sponsor: Mark Kimberley (Chief Finance Officer – Nottinghamshire Police)

Audit Contacts: Louise Shaw (Head of Quality – EMSOU)

May 2026

Reporting Timetable

Debrief Meeting: 22/04/2026

Comments Received: 11/05/2026

Draft Report Issued: 28/04/2026

Final Report Issued: 14/05/2026

**forv/s
mazars**

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Disclaimer

This report ("Report") was prepared by Forvis Mazars LLP at the request of the Offices of the Police & Crime Commissioner for Derbyshire, Leicestershire, Lincolnshire and Nottinghamshire ("OPCCs"); Office of the Police, Fire & Crime Commissioner for Northamptonshire (OPFCC); and the relevant Police Forces. The terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of the OPCCs, OPFCC and Forces and to the fullest extent permitted by law Forvis Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in Appendix A1 of this report for further information about responsibilities, limitations and confidentiality.

Your One Page Summary

Audit Objective: To assess the design and effectiveness of the control framework for forensic accreditation management at the East Midlands Special Operations Unit – Forensic Services (EMSOU-FS).

Audit rationale

Why the Audit is in Your 2025/26 Plan

This review will provide assurance regarding the Unit's control framework in place for managing, achieving and maintaining forensic accreditation.

Summary of our opinion

Substantial Opinion

See Appendix A1 for definitions

X

Summary of Recommendations

High (Priority 1)	-	Actions agreed by you	100%
Medium (Priority 2)	-	High Priority completion	N/A
Low (Priority 3)	1	Overall completion	March 2027

Summary of findings

Examples of good practice

- ✓ Training, competency and quality assurance procedures are in place for each forensic area.
- ✓ A range of governance structures are in place to oversee forensic accreditation, including the quarterly Regional SAI Accreditation Group, biannual Management Review Meetings, monthly Quality Meetings, and monthly EMSOU-FS Accreditation Meetings.
- ✓ Budget for forensic accreditation is allocated as part of the Unit's annual budget setting process, with specific budgets for each forensic area. We confirmed this is monitored as part of monthly Budget Monitoring Reports for individual forces.
- ✓ The Quality Team complete internal audits on accredited areas on a four-year cycle. This includes review of quality and technical processes and procedures to ensure compliance with accredited standards.
- ✓ Non-conforming actions arising from internal audits and annual UKAS visits are logged on quality management system, BizzMine.
- ✓ EMSOU-FS has already achieved accreditation in ISO17020 across 4/10 bases and are working with UKAS to expand this over the coming years, as well as including all the aspects of the INC-100 minimum scope to achieve compliance by April 2027.

Low Priority Finding

- No accreditation strategy or implementation plan in place outlining how the Unit will work towards achieving and maintaining accreditation compliance.

Key root causes

- The Unit's strategic approach to forensic accreditation has not been formally defined.

01 Summary Action Plan

Below is a high level summary of the actions that are intended to support your management of this risk area. Further detail about our findings, which have been discussed with management, are provided in our detailed action plan (see 03 Detailed Action Plan).

Ref	Recommendation	Priority	Responsible Person	Due Date
1	EMSOU-FS should develop an overarching forensic accreditation strategy or implementation plan that clearly defines the statutory and regulatory accreditation requirements the Unit is required, or intends, to comply with, and sets out how the Unit will achieve and maintain compliance.	Low	Claire Millar – EMSOU Director of Forensics Louise Shaw – EMSOU Head of Quality	31 March 2027

02 Value for Money and Sector Comparison

Within each of our reports, we summarise any observations we have made about the effectiveness, efficiency and economy of your operations. This is to support our portfolio of public and social sector organisations with value for money considerations. We also summarise how you compare to similar organisations, which is intended to bring you the benefit of our insight.

Value for Money	Sector Comparison
 The benefits of forensic accreditation include enhanced credibility and reliability of forensic evidence presented in the criminal justice system, compliance with the Forensic Science Regulator (FSR)'s Code of Practice, and improved consistency and quality of forensic outputs. Achieving value for money (VfM) in forensic accreditation involves balancing these benefits with considerations of cost-effectiveness, operational efficiency, and strategic alignment. Budgetary provision for forensic accreditation activities is approved through the annual budget setting process, with specific accreditation budgets allocated to individual forensic areas, including Crime Scene Investigation (CSI), the Arrow Centre, Digital Forensic Units (DFU), and UKAS assessment activity. Accreditation costs are monitored through monthly Budget Monitoring Reports for individual forces, demonstrating VfM through routine financial oversight and scrutiny of costs. The Quality Team complete a schedule of internal audits on a four-year cycle, aligned to the UKAS accreditation cycle. We noted that high risk areas are subject to more frequent audits, ensuring resources are focused while maintaining assurance over compliance. Operational efficiency is supported using BizzMine quality management system as a single repository for quality, technical and training documentation. Non-conforming work and remedial actions arising from internal audits and UKAS visits are documented and tracked through to completion. The system provides a clear audit trail, supports timely resolution of findings, and reduces administrative overheads associated with managing accreditation across forces.	 The introduction of Version 2 of the Forensic Science Regulator (FSR) Code of Practice in October 2025 brought significant changes, including the suspension of enforcement of compliance with ISO 17020. The Incident Examination Specialist Group (IESG) also advised the introduction of a minimum scope of activity (INC-100), covering forensic scene management and the recovery of DNA, friction ridge detail and footwear marks. As sector-wide consultation highlighted challenges in achieving full compliance across all bases, the FSR confirmed revised expectations in January 2026, including an extension to the ISO 17020 deadline and a requirement for organisations to implement competency frameworks covering all INC-100 activities by April 2027, which will be assessed by UKAS. EMSOU-FS' readiness for future accreditation demands compares favourably with peers. The Unit has already achieved ISO 17020 accreditation across four CSI bases and is working with UKAS to expand this coverage, alongside progressing compliance with the INC-100 minimum scope. Our review noted that consistent practices and competency assessments are in place for DNA and fingerprint recovery across all forces, with validation completed in several other areas. While accreditation is still pending in some areas and competency frameworks for forensic science management roles remain in development, EMSOU-FS has training, competency and quality assurance arrangements in place for most INC-100 activities. This positions the Unit ahead of many forces nationally, who remain in earlier stages of readiness, and indicates that EMSOU-FS are on track to meeting revised regulatory expectations by April 2027.

03 Detailed Action Plan

We have identified areas where there is scope to improve the control environment. Our detailed findings are provided below. Definitions for the levels of assurance and recommendations used within our reports are included in Appendix A1.

1. No accreditation strategy in place.			
Finding(s) and Risk		Recommendation(s)	
We sought to confirm that EMSOU-FS had clearly defined the Unit’s approach to forensic accreditation. Whilst we noted that training, competency and quality assurance procedures are in place for each forensic area, we identified that there is no overarching strategy or implementation plan outlining how EMSOU-FS will achieve and maintain forensic accreditation. There is no documented framework setting out the statutory and regulatory accreditation requirements the Unit is seeking to comply with, nor the roles and responsibilities for coordinating and overseeing accreditation activity across the Unit. Risk and Impact: Without an overarching accreditation strategy, EMSOU-FS risks unclear definition of regulatory scope, ownership and prioritisation of accreditation activity, which may lead to inconsistent understanding of accreditation requirements across forensic areas and an increased risk of inefficiency or future non-compliance.		EMSOU-FS should develop an overarching forensic accreditation strategy or implementation plan that clearly defines the statutory and regulatory accreditation requirements the Unit is required, or intends, to comply with, and sets out how the Unit will achieve and maintain compliance.	
		Root Cause(s)	
		The Unit’s strategic approach to forensic accreditation has not been formally defined.	
Management Comments / Agreed Actions			
Recently the Director of Forensics has proposed a project across EMSOU and the 5 forces to look at how forensic activities are being managed including the compliance and accreditation. This is with an eye on the national landscape, the Police and Forensic reform and the FSR plans. The project has recently been agreed and there are plans to start in June. It is envisaged that an output of this project will be a plan for forensic compliance and accreditation in line with national plans.			
Responsible Person		Action Due Date	31 March 2027

	Claire Millar – EMSOU Director of Forensics; and, Louise Shaw – EMSOU Head of Quality	Priority Level	Low
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A1 Audit Information

Agreed Audit Objective and Scope

The objectives of our audit were to assess whether the OPCC, OPFCC and Forces, collaborating through EMSOU, have in place adequate and appropriate policies, procedures and controls in relation to Forensic Accreditation, with a view to providing an opinion on the extent to which risks in this area are managed. The audit considered the following risks relating to the area under review:

- **Strategy and Governance** – The Unit does not achieve or maintain accreditation regarding forensic activities.
- **Strategy and Governance** – The Unit does not have sufficient oversight of Accreditation Management and are not aware of issues arising.
- **Strategy and Governance** – Strategies are not aligned with national, local and/or organisational objectives regarding accreditation of forensics activity.
- **Accreditation Process** – The Unit is not aware of the forensics activities that can or should be accredited.
- **Accreditation Process** – The Unit is seeking accreditation inappropriately and/or without approval.
- **Accreditation Process** – The Unit has not approved the cost of seeking accreditation in accordance with their financial regulations.
- **Accreditation Process** – The Unit is not ensuring that there is appropriate resource to support the accreditation process, including visits by the accrediting body (UK Accreditation Service - UKAS) and/or the regulator (Forensic Science Regulator – FSR).
- **FSR Minimum Scope Project** – Project managing the Unit's readiness for FSR Compliance is not being managed appropriately, with little to no oversight.
- **Quality Management and Training** – The Unit has not ensured that staff and/or officers are appropriately trained in accredited forensics activities, including continuous professional development.
- **Quality Management and Training** – The Unit does not perform continuous monitoring of compliance to accredited standards for forensics activities.

Scope Limitations

In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control. Any testing performed was conducted on a sample basis. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

Definitions of Assurance Levels and Recommendation Priority Levels

Definitions of Assurance Levels	
Substantial Assurance	The framework of governance, risk management and control is adequate and effective.
Moderate Assurance	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited Assurance	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
Unsatisfactory Assurance	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

Definitions of Recommendations		
High (Priority 1)	Significant weakness in governance, risk management and control that if unresolved exposes the organisation to an unacceptable level of residual risk.	Remedial action must be taken urgently and within an agreed timescale.
Medium (Priority 2)	Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk.	Remedial action should be taken at the earliest opportunity and within an agreed timescale.
Low (Priority 3)	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.	Remedial action should be prioritised and undertaken within an agreed timescale.

Statement of Responsibility

We take responsibility to the Offices of the Police & Crime Commissioner for Derbyshire, Leicestershire, Lincolnshire and Nottinghamshire (“OPCCs”); Office of the Police, Fire & Crime Commissioner for Northamptonshire (OPFCC); and, the relevant Police Forces for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management’s responsibilities for the application of sound management practices.

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JARAC – INTERNAL AUDIT RECOMMENDATION MONITORING

Summary of Recommendations

Audit	Priority	Number of Recommendations	Open	Closed
Core Financials 2025/26	Medium	2	2	
EMSOU POCA Income 2025/26	Medium	1	1	

Recommendation	Responsible party	P	Timescale	Update
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Date April 2026

Core Financials 2025/26

1)The force should 1. Performa an activity to assess the feasibility of an automatic system led solution to the timely chasing of debts 2. Ensure all debtors are sent the required debt letters in a timely manner 3. Ensure evidence of all debt chasing activities are retained	Tracy Wilson		31 March 2026	1.The process has been reviewed and all the component elements already exist within the force finance system (Agresso), except for the functionality that would enable the reminder letters to be e-mailed from the Force. This requires external Consultancy. This task has been noted and included on the list of Consultancy work ready for their next visit to Derbyshire. 2. The debtors reminder process continues to be run in a timely manner (weekly) and formal letters are issued as part of the process. 3. All debt chasing evidence, ie; reminder letters, are attached to the relevant transaction in Agresso.
2) The force should perform a monthly, rather	Martin Cantrill		30	2. We now perform a monthly review of leavers against active Agresso

than quarterly review of leavers against the Active Agresso User List		November 2025	users as part of the normal period end routine.
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Most Recent Management Response

Steps are being taken to look at automating the reminder process within Agresso to avoid any delays with the current manual task to improve responses when chasing debts. Additionally, we have already taken steps to look at a prepayment system for or disclosure requests where a debtor invoice would no longer be required. The task for closing leavers has been added to the period end checklist so those that are outside the two-month grace period will be closed on a monthly basis.

Date April 2026
EMSOU POCA Income 2025/26

The unit should 1. Implement a formal process of formulating a communication channel when conducting a joint investigation with another force to gain assurance and oversight over the sale process. 2. Ensure that records are kept of sale to demonstrate value for money.	David Vint	31 July 2026	A formal process within EMSOU has been introduced requiring all joint investigations to be governed by a Memorandum of Understanding (MOU), which must be agreed and signed prior to the commencement of the investigation. The MOU will cover an agreed communication channel between all parties. It will also clearly set out asset management procedures, covering the full lifecycle from seizure through to final realisation. The document incorporates appropriate oversight by the Head of Department to ensure compliance, governance, and accountability throughout the investigation. It is the opinion of the action owner (T/Det Supt David Vint) that this can be closed.
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Most Recent Management Response

The following actions have been identified:

- SOP in development to detail asset seizure and realisation, including joint operations. This will cover the methodology required for communication channels and the reconciliation of assets held in auction houses.
- The officer in case (OIC) will detail all assets within the case management system.

REPORT TITLE	REVENUE OUTTURN POSITION FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
REPORT BY	JOINT REPORT OF CHIEF CONSTABLE AND DIRECTOR OF FINANCE AND ASSETS (SECTION 151 OFFICER)
DATE	9 TH JUNE 2026

PURPOSE OF THE REPORT

To set out the draft Revenue Outturn position for 2025/26, the proposed reserve movements and the resulting Reserves position at 31 March 2026.

ATTACHMENTS

- Appendix A 2025/26 Outturn for Derbyshire PCC and Constabulary
- Appendix A1 Analysis of Main 2025/26 Revenue Budget Variations
- Appendix B Summary of Revenue Carry Forwards to 2026/27
- Appendix C Statement of Actual / Forecast Level of Reserves 2025 / 31
- Appendix D 2025/26 Outturn for Office of the Police and Crime Commissioner
- Appendix E 2025/26 Outturn for Regional Collaboration
- Appendix F 2025/26 Outturn for grant-funded EMSOU-Special Branch Expenditure

1 RECOMMENDATIONS

It is recommended that:

- 1.1 The outturn position of a **£2.454m underspend** against the 2025/26 revenue budget is noted.

- 1.2 From the force underspends contributions to earmarked reserves totalling **£1.954m** as set out at paragraphs a to d below be approved.
- a. **£0.754 to be transferred to the Carry Forwards Reserve** to fund departments requests for initiatives in 2026/27.
 - b. **£0.500m to a newly created Budget Pressures Reserve** to support expected budget pressure in 2026/27 that were not included in the approved budget.
 - c. **£0.500m to a newly created 2026/27 Business Case Reserve** to enable the force's Strategic Change Board to evaluate and approve business cases for one-off costs in 2026/27.
 - d. **£0.200m to be transferred to the Derby PFI Reserve** to support the potential budget pressure relating to PFI energy costs.
- 1.3 **(£0.500m)** is transferred to the **PCC's Grants & Commissioning Reserve**, being the underspend against the Police & Crime Commissioners budget as set out in Appendix D, be approved.
- 1.4 The re-allocation of earmarked reserve no longer required of **(£0.529m)** to be returned to the **Operational Funding & Investment Reserve** and **(£0.007m)** to be retained in the **Carry Forwards Reserve** to support the additional carry forward requests, be approved.
- 1.5 The allocation of **£0.164m** of the Workforce Resilience & Well-being Reserve in 2026/27 towards phase 2 of the Force's Leadership programme be approved.
- 1.6 The Ilkeston PFI Reserve be renamed Ilkeston Police Station Property Fund, be approved.
- 1.7 That the position on all reserves as of 31 March 2026 and the forward projections to 31 March 2031 as set out in **Appendix C** be noted.

CONTACT FOR ENQUIRIES

Name: Bev Bull Director of Finance & Assets

Tel: 07802771946

Email Bev.Bull@derbyshire.police.uk

2. OVERVIEW OF 2025/26

- 2.1 The final underspend against the approved revenue budget of **£243.230m** was **(£2.454m)**. This equates to **1%** of the total budget.
- 2.2 The overall position included an underspend against the PCC's budget of (£0.500m) which is to be returned to the PCC's Grants & Commissioning Reserve. When this contribution is considered, the total underspend against Force budgets was **(£1.954m)**
- 2.3 It became evident early in 2025/26 that due to emerging budget pressures the Force was heading to a potential overspend situation. In response to this the Force implemented a vacancy control and managed non-essential spend to mitigate the potential overspend position.
- 2.4 The 2025/25 budget position was then further improved by several events:
- The court of appeal dismissed the Motorola application to appeal the Competition and Markets Authority assessment of the national Airwave contract which meant a release of previous year's accruals of £0.686m
 - Neighbourhood Policing Grant (NHG) – the onboarding and training requirements associated with NHG were delivered from within the existing budgeted provision releasing £0.846m
 - A Mutually Agreed Resignation Scheme (MARS) was offered. MARS is a voluntary scheme which allows eligible police staff to resign from their post in return for a severance payment under a mutually agreed resignation. MARS enables the posts to be removed from the establishment and budget. MARS was implemented to create savings towards balancing the 2026/27 and future years budget, it also delivered part year savings of £0.233m in 2025/26.
 - A number of DDAT contracts have had their costs apportioned between 2025/26 and 2026/27 in accordance with the accounting accrual/matching concept as required by the External Auditor, this has created a £1.2m one-off underspend
- 2.5 The actions taken and the events that occurred in year have enabled the Force to absorb several unbudgeted costs within the outturn position. The use of the operational and investment reserve had been approved for these costs, but the use of the reserve has not been required. These are:
- £0.209m to balance the 2025/26 budget
 - £0.700m surge demand costs
 - £0.493m to fund the severance payments for MARS
- 2.6 In addition we have also increased the Insurance Provision by £0.587m

3 REVENUE OUTTURN POSITION 25/26

- 3.1 The final outturn against the 2025/26 Revised Revenue Budget is set out at **Appendix A**.
- 3.2 The reasons for the major variations of the 2025/26 outturn compared to the Revised Revenue Budget for 2025/26 are set out in detail at **Appendix A1**.

Carry Forwards

- 3.3 As part of the annual final accounts process a detailed review of existing carry forwards and other earmarked reserves are undertaken, focussing on any reserve established in previous years that remain unspent. As a result of this review (**£0.529m**) of reserves that are no longer required can be returned to the **Operational Funding & Investment Reserve**. (**£0.007m**) is to be retained in the Carry forward reserve to support additional carry forward requests
- 3.4 At the end of March 2026 Departments were asked to provide requests for initiatives that they required to be funded through the Force underspends. These total **£761,700** and are set out in **Appendix B**, together with information on how the amounts have been committed. It should be noted that a rigorous assessment process was applied to all carry forward requests, with only essential initiatives being put forward for consideration. These carry forwards will continue to be scrutinised to ensure they contribute, as intended, to the priorities of the Constabulary and the demands facing it.

4 RESERVES

- 4.1 The 2025/26 outturn position for all reserves is summarised at **Appendix C**, together with a projection of reserve levels up to the end of 2030/31.
- 4.2 The overall level of reserves as of 31 March 2026 has increased by **£1.137m** compared to 1 April 2025 to stand at **£20.609m**. (**£6.500m** general reserve and **£14.109m** earmarked reserves).

The General Reserve of £6.5m

- 4.5 The Constabulary is required to maintain a General Reserve to provide resilience appropriate for the risks (both internal and external) to which it is exposed. The General Reserve balance as at 31 March 2026 remains at **£6.500m**. This balance represents 2.55% of the 2026/27 Net Revenue Budget which is above the minimum level of 2% Net Revenue Budget (£5.1m for 2026/27) and is significantly lower than the maximum amount of 5% of Net Revenue Budget (12.7m for 2026/27) as set by the Home Office.

Earmarked Reserves

- 4.3 The organisation has a number of earmarked usable reserves which are set aside to provide for specific purposes, as of 31 March 2026 these totalled **£14.109m** and comprise the following:

- a. **Operational Funding and Investment Reserve of £3.867m**, derived as follows:

Operational Funding and Investment Reserve	£m
Balance as of 1 April 2025	3.546
Movement in Year	0.321
Proposed Balance at 31 March 2026	3.867
Analysis of Movement: -	£m
Approved Contribution to balance the 2025/26 budget	(0.209)
Approved return of re-allocated unused reserves as set out in Appendix B	0.529
Movement in Year	0.321

As noted in section 2.5 of the report further uses of the Operational Funding and Investment Reserve were approved in year, £700k to fund the cost of the Summer 2025 Demand Surges and £493k to fund the severance payments for MARS. These costs have been accommodated within the overall 2025/26 budget, without the need to draw on reserves.

- b. **Design Board Reserve of £5.431m** which supports the activities approved by the Constabulary's Design Board to support the implementation of design recommendations to improve processes and practices, especially through technological innovation. A key project supported by this reserve is the Public Contact Improvement Programme (PCIP). In 2025/26 £247,366 was utilised to fund PCIP project costs. A further £2.2m is planned to be drawn from the reserve in 2026/27 for the PCIP project with an additional £1.6m planned for 2027/28.
- c. **Workforce Resilience and Well Being Reserve of £0.484m** set aside to support initiatives developed by the force to promote the attraction, recruitment and retention of new and existing employees. In 2025/26 approval was granted to use £0.125m from this reserve to support the Force Leadership programme. This expenditure was contained within the overall 2025/26 budget. Approval is now sought to allocate a further **£0.164m** in 2026/27 from the reserve to support Phase 2 of the programme.
- d. **Business Case Reserve (Renamed from 2024/25 Approved Business Case Reserves) of £0.804m** set aside to fund Business Cases. Approval is requested to add **£0.500m** to the balance of this reserve from the force underspends. This will allow the Strategic Change Board to evaluate and approve business cases for one off costs in 2026/27.

- e. **Carry Forward Reserve of £0.935m** being the proposed carry forwards for 2025/26 of **£0.762m** and **£0.173m** carry forwards from previous years committed but not spent in 2025/26.
- f. **Budget Pressures Reserve of £0.500m.** Approval is requested to allocate **£0.500m** from the force underspends to establish a new reserve to provide funding for specific budget pressures identified since the 2026/27 budget was approved.
- g. **PCC Grants and Commissioning Reserve of £0.79m** set aside for specific initiatives led by the Police and Crime Commissioner made up as follows:

PCC Grants and Commissioning Reserve	£m
Balance as of 1 April 2025	0.541
Approved support to revenue within the 2025/26 Approved Budget	(0.248)
2025/26 Underspend against 2025/26 Revised Budget	0.500
Closing Balance as of 31st March 2026	0.793

- 4.4 Other earmarked reserves that are held in accordance with the policy on reserves are reserves which provide for specific longer-term liabilities, these are:

- h. **PFI reserves totalling £0.951m** which is to smooth the impact of commitments under the PFI contract for St Marys Wharf and to fund ongoing costs related to Ilkeston Police Station. There was **£30k net use of the PFI reserves** in 2025/26 being **£0.230m use** of St Mary's Wharf PFI reserve to support the PFI in year costs, as budgeted for, and a **£0.200m transfer to** the Derby PFI Reserve to support the potential budget pressure relating to PFI energy costs. As we have exited the Ilkeston PFI contract and purchased the property, it is proposed that the Ilkeston PFI is renamed Ilkeston Police Station Property Fund.
- i. **The Insurance Reserve of £0.344m** which forms part of the organisations resilience to help cushion the impact of claims which are inherently unpredictable as to number, cost and timing. In 2025/26 £8,219 was added to the reserve for interest contributions on the balance.

5. EMSOU-Special Branch Expenditure

- 5.1 The Force administers the EMSOU – Special Branch on behalf of the East Midlands forces. Appendix F details the outturn position for 2025/26.

Police & Crime Commissioner for Derbyshire

Revenue Budget Outturn 2025/26

Appendix A

Budget Heading	Original Budget £	Revised Budget £	Outturn £	Over/ (Under)spend £
Office of the Police and Crime Commissioner	4,334,500	4,388,000	3,887,516	(500,484)
Police Officer Pay & On Costs	140,276,400	141,421,400	141,588,905	167,505
Police Staff Pay & On Costs	62,198,800	62,988,100	63,233,299	245,199
Other Employee Expenses	884,900	948,100	1,384,574	436,474
Police Pensions	3,456,600	3,456,600	4,616,937	1,160,337
Premises	11,996,500	12,007,600	11,738,572	(269,028)
Transport	4,856,900	4,558,700	4,883,057	324,357
Supplies & Services	25,229,785	25,663,785	24,554,962	(1,108,823)
Pay & Price Contingency	29,000	262,100	0	(262,100)
Agency	272,000	272,000	455,797	183,797
Debt Charges	2,124,300	2,124,300	1,336,404	(787,896)
Revenue Contribution to Capital	2,976,000	2,976,000	2,976,000	0
Government Grants	(18,194,030)	(19,828,630)	(20,025,949)	(197,319)
General Income	(8,381,350)	(8,772,150)	(9,987,485)	(1,215,335)
Regional Units	12,651,111	12,651,111	12,771,668	120,557
Secondments	0	0	0	0
Interest Receipts	(1,250,000)	(1,250,000)	(1,078,108)	171,892
Contributions to/from Reserves	(636,803)	(1,071,303)	(1,064,684)	6,619
Sub-Total	242,824,613	242,795,713	241,271,465	(1,524,248)
BCU Fund	60,000	95,000	22,013	(72,987)
Expenditure on National Policing	(300,000)	(300,000)	(262,972)	37,028
Grants	0	0	(846,527)	(846,527)
Other Specific Grants	65,300	65,300	63,682	(1,618)
Partnerships	579,950	573,850	527,784	(46,066)
TOTAL DERBYSHIRE POLICE	243,229,863	243,229,863	240,775,445	(2,454,418)
TOTAL UNDERSPEND				(2,454,418)
Less Agreed Use of Underspend to be added to Carry Forward Reserve				753,934
Less Agreed Use of Underspend to be added to Budget Pressures Reserve				500,000
Less Agreed Use of Underspend to be added to Business Case Reserve				500,000
Less Agreed Use of Underspend to be added to PFI Reserve				200,000
Less: PCC underspend to be returned to PCC Grants & Commissioning Reserve				500,484
NET BALANCE AFTER ALLOCATIONS FROM/TO EARMARKED RESERVES				0

Police and Crime Commissioner for Derbyshire
Analysis of Main 2025/26 Revenue Budget Variations

Budget Heading	25/26 (Under)/Over spend £	Variance Narrative
Police Officer Pay & Oncosts	(535,100)	- The underspend represents 0.4% of the 2025/26 Police Officer Pay budget of £137.5m. - The underspend reflects periods during the year when officer strength was below the budgeted level, while still remaining within the staffing levels required to meet the Police Uplift Grant Conditions.
Police Staff Pay & Oncosts	64,400	- The overspend represents an additional spend of 0.10% of the 2025/26 Police Staff Pay budget of £62.5m. - The position includes £156,600 of agency costs incurred in response to the increased operational demand experienced during the surge demand in summer 2025. - This has been off set by the continuation of the Vacancy control panel, which was first introduced in 2024. During 2025/26 all vacant roles were reviewed and a mandatory 3-month delay for the recruitment of all non-essential roles was implemented. This approach ensured that staff vacancy targets were achieved and that expenditure remained close to budget.
Police Officer Overtime	702,600	- The overspend represents an additional spend of 18% of the Police Officer Overtime budget of £3.9m - The majority of the overspend was concentrated within the Crime Directorate and Major Crimes which accounted for £381,000 (54%) of the total. The overspend was driven by increased operational demand across a number of teams, resulting in higher overtime usage to meet service requirements. £149,900 (21%) relates to the cost of overtime to assist the Force in responding to the increased operational demand experienced during summer 2025. - The remaining overspend was spread across North Division £82,000 (12%), South Division £49,000 (7%) and Other formations £40,700 (6%).
Police Staff Overtime	180,800	- The overspend represents an additional spend of 45% of the Police Staff Overtime budget of £401,100 £106,000 of the overspend was attributable to CCMC operating below established staffing levels, resulting in increased reliance on overtime to ensure operational resilience. - In addition, higher levels of demand within the Crime Directorate led to further overtime expenditure of £60,000 above budgeted levels. - The majority of the other departments operated within their budgeted expenditure levels for 2025-26.

Budget Heading	25/26 (Under)/Over spend £	Variance Narrative
Other Employee Expenses	436,500	• £493,000 of the overspend relates to the cost of the severance payments made for the Mutually agreed Resignation scheme (MARS). • The cost of the MARS severance payments is partially offset by underspends on external training budgets (£20,000), and Recruitment Advertising (£38,000).
Police Pensions	1,160,300	• The force must meet the additional cost of police officer retirement through ill-health compared to normal 'service' or 'age' retirement. In 2025/26 12 officers retired on the grounds of ill health compared to the budget assumption of 8. The additional ill-health retirements were at the ranks of Sergeant and above including 2 Chief Superintendent's, the costs of the ill health retirements are higher for the higher ranks, so this has exacerbated the overspend, resulting in an overspend of £670,300. • The remaining overspend on Police Pensions of £490,000 relates to the cost of lump sum and injury payments relating to historic retirements which were settled in 2025/26.
Premises	(269,000)	• Due to budgetary pressures at the beginning of the financial year, a deliberate reduction in the level of repairs and maintenance activity was implemented. This has resulted in an underspend of (£361,000). • Additional underspends of (£125,000) on the Utility budgets and (£106,000) on PFI premises expenditure have also been realised. • The underspend on repairs and Maintenance has been partially offset by overspends of £190,000 on the cleaning contract, driven by inflationary costs increases and additional expenditure associated with the cleaning of the firearms range. • The remaining outturn figure is made up of overspends of £102,000 from increases in rental charges across a number of Force properties and £31,000 overspends on other miscellaneous Premises budgets. • To mitigate the impact of the reduced activity on repairs and maintenance and to address the resulting backlog of work, a request has been submitted to carry forward £250,000 of the premises underspend into 2026/27 to assist with the delivery of the outstanding repairs and maintenance programme.
Transport	324,300	• The overspend of £183,500 on Vehicle maintenance reflects the lower inflationary assumptions built into the budget than were subsequently experienced. • £76,400 of the overspend relates to the cost of hire vehicles utilised to support the Force's response to the increased operational demand experienced during Summer 2025. • The remaining £64,400 overspend relates to various other transport costs of which the largest is a £27,000 overspend on Force mileage.

Budget Heading	25/26 (Under)/Over spend £	Variance Narrative
Supplies & Services	(1,109,000)	- The largest source of the underspend within Supplies and Services is the implementation of the audit recommendation to apportion contract costs across the relevant financial years resulting in a one-off underspend of (£1,200,000) in 2025/26. - There is also a significant one off underspend of (£686,000) on the Airwaves budget following the release of the 2023/24 and 2024/25 accruals after the conclusion of the CMA appeal. - These underspends are offset by the largest overspend within Supplies and Services, relating to insurance. This reflects the need to increase the insurance provision by £587,000 following a reassessment of open claims. - The remaining variance has occurred across a range of budget headings, which contain both under and overspends. There are underspends on Equipment, Uniforms and National Police IT services, which are offset by overspends on financial contracts, court and legal fees, IT circuits costs and mobile services.
Agency	184,000	£130,000 of the overspend relates to the cost of borrowed officers employed to assist the Force in responding to the increased operational demand experienced during Summer 2025 - The remaining overspend reflects the increased usage of Borrowed Officers to support operational requirements.
Pay & Price Contingency	(262,100)	(£233,000) of the underspend relates to the in-year savings delivered from the force's Mutually Agreed Resignation Scheme (MARS). - The remaining (£29,100) is an additional saving achieved in relation to the previous years Savings Programme.
Debt Charges	(787,900)	- There is a (£897,700) underspend on Debt Charges, this is attributable to the slippage in the delivery of the Capital Programme reducing the MRP charges and loan interest payable against the amounts budgeted. - This is offset by a shortfall of £109,800 income on the budgeted redistribution of profits from the Derbyshire Police Fire Partnership.

Budget Heading	25/26 (Under)/Over spend £	Variance Narrative
Government Grants	(197,300)	- The majority of the overachieved income relates to the Home Office making additional in-year allocations of grant to support specific activities such as the funding of the Force's Electoral Officer and to support the cost of additional Audit fees incurred. - In addition the Force's Request to the Home Office to receive the full September 2024 Police Officer Maintenance grant despite missing our headcount target by one officer due to exceptional circumstances was reviewed and approved. As a result the Home Office the Home Office released the (£40,000) previously withheld grant.
General Income	(1,215,400)	- Income generation is very difficult to forecast, being dependent on requests for services from outside parties and levels of activity outside the Constabulary's direct control. Therefore, budgets are set on a prudent basis. - The main areas where more income has been generated than anticipated were MASTs rents, Firearms licensing, Proceeds of Crime Income, Cost Recovery and Special Services Charges. - In addition, the Force received (£187,000) of Home Office funding to assist with the costs of implementing national policing requirements relating to XL Bully dogs.
Regional Units	120,600	£102,454 of the outturn figure relates to an amount agreed to be held within EMSOU reserves. If this remains unallocated, it will be returned to the Force. - A complete breakdown of the force's contributions to all regional policing and the outturn is provided at Appendix E.
Interest Receipts	172,000	The under achievement on interest receipts is attributable to a decline in interest income, reflecting lower prevailing interest rates in 2025/26 compare to the budget.
Contributions to/from Reserves	6,600	The small overspend on reserves relates to an additional contribution for interest to the insurance reserve above the amount originally budgeted.
Devolved Budgets to Local Command Team (BCU Fund) & Partnerships	(120,700)	The Underspends are attributable in part to BCU and Partnership budgets that remained unallocated to initiatives in 2025/26 and in part to additional contributions received from various partner agencies.

Budget Heading	25/26 (Under)/Over spend £	Variance Narrative
Neighbourhood Policing Grant	(846,500)	• In 2025/26 funding was allocated from the Home Office Neighbourhood Policing Grant to increase the number of Safer Neighbourhood Officers by 35, a target that was successfully achieved. • The (£846,500) reflects the grant the force received to support the onboarding and training costs of these officers, the cost of which has been absorbed within the overall force budget.
Contributions to National Policing	37,000	• The under achievement in mutual aid income of £37,000 relates to a shortfall in re-imbursement against the (£300,000) budgeted income expected from mutual aid arrangements.
Office of the Police and Crime Commissioner	(500,500)	• The underspend on the Office of the Police and Crime Commissioner of (£29,000) on the OPPC office and (£472,000) on Grants and Commissioning has been added to the PCC's Grants & Commissioning Reserves. • A full breakdown of the outturn is shown in Appendix D.
Total	(2,454,400)	

BREAKDOWN OF CARRY FORWARD REQUESTS FOR 2026 / 27
Appendix B

Formation	Scheme / Request	Brief Description of C/Fwd Initiative	Type of Request	Total (£)
Criminal Justice	Increase in GMP Custody costs in 26/27	Budget Pressure - Revised Cost of GMP Custody	Budget Pressure	48,500
Force - General	Hestia Contract	Hestia Contract - Internal IDVA Service to support our own victims of domestic abuse	Budget Pressure	15,000
Assets	Various - Premises Related	Repairs & Maintenance Backlog	Carry Forward	250,000
CCMC	One-off year Temp Grade K Manager.	To assist with capacity issues (Particularly for back office functions)	Carry Forward	60,000
DDAT	IM - Staffing and backlogs.	Long term aim is to look at technology solutions. But to assist with current backlogs proposal for 3x Grade E for 12 months.	Carry Forward	113,400
Executive Officers	Use of Tasking Priorities under spend	To cover £8k Psychological Training for high risk specialist role. Remainder to cover potential shortfalls.	Carry Forward	18,000
Force - General	Chief Officer Overtime Tasking Pot	Remaining balances of 25/26 approved allocations Op Bournbrook £4,800 / Op Haslar £2,300 / HRDA £26,400 Op Blackwell £8,800 / Op Convoy £22,500	Carry Forward	64,800
Major Crime	Agency Staff	Funding for agency staff for the trial relating to Op Mylonite which will run into financial year 26/27	Carry Forward	55,000
Comms and Engagement	Campaign Funding	Walk in my Shoes - Est @ £7k Upstander Est @ £2k	Investment Bid	9,000
DDAT	Reasonable Adjustments Budget	Budget Pressure - Funding for Reasonable Adjustments	Investment Bid	10,000
Force - General	Citizen Portal	Total Requirement £330k pa Future demand results in Revenue u/s of £170k pa REQUEST To be re-allocated to this initiative - Leaving a shortfall of £160k	Investment Bid	65,000
Force - General	Crime Review	Discovery Phase P3D.org.uk	Investment Bid	23,000
Partnerships and Prevention	Naloxone provision - Joint Initiative - Part Funding (OPCC funding £20k)	Supports Harm to Hope strategy	Investment Bid	20,000
South	Youth Justice Project	Collaboration with JTS / Real Direction and ourselves. Creation of short film to highlight law around Stop & Search	Investment Bid	10,000
TOTAL				761,700

BREAKDOWN OF APPROVED CARRY-FORWARD REQUESTS FOR 2025 / 26 - STILL REQUIRED IN 2026 / 27

Appendix B

Formation	Headline Description	Brief Description of C/Fwd Initiative	Funding Pot	Commitments 26/27 (£)
Crime Directorate	ECU Training Budget	Proceeds of Crime Income - Additional training for ECU - Agreed by CC	24/25 Carry Forward	14,200
Crime Directorate	MAPPA Serious Case Review	Multi-Agency Public Protection Arrangements (MAPPA) are a set of statutory arrangements to assess and manage the risk posed by certain sexual and violent offenders (Ring Fenced Partnership Funding)	24/25 Carry Forward	24,700
People Services	Occupational Health - 6 Month for GPDR Project Officer	Clinical sifting of 5000 approx Medical records, that if out of GPDR regulations will need destroying. This work can only be done by clinical staff but due to vacancies other work has been priorities. To be done in 25/26.	Force Bid (23/24 Carry Forward)	33,000
Force	Uniforms	Uniform Task and Finish Group investigating uniform options	Force Bid (23/24 Carry Forward)	100,000
TOTAL				171,900

BREAKDOWN OF APPROVED REQUESTS FOR 2025 / 26 - NO LONGER REQUIRED

Appendix B

Formation	Headline Description	Brief Description of C/Fwd Initiative	Funding Pot	Amount To Return
PSD	Overtime for Back Record Conversion	Overtime for back record conversion of 38,000 records	23-24 Carry Forward	2,000
DDaT	DIR data transfer tool	DIR data transfer tool	24/25 Carry Forward	44,000
Force - General	Chief Officer Overtime Tasking Pot	Remaing balances of 24/25 approved allocations : Op Hunted, CCMC Crime Management Unit and North Division Night Time Economy Operation - Checked with COT and still required	24/25 Carry Forward	14,000
Force	TVP Payments (Replacing Motorcycle PPE)	TVP Payments (Replacing Motorcycle PPE)	Force Bid (23/24 Carry Forward)	50,000
Crime Directorate	RASSO Victim Liaison Officers - Currently in CF	Team of Dedicated victim Liaison Officers within RASSO teams, to focus on victim engagement providing an enhanced response to rape and serious sexual offences - Temporary Funding for staff	Planning Day Reserve	89,700
Crime Directorate	Staffing - Police Officer Allowances Targeted Variable Payments (TVP) for Crime/CID Roles - Currently in BC	Recompense the annual unsociable hours allowance and for it to be ring-fenced for 24 months in order to attract more PCs in becoming DCs. Second Year of Initiative in 25/26	24/25 Approved BC Reserve	50,000
Crime Directorate	Staffing - Overtime for Major Incident Op Landguard - Detective Bank	Relates to a medical investigation, led by Derbyshire Police and no cross-border forces involved. Investigation ongoing	24/25 Approved BC Reserve	213,400
People Services	Staffing - Police Staff - L&D L&D Planning Co-ordinators - Extension of 3 Temp Contracts Grade D	Temporary funding of Staff	24/25 Approved BC Reserve	45,300
People Services	Staffing - Police Staff L&D 1 x Police Staff Driver Trainer Post to retain D1 Trainer Skills	Second Year Funding of post.	24/25 Approved BC Reserve	28,500
TOTAL				536,900

Note

The return of unused reserve totals £536,900, however a small balancing amount of unused carry forward was required to support the shortfall in the carry forward requests for 2026/27. The net effect is that £529,433 can be returned to The Operational Funding and Investment Reserve.

POLICE & CRIME COMMISSIONER FOR DERBYSHIRE
STATEMENT OF LEVEL OF RESERVES AT 01 APRIL 2025 AND FORECAST LEVELS TO 31 MARCH 2031

Appendix C

Reserves	2025/26				2026/ 27		2027/ 28		2028/ 29		2029/30		2030/31	
	Balances at 1/4/25	Projected Movements (to) / from Revenue	Approved Movements between Reserves	Estimated Balances at 31/03/26	Projected Movements (to) / from Revenue	Estimated Balances at 31/03/27	Projected Movements (to) / from Revenue	Estimated Balances at 31/03/28	Projected Movements (to) / from Revenue	Estimated Balances at 31/03/29	Projected Movements (to) / from Revenue	Estimated Balances at 31/03/30	Projected Movements (to) / from Revenue	Estimated Balances at 31/03/31
	£	£		£	£	£	£	£	£	£	£	£	£	£
GENERAL RESERVES	6,500,000	-		6,500,000	-	6,500,000	-	6,500,000	-	6,500,000	-	6,500,000	-	6,500,000
EARMARKED RESERVES														
Useable:-														
Operational Funding and Investment Reserve	3,546,607	- 208,803	529,433	3,867,237	- 449,463	3,417,774		3,417,774		3,417,774		3,417,774		3,417,774
Design Board Funding	5,678,044	- 247,366		5,430,678	- 2,159,434	3,271,244		3,271,244	- 1,550,000	1,721,244		1,721,244		1,721,244
Workforce Resilience & Well-Being	484,500			484,500	- 164,000	320,500		320,500		320,500		320,500		320,500
Planning Day Initiatives	183,100	- 93,400	- 89,700	-		-		-		-		-		-
Business Case Reserve	855,767	285,400	- 337,200	803,967		803,967		803,967		803,967		803,967		803,967
Carry-forwards	356,800	681,034	- 102,533	935,301	- 935,301	0		0		0		0		0
Investment Fund	11,100	- 11,100		-		-		-		-		-		-
26/27 Budget Pressures	-	500,000		500,000	- 500,000	-		-		-		-		-
PCC Grants & Commissioning	540,166	252,519		792,685	- 200,000	592,685	- 200,000	392,685		392,685		392,685		392,685
Ilkeston Police Station Property Maintenance Reserve	749,394			749,394		749,394		749,394		749,394		749,394		749,394
PFI - Derby	231,157	- 29,600		201,557	142,600	344,157	72,300	416,457	- 1,100	415,357	- 77,800	337,557	- 105,400	232,157
Insurance	335,382	8,219		343,601	1,600	345,201	2,100	347,301	2,600	349,901	3,100	353,001	3,600	356,601
TOTAL EARMARKED RESERVES	12,972,017	1,136,903	-	14,108,919	- 4,263,998	9,844,921	- 125,600	9,719,321	- 1,548,500	8,170,821	- 74,700	8,096,121	- 101,800	7,994,321
TOTAL RESERVES	19,472,017	1,136,903	-	20,608,919	- 4,263,998	16,344,921	- 125,600	16,219,321	- 1,548,500	14,670,821	- 74,700	14,596,121	- 101,800	14,494,321

Office of the Police and Crime Commissioner
Revenue Budget Outturn 2025/26

Appendix D

Budget Heading	Original Budget £	Revised Budget £	Outturn £	Over/ (Under)spend £
Staff Pay	1,029,900	1,038,400	1,080,987	42,587
Staff Overtime	2,100	2,100	2,852	752
Staff National Insurance	126,800	127,800	139,229	11,429
Staff Pension Contributions	184,400	185,900	192,632	6,732
Training - External Courses / Seminars	6,000	6,000	16,847	10,847
Recruitment Advertising	-	-		-
Interview Expenses	500	500		(500)
Repairs & Maintenance Electrical				-
Hire of Rooms	1,000	1,000	2,589	1,589
Hire of Vehicles				-
Mileage (HMRC Rate)	5,500	5,500	5,835	335
Rail Fares	500	500	2,081	1,581
Essential Lump Sum		-	5,000	5,000
Travel Misc (Car parking,Taxis etc)	700	700	610	(90)
Equipment - General	2,000	2,000	42,691	40,691
Equipment & Other Expenses (Payroll only)		-	163	163
Printing Materials				-
Accomodation / Hotel Expenses	1,000	1,000	3,405	2,405
Subsistence Expenses	400	400	426	26
Refreshments	2,000	2,000	397	(1,603)
Printing and Stationery	1,000	1,000	6,174	5,174
Publications	1,000	1,000	302	(698)
Financial Contracts	114,300	114,300	82,086	(32,214)
Other Services			1,850	1,850
Professional Fees	20,000	20,000	32,684	12,684
Professional Fees - Legal	17,600	17,600	26,489	8,889
Engagement & Communications	50,000	50,000	48,059	(1,941)
Postages				-
Software - Purchase	15,000	15,000	84,748	69,748
Software - Rental & Licences	6,600	6,600	21,313	14,713
JARAC - Attendance Allowance	15,600	15,600	15,685	85
JARAC - Mileage	900	900		(900)
Non Recruitment Advertising	1,500	1,500	2,551	1,051
Conference Expenses	1,500	1,500	608	(892)
Official Functions				-
Bank Charges	12,000	12,000	17,113	5,113
Misc Expenditure		-	12,111	12,111
Subscriptions General	130,000	130,000	144,469	14,469
Borrowed Officers	50,000	50,000	226,874	176,874
R.C.C.O			20,000	20,000
OFFICE OF THE PCC - TOTAL	1,799,800	1,810,800	2,238,860	428,060
Other Expenditure incurred by the PCC				
Crime Prevention Grants	275,000	275,000	149,645	(125,355)
Community Safety Grants	2,301,600	2,184,100	1,939,869	(244,231)
Victim and Restorative Justice	3,173,800	3,333,800	5,813,816	2,480,017
OTHER EXPENDITURE - TOTAL	5,750,400	5,792,900	7,903,330	2,110,431
Grants and income received by the PCC				
Government Grant	(1,090,100)	(1,090,100)	(2,480,844)	(1,390,744)
Ministry of Justice - Victim Services	(1,179,000)	(1,179,000)	(2,269,143)	(1,090,143)
Local Authority / Other PCC contributions	(896,600)	(896,600)	(1,292,152)	(395,552)
Other Income	(50,000)	(50,000)	(212,536)	(162,536)
GRANTS / INCOME RECEIVED - TOTAL	(3,215,700)	(3,215,700)	(6,254,675)	(3,038,975)
PCC - TOTAL INCOME & EXPENDITURE	4,334,500	4,388,000	3,887,516	(500,484)

EM Collaboration / Regional Units - Derbyshire Contributions in 2025/26

Appendix E

Collaboration / Unit	Original Budget £	Revised Budget £	Outturn £	Over/ (Under)spend £
Cash Contributions to Regional Units				
EM SOC (including TSU)	7,005,458	6,974,900	6,925,150	(49,750)
EM Legal Services	599,700	599,700	521,204	(78,496)
EM Forensics	1,685,500	1,616,500	1,636,425	19,925
External Forensics Contract	1,257,700	1,257,700	1,267,165	9,465
EM Major Crime Command Team	212,630	212,600	205,289	(7,311)
EM CHRS - Learning and Development	393,624	393,600	406,972	13,372
HR Service Centre - Derbyshire and Leicestershire	1,148,600	1,148,600	1,148,600	0
Regional Underspends for 25/26 - Held by EMSOU			102,454	102,454
Contributions to Regional IT / Regional Team Costs	18,500	18,500	58,887	40,387
Contribution to Regional Capital			114,756	114,756
NICHE Project Team	312,700	312,700	334,083	21,383
RART recharges	28,300	28,300	8,273	(20,027)
EMRICC	43,100	43,100	42,837	(263)
Forensic Collision Investigator -Network	44,900	44,900	0	(44,900)
EMSOU - Op Millie & Civil recovery Adjustment			(10,754)	(10,754)
TOTAL - CASH CONTRIBUTIONS	12,750,712	12,651,100	12,761,342	110,242
Costs met by Derbyshire			10,335	10,335
COLLABORATION - TOTAL	12,750,712	12,651,100	12,771,677	120,577

EMSOU - Special Branch
Revenue Budget Outturn 2025/26
(including CT Grants formerly paid to other East Midlands forces)

Appendix F

Budget Heading	Original Budget £	Revised Budget £	Outturn £	Over/ (Under)spend £
Derbyshire Police Officers	10,679,383	10,804,708	2,909,791	(7,894,917)
Derbyshire Police Staff	5,758,392	5,790,365	4,328,310	(1,462,055)
Officers/Staff recharged from other forces			9,451,982	9,451,982
Total Salary costs	16,437,775	16,595,073	16,690,083	95,010
Other Employee Expenses	173,056	177,358	302,070	124,712
Premises costs	594,104	594,104	392,245	(201,859)
Transport costs	417,861	417,861	609,075	191,214
Supplies & Services	1,013,931	1,177,352	843,290	(334,062)
Income	(15,000)	(15,000)	(28,318)	(13,318)
EMCTIU - NET EXPENDITURE	18,621,727	18,946,748	18,808,445	- 138,303
GRANT FUNDING FROM ACPO (TAM)	- 18,621,727	- 18,946,748	- 18,808,445	138,303
EMCTIU - TOTAL	-	-	-	-

REPORT TITLE	REVENUE AND CAPITAL OUTTURN REPORT 2025/26
REPORT BY	BEV BULL
DATE	22 ND JULY 2026

PURPOSE OF THE REPORT

To present the draft revenue and capital outturn reports for 2025/26 enabling JARAC to provide independent assurance on the arrangements in place and the adequacy of the effectiveness of the in-year financial monitoring process.

ATTACHMENTS

Appendix 1 - Financial Assurance Board Revenue Outturn Position for the financial year ended 31 March 2026

Appendix 2 – Finance Assurance Board Capital Outturn Report 2025/26 & Revised Capital Budget 2026/27

RECOMMENDATIONS

That JARAC scrutinise the contents of the Revenue Outturn Position for the financial year ended 31 March 2026 and the Capital Outturn Report 2025/26 and gain assurance on the adequacy of the effectiveness of the in-year financial monitoring process.

CONTACT FOR ENQUIRIES

Name: Bev Bull

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Information and Background

The Draft Revenue Outturn Position for the financial year ended 31 March 2026 and the Draft Capital Outturn Report 2025/26 were presented to the Financial Assurance Board meeting on the 9 June 2026. All the recommendations were noted and approved by the board. The Police and Crime Commissioner (PCC) was not present at the meeting, the reports were presented to PCC by the Chief Operating Officer following the meeting for her formal approval.

The Draft Revenue Outturn Position for the financial year ended 31 March 2026 and the Draft Capital Outturn Report 2025/26 will also be presented to the Police and Crime Panel meeting on the 16 July 2026.

The Draft Revenue Outturn Position for the financial year ended 31 March 2026 and the Draft Capital Outturn Report 2025/26 are presented to JARAC at Appendix 1 and 2. They detail the financial performance for Derbyshire Constabulary for the financial year 2025/26 and update on the in-year financial monitoring JARAC has received. The outturn position remains a draft position until the audit of the statement of accounts for 2025/26 is finalised.

REPORT TITLE	CAPITAL OUTTURN 2025/26 & REVISED 2026/27 BUDGET
REPORT BY	JOINT REPORT OF THE CHIEF CONSTABLE AND DIRECTOR OF FINANCE AND ASSETS (s151 OFFICER)
DATE	9 JUNE 2026

PURPOSE OF THE REPORT

This report shows the Capital Outturn against the 2025/26 Revised Approved Capital Programme and associated re-profiling of budget into 2026/27.

ATTACHMENTS

Appendix A. Capital Programme Outturn 2025/26

RECOMMENDATIONS

1. That the capital outturn position for 2025/26 is noted.
2. The proposed budget re-profiling and movements are approved.
3. The financing of capital expenditure as contained in the report is noted.
4. The revised capital programme is approved.

CONTACT FOR ENQUIRIES

Name: Bev Bull

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1. **INFORMATION AND ANALYSIS**

1.1 **Capital Expenditure 2025/26**

The Constabulary's capital outturn position for 2025/26 is shown in detail in Appendix A. It shows actual expenditure of £17.992m against the revised approved Capital Programme for 2025/26 of £19.605m. The revised approved capital programme has been adjusted by £20.141 slippage reported and approved at the previous Finance Assurance Board. Total spend including regional schemes is £18.486m. This is summarised below:

Capital Programme	Start of Year Budget £m	Revised Budget £m	Actual Outturn £m	Budget Remaining £m	Re-profile Required £m
Building Works	21.335	11.616	11.374	0.242	0.151
Total Vehicles	2.200	2.847	2.670	0.177	0.177
Total Equipment	0.145	0.245	0.398	(0.153)	-
Total IS Schemes	3.439	4.183	3.154	1.029	-
Other Capital spend					
Counter Terrorism Policing East Midlands (CTPEM)	0.714	0.714	0.396	0.318	-
Capital Programme	27.833	19.605	17.992	1.613	0.328
Regional Schemes (as lead force)	-	-	0.194	(0.194)	-
Regional Schemes (non-lead force)	-	-	0.300	(0.300)	
Total Capital Programme	27.833	19.605	18.486	1.119	0.328

1.2 The total capital expenditure above of £18.486m includes hardware and equipment budgeted for in revenue which has been capitalised via a Revenue Contribution to Capital Outlay (RCCO) at year end to comply with accounting standards.

1.3 Underspending on specific programmes is detailed below:

- Building Works – Wyatt's Way custody suite alarm came in at a reduced cost
- IS Schemes – a variety of under & overspends against budget, ie; network equipment, end user devices and telephony system
- CTPEM – spending on vehicles and taser were delayed to 2026/27 and a separate bid for grant slippage has been submitted

1.4 Derbyshire is lead Force for the regional East Midlands Technical Services Unit, Forensics Services and Police Legal Services and HR Service Centre.

1.5 As lead Force Derbyshire prepares the accounts for the Regional Units. A total capital expenditure of £0.891m shared between the appropriate forces resulted in a Derbyshire share of £0.194m. In addition, Derbyshire incurs a share of any capital expenditure the East Midlands Special Operations Unit (EMSOU), for which Leicestershire is the lead Force. Derbyshire's share is £0.300m. The total

share for Derbyshire for regional capital expenditure is therefore £0.494m. This gives a total capital spend of £18.486m including Derbyshire's share of all regional spend.

1.6 Budget Reprofileing

The total budget requiring re-profiling into 2026/27 equates to £0.328m. This is £0.151m on the New Custody Suite (North Division) due to delays in work schedules which has resulted in the cashflows being re-profiled to later in the overall scheme of works. The build is still anticipated to complete in 2027/28 as planned. There is also £0.177m slippage on the fleet replacement programme due to lead times on vehicle.

1.7 Financing

The Financing of the Capital Programme in 2025/26 is summarised below:

Financing	Derbyshire Police		Regional Units	TOTAL £m
	Budget £m	Actual £m	Actual £m	
Borrowing	15.315	12.730	-	12.730
Revenue Contributions/Reserves	3.176	3.229	0.494	3.723
Government Grant/Contribution	0.714	1.502	-	1.502
Capital Receipts	0.400	0.531	-	0.531
Total Financing	19.605	17.992	0.494	18.486

1.8 Borrowing

The actual borrowing applied to the capital programme was less than budgeted due to the underspend on the programme and the use of previously unapplied capital grant, plus additional capital receipts. More detail in relation to borrowing and prudential indicators is included in the Annual Report on Treasury Management and Prudential Indicators 2025/26.

1.9 Revenue Contributions / Reserves

The budgeted amount is the agreed force Revenue Contribution to Capital Outlay (RCCO) which was further supplemented by use of force reserves, ie; Design Board and PCC reserve

1.10 Government Grant / Contributions

The budgeted amount is the CTPEM grant which is separately agreed as part of

national Counter Terrorism financing arrangements. Additional Home Office grant not applied from previous years was also used to finance the programme.

1.11 Capital Receipts

There were capital receipts of £0.531m in 2025/26. This was in respect of the sale of Long Eaton Police Station, the capital receipt achieved was higher than budgeted.

2. Revised Capital Programme 2026/27 – 2030/31

Capital Programme 2026/27 to 2030/31					
	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000
EXPENDITURE					
Other New Building Schemes Sub-Total	6,570	396	0	0	0
Total Building Works	44,588	3,396	500	500	500
Total IS Schemes	2,216	2,921	7,364	1,902	2,659
Total Vehicles & Operational Equipment	4,848	2,945	1,845	1,845	2,645
Design Board Schemes	2,530	0	2,300	0	0
Business Continuity - Security Issues & UPS	120	120	120	120	120
Counter Terrorism Policing East Midlands (CTPEM)	175	175	175	175	175
TOTAL PLANNED EXPENDITURE	54,477	9,557	12,304	4,542	6,099
FUNDING					
Funding b/f Grant & contributions	0	0	0	0	0
Funding b/f Reserves	0	0	0	0	0
Grant & Contributions - CT Grant/CREST	175	175	175	175	175
Use of Reserves	0	0	0	0	0
Borrowing	6,414	0	0	0	0
Borrowing - new	44,612	6,106	8,853	1,091	2,648
Revenue Contributions to Capital Outlay	3,276	3,276	3,276	3,276	3,276
Sale of Land & Buildings & equipment	0	0	0	0	0
TOTAL FUNDING	54,477	9,557	12,304	4,542	6,099
EXPENDITURE COMPARED TO FUNDING	0	0	0	0	0

Notes

This Capital Programme includes re-profiling previously requested at the March Financial Assurance Board. This will be adjusted to reflect any additional re-profiling approved at this board.

Capital Programme Outturn 2025/26				
	2025/26 Revised Budget	2025/26 Outturn	Budget Remaining	Reprofile to 2026/27
	£'000	£'000	£'000	£'000
Building Works				
SNT Building Refurbishment & Replacements	434	205	229	-
Old Hall Refurbishment	3	4	(1)	-
North Division Custody Suite	10,939	10,772	167	151
CDHQ Refurbishment	51	57	(6)	-
Other buildings schemes	189	335	(146)	-
Total Building Works	11,616	11,374	242	151
DDaT Schemes				
Replacement Programmes	1,683	854	828	-
Infrastructure Projects	1,184	523	661	-
Other DDaT Projects / Programmes	1,316	1,777	(461)	-
Total DDaT Schemes	4,183	3,154	1,028	-
Vehicles & Equipment				
General Vehicle Replacements	2,847	2,670	177	177
General Equipment (incl Health & Safety	245	398	(153)	-
Total Vehicles & Equipment	3,092	3,067	25	177
Counter Terrorism Policing East Midlands	714	396	318	-
Total Planned Expenditure	19,605	17,991	1,613	328
Regional Schemes - funded by region	-	494	(494)	-
Total Planned Expenditure (incl Region)	19,605	18,486	1,119	328

FINAL SAVINGS ACHEIVED 2025/26

Formation	Budgeted Saving 25/26 £	Savings Achieved 25/26 £	Unachieved Savings 25/26 £	Notes re: unachieved savings
Assets	72,800	65,800	7,000	Agreed by Chief Officer Team that the Music at licence work is to be retained. Budget Adjusted for 26/27
Comm Safety/ Partnerships Prev & Collab	17,500	17,500	-	
Communications & Engagement	29,900	29,900	-	
Contact Management	264,200	247,500	16,700	Inspector Post to be Replaced by Sgt - To be actioned August 26.
Corporate Services	54,800	54,800	-	
Crime Directorate	257,300	257,300	-	
Criminal Justice	180,000	30,000	150,000	Court Compensation - income target not realised. Budget Adjusted for 2026/27
Digital Data and Technology	184,700	184,700	-	
Executive Officers	17,400	17,400	-	
Finance & Business Support	112,050	39,881	72,169	Outstanding Saving relates to unachived savings on Postage budget payroll Contract
Force - Central Purchases	10,000	10,000	-	
Major Crime	9,700	9,700	-	
North Division	73,000	73,000	-	
Operational Support	58,500	57,536	964	Relates to Dogs Budget - Remaining Saving won't be realised as additional dogs have been purchased
People Services	91,000	91,000	-	
Professional Standards	24,500	24,500	-	
South Division	25,000	25,000	-	
Total	1,482,350	1,235,517	246,833	

The above table shows savings achieved by individual departments in 2025/26. The outstanding Savings as at 31/3/26 have been reflected in the 2025/26 Force Outturn Monitoring.

OUR PRIORITIES Prevent · Respond · Safeguard · Investigate

FORCE SAVINGS 26/27 - ACHIEVEMENTS

Savings Category	Approved 26-27 Saving	Saving Achieved as at April 26	Remaining Savings to Achieve 26-27	Highlighted Potential Unachievable Savings
FSR-Mars	1,112,400	1,112,400	-	-
FSR- Vacant Posts	1,398,600	1,382,000	-	16,600
FSR- Other Budgets	1,030,800	502,700	528,100	-
FSR- Police Officer Rank Changes	197,600	74,600.0	123,000	-
FSR- HR Consultation	992,300	410,900.0	384,900.0	196,500
Total	4,731,700	3,482,600.0	1,036,000	213,100

OUR PRIORITIES Prevent · Respond · Safeguard · Investigate

CHIEF CONSTABLE FOR DERBYSHIRE
DRAFT STATEMENT OF ACCOUNTS 2025/26

SUBJECT TO AUDIT AND SUBJECT TO CHANGE

**CHIEF CONSTABLE FOR DERBYSHIRE
STATEMENT OF ACCOUNTS
YEAR END 31 March 2026**

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NARRATIVE REPORT

Introduction

The Narrative Report provides an overview of Derbyshire Constabulary's financial and non-financial performance during 2025/26. It explains the context in which the Constabulary has operated, highlights key external factors affecting performance, and sets out the financial outlook for future years.

It also explains what the core financial statements mean and explains how the notes to the accounts provide the reader with the detailed information to support the core statements.

External Environment

Derbyshire Constabulary serves an area of more than 1,000 square miles, and a population around one million.

Derbyshire is renowned for being hugely diverse. It encompasses the rural areas of the High Peak, Derbyshire Dales and the Derwent Valley, a World Heritage Site. These areas attract a significant amount of tourism throughout the year. In addition, there are old mining communities, modern towns and business centres. It is also home to the vibrant and culturally diverse city of Derby, a cosmopolitan city with a fantastic heritage.



Organisational Model

Policing in Derbyshire is divided into two geographic areas known as Divisions. Each Division is headed by a Chief Superintendent, known as the Divisional Commander, who is responsible for the overall policing of the area. Divisions are divided further into a series of Local Policing Units, led by an inspector. Within each policing unit sit our Safer Neighbourhood teams. Safer Neighbourhoods are about police and partners working with the public to identify and deal with issues of concern in their neighbourhood. These areas are patrolled by police officers, special constables and police community support officers (PCSOs). Local policing is complemented by a range of support units and departments that operate across the Constabulary. These include the Contact Management Centre that answers 999 and non-emergency telephone calls, our roads policing section, dog section, National Police Air Service (NPAS), criminal justice, crime investigation and the forensic officers who work in our scientific support unit.

Derbyshire Constabulary employs approximately 2,154 police officers, 162 PCSOs and 209 Specials/Volunteers and 1,620 staff in full-time and part-time positions (excluding staff of the Commissioner). Active recruitment plans include positive action to improve the diversity and reflect more closely that of the County.

Collaboration

The five police forces in the East Midlands region have been working together for over a decade in many different areas of operational and non-operational policing. The five Forces are facing considerable new risks in respect of the changing nature of crime, the breadth of demand on policing services and for some the fact that significant financial challenges still remain. There is a strong belief in the East Midlands that collaboration is not only pragmatic but continues to demonstrate value for money, whilst enhancing the way the police service in the region does business.

Police collaboration in the East Midlands has a number of significant benefits to police officers, staff and residents right across the region:

- Greater resilience.
- Increased capability.
- Reduced bureaucracy.
- Reduced cost.

The East Midlands Special Operations Unit collaboration are Serious and Organised Crime, Major Crime, Forensics, Learning and Development and Legal Services.

Derbyshire Constabulary and Leicestershire Constabulary also operate a joint HR Shared Service and a Joint Payroll Shared Service.

Derbyshire Constabulary has embraced the benefits brought by closer collaboration with the Fire and Rescue Service. The Force has a joint headquarters building and training centre with Derbyshire Fire and Rescue Service. There was a joint Head of Strategic Assets until December 2023 and there is now a joint Property team. The sharing of estates with Derbyshire Fire and Rescue Service has saved significant costs in refurbishing or rebuilding existing police stations and is captured in the Asset Management Plan. There are a number of co-locations with further reviews in the future of other opportunities. This collaboration increases the familiarity between emergency personnel, which helps them work better together when needed. Finally, co-location enables better information sharing, which improves the service to the local community. The Force is currently finalising the details for a joint Procurement Team which will enable more opportunities for joint contracts.

Organisational Overview

Derbyshire Constabulary has continued to maintain a strong momentum, observing positive change, performance improvement and development across all areas of the force. The ongoing drive throughout the organisation is premised upon our commitment to delivering an excellent service to the communities of Derbyshire, one they can trust. Our core purpose is to fight crime, proactively bring offenders to justice and protect the most vulnerable from harm.

During 2025/26, the Force sustained the achievements of the Police Officer Uplift Programme (PUP) by maintaining the original uplift target of 283 additional officers, alongside the additional 27 officers allocated through the top-up-grant. This ensured that the target officer headcount of 2137 officers were maintained.

In addition to the PUP grant, the Government announced the Neighbourhood Policing Grant as part of the 2025/26 funding settlement, supporting its pledge to put 13,000 additional Police Officers, PCSO's and Special Constables into neighbourhood policing roles, Derbyshire successfully secured funding for an additional 35 neighbourhood policing officer posts and achieved full delivery against the grant requirements.

Governance

The Police and Crime Commissioner and the Chief Constable are established as separate legal entities under the Police Reform and Social Responsibility Act 2011. This Act created a Police and Crime Commissioner for Derbyshire (PCC), known as the 'Commissioner' and at the same time the Chief Constable was established as a separate body with responsibility for Derbyshire Constabulary.

The primary function of the body headed by the Chief Constable is the exercise of operational policing duties under the Police Act 1996. The Commissioner's function is to hold the Chief Constable to account for the exercise of these duties, thereby securing the maintenance of an efficient and effective police service in Derbyshire.

More detail on the governance framework comprising the systems and processes, culture and values by which Derbyshire Police is directed and controlled are contained within the Annual Governance Statement, which accompanies the Chief Constable's Statement of Accounts.

The Force Strategic Plan

In 2024 we introduced new values, chosen by our workforce which represented what is most important to them.

 Values			
 Integrity We are honest, and people can trust us	 Professionalism We have high standards and care about what we do	 Respect We value our communities, our people and treat everyone fairly	 Proud to Serve We take pride in public service and act as 'One Derbyshire'

In 2025 we have continued our journey to deliver our vision to be an outstanding force, supported by our One Derbyshire Plan for 2023-25. The One Derbyshire Plan is intended to deliver cultural and organisational improvement through five key work streams. These are:

- Leadership
- Internal Communication and Engagement,
- Wellbeing, Learning and Development of staff
- and Standards and Behaviours.

In January 2025 a project commenced to develop the Force Strategic Plan 2025-2029. The draft Force Strategic Plan 2025-2029 was launched in November 2025 and was finalised in June 2026. The Force Strategic Plan has maintained the Force values and set its strategic priorities as preventing harm, responding to the public, safeguarding communities and investigating crime.



Basis for Preparation

For accounting purposes, the Commissioner and Chief Constable together are known as the PCC Group. A separate set of statutory accounts has been published for the Commissioner and PCC Group to recognise all the financial transactions incurred during 2025/26 for policing in Derbyshire.

The 2025/26 Statement of Accounts is prepared in accordance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Local Authority Accounting 2025/26. The Accounts reflect the current legislative framework as well as the local arrangements operating in practice. Key elements of this framework include: -

- The Police Reform and Social Responsibility Act 2011 (the Act).
- Accounts and Audit (England and Wales) Regulations 2015 & Accounts and Audit (Amendment) Regulations 2022.
- The Home Office Financial Management Code of Practice for the Police Service of England and Wales 2018.
- Scheme of Consent between the Commissioner and Chief Constable.
- The Financial Handbook of the Commissioner and Chief Constable.

The Accounts reflect that the Commissioner has responsibility for the finances of the whole Group and control of all land and buildings, liabilities and reserves. The Commissioner receives all income and funding and makes all the payments for the Group from the Police Fund. In turn the Chief Constable fulfils their functions under the Act within an annual budget (set by the Commissioner in consultation with the Chief Constable). A scheme of consent is in operation between the two bodies to give clarity to the way the two organisations are governed and how business is undertaken.

Financial Statements

The financial statements for the Chief Constable required under the 2025/26 Code consist of:

Comprehensive Income and Expenditure Statement (CIES)

This statement shows the accounting cost in the year of providing policing services under the direction of the Chief Constable for the 12 months to 31 March 2026, (as opposed to the overall cost of policing Derbyshire, which includes the cost of administering the Office of the Police and Crime Commissioner (OPCC) and OPCC expenditure on commissioning activities in relation to community safety, crime prevention and victim support, as shown in the Group Accounts). The CIES has been prepared by applying the accounting principles set out in the CIPFA Accounting Code of Practice. The headings replicate those used for the Constabulary's internal performance reports.

Movement in Reserves Statement

This summarises the movements to and from unusable reserves for the financial year 2025/26, which relate to post-employment benefits (pensions), benefits payable during employment (untaken leave at the financial year end) and financing of vehicles and equipment from capital resources. All usable reserves are held by the Commissioner as shown in the Group Accounts.

The Balance Sheet

This summarises the financial position of the Chief Constable as at the 31 March 2026 and sets out any assets, liabilities and reserves. The net assets of the Chief Constable (assets less liabilities) are matched by the unusable reserves held by the Chief Constable. These reserves are a product of the application of the Code; it should be noted that the Chief Constable does not hold usable reserves – they are all held by the Commissioner as shown in the Group Accounts.

The Cash Flow Statement

This shows the changes in cash and cash equivalents of the Chief Constable during the reporting period. As all the Group's cash flows are presented in the Commissioner's Accounts this statement simply shows the net surplus on provision of services adjusted for non-cash movements.

Accounting Policies

Accounting policies are the specific principals, conventions, rules and practices that are applied in preparing and presenting the annual accounts. The accounting policies for the Chief Constable applied in preparing the 2025/26 annual accounts are consistent with last year.

Other Contents

In addition to the financial statements, the annual accounts include a: -

- Statement of Responsibilities for the Accounts and information on the Police Officer Pension Fund (providing statements for pension fund income and expenditure, assets and liabilities)
- An Annual Governance Statement (AGS). This statement is a statutory document which explains the governance processes and procedures in place to enable Derbyshire Constabulary to carry out its functions effectively. Following the Police Reform and Social Responsibility Act 2011 the Chief Constable is required to produce their own AGS each year which must accompany the Chief Constable's Statement of Accounts

Notes to the Financial Statements provide more detail on individual transactions, including the Expenditure and Funding Analysis.

Strategy and Resource Allocation

The revenue budget for 2025/26 was set at £243.23m, which was an increase of 4.9% over 2024/25. The funding for this budget came from a combination of central government grants (Police Specific Grant, Localising Council Tax Support Grant and Revenue Support Grant (RSG)) of £142.436m, and locally raised Council Tax of £100.793m.

As a result of what is known as the 'gearing' effect (the ratio of government grants to overall funding), the impact of annual increases in grant on the overall budget can vary markedly between different forces. During the period 2014/15 to 2025/26 the Constabulary's revenue budget has increased by 47.7% from £164.7m to £243.2m. This equates to an average annual growth rate of 4.3%. In the same period Government Grant increased by 24.4% (from £114.5m to £142.437m) with the difference being met by local Council Taxpayers (£50.2m to £100.793m).

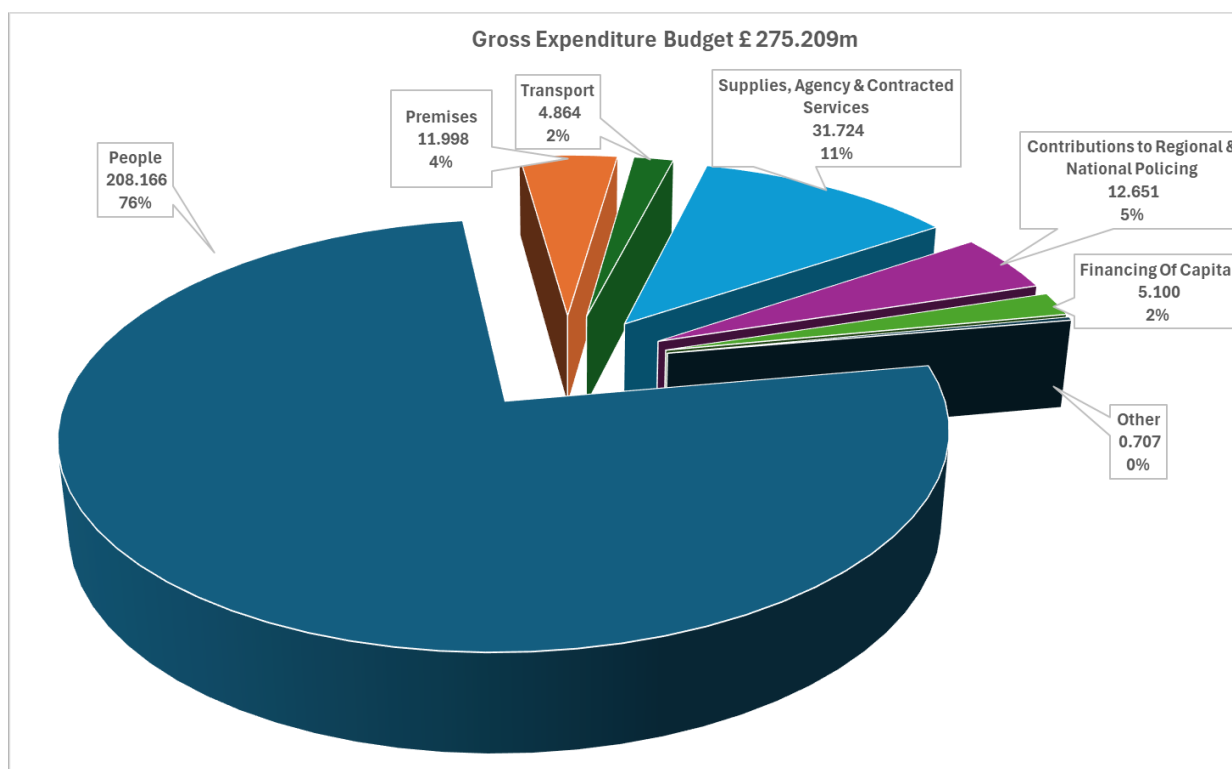
In addition to the £142.436m funding for the revenue budget, a grant of £30.879m was also received from the Home Office to cover the deficit on the police pension fund for the year.

The policing element of Council Tax for an average band D dwelling in Derbyshire was £293.60, an increase of £14 or 5% over 2024/25. This was the maximum increase the Commissioner could approve under the government's Precept Limitation regulations for 2025/26 without holding a local referendum.

The policing element of all Council Tax bandings in Derbyshire was as follows: -

Council Tax by Band	2024/25	2025/26
A	£ 186.40	£195.73
B	£ 217.47	£228.36
C	£ 248.53	£260.98
D	£ 279.60	£293.60
E	£ 341.73	£358.84
F	£ 403.87	£424.09
G	£ 466.00	£489.33
H	£ 559.20	£587.20

After taking into account all income sources, Derbyshire Police's gross expenditure budget was £275.209m which was allocated across major budget headings as follows: -



Financial Performance Report

Revenue Outturn 2025/26

The 2025/26 draft revenue outturn position against the approved revenue budget of £243.230m was **a net underspend of £2.454m (1% of the total budget)**, reflecting effective in-year financial management despite significant operational and demand pressures.

It became evident early in 2025/26 that due to emerging budget pressures the Force was heading to a potential overspend position. In response to this the Force implemented a vacancy control and managed non-essential spend to mitigate the potential overspend position.

The position has also been supported by **strong income performance, reduced support service costs, and lower financing charges**, which enabled **ongoing demand-led cost pressures across operational areas** to be partially offset during 2025/26.

The financial position for 2025/26, is set out in the table below:

Budget Heading	Revised Budget £m	Actual £m	Variance £m
Police Officer Pay & On Costs	141.421	141.588	0.167
Police Staff Pay & On Costs	62.988	63.233	0.245
Other Employee Expenses	0.948	1.384	0.436
Police Pensions	3.457	4.617	1.160
Premises	12.008	11.739	(0.269)
Transport	4.559	4.883	0.324
Supplies & Services	25.664	24.555	(1.109)
Pay & Price Contingency	0.262	0.000	(0.262)
Agency	0.272	0.456	0.184
Debt Charges	2.124	1.336	(0.788)
Revenue Contribution to Capital	2.976	2.976	0.000
Government Grants	(19.829)	(20.026)	(0.197)
General Income	(8.772)	(9.987)	(1.215)
Regional Units	12.651	12.772	0.121
Secondments	0.000	0.000	0.000
Interest Receipts	(1.250)	(1.078)	0.172
Contributions to/from Reserves	(1.071)	(1.064)	0.007
BCU Fund	0.095	0.022	(0.073)
Expenditure on National Policing	(0.300)	(0.263)	0.037
Other Specific Grants	0.065	(0.783)	(0.848)
Partnerships	0.574	0.528	(0.046)
Sub-Total	238.842	236.888	(1.954)
Office of the Police and Crime Commissioner	4.388	3.888	(0.500)
Total for Derbyshire Constabulary	243.230	240.776	(2.454)

Explanations of the significant variances are detailed below.

- **Significant underspends** were achieved in:
 - **Support Services (£1.109m underspend)** – reflecting reduced national IT costs, an Airwave court ruling releasing monies, and an accounting timing differences in relation to IT contractual costs
 - **General Income (£1.215m over-achieved)** – driven by increased income from operational and partnership activity (e.g. licensing, cost recovery, POCA)
 - **Debt Charges (£0.788m underspend)** – lower borrowing costs resulting from capital programme slippage
 - **Police Pay (£0.535m underspend)** reflects periods during the year where officer strength was below budgeted levels, staffing levels still met the requirements of the Police Officer Uplift Grant Requirement
 - **Premises (£0.269m underspend)** constrained maintenance spending as part of the non-essential spend controls
 - **Pay & Price Contingency (£0.262m underspend)** part year savings from the Mutually Agreed Resignation Scheme linked to workforce reductions
- **Key cost pressures/overspends occurred due to operational demand and workforce related costs:**

Demand-led operational pressures:

- **Police Overtime (£0.703m overspend) and Staff Overtime (£0.181m overspend)** driven by high workloads in Crime Directorate and staffing shortages
- **Agency and borrowed officer costs (£0.184m overspend)** linked to demand surge activity
- **Transport costs (£0.324m overspend)** due to higher vehicle maintenance and operational surge demand

Workforce-related costs also contributed to overspends:

- **Police Pensions (£1.160m overspend)** from increased ill-health retirements and injury-related payments
- **Other Employee Expenses (£0.437m overspend)** due to MARS severance costs

- **Income & Funding Position:**

- **Government Grants** performed favourably, including adjustments to police uplift funding
- **Partnerships and grant-funded activity** generated underspends (£0.930m), including BCU funds and NHP grant
- **OPCC underspend (£0.501m)** underspent on grants and commissioning which has been transferred to reserves strengthening future funding flexibility

Overall Position

The outturn demonstrates that mitigating actions (vacancy management, spending controls and income generation) have been effective in delivering a favourable position. The position also benefited from one-off benefits and non-recurring items.

Reserves

The underspends have been used to contribute to earmarked reserves as shown in the below table

Earmarked Reserve	£
Carry Forward Reserve	753,934
Budget Pressures Reserve	500,000
Business Case Reserve	500,000
PFI Reserve	200,000
PCC Grants & Commissioning Reserve	500,484
Total moved to Earmarked Reserves	2,454,418

The overall level of reserves as of 31 March 2026 is **£20.609m**. (**£6.500m** general reserve and **£14.109m** earmarked reserves). The General Reserve balance represents 2.55% of the 2026/27 Net Revenue Budget which is above the minimum level of 2% of Net Revenue budget (£5.1m for 2026.27) and is significantly lower than the maximum amount of 5% of Net Revenue Budget (12.7m for 2026/27) as set by the Home Office.

Capital Programme

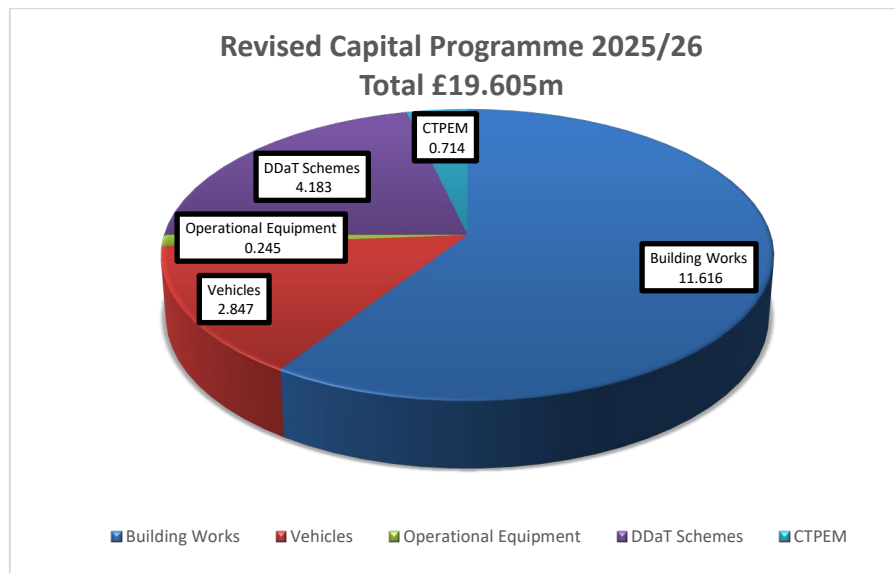
The Commissioner controls all land and buildings, and Derbyshire Constabulary has use of all these assets. The Commissioner receives all the funding to finance the total Capital Programme.

This is used:

- To replace police vehicles
- To maintain its buildings.
- To ensure its information technology systems are supported.
- To replace key items of operational and infrastructure equipment.

The Capital Programme for 2025/26 was originally set in March 2025 at £27.883m and as a consequence of scheme delays (including slippage) and other changes in the capital programme it was revised to £19.605m.

The Revised Capital Programme was allocated as follows: -



Actual expenditure against the programme totalled £18.486m as the plans and timescales for the new North Chesterfield DHQ and Custody Scheme and some technology changes were delayed which reduced the spend for the year and created further slippage towards the end of 2025/26. The actual spend for 2025/26 was as follows: -

Capital Programme	£m
North Division Custody Suite	10.939
Other Building Work	0.601
Equipment and Vehicles	3.067
IT and Communications	3.154
Regional Schemes	0.494
Counter Terrorism Police - EM	0.396
Total	18.486

The expenditure was funded by: Borrowing (£12.730m), External Grant and Contributions (£1.502m), Revenue Contributions (£3.723m), and (£0.531m) of Capital Receipts.

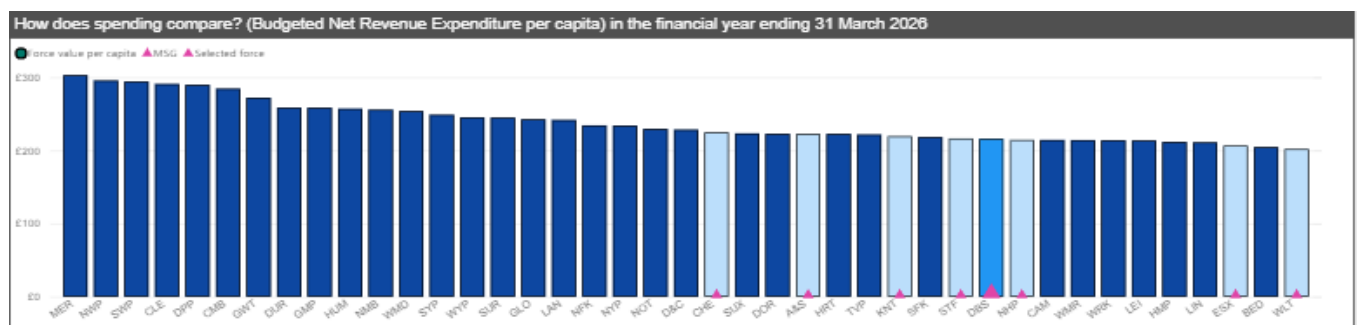
Main Capital Underspends Compared to Budget

Major Building Schemes – The final valuation in respect of building works on Killamarsh SNT was lower than originally budgeted. Other ongoing building refurbishments / replacements remain ongoing and will complete fully in 2026/27 & 2027/28.

IS Schemes – A variety of under & overspends against number of budget areas, i.e., comms & network equipment, end user devices, telephony system, body worn video, digital interview recoding and ANPR

Value For Money

The Constabulary continues to demonstrate excellent value for money and performs well in national comparators. The most recent HMICFRS Value for Money profiles reports Derbyshire had one of the lowest profiles for Net Revenue Expenditure per head of population.



Derbyshire has a total net revenue expenditure per capita for the year ending 31 March 2026 of £215.87

Derbyshire's position is 31st in the table (exc. Met & City of London Police) for net revenue expenditure per capita for 2025/26 @ £215.87 per member of the population. This means our spend per person in terms of our population is lower than most of our counterparts (the

spend ranges from the highest Merseyside with £302.70 per person to Wiltshire at £201.93 per person) and in the lower quartile in our group of Most Similar Forces (MSF).

Source: HMICFRS Value for Money Profiles 2025

Non-Financial Performance

During 2025/26, total recorded crime increased by 2.4%, to 86,408 offences. Despite this increase the positive outcome rate remained stable at 17.8%.

Across acquisitive crime, there was a mixed picture. Residential Burglary rose by 2.9%, while vehicle theft increased by 3.6%. In contrast, theft from vehicles decreased by 8%. Shoplifting offences recorded an increase of 3.6%, and theft from the person rose by 7.5%. Within robbery, personal robbery fell by 3.3% to 501 offences. However, business robbery saw a significant increase, rising from 36 offences in the previous year to 308 in 2025/26.

Overall levels of violence remained broadly stable with violence with injury increasing slightly by 1.3% and violence without injury decreasing by 0.9%. Criminal damage fell by 1.3%, while public disorder decreased by 4.9%. In contrast, stalking and harassment offences rose notably by 11.2%. Sexual offences showed an upward trend, with rape increasing marginally by 0.8% and other sexual offences rising by 11.3%, leading to an overall increase of 7.5% in total sexual offences.

Anti-social behaviour (ASB) continued to decline, with total incidents falling by 7.2% from 16,646 to 15,436. ASB personal incidents saw a sharper reduction of 18.4% from 1,792 to 1,463.

Domestic abuse recorded crime remained largely stable, decreasing slightly by 0.2% (16,618 offences) However there was a notable shift in risk profile with High-risk cases increasing by 11.6%, and Medium and Standard risk cases decreasing by 0.5% and 0.7% respectively.

In Safeguarding activity, domestic abuse Public Protection Notices (PPN'S) increased by 2.6% to 24,947 in 2025/26. Of these, 93.6% were referred to partner agencies. The proportion assessed as high risk under the initial DASH assessment rose slightly to 13%, compared with 11.2% in the previous year.

Child-Related PPNs decreased by 7.5% to 16414, with 74.1% referred to partner agencies. Vulnerable adult PPNs increased marginally by 0.5% to 12970, of which 66.9% were referred. Stalking related PPNs fell by 4/6% to 6,584, with 58.8% referred. Honour-bases violence PPNs recorded the largest percentage decrease falling by 15.3% to 111 cases, however 99.1% of those were referred to partner agencies.

His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) completed a National Child Protection Inspection (NCPI) into Derbyshire Constabulary's child protection arrangements. In April 2026 the HMICFRS issued an accelerated cause of concern as it was found that the force was inadequately identifying and responding to risks involving children. Derbyshire Constabulary fully accepts these findings and has produced a detailed improvement plan for HMICFRS. The improvement plan will be monitored by both the Constabulary and HMICFRS.

Future Outlook

Funding Position 2026/27

Following the Spending Review announced by the Government in June 2025 only a one-year funding settlement was received for policing in 2026/27 making planning for the medium term difficult and requiring a number of assumptions to be made.

The table below shows Derbyshire's 2026/27 allocation of central government grants. The grant funding increase by 3.9% in cash terms from 2025/26 to 2026/27, however this reduced to 2.8% taking into account a one-off grant towards the 2025/26 pay award

Funding Stream	2025/26 £m	2026/27 £m	Change £m	Change %
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Home Office Police Grant	85.7	92.1	6.4	7.5%
EX- DCLG Formula Funding	48.0	51.9	3.9	8.1%
Sub Total – Core Grant	133.7	144.0	10.3	7.7%
Council Tax Grants	8.7	8.7	0	0%
Pension Support Grant	5.6	5.6	0	0%
Officer Maintenance Grant (Ringfenced) (<i>Combined into Core Grant for 2026/27</i>)	5.0	0	-5	-100%
Additional Recruitment Top Up Grant (<i>Combined into Core Grant for 2026/27</i>)	1.4	0	1.4	-100%
National Insurance Contributions Grant	3.8	3.7	-0.1	-2.6%
Neighbourhood Policing Grant (Ringfenced)	2.8	5.2	2.4	85.7%
SubTotal - All Other Police Grants	27.3	23.2	-4.1	-15%
In Year Pay Award Grant Sept 24 (4.75% Sept 24)	1.7	0		
Total - All Police Grants (Adjusted for Pay Award)	162.7	167.2	4.5	2.8%

The funding settlement for 2026/27 removed the ring-fenced officer maintenance grants and the requirements for an overall police officer number target have been removed, which allows for greater flexibility and modernisation of the workforce. The ring-fenced neighbourhood policing grant remains, and we will be entitled to the grant if we achieve an additional 25 Officers and PCSO's within neighbourhoods (in addition to the previous year's target of 35 neighbourhood officers).

As set out in the Local Government Funding settlement, PCCs were given the flexibility to raise the police precept by up to £15 for a Band D property in 2026/27. Following a period of consultation with the public the PCC took the decision to raise the precept by the maximum allowed. The total funding to Constabulary was set at **£258.825m** with the £15 Precept increase.

Even with the maximum precept the force was only able to balance the budget for 2026/27 by making significant savings. The Force initiated two new savings initiatives during 2025/26 to address the level of financial challenges facing the Force and to address the level anticipated savings needed in 2026/27, these were:

- A Mutually agreed Resignation scheme (MARS) which is a voluntary scheme which allows eligible police staff to resign from their post in return for a severance payment under a mutually agreed resignation.
- Force Service Review's, which are a priority-based budget approach ensuring the forces operating model and costs are understood, and proactively considers and evaluates options for change, aligning resources to the Force priorities.

These measures resulted in £4.7m of savings in 2026/27 by reducing police staff levels by 80 full-time equivalents and by reducing some non-pay budgets.

Further information concerning the 2026/27 budget can be found on our website: [Budget and Precept Information | Office of the Derbyshire Police and Crime Commissioner \(derbyshire-pcc.gov.uk\)](https://www.derbyshire-pcc.gov.uk/Budget-and-Precept-Information)

Medium Term Financial Plan

The Medium-Term Financial Plan (MTFP) forecasts future years' budget requirements based upon funding and spending assumptions. The plan is prepared between the Force and the Chief Financial Officer with the Office of Police and Crime Commissioner (OPCC) and is based upon a number of assumptions with different worst, best and most likely case scenarios. These are regularly discussed with the Chief Officers, members of the Senior Leadership Team and the OPCC.

The Forecast prepared as part of the 2026/27 Budget indicated that under all current assumptions the underlying budget deficit would continue to increase over the next five years, creating a **funding gap of over £8m**.

Our funding assumptions with the MTFP prepared as part of the 2026/27 Budget Process were based upon a **1% annual increase in Government Grant**. They also assume that a **£14 precept increase based upon a Band D property** is approved in each of the next 4 years (27/28, 28/29, 29/30 and 30/31) and shows the extent of the challenge that remains.

Medium-Term Forecast 2026/31	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Net Revenue Budget	258.825	270.144	280.610	289.565	297.771
Projected Funding (£15 Precept 26-27 £14 Subsequent Years)	-258.825	-266.322	-273.817	-281.438	-289.182
Budget Deficit	0.000	3.822	6.793	8.128	8.589

It is acknowledged by the Force that a rigorous and structured process for identifying further savings will be required to enable balanced budgets to be set for 2027/28 to 2030/31. This will be addressed through a structured and risk-based savings plan focusing on demand-led service design, asset and estate optimization and smarter ways of working, using technology and AI to improve productivity is structured.

The financial, economic and operational uncertainties and challenges will require the PCC and Constabulary to keep financial planning assumptions under constant review, to ensure that the financial position remains stable into the longer term. The Constabulary will shortly commence the process of the new round of strategic financial planning and will consult with the PCC throughout this process. There are no going concern issues as a result, as funding to police forces will continue, but there may be risks to the levels of service currently offered.

Devolution

In November 2025, The Home Office announced that Police and Crime Commissioners (PCCs) will be abolished across England and Wales by May 2028. This will result in the transfer of Derbyshire police governance functions to East Midlands Combined County Authority (Mayoral Authority).

Police Reform White Paper

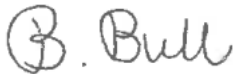
In January 2026, the Home Office published the Police Reform White Paper entitled “from local to national” a new model for policing. The longer-term ambition from the paper is to have fewer and larger forces with an “optimal configuration of regional police forces. The reforms aim to shift to a more centrally directed, technology-driven model while simultaneously trying to strengthen local neighbourhood policing. A new centralised National Police Service will be created to manage national responsibilities, including counter-terrorism, serious and organised crime, and regional crime units. The National Police Service will take control of forensics, IT, and procurement from local forces.

Police Funding Formula

The current policing funding formula used to allocate core funding is outdated and no longer reflects the reality of local demand in different force areas. The government intends to carry out a funding formula review after the new policing structures are in place.

Acknowledgements

The production of the Statement of Accounts would not have been possible without the exceptionally hard work and dedication of colleagues in the Force Finance Department. I would like to express my appreciation to the Finance Team and all colleagues across the Force who have assisted in the production of the Statement of Accounts and for their support throughout the year.



Bev Bull
Director of Finance and Assets - S151 Officer
25th June 2026

STATEMENT OF RESPONSIBILITIES FOR THE ACCOUNTS

The Chief Constable's Responsibilities

The Chief Constable is required: -

- to make arrangements for the proper administration of the Derbyshire Constabulary's financial affairs and to secure that one of its officers (Chief Finance Officer) has the responsibility for the administration of these affairs;
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- to approve the statement of accounts

I approve these Statements of Accounts

Signed

Simon Blatchly
Chief Constable

Date:

The Chief Finance Officer's Responsibilities

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

In preparing this Statement of Accounts the Chief Finance Officer has: -

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent including assessments of going concern; and
- complied with the local authority code.

The Chief Finance Officer has also: -

- ensured that proper accounting records have been kept which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

CHIEF FINANCE OFFICER CERTIFICATE

I certify that the Statement of Accounts presents a true and fair view of the financial position of the Chief Constable for Derbyshire as at the 31 March 2026 and of its income and expenditure for the year ended the 31 March 2026.

Signed

Bev Bull
Director of Finance and Assets - S151 Officer

Date:

EXTERNAL AUDIT REPORT

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TO BE ISSUED
AFTER APPROVED

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CHIEF CONSTABLE STATEMENT OF ACCOUNTING POLICIES

Accounting Policies

General Principles

These financial statements have been prepared in accordance with the Code of Practice (the Code) on Local Authority Accounting in the United Kingdom issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Accounts and Audit Regulations 2015. The accounting policies contained in the Code apply International Financial Reporting Standards (IFRS) as adapted for the public sector by the International Public Sector Accounting Standards (IPSAS).

The accounts have been prepared on a going concern basis using a historic cost convention, modified to account for the revaluation of certain categories of tangible fixed assets and financial liabilities.

The concept of a going concern assumes that the functions of the Constabulary will continue in operational existence for the foreseeable future. The provisions in the Code (Code of Practice on Local Authority Accounting in The United Kingdom 2024/25) in respect of going concern reporting requirements reflect the economic and statutory environment in which policing services operate. These provisions confirm that, as policing services cannot be created or dissolved without statutory prescription, they must prepare their financial statements on a going concern basis of accounting.

Policing services carry out functions essential to the local community and are themselves revenue-raising bodies (with limits on their revenue-raising powers arising only at the discretion of central government). If a constabulary were in financial difficulty, the prospects are thus that alternative arrangements might be made by central government either for the continuation of the functions it provides or for assistance with the recovery of a deficit over more than one financial year. As a result of this, it would not therefore be appropriate for the financial statements to be provided on anything other than a going concern basis.

The accounts are therefore prepared on a going concern basis, on the assumption that the functions of the PCC and Chief Constable will continue in operational existence for the foreseeable future from the date that the accounts are authorised for issue.

The figures in these accounts are rounded appropriately and this may cause apparent minor arithmetical errors.

Consolidation

The Accounting Policies below also reflect the powers and responsibilities of the Chief Constable as designated by the Police Reform and Social Responsibility Act 2011 and the Home Office Financial Management Code of Practice for the Police Service, England and Wales 2013. The Accounting policies defined here are consistent with local regulations, local agreement and practice as well as the PCC Group policies.

The Accounts cover the 12 months to 31 March 2026.

Cost and income intra-group recognition

All external income is received by the Commissioner (PCC), the PCC holds the Police Fund and all related financial reserves and cash balances. The PCC provides an annual budget to the Chief Constable. All resources consumed at the request of the Chief Constable are funded by the PCC, including the wages of police officers and staff, and no actual cash transactions take place between the two entities.

From an accounting perspective costs and income are recognised in the accounts of the Chief Constable to reflect the financial resources consumed and economic benefit derived in the direction and control of day-to-day policing at the request of the Chief Constable to deliver the Police and Crime Plan. For example, an economic benefit is recognised to reflect the utilisation of PCC owned fixed assets which mirrors depreciation of property.

Any costs and income relating to the Office of the PCC and the commissioning activities of the PCC remain in the Comprehensive Income and Expenditure Statement (CIES) of the PCC.

An intra-group funding adjustment is recognised in the CIES of the accounts of the Chief Constable to represents a recharge from the PCC for the costs and income consumed by the Chief Constable. This is cancelled out with a corresponding entry in the CIES of the PCC when the group accounts are consolidated.

In addition, the accounts for the Chief Constable reflect the employment and post-employment liabilities in accordance with IAS19 which states that liabilities relating to these benefits should follow the cost of employment.

The Chief Constable's total CIES reflects the movement in the Chief Constable's unusable reserves as all other net expenditure is met by a transfer of resources from the PCC and no usable reserves are held by the Chief Constable.

Expenditure Recognition

Activity is accounted for in the year it takes place, not simply when cash payments are made: -

- Supplies are recorded as expenditure when they are consumed.
- 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.
- Short term compensated absences are recognised in the Income and Expenditure Statement in the period in which officers or staff render the service which entitles them to the benefit, not necessarily when they receive the benefit. The cost of leave earned, but not taken at the end of the financial year is recognised in the financial statements of the Chief Constable to the extent that staff are entitled to carry forward a limited amount of leave into the following year.
- Where expenditure has been recognised but cash has not been paid a creditor for the relevant amount is recorded in the accounts.

Exceptional Items

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

Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

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

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

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

Employee Benefits

The Accounts are prepared in accordance with IAS19 *Employee Benefits*. This is a complex accounting standard, but it is based on a simple principle that:

“An organisation should account for employment and post-employment benefits when employees earn them and the authority is committed to give them, even if the actual giving will be many years into the future”.

IAS 19 applies to all types of employee benefits paid including benefits payable during employment, termination benefits and post-employment benefits.

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year end. They include such benefits as salaries, paid annual leave and paid sick leave, expenses, 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 which employees can carry forward into the next financial year. The accrual is charged to Comprehensive Income and Expenditure Statement (as a surplus/deficit on Provision of Services) but then reversed out through the Movement in Reserves Statement to the Short-Term Accumulating Compensated Absences Account so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

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 or an employee's decision to accept voluntary redundancy and are 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 or group of employees or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the general fund balance to be charged with the amount payable by the Group to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, 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.

Post-employment benefits

The main effect of IAS19 in relation to post-employment benefits is the recognition of the net liability and a pensions reserve in the Balance Sheet and entries in the Comprehensive Income and Expenditure Statement for movements in the liability

relating to the employee pension schemes in which the Chief Constable participates (with reconciling entries in the Movement in Reserves Statement back to the true cost of pensions).

IAS19 relies on the recognition of pension's liabilities (being the retirement benefits promised measured on an actuarial basis) and assets (being the Chief Constable's share of investments (if any)).

The Chief Constable participates in two different pension schemes both of which are "defined benefit schemes" as they are both based on employees earning benefits from years of service.

a) Police Officers

This scheme is unfunded. This means it provides pensions and other retirement benefits for police officers based on final salaries but there are no investment assets built up to meet the pensions liabilities.

The funding arrangements for the police officers pension scheme changed on 1 April 2006. Before April 2006 each Police Authority was responsible for paying the pensions of its former officers on a "pay as you go" basis. From April 2006 there is now an employer's contribution instead (currently the equivalent of 35.3% of pensionable salary) which is charged to the Comprehensive Income and Expenditure Statement.

The Chief Constable is required by legislation to operate a Pension Fund Account and the amounts that must be paid into and paid out of the Pension Fund are specified by regulation. Officer's contributions and the employer's contribution are paid into the pension's account from which pension payments are then made. This will be topped up as necessary by the Home Office if the contributions are insufficient to meet the cost of pension's payments. Any surplus will be recouped by the Home Office. Injury awards and ill health retirements will continue to be paid from the Chief Constable's Comprehensive Income and Expenditure Statement.

The pension fund account does not take account of the obligation to pay pensions and benefits which fall due after the end of the financial year.

b) Police Staff and PCSO's

Police staff and PCSO's, subject to certain qualifying criteria, are eligible to join the Local Government Pension Scheme administered by Derbyshire County Council. It is a defined benefit occupational pension scheme. Pensions and other retirement benefits earned prior to 1 April 2014 are based on final salaries, benefits earned after that date are calculated on earnings accrued in a scheme year. Employers and employees make regular contributions into the fund, which are invested in various types of assets, so that the liabilities are paid for evenly over the employment period. Actuarial valuations of the fund are undertaken every three years to determine the contributions rates needed to meet its liabilities.

Assets in the Local Government Pension scheme are included in the Balance Sheet at their fair value: -

- Quoted and Unquoted Securities – Current Bid Price.
- Unquoted Securities – Professional Estimate.
- Property – Market Value.

For both schemes the liabilities are included in the Balance Sheet on an actuarial basis using the projected unit method (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 projections of projected earnings for current employees). Liabilities are discounted to their value at current prices, using a discount rate. The discount rate used is based on the 'current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities', which is often referred to as AA Corporate Bond Rate.

The changes in the net pensions' liability are analysed into the following components:

Service cost comprising:

- Current service cost – the increase in liabilities as a result of one additional year of service earned this year – allocated to the Comprehensive Income and Expenditure Statement.
- Past service cost – the increase in liabilities as a result of 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 as part of non-distributed costs.
- Net interest expense – the change during the period in the net defined liability (asset) arising from the passage of time charged to Financing & Investment Income & Expenditure line, taking into account changes in net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Remeasurement comprising:

- Return on plan assets – excluding amounts included above in net interest, charged to Pensions Reserve as Other Comprehensive Income & Expenditure

- Actuarial gains and losses – 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 – debited to the Pensions Reserve as Other Comprehensive Income & Expenditure.
- Contributions paid to the pension fund.

The Chief Constable's accounts include the pension costs, assets and liabilities for all staff, including those employed directly by the Commissioner. The scheme assets and liabilities for the two corporation soles are pooled, any pro rata would not be accurate as valuing the fund is based on various assumptions. The effect of including all of the pension figures in the Chief Constable's accounts has no material effect on the accounts.

From the financial year 2025/26, we have obtained separate actuary reports for the Commissioner and Chief Constable to split out the assets and liabilities of the scheme between the two entities.

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.

Events after the Balance Sheet Date

These are events that occur between the end of the reporting period and the date when the financial statements are authorised for issue. The Chief Constable will report these in the following way if it is determined that the event has had a material effect on the Chief Constable's financial position: -

- Events which provide evidence of conditions that existed at the end of the reporting period will be adjusted and included within the figures in the accounts.
- Events that are indicative of conditions that arose after the reporting will be reported in the narrative notes to the accounts.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

Non-Current Assets – Vehicles, Plant, Furniture, Equipment and Assets under Construction

Assets that have physical substance and are held for use in the provision of services or for administrative purposes and that are expected to be used during more than one financial year are classified as Vehicles, Plant, Furniture and Equipment.

The following de-minimis limits for capitalisation whereby items above these amounts must be capitalised:

- IT and other Equipment £10,000 (an exception is when certain items which are individually below the de-minimis, but aggregated exceed the limit e.g. IT hardware)
- Vehicles Nil

Recognition and Measurement

Expenditure on the acquisition, creation or enhancement of assets is capitalised on an accrual's basis, provided that it yields benefits and the services it provides for more than one financial year and that the cost of the item can be measured reliably.

Assets are initially measured at cost, comprising the purchase price and 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 Under Construction are held in the Balance Sheet at historical cost until completed, whereupon they will be included in the Balance Sheet as operational assets.

Where assets have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value e.g. vehicles, IT and communications equipment.

Impairments

Assets are assessed at each year end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall. Where impairment losses are identified, these are debited to the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Vehicles, Plant, Furniture and Equipment assets on a straight-line basis by the systematic allocation of their depreciable amounts over their useful lives, as advised by a suitable qualified advisor. An exception is made for assets that are not yet available for use (i.e. Assets Under Construction).

Vehicles	Over the life of the asset (3-10 years)
Equipment/furniture	Over the life of the asset (3-20 years)
IT/Communications Equipment	Over the life of the asset (3-10 years) - majority of assets are 5 years.

It is policy not to charge depreciation in the year of acquisition, but a full year's charge is made in the year of disposal. Depreciation is charged to the Comprehensive Income and Expenditure Statement and is reversed out through the Movement in Reserves Statement.

Disposals

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet 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.

Non-Current Assets - Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are identifiable and controlled by the Chief Constable as a result of past events (e.g. software licences), are capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Chief Constable.

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to provide information on policing matters.

Intangible assets are measured at cost. Amounts are only revalued where the fair value of the assets held can be determined by reference to an active market. In practice, no intangible asset held meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised to the Comprehensive Income and Expenditure Statement over its useful life. Amortisation, as with depreciation, commences in the financial year following that in which they are received. Amortisation is not permitted to have any impact on the General Reserve Balance; it is therefore reversed through the Movement in Reserves Statement and posted to the Capital Adjustment Account.

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.
- Amortisation of intangible fixed assets.

The Chief Constable is not required to raise council tax to cover depreciation or amortisations.

Leases

Initial application of IFRS 16 in 2024/25

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2024. IFRS 16 replaced IAS 17 Leases, IFRIC 4 determining whether an arrangement contains a lease and other interpretations. Upon initial application, the provisions of IFRS 16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

The Group as lessee

For leases that had been classified as operating leases and therefore charged to expenses rather than recognised on the Balance Sheet, a lease liability was established on 1 April 2024 equal to the present value of future lease payments discounted using the PWLB borrowing rate. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the CIES immediately prior to initial application. Hindsight was used in determining the lease term where lease arrangements contained options for extension or earlier termination. No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2024 or for leases where the underlying assets had a value below £10,000. No adjustments were made in respect of leases previously classified as finance leases.

The Group as lessor

Leases of owned assets where the Authority was lessor were unaffected by initial application of IFRS 16.

Leases Accounting Policy

A lease is a contract or part of a contract that conveys the right to use an asset for a period in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The term of the lease is determined using the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which is reasonably certain to be exercised.

The Group as a lessee

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, we recognise a right of use asset and a lease liability. The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term (dilatations). The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments include fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised. Where an implicit rate cannot be readily determined, the PWLB annuity rate is applied that relates to the length of the lease term. We do not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £10,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, we employ a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset. Where land and buildings assets are revalued, current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use.
- Specialised buildings – depreciated replacement cost

Leased plant and machinery and furniture and fittings are shorter-term leases and so the cost model is applied, and these are measured at depreciated historic cost. We subsequently measure the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments. Dismantling, removal and restoration costs will not apply to all leases. If a lease has 30 years or more to run, we will not be including these costs. For leases where they are relevant, they will not necessarily be specified in the lease but can be implicit. Relevant leases will be categorised, the costs will be calculated using a blended rate and floor area. For more specific complexities a bespoke approach will be applied.

Depreciation

The depreciation of right of use assets is based on the lesser of the lease term and the useful life of the asset, unless we expect to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets in line with IFRS 16 Leases.

Revaluation gains/losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure. Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned and thereafter are charged to operating expenses. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

Impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of the impairment charged to operating expenses and the balance in the revaluation reserve attributable to that asset before the impairment. An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

The Group as a lessor

We assess each of our leases and classify them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the leases.

Operating leases

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Overheads and Support Services

The costs of overheads and support services are charged to the Comprehensive Income and Expenditure Statement in accordance with the authority's arrangements for accountability and financial performance.

Provisions, Contingent Liabilities and Contingent Assets

Provisions – these are required for liabilities that have been incurred but are of uncertain timing or amount. There are three criteria:

- The Chief Constable has a present obligation (legal or constructive) as a result of a past event.
- It is more likely than not that money will be needed to settle the obligation.
- A reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Comprehensive Income and Expenditure Statement in the year that the Chief Constable becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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 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 met by another party (e.g. from an insurance claim), the income is only recognised as income if it is virtually certain that reimbursement will be received when the obligation is settled.

Provisions contained within the Balance Sheet are split between current liabilities (those which are estimated to be settled within the next 12 months) and non-current liabilities (those which are estimated to be settled in a period greater than 12 months).

Contingent Liabilities – this arises where an event has taken place that gives the Chief Constable a possible obligation whose existence will 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.

Contingent Asset – this arises where an event has taken place that gives the Chief Constable a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Chief Constable.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

Reserves

Unusable Reserves - certain reserves/accounts are kept to manage the accounting processes for non-current assets (Capital Adjustment Account and Revaluation Reserve), retirement and employee benefits (Pensions Reserve, Short-term Accumulating Compensated Absences Account). These do not represent usable resources for the Chief Constable.

Value Added Tax (VAT)

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

Jointly Controlled Operations

Jointly controlled operations are activities undertaken in conjunction with other venturers that involve the use of the assets and resources of the venturers rather than the establishment of a separate entity. The Balance Sheet of the Group recognises the assets that it controls and the liabilities that it incurs. The Chief Constable Accounts include Derbyshire's share of running these operations as part of the Income and Expenditure Statement.

Accounting standards that have been issued but not yet been adopted

The Chief Constable shall disclose information relating to the impact of an accounting change that will be required by a new standard that has been issued in 2025/26 but not yet adopted. These are detailed below.

- Amendments to IFRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage Assets) issued in March 2024
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7 issued in May 2024
- Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024
- Contracts Referencing Nature – dependent Electricity (Amendments to IFRS 9 and 7) issued in December 2024

The impact of these standards on the financial statements of the Chief Constable is either not applicable or not expected to be material.

Changes in Accounting Estimates

Significant estimates and judgements in applying Accounting Policies

In applying the accounting policies set out above, the Chief Constable has had to make certain judgements about complex transactions or those involving uncertainty about future events. There are no significant judgements in the 2025/26 Statement of Accounts.

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

The Statement of Accounts contains estimated figures that are based on assumptions made by the Chief Constable about the future or that are otherwise uncertain. Estimates are made to take 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.

No new areas of estimation have been identified for this financial year.

The items in the Chief Constable's Balance Sheet as at the 31 March 2026 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Uncertainties	Effect if Actual Results differ from Assumptions
Pensions Liability	
Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Chief Constable with expert advice about the assumptions to be applied. For both the Police Officer and Police Staff schemes full data on individual scheme members is collected only once every 3 years. In the intervening period, the actuaries are required to estimate relevant changes in the membership profile.	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance for the largest scheme, the Police Pension scheme, it is estimated that a 0.5% reduction in the discount rate's excess over pension increases would result in a decrease in the pensions liability of 7.0% (£107m). If pension increases were to be 0.5% higher per year this would increase the liability by 7.0% £107m. However, the assumptions interact in complex ways. For example, during 2025/26 the Police Pension Scheme liability decreased by £14.2m as a result of experience changes and by £51.1m as a result of the updating of actuarial assumptions for financial reasons (In 2024/25 the equivalent increased by £0.6m and decreased by £198.6m respectively). Experience changes are those that arise from specific occurrences relating to scheme membership during the year. Recent reviews of public sector pensions have led to changes in benefits payable, employee contribution rates and retirement ages. These will have an impact on the level of future liabilities. As from 1 April 2014 for Police Staff and April 2015 for Police Officers, scheme members now accrue benefit entitlements based on their career-average salaries instead of on their final salary at the point of retirement.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR THE CHIEF CONSTABLE

This statement shows the accounting cost in the year of the resources consumed by the Chief Constable in delivering the Police and Crime plan for Derbyshire. It is prepared using generally accepted accounting principles. In practice all the respective costs and income are paid for/received by the Commissioner (PCC) other than those reversed through the Movement in Reserves Statement. The CIES includes the intra-group funding adjustment from the PCC. This is cancelled out with a corresponding entry in the CIES of the PCC when the Group accounts are consolidated.

Chief Constable For the year ended 31 March 2025				Chief Constable For the year ended 31 March 2026			
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure	
£000	£000	£000		£000	£000	£000	
269,815	(56,799)	213,016	Policing Services	270,177	(61,896)	208,281	
652	0	652	Corporate and Democratic Core	674	0	674	
0	0	0	Non Distributed Costs	0	0	0	
270,467	(56,799)	213,668	Cost of Policing Services before revaluations/funding	270,851	(61,896)	208,955	
(284,543)	56,799	(227,744)	Intra-group funding	(301,612)	61,896	(239,716)	
(14,076)	0	(14,076)	Cost of Policing Services	(30,761)	0	(30,761)	
			Other Operating Expenditure				
288	0	288	Losses on the Disposal of Non-Current Assets	615	0	615	
2,168	0	2,168	Levies to national police services	2,172	0	2,172	
(2,168)	0	(2,168)	Intra-group Fund adjustment (Levies to national police services)	(2,172)	0	(2,172)	
			Financing and Investment Income and Expenditure				
80,771	0	80,771	Police Pensions Interest Cost	82,146	0	82,146	
			Taxation and Non-Specific Grant Income				
0	(28,923)	(28,923)	Police Officer Pension Grant	0	(30,879)	(30,879)	
66,983	(28,923)	38,060	Deficit on the Provision of Services	52,000	(30,879)	21,121	
	(199,992)	(199,992)	Actuarial (Gains) or Losses on Police Pension		(57,684)	(57,684)	
		(199,992)	Other Comprehensive Income and Expenditure			(57,684)	
		(161,932)	Total Comprehensive Income and Expenditure			(36,563)	

BALANCE SHEET FOR THE CHIEF CONSTABLE

The balance sheet shows the value of the Chief Constables assets and liabilities at the balance sheet date. The net assets or liabilities are matched by the Chief Constable's reserves. The Chief Constable only holds unusable reserves, these are not able to be used to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the revaluation reserve) and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'

31-Mar-25		Note	31-Mar-26
£000			£000
18,854	Plant and Equipment	12	19,614
366	Intangible Assets	13	189
19,220	Long-Term Assets		19,803
1,564	Short-Term Debtors - Intra group Debtor		6,714
0	Cash and Cash Equivalents		0
1,564	Current Assets		6,714
(1,564)	Short-Term Creditors - Intra group creditor		(6,714)
(3,446)	Short-Term Creditors - Accumulated Absences	17	(3,802)
(5,010)	Current Liabilities		(10,516)
(1,557,666)	Other Long-Term Liabilities - Pension Scheme	10a/11	(1,521,329)
(1,557,666)	Long-Term Liabilities		(1,521,329)
(1,541,892)	Net Assets/(Liabilities)		(1,505,328)
1	Unusable Reserves - Revaluation Reserve	17	1
19,219	Unusable Reserves - Capital Adjustment Account	17	19,802
(1,557,666)	Unusable Reserves - Pension reserve	17	(1,521,329)
(3,446)	Unusable Reserves - Accumulated Absences Reserve	17	(3,802)
(1,541,892)	Total Reserves		(1,505,328)

Certification

The financial statements were authorised as a draft version for issue on 30th June 2026.

MOVEMENT IN RESERVES STATEMENT 2025/26 OF THE CHIEF CONSTABLE

This Statement shows the movement in the year on the different reserves. The Chief Constable does not hold any usable reserves but does hold unusable reserves as a result of its application of both the code and IFRS.

		General Reserve Balance	Total Usable Reserves	Unusable Reserves	Total Authority Reserves
		£'000	£'000	£'000	£'000
	Note			16	
Balance as at the 1 April 2025		0	0	(1,541,892)	(1,541,892)
Surplus or (deficit) on the provision of services (accounting basis)	10	(21,121)	(21,121)		(21,121)
Other comprehensive income and expenditure		57,684	57,684		57,684
Total Comprehensive Income and Expenditure		36,563	36,563	0	36,563
Adjustments between accounting basis and funding basis under regulations					
- Depreciation and Impairment of non-current assets	12 & 13	5,517	5,517	(5,517)	0
- Net gain or loss on sale of non-current assets	14	615	615	(615)	0
- Amount by which pension costs calculated in accordance with the code (IAS19) are different from the contributions due under the pension scheme	17	(36,337)	(36,337)	36,337	0
- Capital expenditure funded by PCC Intra-group funding	14	(6,714)	(6,714)	6,714	0
- Charges for employee benefits	17	355	355	(355)	0
Total Adjustments between accounting basis and funding basis		(36,563)	(36,563)	36,563	0
Increase in Year		(0)	(0)	36,563	36,563
Balance as at the 31 March 2026 carried forward		(0)	(0)	(1,505,329)	(1,505,329)

MOVEMENT IN RESERVES STATEMENT 2024/25 OF THE CHIEF CONSTABLE

This Statement shows the movement in the year on the different reserves. The Chief Constable does not hold any usable reserves but does hold unusable reserves as a result of its application of both the code and IFRS.

		General Reserve Balance	Total Usable Reserves	Unusable Reserves	Total Authority Reserves
		£'000	£'000	£'000	£'000
	Note			16	
Balance as at the 1 April 2024		0	0	(1,703,824)	(1,703,824)
Surplus or (deficit) on the provision of services (accounting basis)	10	(38,060)	(38,060)	0	(38,060)
Other comprehensive income and expenditure		199,992	199,992	0	199,992
Total Comprehensive Income and Expenditure		161,932	161,932	0	161,932
Adjustments between accounting basis and funding basis under regulations					
- Depreciation and Impairment of non-current assets	12 & 13	5,041	5,041	(5,041)	0
- Net gain or loss on sale of non-current assets	14	288	288	(288)	0
- Amount by which pension costs calculated in accordance with the code (IAS19) are different from the contributions due under the pension scheme	17	(165,666)	(165,666)	165,666	0
- Capital expenditure funded by PCC Intra-group funding	14	(1,564)	(1,564)	1,564	0
- Charges for employee benefits	17	(31)	(31)	31	0
Total Adjustments between accounting basis and funding basis		(161,932)	(161,932)	161,932	0
Increase in Year		0	0	161,932	161,932
Balance as at the 31 March 2025 carried forward		0	0	(1,541,892)	(1,541,892)

CASHFLOW OF THE CHIEF CONSTABLE

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

31-Mar-25 £'000		31-Mar-26 £'000
38,060	Net Deficit on the Provision of Services	21,121
	Adjust Net Deficit on the Provision of Services for Non-cash Movements	
(4,890)	Depreciation of Non-Current Assets	(5,392)
(151)	Amortisation of Intangible Assets	(125)
1,564	Capital expenditure funded by PCC Intra-group funding	6,714
31	Increase in Creditors - accumulated absences	(356)
(34,326)	Pension Liability	(21,347)
(288)	Carrying Amount of Non-Current Assets Sold	(615)
(38,060)		(21,121)
0	Adjust for Items Included in the Net Deficit on the Provision of Services that are Investing and Financing Activities	0
0	Net Cash Flows (used in)/from Operating Activities	0
0	Investing Activities	0
0	Financing Activities	0
0	Net (Increase) or Decrease in Cash and Cash Equivalents	0
0	Cash and Cash Equivalents at the Beginning of the Reporting Period	0
0	Cash and Cash Equivalents at the End of the Reporting Period	0

The Cashflow Statement has been presented using the Indirect Method.

Notes to the Financial Statements for the Chief Constable

Note 1 Derbyshire Police Group

The Accounts reflect the second stage of the reforms within the Police Reform and Social Responsibility Act 2011, which were introduced in April 2014. The Commissioner is responsible for the finances of the whole Group, and controls all land and buildings, liabilities and reserves. The Commissioner receives all income and funding and makes all the payments for the Group from the Police Fund. In turn the Chief Constable fulfils their functions under the Act within an annual budget (set by the Commissioner in consultation with the Chief Constable). The main changes to the Accounts from 1 April 2014 are

- All employees (Police officers and staff) except for the staff of the Commissioner come under Chief Constable
- Long term Assets other than land & buildings and Jointly controlled assets come under the Chief Constable

Note 2 Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants and precepts) by authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting principles. It also shows how this expenditure is allocated for decision making purposes. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2024/25				2025/26		
Net Expenditure Chargeable to General and Earmarked Reserves £000	Adjustment between the Funding and Accounting Basis (1) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement (2) £000		Net Expenditure Chargeable to General and Earmarked Reserves £000	Adjustment between the Funding and Accounting Basis (1) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement (2) £000
227,092	(14,076)	213,016	Policing Services	239,042	(30,761)	208,281
652	0	652	Corporate and Democratic Core (CC)	674	0	674
0	0	0	Non Distributed Costs	0	0	0
227,744	(14,076)	213,668	Net Cost of Services before revaluations/funding	239,716	(30,761)	208,955
(227,744)	0	(227,744)	Intra-group Funding	(239,716)	00	(239,716)
0	(14,076)	(14,076)	Cost of Policing Services	0	(30,761)	(30,761)
0	52,136	52,136	Other Income and Expenditure	0	51,881	51,881
0	38,060	38,060	Deficit on the Provision of Services	0	21,120	21,120
0	(199,992)	(199,992)	Other Comprehensive Income and Expenditure	0	(57,684)	(57,684)
0	(161,932)	(161,932)	Total Comprehensive Income and Expenditure	0	(36,564)	(36,564)
		0	Opening General Reserve and Earmarked Reserve Balance			0
		0	Surplus on General Reserve/Earmarked Reserves in Year			0
		0	Closing General Reserve and Earmarked Reserve Balance			0

(1) Details of adjustments are shown in Note 2 of the Accounts.

(2) Income and Expenditure recognised in accordance with generally accepted accounting practices can be seen in the Comprehensive Income and Expenditure Statement on page 30

The Expenditure and Funding Analysis above takes net expenditure that is funded from resources and reconciles it to the Comprehensive Income and Expenditure Statement (CIES page 30). The first column is blank because the Chief Constable holds no reserves. A summary of the Adjustment between the Funding and Accounting basis is shown in the Expenditure and Funding Analysis, a breakdown of these adjustments is shown below

2024/25 - Adjustments to General Reserve To add Expenditure or Income not Chargeable to Taxation and Remove items which are only chargeable under Statute	Adjustments for Capital Purposes 2024/25 £'000	Net Change for the Pensions Adjustments 2024/25 £'000	Other Differences 2024/25 £'000	Total Adjustments 2024/25 £'000
Policing Services – Chief Constable	3,476	(17,521)	227,062	213,016
Corporate and Democratic Core Chief Constable	-	-	652	652
Non Distributed Costs	-	-	-	-
Net Cost of Services before revaluations/funding	3,476	(17,521)	227,714	213,668
Intra-group funding	-	-	(227,744)	(227,744)
Net Cost of Services	3,476	(17,521)	(30)	(14,076)
Other operating expenditure	288	-	-	288
Financing and Investment income & expenditure	-	80,771	-	80,771
Taxation & Non-specific grant income & expenditure	-	(28,924)	-	(28,924)
Net Deficit on General Reserve Balance	3,764	34,326	(29)	38,060

2025/26 - Adjustments to General Reserve To add Expenditure or Income not Chargeable to Taxation and Remove items which are only chargeable under Statute	Adjustments for Capital Purposes 2025/26 £'000	Net Change for the Pensions Adjustments 2025/26 £'000	Other Differences 2025/26 £'000	Total Adjustments 2025/26 £'000
Policing Services – Chief Constable	(1,197)	(29,920)	239,398	208,281
Corporate and Democratic Core Chief Constable	-	-	674	674
Non Distributed Costs	-	-	-	-
Net Cost of Services before revaluations/funding	(1,197)	(29,920)	240,071	208,955
Intra-group funding	-	-	(239,716)	(239,716)
Net Cost of Services	(1,197)	(29,920)	355	(30,761)
Other Operating Expenditure	615	-	-	615
Financing and Investment income & expenditure	-	82,146	-	82,146
Taxation & Non-specific grant income & expenditure	-	(30,879)	-	(30,879)
Net Deficit on General Reserve Balance	(582)	21,347	356	21,120

Adjustments for Capital Funding and Expenditure Purposes

Net Cost of Services - Adjustments to the General Reserve to meet the requirements of generally accepted accounting practices, this column adds in depreciation relating to Chief Constable assets to the Net Cost of Services line. It is also adjusted for Capital Expenditure funded by PCC intra-group funding.

Other Operating Expenditure – Adjusts for capital disposals with a transfer of income on disposal of assets and the amounts to be written off for those assets.

Net Change for the Pension Adjustments

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

Net Cost of Services - this represents the removal of the employer pension contributions made by the authority as permitted by statute and the replacement with the current services costs and past service costs.

Financing and Investment Income and Expenditure – The net interest on the defined benefit liability is charged to the CIES.

Taxation and Non-Specific Grant Income and Expenditure – Pension Grant received from the Home Office is credited to the CIES.

Other Differences

This is generally the movement of income and expenditure to the right heading in the CIES (Corporate and Democratic Core for the Chief Constable and Intra-group revenue funding).

Also, the Net Cost of Services includes an adjustment for compensated absences earned but not taken in the year e.g. annual leave, flexi leave and time off in lieu entitlement.

Note 3 Expenditure and Income Analysed by Nature

This note provides an alternative breakdown of the cost of services based on how expenditure is allocated for decision making purposes. It is intended to aid the reader in understanding where the money is spent and in making comparisons between Forces in terms of the type of expenditure incurred.

It should be noted that this analysis includes some items within cost of services that are not required to be charged against the general fund for council tax purposes.

Chief Constable 2024/25 £'000	Financial Resources of the Commissioner consumed at the request of the Chief Constable	Chief Constable 2025/26 £'000
111,027	Police Pay & Allowances	118,957
75,835	Police Staff Pay & Allowances	75,937
1,816	Other Employee Expenses	2,158
15,790	Police Pensions (Current Cost) -see note 10	10,530
12,498	Premises	11,568
6,348	Transport	5,818
28,986	Supplies & Services	26,320
11,188	Agency & Contracted Services	12,112
6,971	Depreciation & Cost of using Commissioner's Property	7,401
8	Revenue Expenditure Funded from Capital under Statute	50
-	Non Distributed Costs	-
270,467	Expenditure	270,851
(56,799)	Income from fees/charges and Special Government Grant	(61,896)
213,668	Net Cost of Policing Services	208,955

Note 4 Leases

The adoption of IFRS16 was a change in accounting policy for the 2024/25 financial statements and remains in place in 2025/26. The previous accounting standard was IAS 17.

The main impact of the new requirements was that for arrangements previously accounted for as operating leases (i.e without recognising the leased property as an asset and future rents as liability) a right of use (ROU) asset and a lease liability were brought onto the balance sheet at 1st April 2024. Leases for items of low value (£10,000 or less) and lease's that expire on or before 31st March 2026 are exempt from the new arrangements. IFRS16 was applied retrospectively with the cumulative effect recognised at 1st April 2024 meaning ROU assets and lease liabilities were calculated as if IFRS16 had always applied but recognised in 2024/25 and not by adjusting prior year figures.

Movement of Right-of-use assets

This table shows the change in the value of the right-to-use assets held under lease

Movement Right of Use Assets	Total £'000
Cost / Valuation	
At 1 April 2025	86
Additions	-
Disposals	(3)
At 31 March 2026	83
Accumulated Depreciation	
At 1 April 2025	54
2025/26 Depreciation Charge	(3)
At 31 March 2025	51
Net Book Value	
At 31 March 2025	32
At 31 March 2026	32
Movement in Year	0

Chief Constable as Lessee - Right of Use Assets

The Chief Constable's lease contracts comprises of a photocopier lease which is individually immaterial.

Maturity analysis of lease liability

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

	31 March 2026 £000
Payable in 2026/27	28
Payable within 1 to 5 years	-
More than 5 years	-
Total	28

Authority as Lessor – Operating Leases

The Commissioner acts as lessor for a number of offices and rent received for these properties in 2025/26 was £15,619 (£19,431 in 2024/25). A further £406,262 was received for mast rental in 2024/25 (£95,424 in 2024/25).

Note 5 Officers Remuneration

Senior Officer Payments

The table below provides disclosure of the remuneration of Senior Officers and relevant Police Officers..

Remuneration is all amounts paid to or receivable by a person and includes sums due by way of expenses allowance (so far as those sums are chargeable to United Kingdom income tax), and the estimated money value of any other benefits received by an employee otherwise than in cash.

2024/25							Post Holder Information	2025/26						
Salary £	Allow £	Other £	Benefits in kind (11) £	Employer Pension £	Total £	Note		Note	Salary £	Allowances £	Other £	Benefits in kind (11) £	Employer pension £	Total £
97,936	1,502	495	-	34,572	134,505	1,2	Chief Constable to 06/10/2024		-	-	-	-	-	-
78,546	-	301	-	27,726	106,573	1,2	Chief Constable from 08/11/2024	1	204,132	-	995	-	72,058	277,185
148,351	4,303	1,104	-	52,368	206,126	3	Deputy CC Derbyshire	2	152,975	4,304	1,143	-	54,000	212,421
88,891	-	188	-	31,378	120,457	5	ACC Collaboration	3,4	102,180	-	609	16,173	36,070	155,032
							ACC Collaboration	5	31,292	309	735	-	11,039	43,375
130,067	-	402	-	45,914	176,383	6	ACC Crime & Criminal Justice	6	108,386	-	660	-	38,260	147,306
							ACC Crime & Criminal Justice	7	37,060	-	212	-	13,082	50,354
133,191	-	750	-	47,016	180,957	7	ACC Operational Support	8	138,844	-	840	-	49,012	188,696
127,054	-	-	-	22,743	149,797		Assistant Chief Officer Resources	9	139,083	-	-	-	24,896	163,979
103,969	-	-	-	18,610	122,579		Chief Finance Officer to Chief Constable	10	2,271	-	-	-	301	2,572
							Acting Chief Finance Officer to Chief Constable	11	53,761	-	-	-	9,623	63,384
							Director of Finance and Assets & S151 Officer to Chief Constable	12	49,166	-	-	-	8,801	57,967

Notes 2024/25

1. As the total remuneration for 2024/25 has exceeded £150k the regulations require that Ms R Swann be named.
2. The Chief Constable retired from the Force on 06/10/2024 and returned on 08/11/2024 through the Retire and Rehire Policy for Police Officers.
3. As the total remuneration for 2024/25 has exceeded £150k the regulations require that Mr S Blatchly be named.
4. The Deputy Chief Constable Collaboration left on 31/03/2024.
5. The Assistant Chief Constable Collaboration replaced the Deputy Chief Constable Collaboration and was appointed on 22/02/2024.
6. As the total remuneration for 2024/25 has exceeded £150k the regulations require that Mr J Abdy be named.
7. As the total remuneration for 2024/25 has exceeded £150k the regulations require that Ms M Shooter be named.

Notes 2025/26

1. As the total remuneration for 2025/26 has exceeded £150k the regulations require that Ms R Swann be named.
2. As the total remuneration for 2025/26 has exceeded £150k the regulations require that Mr S Blatchly be named.
3. The Assistant Chief Constable Collaboration left on 01/01/2026.
4. As the total remuneration for 2025/26 has exceeded £150k the regulations require that Ms D Coulson be named.
5. The Assistant Chief Constable Collaboration was appointed on 02/01/2026.
6. The Assistant Chief Constable Crime & Criminal Justice left on 18/01/2026.
7. The Assistant Chief Constable Crime & Criminal Justice was appointed on 02/01/2026.
8. As the total remuneration for 2025/26 has exceeded £150k the regulations require that Ms M Shooter be named.
9. As the total remuneration for 2025/26 has exceeded £150k the regulations require that Mr A Price be named.
10. The Chief Finance Officer to Chief Constable left on 06/04/2026.
11. The Acting Chief Finance Officer to Chief Constable was in post 01/04/2025 to 12/10/2025.
12. The Director of Finance and Assets & S151 Officer to Chief Constable was appointed on 13/10/2025 and replaced the Acting CFO.

Officers Remuneration over £50,000

The disclosure below details salary of Police Staff and Senior Police Officers (over and above the rank of Superintendent) receiving more than £50,000 remuneration for the year (excluding employer's pension contributions). This excludes the officers shown in the above table.

Remuneration Band	No. Of Employees 2024/25	No. Of Employees 2025/26
£50,000 - £54,999	60	91
£55,000 - £59,999	54	44
£60,000 - £64,999	21	37
£65,000 - £69,999	11	20
£70,000 - £74,999	6	5
£75,000 - £79,999	7	9
£80,000 - £84,999	2	5
£85,000 - £89,999	1	2
£90,000 - £94,999	1	-
£95,000 - £99,999	6	2
£100,000-£104,999	1	7
£105,000 - £109,999	1	-
£110,000-£114,999	2	1
£115,000-£119,999	-	2
£120,000 - £124,999	1	-
£125,000-£129,999	2	2
£130,000 - £134,999	-	-
£135,000 - £139,999	-	2
TOTAL	176	229

Exit Packages

- A Mutually Agreed Resignation scheme (MARS) which is a voluntary scheme which allows eligible police staff to resign from their post in return for a severance payment under a mutually agreed resignation resulted in 35 exit packages in 2025/26 at a total cost of £493,322.

2024/25				Exit packages cost band (including special payments)	2025/26			
Number of compulsory redundancies	Number of other departures agreed	Total Number of Exit Packages Agreed	Total cost of exit packages in each band £		Number of compulsory redundancies	Number of other departures agreed	Total Number of Exit Packages Agreed	Total cost of exit packages in each band £
-	-	-	-	£0 - £20,000	-	28	28	303,934
-	-	-	-	£20,001 - £40,000	-	7	7	189,388
-	1	1	£47,772.05	£40,001 - £60,000	-	-	-	-
-	-	-	-	£60,001 - £80,000	-	-	-	-
-	-	-	-	£80,001 - £110,000	-	-	-	-
-	1	1	£47,772.05	TOTAL	-	35	35	493,322

Note 6 External Audit Fees

Fees in relation to external audit for the Chief Constable are as follows: -

2024/25 £'000	External Audit Fees	2025/26 £'000
56	Scale Fees Payable	54
-	Fees payable for audit of previous years – Grant Thornton	5
-	Fees payable for audit of previous years – Ernst Young	12
56	Total fees Chief Constable	71

Note 7 Grant Income

In 2025/26 £22,694 grant income (£44,468 Commissioner, £22,694 Chief Constable) was received from the Ministries of Housing, Communities and Local Government (MHCLG) for the Redmond Review and Audit Build-Back Grant, this was to support increased audit fees driven by new requirements on auditors.

Note 8 Jointly Controlled Operations

East Midlands Jointly Controlled Operations

Jointly Controlled Operations (JCO) or Collaborations with other East Midlands Forces are used to deliver services within the Force. The share of cost to Derbyshire is different depending on the number of Forces partaking in the JCO.

The following table shows the accounts for all the JCO'S and the balances attributable to Derbyshire.

2024/25		Comprehensive Income and Expenditure Statement	2025/26	
Jointly Controlled Operations £'000	Derbyshire Police £'000		Jointly Controlled Operations £'000	Derbyshire Police £'000
45,204	10,403	Employees' Expenses	49,048	11,255
563	122	Premises	726	158
948	209	Transport	946	208
5,079	1,236	Supplies and Services	6,188	1,497
4,750	1,072	Agency and Contracted Services	5,785	1,260
1,251	273	Capital Charges	1,307	285
-	-	Revaluation (Gains)/Losses	(569)	(124)
57,795	13,315	Gross Operating Expenditure	63,431	14,539
(2,287)	(517)	Other Income	(2,118)	(481)
5	1	Profit/(Loss) on Disposal of Fixed Assets	4	1
55,513	12,799	Net Operating Expenditure Financed by: -	61,317	14,059
(48,345)	(11,241)	Contributions from Partners	(52,190)	(12,073)
(7,331)	(1,598)	External Grants	(12,187)	(2,655)
(559)	(122)	Capital Grants & Contributions	(1,068)	(233)
(722)	(162)	(Surplus) / Deficit for the year	(4,128)	(902)

The JCO's to which the Commissioner contributes cover a number of operational and support areas. Details of these are set out in the table below (Where reference is made to 'all 5 forces' this means Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire)

Jointly Controlled Operation	Activity	Participants	Commenced	Derbys %	2025/26 Gross Exp £'000	2025/26 Total Income £'000	(Surplus) / Deficit £'000
EM SOU – SOC (incl. EMSOU TSU)	Specialist Operations	All 5 forces	Jan 2003	21.8	9,031	(9,939)	(908)
EMSOU Major Crime – Command Team	Co-ordination of Major Crime investigations	All 5 forces	Sept 2011	21.8	205	(205)	-
EMSOU Forensics	Forensic analysis and identification	All 5 forces	April 2014	21.8	3,136	(3,104)	32
EM Legal Services	Specialist Legal advice and services, incl Insurance	All 5 forces	April 2014	21.8	584	(582)	2
EM CHRS – Learning & Development	Co-ordination of regional training provision	Derbys, Leics, Northants, Notts	April 2012	25.11	434	(434)	-
HR Service Centre	Transactional HR services	Derbys, Leics	June 2014	50.0	1,149	(1,177)	(28)
Totals					14,539	(15,441)	(902)

EMSOU TSU was incorporated into EMSOU-SOC accounts from April 2018 but it actually commenced operations in July 2011.

In addition to the above, Derbyshire Police has a joint arrangement with Leicestershire Police for the provision of Payroll and Risk Management software.

Note 9 Related Party Transactions

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

Disclosure of these transactions allows readers to assess the extent to which the Chief Constable might have been constrained in their ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Chief Constable.

Central Government

Central Government has significant influence over the general operations of the Chief Constable – it is responsible for providing the statutory framework within which the Chief Constable operates.

Officers

Certain senior officers might be in a position to influence significantly the policies, the Chief Constable and the Chief Finance Officer were directors of the Derbyshire Constabulary Sports Club during 2024/25 but this arrangement has now ceased, no further related party transactions have been identified following the consultation with relevant officers.

Commissioner

The Commissioner holds the Chief Constable to account, a scheme of consent is in place that gives clarity to how the two organisations operate and are governed. The Chief Constable fulfils their function within a budget set by the Commissioner.

Other Public Bodies

The Chief Constable participates in Jointly Controlled Operations with other East Midlands Forces (see Note 8) and partnership arrangements with Derbyshire Fire and Rescue Service.

Note 10 Accounting for Pension Costs (a)

As part of the terms and conditions of employment of its officers and other employees, the Chief Constable offers post-employment (retirement) benefits. Although these benefits will not actually be payable until employees retire, the Chief Constable has a current commitment to make future payments which need to be disclosed at the time that employees earn their future entitlement.

The Chief Constable participates in two post-employment schemes: -

The Local Government Pension Scheme (LGPS) for police staff is a defined benefit scheme. It is a funded scheme which is administered by Derbyshire County Council. Pensions and other retirement benefits are paid from the fund. Employers and employees make regular contributions into the fund so that the liabilities are paid for evenly over the employment period.

Actuarial valuations of the fund are undertaken every three years to determine the contribution rates needed to meet its liabilities. A valuation was undertaken as at the 31 March 2022 which set contribution rates for the 3-year period commencing on the 1 April 2023.

The 2025/25 total employer contribution of £11.455m consisted only of 'regular' contributions as there were no additional one-off contributions towards early retirements. This is in line with pension costs necessary to be provided in accordance with IAS19 "Employee Benefits". Prior to 2024/25 the regular contributions consist of 2 elements:

- a 'future service rate' to meet the estimated cost of benefits that will be earned in future (set at 13.9% of pensionable pay at the latest valuation).
- a 'deficit recovery repayment' lump sum to enable the difference between the value of benefits earned to date and the assets that have been built up to be recovered over a specified period (NIL paid in 2024/25).

In total these 2 elements equated to a contribution rate of 17.9% of pensionable pay for 2024/25.

In addition to contributions to the Pension fund the Chief Constable is responsible for compensation payments in the form of "added years" awarded on premature retirement. In 2025/26 these amounted to £0.026m.

Further information can be found in the County Council's Pension Fund Statement of Accounts, which is available upon request from Derbyshire County Council.

The structure of benefits payable to members under the LGPS was reformed from April 2014 as part of a policy to make all pension schemes across the public sector more affordable. In summary, retirements benefits earned from service after this date became based on 'career average' salaries rather than final salaries. For Police Officers (see below) a similar change was implemented from April 2015.

The implementation of all the new career-average schemes across the public sector was subsequently found to be discriminatory – on grounds of age – in a series of court rulings. This was because members nearer to retirement were treated more favourably than younger members with less service. Following a consultation process HM Treasury has determined a mechanism and process for removing the discrimination, which is referred to collectively as the 'Pensions Remedy'.

This process began in October 2023, when all the technical details of implementation have been worked out and will mean that individual members will have a choice regarding the benefits they receive for service between the 1 April 2015 and 31 March 2022. More details can be found under the 'McCloud Judgement' section below.

The Police Pension Scheme for police officers is an unfunded single employer defined benefit scheme. This means it provides pensions and other retirement benefits for police officers but there are no investment assets built up to meet the pensions liabilities. Up to and including 2023/24 three schemes were in operation:

- The 1987 Police Pension Scheme - based on officers' final salaries and a maximum pensionable service of 30 years.
- The 2006 Police Pension Scheme (effective for police officers commencing from April 2006 onwards) - based on officers' final salaries and a maximum pensionable service of 35 years.
- The 2015 Police Pension Scheme – based on 'career average' salaries with no maximum pensionable service but a Normal Pension Age of 60.

However, during 2025/26 only the 2015 Police Pension Scheme was in operation. The other 2 schemes were fully closed to all members on 31 March 2022.

All new officers and existing officers not subject to protection arrangements are now members of the 2015 scheme. As with the Local Government Pension Scheme, because the changes to the Police Officer pension scheme from 2015 involved transitional protections for older members close to retirement age they come within the ambit of the McCloud Judgement / Pension Remedy (see page 44).

The constabulary is required to operate a separate Pensions Account for all transactions related to the Police Pension Scheme. Officers' contributions and an employer's contribution are paid into the pensions account from which pension payments are made. The account is topped up each year by the Home Office if the contributions in that year are insufficient to meet the cost of pensions paid. Any surplus is repaid to the Home Office.

For 2025/26 a Top up grant of £30.879m was received from the Home Office to supplement the employer's contributions paid into the account which amounted to £32.448m (35.3% of pensionable salary). The contribution rate of 31.0% was set following a revaluation of the scheme's total liabilities by the Government Actuary's Department as at the 31 March 2016. A further revaluation as at the 31 March 2020 determined a revised employer's contribution rate of 35.3% with effect from the 1 April 2024.

In addition to the standard contribution, individual payments totalling £1.434m were made into the Pensions Fund Account to reimburse the extra cost of benefits becoming payable early due to ill-health retirement. Injury-related payments amounted to £3.011m and these were paid from the Comprehensive Income and Expenditure Account. The Pensions Fund Account is shown on page 53.

Transactions relating to post-employment benefits (b)

Under IAS 19 we recognise the cost of retirement benefits in the Net Cost of Services when they are earned by employees, 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 Reserve via the Movement in Reserves Statement.

The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Reserve Balance via the Movement in Reserves Statements during the year, the 2024/25 figures have been restated to separate the Commissioner and Chief Constable assets and liabilities and incorporates the 2025 valuation results: -

Original 2024/25 £'000	Restated 2024/25 £'000	Local Government Pension Scheme Comprehensive Income & Expenditure Statement	2025/26 £'000
10,777	10,777	Cost of Services	8,154
-	-	Current service cost *	-
		Past Service cost (incl curtailments)	
(8)	(8)	Financing and Investment Income and Expenditure	(4,229)
		Net Interest cost	
10,916	10,916	Total Post-Employment Benefits Charged to the Surplus or Deficit on the Provision of Services	3,925
		Other Post-Employment Benefits charged to the CIES	
4,279	4,130	Re-measurements of surpluses/deficits	(16,207)
(585)	(4,521)	Return on scheme assets (excluding the amount included in the net interest expense)	1,185
(61,624)	(55,947)	Actuarial losses/(gains) arising from changes in demographic assumptions	(13,447)
(2,916)	(15,237)	Actuarial losses/(gains) arising from changes in financial assumptions	
		Other experience changes	2,743
(29,928)	(29,755)	Changes in the effect of the asset ceiling	(71,458)
(90,774)	(70,856)	Total Re-measurements	(97,184)
(79,858)	(60,087)	Total Post-Employment Benefits Charged to the CIES	93,259

Original 2024/25 £'000	Restated 2024/25 £'000	Local Government Pension Scheme Movement in Reserves Statement Expenditure	2025/26 £'000
79,858	60,087	Reversal of net charges for post-employment benefits in accordance with the code	93,259
11,323	11,323	Actual amount charged against the General Reserve Balance for pensions in the year:	11,480
-	-	Employers' contributions payable to scheme plus added years	-
		Retirement benefits payable to pensioners	-

2024/25 £'000	Police Pension Scheme Comprehensive Income & Expenditure Statement	2025/26 £'000
	Cost of Services	
15,790	Current service cost	10,530
80,780	Net Interest cost	86,400
96,570	Total Post-Employment Benefits Charged to the Surplus or Deficit on the Provision of Services	96,930
	Other Post-Employment Benefits charged to the CIES	
-	Re-measurement of surpluses /deficits :	-
560	Actuarial losses/(gains) arising from changes in demographic assumptions	(14,190)
(198,630)	Actuarial losses/(gains) arising from changes in financial assumptions	(51,130)
(2,530)	Other experience changes	-
(200,600)	Total Re-measurements	(65,320)
(104,030)	Total Post-Employment Benefits Charged to the CIES	31,610

2024/25 £'000	Police Pension Scheme Movement in Reserves Statement	2025/26 £'000
104,030	Reversal of net charges for post-employment benefits in accordance with the code	(31,610)
32,768	Actual amount charged against the General Reserve Balance for pensions in the year:	36,901
-	Employers' contributions payable to scheme	-
	Retirement benefits payable to pensioners	-

*For the LGPS the current service cost is within the Police Staff Pay and Allowances figure in note 2.

The Current Service Cost – which is the total increase in entitlements earned by existing employees during the year and the other gains and losses are affected by changes in the key actuarial and financial assumptions used in projecting future pension entitlements. Note 10b details the key demographic and financial assumptions which have been used in calculating these figures. It also quantifies the potential impact if different assumptions are used.

McCloud Remedy Judgement - Police Pension Challenge

The McCloud remedy window ran from 1 April 2015 to 31 March 2022. Eligible members will be able to elect which scheme they wish to receive benefits from for this period. Due to the differing benefits structures, we expect the majority of eligible police members to elect to take legacy scheme (1987 Scheme or 2006 Scheme) benefits for the remedy period.

An allowance for McCloud remedy was first included in the 2018/19 disclosures as a past service cost for four years remedy service from 2015-2019. This past service cost was attributed proportionally to the 1987 and 2006 schemes. For subsequent years to 2021/22 an allowance was made in the 2015 service costs for the annual accrual of additional remedy service.

Now that the remedy window has closed, we have moved all McCloud related liabilities for eligible members for the period 2019 to 2022 to the associated legacy schemes. This meant all McCloud liabilities are held within the legacy scheme which we expect benefits to be paid from. In the 2022/23 disclosures, this led to a past service cost in the 1987 Scheme and the 2006 Scheme and a past service gain in the 2015 Scheme.

Updated membership data has now been received as at 31 March 2024, which reflects McCloud rollback from the 2015 to the legacy schemes for some eligible members. For these members, all McCloud eligible liabilities for the period 2015 to 2022 will now be recorded in the appropriate legacy schemes. For other McCloud eligible members, who were not yet rolled back, approximate adjustments have been made to allocate all their additional McCloud eligible liabilities to the appropriate legacy scheme (from the 2015 Scheme). It is possible that experience revisions between the sections may appear in future years' disclosures as the rollback exercise is completed and reflected in the data provided to us.

The refined approach is expected to be broadly neutral, relative to last year's approach, when considered at the combined all-schemes disclosure level. However, the additional data is expected to produce a more accurate allocation of liabilities between the individual schemes' disclosures. The impact of this refinement will be shown as experience items in the individual scheme disclosures.

Additionally, now that McCloud-related liabilities have started to move into the legacy schemes, contribution adjustments are being carried out by administrators to ensure affected members have paid the correct 'legacy rate' contributions for this portion of service. The contributions adjustments in the 2025/26 disclosures are shown as net cashflows, in line with the approach adopted last year.

GMP equalisation and indexation

The Government has published a consultation on indexation and equalisation of Guaranteed Minimum Pensions (GMP), with the proposal being to extend the “interim solution” to those members who reach State Pension Age after 5 April 2021 (7 October 2020). A past service cost was included in the 2019/20 disclosures for extending the equalisation to all future retirees.

There was also a further court ruling on 20 November 2020 regarding GMP equalisation. The court ruled that scheme trustees are required to revisit past Cash Equivalent Transfer Values (CETVs) to ensure GMP equalisation. This may result in additional top-ups where GMP equalisation means that members did not receive their full entitlement. For public service pension schemes, we expect that this ruling will be taken forward on a cross scheme basis and will need legal input. This may require revisiting past CETV cases for members with State Pension age after 5 April 2016 and who took a CETV from the scheme before the CETV were equalised. The scope of any costs are yet to be determined and we do not have data on historic CETVs on to estimate the potential impact, but we expect it will be a relatively small uplift for a relatively small subset of members (i.e. those who took a CETV and are in scope for a top up).

No additional costs were recognised for GMP equalisation and indexation in 2021/22 to 2024/25, nor are they expected to for 2025/26. In the absence of any further developments, we also propose no additional costs are recognised for 2026/27.

GMP Overpayments

We are aware that schemes have undertaken GMP reconciliation work with HMRC, and in some cases this work will result in identifying members who have been overpaid or underpaid. We have assumed that any overpayments or underpayments, to the extent they are not already reflected in underlying data, are not significant to the disclosures GAD prepares for the balance sheet and the profit and loss accounts.

Part-year inflation

We have allowed for known inflation between September 2025 and February 2026.

Survivor benefits legal challenges (Goodwin)

In 2020 a legal challenge was brought against the Teachers’ Pension Scheme regarding the provision of survivor benefits to a male spouse of a female member. In that scheme, dependant benefits for a male spouse of a female member are based on service from 1988 and do not include service before 1988.

Home Office advised that due to the historic equal benefit structure in the 1987 Scheme they do not believe there is a similar situation in the Police Pension Scheme in England & Wales and therefore there was no requirement to allow for this legal challenge in the 2025/26 accounting disclosures.

Section 37 legal case

We are aware of the case of Virgin Media Ltd vs NTL Pension Trustees II Limited (and others) relating to actuarial certifications under section 37 of the Pension Schemes Act 1993. This case potentially has implications for the validity of amendments made by schemes which were contracted-out on a salary-related basis between 6 April 1997 and the abolition of contracting-out in 2016. There is considerable uncertainty around this case including potential read across to public service pension schemes. We understand that schemes continue to administer benefits and recognise liabilities in accordance with scheme regulations currently in force. No additional costs are assumed to be recognised in the 2025/26 accounting disclosures.

Note 11 Assets and Liabilities in relation to Post-employment benefits (a)

Note 11 contains details of the Chief Constable's participation in the Local Government Pensions Scheme (administered by Derbyshire County Council) and the Police Pension Scheme in providing Police staff and police officers with retirement benefits.

Reconciliation of the present value of the schemes' liabilities is as follows:

Original 2024/25 £'000	Revised 2024/25 £'000	Funded liabilities: Local Government Pension Scheme	2025/26 £'000
(332,896)	(332,896)	Opening Balance as at the 1 April	(304,225)
(10,777)	(10,777)	Current Service Cost	(8,154)
-	-	Past Service Cost (inc. curtailments)	-
(16,272)	(16,272)	Interest on pension liabilities	(17,731)
(4,056)	(4,056)	Contributions from scheme participants	(4,202)
		Change in estimate of scheme liabilities	
585	4,521	Remeasurement gains and (losses):	
		Actuarial gains/(losses) arising from changes in demographic assumptions	(1,185)
61,624	55,947	Actuarial gains/(losses) arising from changes in financial assumptions	13,447
2,916	(9,762)	Other experience changes	(2,743)
9,070	9,070	Benefits paid	9,341
(292,037)	(304,225)	Deficit as at the 31 March	(315,452)

2024/25 £'000	Unfunded Liabilities Police Pension Scheme	2025/26 £'000
(1,723,332)	Opening Balance as at the 1 April	(1,557,472)
(15,790)	Current Service cost	(10,530)
(80,780)	Interest on pension liabilities	(86,400)
-	Past Service Cost	-
(12,870)	Contributions from scheme participants	(12,440)
-	Change in estimate of the scheme liabilities	-
2,530	Remeasurement gains and (losses):	
198,630	Actuarial gains/(losses) arising from changes in demographic assumptions	-
(560)	Actuarial gains/(losses) arising from changes in financial assumptions	51,130
74,700	Other experience gains and (losses)	14,190
	Benefits Paid	80,380
(1,557,472)	Deficit as at the 31 March	(1,521,142)

Pensions Assets and Liabilities Recognised in the Balance Sheet

Balance Sheet	Local Government Pension Scheme			Police Pension Scheme		Balance Sheet	
	Original 2024/25 £'000	Revised 2024/25 £'000	2025/26 £'000	2024/25 £'000	2025/26 £'000	2024/25 £'000	2025/26 £'000
Present value of the defined benefit obligation	(292,037)	(304,225)	(315,452)	(1,557,472)	(1,521,142)	(1,849,509)	(1,838,616)
Fair Value of Scheme Assets	383,225	375,489	419,997	-	-	383,225	422,643
Asset Ceiling Adjustment	(91,382)	(71,458)	(104,732)			(91,382)	(105,356)
Net liability arising from defined benefit obligation	(194)	(194)	(187)	(1,557,472)	(1,521,142)	(1,557,666)	(1,521,329)

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

The liabilities show the underlying long-term commitments that the Chief Constable must pay for post-employment (retirement) benefits. The total liability of £1,521,329m has a substantial impact on the net worth of the Chief Constable as recorded in the Balance Sheet. Some £1,521.142m of this overall deficit relates to the Police Pension Scheme, which is a centrally funded scheme administered and underwritten by HM Government. However, statutory arrangements for funding the deficit mean that the financial position of the PCC Group remains stable: -

The Local Government Pension Scheme

- Any deficit on the local government scheme will be made good by contributions over the remaining working life of employees (i.e. before payments fall due), as assessed by the scheme actuary.
- Also, due to national changes under the Public Pensions Services Act 2013, as from the 1 April 2014 scheme members accrue pension entitlements based on career-average salaries instead of the salary being paid at the point of retirement as previously.

The Police Pension Scheme

- The method of financing Police Officers pensions changed from April 2006. Prior to this date, all pension costs were charged to the Constabulary's operational account and funded by general revenue funding along with all other operational expenses. This created wide fluctuations in the cost of pensions from year to year.
- Employers now pay a fixed contribution (i.e. an actuarially determined % of pensionable pay) into a separate pension account. Any net cost of pensions paid to members in excess of this contribution is offset by a Home Office top-up grant.
- This change to the method of financing police officer pensions, and the fact that the employer contribution rate is assessed on a regular basis creates a more stable environment for Police Officer pensions.
- In addition, the introduction of a new Police Pension Scheme from April 2015 means that benefits accrued in this scheme are based on a retirement age of 60, which is later than previously, and on average salaries over the whole period of employment.

The total contributions expected to be made to the Local Government Pension Scheme by the Chief Constable in the year to the 31 March 2027 are £9.534m. Expected contributions for the Police Pension Scheme in the year to the 31 March 2027 are £65.457m.

The weighted average duration of the defined benefit obligation for members of the Local Government Pension Scheme is 21 years. The weighted average duration of the defined benefit obligation for the Police Pension Schemes is 16 years.

Reconciliation of the Movements in the Fair Value of the assets of the Local Government Pension Scheme: -

Original 2024/25 £'000	Revised 2024/25 £'000	Local Government Pension Scheme	2025/26 £'000
363,671	361,275	Opening fair value as at the 1 April	375,489
17,763	17,656	Interest Income	21,960
(4,279)	(4,130)	The return on plan assets, excluding the amount included in the net interest expense	16,207
11,177	11,177	Contributions from employer	11,480
4,056	4,056	Contributions from employees into the scheme	4,202
(9,070)	(9,070)	Benefits/transfers paid	(9,341)
-	(5,475)	Other Experience	-
383,225	375,489	Closing fair value of scheme assets as at the 31 March	419,997

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

The actual return on scheme assets including expected return on plan assets in the year was a gain of £38.167m (revised 2024/25 a gain of £13.526m).

In 2025/56 the local government pension scheme has a net asset in respect of the funded obligations due to changes in the financial assumptions and an excess return on assets. In accordance with proper accounting practice, as asset ceiling calculation has been undertaken which shows that the net asset cannot be realised. As a result the net assets are reduced by £105m.

Local Government Pension Scheme assets comprised: -

2024/25				Local Government Pension Scheme Assets	2025/26			
Quoted prices in active markets £'000	Quoted prices not in active markets £'000	Total £'000	% of Total Assets		Quoted prices in active markets £'000	Quoted prices not in active markets £'000	Total £'000	% of Total Assets
-	16,587	16,587	4%	Cash and cash equivalents	-	17,662	17,662	4%
5,312	-	5,312	1%	Equities	0	-	0	0%
				Debt Securities				
24,129	32,062	56,191	15%	Corporate Bonds	26,913	34,982	61,895	15%
43,031	-	43,031	11%	UK Government Bonds	57,196	-	57,196	14%
4,803	-	4,803	1%	Other Bonds	-	-	-	0%
71,963	32,062	104,025	23%	Debt Securities sub-total	84,109	34,982	119,091	29%
805	26,068	26,873	7%	UK Property	813	30,096	30,909	7%
6,423	13,451	19,874	5%	Private Equity	5,925	14,749	20,674	5%
				Other Investment Funds				
62,584	106,772	169,356	44%	Equities	189,551	-	189,551	45%
5,021	36,177	41,198	11%	Infrastructure	5,207	39,550	44,757	11%
67,605	142,949	210,554	55%	Other Investment Funds sub-total	194,758	39,550	234,308	55%
152,108	231,117	383,225	100%	Total Assets	285,605	137,038	422,643	100%

Basis for estimating assets and liabilities (b)

Liabilities have been assessed on an actuarial basis using the Projected Unit Credit Method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary rates etc. Under the projected unit method, the current service cost will increase as the members of the scheme approach retirement for the local government and police pension schemes.

The Police Officer scheme has been assessed by the Government Actuary Department (GAD), estimates are based on the latest full valuation of the scheme as at 31 March 2020.

The Local Government scheme has been assessed by Hymans Robertson LLP, an independent firm of actuaries - estimates are based on the latest full valuation of the scheme as at the 31 March 2026. The main assumptions used in their calculations have been: -

	Local Government Pension Scheme		Police Pension Schemes	
	2024/25	2025/26	2024/25	2025/26
Mortality assumptions:	Years	Years	Years	Years
Longevity at 65 for current pensioners:				
Men	20.8	21.3	21.9	22.0
Women	23.8	24.2	23.9	24.0
Longevity at 65 for future pensioners				
Men	21.5	22.1	23.3	23.4
Women	25.3	25.5	25.2	25.3
Financial Assumptions	%	%	%	%
Rate of CPI inflation	2.75	3.0	2.70	2.95
Rate of increase in salaries (Long Term)	3.75	4.0	3.45	3.70
Rate of increase in pensions	2.95	3.0	2.70	2.95
Rate of CARE revaluation	-	-	3.95	4.20
Rate for discounting scheme liabilities	5.80	6.3	5.65	6.10
Take up option to convert annual pension into retirement grant: pre-April 2008 service	60	60	n/a	n/a
post-April 2008 service	60	60	n/a	n/a

Covid-19 implications

Covid-19 and climate change are areas where there remains significant uncertainty, which could affect both future economic and demographic experience. In line with previous years, the assumptions used in the preparation of the 2025/26 accounts allow for the current impacts of Covid-19 and climate change to the extent that they are reflected in the market data used to set or derive assumptions.

The 2022-based population projections consider Covid-19 as a mortality shock event, applying an appropriate short-term adjustment rather than projecting its effects forward. Death rates from Covid-19 in excess of that already allowed for in the mortality assumptions and reflected in the membership data would emerge as an experience gain in future years' accounts

Cost of Living implications

The effect of the continued high inflation rates has had some impact on the discount rate used in valuation of the liabilities. The accounting assumptions are based on market expectations as at the 31 March 2026 and were shaped by global events, therefore affecting the value placed on the obligations.

Sensitivity of 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 reasonably possible changes to the assumptions occurring at the end of the reporting period. It assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or 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 projection unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Change In Assumption as at the 31/03/2026					
		0.1% decrease in Real Discount Rate	1 year increase in member life expectancy	0.1% increase in the salary increase rate	0.1% increase in the pension increase rate
Local Government Pension Scheme	Approximate % increase to Employer Liability	2.0	4.0	0.0	2.0
	Approximate monetary amount - £'000	5,619	12,618	322	5,294
		0.5% decrease in Real Discount Rate	1 year increase in member life expectancy	0.5% increase in the salary increase rate	0.5% increase in the pension increase rate
Police Pension Schemes	Approximate % increase to Employer Liability	(7.0)	2.5	1.0	7.0
	Approximate monetary amount - £'000	(107,000)	36,000	12,000	107,000

Note 12 Plant and Equipment

Movements in 2025/26

	Operational Vehicles, Plant, Furniture Equipment £'000	Non-Operational Assets Under Construction-Equipment £'000	TOTAL £'000
Cost or Valuation			
At the 1 April 2025	39,826	1,644	41,470
IFRS 16 Movement	(18)	-	(18)
Additions	6,714	-	6,714
Derecognition – Disposals	(1,394)	-	(1,394)
Derecognition – Other	(2,067)	-	(2,067)
Reclassifications – other	392	(392)	-
At the 31 March 2026	43,453	1,252	44,705
Depreciation and Impairments			
At the 1 April 2025	(22,616)	-	(22,616)
Depreciation charge	(5,374)	-	(5,374)
Derecognition – Disposals	1,045	-	1,045
Derecognition – Other	1,853	-	1,843
At the 31 March 2026	(25,091)	-	(25,091)
Net Book Value			
Net Book Value as at the 31 March 2026	18,362	1,252	19,614
Net Book Value as at the 31 March 2025	17,210	1,644	18,854

Movements in 2024/25

	Operational Vehicles, Plant, Furniture Equipment £'000	Non-Operational Assets Under Construction- Equipment £'000	TOTAL £'000
<u>Cost or Valuation</u>			
At the 1 April 2024	40,285	4,374	44,659
IFRS 16 Adjustment	87	-	87
Additions	4,156	(2,730)	1,426
Derecognition – Disposals	(975)	-	(975)
Derecognition – Other	(3,726)	-	(3,726)
Reclassifications – other			
At the 31 March 2025	39,826	1,644	41,470
<u>Depreciation and Impairments</u>			
At the 1 April 2024	(22,140)	-	(22,140)
Depreciation charge	(4,889)	-	(4,889)
Derecognition – Disposals	687	-	687
Derecognition – Other	3,726	-	3,726
At the 31 March 2025	(22,616)	-	(22,616)
<u>Net Book Value</u>			
Net Book Value as at the 31 March 2025	17,210	1,644	18,854
Net Book Value as at the 31 March 2024	18,145	4,374	22,519

Valuation of Assets

All Plant and Equipment is valued at historic cost.

Vehicle information has been taken from the Vehicle Fleet Information System (the total number of vehicles as at the 31 March 2026 is 788). IT and Communications information has been provided by the Information Services Department.

Depreciation

The basis of depreciation is shown in the Statement of Accounting Policies (page 26).

Note 13 Intangible Assets

The Chief Constable accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Plant and Equipment.

Purchased Software Licences	2024/25 £'000	2025/26 £'000
Balance as at the 1 April		
Gross carrying amount	7,602	7,654
Accumulated amortisation	(7,136)	(7,288)
Net carrying amount as at the 1 April	466	366
Additions	52	-
Reclassifications	-	-
Derecognitions	-	(53)
Amortisation in year	(152)	(125)
Balance as at the 31 March	366	188

Note 14 Capital Expenditure and Capital Financing Statement

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. The Chief Constable does not hold funding so the assets are funded by Intra group funding from the Commissioner. The Chief Constable does not have a capital financing requirement.

2024/25 £'000		2025/26 £'000
	Capital Financing Requirement	
1,512	Capital investment	6,714
52	<i>Plant and Equipment</i>	-
1,564	<i>Intangible assets</i>	6,714
	Total Capital Investment	
(1,564)	Sources of Finance	(6,714)
	<i>Intra Group funding</i>	
-	Closing Capital Financing Requirement	-

Note 15 Provisions

A provision should be made for any liabilities of uncertain timing or amount that have been incurred and should cover costs that are more likely than not to occur.

Provisions are shown on the Commissioner's balance sheet. The provision for the year goes through the Chief Constable's CIES.

Liability Insurance Provision -This provision is to meet liability claims which are not covered by external insurers. The balance reflects the claims handlers' assessment of open liabilities on claims outstanding as at the 31 March 2026, together with an estimate for claims relating to 2025/26. On this basis a provision of £2.377m is required.

Vehicle Insurance Provision – This provision is to meet Third Party claims which are not covered by external insurers. The balance reflects the claims handlers' assessment of open liabilities on claims outstanding as at the 31 March 2026, together with an estimate for claims relating to 2025/26. On this basis a provision of £0.413m is required.

Backdated Overtime Provision – This is a provision for the costs of settling a claim outstanding against Derbyshire Police arising from the ruling in Allard v Devon and Cornwall Police. This related to entitlement to overtime payments following recalls to duty to meet specific operational requirements. The £0.050m balance on the provision is for the one outstanding claim plus legal fees.

National Undercover Provision – This majority of this provision represents Derbyshire's share of a claim received nationally from 99 Undercover Officers. The estimated cost of the claim to be met from all Forces is £11.9m. Derbyshire's share based on NRE is £0.175m. The remaining £0.004m is Derbyshire's share of Civil Proceedings Arising out of Conduct of UC Officer which has been notified by the National Police Chiefs' Council.

Provisions	Liability Insurance £'000	Vehicle Insurance £'000	Backdated Overtime £'000	National Undercover Provision £'000	Total Provisions £'000
Balance as at the 1 April 2025	2,098	696	0	180	2,974
Provision in Year	843	130	50	-	1,023
Expenditure in year	(564)	(413)	-	-	(977)
Transfer to/from Insurance Reserve	-	-	-	-	-
Balance as at the 31 March 2026	2,377	413	50	180	3,020

Provisions are split between short term (£1.011m) and long term (£2.009m) in the balance sheet. Short-term provisions cover liabilities that are expected to be settled within 12 months of the balance sheet date.

Note 16 Contingent liabilities / Contingent assets

Contingent liabilities/assets arise where the Chief Constable is aware of a possible obligation that has occurred because of events prior to the Balance Sheet date, but where the existence will only be confirmed by future events which are not in the Chief Constable's control.

Contingent Liabilities

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. These amounts are not recorded in the PCC's accounts because:

- It is not probable that an outflow of economic benefits or service potential will be required to settle the obligation or
- The amount of the obligation cannot be measured with sufficient reliability at the year end.

The National Police Chief Council have also made the Force aware of potential civil proceedings arising out of conduct of an officer seconded to the National Public Order Intelligence Unit (NPOIU) whilst working undercover between 2003 and 2010. Although the Force where the officer originates from would bear any internal legal costs as this individual was seconded to a national body any other costs arising from a successful claim in this matter, including disbursements, external legal costs, damages, or settlement sums, would be apportioned to police forces according to the prevailing national funding formula for police forces at the time of payment.

Public Inquiry into Grooming Gangs

The statutory Independent Inquiry into Grooming Gangs is a national investigation examining institutional failures to protect children from group-based sexual abuse. The cost of this inquiry is expected to be apportioned to police forces according to the prevailing national funding formula at the time of payment.

Motorway Speed Enforcement (Op Cabin)

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

McCloud

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

PFI Contract

A significant long-term financial risk is the expiry of the St Mary's Wharf PFI contract in December 2030, for which there is a limited capital funding provision. The Force is currently liaising with the Home Office to try and secure future funding towards an exit strategy from the contract.

Contingent Assets

The Chief Constable has no contingent assets as at 31 March 2026.

Note 17 Unusable Reserves

Unusable Reserves	31 March 2025 £'000	31 March 2026 £'000
Revaluation Reserve	1	1
Capital Adjustment Reserve	19,219	19,802
Pensions Reserve	(1,557,666)	(1,521,329)
Accumulated Absence Account	(3,446)	(3,802)
Total Usable Reserves	(1,541,892)	(1,505,328)

Capital Adjustment Account

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

The Movement on Reserves Statement details the source of all transactions posted to the Account, apart from those involving the Revaluation Reserve.

Capital Adjustment Account	2024/25 £'000	2025/26 £'000
Balance as at the 1 April	22,984	19,219
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement		
• Charges for depreciation and impairment of non-current assets	(4,890)	(5,392)
• Amortisation of Intangible Assets	(151)	(125)
• Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(288)	(615)
Net written out amount of the cost of non current assets consumed in the year	(5,329)	(6,132)
Intra Group Funding	1,564	6,714
Balance as at the 31 March	19,219	19,802

Pension Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Chief Constable accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet these costs. However, statutory arrangements require benefits earned to be financed as the Chief Constable makes employer's contributions to pensions funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Chief Constable has set aside by the time the benefits come to be paid.

Pensions Reserve	2024/25 £'000	2025/26 £'000
Balance as at the 1 April	(1,723,332)	(1,557,666)
Transfer of Police Staff		
Actuarial gains or losses on pensions assets and liabilities	291,374	162,504
Asset Ceiling Adjustment	(91,382)	(104,732)
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.	(107,486)	(100,855)
Employer's pensions contributions and direct payments to pensioners payable in the year	73,160	79,420
Balance as at the 31 March	(1,557,666)	(1,521,329)

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Reserve Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave, time off in lieu entitlement carried forward at the 31 March. Statutory arrangements require that the impact on the General Reserve Balance is neutralised by transfers to or from the Account.

Accumulated Absences Account	2024/25 £'000	2025/26 £'000
Balance as at the 1 April	(3,477)	(3,446)
Settlement or cancellation of accrual made at the end of the preceding year	3,477	3,446
Amounts accrued at the end of the current year	(3,446)	(3,802)
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	31	(356)
Balance as at the 31 March	(3,446)	(3,802)

Note 18 Authorisation of Accounts for issue

The 2025/26 Statement of Accounts were authorised for issue by the Director of Finance and Assets – S151 Officer on the 30th June 2026. All events after the balance sheet date until this date have been considered for disclosure as events after the balance sheet date.

Note 19 Post Balance sheet events

There are no post balance sheet events.

POLICE PENSION FUND ACCOUNT

2024/25 £'000		2025/26 £'000
	Contributions Receivable :	
(30,960)	Employer's actuarial rate	(32,651)
(524)	Employer's ill health retirement capital charges	(1,446)
(225)	Active members - 1987 Scheme	0
(1)	Active members - 2006 Scheme	(3)
(11,764)	Active members - 2015 Scheme	(12,402)
	Transfers In :	
(83)	Transfer values receivable	(39)
	Benefits Payable :	
61,400	Pensions	63,564
10,005	Commutations and lump sum retirement benefits	13,525
148	Death Grant Benefit	0
	Payments to and on account of leavers :	
154	Refunds of contributions	38
17	Transfer values payable	7
28,167	Sub-total : Net amount payable for the year	30,593
(28,167)	Additional contribution from the Police and Crime Commissioner to fund the deficit for the year	(30,593)
0	Net amount payable/receivable for the year	0
	<u>Net Assets Statement</u>	
	Current assets	
5,232	Pensions paid in advance	(5,450)
	Current Liabilities	
0	Unpaid pension benefits	0
(5,232)	Surplus for year payable to Police and Crime Commissioner	5,450
0		0

Notes to the Pension Fund Account

Note 1 Police Pensions Fund Account

The Police pension scheme is an unfunded single employer defined benefit scheme. This means that it provides pensions and other retirement benefits for police officers based on pensionable pay, but there are no investment assets built up to meet the pensions liabilities as they fall due.

Up until 2014/15 two police pension schemes were in operation, both of which gave retirement benefits based on 'final' salaries:

- **The 1987 Police Pension Scheme** - based on a maximum pensionable service of 30 years.
- **The 2006 Police Pension Scheme** (effective for police officers commencing from April 2006 onwards) - based on a maximum pensionable service of 35 years.

From the 6 April 2015 a new Police Officer pension scheme came into existence

- **The Police Pension Scheme 2015** - which provides retirements based on 'career average' salaries, meaning that the benefits receivable are based on a proportion of pensionable pay earned in each year of scheme membership.

The 1987 and 2006 schemes were closed to new members as from 31 March 2015 and were closed completely as from 31 March 2022.

31 March 2022 was the latest point to which existing members of the 1987 and 2006 schemes (as at 31 March 2015) could continue to accrue final salary benefits in those schemes under 'transitional protection' arrangements put in place when the 2015 scheme was introduced. In general terms to receive protection members had to be within 10 years of their normal point of retirement under their existing scheme rules. Depending on their age and length of service, protection was either 'full' (meaning they remained in their legacy scheme for the full 7-year period between 2015 and 2022) or 'tapered' (they remained in the legacy scheme for a proportion of the 7-year transitional period).

All existing officers at April 2015 not eligible for protection arrangements were automatically transferred into the 2015 scheme from that date. Similarly new officers joining the service on or after the 1 April 2015 were and are automatically entered into the 2015 Scheme. All members have a right to opt out of the scheme at any time.

At about the same period as the new 'career average' Police Officer scheme was implemented, similar schemes were also introduced for various other professions within the public sector, such as those for court judges, firefighters and civilian staff working in local government. Each had similar protection arrangements for members who were nearer to retirement. As those arrangements disproportionately benefited older members they were subject to a series of legal challenges on the basis of age discrimination.

Following rulings finding in favour of such challenges against the arrangements for judges and firefighters (the 'McCloud' and 'Sargeant' judgements), the Supreme Court denied the Government's request for an appeal against the rulings on 27 June 2019. As a result of this the Treasury announced on the 15 July 2019 that the rulings would apply to all of the main public service pension schemes and the Government afterwards stated that any remedial action implemented for claimants will be extended to all non-claimants who are in the same legal and factual position.

On 16 July 2020 HM Treasury published proposals for implementing a remedy to the age discrimination across all the public sector schemes affected by the rulings. Following a period of consultation the key details of the Remedy were confirmed on 4 February 2021, including:

- **determination of which members should be eligible for remedy**, namely: those who were members of a public sector pension scheme on or before the 31 March 2012 and on or after the 1 April 2015.
- **determination of the period of remedy**, namely: April 2015 to March 2022, with all active members being put into their respective CARE schemes from the 1 April 2022.
- **the fundamental mechanism for achieving remedy**, namely: a 'Deferred Choice Underpin', meaning that at the point they retire each eligible member will be able to choose to have been in either their legacy pension scheme or their new scheme for the seven-year period of the remedy.
- **Confirmation that the legacy 1987 and 2006 schemes would close from 31 March 2022**
- **Determination that the retrospective remedy would come into force on 1 October 2023**

These details were enacted by the Public Service Pensions and Judicial Offices Act 2022 which received royal assent on 10 March 2022.

Each individual Commissioner is required by legislation to operate a Pension Fund Account and the amounts that must be paid into and paid out of the Pension Fund are specified by regulation (Police Pensions Regulations 2007 Statutory Instrument 1932/2007).

Credits to the Pension Fund Account include a fixed employer's contribution, being an actuarially assessed % of pensionable salary. This employer's contribution is charged to the Comprehensive Income and Expenditure Statement and, along with officers' contributions, is paid into the Pensions Fund Account from which pension payments are made.

Employer and employee contribution rates are set nationally by the Home Office and are determined by a 4-yearly re-valuation of total scheme liabilities by the Government Actuary's Department. A re-valuation took place as of the 31 March 2020 and was used to set an employer contribution rate of 35.3% that was introduced by HM Treasury from April 2024.

Under these funding arrangements the Pension Fund Account balances to nil at the year-end by either receiving a contribution from the Commissioner to meet a deficit or making a payment to him equivalent to any surplus achieved. In 2025/26 a contribution of £28.923m was received, this being equivalent to the pension top-up grant receivable from the Home Office for that year.

The pension fund is statutorily prevented from including interest on cashflows and administration expenses in the pension fund, these expenses are borne by the Group Comprehensive Income and Expenditure Statement.

Costs of injury awards and ill health retirements are not part of the Pensions Fund Account and will continue to be paid from the Group Comprehensive Income and Expenditure Statement.

Note 2 Pension Fund Liabilities

The Pension Fund's financial statements do not take account of liabilities to pay pensions and other benefits after the accounting period.

Note 3 Accounting Policies

Accounting policies conform to those set out in the Statement of Accounts (page 22 to 29).

Annual Governance Statement

1. Introduction

- 1.1. This Annual Governance Statement explains how the Chief Constable has complied with: -
- The Derbyshire Joint Code of Corporate Governance.
 - Requirements of Regulation 6[1] (a) of the Accounts and Audit (England and Wales) Regulations 2015 in relation to the review of the effectiveness of the system of internal control.
 - The Police Reform and Social Responsibility Act 2011 (the Act).
- 1.2. The Police and Crime Commissioner (Commissioner) and the Chief Constable have approved and adopted a Derbyshire Joint Code of Corporate Governance which is consistent with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) Framework: Delivering Good Governance in Local Government: Guidance note for Police. A copy of the Joint Code of Corporate Governance can be obtained from the Office for the Police and Crime Commissioner for Derbyshire, Butterley Hall, Ripley, Derbyshire, DE5 3RS. It is also available on the Commissioner's website.

2. Scope of responsibilities

- 2.1. The Commissioner and the Chief Constable are responsible for ensuring that business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively. The Commissioner and Chief Constable are responsible under the Police Reform and Social Responsibility Act 2011 (the Act) for securing, inter alia, efficient, and effective policing for Derbyshire and to deliver value for money, being continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness.
- 2.2. In discharging this overall responsibility, the Chief Constable is responsible for putting in place proper arrangements for the governance of her affairs and facilitating the exercise of her functions, which includes ensuring a sound system of internal control is maintained through the year and that arrangements are in place for the management of risk.
- 2.3. The Chief Constable for Derbyshire is responsible for maintaining the King's peace and has direction and control over the officers and staff operating within Derbyshire Constabulary. The Chief Constable holds office under the Crown and is appointed by the Commissioner.
- 2.4. The Chief Constable is accountable in law for the exercise of policing powers and to the Commissioner for the delivery of efficient and effective policing, management of resources and expenditure by Derbyshire Constabulary. At all times the Chief Constable, her officers and staff remain operationally independent in the service to the public. In discharging her overall responsibilities, the Chief Constable is responsible for establishing and maintaining appropriate risk management processes, governance arrangements and ensuring that there is a sound system of internal control which facilitates the effective exercise of these functions.

- 2.5. Under the Police Reform and Social Responsibility Act 2011 the Chief Constable's CFO has a personal fiduciary duty by virtue of their appointment as the person responsible for the proper financial administration of Derbyshire Constabulary. This includes requirements and formal powers to safeguard lawfulness and propriety in expenditure (Section 114 of the Local Government Act 1988 as amended by paragraph 188 of Schedule 16 to the Police Reform and Social responsibility Act 2011 ("2011 Act")). The Chief Constable's CFO is a key member of Derbyshire Constabulary's Chief Officer Team, helping it to develop and implement strategy and to resource and deliver the Commissioner's strategic objectives sustainably and in the public interest. The CFO is actively involved in, and able to bring influence to bear on, all strategic business decisions of the Chief Constable to ensure immediate and longer-term implications, opportunities and risks are fully considered. The CFO leads the promotion and delivery by the Chief Constable of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively. The CFO ensures the finance function is resourced to be fit for purpose and oversees that appropriate management accounting systems, functions and internal controls are in place so that finances are kept under review on a regular basis. The arrangements in place are in line with the expectations set out in the CIPFA Financial Management Code 2019 and the CIPFA Statement on the Role of the Chief Financial Officer of the Chief Constable (March 2021).
- 2.6. Under s.35 of the 2011 Act, in exercising her functions the Chief Constable must ensure that good value for money is obtained and this includes ensuring that persons under their direction and control obtain good value for money in exercising their functions.
- 2.7. Derbyshire Constabulary (as a standalone entity) is legally required to produce an Annual Governance Statement. This statement helps the Commissioner to hold the Chief Constable to account for efficient and effective policing. This statement sits alongside the Statutory Accounts for the Chief Constable and gives assurance to the Commissioner of Derbyshire Constabulary's governance arrangements.

3. The Governance Framework

- 3.1. The governance framework comprises the systems and processes, culture, and values by which the Chief Constable is directed and controlled and its activities through which it accounts to, engages with, and leads its communities. It enables the Chief Constable to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money. The Force Management Statement also provides a source of assurance in respect of governance and performance and a high-level review of the CIPFA Code of Financial Management has not highlighted any significant areas of non-compliance.
- 3.2. The Constabulary's governance framework was in place at the year-end 31st March 2026 and is expected to be up to the date of the approval of the Statement of Accounts 2025/26.
- 3.3. This statement has been prepared for the 2025/26 financial year to state Derbyshire Constabulary's current governance arrangements, to report on their effectiveness during the year and to outline future actions planned to further enhance the arrangements.
- 3.4. Derbyshire Constabulary has adopted a joint code of corporate governance with the Commissioner, which is consistent with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government. This statement explains how the Chief Constable has complied with the code and also meets the requirements of Section 6 of the Accounts and Audit Regulations (England and Wales) 2015 in relation to the publication of a statement on internal control. This is underpinned by the governance framework as follows.
- 3.5. The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Constabulary's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively, and economically. Some of the significant control processes are outlined below.

4. Strategic Plans

- 4.1. The Commissioner's Police and Crime Plan sets out policing priorities and the resourcing of those priorities. It reflects the areas of greatest importance locally, identified through consultation with the public, or where performance improvement is required.
- 4.2. A project commenced in January 2025 to develop the Force Strategic Plan 2025-2029. The draft Force Strategic Plan 2025-2029 was launched in November 2025 and was finalised in June 2026. The Force Strategic Plan 2025-2029 incorporate requirements identified in the Force Management Statement, which is an annual self-assessment against the HMICFRS PEEL assessment framework together with activity to deliver against the Chiefs priorities and the Commissioners Police and Crime Plan. Significant stakeholder engagement has taken place with communities and across the organisation, to ensure the plan meets the needs of our communities and to ensure strong alignment across the organisation.
- 4.3. Our plans and our planning process are complementary to other partnership plans such as Community Safety Partnerships, Local Criminal Justice Board, Safeguarding Boards and Local Strategic Partnerships.

5. Organisational Structures and Processes

- 5.1. There is a clear management structure within the Force. The Chief Officer Team (COT) is responsible for determining policy, monitoring performance and developing Force plans to achieve the Force's overall strategic objectives and is assisted in this process by the Senior Leadership (SLT).
- 5.2. Decision making structures are well established and are regularly reviewed to ensure they are fit for purpose. The Chief Constable holds regular meetings, which are attended by the Constabulary's Chief Officer Team, Divisional Commanders and Heads of Departments and senior members of staff. These meetings are used to consult on and develop policy and ensure the engagement of the senior managers of the organisation in change. The Police and Crime Plan objectives are cascaded throughout the Constabulary through the Force Strategic Plan and Force priorities which are monitored at the appropriate governance boards. There is a Police and Crime Delivery Plan Tracker that provides the Commissioner with direct access to provide progress and performance updates against the Plan.
- 5.3. The Commissioner approves an annual budget for the Constabulary activity which is aligned to the Police and Crime Plan and the Force Strategic Plan.

6. Corporate Governance Reporting and Processes

- 6.1. Derbyshire Constabulary's Chief Officer Team, led by the Chief Constable, is responsible for ensuring Derbyshire Police has a corporate governance framework that reflects the principles of openness, integrity, accountability, and equality, and supports the delivery of quality policing.
- 6.2. The governance framework enables Derbyshire Constabulary to monitor the achievement of its strategic objectives set out in the Strategic Plan and to consider whether those objectives have led to the delivery of appropriate, cost-effective services, including achieving value for money. An annual review of this framework takes place and appropriate improvements are made to ensure that it remains fit for purpose.
- 6.3. A new Performance Framework was developed in force from April 2024 this was further developed during 2024/25 and the governance structure that has been in place for 2025/26 is set out below.
- 4.4. The Chief Constables Assurance Board has responsibility for holding senior leaders to account for progress against the strategic plan. It receives regular updates on key workstreams and emerging risks.
- 6.4. The Performance Assurance Board (PAB) has responsibility for all issues related to performance across the organisation. Each Assistant Chief Constable chairs a board covering strategy and policy for their portfolios, with anything performance related going through PAB. 'Business as usual' meetings within the force feed upwards through the relevant governance meeting into PAB.
- 6.5. The Strategic Change Board (SCB) is the main board within Force where decisions on the strategic change/initiatives are made. It will approve the funding of significant programmes, set the

strategic business priorities, and agree growth within Departments. It has oversight and governance of agreed changes for areas of high priority to Derbyshire, ensuring efficiencies and value for money.

- 6.6. The Force Audit and Assurance Board ensures a positive and robust response to areas for improvement and recommendations. The board will seek assurance on the progress and current position of all open Force Areas for Improvement (AFIs) and other inspections and audit recommendations.

Governance Structure 2025/26



- 6.7. The governance structure has been reviewed in May 2026, and the Force Audit Assurance Board has been split into HMIC Oversight Board and an Organisational Learning Board, this has been driven by the requirement to ensure the organisation improves the way in which it records, tracks and implements organisational learning.

Governance Structure May 2026



7. Risk Management

- 7.1. An infrastructure has been established to support the effective management of risk and ensure that information on risks is gathered and acted on in a consistent and efficient manner. The Risk Management Group annually reviews the Risk Management Policy Statement and policy guidance and meets in year to consider changes in risk and mitigation.
- 7.2. The Constabulary recognises exposure to a wide and diverse range of risks and opportunities in securing the delivery of priorities and objectives. All employees, volunteers, contractors, and partners are responsible for identifying and managing risks as part of their role and the Assistant Chief Officer for Resources, as the corporate sponsor, ensures that risk management is supported and championed at Chief Officer Team level and throughout the Constabulary.
- 7.3. The Risk Management Policy provides clear guidance by which the Constabulary manages uncertainty in a structured and effective way. The risk management framework and infrastructure provide a solid foundation for risk management and standard for consistency, ensuring that information on risks is gathered and acted upon in an efficient manner. This is captured in a computerised system to manage risks and enable greater analytical information and appropriate reporting of risks.
- 7.4. Risk management is fully embedded into the business planning process to identify the threat, harm and risk facing the Constabulary in order to prioritise and identify areas which need resourcing. The Constabulary maintains a hierarchy of risk registers for strategic, operational, project and programme risks. Each risk is assigned to the appropriate governance board for oversight and assurance. The corporate risks are regularly subject to review and scrutiny by the JARAC.
- 7.5. The Risk Management Board, chaired by the Assistant Chief Officer for Resources, meets quarterly to monitor changes to the Constabulary risk profile and process. The Commissioner has a risk champion who attends the meeting to maintain a strategic overview of risk management issues in the Constabulary. This is attended annually by a member of the JARAC.

8. Business Continuity

- 8.1. Derbyshire Constabulary has robust plans in place to ensure business continuity following incidents. The Business Continuity Steering Group, comprising of relevant departmental representatives assist the Business Continuity Manager in developing the business continuity management process and respond to any business continuity crisis, as required.
- 8.2. Business Continuity arrangements involve close liaison with other partners and business continuity links have been strengthened with Derbyshire Fire & Rescue Service. Recent experiences encountered during Brexit and the Covid pandemic successfully demonstrated how we work with a wide range of partners across Derbyshire to provide a joint response in planning and managing major incidents and disruption.

9. Established Polices, Procedures and Regulations

- 9.1. The Financial Regulations and Financial Management Handbook clearly defines how decisions are taken and the processes and controls required for managing risk. The Financial Handbook is regularly reviewed to ensure that it continues to be aligned to the structure of the Constabulary and the OPCC and is reviewed and updated regularly to ensure it remains fit for purpose. The last review of the Financial Regulations and Financial Management Handbook was April 2026. A Scheme of Delegation sets out financial authorisation levels for police officers and staff throughout the organisation.
- 9.2. Processes for ensuring compliance with relevant law and regulations are well established and work effectively. The Director of Finance and Assets has statutory responsibilities in this regard, and Internal Audit provides an assurance function and an annual independent objective opinion on the control environment, comprising risk management, internal control, and governance.
- 9.3. All reports to the Chief Officer Team and Governance Boards together with all reports presented to the Commissioner must consider legal implications.
- 9.4. A confidential reporting policy is in place to enable officers and staff to report any concerns about malpractice or unlawful actions without fear of recrimination.
- 9.5. The Commissioner has made a commitment to putting things right and has a range of policies in order to deal with public complaints. Complaints against the Chief Constable are dealt with by the Commissioner; complaints against police officers or police staff that are under the direction of the Chief Constable are dealt with by the Chief Constable.
- 9.6. Complaint handling in Derbyshire Constabulary is monitored in regular meetings between the Head of Professional Standards Department and the Head of Governance & Compliance / Monitoring Officer of the OPCC or the Independent Police Complaints Commissioner.

10. Internal and External Audit

- 10.1. Internal audit provides independent assurance over key controls and governance arrangements. Findings and assurance opinions are reported through the appropriate forums, with management responses and improvement actions agreed and monitored. Where audit activity identifies areas for improvement, these are addressed through targeted action plans and ongoing oversight to ensure timely implementation and sustained improvement. External audit activity provides additional assurance over financial governance and reporting arrangements and complements the wider assurance framework.

11. Joint Audit Risk and Assurance Committee (JARAC)

- 11.1. A Joint Audit Risk and Assurance Committee (JARAC) is in place, it carries out a role similar to that of an audit committee but acts in an advisory and assurance capacity. It provides independent assurance to both the Commissioner and the Chief Constable on the adequacy (excluding Professional Standards) of: -
 - Risk Management and the internal control framework of the Commissioner and Chief Constable.
 - Governance arrangements including providing for value for money.
 - Support and review work of audit providing assurance on risk management, internal controls, and the annual accounts.
 - Appointment of internal audit & recommendations on external audit provision.
 - Appropriate scrutiny of annual accounts including the financial reporting process.

12. Role of the Chief Finance Officer

- 12.1. CIPFA have published a 'Statement of the Role of the Chief Finance Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable', which describes the role and responsibilities of the CFO and sets out the five key principles that define the core activities and behaviours that underpin the role and the organisational requirements required to support them. There is an expectation that organisations will comply with the statement or explain their reasons for not doing so.

12.2. The five key principles are that the CFO: -

- Is a key member of the leadership team, helping it to deliver and implement strategy and to resource and deliver the Commissioner's strategic objectives sustainably and in the public interest.
- Must be actively involved in and able to bring influence to bear on all material business decisions (subject to the operational responsibilities of the Chief Constable) to ensure immediate and longer-term implications, opportunities and risks are fully considered and align with the overall financial strategy.
- Must lead and encourage the promotion and delivery of good financial management, so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively.
- Must lead and direct a finance function that is resourced to be fit for purpose.
- Must be professionally qualified and suitably experienced.

12.3. The Chief Finance Officer undertakes the role in accordance with the arrangements detailed in the Home Office Financial Management Code and compliance with the CIPFA Financial Management code.

12.4. Following the retirement of the Chief Finance Officer in March 2025, temporary arrangements were put in place for the role of CFO until October 2025, when a new Director of Finance and Asset started in post which is the designated CFO and Section 151 Officer for the Force.

13. Standards of Behaviour

13.1. Codes of conduct are in place for police officers and police staff. Relevant officers in the Constabulary are also subject to professional codes of conduct for their particular profession. For example, the Chief Constable's Chief Financial Officer is bound by the code of the Chartered Institute of Public Finance and Accountancy (CIPFA), of which she is a member.

13.2. The Code of Ethics, produced by the College of Policing, sets and defines the exemplary standards of behaviour for everyone who works in policing. The policing principles and standards of behaviour in the Code of Ethics promotes, reinforces, and supports the highest standards for everyone who works in policing in England and Wales. As a force, we are committed to the national Code of Ethics policing principles.

13.3. The force is clear on the standards it expects from its employees – as set out in the Code of Ethics. All new employees are made aware of this, and the wider behaviour expected along with how to raise concerns of potential corruption. All new joiners are given a PSD input during their initial training period by our prevention officer and covers everything from the standards of professional behaviour, code of ethics, notifiable associations, business interests etc. This is also reinforced to all employees on a regular basis, be this through lessons learnt or the outcomes of misconduct processes. These are communicated to all employees and where necessary, changes are made to relevant practices and procedures.

13.4. At least once a year, the Constabulary's policy on professional standards is reviewed by Professional Standards and assessed based on its effectiveness and discrepancies over that period. Derbyshire Constabulary expects all members of staff to always be honest, truthful, and sincere. We will uphold, administer, and enforce all laws without bias or prejudice in a just, consistent, and reasonable manner.

13.5. Guidance on use of co-pilot was issued across the Force in May 2025, and a full Artificial Intelligence (AI) policy is under development.

14. Review of Effectiveness

14.1. The Chief Constable has responsibility for conducting a review of the effectiveness of the governance framework within Derbyshire Constabulary at least annually. This review is informed by the work of the Director of Finance and Assets and Senior Leaders within Derbyshire Constabulary who have responsibility for the development and maintenance of the governance environment and informed by the following assessment.

14.2. Maintaining and reviewing the effectiveness of the governance framework throughout the financial year has been carried out by the following:

- Joint Audit Risk Assurance Committee (JARAC)
- Internal audit

- External audit
- HMICFRS (Her Majesty's Inspectorate of Constabulary and Fire & Rescue
- Management Review

Joint Audit Risk Assurance Committee (JARAC)

- 14.3. There were four JARAC meeting held during 2025/26 and an extraordinary meeting to sign off the 2024/25 final accounts was also held in February 2026. The four public meeting considered the following:

Month of meeting	Areas covered
April	External Audit Update
	Internal Audit Update
	Critical Incident Policy
	Force/OPCC Complaints Update
	Year-end Accounting Arrangements and Accounting Policies
	Financial Monitoring 2025/26
	Stock Control Update
	Data Quality Update
	HMIC Activity Update
July	External Audit Update
	Internal Audit Update
	Contract Management Policy
	Statement of Accounts and Annual Governance Statement
	Financial Monitoring 2025/26
	Annual Financial Exception Reporting
	Risk Management Update
	Savings Programme Update
	Procurement Update
	Environmental Update
October	External Audit Update
	Internal Audit Update
	Financial Monitoring 2025/26
	Contract Management Policy
	JARAC Annual Report
	Force Complaints Update
January	External Audit Update
	Internal Audit Update
	Financial Monitoring 2025/26
	Budget Report 2026/27
	Risk Management Update
	Information Sharing Policy
	Strategic Workforce Planning Update
	Fleet Management Update
	Health and Safety Training annual report
	OPCC Complaints Update

- 14.4. The JARAC annual report details the area of work and focus of the committee for the year to provide independent assurance to the Commissioner and Chief Constable on the elements of the governance framework.

Internal Audit

- 14.5. The Head of Internal Audit Opinion has reported that ***“On the basis of our internal audit work, our conclusion on the framework of governance, risk management, and control is Moderate in its overall adequacy and effectiveness. This conclusion is provided on the basis that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.”***

14.6. Of the 10 audits undertaken during 2025/26, where a formal assurance level was provided, 2 received a Substantial level of assurance, 6 audits received a Moderate level of assurance, and 2 audits received a Limited level of assurance (Skills Audit and IT Legacy Systems). A total of 23 new recommendations were made during the year at the Force and OPCC, with no recommendation categorised as High priority and 14 recommendations categorised as Medium priority and 9 recommendations categorised as Low priority. The recommendations raised were done so to enhance the existing framework or highlight areas of weakness within the current control environments. The Constabulary has already put in place actions and plans to address these weaknesses and implement the recommendations made by Internal Audit.

14.7. The Audit findings in respect of each review are summarised below.

Audit area	Assurance level	Recommendations				Accepted	Not accepted
		High (Priority 1)	Medium (Priority 2)	Low (Priority 3)	Total		
Governance & Oversight	Substantial	-	-	1	1	1	-
Risk Management	Substantial	-	-	2	2	2	-
Positive Action – Promotion / Recruitment	Moderate	-	1	1	2	2	-
Core Financials	Moderate	-	2	2	4	4	-
Custody Governance	Moderate	-	2	-	2	2	-
OPCC Performance & Delivery - DRAFT	Moderate	-	-	2	2	-	-
Mobile Device Management - DRAFT	Moderate	-	1	-	1	-	-
Fleet Standards - DRAFT	Moderate	-	1	1	2	-	-
Skills Audit	Limited	-	4	-	4	4	-
IT Legacy Systems - DRAFT	Limited	-	3	-	3	-	-
Assurance Framework	Advisory	-	-	-	-	-	-
Total		-	14	9	23	15	-

External Audit

14.8. The Audit of the Statement of Accounts for 2024/25 is complete and was formally concluded by our auditors Grant Thornton UK LLP on 25th February 2026, the Audit Certificate has been issued, and the accounts were published on 27th February 2026, in line with the backstop deadline set out within 'The Accounts and Audit (Amendment) Regulations 2024'. In their Final Auditor's Annual Report for 2024/25, the External Auditor reported they have issued disclaimers of opinions for financial statements 2024/25 on the basis they were unable to satisfy themselves over opening balances, as well as in-year movements of PPE, the LGPS pension liability, and the PPS pension liability, which has also resulted in uncertainty over closing balances of PPE and reserves.

14.9. The disclaimed opinions are owing to the challenges of undertaking an audit where the previous years' audits were subject to backstop-related disclaimed audit opinions. Whilst the External Auditors completed a significant amount of audit work, it was not possible to undertake sufficient work to gain assurance on opening balances and comparative year figures meaning that External Auditors are unable to support an unmodified audit opinion in advance of the backstop date of 27 February 2026.

14.10. As Grant Thornton took on the External Auditor Role from 2023/24 the disclaimed opinions for previous years (2021/22 and 2022/23) increased the volume of work required in auditing the 2023/24 and 2024/25 Financial Statements to build back to a clean opinion. A plan has been agreed by the Force and the External Audit team with the aim of completing the building back assurance work in the 2025/26.

14.11. It is important to highlight that the disclaimed opinion does not mean that the Financial Statements are mis-stated; it is a reference to the lack of resources or time available to reach a conclusion. The disclaimed opinion should not be seen as a reflection on the quality of the financial statements or of THE Force's commitment to work with our external auditors in responding to information requests.

14.12. The External Auditors commentary on the arrangements to secure Value for Money (VFM) in the use of our resources concludes they have identified no significant weaknesses and that there are proper arrangements in place in relation to financial sustainability, governance and improving economy, efficiency and effectiveness.

- 14.13. The External Auditor have made one improvement recommendation in relation to Financial Sustainability relation to the ongoing work to strengthen the identification and delivery of savings to manage ongoing financial pressures and ensure the capital programme and reserves strategy is reviewed and updated. This action has been implemented and is an ongoing requirement.
- 14.14. In relation to improving economy, efficiency and effectiveness the External Auditor also highlighted the Force is still actively addressing the Areas For Improvement highlighted in the latest His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) PEEL inspection.

His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS)

- 14.15. During 2023/24 His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) conducted a PEEL 2023–25 Inspection. The Inspection assessed how good Derbyshire Constabulary is in nine areas of policing and made graded judgements in eight of those areas. The Constabulary was graded '**Good**' at Preventing Crime and received a grade of '**Adequate**' in three areas and '**Requires Improvement**' in 4 areas:

Outstanding	Good	Adequate	Requires improvement	Inadequate
	Preventing crime	Police powers and public treatment	Investigating crime	
		Managing offenders	Responding to the public	
		Developing a positive workplace	Protecting vulnerable people	
			Leadership and force management	

- 14.16. The Inspection report indicated that as a force we are making progress and found that the constabulary had responded and addressed many of the areas for improvement from the previous PEEL Inspection report (2022) and recognised that the scale of change needed means that some improvements needed more time to achieve. There were however important areas of policing - investigating crime, responding to the public and protecting vulnerable people, which still required improvement.
- 14.17. The Report highlighted that the constabulary needed to make sure its investigations are effective and properly supervised and that it needed to improve outcomes for victims of crime and make sure that victims are receiving the level of service they are entitled to. The report commented that the constabulary isn't yet providing a good service for the public in some key areas, such as responding to the public, investigating crimes and protecting vulnerable people.
- 14.18. The Constabulary remains focused on improving its performance and the service we provide to the public and All Areas For Improvement (AFI's) highlighted from the PEEL Inspection are aligned to governance boards for regular updates and with a requirement to demonstrate progress and improvement.
- 14.19. The force made strong progress against its AFI's during 2025/26 with the following areas from the latest PEEL Inspection being successfully closed:

Responding to the Public - Requires Improvement
The constabulary needs to improve the time it takes to answer emergency calls
Leadership and Force Management - Requires Improvement
The constabulary should scrutinise the implementation of any change to make sure they are achieving the intended aims
Police powers and treating the public fairly and respectfully - Adequate
The constabulary needs to improve its officers' confidence in using stop and search as an investigative tactic
The constabulary needs to improve its training for recording the use of force, and better support officers to follow force policy and improve data quality

- 14.20. The remaining AFI's are being managed carefully across the organisation with plans in place to address these gaps.

Responding to the Public - Requires Improvement
The constabulary needs to attend calls for service in line with its published attendance times, make sure there is effective supervision of deployment decisions and update the caller if there are delays.
The constabulary needs to better support officers to make the most of early evidence opportunities. (Now encompasses improving providing evidence preservation advice)
Investigating Crime - Requires Improvement
The constabulary doesn't consistently achieve appropriate outcomes for victims.
The constabulary should make sure there is supervisory oversight of investigations ensuring that all appropriate investigative opportunities are taken.
The constabulary needs to make sure that it complies with the requirements of the Code of Practice for Victims of Crime (VCOP).
Leadership and Force Management - Requires Improvement
The constabulary should ensure visibility of leaders at all levels to ensure staff are appropriately supported and challenged.
The constabulary should ensure problems and performance issues are raised to the appropriate level of governance.
Building, Supporting and protecting the workforce - Adequate
The constabulary needs to do more to support the development and inclusion of people from under-represented groups.

14.21. Under Leadership and Force Management section of the Report, HMICFRS found that:

- The constabulary shows effective financial management. It makes the best use of the finance it has available, and its financial plans are well thought out and sustainable.
- There is a clear link between the constabulary's financial plans and its other plans and priorities.
- The medium-term capital plan shows that the constabulary invests in its services to achieve improvements in performance.
- The financial forecasts in the medium-term financial plan are based on realistic assumptions about future funding and expenditure.
- The constabulary's financial plans are affordable, but it will need to consider a potential exit from a private finance initiative.

14.22. In February and March 2026 His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) completed a National Child Protection Inspection (NCPI) into Derbyshire Constabulary's child protection arrangements. In April 2026 the HMICFRS issued an accelerated cause of concern as it was found that the force was inadequately identifying and responding to risks involving children.

14.23. Derbyshire Constabulary fully accepts these findings and has produced a detailed improvement plan for HMICFRS. The improvement plan will be monitored by both the Constabulary and HMICFRS.

Management Review

14.24. This review is informed by the work of the Director of Finance and Assets and Senior Leaders within Derbyshire Constabulary who have responsibility for the development and maintenance of the governance environment.

Internal Control Action Plan 2026/27

14.25. Following the review of the effectiveness of the governance framework and the assessment of internal controls and in response to JARAC Annual Report recommendation to the Commissioner and Chief Constable, the following areas have been identified as internal control improvements to take place in 2026/27:

Improvement Area Action	Action Owners
Timely implementation of Internal Audit recommendations to include explanations of delays.	Head of Corporate/ Director of Finance and Assets
To move away from disclaimer opinions on the Statement of Accounts as soon as possible.	Director of Finance and Assets/Head of Finance
To develop an approach for promoting and embedding the Financial Handbook across the organisation.	Director of Finance and Assets/Head of Finance

To improve consistent application of governance principles to option appraisals and investment decisions, ensuring business cases are robust and go through all appropriate channels.	Director of Finance and Assets/ Head of Change
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15. Significant issues for governance in 2026/27

Devolution - Abolishment of Police and Crime Commissioners

- 15.1. In November 2025, The Home Office announced that Police and Crime Commissioners (PCCs) will be abolished across England and Wales by May 2028. This will result in the transfer of Derbyshire police governance functions to East Midlands Combined County Authority (Mayoral Authority).

White Paper on Police Reform

- 15.2. In January 2026, the Home Office published the Police Reform White Paper entitled “from local to national: a new model for policing. The longer-term ambition from the paper is to have fewer and larger forces with an “optimal configuration” of regional police forces. The reforms aim to shift to a more centrally directed, technology-driven model while simultaneously trying to strengthen local neighbourhood policing. A new, centralised National Police Service will be created to manage national responsibilities, including counter-terrorism, serious and organised crime, and regional crime units. The NPS will take control of forensics, IT, and procurement from local forces. The Home Office published the “Independent review of police force structures: terms of reference” in March and appointed Lord Horgan-Howe as the independent lead for the review. The Independent Review of Police Force Structures is expected to report later in the summer 2026.

Force Leadership

- 15.3. In May 2026, the Chief Constable retired from the Force, the PCC has appointed a Temporary Chief Constable which has resulted in temporary appointments to Deputy Chief Constable and one Assistant Chief Constable. The temporary appointment will provide consistent strategic direction, strong operational oversight and organisational resilience during a challenging period which include:
- Preparation for the Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection by His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS)
 - Ongoing strategic and operational performance management
 - Preparatory work for the 2027–2028 budget-setting cycle

Internal Audit

- 15.4. The 2026/27 Internal Audit Plan is to be approved by JARAC Committee in July 20256. It includes provision for 11 audits during 26/27. These are:
- Financial Fraud
 - Disciplinary Process
 - Workforce Planning
 - Violence Against Women and Girls (VAWG) Strategy
 - Core Financials
 - Data Quality Follow Up
 - Force Partnership Working
 - Environmental Sustainability Follow Up
 - Freedom of Information and Subject Access Requests
 - Capital Programme
 - IT Cyber Security

External Audit

- 15.5. Grant Thornton will be working with the Finance Team to complete the building back assurance work needed to move away from a disclaimed opinion. The External Auditors are working to complete the external audit by 30 November 2026, although the statutory back stop date for the 2025/26 Statement of Accounts is 31 January 2027.

HMICFRS

- 15.6. The Force will continue to implement the HMICFRS recommendations from previous Force and sector inspections and any future HMICFRS spotlight/sector wide inspections.
- 15.7. The HMICFRS have commenced the Derbyshire Constabulary police effectiveness, efficiency and legitimacy (PEEL) programme inspection for the 2025-2027 cycle in April 2026, with the main field work scheduled for September 2026. The PEEL programme 2025-2027 assess police forces against the characteristics of good performance. The inspection will grade the Force against each assessment area and identify areas for improvement.

Financial Sustainability

- 15.8. The Force set a balanced budget for 2026/26 after reducing police staff posts through Mutually Agreed Resignation Schemes and Force Service Reviews. The budget forecasts show a forecast budget gap of £3.8m for 2027/28 with an increasing funding deficit in future years. The Force has outlined a Financial Sustainability Plan in the Medium-term Financial Strategy setting out the approach to savings. A significant long-term financial risk remains the expiry of the St Mary's Wharf PFI contract in December 2030, for which there is limited funding provision. The Force is working with the Home Office to explore available options.

19. Declaration

- 19.1. This Annual Governance Statement demonstrates that a sound governance and decision-making framework exists in Derbyshire and is subject to regular review. Where significant governance or control issues are identified, an action plan is produced to address them. We propose over the coming year to further enhance and embed our governance arrangements and respond to the HMICFRS areas for improvement. We are satisfied that these steps will ensure that Derbyshire Constabulary's governance processes continue to remain effective in a changing environment and that our decisions are open and accountable.

Signed:

Signed:

Simon Blatchly QPM
Chief Constable of Derbyshire
Constabulary

Bev Bull CPFA
Director of Finance and Assets - S151 Officer
Derbyshire Constabulary

Date:

Date:

DEFINITIONS

Accounting Period

The period of time covered by the accounts, normally a period of twelve months commencing on 1 April.

Accruals

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

Agency and Contracted Services

Services which are performed by, or for, another Authority or public body where the agent or contractor is reimbursed for the cost of work done.

Budget

A statement of the Group's (financial) plans for a specific period of time. A budget is prepared and approved by the Commissioner prior to the start of the financial year. The Commissioner's budget is prepared on an out-turn basis which means that increases for pay and prices during the financial year are contained within the total budget figure.

Capital Adjustment Account

The capital adjustment account reflects the difference between the cost of fixed assets consumed and the capital financing set aside to pay for them. It provides a mechanism between the different rates at which assets are depreciated under the Code and are financed through the capital controls system.

Capital Expenditure

Expenditure on the acquisition of a fixed asset or expenditure which adds to the life or value of an existing fixed asset.

Capital Financing Requirement

The Capital Financing Requirement represents capital expenditure financed by borrowing and not by capital receipts, revenue contributions, capital grants or third party contributions at the time of spending. It measures the Commissioner's underlying need to borrow for a capital purpose.

Chief Constable

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

CIPFA

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

Commutations and lump sum retirement benefits

These are the amounts paid to officers when they retire, if they choose to have a lower pension.

Contingent Assets/Liabilities

A potential asset/liability at the balance sheet date when the accounts are submitted for approval. The asset/liability will be included in the balance sheet if it can be estimated with reasonable accuracy otherwise the asset/ liability will be disclosed as a note to the accounts.

Corporate and Democratic Core

This represents the costs of delivering public accountability and representation in policy making and meeting our legal responsibilities.

Creditors

Amounts owed for work done, goods received or services rendered which have not been paid for by the end of the financial year.

Debtors

Sums of money due for work done or services supplied but not received at the end of the financial year.

Defined Benefit Scheme

A pension or other retirement benefit scheme, with rules that usually define the benefits independently of the contributions payable and where the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded.

Depreciation

The measure of the wearing out, consumption, or other reduction in the useful economic life of a fixed asset, whether arising from use, the passing of time or obsolescence through technological or other changes.

Fixed Assets - Intangible

Intangible assets are defined as 'non-financial fixed assets that do not have physical substance but are identifiable and are controlled by the entity through custody or legal rights', for example, software licences.

Formula Grant Distribution System

A mechanism by which Central Government determines how much Revenue Support Grant, Home Office Police Grant and Business Rates each local authority should receive in a given year to provide a common level of service. For the police service it is principally based on the resident and daytime populations, plus relevant socio-economic characteristics, for the area covered by an authority.

Group

The term Group refers to the Commissioner and the Chief Constable.

Impairment

A reduction in the value of a fixed asset below the amount shown on the balance sheet.

Leasing

A method of financing capital expenditure where a rental charge is paid for a specified period of time. There are two main types of leasing arrangements:-

- (a) finance leases which transfer all of the risks and rewards of ownership of a fixed asset to the lessee and such assets are included within the fixed assets in the balance sheet.
- (b) operating leases where the ownership of the asset remains with the leasing company and the annual rental is charged direct to the revenue account.

Net Book Value

The amount at which Plant and Equipment are included in the balance sheet and being their historical cost or current value, less the cumulative amounts charged for depreciation.

Non Distributed Costs

The cost of discretionary benefits awarded to employees retiring early. These are overheads which are not charged or apportioned to activities within the service expenditure analysis in the Operating Cost Statement.

Police and Crime Commissioner (PCC)

The Police and Crime Commissioner (PCC), known as the 'Commissioner', is a separate corporation sole which was established on 22 November 2012 under the Police Reform and Social Responsibility Act 2011.

Provision

An amount set aside to provide for a liability which is likely to be incurred but the exact amount and the date on which it will arise is uncertain.

Receipts and payments

Amounts actually paid or received in a given accounting period irrespective of the period for which they are due.

Revaluation Reserve

This reserve records the net gain (if any) from revaluations.

**OFFICE OF THE POLICE AND CRIME COMMISSIONER FOR
DERBYSHIRE**

DRAFT STATEMENT OF ACCOUNTS 2025/26

SUBJECT TO AUDIT AND SUBJECT TO CHANGE

**OFFICE OF POLICE AND CRIME COMMISSIONER FOR DERBYSHIRE
STATEMENT OF ACCOUNTS
YEAR END 31 March 2026**

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NARRATIVE REPORT

Introduction

These accounts set out the overall financial position of Derbyshire Police for the year ended 31 March 2026.

External Environment

Derbyshire Police serves an area of more than 1,000 square miles, and a population around one million.

Derbyshire is renowned for being hugely diverse. It encompasses the rural areas of the High Peak, Derbyshire Dales and the Derwent Valley, a World Heritage Site. These areas attract a significant amount of tourism throughout the year. In addition, there are old mining communities, modern towns and business centres. It is also home to the vibrant and culturally diverse city of Derby, a cosmopolitan city with a fantastic heritage. There are more than 70 different languages spoken in Derbyshire.



Organisational Model

The Commissioner may choose to employ a Deputy and employs staff to assist them in discharging their core functions. Further details on the current Office structure for the Police and Crime Commissioner in Derbyshire are available on the Commissioner's website at: [Office Structure Chart | Office of the Derbyshire Police and Crime Commissioner \(derbyshire-pcc.gov.uk\)](https://www.derbyshire-pcc.gov.uk/office-structure-chart)

Policing in Derbyshire is divided into two geographic areas known as Divisions. Each Division is headed by a Chief Superintendent, known as the Divisional Commander, who is responsible for the overall policing of the area. Divisions are divided further into a series of Local Policing Units, led by an inspector. Within each policing unit sit our Safer Neighbourhood teams. Safer Neighbourhoods are about police and partners working with the public to identify and deal with issues of concern in their neighbourhood. These areas are patrolled by police officers, special constables and police community support officers (PCSOs). Local policing is complemented by a range of support units and departments that operate across the Constabulary. These include the Contact Management Centre that answers 999 and non-emergency telephone calls, our roads policing section, dog section, National Police Air Service (NPAS), criminal justice, crime investigation and the forensic officers who work in our scientific support unit.

Derbyshire Constabulary employs approximately 2,154 police officers, 162 PCSOs and 209 Specials/Volunteers and 1,620 staff in full-time and part-time positions (excluding staff of the Commissioner). Active recruitment plans include positive action to improve the diversity and reflect more closely that of the County.

Collaboration

The five police forces in the East Midlands region have been working together for over a decade in many different areas of operational and non-operational policing. The five Forces are facing considerable new risks in respect of the changing nature of crime, the breadth of demand on policing services and for some the fact that significant financial challenges still remain. There is a strong belief in the East Midlands that collaboration is not only pragmatic but continues to demonstrate value for money, whilst enhancing the way the police service in the region does business.

Police collaboration in the East Midlands has a number of significant benefits to police officers, staff and residents right across the region:

- Greater resilience.
- Increased capability.
- Reduced bureaucracy.
- Reduced cost.

The East Midlands Special Operations Unit collaboration are Serious and Organised Crime, Major Crime, Forensics, Learning and Development and Legal Services.

Derbyshire Constabulary and Leicestershire Constabulary also operate a joint HR Shared Service and a Joint Payroll Shared Service.

Derbyshire Constabulary has embraced the benefits brought by closer collaboration with the Fire and Rescue Service. The Force has a joint headquarters building and training centre with Derbyshire Fire and Rescue Service. There was a joint Head of Strategic Assets until December 2023 and there is now a joint Property team. The sharing of estates with Derbyshire Fire and Rescue Service has saved significant costs in refurbishing or rebuilding existing police stations and is captured in the Asset Management Plan. There are a number of co-locations with further reviews in the future of other opportunities. This collaboration increases the familiarity between emergency personnel, which helps them work better together when needed. Finally, co-location enables better information sharing, which improves the service to the local community. The Force is currently finalising the details for a joint Procurement Team which will enable more opportunities for joint contracts.

Organisational Overview

Derbyshire Constabulary has continued to maintain a strong momentum, observing positive change, performance improvement and development across all areas of the force. The ongoing drive throughout the organisation is premised upon our commitment to delivering an excellent service to the communities of Derbyshire, one they can trust. Our core purpose is to fight crime, proactively bring offenders to justice and protect the most vulnerable from harm.

During 2025/26, the Force sustained the achievements of the Police Officer Uplift Programme (PUP) by maintaining the original uplift target of 283 additional officers, alongside the additional 27 officers allocated through the top-up-grant. This ensured that the target officer headcount of 2137 officers were maintained.

In addition to the PUP grant, the Government announced the Neighbourhood Policing Grant as part of the 2025/26 funding settlement, supporting its pledge to put 13,000 additional Police Officers, PCSO's and Special Constables into neighbourhood policing roles, Derbyshire successfully secured funding for an additional 35 neighbourhood policing officer posts and achieved full delivery against the grant requirements.

Governance

The Police and Crime Commissioner and the Chief Constable are established as separate legal entities under the Police Reform and Social Responsibility Act 2011. This Act created a Police and Crime Commissioner for Derbyshire (PCC), known as the 'Commissioner' and at the same time the Chief Constable was established as a separate body with responsibility for Derbyshire Constabulary.

One of the Commissioner's functions contained in the Act is to hold the Chief Constable to account for the exercise of operational policing duties, thereby securing the maintenance of an efficient and effective police service in Derbyshire. The Chief Constable has the primary function of delivering operational policing under the Police Act 1996.

More detail on the governance framework comprising the systems and processes, culture and values by which Derbyshire Police is directed and controlled is contained within the Annual Governance Statement, which accompanies the Commissioner's Statement of Accounts.

The Derbyshire Police and Crime Plan is an overview of the areas of policing that will take precedence during the Commissioner's term of office. It sets out a series of goals to improve confidence and public satisfaction and includes the Constabulary's current risks and threats, as well as the Constabulary's priorities. All newly elected commissioners are legally obliged to publish a plan as soon as possible to inform the public how they intend to fulfil their election pledges. A new Commissioner was elected in May 2024. The Police and Crime Plan 2024-2029 was presented to the Police and Crime Panel in 7 November 2024. A copy of the Police and Crime Plan can be obtained from the Office for the Police and Crime Commissioner for Derbyshire, Butterley Hall, Ripley, Derbyshire, DE5 3RS. It is also available on the Commissioner's website at [Police and Crime Plan | Office of the Derbyshire Police and Crime Commissioner \(derbyshire-pcc.gov.uk\)](https://pcc.gov.uk)

Basis for Preparation

For accounting purposes, the Commissioner and Chief Constable together are known as the PCC Group. A separate set of statutory accounts has been published for the Chief Constable to recognise the financial transactions incurred during 2025/26 for the delivery of policing services by Derbyshire Constabulary.

The purpose of the Narrative Report is to outline the financial performance, financial position and cash flows of the Commissioner and PCC Group during 2025/26 and provide an overview of the most significant matters reported in the accounts.

The 2024/25 Statement of Accounts is prepared in accordance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Local Authority Accounting 2025/26. The Accounts reflect the current legislative framework as well as the local arrangements operating in practice. Key elements of this framework include: -

- The Police Reform and Social Responsibility Act 2011 (the Act).
- Accounts and Audit (England and Wales) Regulations 2015 & Accounts and Audit (Amendment) Regulations 2022.
- The Home Office Financial Management Code of Practice for the Police Service of England and Wales 2018.
- Scheme of Consent between the Commissioner and Chief Constable.
- The Financial Handbook of the Commissioner and Chief Constable.

The Accounts reflect that the Commissioner has responsibility for the finances of the whole Group and control of all land and buildings, liabilities and reserves. The Commissioner receives all income and funding and makes all the payments for the Group from the Police Fund. In turn the Chief Constable fulfils their functions under the Act within an annual budget (set by the Commissioner in consultation with the Chief Constable). A scheme of consent is in operation between the two bodies to give clarity to the way the two organisations are governed and how business is undertaken.

Financial Statements

The financial statements for the Commissioner and PCC Group required under the 2025/2625 Code consist of: -

Comprehensive Income and Expenditure Summary (CIES)

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Commissioner raises taxation to cover expenditure in accordance with statute and regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

The Movement in Reserves Statement

This Statement shows the movement in the year on the different reserves, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves, which have been set aside for specific purposes to meet known commitments. The Statement shows how the movements in year of the Group's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The 'Net Increase/Decrease' line shows the statutory General Reserve Balance movements in the year following those adjustments.

The Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities. The net assets (assets less liabilities) are matched by the reserves held. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that may be used to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that are not able to be used to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

The Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents during the reporting period. The statement shows how the cash and cash equivalents are generated and used by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations are funded by way of taxation and grant income or from the recipients of services provided. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing).

Accounting Policies

Accounting policies are the specific principles, conventions, rules and practices that are applied in preparing and presenting the annual accounts. The accounting policies applied in preparing the 2025/26 annual accounts are consistent with last year.

Other Contents

In addition to the financial statements, the annual accounts include: -

- A Statement of Responsibilities for the Accounts and information on the Police Officer Pension Fund (providing statements for pension fund income and expenditure, assets and liabilities).
- An Annual Governance Statement (AGS) is included within this Statement of Accounts. The statement is a statutory document which explains the governance processes and procedures in place to enable Derbyshire Police to carry out its functions effectively.
- Notes to the Financial Statements provide more detail on individual transactions, including the Expenditure and Funding Analysis.
-

Strategy and Resource Allocation

The revenue budget for 2025/26 was set at £243.23m, which was an increase of 4.9% over 2024/25. The funding for this budget came from a combination of central government grants (Police Specific Grant, Localising Council Tax Support Grant and Revenue Support Grant (RSG)) of £142.436m, and locally raised Council Tax of £100.793m.

As a result of what is known as the 'gearing' effect (the ratio of government grants to overall funding), the impact of annual increases in grant on the overall budget can vary markedly between different forces. During the period 2014/15 to 2025/26 the Constabulary's revenue budget has increased by 47.7% from £164.7m to £243.2m. This equates to an average annual growth rate of 4.3%. In the same period Government Grant increased by 24.4% (from £114.5m to £142.437m) with the difference being met by local Council Taxpayers (£50.2m to £100.793m). In addition to the £142.436m funding for the revenue budget, a grant of £30.879m was also received from the Home Office to cover the deficit on the police pension fund for the year.

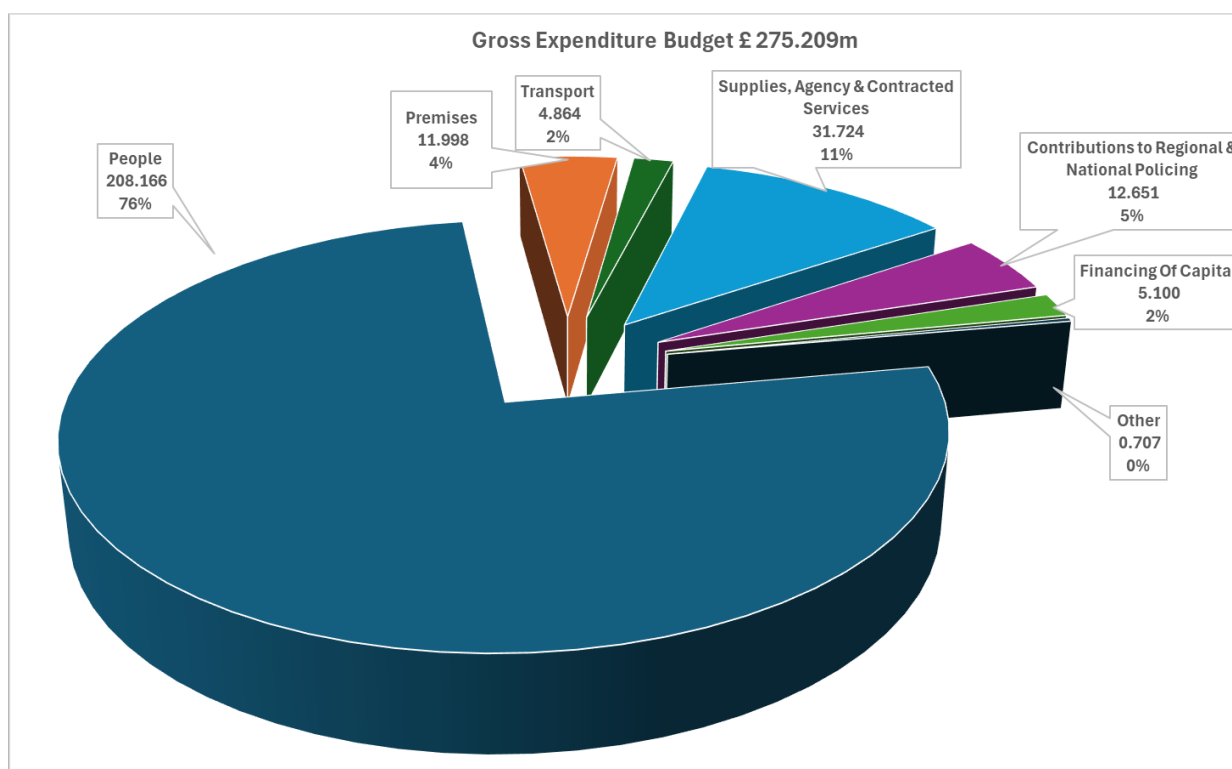
The policing element of Council Tax for an average band D dwelling in Derbyshire was £293.60, an increase of £14 or 5% over 2024/25. This was the maximum increase the Commissioner could approve under the government's Precept Limitation regulations for 2025/26 without holding a local referendum.

The policing element of all Council Tax bandings in Derbyshire was as follows: -

Council Tax by Band	2024/25	2025/26
A	£ 186.40	£195.73
B	£ 217.47	£228.36
C	£ 248.53	£260.98
D	£ 279.60	£293.60
E	£ 341.73	£358.84
F	£ 403.87	£424.09
G	£ 466.00	£489.33
H	£ 559.20	£587.20

After taking into account all income sources, Derbyshire Police's gross expenditure budget was £275.209m which was allocated across major budget headings as follows: -

: -



Financial Performance Report

This section provides an introduction and a broad analysis of the Group's performance and position for 2025/26

Deficit on the Provision of Services

The Comprehensive Income and Expenditure Statement for the year shows a deficit on the provision of services of **£22.681m**.

However, this outcome reflects the 'full accounting costs' attributable to the year as required by the Code of Practice on Local Authority Accounting. This includes a number of technical adjustments relating to pensions and capital charges which are reversed in the Movements in Reserve Statement to give a more realistic measure of performance in the year of the amount funded from local taxation.

Net Expenditure against Revenue Funding Income (2025/26 Revenue Budget) - Performance against budget

A more significant measure of financial performance in the year is the level of **Net Expenditure** incurred against the principal streams of revenue funding that make up the Group's Revenue Budget.

Net expenditure was incurred against the Revenue Budget for the Group of some **£240.776m**, which represented a 1% underspend against budget. A more detailed breakdown of the outcome against the revenue budget for 2024/25 is available in the Chief Constable's Statement of Accounts. [Statement of Accounts | Office of the Derbyshire Police and Crime Commissioner \(derbyshire-pcc.gov.uk\)](https://www.derbyshire-pcc.gov.uk/statement-of-accounts)

Capital Programme

The Commissioner controls all land and buildings, and Derbyshire Constabulary has use of all these assets. The Commissioner receives all the funding to finance the total Capital Programme.

This is used:

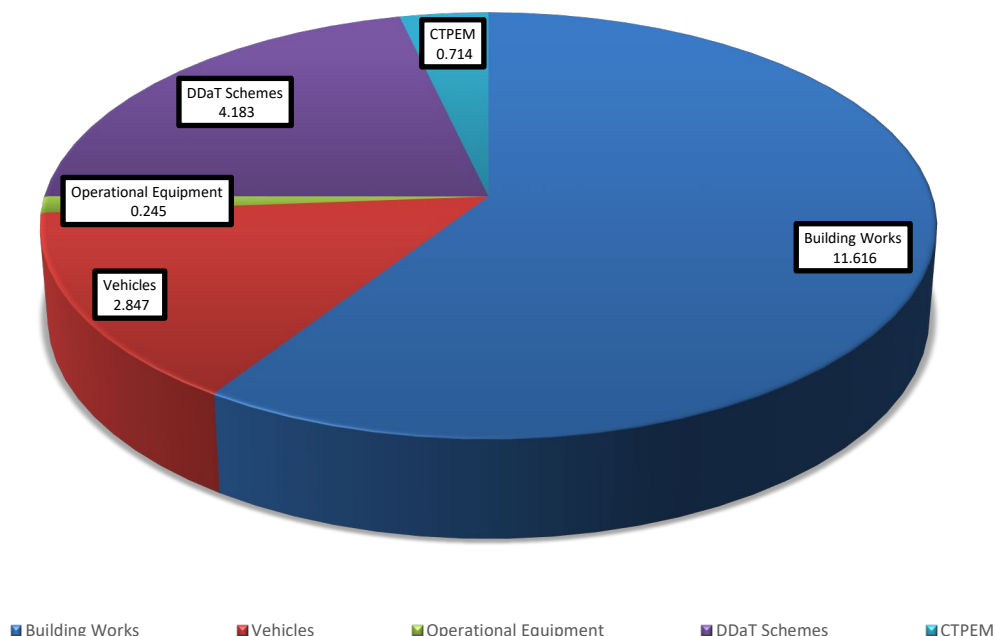
- To replace police vehicles
- To maintain its buildings.
- To ensure its information technology systems are supported.
- To replace key items of operational and infrastructure equipment.

The Capital Programme for 2025/26 was originally set in March 2025 at £27.883m and as a consequence of scheme delays (including slippage) and other changes in the capital programme it was revised to £19.605m.

The Revised Capital Programme was allocated as follows: -

Revised Capital Programme 2025/26

Total £19.605m



Actual expenditure against the programme totalled £18.486m as the plans and timescales for the new North Chesterfield DHQ and Custody Scheme and some technology changes were delayed which reduced the spend for the year and created further slippage towards the end of 2025/26. The actual spend for 2025/26 was as follows: -

Capital Programme	£m
North Division Custody Suite	10.939
Other Building Work	0.601
Equipment and Vehicles	3.067
IT and Communications	3.154
Regional Schemes	0.494
Counter Terrorism Police - EM	0.396
Total	18.486

This expenditure was funded by: Borrowing (£12.730m), External Grant and Contributions (£1.502m) and Revenue Contributions (£3.723m), and (£0.531m) of Capital Receipts.

Main Capital Underspends Compared to Budget

Major Building Schemes – The final valuation in respect of building works on Killamarsh SNT was lower than originally budgeted. Other ongoing building refurbishments / replacements remain ongoing and will complete fully in 2026/27 & 2027/28.

IS Schemes – A variety of under & overspends against number of budget areas, ie, comms & network equipment, end user devices, telephony system, body worn video, digital interview recoding and ANPR

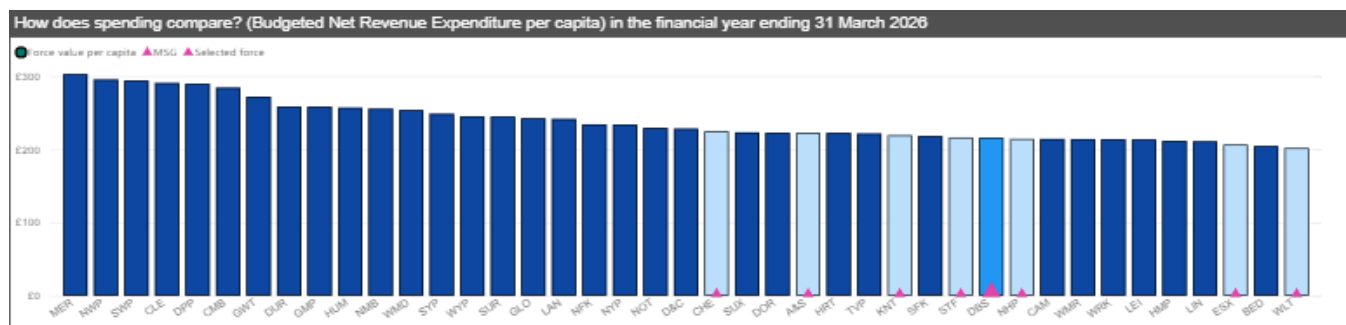
Treasury Management

- Cash Flow Management - During 2025/26 the Group continued to be a net lender of funds, which means that it lent out more than it borrowed to manage its cashflow.

- Investment of Surplus Funds – Rates have started to fall in 2025/26, albeit slower than originally projected. Surplus cashflow resulting from the slippage in the Capital Plan has been invested resulting in increased investment income.
- Borrowing for capital purposes – Borrowing of £19m was taken out during 2025/26.
- Prudential Indicators - In undertaking its treasury management functions during the year, the Group managed its activities within the prudential indicators and approved Treasury Management policy.

Value For Money

The Constabulary continues to demonstrate excellent value for money and performs well in national comparators. The most recent HMICFRS Value for Money profiles reports Derbyshire had one of the lowest profiles for Net Revenue Expenditure per head of population.



Derbyshire has a total net revenue expenditure per capita for the year ending 31 March 2026 of £215.87

Derbyshire's position is 31st in the table (exc. Met & City of London Police) for net revenue expenditure per capita for 2025/26 @ £215.87 per member of the population. This means our spend per person in terms of our population is lower than most of our counterparts (the spend ranges from the highest Merseyside with £302.70 per person to Wiltshire at £201.93 per person) and in the lower quartile in our group of Most Similar Forces (MSF).

Source: HMICFRS Value for Money Profiles 2025

Non-Financial Performance

The Office of the Police and Crime Commissioner reviews Derbyshire Constabulary's performance through the statistics and reports published by national bodies such as Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS), the Office of National Statistics, the Ministry of Justice, and through Derbyshire Constabulary's own performance management and monitoring tools. Regular governance meetings are held with the Chief Officer Team to discuss performance and to ensure that any new patterns in crime and offending within the county are being addressed.

During 2025/26, total recorded crime increased by 2.4%, to 86,408 offences. Despite this increase the positive outcome rate remained stable at 17.8%.

Across acquisitive crime, there was a mixed picture. Residential Burglary rose by 2.9%, while vehicle theft increased by 3.6%. In contrast, theft from vehicles decreased by 8%. Shoplifting offences recorded an increase of 3.6%, and theft from the person rose by 7.5%. Within robbery, personal robbery fell by 3.3% to 501 offences. However, business robbery saw a significant increase, rising from 36 offences in the previous year to 308 in 2025/26.

Overall levels of violence remained broadly stable with violence with injury increasing slightly by 1.3% and violence without injury decreasing by 0.9%. Criminal damage fell by 1.3%, while public disorder decreased by 4.9%. In contrast, stalking and harassment offences rose notably by 11.2%. Sexual offences showed an upward trend, with rape increasing marginally by 0.8% and other sexual offences rising by 11.3%, leading to an overall increase of 7.5% in total sexual offences.

Anti-social behaviour (ASB) continued to decline, with total incidents falling by 7.2% from 16,646 to 15,436. ASB personal incidents saw a sharper reduction of 18.4% from 1,792 to 1,463.

Domestic abuse recorded crime remained largely stable, decreasing slightly by 0.2% (16,618 offences). However there was a notable shift in risk profile with High-risk cases increasing by 11.6%, and Medium and Standard risk cases decreasing by 0.5% and 0.7% respectively.

In Safeguarding activity, domestic abuse Public Protection Notices (PPN'S) increased by 2.6% to 24,947 in 2025/26. Of these, 93.6% were referred to partner agencies. The proportion assessed as high risk under the initial DASH assessment rose slightly to 13%, compared with 11.2% in the previous year.

Child-Related PPNs decreased by 7.5% to 16,414, with 74.1% referred to partner agencies. Vulnerable adult PPNs increased marginally by 0.5% to 12,970, of which 66.9% were referred. Stalking related PPNs fell by 4/6% to 6,584, with 58.8% referred. Honour-based violence PPNs recorded the largest percentage decrease falling by 15.3% to 111 cases,

however 99.1% of those were referred to partner agencies.

His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) completed a National Child Protection Inspection (NCPI) into Derbyshire Constabulary's child protection arrangements. In April 2026 the HMICFRS issued an accelerated cause of concern as it was found that the force was inadequately identifying and responding to risks involving children. Derbyshire Constabulary fully accepts these findings and has produced a detailed improvement plan for HMICFRS. The improvement plan will be monitored by both the Constabulary and HMICFRS.

Future Outlook

Funding Position 2026/27

Following the Spending Review announced by the Government in June 2025 only a one-year funding settlement was received for policing in 2026/27 making planning for the medium term difficult and requiring a number of assumptions to be made.

The table below shows Derbyshire's 2026/27 allocation of central government grants. The grant funding increase by 3.9% in cash terms from 2025/26 to 2026/27, however this reduced to 2.8% taking into account a one-off grant towards the 2025/26 pay award

Funding Stream	2025/26 £m	2026/27 £m	Change £m	Change %
Home Office Police Grant	85.7	92.1	6.4	7.5%
EX- DCLG Formula Funding	48.0	51.9	3.9	8.1%
Sub Total – Core Grant	133.7	144.0	10.3	7.7%
Council Tax Grants	8.7	8.7	0	0%
Pension Support Grant	5.6	5.6	0	0%
Officer Maintenance Grant (Ringfenced) (<i>Combined into Core Grant for 2026/27</i>)	5.0	0	-5	-100%
Additional Recruitment Top Up Grant (<i>Combined into Core Grant for 2026/27</i>)	1.4	0	1.4	-100%
National Insurance Contributions Grant	3.8	3.7	-0.1	-2.6%
Neighbourhood Policing Grant (Ringfenced)	2.8	5.2	2.4	85.7%
SubTotal - All Other Police Grants	27.3	23.2	-4.1	-15%
In Year Pay Award Grant Sept 24 (4.75% Sept 24)	1.7	0		
Total - All Police Grants (Adjusted for Pay Award)	162.7	167.2	4.5	2.8%

The funding settlement for 2026/27 removed the ring-fenced officer maintenance grants and the requirements for an overall police officer number target have been removed, which allows for greater flexibility and modernisation of the workforce. The ring-fenced neighbourhood policing grant remains, and we will be entitled to the grant if we achieve an additional 25 Officers and PCSO's within neighbourhoods (in addition to the previous year's target of 35 neighbourhood officers).

As set out in the Local Government Funding settlement, PCCs were given the flexibility to raise the police precept by up to £15 for a Band D property in 2026/27. Following a period of consultation with the public the PCC took the decision to raise the precept by the maximum allowed. The total funding to Constabulary was set at **£258.825m** with the £15 Precept increase.

Even with the maximum precept the force was only able to balance the budget for 2026/27 by making significant savings. The Force initiated two new savings initiatives during 2025/26 to address the level of financial challenges facing the Force and to address the level anticipated savings needed in 2026/27, these were:

- A Mutually agreed Resignation scheme (MARS) which is a voluntary scheme which allows eligible police staff to resign from their post in return for a severance payment under a mutually agreed resignation.
- Force Service Review's, which are a priority-based budget approach ensuring the forces operating model and costs are understood, and proactively considers and evaluates options for change, aligning resources to the Force priorities.

These measures resulted in £4.7m of savings in 2026/27 by reducing police staff levels by 80 full-time equivalents and by reducing some non-pay budgets.

Further information concerning the 2026/27 budget can be found on our website: [Budget and Precept Information | Office of the Derbyshire Police and Crime Commissioner \(derbyshire-pcc.gov.uk\)](https://www.derbyshire-pcc.gov.uk/Budget-and-Precept-Information)

Medium Term Financial Plan

The Medium-Term Financial Plan (MTFP) forecasts future years' budget requirements based upon funding and spending assumptions. The plan is prepared between the Force and the Chief Financial Officer with the Office of Police and Crime Commissioner (OPCC) and is based upon a number of assumptions with different worst, best and most likely case scenarios. These are regularly discussed with the Chief Officers, members of the Senior Leadership Team and the OPCC.

The Forecast prepared as part of the 2026/27 Budget indicated that under all current assumptions the underlying budget deficit would continue to increase over the next five years, creating a **funding gap of over £8m**.

Our funding assumptions with the MTFP prepared as part of the 2026/27 Budget Process were based upon a **1% annual increase in Government Grant**. They also assume that a **£14 precept increase based upon a Band D property** is approved in each of the next 4 years (27/28, 28/29, 29/30 and 30/31) and shows the extent of the challenge that remains.

Medium-Term Forecast 2026/31	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Net Revenue Budget	258.825	270.144	280.610	289.565	297.771
Projected Funding (£15 Precept 26-27 £14 Subsequent Years)	-258.825	-266.322	-273.817	-281.438	-289.182
Budget Deficit	0.000	3.822	6.793	8.128	8.589

It is acknowledged by the Force that a rigorous and structured process for identifying further savings will be required to enable balanced budgets to be set for 2027/28 to 2030/31. This will be addressed through a structured and risk-based savings plan focusing on demand-led service design, asset and estate optimization and smarter ways of working, using technology and AI to improve productivity is structured.

The financial, economic and operational uncertainties and challenges will require the PCC and Constabulary to keep financial planning assumptions under constant review, to ensure that the financial position remains stable into the longer term. The Constabulary will shortly commence the process of the new round of strategic financial planning and will consult with the PCC throughout this process. There are no going concern issues as a result, as funding to police forces will continue, but there may be risks to the levels of service currently offered.

Devolution

In November 2025, The Home Office announced that Police and Crime Commissioners (PCCs) will be abolished across England and Wales by May 2028. This will result in the transfer of Derbyshire police governance functions to East Midlands Combined County Authority (Mayoral Authority).

Police Reform White Paper

In January 2026, the Home Office published the Police Reform White Paper entitled "from local to national" a new model for policing. The longer-term ambition from the paper is to have fewer and larger forces with an "optimal configuration of regional police forces. The reforms aim to shift to a more centrally directed, technology-driven model while simultaneously trying to strengthen local neighbourhood policing. A new centralised National Police Service will be created to manage national responsibilities, including counter-terrorism, serious and organised crime, and regional crime units. The National Police Service will take control of forensics, IT, and procurement from local forces.

Police Funding Formula

The current policing funding formula used to allocate core funding is outdated and no longer reflects the reality of local demand in different force areas. The government intends to carry out a funding formula review after the new policing structures are in place.

Andrew Dale
Chief Operating Officer & s151 Officer
30th June 2026

STATEMENT OF RESPONSIBILITIES FOR THE ACCOUNTS

The Police and Crime Commissioner's Responsibilities

The Police and Crime Commissioner is required: -

- to make arrangements for the proper administration of the Office of the Police and Crime Commissioner's financial affairs and to secure that one of its officers (Chief Operating Officer & s151 Officer) has the responsibility for the administration of these affairs;
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- to approve the statement of accounts

I approve these Statements of Accounts

Signed

Nicolle Ndiweni

Police and Crime Commissioner

Date:

The Chief Operating Officer & s151 Officer's Responsibilities

The Chief Operating Officer & s151 Officer is responsible for the preparation of the Statement of Accounts for the Office of the Police and Crime Commissioner (and therefore the Group) in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ("the Code").

In preparing this Statement of Accounts the Chief Operating Officer & s151 Officer has: -

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent including assessments of going concern; and
- complied with the local authority code.

The Chief Operating Officer & s151 Officer has also: -

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

CHIEF OPERATING OFFICER & s151 OFFICER'S CERTIFICATE

I certify that the Statement of Accounts presents a true and fair view of the financial position of the Office of the Police and Crime Commissioner for Derbyshire and the Office of the Police and Crime Commissioner Group as at the 31 March 2026 and of its income and expenditure for the year ended the 31 March 2026.

Signed

Andrew Dale FCCA

Chief Operating Officer & s151 Officer

Date:

EXTERNAL AUDIT REPORT

PAGES 13-16
TO BE ISSUED
AFTER APPROVED

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POLICE AND CRIME COMMISSIONER AND GROUP STATEMENT OF ACCOUNTING POLICIES

Accounting Policies

General Principles

These financial statements have been prepared in accordance with the Code of Practice (the Code) on Local Authority Accounting in the United Kingdom issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Accounts and Audit (Amendment) Regulations 2024. The accounting policies contained in the Code apply International Financial Reporting Standards (IFRS) as adapted for the public sector by the International Public Sector Accounting Standards (IPSAS).

The accounts have been prepared on a going concern basis using a historic cost convention, modified to account for the revaluation of certain categories of tangible fixed assets and financial liabilities.

The concept of a going concern assumes that the functions of the Constabulary will continue in operational existence for the foreseeable future. The provisions in the Code (CODE OF PRACTICE ON LOCAL AUTHORITY ACCOUNTING IN THE UNITED KINGDOM 2025/26) in respect of going concern reporting requirements reflect the economic and statutory environment in which policing services operate. These provisions confirm that, as policing services cannot be created or dissolved without statutory prescription, they must prepare their financial statements on a going concern basis of accounting.

Policing services carry out functions essential to the local community and are themselves revenue-raising bodies (with limits on their revenue-raising powers arising only at the discretion of central government). If a police authority were in financial difficulty, the prospects are thus that alternative arrangements might be made by central government either for the continuation of the functions it provides or for assistance with the recovery of a deficit over more than one financial year. As a result of this, it would not therefore be appropriate for the financial statements to be provided on anything other than a going concern basis.

The accounts are therefore prepared on a going concern basis, on the assumption that the functions of the PCC and Chief Constable will continue in operational existence for the foreseeable future from the date that the accounts are authorised for issue.

Consolidation

With the introduction of the Police Reform and Social Responsibility Act 2011 on 22 November 2012 two 'corporation sole' bodies, the Police and Crime Commissioner for Derbyshire and the Chief Constable for Derbyshire were formed. Both bodies are required to prepare separate Statements of Accounts.

The Financial Statements included here represent the accounts for the Commissioner and also those for the Group. The financial statements cover the 12 months to 31 March 2026. The term 'Group' is used to indicate individual transactions and policies of the Commissioner and Chief Constable for the year ended 31 March 2026. The identification of the Commissioner as the holding organisation and the requirement to produce group accounts stems from the powers and responsibilities of the Commissioner under the Police Reform and Social Responsibility Act 2011.

The principal accounting policies adopted are set out below: -

Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made and received. Whilst all expenditure is paid for by the Group including the pay costs of police officers and staff, the actual recognition in the respective Commissioner and Chief Constable Accounts is based on economic benefit.

Debtors – these are recognised in the accounts when the ordered goods or services have been delivered or rendered by the Group in the financial year but the income has not yet been received. Income has only been included in the accounts when it can be realised with reasonable certainty. Where there is evidence that the Group may not be able to collect all amounts due to it, a provision for bad debts is established. The provision made is the difference between the current carrying value of the debt and the amount likely to be collected. These amounts are set on an individual debtor basis. The provision for bad debts is recognised as a charge to the Comprehensive Income and Expenditure Statement for the income that might not be collected.

Creditors – these are recorded where goods or services have been supplied to the Group by 31 March but payment is not made until the following financial year.

Accounting for Local Taxes

The collection of council tax is, in substance, an agency arrangement with the Derbyshire District and Derby City Authorities (billing authorities) collecting council tax on behalf of the Commissioner (the Police Precept).

The council tax income is included in the Comprehensive Income and Expenditure Statement on an accruals basis and includes the precept for the year plus a share of Collection Fund surpluses and deficits from the billing authorities.

The difference between the income reported in the Comprehensive Income and Expenditure Statement and the amount required by regulation to be credited to the General Reserve shall be taken to the Collection Fund Adjustment Account through the Movement in Reserves Statement.

The year-end Balance Sheet includes the share of year end debtors (arrears and collection fund surpluses) and creditors (prepayments, overpayments and collection fund deficits) attributable to the Group

Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment or other purposes. The following have been classed as cash and cash equivalents:

- Cash on hand.
- Cash in bank (Current Account, Call Account and Business Premium Account).
- Temporary investments with instant access and no penalties.

Exceptional Items

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

Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

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

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

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

Employee Benefits

The Accounts are prepared in accordance with IAS19 *Employee Benefits*. This is a complex accounting standard but it is based on a simple principle that:

“An organisation should account for employment and post-employment benefits when employees earn them and the authority is committed to give them, even if the actual giving will be many years into the future”.

IAS 19 applies to all types of employee benefits paid including benefits payable during employment, termination benefits and post-employment benefits.

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year end. They include such benefits as salaries, paid annual leave and paid sick leave, expenses, 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 Group. 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 which employees can carry forward into the next financial year. The accrual is charged to Comprehensive Income and Expenditure Statement (as a surplus/deficit on Provision of Services), but then reversed out

through the Movement in Reserves Statement to the Short Term Accumulating Compensated Absences Account so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs but have no impact on the level of council tax.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Group to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy and are charged on an accruals basis to the Comprehensive Income and Expenditure Statement when the Group is demonstrably committed to the termination of the employment of an employee or group of employees or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the general fund balance to be charged with the amount payable by the Group to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, 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.

Post-employment Benefits (Pensions)

The main effect of IAS19 in relation to post-employment benefits is the recognition of the net liability in the Balance Sheet (offset by an unusable Pension Reserve) for benefits earned but not yet paid, and entries in the Comprehensive Income and Expenditure Statement for in-year movements in the liability. Reconciling entries in the Movement in Reserves Statement bring back the cost of pensions to the amount chargeable to the General Fund for the purposes of grant and local taxation).

IAS19 relies on the recognition of pension's liabilities (being the retirement benefits promised measured on an actuarial basis) and assets (being the Group's share of investments (if any)).

The Group participates in two different pension schemes both of which are "defined benefit schemes" as they are both based on employees earning benefits from years of service;

a) Police Officers

This scheme is unfunded. This means it provides pensions and other retirement benefits for police officers based on pensionable salaries but there are no investment assets built up to meet the pensions liabilities.

The funding arrangements for the police officers pension scheme changed on 1 April 2006. Before April 2006 each Police Authority was responsible for paying the pensions of its former officers on a "pay as you go" basis. From April 2006 there is now an employer's contribution instead (currently the equivalent of 31% of pensionable salary) which is charged to the Comprehensive Income and Expenditure Statement.

The Group is required by legislation to operate a Pension Fund Account and the amounts that must be paid into and paid out of the Pension Fund are specified by regulation. Officer's contributions and the employer's contribution are paid into the pension's account from which pension payments are then made. The account is topped up as necessary by a grant from the Home Office if the contributions are insufficient to meet the cost of pension's payments. Any surplus is recouped by the Home Office. Injury awards and the capital costs associated with ill health retirements are paid from the Group's Comprehensive Income and Expenditure Statement.

The pension fund account does not take account of the obligation to pay pensions and benefits which fall due after the end of the financial year.

b) Police Staff and PCSO's

Police staff and PCSO's, subject to certain qualifying criteria, are eligible to join the Local Government Pension Scheme administered by Derbyshire County Council. It is a defined benefit occupational pension scheme. Pensions and other retirement benefits earned prior to 1 April 2014 are based on final salaries, benefits earned after that date are calculated on earnings accrued in a scheme year. Employers and employees make regular contributions into the fund, which are invested in various types of assets, so that the liabilities are paid for evenly over the employment period. Actuarial valuations of the fund are undertaken every three years to determine the contributions rates needed to meet its liabilities.

For both schemes the liabilities are included in the Balance Sheet on an actuarial basis using the projected unit method (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 projections of projected earnings for current employees). Liabilities are discounted to their value at current prices, using a discount rate. The Discount Rate used is based on the 'current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities', which is often referred to as AA Corporate Bond Rate.

Assets in the Local Government Pension scheme are included in the net pension liability in the Balance Sheet at their fair value: -

- Quoted and Unitised Securities – Current Bid Price.
- Unquoted Securities – Professional Estimate.
- Property – Market Value.

The changes in the net pensions' liability are analysed into the following components:

Service cost comprising:

- Current service cost – the increase in liabilities as a result of one additional year of service earned this year – allocated to the Comprehensive Income and Expenditure Statement.
- Past service cost – the increase in liabilities as a result of 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 as part of non-distributed costs.
- Net interest expense – the change during the period in the net defined liability (asset) arising from the passage of time charged to Financing & Investment Income & Expenditure line, taking into account changes in net defined benefit liability (asset) during the period as a result of contribution and benefit payments

Remeasurements comprising:

- Return on plan assets – excluding amounts included above in net interest, charged to Pensions Reserve as Other Comprehensive Income & Expenditure
- Actuarial gains and losses – 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 – debited to the Pensions Reserve as Other Comprehensive Income & Expenditure.
- Contributions paid to the pension fund.

From the financial year 2025/26, we have obtained separate actuary reports for the Commissioner and Chief Constable to split out the assets and liabilities of the scheme between the two entities.

Discretionary Benefits

The Group 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.

Events after the Balance Sheet Date

These are events that occur between the end of the reporting period and the date when the financial statements are authorised for issue. The Group will report these in the following way if it is determined that the event has had a material effect on the Group's financial position: -

- Events which provide evidence of conditions that existed at the end of the reporting period will be adjusted and included within the figures in the accounts.
- Events that are indicative of conditions that arose after the reporting will be reported in the narrative notes to the accounts.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

Financial Instruments - Liabilities and Assets

Financial liabilities are recognised on the Balance Sheet when the Group becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. For most of the borrowings that the Group has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest) and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year in the loan agreement.

The Group has not undertaken any repurchasing or early settlement of borrowing.

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. There are three main classes of financial assets measured at

- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through comprehensive income (FVOCI)

The Group's business model is to hold investments to collect contractual cash flows. Financial assets are therefore measured at amortised cost.

Financial Assets Measured at Amortised Cost

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

Expected Credit Loss

The Group will recognise material expected credit losses on all of its financial assets held at amortised cost, either 12 month or lifetime basis.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses. The material value for the Investment portfolio is £10,000.

Foreign Currency Translation

Where the Group has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective.

Government Grants & Contributions

Whether paid on account, by instalments or in arrears, Government Grants and third-party contributions and donations are recognised as due to the Group when there is reasonable assurance that: -

- The Group will comply with the conditions attached to the payments.
- The grants or contributions will be received

Amounts recognised as due to the Group are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution has been satisfied. Conditions are stipulations that specify that the future economic benefit or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the Net Cost of Services (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non ring-fenced grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Reserve Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it is applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Non-Current Assets - Property, Plant and Equipment

Assets that have physical substance and are held for use in the provision 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.

Recognition and Measurement

Expenditure on the acquisition, creation or enhancement of assets is capitalised on an accrual's basis, provided that it yields benefits to the Group and the services it provides for more than one financial year and that the cost of the item can be measured reliably.

Assets are initially measured at cost, comprising the purchase price and 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 then carried in the Balance Sheet using the following measurement bases:

- Land, property and other operational assets are included in the Balance Sheet at fair value (existing use value). Operational assets can either be specialised or non-specialised. Specialised Assets, where there is no market-based evidence of current value because of their specialist nature, are valued at Depreciated Replacement Cost (DRC) as an estimate for fair value. The assets to be classified as specialised property relate to the operational custody suites situated within the various properties, the Dog Section and the Multi-Purpose Hall. In cases where there is only a small number of cells, or where cells are now out of use, these have not been treated as specialised properties.
- Surplus assets are included at the current value measurement base (fair value), estimated at highest and best use from a market participant's perspective.
- Assets under construction are held in the Balance Sheet at historical cost until completed, whereupon they will be valued and included in the Balance Sheet as operational assets.

Where non-property assets have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value e.g. Vehicles, IT and Communications equipment and other equipment.

Revaluation

Assets included in the Balance Sheet at fair value are revalued at five-yearly intervals or on a five-year rolling basis to ensure that the carrying amount reflects the current value at the balance sheet date. In the intervening years between the professional valuations, indexation is applied to ensure the valuation remains current. The indexation used is a matter of judgement and will be determined in consultation with the valuers. If a suitable index cannot be identified there will be a desktop valuation in year three of the revaluation cycle. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Occasionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of an impairment loss previously charged to the account.

Where decreases in value are identified, they are accounted for by: -

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairments

Assets are assessed at each year end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall. Where impairment losses are identified, they are accounted for by:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided on a straight-line basis for all Property, Plant, Vehicles and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives, as advised by a suitably qualified advisor. An exception is made for assets without a determinable finite useful life (i.e. freehold land) and assets that are not yet available for use (i.e. assets under construction).

Vehicles

Over the life of the asset (3-10 years)

Equipment/furniture	Over the life of the asset (3-20 years)
IT/Communications Equipment	Over the life of the asset (2-10 years) - Majority of assets are 5 years
All Buildings	Over the life of the asset (10-50 years)

Component Accounting – where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. The component is judged to be significant where the replacement value is above £0.5m or 25% of the asset.

It is the Group's policy not to charge depreciation in the year of acquisition but a full year's charge is made in the year of disposal. Depreciation is charged to the Comprehensive Income and Expenditure Statement and is reversed out through the Movement in Reserves Statement.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Assets held for sale

When a non-current asset is planned to be disposed of, it is reclassified as an Asset held for sale. To be reclassified it must meet the following criteria: -

- The asset must be available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets.
- The sale must be highly probable (with management commitment to sell and active marketing of the asset initiated).
- It must be actively marketed for a sale at a price that is reasonable in relation to its current fair value.
- The sale should be expected to qualify for recognition as a completed sale within one year.

The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses in the Comprehensive Income and Expenditure Statement.

Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

Assets that are abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet 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 as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of the disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve and can then only be used to finance new capital investment or set aside to reduce the Group's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the General Reserve Balance in the Movement in Reserves Statement.

The written off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Reserve Balance in the Movement in Reserves Statement.

Non-Current Assets - Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are identifiable and controlled by the Group as a result of past events (e.g. software licences), are capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Group.

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to provide information on policing matters.

Intangible assets are measured at cost. Amounts are only revalued where the fair value of the assets held by the Group can be determined by reference to an active market. In practice, no intangible asset held by the Group meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised to the Comprehensive Income and Expenditure Statement over its useful life. Amortisation, as with depreciation, commences in the financial year following that in which they are received. Amortisation is not permitted to have any impact on the General Reserve Balance; it is therefore reversed through the Movement in Reserves Statement and posted to the Capital Adjustment Account.

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.
- Revaluation and impairment losses on assets where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.
- Amortisation of intangible fixed assets.

The Group is not required to raise council tax to cover depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual provision from revenue to contribute towards the reduction in its overall borrowing requirement (Minimum Revenue Provision (MRP)). An annual statement for the policy on making MRP is required in accordance with statutory guidance; this should be calculated on a prudent basis. The policy for Derbyshire is: -

- For Supported Capital Expenditure, the MRP Policy will be based on the remaining life of the Capital Financing Requirement (CFR) using the annuity method (PWLB annuity rates)
- For unsupported borrowing the MRP policy will be based on the estimated life of the assets using the annuity method (PWLB annuity rates)
- For PFI contracts that are deemed to be on Balance Sheet, the MRP will be based on the estimated life of the PFI assets using the annuity method (PWLB annuity rates)
- For leases the MRP requirement would be regarded as met by a charge equal to the element of the charge that goes to write down the Balance Sheet liability.

Depreciation, revaluation and impairment losses and amortisations are therefore replaced by revenue provision in the Movement in Reserves Statement, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Revenue Expenditure Funded from Capital under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of a non-current asset has been charged as expenditure to the Comprehensive Income and Expenditure Statement in the year. Where the Group has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Reserve Balance to the Capital Adjustment Account then reverses out the amounts charged so there is no impact on the level of council tax.

Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease.

The term of the lease is determined using the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which is reasonably certain to be exercised.

The Group as a lessee

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, we recognise a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term (dilapidations).

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments include fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the PWLB annuity rate is applied that relates to the length of the lease term.

We do not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £10,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, we employ a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

Where land and buildings assets are revalued, current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost.

Leased plant and machinery and furniture and fittings are shorter-term leases and so the cost model is applied and these are measured at depreciated at historic cost.

We subsequently measure the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

Dismantling, removal and restoration costs will not apply to all leases. If a lease has 30 years or more to run, we will not be including these costs. For leases where they are relevant, they will not necessarily be specified in the lease but can be implicit. Relevant leases will be categorised, the costs will be calculated using a blended rate and floor area. For more specific complexities a bespoke approach will be applied.

Depreciation

The depreciation of right of use assets is based on the lesser of the lease term and the useful life of the asset, unless we expect to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets in line with IFRS 16, Leases.

Revaluation gains/losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure. Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

Impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to

operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

The Group as a lessor

We assess each of our leases and classify them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Finance Leases

Where an asset is identified as a finance lease, and where the Group is the lessor, it will be written out of the Balance Sheet as a disposal. The carrying amount is written off to Other Operating Expenditure as part of the gain or loss on disposal. A gain, representing the authority's net investment in the lease, is credited to the same line, matched by a lease (long-term debtor) asset in the Balance Sheet. The lease rentals received write-down the lease debtor and the finance income is credited to the Financing & Investment Income & Expenditure line.

Rental income from finance leases entered into after the 1 April 2010 should be treated as a capital receipt.

Operating Leases

An asset identified as an operating lease, and where the Group is the lessor, shall be retained in the Balance Sheet. Rental income is credited to the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the term of the lease.

Private Finance Initiative (PFI) and Similar Contracts

The Group entered into two PFI arrangements, Ilkeston Police Station and St Mary's Wharf DHQ at Derby. The first affected the accounts from 1998/99, the second from 2000/01. Both have a continuing commitment by the Group for 30 years. PFI contracts are agreements to receive services, where the responsibility for making available the non-current assets needed to provide the services passes to the PFI contractor. As the Group is deemed to control the services that are provided under its PFI schemes and has control over the residual interest in the property at the end of the arrangement (if exercised), the Group carries the non-current assets under the contracts on the Balance Sheet as part of Property, Plant and Equipment.

An early exit from the Ilkeston Police Station PFI arrangement was completed on 7th November 2023 when Derbyshire Police purchased the property.

The original recognition of these assets at fair value was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investments.

PFI assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Group.

The amounts payable to the PFI operators each year should be analysed into five elements: -

- Fair value of the services received during the year – debited to the Comprehensive Income and Expenditure Statement.
- Finance cost – an interest charge of 9.114% for Ilkeston PFI and 7.917% for Derby PFI on the outstanding Balance Sheet Liability, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.
- Contingent rent – increases in the amount to be paid for the property arising during the contract. For both the Group's PFI schemes there is no contingent rent as the property element of the fee paid to the PFI operator is not indexed.
- Payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator. This is also the MRP charge for PFI schemes.

- Lifecycle replacement costs – recognised as fixed assets on the Balance Sheet if the costs are of a capital nature or if the costs are revenue debited to the Comprehensive Income and Expenditure Statement.

Provisions, Contingent Liabilities and Contingent Assets

Provisions – these are required for liabilities that have been incurred but are of uncertain timing or amount. There are three criteria:

- The Group has a present obligation (legal or constructive) as a result of a past event.
- It is more likely than not that money will be needed to settle the obligation.
- A reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Comprehensive Income and Expenditure Statement in the year that the Group becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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 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 met by another party (e.g. from an insurance claim), the income is only recognised as income if it is virtually certain that reimbursement will be received when the obligation is settled.

Provisions contained within the Balance Sheet are split between current liabilities (those which are estimated to be settled within the next 12 months) and non-current liabilities (those which are estimated to be settled in a period greater than 12 months).

Contingent Liabilities – this arises where an event has taken place that gives the Group a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Group. 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.

Contingent Asset – this arises where an event has taken place that gives the Group a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

Reserves

Usable Reserves - the Group's General Revenue Balances are held in the General Reserve. The Group also maintains a number of specific 'earmarked' reserves for future expenditure on either policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Reserve Balance. When revenue expenditure to be financed from a reserve is incurred, it is charged to the Comprehensive Income and Expenditure Statement. The relevant reserve is then debited with an equivalent amount which is appropriated back into the General Reserve Balance so that the expenditure is not charged against Council Tax.

Also held under usable reserves are those that support the financing of capital (Capital receipts reserve and Capital Grants unapplied).

Unusable Reserves - certain reserves/accounts are kept to manage the accounting processes for non-current assets (Capital Adjustment Account, Revaluation Reserve, Deferred Capital Receipts), retirement and employee benefits (Pensions Reserve, Short term Accumulating Compensated Absences Account) and Accounting for local taxes (Collection Fund Adjustment Account). These do not represent usable resources for the Group.

Value Added Tax (VAT)

The Comprehensive Income and Expenditure Statement excludes any amounts related to VAT, as all VAT collected is payable to HM Revenue and Customs and all VAT paid is recoverable from them.

Jointly Controlled Operations

Jointly controlled operations are activities undertaken by the Group in conjunction with other venturers that involve the use of the assets and resources of the venturers rather than the establishment of a separate entity. The Group recognises on its Balance Sheet the assets that it controls and the liabilities that it incurs and debits and credits the Comprehensive Income and Expenditure Statement with the expenditure it incurs and the share of income it earns from the activity of the operation.

Joint Ventures

Joint Ventures are arrangements under which two or more parties have contractually agreed to share control, such that decisions about activities that significantly affect returns require the unanimous consent of the parties sharing control, and joint ventures have rights to the net assets of the arrangement. Joint Ventures have their own legal entity. They are accounted for using the equity method in the Group Accounts.

The Joint Venture between Derbyshire Police and Derbyshire Fire and Rescue Service was formed under a Limited Liability Partnership (LLP). The Joint Venture operates an Income and Expenditure Account, the LLP Board can re-distribute 75% of any profits back to partners (Police and Fire), they also have discretion to re-distribute a further 25%.

Accounting standards that have been issued but not yet been adopted

The Police and Crime Commissioner shall disclose information relating to the impact of an accounting change that will be required by a new standard that has been issued in 2025/26 but not yet adopted. These are detailed below

- Amendments to IFRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage Assets) issued in March 2024
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7 issued in May 2024
- Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024
- Contracts Referencing Nature – dependent Electricity (Amendments to IFRS 9 and 7) issued in December 2024

The impact of these standards on the financial statements of the Police and Crime Commissioner is either not applicable or not expected to be material.

Changes in Accounting Estimates

Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out above, the Group has had to make certain judgements about complex transactions or those involving uncertainty about future events. There are no significant judgements in the 2024/25 Statement of Accounts.

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

The Statement of Accounts contains estimated figures that are based on assumptions made by the Group about the future or that are otherwise uncertain. Estimates are made to take 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.

No new areas of estimation have been identified for this financial year.

The items in the Group's Balance Sheet at the 31 March 2026 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Uncertainties	Effect if Actual Results differ from Assumptions
Property, Plant and Equipment	
Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Group will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for buildings (excluding PFI buildings which are contracted to be maintained) would increase by £0.057m for every year that useful lives had to be reduced.
The valuation of property depends on a number of complex judgements and a firm of Valuers is engaged to provide expert advice about the assumptions to be applied. This is in accordance with the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors. Most of the PCC's land and buildings are valued based on the open market value in their use (EUV) i.e. office accommodation.	The Net Book Value (NBV) of all Operational Land and Buildings as at the 31 March 2026 was £33.4m. Should this value increase or decrease by 10% it would have an impact of +/- £3.34m. To reduce the risk of material differences, property valuations are prepared on a three year rolling basis so a proportion of assets are valued each year. To further mitigate any risk of material differences the PCC commissioned a mix of full and desktop valuations for all properties in 2024/25 which concluded that there were no material differences in estimation. From 2025/26 a 5 year rolling valuation programme will be followed, indexation will be applied in intervening years.
Where there is no market-based evidence of fair value because of the specialist nature of the asset, depreciated replacement cost (DRC) is used as an estimate of fair value. The indices used in the calculation can fluctuate year on year based on local market conditions.	DRC has been applied to the specialist elements of 4 properties. This represents a small proportion (£6.1m) of the total operational land and buildings NBV.
Surplus land and buildings are valued at fair value which could fluctuate year on year based on local market conditions.	As at the 31 March 2026 there was 1 surplus property. Surplus properties are valued every year to ensure that the values are up to date.
Provisions	
The Group has made a provision of £3.020m for the settlement of claims for insurance and backdated overtime. This has been based on the claims handlers' assessment of claims outstanding and an estimate of future claims for 2025/26. The number and value of claims may be different to the assessment.	An increase over the forthcoming year of 10% in the total number of claims would have the effect of adding £0.302m to the provision needed. However, this amount will be covered from the Insurance Reserve if necessary.
Pensions Liability	
Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Group with expert advice about the assumptions to be applied. For both the Police Officer and Police Staff schemes, full data on individual scheme members is collected only once every 3 years. In the intervening period, the actuaries are required to estimate relevant changes in the membership profile.	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance for the largest scheme, the Police Pension scheme, it is estimated that a 0.5% reduction in the discount rate's excess over pension increases would result in a decrease in the pensions liability of 7.0% (£107m). If pension increases were to be 0.5% higher per year this would increase the liability by 7.0% £107m. However, the assumptions interact in complex ways. For example, during 2025/26 the Police Pension Scheme liability decreased by £14.2m as a result of experience changes and by £51.1m as a result of the updating of actuarial assumptions for financial reasons (In 2024/25 the equivalent increased by £0.6m and decreased by £198.6m respectively). Experience changes are those that arise from specific occurrences relating to scheme membership during the year. Recent reviews of public sector pensions have led to changes in benefits payable, employee contribution rates and retirement ages. These will have an impact on the level of future liabilities. As from 1 April 2014 for Police Staff and April 2015 for Police Officers, scheme members now accrue benefit entitlements based on their career-average salaries instead of on their final salary at the point of retirement.

GROUP COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR THE PCC GROUP

This statement shows the accounting cost in the year of providing services for the Group, in accordance with generally accepted accounting principles, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement of Reserves Statement.

For the year ended 31 March 2025			Note	For the year ended 31 March 2026		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
269,815	(56,799)	213,016		270,177	(61,896)	208,281
2,316	(209)	2,107		2,584	(247)	2,337
9,341	(7,158)	2,183		8,203	(6,008)	2,195
0		0				0
281,472	(64,166)	217,306	10	280,964	(68,151)	212,813
2,695	0	2,695		536	0	536
284,167	(64,166)	220,001	2	281,500	(68,151)	213,349
198	0	198		423	0	423
2,168	0	2,168		2,172	0	2,172
570	0	570		568	0	568
209	0	209		157	0	157
264	0	264		251	0	251
80,771	0	80,771		82,146	0	82,146
0	(1,514)	(1,514)		0	(1,078)	(1,078)
0	(284)	(284)		0	(290)	(290)
0	(661)	(661)		0	(834)	(834)
0	(82,609)	(82,609)		0	(85,684)	(85,684)
0	(47,690)	(47,690)		0	(49,407)	(49,407)
0	(7,346)	(7,346)		0	(7,346)	(7,346)
0	(93,729)	(93,729)		0	(100,867)	(100,867)
0	(28,923)	(28,923)			(30,879)	(30,879)
368,347	(326,922)	41,425	2	367,217	(344,536)	22,681
	(762)					(3,634)
	1,090					(6)
	(199,992)					(57,684)
		(199,664)				(61,324)
	(158,239)					(38,643)

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR THE COMMISSIONER

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting principles for the Commissioner (PCC). The consolidated accounting cost and funding for the Group is shown in the Group CIES. This statement differs from the Group statement in that it shows the intra-group funding adjustment between the PCC and the Chief Constable. This transfer represents a recharge of the costs and income of providing policing services to the Chief Constable who has consumed the resources.

Commissioner For the year ended 31 March 2025				Commissioner For the year ended 31 March 2026		
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure
£000	£000	£000		£000	£000	£000
1,664	(209)	1,455	Corporate and Democratic Core (PCC)	1,910	(247)	1,664
9,341	(7,158)	2,183	Commissioning Activities by the PCC	8,203	(6,008)	2,195
11,005	(7,367)	3,638	Cost of Policing Services before revaluations/funding	10,113	(6,255)	3,859
2,695	0	2,695	Revaluation losses / (gains)	536	0	536
284,543	(56,799)	227,744	Intra-group Funding	301,612	(61,896)	239,716
298,243	(64,166)	234,077	Cost of Policing Services	312,261	(68,151)	244,111
			Other Operating Expenditure			
(90)	0	(90)	Gains on the Disposal of Non-Current Assets	(191)	0	(191)
2,168	0	2,168	Intra-group funding Levies to national police services	2,172	0	2,172
			Financing and Investment Income and Expenditure			
570	0	570	Interest Payable on Debt	568	0	568
209	0	209	Interest Element of Finance Leases (PFI)	157	0	157
264	0	264	Interest on Lease Liability	251	0	251
0	(1,514)	(1,514)	Investment Interest Income	0	(1,078)	(1,078)
0	(284)	(284)	Profit on Joint Ventures	0	(290)	(290)
			Taxation and Non-Specific Grant Income			
0	(661)	(661)	Recognised Capital Grants and Contributions	0	(834)	(834)
0	(82,609)	(82,609)	General Government Grants	0	(85,684)	(85,684)
0	(47,690)	(47,690)	Revenue Support Grant	0	(49,407)	(49,407)
0	(7,346)	(7,346)	Localising Council Tax Support Grant	0	(7,346)	(7,346)
0	(93,729)	(93,729)	Council Tax Income	0	(100,867)	(100,867)
301,364	(297,999)	3,365	Deficit on the Provision of Services	315,218	(313,657)	1,560
		1,090	Surplus on Revaluation of Non-Current Assets			(6)
		1,090	Other Comprehensive Income and Expenditure			(6)
		4,455	Total Comprehensive Income and Expenditure			1,554

BALANCE SHEET FOR THE PCC GROUP

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Group. The net assets of the Group (assets less liabilities) are matched by the reserves held by the Group. Reserves are reported in two categories. The first category of reserves are usable reserves, ie those reserves that may be used to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves are those that are not able to be used to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the revaluation reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31-Mar-25 £000		Note	31-Mar-26 £000
67,729	Property, Plant and Equipment	11	77,587
382	Intangible Assets	12	200
19,299	Investments in Joint Venture	13	22,932
87,410	Long-Term Assets		100,719
20	Short-Term Investments	20	8,788
376	Stock & Stores	14	455
46,204	Short-Term Debtors	16	51,897
3,008	Cash and Cash Equivalents	17	2,101
465	Assets Held for Sale (< 1 year)	18	-
50,073	Current Assets		63,240
(1,316)	Short-Term Borrowing	20	(7,799)
(1,363)	Other Short-Term Liabilities	3/24	(604)
(39,903)	Short-Term Creditors	19	(47,579)
(945)	Short-Term Provisions	25	(1,011)
(43,527)	Current Liabilities		(56,994)
(2,028)	Long-Term Provisions	25	(2,009)
(28,581)	Long-Term Borrowing	20	(39,924)
(1,563,190)	Other Long-Term Liabilities	3/10/24	(1,526,234)
(10)	Capital Grants Receipts in Advance		(10)
(1,593,809)	Long-Term Liabilities		(1,568,177)
(1,499,854)	Net Liabilities		(1,461,211)
21,354	Usable Reserves	27	22,490
(1,521,208)	Unusable Reserves	28	(1,483,701)
(1,499,854)	Total Reserves		(1,461,211)

Certification

The financial statements were authorised as a final version for issue on xx June 2026.

BALANCE SHEET FOR THE COMMISSIONER

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Commissioner. The net assets are matched by the reserves held by the Commissioner. Reserves are reported in two categories. The first category of reserves are usable reserves, ie those reserves that may be used to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves are those that are not able to be used to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the revaluation reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31-Mar-25 £000		Note	31-Mar-26 £000
48,875	Property	11c	57,973
16	Intangible Assets	12	12
16,815	Investments in Joint Venture	13	16,815
65,706	Long-Term Assets		74,799
20	Short-Term Investments	20	8,788
376	Stock & Stores	14	455
(1,564)	Short Term Debtors - Intra group funding		(6,714)
46,204	Short-Term Debtors	16	51,897
3,008	Cash and Cash Equivalents	17	2,101
465	Assets Held for Sale (< 1 year)	18	-
48,509	Current Assets		56,526
(1,316)	Short-Term Borrowing	20	(7,799)
1,564	Short Term Creditors - Intra group funding		6,714
(1,363)	Other Short-Term Liabilities	3/24	(604)
(36,457)	Short-Term Creditors	19	(43,778)
(945)	Short-Term Provisions	25	(1,011)
(38,517)	Current Liabilities		(46,478)
(2,028)	Long-Term Provisions	25	(2,009)
(28,581)	Long-Term Borrowing	20	(39,924)
(5,525)	Other Long-Term Liabilities	3/24	(4,906)
(10)	Capital Grants Receipts in Advance		(10)
(36,144)	Long-Term Liabilities		(46,848)
39,554	Net Liabilities		37,999
21,312	Usable Reserves	27	22,448
18,242	Unusable Reserves	28	15,551
39,554	Total Reserves		37,999

Certification

The financial statements were authorised as a draft version for issue on 30th June 2026.

MOVEMENT IN RESERVES STATEMENT FOR THE PCC GROUP 2025/26

This Statement shows the movement in the year on the different reserves held by the Group, analysed into 'usable reserves' (ie those that can be applied to fund expenditure or reduce local taxation) and 'unusable' reserves. The Statement shows how the movements in year of the Group's reserves are broken down between gains and losses incurred in accordance with generally accepted practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The 'Net increase /Decrease' line shows the statutory General Reserve Balance movements in the year following those adjustments.

	General Reserve and Earmarked Reserves	Usable Capital Receipts Reserve	Capital Grant Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Authority Reserves	Total Joint Venture Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000	£000
Note				27	28			
Balance as at 31 March 2025	20,451	0	861	21,312	(1,523,650)	(1,502,338)	2,484	(1,499,854)
Surplus or (deficit) on the provision of services (accounting basis)	(22,681)	0	0	(22,681)	0	(22,681)	0	(22,681)
Other comprehensive income and expenditure	57,690	0	0	57,690	0	57,690	3,634	61,324
Total Comprehensive Income and Expenditure	35,010	0	0	35,010	0	35,010	3,634	38,643
Adjustments between accounting basis and funding basis under regulations								
- Depreciation and Impairment of non-current assets	7,394			7,394	(7,394)	0	0	0
- Revaluation of non-current assets	536			536	(536)	0	0	0
- Reversal of lease liability	(434)			(434)	434	0	0	0
- Capital grants and contributions credited to the CIES	(756)		602	(154)	154	0	0	0
- Revenue Expenditure funded from capital under statute	50			50	(50)	0	0	0
- Net gain or loss on sale of non-current assets	560			560	(560)	0	0	0
- Amount by which pension costs calculated in accordance with the code (IAS19) are different from the contributions due under the pension scheme	(36,337)			(36,337)	36,337	0	0	0
- Amount by which council tax income included in the CIES is different from the amount taken to the General Reserve in accordance with regulation	(74)			(74)	74	0	0	0
- Statutory provision for repayment of debt	(895)			(895)	895	0	0	0
- Capital expenditure charged to the General Reserve Balance	(3,472)			(3,472)	3,472	0	0	0
- Any voluntary provision for repayment of debt	0			0	0	0	0	0
- Application of grants to capital financing transferred to Capital Adjustment Account	0		(1,398)	(1,398)	1,398	0	0	0
- Revaluation of non-current assets where residual gain exists on the Revaluation Reserve	(6)			(6)	6	0	0	0
- Charges for employee benefits	355			355	(355)	0	0	0
Total Adjustments between accounting basis and funding basis	(33,078)	0	(796)	(33,874)	33,874	0	0	0
Increase or (Decrease) in Year	1,932	0	(796)	1,136	33,874	35,010	3,634	38,643
Balance as at 31 March 2026 carried forward	22,383	0	65	22,448	(1,489,776)	(1,467,329)	6,118	(1,461,211)

MOVEMENT IN RESERVES STATEMENT FOR THE PCC GROUP 2024/25

This Statement shows the movement in the year on the different reserves held by the Group, analysed into 'usable reserves' (ie those that can be applied to fund expenditure or reduce local taxation) and 'unusable' reserves. The Statement shows how the movements in year of the Group's reserves are broken down between gains and losses incurred in accordance with generally accepted practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The 'Net increase /Decrease' line shows the statutory General Reserve Balance movements in the year following those adjustments.

	General Reserve and Earmarked Reserves	Usable Capital Receipts Reserve	Capital Grant Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Authority Reserves	Total Joint Venture Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000	£000
Note				27	28			
Balance as at 31 March 2024	20,330	0	2,052	22,382	(1,682,198)	(1,659,815)	1,722	(1,658,094)
Surplus or (deficit) on the provision of services (accounting basis)	(41,425)	0	0	(41,425)	0	(41,425)	0	(41,425)
Other comprehensive income and expenditure	198,902	0	0	198,902	0	198,902	0	198,902
Total Comprehensive Income and Expenditure	157,477	0	0	157,477	0	157,477	0	157,477
Adjustments between accounting basis and funding basis under regulations								
- Depreciation and Impairment of non-current assets	6,971			6,971	(6,971)	0	0	0
- Revaluation of non-current assets	2,695			2,695	(2,695)	0	0	0
- Lease Liability IFRS 16	(544)			(544)	544	0	0	0
- Capital grants and contributions credited to the CIES	(661)		539	(122)	122	0	0	0
- Revenue Expenditure funded from capital under statute	8			8	(8)	0	0	0
- Net gain or loss on sale of non-current assets	293			293	(293)	0	0	0
- Amount by which pension costs calculated in accordance with the code (IAS19) are different from the contributions due under the pension scheme	(165,666)			(165,666)	165,666	0	0	0
- Amount by which council tax income included in the CIES is different from the amount taken to the General Reserve in accordance with regulation	387			387	(387)	0	0	0
- Statutory provision for repayment of debt	(825)			(825)	825	0	0	0
- Capital expenditure charged to the General Reserve Balance	(1,074)			(1,074)	1,074	0	0	0
- Any voluntary provision for repayment of debt	0			0	0	0	0	0
- Application of grants to capital financing transferred to Capital Adjustment Account	0		(1,730)	(1,730)	1,730	0	0	0
- Revaluation of non-current assets where residual gain exists on the Revaluation Reserve	1,090			1,090	(1,090)	0	762	762
- Charges for employee benefits	(31)			(31)	31	0	0	0
Total Adjustments between accounting basis and funding basis	(157,356)	0	(1,191)	(158,547)	158,547	0	762	762
Increase or (Decrease) in Year	121	0	(1,191)	(1,070)	158,547	157,477	762	158,239
Balance as at 31 March 2025 carried forward	20,451	0	861	21,312	(1,523,650)	(1,502,338)	2,484	(1,499,854)

MOVEMENT IN RESERVES STATEMENT 2025/26 FOR THE COMMISSIONER

This Statement shows the movement in the year on the different reserves held by the Commissioner, analysed into 'usable reserves' (ie those that can be applied to fund expenditure or reduce local taxation) and 'unusable' reserves.

		General Reserve and Earmarked Reserves	Usable Capital Receipts Reserve	Capital Grant Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Commissioner Reserves
		£000	£000	£000	£000	£000	£000
	Note	27	27	27	27	28	
Balance as at the 1 April 2025		20,451	0	861	21,312	18,242	39,554
Surplus or (deficit) on the provision of services (accounting basis)		(1,560)			(1,560)		(1,560)
Other comprehensive income and expenditure		6			6		6
Total Comprehensive Income and Expenditure		(1,554)	0	0	(1,554)	0	(1,554)
Adjustments between accounting basis and funding basis under regulations							
- Depreciation and Impairment of non-current assets		1,877			1,877	(1,877)	0
- Revaluation of non-current assets		536			536	(536)	0
- Lease Liability IFRS 16		(434)			(434)	434	0
- Capital grants and contributions credited to the CIES		(756)		602	(154)	154	0
- Revenue Expenditure funded from capital under statute		50			50	(50)	0
- Net gain or loss on sale of non-current assets		(54)			(54)	54	0
- Amount by which council tax income included in the CIES is different from the amount taken to the General Reserve in accordance with regulation		(74)			(74)	74	0
- Statutory provision for repayment of debt		(895)			(895)	895	0
- Capital expenditure funded by PCC Intra-group funding		6,714			6,714	(6,714)	0
- Capital expenditure charged to the General Reserve Balance		(3,472)			(3,472)	3,472	0
- Application of grants to capital financing transferred to Capital Adjustment Account		0		(1,398)	(1,398)	1,398	0
- Revaluation of non-current assets where residual gain exists on the Revaluation Reserve		(6)			(6)	6	0
Total Adjustments between accounting basis and funding basis		3,486	0	(796)	2,690	(2,690)	0
Increase or (Decrease) in Year		1,932	0	(796)	1,136	(2,690)	(1,554)
Balance as at the 31 March 2026 carried forward		22,383	0	64	22,448	15,552	38,000

MOVEMENT IN RESERVES STATEMENT 2024/25 FOR THE COMMISSIONER

This Statement shows the movement in the year on the different reserves held by the Commissioner, analysed into 'usable reserves' (ie those that can be applied to fund expenditure or reduce local taxation) and 'unusable' reserves.

		General Reserve and Earmarked Reserves	Usable Capital Receipts Reserve	Capital Grant Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Commissioner Reserves
		£000	£000	£000	£000	£000	£000
	Note	27	27	27	27	28	
Balance as at the 1 April 2024		20,329	0	2,053	22,382	21,626	44,008
Surplus or (deficit) on the provision of services (accounting basis)		(3,365)			(3,365)		(3,365)
Other comprehensive income and expenditure		(1,090)			(1,090)		(1,090)
Total Comprehensive Income and Expenditure		(4,455)	0	0	(4,455)	0	(4,455)
Adjustments between accounting basis and funding basis under regulations							
- Depreciation and Impairment of non-current assets		1,930			1,930	(1,930)	0
- Revaluation of non-current assets		2,695			2,695	(2,695)	0
- Lease Liability IFRS 16		(544)			(544)	544	0
- Capital grants and contributions credited to the CIES		(661)		539	(122)	122	0
- Revenue Expenditure funded from capital under statute		8			8	(8)	0
- Net gain or loss on sale of non-current assets		5			5	(5)	0
- Amount by which council tax income included in the CIES is different from the amount taken to the General Reserve in accordance with regulation		0			0	0	0
- Statutory provision for repayment of debt		387			387	(387)	0
- Capital expenditure funded by PCC Intra-group funding		(825)			(825)	825	0
- Capital expenditure funded by PCC Intra-group funding		1,564			1,564	(1,564)	0
- Capital expenditure charged to the General Reserve Balance		(1,074)			(1,074)	1,074	0
- Application of grants to capital financing transferred to Capital Adjustment Account		0		(1,730)	(1,730)	1,730	0
- Revaluation of non-current assets where residual gain exists on the Revaluation Reserve		1,090			1,090	(1,090)	0
Total Adjustments between accounting basis and funding basis		4,576	0	(1,191)	3,385	(3,385)	0
Increase or (Decrease) in Year		121	0	(1,191)	(1,070)	(3,385)	(4,455)
Balance as at the 31 March 2025 carried forward		20,451	0	861	21,312	18,242	39,554

CASHFLOW FOR THE PCC GROUP

The Cash Flow Statement shows the changes in cash and cash equivalents of the Group during the reporting period. The statement shows how the Group generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Group are funded by way of taxation and grant income or from the recipients of services provided by the Group. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Group's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (ie borrowing) to the Group.

31-Mar-25 £'000		Note	31-Mar-26 £'000
41,425	Net Deficit on the Provision of Services		22,681
	Adjust Net Deficit on the Provision of Services for Non-cash Movements		
(6,819)	Depreciation of Non-Current Assets		(7,269)
(2,695)	Impairment and Downward Valuations of Non-Current Assets		(536)
(151)	Amortisation of Intangible Assets		(125)
(2,947)	(Increase)/Decrease in Creditors		(7,752)
9,015	Increase/(Decrease) in Debtors		5,606
63	Increase/(Decrease) in Stock		79
(34,326)	Pension Liability		(21,347)
(293)	Carrying Amount of Non-Current Assets Sold		(560)
401	Contributions to Provisions		(46)
0	Adjustments for Loss Share		0
(37,753)			(31,951)
	Adjust for Items Included in the Net Deficit on the Provision of Services that are Investing and Financing activities		
661	Proceeds from the Sale of Property, Plant and Equipment, Investment Property. Capital Grants.		834
661			834
4,332	Net Cash Flows used in Operating Activities		(8,436)
	Investing Activities		
6,632	Purchase of Property, Plant and Equipment, Investment Property and Intangible Assets		18,337
(5,027)	Purchase/(redemption) of Short-Term and Long-Term Investments		8,806
0	Proceeds from the Sale of Property, Plant and Equipment, Investment Property and Intangible Assets		(531)
(690)	Capital Grants and contributions		(785)
914	Net Cash Flows from Investing Activities		25,827
	Financing Activities		
0	Cash Receipts of Short and Long-Term Borrowing		(19,000)
1,399	Cash Payments for the Reduction of the Outstanding Liability Relating to a Finance Lease		1,342
734	Repayments of Short and Long-Term Borrowing		1,173
2,133	Net Cash Flows (used in)/from Financing Activities		(16,484)
7,379	Net Increase in Cash and Cash Equivalents		906
10,387	Cash and Cash Equivalents at the Beginning of the Reporting Period	17	3,008
3,008	Cash and Cash Equivalents at the End of the Reporting Period	17	2,102

The Cashflow Statement has been presented using the Indirect Method.

CASHFLOW FOR THE COMMISSIONER

The Cash Flow Statement shows the changes in cash and cash equivalents for the Commissioner during the reporting period. The statement shows how the Commissioner generates and uses cash equivalents by classifying cashflows as operating, investing and financing activities.

31-Mar-25 £'000		Note	31-Mar-26 £'000
3,365	Net Deficit/(Surplus) on the Provision of Services		1,560
	Adjust Net Deficit on the Provision of Services for Non-cash Movements		
(1,930)	Depreciation of Non-Current Assets		(1,877)
(2,695)	Impairment and Downward Valuations of Non-Current Assets		(536)
(0)	Amortisation of Intangible Assets		0
(1,564)	Capital expenditure funded by PCC Intra-group funding		(6,714)
(2,978)	(Increase)/Decrease in Creditors		(7,396)
9,015	Increase/(Decrease) in Debtors		5,606
63	Increase/(Decrease) in Stock		79
(5)	Carrying Amount of Non-Current Assets Sold		55
401	Contributions to Provisions		(46)
305			(10,830)
	Adjust for Items Included in the Net Deficit on the Provision of Services that are Investing and Financing activities		
661	Proceeds from the Sale of Property, Plant and Equipment, Investment Property. Capital Grants.		834
661			834
4,331	Net Cash Flows used in Operating Activities		(8,435)
	Investing Activities		
6,632	Purchase of Property, Plant and Equipment, Investment Property and Intangible Assets		18,337
(5,027)	Purchase/(redemption) of Short-Term and Long-Term Investments		8,806
0	Proceeds from the Sale of Property, Plant and Equipment, Investment Property and Intangible Assets		(531)
(690)	Capital Grants and contributions		(785)
914	Net Cash Flows from Investing Activities		25,827
	Financing Activities		
0	Cash Receipts of Short and Long-Term Borrowing		(19,000)
1,399	Cash Payments for the Reduction of the Outstanding Liability Relating to a Finance Lease		1,342
734	Repayments of Short and Long-Term Borrowing		1,173
2,133	Net Cash Flows (used in)/from Financing Activities		(16,485)
7,378	Net Increase in Cash and Cash Equivalents		906
10,386	Cash and Cash Equivalents at the Beginning of the Reporting Period	17	3,008
3,008	Cash and Cash Equivalents at the End of the Reporting Period	17	2,101

The Cashflow Statement has been presented using the Indirect Method.

Notes to the Financial Statements for the Commissioner and PCC Group

The Notes to the Financial Statements show the PCC Group, the notes for the Commissioner are not materially different. Any exception to this is mentioned in the appropriate note.

Note 1 Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants and precepts) by authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting principles. It also shows how this expenditure is allocated for decision making purposes. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2024/25			OPCC Group Expenditure and Funding Analysis	2025/26		
Net Expenditure Chargeable to General and Earmarked Reserves £000	Adjustment between the Funding and Accounting Basis (1) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement (2) £000		Net Expenditure Chargeable to General and Earmarked Reserves £000	Adjustment between the Funding and Accounting Basis (1) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement (2) £000
227,978	(14,961)	213,017	Policing Services	237,410	(29,129)	208,281
1,479	628	2,107	Corporate and Democratic Core (Includes PCC plus CC)	1,692	645	2,337
2,183	0	2,183	Commissioning Activities by the Police and Crime Commissioner	2,195	0	2,195
0	0	0	Non-Distributed Costs	0	0	0
231,640	(14,333)	217,307	Net Cost of Services before revaluations/funding	241,297	(28,484)	212,813
0	2,695	2,695	Revaluation losses / (gains)	0	536	536
231,640	(11,638)	220,002	Cost of Policing Services	241,297	(27,948)	213,349
(231,761)	53,184	(178,577)	Other Income and Expenditure	(243,229)	52,561	(190,668)
(121)	41,546	41,425	(Surplus) or Deficit on the Provision of Services	(1,932)	24,613	22,681
0	(198,902)	(198,902)	Other Comprehensive Income and Expenditure	0	(57,690)	(57,690)
(121)	(157,356)	(157,477)	Total Comprehensive Income and Expenditure	(1,932)	(33,077)	(35,009)
		(20,372)	Opening General Reserve and Earmarked Reserve Balance			(20,493)
		(121)	Surplus on General Reserve/ Earmarked Reserves in Year			(1,932)
		(20,493)	Closing General Reserve and Earmarked Reserve Balance (3)			(22,425)

(1) Details of adjustments are shown in Note 1 of the Accounts.

(2) Income and Expenditure recognised in accordance with generally accepted accounting practices can be seen in the Comprehensive Income and Expenditure Statement on page 30.

(3) Further detail of the General Reserve and Earmarked Reserves can be found in Note 26 of the Accounts.

The Expenditure and Funding Analysis above takes net expenditure that is funded from resources and reconciles it to the Comprehensive Income and Expenditure Statement (CIES page 30). The Revenue Budget Surplus reported to committee is adjusted for budgeted/other contributions to/from reserves and Derbyshire's share of movements in the LLP Reserves.

2024/25 £'000		2025/26 £'000
1,892	Revenue Budget (Surplus)/Deficit reported to Committee	(2,463)
(2,013)	Budgeted/Other Contributions to/from Reserves	531
(121)	Net (Surplus)/Deficit on General Reserve Balance for PCC	(1,932)
-	Share of Movement in LLP Reserves	-
(121)	Net (Surplus)/Deficit on General Reserve Balance for PCC Group	(1,932)

A summary of the Adjustment between the Funding and Accounting basis is shown in the Expenditure and Funding Analysis, a breakdown of these adjustments is shown below

Adj for Capital Purposes 2024/25 £'000	Adj for Pensions 2024/25 £'000	Other Adjs 2024/25 £'000	Total Adjs 2024/25 £'000	Adjustments to General Reserve to add Expenditure or Income not Chargeable to Taxation and Remove items which are only chargeable under Statute	Adj for Capital Purposes 2025/26 £'000	Adj for Pensions 2025/26 £'000	Other Adjs 2025/26 £'000	Total Adjs 2025/26 £'000
4,632	(17,521)	(2,071)	(14,961)	Policing Services – Chief Constable	2,860	(29,920)	(2,069)	(29,129)
-	-	628	628	Office of the Police and Crime Commissioner	-	-	645	645
-	-	-	-	Non Distributed Costs	-	-	-	-
4,632	(17,521)	(1,443)	(14,333)	Net Cost of Services before revaluations/funding	2,860	(29,920)	(1,424)	(24,484)
2,695	-	-	2,695	Revaluation losses	536	-	-	536
7,327	(17,521)	(1,443)	(14,333)	Net Cost of Services	3,396	(29,920)	(1,424)	(27,948)
197	-	2,168	2,365	Other operating expenditure	422	-	2,171	2,594
-	80,771	(471)	80,300	Financing and Investment income & expenditure	-	82,146	(102)	82,044
-	-	(284)	(284)	Profit & Loss on Joint Ventures	-	-	(290)	(290)
(661)	(28,924)	387	(29,197)	Taxation & Non-specific grant income & expenditure	(834)	(30,879)	(74)	(31,786)
6,863	34,326	358	41,546	Net Deficit on General Reserve Balance	2,985	21,347	282	24,614

Adjustments for Capital Funding and Expenditure Purposes

Net Cost of Services - Adjustments to the General Reserve to meet the requirements of generally accepted accounting practices, this column adds in depreciation and impairment and revaluation gains and losses to the Net Cost of Services line. The statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from this line also as these are not chargeable under generally accepted accounting practices.

Other Operating Expenditure – Adjusts for capital disposals with a transfer of income on disposal of assets and the amounts to be written off for those assets.

Taxation and Non-Specific Grant Income and Expenditure – Capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue Grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year. It also includes the movement of the pension support grant to specific grants.

Net change for the Pensions Adjustments

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

Net Cost of Services - this represents the removal of the employer pension contributions made by the authority as permitted by statute and the replacement with the current services costs and past service costs.

Financing and Investment Income and Expenditure – The net interest on the defined benefit liability is charged to the CIES.

Taxation and Non-Specific Grant Income and Expenditure – Pension Grant received from the Home Office is credited to the CIES.

Other Differences

This is generally the movement of income and expenditure to the right heading in the CIES.

Also, the Net Cost of Services includes an adjustment for compensated absences earned but not taken in the year e.g. annual leave, flexi leave and time off in lieu entitlement.

Taxation and Non-Specific Grant Income and Expenditure - is charged with the difference between what is chargeable under statutory regulations for Council Tax that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

Commissioners Expenditure and Funding Analysis

2024/25 PCC			PCC Expenditure and Funding Analysis	2025/26 PCC		
Net Expenditure Chargeable to General and Earmarked Reserves £000	Adjustment between the Funding and Accounting Basis (1) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement (2) £000		Net Expenditure Chargeable to General and Earmarked Reserves £000	Adjustment between the Funding and Accounting Basis (1) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement (2) £000
227,978	(227,978)	0	Policing Services	237,410	(237,410)	0
1,479	(24)	1,455	Corporate and Democratic Core (Includes PCC plus CC)	1,693	(29)	1,664
2,183	0	2,183	Commissioning Activities by the Police and Crime Commissioner	2,195	0	2,195
0	0	0	Non-Distributed Costs	0	0	0
231,640	(228,002)	3,638	Net Cost of Services before revaluations/funding	241,298	(237,439)	3,859
0	2,695	2,695	Revaluation losses / (gains)	0	536	536
0	227,744	227,744	Intragroup Funding	0	239,716	239,716
231,640	2,437	234,077	Cost of Policing Services	241,298	2,813	244,112
(231,761)	1,049	(230,712)	Other Income and Expenditure	(243,230)	680	(242,550)
(121)	3,486	3,365	(Surplus) or Deficit on the Provision of Services	(1,932)	3,494	1,562
0	1,090	1,090	Other Comprehensive Income and Expenditure	0	(6)	(6)
(121)	4,576	4,455	Total Comprehensive Income and Expenditure	(1,932)	3,488	1,556
		(20,330)	Opening General Reserve and Earmarked Reserve Balance			(20,451)
		(121)	Surplus on General Reserve/ Earmarked Reserves in Year			(1,932)
		(20,451)	Closing General Reserve and Earmarked Reserve Balance (3)			(22,383)

Note 2 Expenditure and Income Analysed by Nature

This note provides an alternative breakdown of the cost of services based on how expenditure is allocated for decision making purposes. It is intended to aid the reader in understanding where the money is spent and in making comparisons between Forces in terms of the type of expenditure incurred.

It should be noted that this analysis includes some items within cost of services that are not required to be charged against the general fund for council tax purposes – this analysis does not constitute the revenue budget of the Group.

Group 2024/25 £'000	Expenditure and Income Analysed by Nature	Group 2025/26 £'000
	Expenditure	
111,027	Police Pay & Allowances	118,957
75,835	Police Staff Pay & Allowances	75,937
1,816	Other Employee Expenses	2,158
15,790	Police Pensions (Current Cost) -see note 9	10,530
12,498	Premises	11,568
6,348	Transport	5,818
28,986	Supplies & Services	26,320
11,188	Agency & Contracted Services	12,112
1,664	Office of PCC	1,910
9,341	Commissioning Activities by PCC	8,203
6,971	Depreciation & Debt Financing	7,401
2,695	Impairments/Revaluations	536
8	Revenue Expenditure Funded from Capital under Statute	50
0	Non-Distributed Costs	0
284,167	Gross Operating Expenditure	281,500
(13,821)	Income from fees/charges	(12,052)
(50,345)	Income from specific grants and contributions (inc. PCC)	(56,099)
220,001	Cost of Policing Services	213,349
2,366	Other Operating Expenditure	2,595
80,300	Financing and investment income and expenditure	82,044
(284)	Profit and Loss on Joint Venture	(290)
(232,035)	Taxation & non-specific grant income	(244,138)
(28,923)	Home office grant payable towards the cost of retirement benefits	(30,879)
41,425	Deficit on provision of services	22,681

Note 3 Leases

The adoption of IFRS16 was a change in accounting policy for the 2024/25 financial statements and remains in place in 2025/26. The previous accounting standard was IAS 17.

The main impact of the new requirements was that for arrangements previously accounted for as operating leases (i.e without recognising the leased property as an asset and future rents as liability) a right of use (ROU) asset and a lease liability were brought onto the balance sheet at 1st April 2024. Leases for items of low value (£10,000 or less) and lease's that expire on or before 31st March 2026 are exempt from the new arrangements. IFRS16 was applied retrospectively with the cumulative effect recognised at 1st April 2024 meaning ROU assets and lease liabilities were calculated as if IFRS16 had always applied but recognised in 2024/25 and not by adjusting prior year figures.

Movement of Right-of-use assets

This table shows the change in the value of the right-to-use assets held under lease.

Movement Right of Use Assets	Total £'000
Cost / Valuation	
At 1 April 2025 ⁽¹⁾	5,352
Additions	0
Disposals	(42)
At 31 March 2026	5,310
Accumulated Depreciation	
At 1 April 2025 ⁽¹⁾	541
2025/26 Depreciation Charge	501
Disposals	(26)
At 31 March 2026	1,016
Net Book Value	
At 31 March 2025	4,811
At 31 March 2026	4,295
Movement in Year	(516)

⁽¹⁾ Includes adjustment for previous year disposals

Authority as Lessee - Right of Use Assets

The authority's lease contracts comprise leases of operational land and buildings plus a photocopier lease. Most are individually immaterial, and we have only 2 leases that have term longer than 20 years and have a value of £0.380m as at 31 March 2026.

Transactions under leases

The following expenses and cash flows incurred in relation to leases.

	2025/26 £000
<i>Comprehensive Income & Expenditure Statement</i>	
Interest expenses on lease liabilities	251
Short-term lease expenses	449
<i>Cash Flow Statement</i>	
Total cash outflow for leases	700

Maturity analysis of lease liability

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

	31 March 2026 £000
Payable in 2026/27	412
Payable within 1 to 5 years	2,543
More than 5 years	1,738
Total	4,693

Commissioner as Lessor – Operating Leases

The Commissioner acts as lessor for a number of offices and rent received for these properties in 2025/26 was £15,619 (£19,431 in 2024/25). A further £406,262 was received for mast rental in 2024/25 (£95,424 in 2024/25).

Commissioner as Lessee and Lessor – Finance Leases

The Commissioner entered into a Finance Lease with the DPFP LLP for the land occupied by the Joint Police and Fire Headquarters in March 2015 and a lease for land occupied by the Joint Training Centre/Firearms Range in August 2016. In entering into these leases, a lump sum payment was made to the Commissioner which negated the need to make further payments over the 999 years of the lease. This lump sum payment of £518,000 for the Headquarters site was treated as a capital receipt in 2014/15, the lump sum payment of £563,000 for the Training Centre/Firearms Range site was treated as a capital receipt in 2016/17.

Note 4 Officers Remuneration

Senior Officer Payments

The table below provides disclosure of the remuneration of Senior Officers and relevant Police Officers including staff of the Commissioner.

Remuneration is all amounts paid to or receivable by a person, and includes sums due by way of expenses allowance (so far as those sums are chargeable to United Kingdom income tax), and the estimated money value of any other benefits received by an employee otherwise than in cash.

2024/25							Post Holder Information	2025/26						
Salary £	Allow £	Other £	Benefits in kind (P11d) £	Employer Pension £	Total £	Note		Note	Salary £	Allowances £	Other £	Benefits in kind (P11d) £	Employer pension £	Total £
97,936	1,502	495	-	34,572	134,505	1,2	Chief Constable (CC) to 06/10/2024		-	-	-	-	-	-
78,546	-	301	-	27,726	106,573	1,2	Chief Constable (CC) from 08/11/2024	1	204,132	-	995	-	72,058	277,185
148,351	4,303	1,104	-	52,368	206,126	3	Deputy Chief Constable	2	152,975	4,304	1,143	-	54,000	212,421
88,891	-	188	-	31,378	120,457	5	ACC Collaboration	3,4	102,180	-	609	16,173	36,070	155,032
-	-	-	-	-	-		ACC Collaboration	5	31,292	309	735	-	11,039	43,375
130,067	-	402	-	45,914	176,383	6	ACC Crime & Criminal Justice	6	108,386	-	660	-	38,260	147,306
-	-	-	-	-	-		ACC Crime & Criminal Justice	7	37,060	-	212	-	13,082	50,354
133,191	-	750	-	47,016	180,957	7	ACC Operational Support	8	138,844	-	840	-	49,012	188,696
127,053	-	-	-	22,743	149,796		Assistant Chief Officer Resources	9	139,083	-	-	-	24,896	163,979
103,969	-	-	-	18,610	122,579		Chief Finance Officer to Chief Constable	10	2,271	-	-	-	301	2,572
-	-	-	-	-	-		Acting Chief Finance Officer to Chief Constable	11	53,761	-	-	-	9,623	63,384
-	-	-	-	-	-		Director of Finance and Assets & S151 Officer to Chief Constable	12	49,166	-	-	-	8,801	57,967
106,591	833	-	-	19,080	126,504		Chief Finance Officer & s151 Officer to PCC		117,819	5,000	-	-	19,952	142,771
10,568	-	-	-	-	10,568	8	PCC Commissioner		-	-	-	-	-	-
70,181	-	-	-	12,562	82,743	9	PCC Commissioner		81,419	-	-	-	14,258	95,676
4,288	-	-	-	-	4,288	10	PCC Deputy Commissioner		-	-	-	-	-	-
							PCC Deputy Commissioner	13	29,292	-	-	-	5,244	34,536

Remuneration Notes

2024/25

1. As the total remuneration for 2024/25 has exceeded £150k the regulations require that Ms R Swann be named.
2. The Chief Constable retired from the Force on 06/10/2024 and returned on 08/11/2024 through the Retire and Rehire Policy for Police Officers.
3. As the total remuneration for 2024/25 has exceeded £150k the regulations require that Mr S Blatchly be named.
4. The Deputy Chief Constable Collaboration left on 31/03/2024.
5. The Assistant Chief Constable Collaboration was appointed on 22/07/2024.
6. As the total remuneration for 2024/25 has exceeded £150k the regulations require that Mr J Abdy be named.
7. As the total remuneration for 2024/25 has exceeded £150k the regulations require that Ms M Shooter be named.
8. The Police and Crime Commissioner left on 08/05/2024.
9. The Police and Crime Commissioner was appointed on 09/05/2024.
10. The Deputy Police and Crime Commissioner left on 08/05/2024.

2025/26

1. As the total remuneration for 2025/26 has exceeded £150k the regulations require that Ms R Swann be named.
2. As the total remuneration for 2025/26 has exceeded £150k the regulations require that Mr S Blatchly be named.
3. The Assistant Chief Constable Collaboration left on 01/01/2026.
4. As the total remuneration for 2025/26 has exceeded £150k the regulations require that Ms D Coulson be named.
5. The Assistant Chief Constable Collaboration was appointed on 02/01/2026.
6. The Assistant Chief Constable Crime & Criminal Justice left on 18/01/2026.
7. The Assistant Chief Constable Crime & Criminal Justice was appointed on 02/01/2026.
8. As the total remuneration for 2025/26 has exceeded £150k the regulations require that Ms M Shooter be named.
9. As the total remuneration for 2025/26 has exceeded £150k the regulations require that Mr A Price be named.
10. The Chief Finance Officer to the Chief Constable left on 06/04/2025.
11. The Acting Chief Finance Officer to the Chief Constable was in post from 01/04/2025 to 12/10/2025
12. The Director of Finance and Assets & S151 Officer to the Chief Constable was appointed on 13/10/2025 and replaced the Acting Chief Finance Officer
13. The Deputy Police and Crime Commissioner was appointed on 14/08/2025

Officers Remuneration over £50,000

The disclosure below details salary of Police Staff and Senior Police Officers (over and above the rank of Superintendent) receiving more than £50,000 remuneration for the year (excluding employer's pension contributions). This excludes the officers shown in the above table.

Remuneration Band	No. Of Employees 2024/25	No. Of Employees 2025/26
£50,000 - £54,999	60	91
£55,000 - £59,999	55	44
£60,000 - £64,999	21	37
£65,000 - £69,999	14	21
£70,000 - £74,999	6	6
£75,000 - £79,999	7	11
£80,000 - £84,999	2	6
£85,000 - £89,999	1	2
£90,000 - £94,999	1	-
£95,000 - £99,999	6	2
£100,000 - £104,999	1	7
£105,000 - £109,999	1	-
£110,000 - £114,999	2	1
£115,000 - £119,999	0	2
£120,000 - £124,999	1	1
£125,000 - £129,999	2	2
£130,000 - £134,999	-	-
£135,000 - £139,999	-	2
TOTAL	180	235

Exit Packages

A Mutually Agreed Resignation scheme (MARS) which is a voluntary scheme which allows eligible police staff to resign from their post in return for a severance payment under a mutually agreed resignation resulted in 35 exit packages in 2025/26 at a total cost of £493,322.

2024/25				Exit packages cost band (including special payments)	2025/26			
Number of compulsory redundancies	Number of other departures agreed	Total Number of Exit Packages Agreed	Total cost of exit packages in each band £		Number of compulsory redundancies	Number of other departures agreed	Total Number of Exit Packages Agreed	Total cost of exit packages in each band £
-	-	-	-	£0 - £20,000	-	28	28	303,934
-	-	-	-	£20,001 - £40,000	-	7	7	189,388
-	1	1	£47,772.05	£40,001 - £60,000	-	-	-	-
-	-	-	-	£60,001 - £80,000	-	-	-	-
-	-	-	-	£80,001 - £110,000	-	-	-	-
-	1	1	£47,772.05	TOTAL	-	35	35	493,322

Note 5 External Audit Fees

Fees in relation to external audit are as follows: -

2024/25 £'000	External Audit Fees	2025/26 £'000
	Commissioner	
106	Scale fees payable	103
-	Fees payable for audit of previous years – Grant Thornton	5
29	Fees payable for audit of previous years – Ernst Young	(3)
135	Total fees Commissioner	105
	Chief Constable	
56	Scale fees payable	54
-	Fees payable for audit of previous years – Grant Thornton	5
-	Fees payable for audit of previous years – Ernst Young	12
56	Total fees Chief Constable	71

191	Total fees PCC Group	176
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In 2025/26 £67,162 grant income (£44,468 Commissioner, £22,694 Chief Constable) was received from the Ministries of Housing, Communities and Local Government (MHCLG) for the Redmond Review and Audit Build-Back Grant, this was to support increased audit fees driven by new requirements on auditors. £20,613 was received in 2024/25 (see Note 6).

Note 6 Grant Income

The Commissioner credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement.

2024/25 £'000	GRANTS, CONTRIBUTIONS AND DONATIONS	2025/26 £'000
	MHCLG Grants	
2,387	Private Finance Initiative – Ilkeston & Derby	2,387
21	Redmond Review – Local Audit Fees Grant	19
-	Audit Build Back Grant	48
2,407		2,454
	Home Office Grants	
160	Cyber Grant	164
1,374	Disclosure and Barring Service	1,393
16,672	East Midlands Counter-Terrorism Intelligence Unit	18,809
18	Football Policing Initiative	-
655	Grant towards specific operations	298
147	LEDS Early Adopter Grant	157
-	Neighbourhood Policing Grant	2,498
-	National Insurance Contributions Grant	3,760
999	OPCC – ASB Hotspot	989
963	OPCC – Immediate Justice	-
873	OPCC - Perpetrator Grant	714
397	OPCC - Safer Streets Grant	-
296	OPCC – Serious Violence	767
315	OPCC – Serious Violence Remedy	-
10	Other Home Office Grants	71
6,308	Police Pension Support Grant	5,637
2,315	Police Special Grant – Pay Award	1,696
7,265	Police Uplift Grant (ringfenced element)	6,411
38,767		43,364
	Other Grants	
534	Apprenticeship Levy Grant	495
2,320	Ministry of Justice – PCC – for local commissioning of victim support services (including restorative justice services)	2,272
28	Office of Gas and Electricity Markets (OFGEM)	15
444	Safety Camera Project and Road Safety	415
3,326		3,197
1,598	Regional Grants – EMSOU	2,655
46,098	Total Grants	51,670
4,219	Contributions and Donations	4,372
50,317	Total Grants, Contributions, and donations	56,042

The main variances in grant were for

- **The East Midlands Counter-Terrorism Intelligence Unit** grant has increased from £16,672m in 2024/25 to £18,809m in 2025/26. This is primarily due to the pay award uplift increasing staffing costs. There has been also an increase in non-pay expenditure from 2024/25.
- **Neighbourhood Policing Grant** – The Government announced the Neighbourhood Policing Grant as part of the 2025/26 funding settlement, supporting its pledge to put 13,000 additional Police Officers, PCSO's and Special Constables into neighbourhood policing roles, Derbyshire successfully secured funding for an additional 35 neighbourhood policing officer posts and achieved full delivery against the grant requirements.
- **National Insurance Contributions Grant** – The 2025/26 settlement included additional grant funding of £3.760m to mitigate the impact of an increase in employer National Insurance contribution rates, from April 2025.

In addition to the above grants and contributions, Derbyshire also act as agents for the Sensitive Equities. Grant and contributions of £17.388m were paid to Derbyshire by the Home Office and the monies were distributed to various forces. The purpose of this grant is to bolster the national critical Serious Organised Crime law-enforcement capability. Derbyshire also act as agent and receive grant on behalf of the East Midland Cyber Resilience Centre, this amounted £0.199m in 2025/26.

The Police & Magistrates Court Act 1994 permits the Commissioner to accept gifts of money, and gifts or loans of other property. This can supplement Policing Activities. In accordance with the Financial Management Code of Practice a Register of such items is maintained. In 2025/26 the amount 'gifted' under this scheme was £2,920 compared to £3,542 for 2024/25.

Grants received from government departments are summarised below

2024/25 £'000	Central Government Receipts	2025/26 £'000
47,690	Revenue Support Grant	49,407
7,346	Localising Council Tax Support Grant	7,346
82,609	Police Grant	85,684
28,924	Pensions Grant	30,879
46,098	Other Government Grant (see note 6)	51,670

Note 7 Jointly Controlled Operations

East Midlands Jointly Controlled Operations

The Commissioner has entered into Jointly Controlled Operations (JCO) or collaborations with other East Midlands Commissioners. The share of cost to Derbyshire is different depending on the number of Commissioners partaking in the JCO. The following table show the accounts for **all the JCO'S and the Income and Expenditure attributable to Derbyshire.**

2024/25		Comprehensive Income and Expenditure Statement	2025/26	
Jointly Controlled Operations £'000	Derbyshire Police £'000		Jointly Controlled Operations £'000	Derbyshire Police £'000
45,204	10,403	Employees' Expenses	49,048	11,255
563	122	Premises	726	158
948	209	Transport	946	208
5,079	1,236	Supplies and Services	6,188	1,497
4,750	1,072	Agency and Contracted Services	5,785	1,260
1,251	273	Capital Charges	1,307	285
-	-	Revaluation (Gains)/Losses	(569)	(124)
57,795	13,315	Gross Operating Expenditure	63,431	14,539
(2,287)	(517)	Other Income	(2,118)	(481)
5	1	Profit/(Loss) on Disposal of Fixed Assets	4	1
55,513	12,799	Net Operating Expenditure Financed by: -	61,317	14,059
(48,345)	(11,241)	Contributions from Partners	(52,190)	(12,073)
(7,331)	(1,598)	External Grants	(12,187)	(2,655)
(559)	(122)	Capital Grants & Contributions	(1,068)	(233)
(722)	(162)	(Surplus) / Deficit for the year	(4,128)	(902)

The JCO's to which the Commissioner contributes cover a number of operational and support areas. Details of these are set out in the table below (Where reference is made to 'all 5 forces' this means Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire.)

Jointly Controlled Operation	Activity	Participants	Commenced	Derbys %	2025/26 Gross Exp £'000	2025/26 Total Income £'000	(Surplus) / Deficit £'000
EM SOU – SOC (incl. EMSOU TSU)	Specialist Operations	All 5 forces	Jan 2003	21.8	9,031	(9,939)	(908)
EMSOU Major Crime – Command Team	Co-ordination of Major Crime investigations	All 5 forces	Sept 2011	21.8	205	(205)	-
EMSOU Forensics	Forensic analysis and identification	All 5 forces	April 2014	21.8	3,136	(3,104)	32
EM Legal Services	Specialist Legal advice and services, incl Insurance	All 5 forces	April 2014	21.8	584	(582)	2
EM CHRS – Learning & Development	Co-ordination of regional training provision	Derbys, Leics, Northants, Notts	April 2012	25.11	434	(434)	-
HR Service Centre	Transactional HR services	Derbys, Leics	June 2014	50.0	1,149	(1,177)	(28)
Totals					14,539	(15,441)	(902)

EMSOU TSU was incorporated into EMSOU-SOC accounts from April 2018 but it actually commenced operations in July 2011.

In addition to the above, Derbyshire Police has a joint arrangement with Leicestershire Police for the provision of Payroll and Risk Management software.

Note 8 Related Party Transactions

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

Disclosure of these transactions allows readers to assess the extent to which the Commissioner might have been constrained in their ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Commissioner.

Central Government

Central Government has effective control over the general operations of the Commissioner – it is responsible for providing the statutory framework within which the Commissioner operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Commissioner has with other parties (e.g. council tax bills).

Commissioner and officers

The Commissioner and their office have direct control over the financial and operating policies of the Force.

Certain senior officers might also be in a position to significantly influence the policies.

No related party transactions have been identified following the consultation with relevant officers.

Nicolle Ndiweni-Roberts assumed office as the Police & Crime Commissioner on the 13th May 2024. The previous Police & Crime Commissioner for Derbyshire, Angelique Foster, concluded her term in office on the 12th May 2024.

The Commissioner undertakes commissioning activities that result in payments made to a variety of large and small partner organisations (particularly in the public and voluntary/charitable sectors) to commission outcomes against their Police & Crime Plan. In the case of the smallest organisations, these funds may form a significant proportion of their total funding requirement.

The Police Digital Service (PDS) is a company limited by guarantee, owned and funded by policing. Police & Crime Commissioners (PCCs) are the majority owners of PDS and pay an annual subscription towards the running costs (£60k each). The role of the PDS is to provide technical insight, negotiate and manage ICT contracts and support major policing technology programmes.

The PCC for Derbyshire is a shareholder of the PDS. The PCC therefore has influence over national police ICT strategy and procurement.

In order for the PDS to have sufficient financial scale to operate in the largest ICT markets, a decision was taken by the Association of Police & Crime Commissioners (APCC) and ratified by individual PCCs to provide a financial guarantee to the PDS from local resources. This guarantee would only be called upon in exceptional circumstances (for example where financial resources are insufficient to manage large national contracts or to support the stability of the PDS) and, for

Derbyshire, amounts to £70k. This amount is not directly provided for in these financial statements and would be funded from reserves in the unlikely event it is called upon.

The PCC for Derbyshire is a member of the Association of Police and Crime Commissioners and pays an annual subscription of £49,695.

Other Public Bodies

The Commissioner participates in Jointly Controlled Operations with other East Midlands Commissioners. The Commissioner also entered into a Joint Venture with Derbyshire Fire to build a new joint Headquarters and to build a joint training centre/firearms range. The transactions have been disclosed elsewhere within the notes to the accounts.

In addition to the above, the Commissioner also has transactions during the year with other Local Authorities and Public Bodies. The material transactions are shown below:

2024/25			2025/26	
Payments £'000	Receipts £'000		Payments £'000	Receipts £'000
	93,729	Precepts and surpluses (including accruals)		100,867
		Local Authorities		
		Derbyshire County Council	3,044	550
3,065	601	Derby City Council	734	369
940	354			

Note 9 Accounting for Pension Costs (a)

As part of the terms and conditions of employment of its officers and other employees, the PCC Group offers post-employment (retirement) benefits. Although these benefits will not actually be payable until employees retire, the PCC Group has a current commitment to make future payments which need to be disclosed at the time that employees earn their future entitlement.

The PCC Group participates in two post-employment schemes: -

The Local Government Pension Scheme (LGPS) for police staff is a defined benefit scheme. It is a funded scheme which is administered by Derbyshire County Council. Pensions and other retirement benefits are paid from the fund. Employers and employees make regular contributions into the fund so that the liabilities are paid for evenly over the employment period.

Actuarial valuations of the fund are undertaken every three years to determine the contribution rates needed to meet its liabilities. A valuation was undertaken as at the 31 March 2025 which set contribution rates for the 3-year period commencing on the 1 April 2025.

The 2025/26 total employer contribution of £11.641m consisted only of 'regular' contributions as there were no additional one-off contributions towards early retirements. This is in line with pension costs necessary to be provided in accordance with IAS19 "Employee Benefits". Prior to 2024/25 the regular contributions consisted of 2 elements:

- a 'future service rate' to meet the estimated cost of benefits that will be earned in future (set at 13.9% of pensionable pay at the latest valuation).
- a 'deficit recovery repayment' lump sum to enable the difference between the value of benefits earned to date and the assets that have been built up to be recovered over a specified period (NIL paid in 2024/25).

In total these 2 elements equated to a contribution rate of 17.9% of pensionable pay for 2025/26.

In addition to contributions to the Pension fund the PCC Group is responsible for compensation payments in the form of "added years" awarded on premature retirement. In 2025/26 these amounted to £0.026m.

Further information can be found in the County Council's Pension Fund Statement of Accounts, which is available upon request from Derbyshire County Council.

The structure of benefits payable to members under the LGPS was reformed from April 2014 as part of a policy to make all pension schemes across the public sector more affordable. In summary, retirements benefits earned from service after this date became based on 'career average' salaries rather than final salaries. For Police Officers (see below) a similar change was implemented from April 2015.

The implementation of all the new career-average schemes across the public sector was subsequently found to be discriminatory – on grounds of age – in a series of court rulings. This was because members nearer to retirement were treated more favourably than younger members with less service.

Following a consultation process HM Treasury has determined a mechanism and process for removing the discrimination, which is referred to collectively as the 'Pensions Remedy'. This process began in October 2023, when all the technical

details of implementation have been worked out and will mean that individual members will have a choice regarding the benefits they receive for service between the 1 April 2015 and 31 March 2022. More details can be found under the 'McCloud Judgement' section below.

The Police Pension Scheme for police officers is an unfunded single employer defined benefit scheme. This means it provides pensions and other retirement benefits for police officers but there are no investment assets built up to meet the pensions liabilities. Up to and including 2022/23 three schemes were in operation:

- The 1987 Police Pension Scheme - based on officers' final salaries and a maximum pensionable service of 30 years.
- The 2006 Police Pension Scheme (effective for police officers commencing from April 2006 onwards) - based on officers' final salaries and a maximum pensionable service of 35 years.
- The 2015 Police Pension Scheme – based on 'career average' salaries with no maximum pensionable service but a Normal Pension Age of 60.

However, during 2025/26 only the 2015 Police Pension Scheme was in operation. The other 2 schemes were fully closed to all members on 31 March 2022.

All new officers and existing officers not subject to protection arrangements are now members of the 2015 scheme. As with the Local Government Pension Scheme, because the changes to the Police Officer pension scheme from 2015 involved transitional protections for older members close to retirement age, they come within the ambit of the McCloud Judgement / Pension Remedy (see page 52).

The constabulary is required to operate a separate Pensions Account for all transactions related to the Police Pension Scheme. Officers' contributions and an employer's contribution are paid into the pensions account from which pension payments are made. The account is topped up each year by the Home Office if the contributions in that year are insufficient to meet the cost of pensions paid. Any surplus is repaid to the Home Office.

For 2025/26 a Top up grant of £30.879m was received from the Home Office to supplement the employer's contributions paid into the account which amounted to £32.448m (35.3% of pensionable salary). A contribution rate of 31.0% was set following a revaluation of the scheme's total liabilities by the Government Actuary's Department as at the 31 March 2016. A further revaluation as at the 31 March 2020 determined a revised employer's contribution rate of 35.3% with effect from the 1 April 2024.

In addition to the standard contribution, individual payments totalling £1.446m were made into the Pensions Fund Account to reimburse the extra cost of benefits becoming payable early due to ill-health retirement. Injury-related payments amounted to £3.011m and these were paid from the Comprehensive Income and Expenditure Account. The Pensions Fund Account is shown on page 73.

Transactions relating to post-employment benefits (b)

Under IAS 19 we recognise the cost of retirement benefits in the Net Cost of Services when they are earned by employees, 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 Reserve via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Reserve Balance via the Movement in Reserves Statements during the year: -

Original 2024/25 £'000	Restated 2024/25 £'000		Local Government Pension Scheme Comprehensive Income & Expenditure Statement	2025/26 £'000	
Group	PCC	Group		PCC	Group
10,925	148	10,777	Cost of Services		
-	-	-	Current service cost *	115	8,269
			Past Service cost (incl curtailments)	-	-
(9)	(1)	(8)	Financing and Investment Income and Expenditure		
			Net Interest cost	(25)	(4,254)
10,916	147	10,916	Total Post-Employment Benefits Charged to the Surplus or Deficit on the Provision of Services	90	4,015
			Other Post-Employment Benefits charged to the CIES		
4,279	25	4,155	Re-measurements of surpluses/deficits		
(585)	1	(4,520)	Return on scheme assets (excluding the amount included in the net interest expense)	(93)	(16,300)
(61,624)	(506)	(56,453)	Actuarial losses/(gains) arising from changes in demographic assumptions	7	1,192
(2,916)	260	15,497	Actuarial losses/(gains) arising from changes in financial assumptions	(67)	(13,514)
(29,928)	(173)	(29,928)	Other experience changes	16	2,759
			Changes in the effect of the asset ceiling	(399)	(71,857)
(90,774)	(393)	(71,249)	Total Re-measurements	(536)	(97,720)
(79,858)	(246)	(60,333)	Total Post-Employment Benefits Charged to the CIES	(446)	(93,705)

Original 2024/25 £'000	Restated 2024/25 £'000	Local Government Pension Scheme Movement in Reserves Statement Expenditure	2025/26 £'000	
Group	PCC	Group	PCC	Group
79,858	246	60,333	446	93,705
11,323	-	11,323	178	11,658
		Actual amount charged against the General Reserve Balance for pensions in the year: Employers' contributions payable to scheme plus added years Retirement benefits payable to pensioners		

2024/25 Group £'000	Police Pension Scheme Comprehensive Income & Expenditure Statement	2025/26 Group £'000
15,790	Cost of Services	10,530
80,780	Current service cost	86,400
96,570	Net Interest cost	96,930
	Total Post-Employment Benefits Charged to the Surplus or Deficit on the Provision of Services	
	Other Post-Employment Benefits charged to the Comprehensive Income and Expenditure Statement	
-	Re-measurement of surpluses /deficits	-
560	Actuarial losses/(gains) arising from changes in demographic assumptions	(14,190)
(198,630)	Actuarial losses/(gains) arising from changes in financial assumptions	(51,130)
(2,530)	Other experience changes	-
(200,600)	Total Re-measurements	(65,320)
(104,030)	Total Post-Employment Benefits Charged to the Comprehensive Income and Expenditure Statement	31,610

2024/25 Group £'000	Police Pension Scheme Movement in Reserves Statement	2025/26 Group £'000
104,030	Reversal of net charges for post-employment benefits in accordance with the code	(31,610)
32,768	Actual amount charged against the General Reserve Balance for pensions in the year:	36,901
-	Employers' contributions payable to scheme	-
	Retirement benefits payable to pensioners	

*For the LGPS the current service cost is within the Police Staff Pay and Allowances figure in note 2.

The Current Service Cost – which is the total increase in entitlements earned by existing employees during the year and the other gains and losses are affected by changes in the key actuarial and financial assumptions used in projecting future pension entitlements. Note 10b details the key demographic and financial assumptions which have been used in calculating these figures. It also quantifies the potential impact if different assumptions are used.

McCloud Remedy Judgement – Police Pension Challenge

The McCloud remedy window ran from 1 April 2015 to 31 March 2022. Eligible members will be able to elect which scheme they wish to receive benefits from for this period. Due to the differing benefits structures, we expect the majority of eligible police members to elect to take legacy scheme (1987 Scheme or 2006 Scheme) benefits for the remedy period.

An allowance for McCloud remedy was first included in the 2018/19 disclosures as a past service cost for four years remedy service from 2015-2019. This past service cost was attributed proportionally to the 1987 and 2006 schemes. For subsequent years to 2021/22 an allowance was made in the 2015 service costs for the annual accrual of additional remedy service.

Now that the remedy window has closed, we have moved all McCloud related liabilities for eligible members for the period 2019 to 2022 to the associated legacy schemes. This meant all McCloud liabilities are held within the legacy scheme which we expect benefits to be paid from. In the 2022/23 disclosures, this led to a past service cost in the 1987 Scheme and the 2006 Scheme and a past service gain in the 2015 Scheme.

Updated membership data has now been received as at 31 March 2024, which reflects McCloud rollback from the 2015 to the legacy schemes for some eligible members. For these members, all McCloud eligible liabilities for the period 2015 to 2022 will now be recorded in the appropriate legacy schemes. For other McCloud eligible members, who were not yet rolled back, approximate adjustments have been made to allocate all their additional McCloud eligible liabilities to the appropriate legacy scheme (from the 2015 Scheme). It is possible that experience revisions between the sections may appear in future years' disclosures as the rollback exercise is completed and reflected in the data provided to us.

The refined approach is expected to be broadly neutral, relative to last year's approach, when considered at the combined all-schemes disclosure level. However, the additional data is expected to produce a more accurate allocation of liabilities between the individual schemes' disclosures. The impact of this refinement will be shown as experience items in the individual scheme disclosures.

Additionally, now that McCloud-related liabilities have started to move into the legacy schemes, contribution adjustments are being carried out by administrators to ensure affected members have paid the correct 'legacy rate' contributions for this portion of service. The contributions adjustments in the 2025/26 disclosures are shown as net cashflows, in line with the approach adopted last year.

GMP equalisation and indexation

The Government has published a consultation on indexation and equalisation of Guaranteed Minimum Pensions (GMP), with the proposal being to extend the "interim solution" to those members who reach State Pension Age after 5 April 2021 (7 October 2020). A past service cost was included in the 2019/20 disclosures for extending the equalisation to all future retirees.

There was also a further court ruling on 20 November 2020 regarding GMP equalisation. The court ruled that scheme trustees are required to revisit past Cash Equivalent Transfer Values (CETVs) to ensure GMP equalisation. This may result in additional top-ups where GMP equalisation means that members did not receive their full entitlement. For public service pension schemes, we expect that this ruling will be taken forward on a cross scheme basis and will need legal input. This may require revisiting past CETV cases for members with State Pension age after 5 April 2016 and who took a CETV from the scheme before the CETV were equalised. The scope of any costs are yet to be determined and we do not have data on historic CETVs on to estimate the potential impact, but we expect it will be a relatively small uplift for a relatively small subset of members (i.e. those who took a CETV and are in scope for a top up).

No additional costs were recognised for GMP equalisation and indexation in 2021/22 to 2024/25, nor are they expected to for 2025/26. In the absence of any further developments, we also propose no additional costs are recognised for 2026/27.

GMP Overpayments

We are aware that schemes have undertaken GMP reconciliation work with HMRC, and in some cases this work will result in identifying members who have been overpaid or underpaid. We have assumed that any overpayments or underpayments, to the extent they are not already reflected in underlying data, are not significant to the disclosures GAD prepares for the balance sheet and the profit and loss accounts.

Part-year inflation

We have allowed for known inflation between September 2025 and February 2026.

Survivor benefits legal challenges (Goodwin)

In 2020 a legal challenge was brought against the Teachers' Pension Scheme regarding the provision of survivor benefits to a male spouse of a female member. In that scheme, dependant benefits for a male spouse of a female member are based on service from 1988 and do not include service before 1988.

Home Office advised that due to the historic equal benefit structure in the 1987 Scheme they do not believe there is a similar situation in the Police Pension Scheme in England & Wales and therefore there was no requirement to allow for this legal challenge in the 2025/26 accounting disclosures.

Section 37 legal case

We are aware of the case of Virgin Media Ltd vs NTL Pension Trustees II Limited (and others) relating to actuarial certifications under section 37 of the Pension Schemes Act 1993. This case potentially has implications for the validity of amendments made by schemes which were contracted-out on a salary-related basis between 6 April 1997 and the abolition of contracting-out in 2016. There is considerable uncertainty around this case including potential read across to public service pension schemes. We understand that schemes continue to administer benefits and recognise liabilities in accordance with scheme regulations currently in force. No additional costs are assumed to be recognised in the 2025/26 accounting disclosures.

Note 10 Assets and Liabilities in relation to Post-employment benefits (a)

Note 10 contains details of the PCC Group's participation in the Local Government Pensions Scheme (administered by Derbyshire County Council) and the Police Pension Scheme in providing Police staff and police officers with retirement benefits.

Reconciliation of the present value of the schemes' liabilities is as follows:

Original 2024/25 £'000	Restated 2024/25 £'000		Funded liabilities: Local Government Pension Scheme	2025/26 £'000	
Group	PCC	Group		PCC	Group
(334,817)	(1,921)	(332,817)	Opening Balance as at the 1 April	(1,768)	(305,993)
(10,925)	(148)	(10,925)	Current Service Cost	(115)	(8,269)
-	-	-	Past Service Cost (inc. curtailments)	-	-
(16,370)	(98)	(16,370)	Interest on pension liabilities	(109)	(17,840)
(4,120)	(64)	(4,120)	Contributions from scheme participants	(75)	(4,277)
585	(1)	4,520	Remeasurement gains and (losses):		
			Actuarial gains/(losses) arising from changes in demographic assumptions	(7)	(1,192)
61,624	506	56,453	Actuarial gains/(losses) arising from changes in financial assumptions	67	13,514
2,916	(42)	(9,804)	Other experience changes	(16)	(2,759)
9,070	-	9,070	Benefits paid	1	9,342
(292,037)	(1,768)	(305,993)	Deficit as at the 31 March	(2,022)	(317,474)

2024/25 Group £'000	Unfunded Liabilities Police Pension Scheme	2025/26 Group £'000
(1,723,332)	Opening Balance as at the 1 April	(1,557,472)
(15,790)	Current Service cost	(10,530)
(80,780)	Interest on pension liabilities	(86,400)
-	Past Service Cost	-
(12,870)	Contributions from scheme participants	(12,440)
-	Change in estimate of the scheme liabilities	-
2,530	Remeasurement gains and (losses):	
198,630	Actuarial gains/(losses) arising from changes in demographic assumptions	-
(560)	Actuarial gains/(losses) arising from changes in financial assumptions	51,130
74,700	Other experience gains and (losses)	14,190
	Benefits Paid	80,380
(1,557,472)	Deficit as at the 31 March	(1,521,142)

Pensions Assets and Liabilities Recognised in the Balance Sheet

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

Group	Local Government Pension Scheme		Police Pension Scheme		Balance Sheet	
	2024/25 £'000	2025/26 £'000	2024/25 £'000	2025/26 £'000	2024/25 £'000	2025/26 £'000
Present value of the defined benefit obligation	(292,037)	(317,474)	(1,557,472)	(1,521,142)	(1,849,509)	(1,838,616)
Fair Value of Scheme Assets	383,225	422,643	-	-	383,225	422,643
Asset Ceiling Adjustment	(91,382)	(105,356)			(91,382)	(105,356)
Net liability arising from defined benefit obligation	(194)	(187)	(1,557,472)	(1,521,142)	(1,557,666)	(1,521,329)

PCC	Local Government Pension Scheme		Balance Sheet	
	2024/25 £'000	2025/26 £'000	2024/25 £'000	2025/26 £'000
Present value of the defined benefit obligation	(1,768)	(2,022)	(1,768)	(2,022)
Fair Value of Scheme Assets	2,167	2,646	2,167	2,646
Asset Ceiling Adjustment	(399)	(624)	(399)	(624)
Net liability arising from defined benefit obligation	-	-	-	-

The liabilities show the underlying long-term commitments that the PCC Group must pay for post-employment (retirement) benefits. The total liability of £1,521,329m has a substantial impact on the net worth of the PCC Group as recorded in the Balance Sheet. Some £1,521.142m of this overall deficit relates to the Police Pension Scheme, which is a centrally funded scheme administered and underwritten by HM Government. However, statutory arrangements for funding the deficit mean that the financial position of the PCC Group remains stable: -

The Local Government Pension Scheme

- Any deficit on the local government scheme will be made good by contributions over the remaining working life of employees (i.e. before payments fall due), as assessed by the scheme actuary.
- Also, due to national changes under the Public Pensions Services Act 2013, as from the 1 April 2014 scheme members accrue pension entitlements based on career-average salaries instead of the salary being paid at the point of retirement as previously.

The Police Pension Scheme

- The method of financing Police Officers pensions changed from April 2006. Prior to this date, all pension costs were charged to the Constabulary's operational account and funded by general revenue funding along with all other operational expenses. This created wide fluctuations in the cost of pensions from year to year.
- Employers now pay a fixed contribution (i.e. an actuarially determined % of pensionable pay) into a separate pension account. Any net cost of pensions paid to members in excess of this contribution is offset by a Home Office top-up grant.
- This change to the method of financing police officer pensions, and the fact that the employer contribution rate is assessed on a regular basis creates a more stable environment for Police Officer pensions.
- In addition, the introduction of a new Police Pension Scheme from April 2015 means that benefits accrued in this scheme are based on a retirement age of 60, which is later than previously, and on average salaries over the whole period of employment.

The total contributions expected to be made to the Local Government Pension Scheme by the Commissioner in the year to the 31 March 2027 are £9.534m. Expected contributions for the Police Pension Scheme in the year to the 31 March 2027 are £65.457m.

The weighted average duration of the defined benefit obligation for members of the Local Government Pension Scheme is 21 years. The weighted average duration of the defined benefit obligation for the Police Pension Schemes is 16 years.

Reconciliation of the Movements in the Fair Value of the assets of the Local Government Pension Scheme: -

Original 2024/25 £'000	Restated 2024/25 £'000		Local Government Pension Scheme	2025/26 £'000	
PCC	PCC	Group		PCC	Group
363,361	2,086	363,361	Opening fair value as at the 1 April	2,167	377,656
17,763	107	17,763	Interest Income	134	22,094
(4,279)	(25)	(4,155)	The return on plan assets, excluding the amount included in the net interest expense	93	16,300
11,330	153	11,330	Contributions from employer	178	11,658
4,120	64	4,120	Contributions from employees into the scheme	75	4,277
(9,070)	0	(9,070)	Benefits/transfers paid	(1)	(9,342)
-	(218)	(5,693)	Other Experience	-	-
383,225	2,167	377,656	Closing fair value of scheme assets as at the 31 March	2,646	422,643

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

The actual return on scheme assets including expected return on plan assets in the year was a gain of £38.167m (revised 2024/25 a gain of £13.536m).

In 2025/26 the local government pension scheme has a net asset in respect of the funded obligations due to changes in the financial assumptions and an excess return on assets. In accordance with proper accounting practice, as asset ceiling calculation has been undertaken which shows that the net asset cannot be realised. As a result, the net assets are reduced by £105m.

Local Government Pension Scheme assets comprised: -

2024/25 Group				Local Government Pension Scheme Assets	2025/26 Group			
Quoted prices in active markets £'000	Quoted prices not in active markets £'000	Total £'000	% of Total Assets		Quoted prices in active markets £'000	Quoted prices not in active markets £'000	Total £'000	% of Total Assets
-	16,587	16,587	4%	Cash and cash equivalents	-	17,662	17,662	4%
5,312	-	5,312	1%	Equities sub-total	0	-	0	0%
				Debt Securities				
24,129	32,062	56,191	15%	Corporate Bonds	26,913	34,982	61,895	15%
43,031	-	43,031	11%	UK Government Bonds	57,196	-	57,196	14%
4,803	-	4,803	1%	Other Bonds	0	-	0	0%
71,963	32,062	104,025	23%	Debt Securities sub-total	84,109	34,982	119,091	28%
805	26,068	26,873	7%	UK Property	813	30,096	30,909	7%
6,423	13,451	19,874	5%	Private Equity	5,925	14,749	20,674	5%
				Other Investment Funds				
62,584	106,772	169,356	44%	Equities	189,551	0	189,551	45%
5,021	36,177	41,198	11%	Infrastructure	507	39,550	44,757	11%
67,605	142,949	210,554	55%	Other Investment Funds sub-total	194,758	39,550	234,308	55%
152,108	231,117	383,225	100%	Total Assets	285,605	137,038	422,643	100%

2024/25 PCC				Local Government Pension Scheme Assets	2025/26 PCC			
Quoted prices in active markets £'000	Quoted prices not in active markets £'000	Total £'000	% of Total Assets		Quoted prices in active markets £'000	Quoted prices not in active markets £'000	Total £'000	% of Total Assets
-	94	94	4	Cash and cash equivalents	-	111	111	4%
30	-	30	1%	Equities	0	-	0	0%
				Debt Securities				
136	181	318	15%	Corporate Bonds	169	219	388	15%
243	-	243	11%	UK Government Bonds	358	-	358	14%
27	-	27	1%	Other Bonds	-	-	0	0%
406	181	588	23%	Debt Securities sub-total	527	219	746	28%
5	147	152	7%	UK Property	5	188	194	7%
36	76	112	5%	Private Equity	37	92	129	5%
				Other Investment Funds				
354	604	958	44%	Equities	1,187	0	1,187	45%
29	205	233	11%	Infrastructure	33	248	280	11%
383	809	1,191	55%	Other Investment Funds sub-total	1,219	248	1,467	55%
860	1,307	2,167	100%	Total Assets	1,788	858	2,646	100%

Basis for estimating assets and liabilities (b)

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary rates etc. Under the projected unit method, the current service cost will increase as the members of the scheme approach retirement for the local government and police pension schemes. The Police Officer scheme has been assessed by the Government Actuary Department (GAD); estimates are based on the latest full valuation of the scheme as at the 31 March 2020.

The Local Government scheme has been assessed by Hymans Robertson LLP, an independent firm of actuaries, estimates are based on the latest full valuation of the scheme as at the 31 March 2026.

The main assumptions used in their calculations have been: -

	Local Government Pension Scheme		Police Pension Schemes	
	2024/25	2025/26	2024/25	2025/26
Mortality assumptions:	Years	Years	Years	Years
Longevity at 65 for current pensioners:				
Men	20.8	21.3	21.9	22
Women	23.8	24.2	23.9	24
Longevity at 65 for future pensioners				
Men	21.5	22.1	23.3	23.4
Women	25.3	25.5	25.2	25.3
Financial Assumptions	%	%	%	%
Rate of CPI inflation	2.75	3.0	2.70	2.95
Rate of increase in salaries (Long Term)	3.75	4.0	3.45	3.7
Rate of increase in pensions	2.95	3.0	2.70	2.95
Rate of CARE revaluation	-	-	3.95	4.2
Rate for discounting scheme liabilities	5.80	6.3	5.65	5.65
Take up option to convert annual pension into retirement grant: pre-April 2008 service	60	0	n/a	n/a
post-April 2008 service	60	0	n/a	n/a

Covid-19 and climate change

Covid-19 and climate change are areas where there remains significant uncertainty, which could affect both future economic and demographic experience. In line with previous years, the assumptions used in the preparation of the 2025/26 accounts allow for the current impacts of Covid-19 and climate change to the extent that they are reflected in the market data used to set or derive assumptions.

The 2022-based population projections consider Covid-19 as a mortality shock event, applying an appropriate short-term adjustment rather than projecting its effects forward. Death rates from Covid-19 in excess of that already allowed for in the mortality assumptions and reflected in the membership data would emerge as an experience gain in future years' accounts.

Cost of Living implications

The effect of the continued high inflation rates has had some impact on the discount rate used in valuation of the liabilities. The accounting assumptions are based on market expectations as at the 31 March 2026 and were shaped by global events, therefore affecting the value placed on the obligations.

Sensitivity of assumptions

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the previous table.

The sensitivity analysis below has been determined based on reasonably possible changes to the assumptions occurring at the end of the reporting period. It assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or 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 projection unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

PCC Change In Assumption as at the 31/03/2026					
		0.1% decrease in Real Discount Rate	1 year increase in member life expectancy	0.1% increase in the salary increase rate	0.1% increase in the pension increase rate
Local Government Pension Scheme	Approximate % increase to Employer Liability	2.0	4.0	0.0	2.0
	Approximate monetary amount - £'000	28	81	3	46

Group Change In Assumption as at the 31/03/2026					
		0.1% decrease in Real Discount Rate	1 year increase in member life expectancy	0.1% increase in the salary increase rate	0.1% increase in the pension increase rate
Local Government Pension Scheme	Approximate % increase to Employer Liability	2.0	4.0	0.0	2.0
	Approximate monetary amount - £'000	5,619	12,618	322	5,294
		0.5% decrease in Real Discount Rate	1 year increase in member life expectancy	0.5% increase in the salary increase rate	0.5% increase in the pension increase rate
Police Pension Schemes	Approximate % increase to Employer Liability	-7.5	2.0	1.0	7.5
	Approximate monetary amount - £'000	(107,000)	36,000	12,000	107,000

Note 11 Property, Plant and Equipment

Movements in 2025/26 (a)	Operational		Other		Non-operational		TOTAL
	Operational Land & Buildings	Vehicles, Plant, Furniture Equipment	PFI Schemes	Jointly Controlled Operations ⁽¹⁾	Surplus Assets Not Held for Sale	Assets Under Construction	
	£'000	£'000	£'000	£'000	£'000	£'000	
Cost or Valuation							
At the 1 April 2025	34,943	39,827	9,175	3,943	374	5,008	93,269
Accumulated depreciation written off to the gross carrying amount	(3,015)	-	-	-	27	-	(2,988)
IFRS 16 movement	(499)	(18)	-	-	-	-	(516)
Additions	440	6,714	-	300	-	10,788	18,242
Revaluation Increases/(decreases) to RR	6	-	-	-	-	-	6
Revaluation decreases to SDPS	740	-	-	-	(27)	-	713
Indexation ⁽²⁾ Increases/(decreases) to RR	(12)	-	-	51	-	-	39
Indexation ⁽²⁾ decreases to SDPS	(53)	-	-	-	-	-	(53)
Derecognition – Disposals	-	(1,394)	-	(121)	-	-	(1,515)
Derecognition – Other	-	(2,067)	-	-	-	-	(2,067)
Reclassified to/from surplus	-	-	-	-	-	-	-
Reclassifications – other	1,417	392	28	-	-	(1,837)	-
At the 31 March 2026	33,967	43,455	9,203	4,173	374	13,959	105,130
Depreciation and Impairments							
At the 1 April 2025	(1,739)	(22,616)	236	(1,441)	19	-	(25,541)
Accumulated depreciation written off to the gross carrying amount	1,654	-	-	73	27	-	1,753
Depreciation charge	(654)	(5,374)	(428)	(280)	(27)	-	(6,763)
Derecognition – Disposals	-	1,045	-	109	-	-	1,154
Derecognition – Other	-	1,853	-	-	-	-	1,853
At the 31 March 2026	(739)	(25,092)	(192)	(1,539)	19	-	(27,543)
Net Book Value							
At the 31 March 2026	33,227	18,362	9,011	2,634	393	13,959	77,586
At the 31 March 2025	33,204	17,211	9,411	2,502	393	5,008	67,729

⁽¹⁾ Includes Assets Under Construction

⁽²⁾ New requirement in 2025/26

RR = Revaluation Reserve SDPS = Surplus or Deficit on the Provision of Services

Movements in 2024/25 (a)	Operational		Other		Non-operational		TOTAL
	Operational Land & Buildings	Vehicles, Plant, Furniture Equipment	PFI Schemes	Jointly Controlled Operations	Surplus Assets Not Held for Sale	Assets Under Construction	
	£'000	£'000	£'000	£'000	£'000	£'000	
Cost or Valuation							
At the 1 April 2024	32,620	40,285	9,700	3,695	415	5,300	92,015
Accumulated depreciation written off to the gross carrying amount	(5,396)	-	(890)	-	23	-	(6,263)
IFRS 16 adjustment	5,265	87	-	-	-	-	5,352
Additions	2,605	4,156	351	315	-	(214)	7,213
Revaluation Increases/(decreases) to RR	(806)	-	1,909	-	(13)	-	1,090
Revaluation decreases to SDPS	1,004	-	(1,895)	-	(12)	-	(903)
Derecognition – Disposals	-	(975)	-	(67)	-	-	(1,042)
Derecognition – Other	-	(3,726)	-	-	-	-	(3,726)
Reclassified to/from surplus	-	-	-	-	-	-	-
Reclassifications – other	(349)	-	-	-	(39)	(78)	(466)
At the 31 March 2025	34,943	39,827	9,175	3,943	374	5,008	93,269
Depreciation and Impairments							
At the 1 April 2024	(1,894)	(22,140)	(344)	(1,233)	19	-	(25,592)
Accumulated depreciation written off to the gross carrying amount	1,402	-	862	-	27	-	2,291
Depreciation charge	(1,247)	(4,889)	(282)	(270)	(27)	-	(6,715)
Derecognition – Disposals	-	687	-	62	-	-	749
Derecognition – Other	-	3,726	-	-	-	-	3,726
At the 31 March 2025	(1,739)	(22,616)	236	(1,441)	19	-	(25,541)
Net Book Value							
At the 31 March 2025	33,204	17,211	9,411	2,502	393	5,008	67,729
At the 31 March 2024	30,726	18,145	9,356	2,463	434	5,300	66,423

RR = Revaluation Reserve SDPS = Surplus or Deficit on the Provision of Services

Split of Assets between Commissioner and Chief Constable (c)

Under the Stage 2 transfer as at the 1 April 2014, all vehicles, plant, and equipment transferred to the Chief Constable (including Plant and Equipment held within Assets Under Construction). Land and Buildings and Jointly Controlled assets remained with the Commissioner. The split is as follows:-

Assets – Net Book Value	Chief Constable 31 March 2026	Commissioner 31 March 2026	PCC Group 31 March 2026
	£'000	£'000	£'000
Operational Land & Buildings	-	33,227	33,227
Surplus Assets	-	393	393
Vehicles, Plant, Furniture & Equipment	18,362	-	18,362
PFI Schemes	-	9,011	9,011
Jointly Controlled Operations	-	2,634	2,634
Assets Under Construction	1,252	12,707	13,959
Total Assets Net Book Value	19,614	57,972	77,586

Valuation of Assets (d)

Previously, all land and building assets were re-valued every five years, the last full valuation of all land and buildings being as at 31 March 2025. From 2025/26 a rolling programme of valuations commenced with a proportion of our land and buildings re-valued every year ensuring each building is re-valued at least once every five years. A total of 12 properties (including 3 HQ site component properties) were valued as at the 31 March 2026.

The valuations for land and buildings were made in accordance with the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors. Valuations in 2025/26 were carried out by General Practice Chartered Surveyors (Members of the RICS), signed off by Liz MacDonald MRICS, Registered Valuer, NPS Property Consultants Ltd. The basis of valuation is shown in the Statement of Accounting Policies (page 22).

Vehicle information has been taken from the Vehicle Fleet Information System and IT and Communications information has been provided by the Digital Data and Technology Department.

The Balance Sheet shows a share of all the Jointly Controlled Operation assets. These are jointly controlled operations with the other East Midland Commissioners (see note 7). Derbyshire's share of the assets is dependent on the collaboration agreement between the Commissioners and how many of them are within the agreement. The assets represent buildings, vehicle, equipment and IT assets.

31 March 2025		Jointly Controlled Operations	31 March 2026	
Total	Derbyshire Share		Total	Derbyshire Share
£'000	£'000		£'000	£'000
11,551	2,518	Fixed Assets –Tangible/intangible	12,135	2,646
3,286	774	Net Current Assets	6,769	1,549
14,837	3,292	Total Net Assets	18,904	4,195
4,196	978	Represented by Usable Reserves	7,770	1,774
10,641	2,314	Unusable Reserves	11,134	2,421
14,837	3,292		18,904	4,195

The above information has been included in the PCC Group's Balance Sheet.

Additions in Year (e)

This relates to capital expenditure in the year excluding intangible assets which is shown in Note 12.

Assets Held by the PCC Group (f)

A brief analysis of the PCC Group's principal assets is set out below:

31/03/2025	Asset Type	31/03/2026
Number of assets		Number of assets
20	Main Headquarters (component properties)	20
1	Divisional Headquarters	1
16	Section Stations	17
3	Child Protection unit & Victim Suite	3
7	Community Offices & Others	6
1	Surplus Properties	1
3	Radio Masts	3
764	Vehicles	788
1	PFI Buildings	1
% of assets		% of assets
21.8%	EMSOU & EMFSS & EM Legal	21.8%
25.11%	EM Learning & development	25.11%
50%	HR Service Centre	50%

Depreciation (g)

The basis of depreciation is shown in the Statement of Accounting Policies (page 22).

Note 12 Intangible Assets

The PCC Group accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment.

Intangible Assets	2024/25			2025/26		
	Purchased Software Licences	Purchased Software Licences- JCO	Total PCC Group	Purchased Software Licences	Purchased Software Licences – JCO	Total PCC Group
	£'000	£'000	£'000	£'000	£'000	£'000
Net carrying amount 1 April	466	12	478	366	16	382
Additions	52	6	58	-	-	-
Reclassifications	-	-	-	-	-	-
Derecognitions	-	-	-	(53)	-	(53)
Amortisation in year	(152)	(2)	(154)	(125)	(4)	(129)
Balance as at the 31 March	366	16	382	188	12	200

From 2014/15 Software Licences are shown on the Chief Constable's Balance Sheet, except for Jointly Controlled Operations (JCO) software which is shown on the Commissioner's Balance sheet.

Note 13 Investments in Associates and Joint Ventures

In 2014/15 Derbyshire Police and Derbyshire Fire and Rescue Service formed a Joint Venture under a Limited Liability Partnership (LLP). It will be operated by both organisations to strengthen transparency, accountability and governance for the construction and operation of joint buildings with an aim of working towards a more economic, effective and lower carbon estate. There are currently 2 buildings, a Joint Headquarters and a Joint Training Centre/Firearms Range.

Derbyshire Police's investment in the joint venture to date is shown below, this represents Derbyshire Police's 66% share of the Joint Headquarters and 40% share of the Joint Training Centre/Firearms Range.

Investment in Joint Venture	31 March 2025 £'000	31 March 2026 £'000
Balance as at the 1 April	16,815	16,815
Spend in year	-	-
Total Investment in Joint Venture (Historic Cost)	16,815	16,815
Representing		
-Joint Headquarters	12,211	12,211
-Joint Training Centre/Firearms Range	4,604	4,604
Total Investment in Joint Venture PCC Group Accounts (Net Share of Assets)	19,299	22,932

The Joint Venture operates an Income and Expenditure Account, the LLP Board agreed to redistribute 100% of profits to members (Police and Fire). The profit share for 2025/26 was £0.290m (£0.284m in 2024/25). This is reflected in the CIES.

Note 14 Stock & Stores

The group holds stocks of uniforms, vehicle equipment, personal protective equipment (PPE) and other operational equipment. IAS2 Inventories require stocks to be valued at the lower cost or net realisable value, however the net realisable value for many stock items such as uniforms would be negligible under this treatment and this would substantially understate the value of these current assets which are usually utilised within a year. Stocks and Stores items are therefore valued at purchase price. Any stock subsequently obsolete or damaged would be treated as a write off against the Comprehensive Income and Expenditure Statement with the accounts in the year.

The value of the inventories held by the group as at 31st March 2026 is £0.455m (compared to £0.376m in 2024/25).

Note 15 Capital Expenditure and Capital Financing Statement

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Commissioner, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred by the Commissioner that has yet to be financed. The CFR is analysed in the second part of this note.

2024/25			2025/26	
PCC £'000	Group £'000		PCC £'000	Group £'000
39,559	39,559	Opening Capital Financing Requirement	48,530	48,530
		Capital investment		
5,333	6,758	<i>Property, Plant and Equipment</i>	11,509	18,241
5,300	5,387	<i>Right of Use Assets</i>	4,590	4,572
6	58	<i>Intangible assets</i>	0	0
8	8	<i>Revenue Expenditure Funded from Capital under Statute (REFCUS)</i>	50	50
1,564	-	<i>REFCUS (grant/loan to Chief Constable) – Intra Group funding</i>	6,714	-
12,211	12,211	Total Capital Investment	22,863	22,863
		Sources of Finance		
-	-	<i>Capital receipts</i>	(531)	(531)
(1,541)	(1,541)	<i>Government Grants & Contributions</i>	(1,502)	(1,502)
(874)	(874)	<i>Direct revenue contributions</i>	(3,528)	(3,528)
(825)	(825)	<i>Minimum Revenue Provision (MRP)</i>	(895)	(895)
48,530	48,530	Closing Capital Financing Requirement	64,937	64,937
		Explanation of movements in the year		
(106)	(106)	Decrease in underlying need to borrow (supported by Government financial assistance)	(108)	(108)
9,367	9,367	Increase in underlying need to borrow (unsupported by Government financial assistance)	16,811	16,811
(290)	(290)	Assets acquired under PFI Contracts	(295)	(295)
8,971	8,971	Increase in Capital Financing Requirement	16,408	16,408

Note 16 Debtors

The level of debt outstanding during 2025/26 was analysed and it was decided that it would be prudent to provide a bad debt provision of £0.010m after taking account of the current year's write-offs.

Debtors are analysed as follows and include Derbyshire's share of jointly controlled operations debtors: -

Debtors	31 March 2025 £'000	31 March 2026 £'000
Government Departments and Agencies	24,360	23,654
Local and Police Authorities	6,925	9,736
Share of Council Tax Debtors	5,671	6,230
Other Entities and Individuals	9,263	12,287
Less: Provision for Bad debts	(15)	(10)
Total Debtors	46,204	51,897

Note 17 Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

Cash and Cash Equivalents	31 March 2025 £'000	31 March 2026 £'000
Cash held by the Commissioner	86	86
Bank current accounts	2,220	1,539
Proceeds of Crime Cash	702	476
Total Cash and Cash equivalents	3,008	2,101

Note 18 Assets held for sale

As at 1 April 2025 one asset met the criteria of Assets held for sale. This asset was sold during 2025/26 and no further assets were classified as an Asset held for sale as at the 31 March 2026.

	Assets held for sale £'000
Balance as at 1 April 2025	465
Assets newly classified as held for sale	0
Transfer to Operational assets	-
Gains/losses on revaluation of assets held for sale	-
Sale of assets in year	(465)
Balance as at 31 March 2026	0

Note 19 Creditors

Creditors are analysed as follows and include Derbyshire's share of jointly controlled operations creditors: -

Creditors	31 March 2025 £'000	31 March 2026 £'000
Government Departments and Agencies	6,446	8,711
Local and Police Authorities	15,114	18,455
Share of Council Tax Creditors	5,773	6,258
Other Entities and Individuals	9,124	10,354
Total Creditors – Commissioner	36,457	43,778
Employee Benefits – Chief Constable	3,446	3,801
Total Creditors	39,903	47,579

Note 20 Borrowing and Investments

The borrowing and investments disclosed in the Balance Sheet are:

	31 March 2025			31 March 2026		
	Long Term £'000	Current £'000	Total £'000	Long Term £'000	Current £'000	Total £'000
PWLB	28,581	1,316	29,897	39,924	7,799	47,723
Total borrowing	28,581	1,316	29,897	39,924	7,799	47,723
Loans and receivables – Temporary Investments	-	20	20	-	8,788	8,788
Total investments	-	20	20	-	8,788	8,788

'Current' is investments and borrowing less than one year. Interest earned is charged to the Income and Expenditure Account on an accrual's basis and hence Temporary investments and Short term borrowing figures on the Balance Sheet also includes interest earned but not yet paid as at the 31 March 2026.

PWLB is borrowing with the Public Works Loan Board. Three new loans totalling £19m were raised during 2025/26 this was driven by the Capital Programme for 2025/26 to 2026/27. The total PWLB outstanding at the 31 March 2025 is £47.581m plus interest of £0.142m. The repayment schedule for PWLB is shown in Note 23c.

Loans and receivables are surplus cash that the Commissioner invests in short-term deposits and temporary investments with a range of banks and financial institutions. Temporary investments outstanding as at the 31 March 2026 is £8.750m plus interest of £0.038m. PFI finance lease liabilities are shown in Note 24c.

Note 21 Interest from borrowing and investments

Interest payable on external borrowings and interest receivable on short term investments fall on the Comprehensive Income and Expenditure Statement as shown below: -

	Total 31 March 2025 £'000	Borrowings £'000	Investments £'000	Total 31 March 2026 £'000
Interest Payable and similar charges	570	568		568
Interest Payable on PFI Schemes	209	157		157
Interest and investment Income	(1,514)		(1,078)	(1,078)

Note 22 Financial Instruments - Assets and Liabilities

A financial instrument is any contract that results in a financial asset on the Balance Sheet of one entity (for example the Commissioner) and a financial liability or equity instrument on the Balance Sheet of another entity. The term "financial instrument" covers both financial assets and financial liabilities ranging from the most straightforward (i.e. temporary investments, debtors and creditors) to the most complex (i.e. derivatives). Financial assets and financial liabilities are carried in the Balance Sheet at amortised cost. The fair value of each class of financial asset and liabilities is as follows: -

	31 March 2025		31 March 2026	
	Carrying Amount £'000	Fair Value £'000	Carrying Amount £'000	Fair Value £'000
Financial Assets				
Temporary Investments	20	20	8,788	8,788
Cash and Cash Equivalents	3,008	3,008	2,101	2,101
Debtors (contractual only)	37,301	37,301	42,992	42,992
Financial Liabilities				
Borrowing				
PWLB	(29,897)	(14,301)	(47,723)	(47,723)
PFI Liabilities	(1,978)	(1,978)	(1,050)	(1,050)
Creditors (contractual only)	(28,796)	(28,796)	(35,212)	(35,212)

Financial Assets

The fair value of investments has been assessed as being the same as the carrying value due to the investments being short term (less than one year). Cash is assumed to have a fair value which is equivalent to the carrying amount due to the short-term nature of the asset. In the case of debtors, the carrying amount (the invoiced amount) as shown in the balance sheet is assumed to approximate to fair value. These are likely to mature in the next 12 months.

Financial Liabilities

The fair value of PWLB has been calculated by reference to the new borrowing (certainty rate) set of rates as at the 31 March 2026. The fair value of PWLB is less than the carrying amount because the Commissioner's portfolio of loans is

based on fixed rate loans where the interest rate payable is lower than the rates available for similar loans at the Balance Sheet date. This shows a notional future gain (based on economic conditions at the 31 March 2026) arising from a commitment to pay interest to lenders below current market rates.

In the case of creditors, the carrying amount (the billed amount) as shown in the balance sheet is assumed to approximate to fair value. These are likely to mature in the next 12 months.

Sensitivity Analysis

If interest rates had been 1% higher, the fair value of PWLB would have been £1.671m lower using the new borrowing (certainty rate) discount rate. As borrowings are not carried at fair value on the Balance Sheet there is no impact on the Comprehensive Income and Expenditure Statement.

Note 23 Nature and Extent of Risks arising from Financial Instruments

The Commissioner's overall risk management procedures focus on the unpredictability of financial markets and implementing restrictions to minimise these risks. The procedures for risk management are set out through a legal framework in the Local Government Act 2003 and associated regulations. These require the Commissioner to comply with the CIPFA Prudential Code, the CIPFA Treasury Management in the Public Services Code of Practice and Investment Guidance issued through the Act. These procedures require the Commissioner to manage risk in the following ways:

- By formally adopting the requirements of the Code of Practice.
- By approving annually in advance prudential indicators for the following three years limiting:
 - The Commissioner's overall borrowing.
 - Its maximum and minimum exposures to fixed and variable rates.
 - Its maximum and minimum for exposures of the maturity structure of debt.
 - Its maximum annual exposures to investments maturing beyond a year.
- By approving an investment strategy for the forthcoming year setting out its criteria for both investing and selecting investment counterparties in compliance with the Government Guidance.

The Commissioner's Treasury Management Strategy including the Investment Strategy is approved annually before the start of the year to which it relates which outlines the detailed approach to managing risk in relation to the Commissioner's financial instrument exposure. Actual performance is also monitored at least annually. The key risks are:

a) Credit Risk Exposure

This is the risk that one party to a financial instrument will fail to meet their contractual obligations, causing a loss for the other party. Exposure to this risk is managed through the Commissioner's Treasury Management Strategy including the Investment Strategy. The Commissioner only invests in approved institutions who meet identified minimum credit criteria, in accordance with the Fitch, Moody's and Standard & Poors Ratings Services.

The policy for 2025/26 was to limit investment to the following categories;

- UK Banks & Building Societies
- Guaranteed Banks with suitable sovereign support
- Local Authorities
- Debt Management Office
- Money Market Funds

The Commissioner does not make deposits with the above unless they meet the minimum requirements of the investment criteria at that time. There are also limits in place to how much can be invested with counterparties and for how long.

No breaches of the Commissioner's counterparty criteria occurred during the reporting period, and the Commissioner does not expect any losses from non-performance by any of the counterparties in relation to deposits.

Whilst the current international markets position has slightly raised the overall possibility of default the Commissioner maintains strict credit criteria for investment counterparties and seeks security of capital over maximising interest.

The risk of customers failing to pay the Commissioner for goods/services provided is low as this income is only a small proportion of total income. The risk is managed via the Commissioner's Credit Control Procedures. These procedures set out the framework within which financial relationships with the Commissioner's customers are managed beginning with raising an invoice through to invoking legal action should it be required. The Chief Finance Officer can write off bad debts up to a limit of £10,000 in each case. Larger sums are referred to the Commissioner. To further mitigate the risk of Customer credit default, the Commissioner makes a bad debt provision each year.

b) Liquidity Risk Exposure

This is the risk that a party will be unable to raise funds to meet its commitments associated with financial instruments. The Commissioner manages its liquidity position through the risk management procedures above as well as through a comprehensive cash flow management system, as required by the Code of Practice. This seeks to ensure that cash is available when it is needed to meet payment obligations (eg; payments to creditors and in respect of the Commissioner's employees). If unexpected movements happen, the Commissioner has access to borrowings from both the money markets

and PWLB. There is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

c) Refinancing and Maturity Risk

This is the risk that the Commissioner might be requiring to renew a financial instrument on maturity at disadvantageous interest rates or terms. The risk relates to the maturing of longer-term financial liabilities and the fact that the Commissioner will be bound to replenish a significant proportion of its borrowings at a time of unfavourable interest rates. The financial liabilities however all mature at different times. The maturity analysis of financial liabilities is as follows; -

2025/26	PWLB £'000
Less than one year interest	142
Less than one year principal	7,656
Between one and two years	12,619
Between two and five years	1,628
Between five and ten years	2,078
Between ten and fifteen years	2,000
More than fifteen years	21,600
Total	47,723

This excludes trade and other payables which are due to be paid in less than one year and PFI Liabilities which are repaid over the life of the contract.

d) Market Risk Exposure

This is the risk that the value of an instrument will fluctuate because of changes in interest rates, market prices, foreign currency exchange rates.

Interest Rate Risk - The Commissioner has limited risk. PWLB interest rates are fixed and investments are only temporarily invested (less than a year). The risk therefore arises from the uncertainty of what level interest rates will be at when the Commissioner either makes a temporary investment or enters into a new borrowing arrangement with PWLB. A movement in interest rates could have a complex impact on the Income and Expenditure Statement. For instance, a rise in interest rates may have the following effects:

- Future borrowings may be more costly and result in a higher interest expense charged to the Comprehensive Income and Expenditure Statement
- The fair value of existing borrowings may alter
- Future temporary investments may realise a greater return and result in a higher interest receipt credited to the Comprehensive Income and Expenditure Statement

Borrowings are not carried at fair value in the Balance Sheet, so nominal gains and losses on fixed rate borrowings would not impact on the surplus or deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Reserve Balance.

The Commissioner will consider, where economic conditions allow, the viability of repaying loans early to limit the exposure to interest rate risk.

Market Price Risk - The Commissioner does not invest in equity shares and hence has no exposure to the gains or losses arising from a movement in the price of shares.

Foreign Exchange Risk - The Commissioner has no financial assets or liabilities in foreign currencies and hence has no exposure to loss arising from movements in exchange rates.

Note 24 Private Finance Initiatives

The Commissioner had two Private Finance Initiative (PFI) project agreements: -

On the 23 December 1997 an agreement for the provision of a new serviced police station at Ilkeston was signed. The arrangement was for 30 years from October 1998 until September 2028. The building was occupied from October 1998 when payments commenced. In November 2023 we exited the Ilkeston contract early, securing the building as a long-term asset and removing risk around both the uncertainty of long-term costs as well as any risk in terms of the effect of the loss of this site to policing.

On the 26 February 1999 an agreement for the provision of a new fully serviced Divisional Headquarters and City Section Station at Derby was signed. The arrangement is for 30 years from the 18 December 2000 until 17 December 2030. The building was occupied from the 18 December 2000 when payments commenced.

Property, Plant and Equipment

The assets used to provide services at the police station and divisional headquarters are recognised on the Balance Sheet. Movements in their value over the year are detailed in the analysis of the movement on the Property, plant and equipment balance in Note 11.

Payments

The Commissioner makes an agreed payment each year which is increased each year by inflation and can be reduced if the contractor fails to meet availability and performance standards in any year, but which is otherwise fixed. The amount of Unitary charge paid in 2025/26 was £4.039m for Derby (the equivalent unitary charge paid in 2024/25 was £4.229m for Derby). The total charge for each scheme can be analysed as follows: -

	2024/25 £'000	2025/26 £'000
Service Payment	1,894	2,685
Interest on liability	209	157
Lifecycle Payments	1,463	269
Repayments of Principal	663	929
Total Unitary Charge	4,229	4,039

There are no further remaining payments to be made under the Ilkeston PFI contract. The projected remaining payments to made under the Derby PFI contract at the 31 March 2026 are as follows: -

	Derby PFI				
	Service Payments £'000	Interest on Liability £'000	Lifecycle Payments £'000	Principal Payments £'000	Total Payments £'000
2026/27	2,899	83	0	192	3,174
2027/28 to December 2030	11,451	164	-	857	12,472

For Derby the expected costs include estimated inflation of 3% on service payments and lifecycle as per the operators' model. Elements of the fee can also be benchmarked every five years if either of the parties instigate the benchmarking exercise. This involves comparing the charge for individual items within the overall fee against charges within similar contracts. The third benchmarking exercise with effect from December 2015 was instigated by the service provider and the outcome was formally agreed in October 2020. Projected future payments exclude future availability/performance deductions.

The Commissioner receives a Special Grant towards the financing of the PFI schemes, in 2025/26 £2.387m was received for the Derby PFI.

The payment of grant is on an annuity basis, the same amount of grant is paid each year over the life of the contract.

The difference in grants received and actual payments plus current value of savings on the original station, plus a contribution plus interest in the year has been transferred to or from the PFI Reserves. This reserve is to fund future PFI payments and enables the net costs to be spread evenly over the contract period. For Derby the movement from reserves was £0.928m.

Liability

The PFI liability is written down by the repayment of principal each year as shown below:

PFI Liability	Derby PFI £'000
Balance as at the 31 March 2025	1,978
Principal Paid 2025/26	928
Cancellation of PFI Liability	
Balance as at the 31 March 2026	1,050

In the balance sheet this is shown as short term (£0.192m) which is repayable within a year and long term PFI Finance lease liability (£0.858m). The liability for the Ilkeston building has been transferred to Property, plant & equipment on the balance sheet.

Note 25 Provisions

A provision should be made for any liabilities of uncertain timing or amount that have been incurred and should cover costs that are more likely than not to occur.

Liability Insurance Provision -This provision is to meet liability claims which are not covered by external insurers. The balance reflects the claims handlers' assessment of open liabilities on claims outstanding as at the 31 March 2026, together with an estimate for claims relating to 2025/26. On this basis a provision of £2.377m is required.

Vehicle Insurance Provision – This provision is to meet Third Party claims which are not covered by external insurers. The balance reflects the claims handlers' assessment of open liabilities on claims outstanding as at the 31 March 2026, together with an estimate for claims relating to 2025/26. On this basis a provision of £0.413m is required.

Backdated Overtime Provision – This is a provision for the costs of settling a claim outstanding against Derbyshire Police arising from the ruling in Allard v Devon and Cornwall Police. This relates to entitlement to overtime payments following recalls to duty to meet specific operational requirements. The £0.050m balance on the provision is for the one outstanding claim plus legal fees.

National Undercover Provision – This majority of this provision represents Derbyshire's share of a claim received nationally from 99 Undercover Officers. The estimated cost of the claim to be met from all Forces is £11.9m. Derbyshire's share based on NRE is £0.175m. The remaining £0.004m is Derbyshire's share of Civil Proceedings Arising out of Conduct of UC Officer which has been notified by the National Police Chiefs' Council.

Provisions	Liability Insurance £'000	Vehicle Insurance £'000	Backdated Overtime £'000	National Undercover Provision £'000	Total Provisions £'000
Balance as at the 1 April 2025	2,098	696	0	180	2,974
Provision in Year	843	130	50	-	1,023
Expenditure in year	(564)	(413)	-	-	(977)
Transfer to/from Insurance Reserve	-	-	-	-	-
Balance as at the 31 March 2026	2,377	413	50	180	3,020

Provisions are split between short term (£1.011m) and long term (£2.009m) in the balance sheet. Short-term provisions cover liabilities that are expected to be settled within 12 months of the balance sheet date.

Note 26 Contingent liabilities / Contingent assets

Contingent liabilities/assets arise where the Commissioner is aware of a possible obligation that has occurred because of events prior to the Balance Sheet date, but where the existence will only be confirmed by future events which are not in the Commissioner's control.

Contingent Liabilities

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. These amounts are not recorded in the PCC's accounts because:

- It is not probable that an outflow of economic benefits or service potential will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability at the year end.

The National Police Chief Council made the Force aware of potential civil proceedings arising out of conduct of an officer seconded to the National Public Order Intelligence Unit (NPOIU) whilst working undercover between 2003 and 2010. Although the Force where the officer originates from would bear any internal legal costs as this individual was seconded to a national body any other costs arising from a successful claim in this matter, including disbursements, external legal costs, damages, or settlement sums, would be apportioned to police forces according to the prevailing national funding formula for police forces at the time of payment.

Public Inquiry into Grooming Gangs

The statutory Independent Inquiry into Grooming Gangs is a national investigation examining institutional failures to protect children from group-based sexual abuse. The cost of this inquiry is expected to be apportioned to police forces according to the prevailing national funding formula at the time of payment.

Motorway Speed Enforcement (Op Cabin)

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

McCloud

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

Devolution of PCC Functions

Police and Crime Commissioners will be abolished across England Wales at the end of the current terms in May 2028, with the responsibilities devolved to regional Mayors. This governance change is anticipated to affect financial responsibilities, though the full details of the transfer mechanisms have yet to be outlined.

Contingent Assets

The Commissioner has no contingent assets as at the 31 March 2026.

Note 27 Usable Reserves

Movements in usable reserves are detailed in the Movement in Reserves Statement. The balance as at the 31 March was made up of the following:

Usable Reserves	31 March 2025 £'000	31 March 2026 £'000
General Reserve Balance	6,500	6,500
Earmarked Reserves	13,951	15,883
Usable Capital Receipts Reserve	-	-
Capital Grants Unapplied	861	65
Total Usable Reserves PCC	21,312	22,448
Share of LLP Retained Profit Reserve	42	42
Total Usable Reserves PCC Group	21,354	22,490

Earmarked Reserves

This note sets out Transfers to/from Earmarked Reserves.

Earmarked Reserve	Balance 31 March 2025 £'000	Transfers To Reserves £'000	Transfers From Reserves £'000	Transfers Between Reserves £'000	Balance 31 March 2026 £'000
Reserves					
Carry Forward Reserve	357	754	(73)	(103)	935
Operational Funding & Investment Reserve	3,547		(209)	529	3,867
Ilkeston Police Station Property Maintenance	749	-	-		749
PFI Reserve – Derby	231	200	(230)		201
Insurance Reserves	336	8	-		344
PCC Grants & Commissioning Reserve	540	500	(247)		793
Workforce Resilience & Well-Being Reserve	485	-	-	-	485
Design Board Reserve	5,678	-	(247)	-	5,431
Planning Day Initiatives Reserve	183	-	(94)	(89)	-
26/27 Budget Pressures Reserve	-	500	-	-	500
Investment Fund Reserve	11		(11)		-
Business Case Reserve	855	500	(214)	(337)	804
Total Reserves	12,972	2,462	(1,325)	(0)	14,109
Jointly Controlled Operations Reserves	979	795	--	-	1,774
Total Earmarked Reserves PCC	13,951	3,257	(1,325)	(0)	15,883
Share of LLP Retained Profit Reserve	42	-	-	-	42
Total Earmarked Reserves PCC Group	13,993	3,257	(1,325)	(0)	15,925

Carry Forward Reserve

This balance represents the agreed carry forwards from 2025/26 and remaining commitments for previously agreed initiatives.

Operational Funding and Investment Reserve

This reserve is to assist with the 'funding gap' in the revenue budget for 2026/27 and beyond and for investment in new and emerging and growing risk and threats.

Ilkeston Police Station Property Maintenance Reserve

The force exited the PFI Ilkeston contract in November 2023 and purchased the building. The remaining reserve value will be used to finance ongoing costs related to Ilkeston Police station.

PFI Reserve – Derby DHQ

This reserve represents the difference in grants received and actual payments for the Derby DHQ PFI, plus savings on the original Full Street headquarters, plus a contribution of £0.230m in the year. The reserve is to fund future PFI payments and enables the net costs to be spread evenly over the contract period.

Insurance Reserve

This reserve is for future insurance liabilities that are not covered by the insurance provision.

PCC Grants and Commissioning Reserve

This reserve has been set aside for crime prevention measures and other emerging priorities over the term of the Commissioners' office.

Workforce Resilience & Well-Being Reserve (previously Officer Uplift Support Costs Reserve)

As part of the government's Police Uplift Programme, the Constabulary received funding to support the recruitment of 283 additional police officers over a 3-year period to 31 March 2023. This reserve was created out of part of this funding to support the non-direct 'infrastructure' costs associated with recruiting and deploying these new officers. The Uplift of Officers has been completed, and the reserve will now be utilised for the wellbeing of the workforce going forward and to help protect Uplift numbers.

Design Board Reserve

The Constabulary's Design Board is chaired by the Deputy Chief Constable and has a brief to co-ordinate the implementation of design recommendations to improve processes and practices, especially through technological innovation. The remaining reserve is allocated in part to fund the Public Contact Improvement Programme (PCIP) and to support other activities approved by the Design Board.

Business Case Reserve

An additional £0.500m has been added to this reserve bringing the balance to £0.804m. This will enable the force's Strategic Change Board to evaluate and approve business cases for one-off costs in 2026/27.

26/27 Budget Pressures Reserve

£0.500m has been allocated to this newly created reserve to support expected budget pressure in 2026/27 that were not included in the approved budget.

Jointly Controlled Operations Earmarked Reserves

This represents Derbyshire's share of Jointly Controlled Operations reserves these are mainly to be used for future capital purchases and asset replacement.

Share of Retained Profit Reserve LLP

Under PCC Group Accounts a share of LLP reserves has to be shown, this represents Derbyshire's share of the retained profit of the LLP (in previous years this is the 25% of the profit the LLP have agreed to retain, since 2020/21 the LLP have agreed to redistribute 100% of the profit share not 75%). In 2021/22 the LLP used £0.007m of its retained profit reducing the balance to £0.042m. None of this retained profit was used in 2025/26.

Usable Capital Receipts Reserves

The usable capital receipts reserve represents the capital receipts available to support additional capital expenditure in future years. During 2025/26 the sale of Long Eaton Police Station resulted in a capital receipt of £531k, all of which was used to fund capital expenditure during the year.

Capital Receipts Reserve	£'000
Balance as at the 1 April 2025	-
Receipts in year:	531
	531
Less:	
Capital receipts used	(531)
Balance as at the 31 March 2026	-

Note 28 Unusable Reserves

31st March 2025			Unusable Reserves	31st March 2026		
Chief Constable £'000	PCC £'000	PCC Group £'000		Chief Constable £'000	PCC £'000	PCC Group £'000
1	8,094	8,095	Revaluation Reserve	1	8,100	8,101
19,219	10,250	29,469	Capital Adjustment Reserve	19,608	7,672	27,281
(1,557,666)	-	(1,557,666)	Pensions Reserve	(1,521,329)	-	(1,521,329)
-	(102)	(102)	Collection Fund Adjustment Account	-	(28)	(28)
(3,446)	-	(3,446)	Accumulated Absences Account	(3,802)	-	(3,802)
(1,541,892)	18,242	(1,523,650)	Total Unusable Reserves PCC	(1,505,522)	15,746	(1,489,776)
-	-	2,442	Share of Revaluation Reserve LLP	-	-	6,075
(1,541,892)	18,242	(1,521,208)	Total Unusable Reserves PCC Group	(1,505,522)	15,746	(1,483,701)

Revaluation Reserve

The Revaluation Reserve contains the gains arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- used in the provision of services and the gains are consumed through depreciation, or
- disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

Under Equity accounting the PCC Group Accounts includes a share of the Revaluation Reserve of the LLP.

Revaluation Reserve	2024/25 £'000	2025/26 £'000
Balance as at the 1 April	9,185	8,095
Upward revaluation of assets	1,329	157
Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	(2,419)	(151)
Surplus on revaluation of non-current assets not posted to the Surplus/Deficit on the Provision of Services	(1,090)	6
Difference between fair value depreciation and historical cost depreciation	-	-
Disposal of assets	-	-
Amount written off to the Capital Adjustment Account	-	-
Balance as at the 31 March	8,095	8,101
Share of Revaluation Reserve LLP	2,442	6,075
Balance as at the 31 March PCC Group	10,537	14,176

Capital Adjustment Account

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

The Account contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

The Movement on Reserves Statement details the source of all transactions posted to the Account, apart from those involving the Revaluation Reserve.

Capital Adjustment Account	2024/25 £'000	2025/26 £'000
Balance as at the 1 April	35,141	29,469
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement		
• Charges for depreciation and impairment of non-current assets (incl IFRS 16 adjustments)	(6,971)	(7,394)
• Revaluation losses on Property, Plant & Equipment	(2,695)	(536)
• Reversal of Lease Liability	544	434
• Capital Grants / Contributions credited to CIES	122	154
• Amortisation of Intangible Assets		(53)
• Revenue Expenditure funded from capital under statute	(8)	(50)
• Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(293)	(1,039)
	(9,301)	(8,484)
Adjusting amounts written out of revaluation Reserve	-	-
Net written out amount of the cost of non-current assets consumed in the year	(9,301)	(8,484)
Capital Financing applied in the year		
• Capital Receipts	-	531
• Capital Grants and Contributions	1,730	1,398
• Statutory Provision for financing capital investment (MRP)	825	895
• Capital Expenditure charged against the General Reserve	1,074	3,472
	3,629	6,296
Balance as at the 31 March	29,469	27,281

Pension Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The PCC Group accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet these costs. However, statutory arrangements require benefits earned to be financed as the PCC Group makes employer's contributions to pensions funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the PCC Group has set aside by the time the benefits come to be paid.

Pensions Reserve	Group 2024/25 £'000	Group 2025/26 £'000
Balance as at the 1 April	(1,723,332)	(1,557,666)
Actuarial gains or losses on pensions assets and liabilities	291,374	162,416
Asset Ceiling Adjustment	(91,382)	(104,732)
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.	(107,486)	(100,945)
Employer's pensions contributions and direct payments to pensioners payable in the year	73,160	79,598
Balance as at the 31 March	(1,557,666)	(1,521,329)

Collection Fund Adjustment Account

The Collection Fund adjustment account manages the difference arising from the recognition of council tax income in the Comprehensive Income and Expenditure Statement as it falls due from council taxpayers compared with the Statutory arrangements for paying across amounts to the General Reserve from the Collection Fund.

Collection Fund Adjustment Account	2024/25 £'000	2025/26 £'000
Balance as at the 1 April	285	(102)
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from the council tax income calculated for the year in accordance with statutory requirements	(387)	74
Balance as at the 31 March	(102)	(28)

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Reserve Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave, time off in lieu entitlement carried forward at the 31 March. Statutory arrangements require that the impact on the General Reserve Balance is neutralised by transfers to or from the Account.

Accumulated Absences Account	2024/25 £'000	2025/26 £'000
Balance as at the 1 April	(3,477)	(3,446)
Settlement or cancellation of accrual made at the end of the preceding year	3,477	3,446
Amounts accrued at the end of the current year	(3,446)	(3,802)
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	31	(355)
Balance as at the 31 March	(3,446)	(3,802)

Note 29 Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

	2024/25 £'000	2025/26 £'000
Interest received including accruals	(1,514)	(1,078)
Interest received accruals	(27)	18
Interest received on a cash basis	(1,541)	(1,060)
Interest paid including accruals	779	725
Interest paid accruals	5	(19)
Interest paid on a cash basis	784	706

Note 31 Police Property Act Fund

Commissioners are required under the Police Property Act 1997 to set aside any money received from the sale of property which has come into their possession in connection with a criminal charge. The net proceeds from this fund are subsequently either repaid to the individual, used to defray expenses incurred in the storage and safe custody of property, or distributed to local charities. The balance on the fund as at the 31 March 2026 was £45,342 (£16,026 as at the 31 March 2025). Derby Women's Centre was the nominated charity who received funds for 2023/24. This balance has not been included in the PCC Group Balance sheet, as it does not represent monies owned by the Group.

Note 32 Authorisation of Accounts for issue

The 2025/26 Statement of Accounts were authorised for issue by the Chief Operating Officer & S151 Officer on the 30th June 2026. All events after the balance sheet date until this date have been considered for disclosure as events after the balance sheet date.

Note 33 Post Balance sheet events

There are no post balance sheet events.

POLICE PENSION FUND ACCOUNT

2024/25 £'000		2025/26 £'000
	Contributions Receivable :	
(30,960)	Employer's actuarial rate	(32,651)
(524)	Employer's ill health retirement capital charges	(1,446)
(225)	Active members - 1987 Scheme	0
(1)	Active members - 2006 Scheme	(3)
(11,764)	Active members - 2015 Scheme	(12,402)
	Transfers In :	
(83)	Transfer values receivable	(39)
	Benefits Payable :	
61,400	Pensions	63,564
10,005	Commutations and lump sum retirement benefits	13,525
148	Death Grant Benefit	0
	Payments to and on account of leavers :	
154	Refunds of contributions	38
17	Transfer values payable	7
28,167	Sub-total : Net amount payable for the year	30,593
(28,167)	Additional contribution from the Police and Crime Commissioner to fund the deficit for the year	(30,593)
0	Net amount payable/receivable for the year	0
	<u>Net Assets Statement</u>	
	Current assets	
5,232	Pensions paid in advance	(5,450)
	Current Liabilities	
0	Unpaid pension benefits	0
(5,232)	Surplus for year payable to Police and Crime Commissioner	5,450
0		0

Notes to the Pension Fund Account

Note 1 Police Pensions Fund Account

The Police pension scheme is an unfunded single employer defined benefit scheme. This means that it provides pensions and other retirement benefits for police officers based on pensionable pay, but there are no investment assets built up to meet the pensions liabilities as they fall due.

Up until 2014/15 two police pension schemes were in operation, both of which gave retirement benefits based on 'final' salaries:

- **The 1987 Police Pension Scheme** - based on a maximum pensionable service of 30 years.
- **The 2006 Police Pension Scheme** (effective for police officers commencing from April 2006 onwards) - based on a maximum pensionable service of 35 years.

From the 6 April 2015 a new Police Officer pension scheme came into existence

- **The Police Pension Scheme 2015** - which provides retirements based on 'career average' salaries, meaning that the benefits receivable are based on a proportion of pensionable pay earned in each year of scheme membership.

The 1987 and 2006 schemes were closed to new members as from 31 March 2015 and were closed completely as from 31 March 2022.

31 March 2022 was the latest point to which existing members of the 1987 and 2006 schemes (as at 31 March 2015) could continue to accrue final salary benefits in those schemes under 'transitional protection' arrangements put in place when the 2015 scheme was introduced. In general terms to receive protection members had to be within 10 years of their normal point of retirement under their existing scheme rules. Depending on their age and length of service, protection was either 'full' (meaning they remained in their legacy scheme for the full 7-year period between 2015 and 2022) or 'tapered' (they remained in the legacy scheme for a proportion of the 7-year transitional period).

All existing officers at April 2015 not eligible for protection arrangements were automatically transferred into the 2015 scheme from that date. Similarly new officers joining the service on or after the 1 April 2015 were and are automatically entered into the 2015 Scheme. All members have a right to opt out of the scheme at any time.

At about the same period as the new 'career average' Police Officer scheme was implemented, similar schemes were also introduced for various other professions within the public sector, such as those for court judges, firefighters and civilian staff working in local government. Each had similar protection arrangements for members who were nearer to retirement. As those arrangements disproportionately benefited older members they were subject to a series of legal challenges on the basis of age discrimination.

Following rulings finding in favour of such challenges against the arrangements for judges and firefighters (the 'McCloud' and 'Sargeant' judgements), the Supreme Court denied the Government's request for an appeal against the rulings on 27 June 2019. As a result of this the Treasury announced on the 15 July 2019 that the rulings would apply to all of the main public service pension schemes and the Government afterwards stated that any remedial action implemented for claimants will be extended to all non-claimants who are in the same legal and factual position.

On 16 July 2020 HM Treasury published proposals for implementing a remedy to the age discrimination across all the public sector schemes affected by the rulings. Following a period of consultation the key details of the Remedy were confirmed on 4 February 2021, including:

- **determination of which members should be eligible for remedy**, namely: those who were members of a public sector pension scheme on or before the 31 March 2012 and on or after the 1 April 2015.
- **determination of the period of remedy**, namely: April 2015 to March 2022, with all active members being put into their respective CARE schemes from the 1 April 2022.
- **the fundamental mechanism for achieving remedy**, namely: a 'Deferred Choice Underpin', meaning that at the point they retire each eligible member will be able to choose to have been in either their legacy pension scheme or their new scheme for the seven-year period of the remedy.
- **Confirmation that the legacy 1987 and 2006 schemes would close from 31 March 2022**
- **Determination that the retrospective remedy would come into force on 1 October 2023**

These details were enacted by the Public Service Pensions and Judicial Offices Act 2022 which received royal assent on 10 March 2022.

Each individual Commissioner is required by legislation to operate a Pension Fund Account and the amounts that must be paid into and paid out of the Pension Fund are specified by regulation (Police Pensions Regulations 2007 Statutory Instrument 1932/2007).

Credits to the Pension Fund Account include a fixed employer's contribution, being an actuarially assessed % of pensionable salary. This employer's contribution is charged to the Comprehensive Income and Expenditure Statement and, along with officers' contributions, is paid into the Pensions Fund Account from which pension payments are made.

Employer and employee contribution rates are set nationally by the Home Office and are determined by a 4-yearly re-valuation of total scheme liabilities by the Government Actuary's Department. The last re-valuation that has been implemented took place as of the 31 March 2016 and was used to set an employer contribution rate from April 2019 of 31.0% (previously 24.2%) of pensionable pay.

Employer and employee contribution rates are set nationally by the Home Office and are determined by a 4-yearly re-valuation of total scheme liabilities by the Government Actuary's Department. A re-valuation took place as of the 31 March 2020 and was used to set an employer contribution rate of 35.3% that was introduced by HM Treasury from April 2024.

Under these funding arrangements the Pension Fund Account balances to nil at the year-end by either receiving a contribution from the Commissioner to meet a deficit or making a payment to him equivalent to any surplus achieved. In 2025/26 a contribution of £28.923m was received, this being equivalent to the pension top-up grant receivable from the Home Office for that year.

The pension fund is statutorily prevented from including interest on cashflows and administration expenses in the pension fund, these expenses are borne by the Group Comprehensive Income and Expenditure Statement.

Costs of injury awards and ill health retirements are not part of the Pensions Fund Account and will continue to be paid from the Group Comprehensive Income and Expenditure Statement.

Note 2 Pension Fund Liabilities

The Pension Fund's financial statements do not take account of liabilities to pay pensions and other benefits after the accounting period.

Note 3 Accounting Policies

Accounting policies conform to those set out in the Statement of Accounts (page 17 to 29).

POLICE AND CRIME COMMISSIONER FOR DERBYSHIRE
STATEMENT OF ACCOUNTS 2025/26
COMMISSIONER'S ANNUAL GOVERNANCE STATEMENT 2025/26

Position as at 31 March 2026 including plans for the financial year 2026/27

1 INTRODUCTION

- 1.1 This Annual Governance Statement (AGS) explains how the Police and Crime Commissioner (Commissioner) has complied with:
- The Derbyshire Joint Code of Corporate Governance.
 - Requirements of Regulation 6[1] (a) of the Accounts and Audit (England and Wales) Regulations 2015 in relation to the review of the effectiveness of the system of internal control.
 - The Police Reform and Social Responsibility Act 2011 (the Act).
- 1.2 The Commissioner and the Chief Constable have approved and adopted a Derbyshire Joint Code of Corporate Governance which is consistent with the seven principles of the CIPFA Framework: *Delivering Good Governance in Local Government: Guidance note for Policing in England & Wales 2016*. A self-assessment matrix demonstrates how the Police and Crime Commissioner complies with those principles. It is available on the Commissioner's website.
- 1.3 The Chief Constable produces a separate AGS which covers in more detail the activities of Derbyshire Constabulary together with any action plans produced to address governance or control issues. The Police and Crime Commissioner has reference to the Chief Constable's AGS (particularly the action-plan) and will monitor delivery against any actions as part of holding the Chief Constable to account. It is recommended that this AGS is therefore read in conjunction with the Chief Constable's version.
- 1.4 The current Commissioner (and signatory on this Annual Governance Statement) was elected in May 2024.

SCOPE AND RESPONSIBILITY

- 1.5 The Commissioner and the Chief Constable are responsible for ensuring that business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
- 1.6 The Commissioner is responsible under the Police Reform and Social Responsibility Act 2011 for securing, amongst other things, an efficient and effective police service for Derbyshire and to deliver value for money, and continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.7 In discharging this overall responsibility, the Commissioner is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the exercise of its functions, which includes ensuring a sound system of internal control is maintained through the year and that arrangements are in place for the management of risk. The Chief Constable may do this through delegation to officers.

2 THE POLICE AND CRIME PANEL

- 2.1 The Police and Crime Panel has been established under legislation to hold the Commissioner to account by scrutinising the Commissioner's decisions and also has a role to play in overseeing the police and crime plan, on the setting of the precept, the appointment of the Commissioner's statutory officers and in the appointment of a Chief Constable. The panel is politically and geographically balanced with representatives from the local authorities in the policing area (including co-opted political members to maintain balance). For further information visit: <https://www.derbyshire.gov.uk/community/community-safety/derbyshire-police-and-crime-panel/derbyshire-police-and-crime-panel.aspx>

3 THE PURPOSE OF A GOVERNANCE FRAMEWORK

- 3.1 The Police Reform and Social Responsibility Act 2011 changed the way policing was governed by introducing one directly elected Commissioner. The Commissioner is a corporation sole, as is the Chief Constable, and this required a new governance framework to be adopted.
- 3.2 Governance is about the systems, processes, culture and values which companies and other organisations are directed and controlled. Good governance enables the Commissioner to:
- Deliver on their vision and priorities for policing and crime
 - Performance manage the Chief Constable and other partners
 - Hold the Chief Constable and other partners to account for delivery
 - Make decisions in an open, transparent way
 - Engage with the public and victims to achieve better outcomes
 - Provide good stewardship over public funds and achieve value for money

Importantly, it also provides an appropriate level of control and flexibility to enable the Chief Constable to make timely, efficient and effective operational decisions.

- 3.3 The Policing Protocol Order 2023 (previously 2011) requires the Commissioner to abide by the seven Nolan Principles as defined by the Committee on Standards in 'Public Life' published in May 1995. These principles include: selflessness, integrity, objectiveness, accountability, openness, honesty and impartiality. The protocol also defines the Chief Constable's operational independence from interference by the Commissioner.
- 3.4 The Commissioner has sworn an oath of impartiality. This has committed the Commissioner to serve local people without fear or favour and it sets out her public commitment to performing her role with integrity, impartiality and fairness.
- 3.5 The Commissioner's governance framework has been in place since 22 November 2012 when the first Commissioner for Derbyshire was elected. The framework was in place at the year-end 31 March 2026. The original frame work was amended with effect from 1 April 2014 to reflect the transfer of all police staff (except those under the direct control of the Commissioner) to the employment of the Chief Constable (called the Stage 2 transfer). The Police and Crime Commissioner's governance framework applies up to and including the date that the 2025/26 Statement of Accounts are approved for publication.
- 3.6 The Commissioner is able to confirm that the financial management arrangements conform to the Financial Management Protocol issued under the Police Reform and Social Responsibility Act 2011 and the CIPFA Statement on the Role of the Chief Finance Officer (CFO) of the Police

& Crime Commissioner and the Role of the CFO of the Chief Constable. The arrangements in place are in line with the expectations set out in the CIPFA Financial Management Code 2019.

4 THE POLICE AND CRIME PLAN

- 4.1 Each Commissioner is required to set out their vision, priorities and objectives for policing and crime within the Police and Crime Plan which has effect (subject to review) until the end of the financial year following a normal PCC election. The production and publication of the Police and Crime Plan is a core statutory planning requirement as defined by the Police Reform and Social Responsibility Act 2011. The Plan sets out the resources and assets that the Commissioner will make available to the Chief Constable for policing and the mechanisms by which the Chief Constable will report on performance and be held to account.
- 4.2 In developing the plan the Commissioner is required to consider a number of duties. These include:
- Working and co-operating with partner organisations in developing and implementing local crime and disorder strategies
 - Engaging and consulting with the public, victims of crime and businesses
 - Resources to support the strategic policing requirements to address national risks, harm and threats
 - Have regard to the safeguarding of children, promoting the welfare of children and equality and diversity
 - Co-operation with local criminal justice bodies to provide efficient and effective criminal justice services
- 4.3 Developing the Police and Crime plan is part of the Commissioner's annual business planning and commissioning cycle process. The Commissioner may review the Police and Crime plan to take account of public and victim consultation and findings from the partnership risk and threat assessment, subject to consultation with the Chief Constable and approval by the Police and Crime Panel.
- 4.4 Although the Chief Constable is responsible for operational policing matters, the direction and control of police personnel and for putting in place proper arrangements for the governance of the Constabulary, the Commissioner is required to hold the Chief Constable to account for the exercise of those functions and those of the persons under their direction and control. It therefore follows that the Commissioner must satisfy themselves that the Constabulary has appropriate mechanisms in place for the maintenance of good governance, and that these operate in practice. To this end and because of the Chief Constable being a corporation sole with separate accounts, the Commissioner has had regard to the Chief Constable's AGS when producing this AGS.

5 THE INTERNAL CONTROL ENVIRONMENT

- 5.1 The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Commissioner's policing objectives, to

evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically.

5.2 The following documents and strategies establish the policies, aims and objectives at a high level:

- The Police and Crime Plan reflecting local and national priorities
- The Police and Crime Commissioner's Annual Report
- The Medium Term Financial Plan
- Strategic Risk Registers (Constabulary and Commissioner)
- The Joint Scheme of Corporate Governance
- The Scheme of Delegation and Consent
- The Financial Regulations and Financial Management Handbook
- Terms of reference for the Joint Audit Risk and Assurance Committee (JARAC)

5.3 These documents and other strategies and policies, which incorporate best practice, demonstrate that the Commissioner operates a good system of internal control and is detailed further in the following key elements of the Internal Control environment.

5.4 The Internal Control environment supports the Commissioner in establishing, implementing and monitoring policies and objectives. The Commissioner, in consultation with the Chief Constable, published the Police and Crime Plan 2024-2029 based on public consultation, the assessment of risk and threat in the County and the Commissioner's manifesto commitments. The plan has to have regard to the national Strategic Policing Requirement and the Policing Protocol, as well as the community safety priorities of the responsible authorities. The plan is reviewed and updated annually. The Police & Crime Plan is available to view on the website: <https://www.derbyshire-pcc.gov.uk/commissioner/police-and-crime-plan/>

5.5 The Medium-Term Financial Plan and the Risk Registers are informed by the policing objectives identified in the Commissioner's Police and Crime Plan. These objectives are used to direct resources and manage activity and risk.

5.6 The activities of the Constabulary are further governed by the vision, corporate values, principles and behaviours that have been agreed by the Commissioner and the Chief Constable.

5.7 Through the mechanism of a regular Public Assurance Meeting (PAM), the Commissioner receives reports from the Chief Constable and senior officers covering how the Force is delivering against the priorities set out in the Police & Crime Plan. In addition to the PAM, the Commissioner established a Financial Assurance Board (FAB) which is jointly chaired with the Chief Constable and attended by senior officers from both the OPCC and Force. The FAB allows for detailed discussion and scrutiny of the Force's financial affairs and is pivotal in delivering against the Commissioner's Police & Crime Plan objective "Driving Efficiencies". This is supplemented by Strategic Estates Board (oversees the delivery of the asset management plan to meet the deliver models for the Force), a range of policies and processes to support the operation of the Commissioner's office, including a scheme of delegation to officers, standing orders relating to the business of the Commissioner, and codes of conduct for the Commissioner and a Deputy (if relevant) as well as the staff of the OPCC.

6 DERBYSHIRE POLICE AND FIRE PARTNERSHIP (LLP)

- 6.1 The LLP was established by Derbyshire Fire Authority (through the Chair) and the Police and Crime Commissioner as a vehicle by which joint estates projects such as the Joint Headquarters and Joint Training Centre buildings could be built and maintained. The LLP leases space to the respective operational services (Derbyshire Police and Derbyshire Fire & Rescue Service).
- 6.2 The LLP has its own corporate governance framework, based on the Nolan Principles, which reflects the desire of both parties to work together in the interests of the local community that they serve.
- 6.3 The LLP Management Board (co-chaired by the Police and Crime Commissioner and Chair of the Fire Authority) meets quarterly to (a) have oversight of how the two buildings are being operated/utilised (b) consider any proposals from officers and (c) to discuss any future opportunities that the LLP may be considered the right vehicle for. Both Chairs are supported by director-level officers from their respective organisations as well as subject matter experts as required.

7 RISK MANAGEMENT

- 7.1 The Chief Operating Officer (supported by the Deputy Chief Finance Officer) leads on risk management for the Commissioner. This encompasses both risks specific to the Commissioner's responsibilities, but also a broader oversight over the Force's risk management system.
- 7.2 The Commissioner's risk register contains strategic risks linked to the Police & Crime Plan objectives as well as more operational risks that emerge from the work the office undertakes on the Commissioner's behalf.
- 7.3 The Commissioner utilises the same risk management system (supplemented by an internal database), and methodology as the Force and reports twice yearly to the JARAC. The Deputy Chief Finance Officer attended the Force's Risk Board as do on occasion members of the JARAC.
- 7.4 Risk management is a standing item on the agenda of the key management and team meetings within the Commissioner's office and most notably features heavily in the Commissioner's OPCC Management Board (OMB) that features the OPCC's Senior Leadership Team, Communications Adviser and is chaired by the Commissioner.
- 7.5 Risk is discussed regularly between the Commissioner, the office, the Chief Constable and the Force – particularly strategic risks that have relevance to the broader policing and crime portfolio.
- 7.6 Both the Commissioner and the Force's risk management systems are subject to regular internal audit review, the most recent of which recognised that the systems and controls gave substantial assurance.

8 TRANSPARENCY

- 8.1 The Commissioner has adopted and is following a wide ranging and robust transparency agenda which, whilst it is based on the secondary legislation of the two Specified Information orders and the requirements of the Information Commissioner's Office, is nevertheless one of

the Commissioner's key tenets. Meetings are publicised in advance and published along with any supporting reports that are not subject to a restrictive marking.

- 8.2 The financial management of the Commissioner's business is integrated with, and influenced by, many of the above processes, and includes processes for forward planning of expenditure and resources; budget consultation, setting and monitoring; and completion of final accounts, all aimed to be accurate, informative and timely. The Commissioner also has in place financial regulations designed to support sound financial management policies and procedures, and adherence thereto, and to reflect the Commissioner's current management structure and business activities.
- 8.3 In order to ensure compliance with policies, procedures and statutory requirements, the Commissioner has a range of controls and processes in place, as set out below. These processes also assist the Commissioner to ensure the economical, effective and efficient use of resources, and to secure continuous improvement in exercising their functions, providing for an effective performance management and reporting process.
- 8.4 The Commissioner or their representatives sit on Governance boards at all levels within the Constabulary and the Constabulary regularly provides the Commissioner with information on performance, finance and risk management, in accordance with an agreed forward plan. Furthermore, the FAB (see para 6.7) provides an additional forum at which the Commissioner can scrutinise and be assured on key financial planning and management information.
- 8.5 Collaborative functions are overseen by the East Midlands Police and Crime Commissioners Board (EMPCCB). The Board provides oversight of all collaboration activities in the region and is a forum for all Police and Crime Commissioners and Chief Constables to share and demonstrate their experiences of partnership work. All forces can discuss governance, performance and financial issues at the regular EMPCCB meetings. The EMPCCB is supported by the Regional Resources Board (currently chaired by the Commissioner), which has oversight of financial and internal audit matters for collaborative activity. In addition, there is a Regional CFO/FD Board where both the Commissioner and Chief Constable's respective Chief Finance Officers discuss financial, audit and risk matters and advise the Regional Resources Board. The collaboration approach builds on best practice from across the region and nationally to improve performance and enhance resilience as well as delivering a cost saving agenda.
- 8.6 There are 5 forces in the East Midlands region – Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire. These continue to review collaborative arrangements through the East Midlands Police Collaboration Programme (EMPCP) which is led by the Assistant Chief Constable East Midlands. All the projects aim to save money, increase capacity and capability, maintain or improve customer service standards, use officer and staff time in the best way possible, deliver the best service with the resources available, improve performance or make better use of technology. The EMPCP focuses on delivering joint regional work in both operational and non-operational support services. Not all collaboration initiatives are shared by all five forces. Further information on the collaborations which Derbyshire is a participant in can be found within the main Statement of Accounts.
- 8.7 A regional AGS has been produced by the Assistant Chief Constable East Midlands covering performance monitoring, arrangements for compliance with relevant laws, policies and procedures, and that appropriate controls are in place for the management of resources. A management structure is in place, with clear lines of accountability for both operational issues and use of resources. Budgets for each service are approved each year at EMPCC/CC Board which defines the expenditure targets for each area of policing within regional collaboration.

- 8.8 Each force actively supports the budget allocation and sets its own precept accordingly. Management reports showing costs against budget are produced monthly and unexpected variances are investigated and explained, ready for reporting to EMPCC/CC Board quarterly (having been reviewed at the Regional CFO/FD Board and the Regional Resources Board). The monthly expenditure reports are shared across the region to provide each force with visibility over expenditure to date.
- 8.9 Whilst the EMPCC/CC Board provides joint oversight, Commissioners remain individually responsible for their decisions and Chief Constables are held to account locally for activities they carry out regionally.
- 8.10 The Joint Audit Risk and Assurance Committee (JARAC) for the Chief Constable and the Commissioner is charged with overseeing the corporate governance process, management of risk and financial reporting arrangements. It carries out the role similar to that of an audit committee but acts in an advisory and assurance capacity. It will review the Annual Governance Statement and approve its inclusion in the annual Statement of Accounts.

9 REVIEW OF THE JOINT CODE OF CORPORATE GOVERNANCE 2025/26

- 9.1 In adopting the Joint Code the Commissioner must comply with the principles of corporate governance in each of the six dimensions of the Commissioner's business:
- Focusing on the purpose of the Commissioner and the Constabulary, and on outcomes for the community, and creating and implementing a vision for the local area
 - Leaders, officers and partners working together to achieve a common purpose with clearly defined functions and roles
 - Promoting values for the Commissioner and demonstrating the values of good governance through upholding high standards of conduct and behaviour
 - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
 - Developing the capacity and capability of the Commissioner and the Officer of the Police and Crime Commissioner to be effective
 - Engaging with local people and other stakeholders to ensure robust public accountability

The Commissioner is satisfied that these requirements are being met through a combination of:

- The Police & Crime Plan and its supporting delivery plans
- The Public Assurance Meeting (PAM)
- The Financial Assurance Board (FAB)
- The Strategic Estates Board (SEB) / Derbyshire Police and Fire Partnership (LLP)
- Governance & Delegation policies
- Formal decision notices covering the Commissioner's decisions
- Ongoing engagement with communities, stakeholders and the wider public through digital and physical means

10 DELIVERING THE GOVERNANCE FRAMEWORK

- 10.1 The Commissioner is committed to maintaining an effective governance framework. Alongside this the Commissioner has a structure within the OPCC to support delivery against the Police & Crime Plan. This structure includes the Chief Operating Officer post (with statutory finance and corporate leadership responsibilities alongside being the designated Head of Paid Staff for the Commissioner); and Head of Governance & Compliance (in terms of the Monitoring Officer role).
- 10.2 The JARAC has oversight over areas of audit and inspection activity. This provides effective assurance that governance arrangements are working effectively. The JARAC has continued to refine its role in providing assurance on the Chief Constable and Commissioner's financial management arrangements during 2025/26.
- 10.3 External audit is carried out by Grant Thornton LLP, whilst Mazars provides the internal audit service. HMICFRS (Her Majesty's Inspectorate of Constabularies and Fire and Rescue Services) have no remit to inspect the Commissioner but can inspect activities on request and for a fee. In addition, changes to either Fire governance and/or complaints handling may see elements of the Commissioner's activities inspected.
- 10.4 The designated Monitoring Officer (the Commissioner's Head of Governance & Compliance) is responsible for promoting and maintaining high standards of conduct of the Commissioner and a deputy (if relevant) by monitoring compliance with the law, Commissioner's Code of Conduct and the Register of Interests and Hospitality. The Head of Strategic Policy and Communications acts as the Deputy Monitoring Officer and both are supported by the Chief Operating Officer in discharging their roles.
- 10.5 Collaboration is overseen by Management Boards together with the work of the Regional Chiefs Executive Board and Regional CFO/FD Board which inform the agendas of the East Midlands Police and Crime Commissioners Board.

11 REVIEW OF EFFECTIVENESS OF INTERNAL CONTROL

- 11.1 The Commissioner has responsibility for conducting, at least annually, the review of the effectiveness of the system of internal control. The review of effectiveness of the system of internal control is informed by the work of the internal auditors and the managers within both the Constabulary and the Commissioner's Office who have responsibility for the development and maintenance of the internal control environment. It is also informed by the comments received from external auditors, and other agencies. The process is finally formalised by the declaration provided by the Commissioner, and Chief Operating Officer as part of the annual governance statement (a copy of which is available on the website).
- 11.2 Internal Audit also provides assurance statements for each audit they carry out during the year, categories being Substantial, Moderate, Limited or Unsatisfactory Assurance.
- 11.3 Management Assurance statements were provided to the Chief Operating Officer by individual Senior Officers in the OPCC to provide confirmation on the status of the internal control environment within their areas of responsibility.

The Head of Internal Audit Opinion has reported that:

“ On the basis of our audit work, our conclusion on the framework of governance, risk management, and control is Moderate in its overall adequacy and effectiveness. This conclusion is provided on the basis that some improvements are required to

enhance the adequacy and effectiveness of the framework of governance, risk management and control.”

and this is as detailed in the Internal Audit Annual Report 2025/26.

- 11.4 In addition to the above formal review, assurance is provided throughout the year through:
- The framework of regular management information
 - Internal audit reviews, advisory reports and progress and follow-up reports
 - Performance monitoring arrangements
 - The role of the Professional Standards Department (PSD) where their work impacts on the activities of the Commissioner's office
 - Reviews by other external agencies
- 11.5 Having undertaken the review of the effectiveness of the governance framework by the JARAC, the arrangements continue to be regarded as fit for purpose in accordance with the governance framework although it continues to be assessed in the context of the new performance and delivery portfolio of the OPCC. The areas of work or development and new actions planned in 2026/27 by the OPCC are outlined below:
- Work in collaboration with East Midlands Combined County Authority (EMCCA) on the transition programme to transfer PCC responsibilities to the Mayor from May 2028
 - Perform scheduled reviews of sections of the Assurance Framework (both peer and COO) to ensure the assurance description remains current and sufficient to satisfactorily discharge the statutory duties of the PCC, COO and Monitoring Officer
 - Continue to review the Police and Crime Plan alongside the Chief Constable's operational plans to ensure alignment
 - Undertake thematic internal audit work (with regional partners) across regional collaborations.
 - Maintain proactive horizon-scanning of central government policy developments, recognising the significance of remaining agile and informed in light of ongoing political volatility and the increasing prevalence of rapidly formulated policy initiatives emerging from Whitehall
 - Reviewing partnership working in the increasingly challenging fiscal difficulties faced by the government
 - Have oversight of the actions raised by Derbyshire Constabulary in its own AGS (see Derbyshire Constabulary's financial statements)

12 SIGNIFICANT INTERNAL CONTROL ISSUES

- 12.1 **Significant Internal Control Issues 2025/26**– apart from two audits relating to Skills Audit, and IT legacy Systems that was issued with limited assurance (all seven of the recommendations are being addressed). There are zero high recommendation(s) (out of 23 recommendations in total for 2025/26). The system of Internal Control is considered to have operated effectively in 2025/26. There are no known post balance sheet events.

13 LOOKING FORWARD

- 13.1 2026/27's financial settlement saw an approximate 2.3% increase in Government funding to the Commissioner for policing and crime. All the items are detailed within the Budget and Precept Report. A further increase in funding was achieved through the £15 precept increase, which itself generated an additional £6.1m of income. However, the increase in funding also

resulted in additional cost, meaning in real terms there is still pressure on the medium-term position.

- 13.2 The Medium-Term Financial Strategy (MTFS) shows a forecasted worst-case scenario of a £3.9m funding deficit for 2027/28. As the MTFS assumptions are live, it will require refinements as time progresses. A revised MTFS will be produced in Autumn 2026 to further refine what we believe the financial challenge looks like. This will be scrutinised by the Commissioner at the FAB.
- 13.3 The PCC continues to invest in the Estate to support the Chief Constable's desire to improve the infrastructure and reduce the reliance on costly and obsolete older buildings. The two statutory Chief Finance Officers work together to ensure plans are balanced against the higher cost of borrowing and financial pressures elsewhere in the policing budget.
- 13.4 In November 2025, the Government announced that Police and Crime Commissioners will be abolished at the end of the current electoral cycle in 2028, with police governance responsibilities transferring to alternative local governance arrangements as part of wider police and devolution reform. In advance of this change, during 2026/27 the PCC will maintain oversight of emerging legislative and policy developments to ensure that governance, accountability and assurance remain clear, lawful and effective
- 13.5 The Commissioner's officers (under the leadership of the Chief Operating Officer) will continue to work closely with the Chief Constable, Chief Officer Team and wider Constabulary to scrutinise and have oversight of the challenges facing the Force as laid out in the Chief Constable's own Annual Governance Statement. Officers either attend or are represented at key governance boards and meetings within the Force and are regularly consulted with as work progresses.

14 CONCLUSION

- 14.1 During 2025/26 the internal and external auditors continued to work with the organisation and have provided both opportunities and challenges. The Commissioner welcomes the challenge and the support proved by our auditors; we will continue to meet the financial, economic and governance challenges of ensuring there is an efficient and effective policing service in Derbyshire.
- 14.2 This Annual Governance Statement demonstrates that a sound governance framework exists in Derbyshire and is subject to regular review. Where significant governance or control issues are identified, actions are taken to address them. Whilst no issues have been identified by the Police and Crime Commissioner in 2025/26 (beyond those identified by internal audit), the Chief Constable's own action plan is referred to and is kept under review as part of holding the Chief Constable to account.
- 14.3 Funding challenges continue for the police service at a national level and that is no different within Derbyshire. The MTFP is kept under review and regular dialogue held with the Chief Constable and the senior officers to ensure that adequate savings plans are put in place (if required) to ensure a balanced budget can be produced for 2027/28 and beyond.

Further Information:

- Regional AGS 2025/26 (included below)

Police and Crime Commissioner for Derbyshire
Annual Governance Statement 2025/26

Nicole Ndiweni

Police and Crime Commissioner for Derbyshire

Date:

Andrew Dale

Chief Operating Officer & Section 151 Officer

Office of the Police and Crime Commissioner for Derbyshire

Date:



ANNUAL GOVERNANCE STATEMENT **FOR REGIONAL COLLABORATION 2025/26**

I confirm that the relevant controls and procedures are in place to manage the following issues within the East Midlands Special Operations Unit, which includes the Regional Organised Crime Unit, Major Crime, Forensic Services, Counter Terrorism Policing East Midlands, and Legal Services.

1. The monitoring processes by which performance against operational, financial and other strategic plans are considered and key issues identified and tasked.

ACC (East Midlands) monitors performance. Exceptions are reported to the East Midlands Police & Crime Commissioners and Chief Constables' (EMPCC/CC) Board on a quarterly basis, with full performance reports reported twice a year.

2. Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.

Compliance is monitored by management review and supported by specialist professional advice where appropriate. Where areas for improvement are identified these are subject to action plans that are revisited to ensure that they have been attended to. Internal Thematic inspections and external audits form part of the monitoring controls to ensure compliance with appropriate policies and regulations and demonstrate the effective and efficient use of resources.

3. That the appropriate controls are in place for the management of all resources deployed within Regional collaboration

A management structure is in place, with clear lines of accountability for both operational issues and use of resources. A budget is approved each year at the EMPCC/CC's Board which defines the expenditure targets for each area of policing within EMSOU. Each force actively supports the budget allocation and sets its own precept accordingly.

Management reports showing costs against budget are provided monthly. Unexpected variances are investigated and explained, ready for reporting to quarterly Management Boards and the EMPCC/CC's Board. Quarterly monitoring reports are shared across the region to provide each force with visibility over expenditure to date and projected outturn position.

4. Incorporating good governance arrangements in respect of partnerships.

The EMPCC/CC's Board provides a forum for all members of collaboration to feedback their experiences of the partnership work. All forces can discuss governance, performance and financial issues at the quarterly meetings. The collaboration builds on best practice from across the country and the region to improve performance as well as saving money.

Performance is reported internally to the Performance Management Group and to the 5 EM forces through the Regional Management Board and Joint PCC/CC's Board

5. Risk Management

A Risk Management policy and process is in place to support the effective management of risk and to ensure risks are gathered and reported on in a consistent manner. A risk moderation panel is in place to review changes in risk, mitigation and consistency in scoring of risks.

The Risk Management policy is reviewed and updated annually.

Risks are reviewed internally by EMSOU Command and where required escalated through the Regional Risk & Assurance Board, Regional Management Board, Regional DCC's Board and the Joint PCC/CC's Board.



Signed

5/5/2026.

Date

Ian Green
ACC (East Midlands)

DEFINITIONS

Accounting Period

The period of time covered by the accounts, normally a period of twelve months commencing on 1 April.

Accruals

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

Agency and Contracted Services

Services which are performed by, or for, another Authority or public body where the agent or contractor is reimbursed for the cost of work done.

Budget

A statement of the Group's (financial) plans for a specific period of time. A budget is prepared and approved by the Commissioner prior to the start of the financial year. The Commissioner's budget is prepared on an out-turn basis which means that increases for pay and prices during the financial year are contained within the total budget figure.

Capital Adjustment Account

The capital adjustment account reflects the difference between the cost of fixed assets consumed and the capital financing set aside to pay for them. It provides a mechanism between the different rates at which assets are depreciated under the Code and are financed through the capital controls system.

Capital Expenditure

Expenditure on the acquisition of a fixed asset or expenditure which adds to the life or value of an existing fixed asset.

Capital Financing Requirement

The Capital Financing Requirement represents capital expenditure financed by borrowing and not by capital receipts, revenue contributions, capital grants or third party contributions at the time of spending. It measures the Commissioner's underlying need to borrow for a capital purpose.

Capital Receipts

Proceeds from the sale of an asset which may be used to finance new capital expenditure or to repay outstanding loan debt as laid down within rules set by Central Government.

Chief Constable

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

CIPFA

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

Commutations and lump sum retirement benefits

These are the amounts paid to officers when they retire, if they choose to have a lower pension.

Contingent Assets/Liabilities

A potential asset/liability at the balance sheet date when the accounts are submitted for approval. The asset/liability will be included in the balance sheet if it can be estimated with reasonable accuracy otherwise the asset/ liability will be disclosed as a note to the accounts.

Corporate and Democratic Core

This represents the costs of delivering public accountability and representation in policy making and meeting our legal responsibilities.

Creditors

Amounts owed by the Commissioner for work done, goods received or services rendered which have not been paid for by the end of the financial year.

Debtors

Sums of money due to the Commissioner for work done or services supplied but not received at the end of the financial year.

Deferred Liabilities

Liabilities which by arrangement are payable beyond the next year at some point in the future or paid off by an annual sum over a period of time.

Defined Benefit Scheme

A pension or other retirement benefit scheme, with rules that usually define the benefits independently of the contributions payable and where the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded.

Depreciation

The measure of the wearing out, consumption, or other reduction in the useful economic life of a fixed asset, whether arising from use, the passing of time or obsolescence through technological or other changes.

Financial Instruments

Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial asset – Cash, equity instrument of another entity or a contractual right to receive cash or the right to exchange a financial instrument with another entity on potentially favourable terms. For example bank deposits, loans receivable, trade receivables and investments.

Financial Liability – a contractual obligation to deliver cash or another financial asset to another entity or to exchange a financial instrument with another entity on potentially unfavourable terms. For example trade payables, borrowings and financial guarantees.

Fixed Assets - Intangible

Intangible assets are defined as 'non financial fixed assets that do not have physical substance but are identifiable and are controlled by the entity through custody or legal rights', for example, software licences.

Formula Grant Distribution System

A mechanism by which Central Government determines how much Revenue Support Grant, Home Office Police Grant and Business Rates each local authority should receive in a given year to provide a common level of service. For the police service it is principally based on the resident and daytime populations, plus relevant socio-economic characteristics, for the area covered by an authority.

Group

The term Group refers to the Commissioner and the Chief Constable.

Impairment

A reduction in the value of a fixed asset below the amount shown on the balance sheet.

Leasing

A method of financing capital expenditure where a rental charge is paid for a specified period of time. There are two main types of leasing arrangements:-

(a) finance leases which transfer all of the risks and rewards of ownership of a fixed asset to the lessee and such assets are included within the fixed assets in the balance sheet.

(b) operating leases where the ownership of the asset remains with the leasing company and the annual rental is charged direct to the revenue account.

Minimum Revenue Provision

The minimum amount which must be charged to the revenue account each year and set aside for provision for credit liabilities.

Net Book Value

The amount at which Property, Plant and Equipment are included in the balance sheet and being their historical cost or current value, less the cumulative amounts charged for depreciation.

Non Distributed Costs

The cost of discretionary benefits awarded to employees retiring early. These are overheads which are not charged or apportioned to activities within the service expenditure analysis in the Comprehensive Income and Expenditure Statement.

Police and Crime Commissioner (PCC)

The Police and Crime Commissioner (PCC), known as the 'Commissioner', is a separate corporation sole which was established on 22 November 2012 under the Police Reform and Social Responsibility Act 2011.

Precept

The method by which the Commissioner obtains the income it requires from council tax via the appropriate authorities.

Provision

An amount set aside to provide for a liability which is likely to be incurred but the exact amount and the date on which it will arise is uncertain.

Prudential code

The Code developed by CIPFA that sets out a framework for self-regulation of capital spending, in effect allowing authorities to invest in capital projects which best meet their service delivery objectives as long as they are affordable, prudent and sustainable. The code came into force from 1 April 2004 and is incorporated into the Local Government Act 2003 and associated regulations.

Receipts and payments

Amounts actually paid or received in a given accounting period irrespective of the period for which they are due.

Reserves

Earmarked reserves are amounts set aside for a specific purpose in one financial year and carried forward to meet expenditure in future years. General reserves are accumulated balances generally available to support revenue or capital spending.

Revaluation Reserve

This reserve records the net gain (if any) from revaluations made after 1 April 2007.

Revenue Expenditure funded from Capital by Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of fixed assets, for example, expenditure on property not owned by the Commissioner.

REPORT TITLE	FINANCIAL EXCEPTION REPORTING – BREACHES OF FINANCIAL REGULATIONS
REPORT BY	BEV BULL DIRECTOR OF FINANCE AND ASSETS
DATE OF MEETING	22ND JULY 2026

PURPOSE OF THE REPORT

To provide assurance to the Committee on the monitoring and reporting of any breaches of Financial Regulations during 2025/26, specifically relating to:

- Single Tender Waivers
- Bad Debts and Write Offs
- Stock Discrepancies and Write Offs
- Breaches of Financial or Standing Orders
- Unusual Staff Payments
- Whistleblowing Incidents
- HMRC – check of Employer Records

ATTACHMENTS

None

DECISIONS REQUIRED

None – update to JARAC members

CONTACT FOR ENQUIRIES

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1. BACKGROUND

- 1.1 Financial Regulations provide the framework for managing the Constabulary's financial affairs. The Regulations apply to all Police Officers and Staff and any contractors or agents acting on behalf of the Constabulary. The regulations identify the financial responsibilities of all Officers and Staff with a general responsibility for taking reasonable action to provide for the security of assets under their control and for ensuring that the use of resources is legal and is appropriately authorised.
- 1.2 Any breaches of Financial Regulations shall be reported to the Director of Finance and Assets and the Chief Operating Officer, who shall determine, after consulting with the Monitoring Officer, whether the matter should be reported to the PCC and/or Chief Constable. It is the responsibility of the Director of Finance and Assets and the Chief Operating Officer to ensure that appropriate action is taken in the event of any breaches.
- 1.3 Financial Regulations should not be seen in isolation, but rather as part of the overall regulatory and governance framework of Derbyshire Police that includes the Policing Protocol, codes of conduct, and any schemes of consent or delegation. The Constabulary demands high standards to maintain integrity and confidence within the organisation. Employees can confidentially report matters of concern relating to colleagues' behaviour and internal corruption via the online system, Bad Apple, or the Crimestoppers Police Integrity Line.

2. FINANCIAL REGULATIONS

- 2.1 Financial Regulations cover a broad range of responsibilities and key controls to uphold compliance and accountability of policies and procedures, including for example:
 - a) any unlawful, or potentially unlawful, expenditure by the CC or officers/staff of the CC; or
 - b) when it appears that any expenditure of the CC is likely to exceed the resources available to it to meet that expenditure.
 - c) ensuring that bank reconciliations and other key control accounts are reconciled on a timely and accurate basis.

- d) To ensure that all transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis.
- e) To ensure that all purchases made through procurement follow the rules, regulations and procedures, as set out in contract regulations.

2.2 Internal Control mechanisms exist to detect and prevent any breaches in Financial Regulations. These controls are regularly tested as part of the Internal Audit procedures and reported accordingly. This report does not replicate any findings from previous Internal Audit reports but seeks to identify any other type of breaches reported through our own internal reporting and internal control mechanisms.

3. BREACHES IN FINANCIAL REGULATIONS

3.1 Single Tender Waivers

3.1.1 A Single Tender Application (STA) is required for the provision of goods and services without the need of undertaking a full tendering process. The robust STA process is conducted when the rationale for a purchase is time critical, there are limited suppliers within the marketplace, or where continuity of a specific product or service is required for an operational purpose. All STA's are managed through the Procurement and Contract Management Department and follow a thorough sign-off process, which includes approval from the budget holder, Head of Procurement and Contract Management, Director of Finance and Assets and the Office of the Police and Crime Commissioner's Monitoring Officer and Chief Operating Officer/s151 Officer, and where necessary by the Police and Crime Commissioner.

3.1.2 During 2025/26 a total of **133** Single Tender Applications (STA) were approved with a combined contract total of **£7.190m** this included 20 contracts on behalf of East Midlands Strategic Operational Unit (EMSOU) (£5.8m), 13 contracts on behalf of the National Police Chief's Council (NPCC) (£6.8m) and 23 contracts on behalf of the Office of the Police and Crime Commissioner (OPCC) in respect of the Commissioner's Grants (£2.3m). In comparison, during 2024/25, 90 STAs were approved at a total cost of £7.865m, which included 18 relating to EMSOU (£1.2m), 9 on behalf of NPCC (£2.6m) and 9 for the OPCC (£681,482.16).

- 3.1.3 Whilst there is a significant increase of STAs, the total contractual spend has decreased. The Procurement and Contract Management Department has been working extremely hard to improve the working relationship with all departments to provide a more proactive service and ensuring that all contractual spend is compliant. In some cases spend has been identified where the Procurement and Contract Management Department have not previously been involved in the buying process, due to timescales required to ensure a new contract is in place an alternative route to market such as an open tender couldn't be considered, which has resulted in urgent STAs being approved for a short time-limited contract to ensure a compliant route, with a commitment for a fully compliant (non-STA) route to be undertaken before the contract next expires.
- 3.1.4 By approving an STA in accordance with the appropriate grounds and ensuring a supporting contract has been put in place has ultimately allowed the Force to obtain better value for money through negotiations and longer term formal contractual arrangements (where appropriate). With a more in-depth process and a supporting contract with an inclusive comprehensive specification, we are able to hold suppliers to account through better contract management.
- 3.1.5 The Head of Procurement and Contract Management remains committed to reducing the number of STAs during the year of 2026/27 and can assure the Joint Audit Risk and Assurance Committee (JARAC) that an STA is only selected as the route to market when there is sufficient justification.
- 3.1.3 Further details of the STWs are contained within the following document.



STA%20Report%202025-26.xlsx

3.2 Bad Debts and Write Offs

- 3.2.1 Financial regulations require a tiered approval process for bad debt write-offs based on monetary thresholds as set out in the table below:

Role	Financial write-off limit
Corporate Finance	<£1000
Head of Finance	£1,000 to £5,000

Director of Finance and Assets (Section 151 Officer)	£5,000 to £10,000
Police and Crime Commissioner's Chief Operating Officer (Section 151 Officer)	£10,000 to £25,000
Police and Crime Commissioner	> £25,000

3.2.2 A total of 42 debtor invoices were written off in 2025/26 at a value of £10,708.28 (see breakdown by year below). For comparison purposes in 2024/25 there was a total of 7 debtor invoices written off at a value of £2,332.04. The value of the debts written off in 2025/26 ranged from £0.50 to £716.87 and were all authorised for write-off by the Corporate Finance Manager. Most of the written-off debt relates to unpaid invoices for civil court information services charged to individuals.

Debtors Position as of 31 March 2026

Debtors	2016/17 £	2018/19 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £	2025/26 £	TOTAL £
Outstanding 31/05/25	24.91	39.89	1,059.45	3,035.25	7,397.01	22,617.70	17,823.30		51,997.51
Debtors raised 2025/26								30,606,582.16	30,606,582.16
Paid	(24.91)	(39.89)	(-)	(252.58)	(1,857.85)	(2,759.50)	(3,223.10)	(24,617,026.73)	(24,625,184.56)
Written Off			(1059.45)	(2,058.22)	(2,847.38)	(2,653.75)	(1,372.61)	(716.87)	(10,708.28)
Outstanding 31/03/26	0.00	0.00	0.00	724.45	2,691.78	17,204.45	13,227.59	5,988,838.56	6,022,686.83

Note: The Debtors position as at 31 March 2026 includes year end debtors, as at the 31 May 2026 the outstanding debtor position is £252,584.96.

3.3 Stock Write off

3.3.1 Financial Regulations require the following levels of approval for stock discrepancies and stock write-offs:

Role	Stock Discrepancies limit	Stock write-off limits
Director of Finance and Assets (Section 151 Officer)	<10,000	<£10,000

Police and Crime Commissioner	>£10,000	>£10,000
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3.3.2 During the year the Force moved to undertaking a continuous stocktake by completing a product each month, along with a full stock take at the year end. The stock discrepancies identified and actioned as a result of the stock takes are shown in the table below:

Stock Take Adjustments			
Date Performed	Quantity	Amount (£)	Products
06/01/2026	- 22.00	- 2,180.76	Footwear
22/01/2026	- 46.00	2,981.57	Accessories
13/02/2026	- 92.00	- 1,124.99	Tops
26/02/2026	494.00	3,849.08	Headwear
12/03/2026	- 49.00	- 2,227.67	Outerwear
31/03/2026	- 935.50	- 7,683.93	Full Stock Take
	- 650.50	- 6,386.70	

3.3.3 The stock write-offs completed during the year due to stock being damaged, dirty or obsolete are identified in the table below:

Stock Written Off			
Date Performed	Quantity	Amount (£)	Products
22/09/2025	- 147.00	- 872.10	Tops
22/09/2025	- 1.00	- 14.45	Outerwear
29/10/2025	- 735.00	- 3,635.87	Accessories
25/11/2025	- 4.00	- 33.74	Tops
05/12/2025	- 199.00	- 1,900.45	Accessories
	- 1,086.00	- 6,456.61	

3.3.4 The stock adjustments and stock write-off have all been under £10,000 and have been approved by the Director of Finance and Assets.

3.4 Breaches of Financial and Standing Orders

3.4.1 To ensure all areas of Financial Regulations were considered, the following Managers were consulted for any breaches in Financial Regulations during the past twelve months (2025/26).

- Malcolm Turner - Head of Legal Services.
- Kirsty Holding – Head of Procurement
- Superintendent Az Ahmed – Head of Professional Standards

- Tracy Wilson – Head of Finance
- Andrew Dale – Chief Operating Officer & S151 Officer (PCC)
- Bev Bull – Director of Finance and Assets & S151 Officer (CC)

3.4.2 From the responses obtained, there have been **no** recorded instances of any breaches in Financial Regulations during the reporting period. Whilst the above testaments cannot be an absolute assurance of any breaches, when considered alongside the Annual Internal Audit Report (25/26), it provides a significant level of assurance that no material breaches have taken place. This position is supported by the Director of Finance and Assets (CC) and the Chief Operating Officer (PCC).

3.5 Unusual Staff Payments

3.5.1 Employee costs are the largest item of expenditure. It is therefore important that there are controls in place to ensure accurate, timely and valid payments are made in accordance with individuals' conditions of employment. The Force Section 151 Officer is responsible for ensuring the secure and reliable payment of salaries, overtime, pensions, compensation and other emoluments to existing and former employees and police officers.

3.5.2 During 2025/26 35 exit packages were agreed and paid under the Mutually Agreed Resignation Scheme.

Exit packages	2025/26	
cost band	Total number of MARS exit packages agreed	Total cost of MARS exit packages in each band
		£
£0 - £20,000	28	303,934
£20,001 - £40,000	7	189,388
TOTAL	35	493,322

3.5.3 Occasionally, an ex-gratia payment can be considered where there is no legal obligation or liability to pay it has been established. There were 15 ex-gratia payments during the reporting period. The payments range from £15 to £1740 and were all to members of the public for property or vehicle related damage.

3.6 Whistleblowing Incidents

- 3.6.1 A separate summary of any Whistleblowing incidents for the reporting period will be presented to the next meeting of the JARAC in October 2026.

3.7 HMRC – Reports

- 3.7.1 HMRC periodically undertakes checks such as employment checks to ensure that employers are meeting their PAYE responsibilities, there were no reports notified for 2025/26.

REPORT TITLE	THE CHIEF CONSTABLE'S ANNUAL GOVERNANCE STATEMENT 2025/26
REPORT BY	BEV BULL
DATE	22 ND JULY 2026

PURPOSE OF THE REPORT

To present the draft Chief Constable's Annual Governance Statement (AGS) for 2025/26 enabling JARAC to review the Force's governance and assurance arrangements and confirm they meet required standards.

ATTACHMENTS

Draft Chief Constable's Annual Governance Statement (AGS) for 2025/26.

RECOMMENDATIONS

That JARAC scrutinise the contents of this report and gain assurances on the adequacy of the draft Chief Constable's Annual Governance Statement (AGS) for 2025/26

That JARAC recommend for adoption the draft Chief Constable's Annual Governance Statement (AGS) for 2025/26, noting the Director of Finance and Assets will ensure the draft AGS is kept up to date for any changes prior to the finalisation of the statement of accounts and the AGS.

CONTACT FOR ENQUIRIES

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Information and Background

The draft AGS explains how the Chief Constable's governance arrangements operated during 2025/26. It draws on the role and work of JARAC, the internal audit findings, the external audit findings on the statement of accounts and value for money commentary, His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) inspections, and from the Chief Officer Team to show how governance has been applied in practice.

Following the review of the effectiveness of the governance framework and the assessment of internal controls and in response to JARAC Annual Report 2025 recommendations to the Commissioner and Chief Constable, the following areas have been identified as internal control improvements to take place in 2026/27:

Improvement Area Action	Action Owners
Timely implementation of Internal Audit recommendations to include explanations of delays.	Head of Corporate/ Director of Finance and Assets
To move away from disclaimer opinions on the Statement of Accounts as soon as possible.	Director of Finance and Assets/Head of Finance
To develop an approach for promoting and embedding the Financial Handbook across the organisation.	Director of Finance and Assets/Head of Finance
To improve consistent application of governance principles to option appraisals and investment decisions, ensuring business cases are robust and go through all appropriate channels.	Director of Finance and Assets/ Head of Change

The draft AGS is required to accompany the draft Statement of Accounts by 30 June 2026. The draft Annual Governance Statement remains a live document until the External Auditors issue their audit opinion and it will be amended to reflect any feedback from the External Auditors.

The draft Chief Constable's AGS is included at Appendix A.

Annual Governance Statement

1. Introduction

1.1. This Annual Governance Statement explains how the Chief Constable has complied with: -

- The Derbyshire Joint Code of Corporate Governance.
- Requirements of Regulation 6[1] (a) of the Accounts and Audit (England and Wales) Regulations 2015 in relation to the review of the effectiveness of the system of internal control.
- The Police Reform and Social Responsibility Act 2011 (the Act).

1.2. The Police and Crime Commissioner (Commissioner) and the Chief Constable have approved and adopted a Derbyshire Joint Code of Corporate Governance which is consistent with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) Framework: Delivering Good Governance in Local Government: Guidance note for Police. A copy of the Joint Code of Corporate Governance can be obtained from the Office for the Police and Crime Commissioner for Derbyshire, Butterley Hall, Ripley, Derbyshire, DE5 3RS. It is also available on the Commissioner's website.

2. Scope of responsibilities

2.1. The Commissioner and the Chief Constable are responsible for ensuring that business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively. The Commissioner and Chief Constable are responsible under the Police Reform and Social Responsibility Act 2011 (the Act) for securing, inter alia, efficient, and effective policing for Derbyshire and to deliver value for money, being continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness.

2.2. In discharging this overall responsibility, the Chief Constable is responsible for putting in place proper arrangements for the governance of her affairs and facilitating the exercise of her functions, which includes ensuring a sound system of internal control is maintained through the year and that arrangements are in place for the management of risk.

2.3. The Chief Constable for Derbyshire is responsible for maintaining the King's peace and has direction and control over the officers and staff operating within Derbyshire Constabulary. The Chief Constable holds office under the Crown and is appointed by the Commissioner.

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

- 2.5. Under the Police Reform and Social Responsibility Act 2011 the Chief Constable's CFO has a personal fiduciary duty by virtue of their appointment as the person responsible for the proper financial administration of Derbyshire Constabulary. This includes requirements and formal powers to safeguard lawfulness and propriety in expenditure (Section 114 of the Local Government Act 1988 as amended by paragraph 188 of Schedule 16 to the Police Reform and Social responsibility Act 2011 ("2011 Act")). The Chief Constable's CFO is a key member of Derbyshire Constabulary's Chief Officer Team, helping it to develop and implement strategy and to resource and deliver the Commissioner's strategic objectives sustainably and in the public interest. The CFO is actively involved in, and able to bring influence to bear on, all strategic business decisions of the Chief Constable to ensure immediate and longer-term implications, opportunities and risks are fully considered. The CFO leads the promotion and delivery by the Chief Constable of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively. The CFO ensures the finance function is resourced to be fit for purpose and oversees that appropriate management accounting systems, functions and internal controls are in place so that finances are kept under review on a regular basis. The arrangements in place are in line with the expectations set out in the CIPFA Financial Management Code 2019 and the CIPFA Statement on the Role of the Chief Financial Officer of the Chief Constable (March 2021).
- 2.6. Under s.35 of the 2011 Act, in exercising her functions the Chief Constable must ensure that good value for money is obtained and this includes ensuring that persons under their direction and control obtain good value for money in exercising their functions.
- 2.7. Derbyshire Constabulary (as a standalone entity) is legally required to produce an Annual Governance Statement. This statement helps the Commissioner to hold the Chief Constable to account for efficient and effective policing. This statement sits alongside the Statutory Accounts for the Chief Constable and gives assurance to the Commissioner of Derbyshire Constabulary's governance arrangements.

3. The Governance Framework

- 3.1. The governance framework comprises the systems and processes, culture, and values by which the Chief Constable is directed and controlled and its activities through which it accounts to, engages with, and leads its communities. It enables the Chief Constable to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money. The Force Management Statement also provides a source of assurance in respect of governance and performance and a high-level review of the CIPFA Code of Financial Management has not highlighted any significant areas of non-compliance.
- 3.2. The Constabulary's governance framework was in place at the year-end 31st March 2026 and is expected to be up to the date of the approval of the Statement of Accounts 2025/26.
- 3.3. This statement has been prepared for the 2025/26 financial year to state Derbyshire Constabulary's current governance arrangements, to report on their effectiveness during the year and to outline future actions planned to further enhance the arrangements.
- 3.4. Derbyshire Constabulary has adopted a joint code of corporate governance with the Commissioner, which is consistent with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government. This statement explains how the Chief Constable has complied with the code and also meets the requirements of Section 6 of the Accounts and Audit Regulations (England and Wales) 2015 in relation to the publication of a statement on internal control. This is underpinned by the governance framework as follows.

- 3.5. The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Constabulary's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively, and economically. Some of the significant control processes are outlined below.

4. Strategic Plans

- 4.1. The Commissioner's Police and Crime Plan sets out policing priorities and the resourcing of those priorities. It reflects the areas of greatest importance locally, identified through consultation with the public, or where performance improvement is required.
- 4.2. A project commenced in January 2025 to develop the Force Strategic Plan 2025-2029. The draft Force Strategic Plan 2025-2029 was launched in November 2025 and was finalised in June 2026. The Force Strategic Plan 2025-2029 incorporate requirements identified in the Force Management Statement, which is an annual self-assessment against the HMICFRS PEEL assessment framework together with activity to deliver against the Chiefs priorities and the Commissioners Police and Crime Plan. Significant stakeholder engagement has taken place with communities and across the organisation, to ensure the plan meets the needs of our communities and to ensure strong alignment across the organisation.
- 4.3. Our plans and our planning process are complementary to other partnership plans such as Community Safety Partnerships, Local Criminal Justice Board, Safeguarding Boards and Local Strategic Partnerships.

5. Organisational Structures and Processes

- 5.1. There is a clear management structure within the Force. The Chief Officer Team (COT) is responsible for determining policy, monitoring performance and developing Force plans to achieve the Force's overall strategic objectives and is assisted in this process by the Senior Leadership (SLT).
- 5.2. Decision making structures are well established and are regularly reviewed to ensure they are fit for purpose. The Chief Constable holds regular meetings, which are attended by the Constabulary's Chief Officer Team, Divisional Commanders and Heads of Departments and senior members of staff. These meetings are used to consult on and develop policy and ensure the engagement of the senior managers of the organisation in change. The Police and Crime Plan objectives are cascaded throughout the Constabulary through the Force Strategic Plan and Force priorities which are monitored at the appropriate governance boards. There is a Police and Crime Delivery Plan Tracker that provides the Commissioner with direct access to provide progress and performance updates against the Plan.
- 5.3. The Commissioner approves an annual budget for the Constabulary activity which is aligned to the Police and Crime Plan and the Force Strategic Plan.

6. Corporate Governance Reporting and Processes

- 6.1. Derbyshire Constabulary's Chief Officer Team, led by the Chief Constable, is responsible for ensuring Derbyshire Police has a corporate governance framework that reflects the principles of openness, integrity, accountability, and equality, and supports the delivery of quality policing.

- 6.2. The governance framework enables Derbyshire Constabulary to monitor the achievement of its strategic objectives set out in the Strategic Plan and to consider whether those objectives have led to the delivery of appropriate, cost-effective services, including achieving value for money. An annual review of this framework takes place and appropriate improvements are made to ensure that it remains fit for purpose.
- 6.3. A new Performance Framework was developed in force from April 2024 this was further developed during 2024/25 and the governance structure that has been in place for 2025/26 is set out below.
- 4.4 The Chief Constables Assurance Board has responsibility for holding senior leaders to account for progress against the strategic plan. It receives regular updates on key workstreams and emerging risks.
- 6.4. The Performance Assurance Board (PAB) has responsibility for all issues related to performance across the organisation. Each Assistant Chief Constable chairs a board covering strategy and policy for their portfolios, with anything performance related going through PAB. 'Business as usual' meetings within the force feed upwards through the relevant governance meeting into PAB.
- 6.5. The Strategic Change Board (SCB) is the main board within Force where decisions on the strategic change/initiatives are made. It will approve the funding of significant programmes, set the strategic business priorities, and agree growth within Departments. It has oversight and governance of agreed changes for areas of high priority to Derbyshire, ensuring efficiencies and value for money.
- 6.6. The Force Audit and Assurance Board ensures a positive and robust response to areas for improvement and recommendations. The board will seek assurance on the progress and current position of all open Force Areas for Improvement (AFIs) and other inspections and audit recommendations.

Governance Structure 2025/26



- 6.7. The governance structure has been reviewed in May 2026, and the Force Audit Assurance Board has been split into HMIC Oversight Board and an Organisational Learning Board, this has been driven by the requirement to ensure the organisation improves the way in which it records, tracks and implements organisational learning.

Governance Structure May 2026



7. Risk Management

- 7.1. An infrastructure has been established to support the effective management of risk and ensure that information on risks is gathered and acted on in a consistent and efficient manner. The Risk Management Group annually reviews the Risk Management Policy Statement and policy guidance and meets in year to consider changes in risk and mitigation.
- 7.2. The Constabulary recognises exposure to a wide and diverse range of risks and opportunities in securing the delivery of priorities and objectives. All employees, volunteers, contractors, and partners are responsible for identifying and managing risks as part of their role and the Assistant Chief Officer for Resources, as the corporate sponsor, ensures that risk management is supported and championed at Chief Officer Team level and throughout the Constabulary.
- 7.3. The Risk Management Policy provides clear guidance by which the Constabulary manages uncertainty in a structured and effective way. The risk management framework and infrastructure provide a solid foundation for risk management and standard for consistency, ensuring that information on risks is gathered and acted upon in an efficient manner. This is captured in a computerised system to manage risks and enable greater analytical information and appropriate reporting of risks.
- 7.4. Risk management is fully embedded into the business planning process to identify the threat, harm and risk facing the Constabulary in order to prioritise and identify areas which need resourcing. The Constabulary maintains a hierarchy of risk registers for strategic, operational, project and programme risks. Each risk is assigned to the appropriate governance board for oversight and assurance. The corporate risks are regularly subject to review and scrutiny by the JARAC.
- 7.5. The Risk Management Board, chaired by the Assistant Chief Officer for Resources, meets quarterly to monitor changes to the Constabulary risk profile and process. The Commissioner has a risk

champion who attends the meeting to maintain a strategic overview of risk management issues in the Constabulary. This is attended annually by a member of the JARAC.

8. Business Continuity

- 8.1. Derbyshire Constabulary has robust plans in place to ensure business continuity following incidents. The Business Continuity Steering Group, comprising of relevant departmental representatives assist the Business Continuity Manager in developing the business continuity management process and respond to any business continuity crisis, as required.
- 8.2. Business Continuity arrangements involve close liaison with other partners and business continuity links have been strengthened with Derbyshire Fire & Rescue Service. Recent experiences encountered during Brexit and the Covid pandemic successfully demonstrated how we work with a wide range of partners across Derbyshire to provide a joint response in planning and managing major incidents and disruption.

9. Established Policies, Procedures and Regulations

- 9.1. The Financial Regulations and Financial Management Handbook clearly defines how decisions are taken and the processes and controls required for managing risk. The Financial Handbook is regularly reviewed to ensure that it continues to be aligned to the structure of the Constabulary and the OPCC and is reviewed and updated regularly to ensure it remains fit for purpose. The last review of the Financial Regulations and Financial Management Handbook was April 2026. A Scheme of Delegation sets out financial authorisation levels for police officers and staff throughout the organisation.
- 9.2. Processes for ensuring compliance with relevant law and regulations are well established and work effectively. The Director of Finance and Assets has statutory responsibilities in this regard, and Internal Audit provides an assurance function and an annual independent objective opinion on the control environment, comprising risk management, internal control, and governance.
- 9.3. All reports to the Chief Officer Team and Governance Boards together with all reports presented to the Commissioner must consider legal implications.
- 9.4. A confidential reporting policy is in place to enable officers and staff to report any concerns about malpractice or unlawful actions without fear of recrimination.
- 9.5. The Commissioner has made a commitment to putting things right and has a range of policies in order to deal with public complaints. Complaints against the Chief Constable are dealt with by the Commissioner; complaints against police officers or police staff that are under the direction of the Chief Constable are dealt with by the Chief Constable.
- 9.6. Complaint handling in Derbyshire Constabulary is monitored in regular meetings between the Head of Professional Standards Department and the Head of Governance & Compliance / Monitoring Officer of the OPCC or the Independent Police Complaints Commissioner.

10. Internal and External Audit

- 10.1. Internal audit provides independent assurance over key controls and governance arrangements. Findings and assurance opinions are reported through the appropriate forums, with management responses and improvement actions agreed and monitored. Where audit activity identifies areas for

improvement, these are addressed through targeted action plans and ongoing oversight to ensure timely implementation and sustained improvement. External audit activity provides additional assurance over financial governance and reporting arrangements and complements the wider assurance framework.

11. Joint Audit Risk and Assurance Committee (JARAC)

11.1. A Joint Audit Risk and Assurance Committee (JARAC) is in place, it carries out a role similar to that of an audit committee but acts in an advisory and assurance capacity. It provides independent assurance to both the Commissioner and the Chief Constable on the adequacy (excluding Professional Standards) of: -

- Risk Management and the internal control framework of the Commissioner and Chief Constable.
- Governance arrangements including providing for value for money.
- Support and review work of audit providing assurance on risk management, internal controls, and the annual accounts.
- Appointment of internal audit & recommendations on external audit provision.
- Appropriate scrutiny of annual accounts including the financial reporting process.

12. Role of the Chief Finance Officer

12.1. CIPFA have published a 'Statement of the Role of the Chief Finance Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable', which describes the role and responsibilities of the CFO and sets out the five key principles that define the core activities and behaviours that underpin the role and the organisational requirements required to support them. There is an expectation that organisations will comply with the statement or explain their reasons for not doing so.

12.2. The five key principles are that the CFO: -

- Is a key member of the leadership team, helping it to deliver and implement strategy and to resource and deliver the Commissioner's strategic objectives sustainably and in the public interest.
- Must be actively involved in and able to bring influence to bear on all material business decisions (subject to the operational responsibilities of the Chief Constable) to ensure immediate and longer-term implications, opportunities and risks are fully considered and align with the overall financial strategy.
- Must lead and encourage the promotion and delivery of good financial management, so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively.
- Must lead and direct a finance function that is resourced to be fit for purpose.
- Must be professionally qualified and suitably experienced.

12.3. The Chief Finance Officer undertakes the role in accordance with the arrangements detailed in the Home Office Financial Management Code and compliance with the CIPFA Financial Management code.

12.4. Following the retirement of the Chief Finance Officer in March 2025, temporary arrangements were put in place for the role of CFO until October 2025, when a new Director of Finance and Asset started in post which is the designated CFO and Section 151 Officer for the Force.

13. Standards of Behaviour

- 13.1. Codes of conduct are in place for police officers and police staff. Relevant officers in the Constabulary are also subject to professional codes of conduct for their particular profession. For example, the Chief Constable's Chief Financial Officer is bound by the code of the Chartered Institute of Public Finance and Accountancy (CIPFA), of which she is a member.
- 13.2. The Code of Ethics, produced by the College of Policing, sets and defines the exemplary standards of behaviour for everyone who works in policing. The policing principles and standards of behaviour in the Code of Ethics promotes, reinforces, and supports the highest standards for everyone who works in policing in England and Wales. As a force, we are committed to the national Code of Ethics policing principles.
- 13.3. The force is clear on the standards it expects from its employees – as set out in the Code of Ethics. All new employees are made aware of this, and the wider behaviour expected along with how to raise concerns of potential corruption. All new joiners are given a PSD input during their initial training period by our prevention officer and covers everything from the standards of professional behaviour, code of ethics, notifiable associations, business interests etc. This is also reinforced to all employees on a regular basis, be this through lessons learnt or the outcomes of misconduct processes. These are communicated to all employees and where necessary, changes are made to relevant practices and procedures.
- 13.4. At least once a year, the Constabulary's policy on professional standards is reviewed by Professional Standards and assessed based on its effectiveness and discrepancies over that period. Derbyshire Constabulary expects all members of staff to always be honest, truthful, and sincere. We will uphold, administer, and enforce all laws without bias or prejudice in a just, consistent, and reasonable manner.
- 13.5. Guidance on use of co-pilot was issued across the Force in May 2025, and a full Artificial Intelligence (AI) policy is under development.

14. Review of Effectiveness

- 14.1. The Chief Constable has responsibility for conducting a review of the effectiveness of the governance framework within Derbyshire Constabulary at least annually. This review is informed by the work of the Director of Finance and Assets and Senior Leaders within Derbyshire Constabulary who have responsibility for the development and maintenance of the governance environment and informed by the following assessment.
- 14.2. Maintaining and reviewing the effectiveness of the governance framework throughout the financial year has been carried out by the following:
 - Joint Audit Risk Assurance Committee (JARAC)
 - Internal audit
 - External audit
 - HMICFRS (Her Majesty's Inspectorate of Constabulary and Fire & Rescue
 - Management Review

Joint Audit Risk Assurance Committee (JARAC)

- 14.3. There were four JARAC meeting held during 2025/26 and an extraordinary meeting to sign off the 2024/25 final accounts was also held in February 2026. The four public meeting considered the following:

Month of meeting	Areas covered
April	External Audit Update
	Internal Audit Update
	Critical Incident Policy
	Force/OPCC Complaints Update
	Year-end Accounting Arrangements and Accounting Policies
	Financial Monitoring 2025/26
	Stock Control Update
	Data Quality Update
	HMIC Activity Update
	External Audit Update
July	Internal Audit Update
	Contract Management Policy
	Statement of Accounts and Annual Governance Statement
	Financial Monitoring 2025/26
	Annual Financial Exception Reporting
	Risk Management Update
	Savings Programme Update
	Procurement Update
	Environmental Update
	External Audit Update
October	Internal Audit Update
	Financial Monitoring 2025/26
	Contract Management Policy
	JARAC Annual Report
	Force Complaints Update
	External Audit Update
January	Internal Audit Update
	Financial Monitoring 2025/26
	Budget Report 2026/27
	Risk Management Update
	Information Sharing Policy
	Strategic Workforce Planning Update
	Fleet Management Update
	Health and Safety Training annual report
	OPCC Complaints Update

- 14.4. The JARAC annual report details the area of work and focus of the committee for the year to provide independent assurance to the Commissioner and Chief Constable on the elements of the governance framework.

Internal Audit

- 14.5. The Head of Internal Audit Opinion has reported that ***“On the basis of our internal audit work, our conclusion on the framework of governance, risk management, and control is Moderate in its overall adequacy and effectiveness. This conclusion is provided on the basis that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.”***
- 14.6. Of the 10 audits undertaken during 2025/26, where a formal assurance level was provided, 2 received a Substantial level of assurance, 6 audits received a Moderate level of assurance, and 2 audits received a Limited level of assurance (Skills Audit and IT Legacy Systems). A total of 23 new recommendations were made during the year at the Force and OPCC, with no recommendation

categorised as High priority and 14 recommendations categorised as Medium priority and 9 recommendations categorised as Low priority. The recommendations raised were done so to enhance the existing framework or highlight areas of weakness within the current control environments. The Constabulary has already put in place actions and plans to address these weaknesses and implement the recommendations made by Internal Audit.

14.7. The Audit findings in respect of each review are summarised below.

Audit area	Assurance level	Recommendations				Accepted	Not accepted
		High (Priority 1)	Medium (Priority 2)	Low (Priority 3)	Total		
Governance & Oversight	Substantial	-	-	1	1	1	-
Risk Management	Substantial	-	-	2	2	2	-
Positive Action – Promotion / Recruitment	Moderate	-	1	1	2	2	-
Core Financials	Moderate	-	2	2	4	4	-
Custody Governance	Moderate	-	2	-	2	2	-
OPCC Performance & Delivery - DRAFT	Moderate	-	-	2	2	-	-
Mobile Device Management - DRAFT	Moderate	-	1	-	1	-	-
Fleet Standards - DRAFT	Moderate	-	1	1	2	-	-
Skills Audit	Limited	-	4	-	4	4	-
IT Legacy Systems - DRAFT	Limited	-	3	-	3	-	-
Assurance Framework	Advisory	-	-	-	-	-	-
Total		-	14	9	23	15	-

External Audit

14.8. The Audit of the Statement of Accounts for 2024/25 is complete and was formally concluded by our auditors Grant Thornton UK LLP on 25th February 2026, the Audit Certificate has been issued, and the accounts were published on 27th February 2026, in line with the backstop deadline set out within 'The Accounts and Audit (Amendment) Regulations 2024'. In their Final Auditor's Annual Report for 2024/25, the External Auditor reported they have issued disclaimers of opinions for financial statements 2024/25 on the basis they were unable to satisfy themselves over opening balances, as well as in-year movements of PPE, the LGPS pension liability, and the PPS pension liability, which has also resulted in uncertainty over closing balances of PPE and reserves.

14.9. The disclaimed opinions are owing to the challenges of undertaking an audit where the previous years' audits were subject to backstop-related disclaimed audit opinions. Whilst the External Auditors completed a significant amount of audit work, it was not possible to undertake sufficient work to gain assurance on opening balances and comparative year figures meaning that External Auditors are unable to support an unmodified audit opinion in advance of the backstop date of 27 February 2026.

14.10. As Grant Thornton took on the External Auditor Role from 2023/24 the disclaimed opinions for previous years (2021/22 and 2022/23) increased the volume of work required in auditing the 2023/24 and 2024/25 Financial Statements to build back to a clean opinion. A plan has been agreed by the Force and the External Audit team with the aim of completing the building back assurance work in the 2025/26.

14.11. It is important to highlight that the disclaimed opinion does not mean that the Financial Statements are mis-stated; it is a reference to the lack of resources or time available to reach a conclusion. The disclaimed opinion should not be seen as a reflection on the quality of the financial statements or of THE Force's commitment to work with our external auditors in responding to information requests.

14.12. The External Auditors commentary on the arrangements to secure Value for Money (VFM) in the use of our resources concludes they have identified no significant weaknesses and that there are proper arrangements in place in relation to financial sustainability, governance and improving economy, efficiency and effectiveness.

14.13. The External Auditor have made one improvement recommendation in relation to Financial Sustainability relation to the ongoing work to strengthen the identification and delivery of savings to manage ongoing financial pressures and ensure the capital programme and reserves strategy is reviewed and updated. This action has been implemented and is an ongoing requirement.

14.14. In relation to improving economy, efficiency and effectiveness the External Auditor also highlighted the Force is still actively addressing the Areas For Improvement highlighted in the latest His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) PEEL inspection.

His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS)

14.15. During 2023/24 His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) conducted a PEEL 2023–25 Inspection. The Inspection assessed how good Derbyshire Constabulary is in nine areas of policing and made graded judgements in eight of those areas. The Constabulary was graded **'Good'** at Preventing Crime and received a grade of **'Adequate'** in three areas and **'Requires Improvement'** in 4 areas:

Outstanding	Good	Adequate	Requires improvement	Inadequate
	Preventing crime	Police powers and public treatment	Investigating crime	
		Managing offenders	Responding to the public	
		Developing a positive workplace	Protecting vulnerable people	
			Leadership and force management	

14.16. The Inspection report indicated that as a force we are making progress and found that the constabulary had responded and addressed many of the areas for improvement from the previous PEEL Inspection report (2022) and recognised that the scale of change needed means that some improvements needed more time to achieve. There were however important areas of policing - investigating crime, responding to the public and protecting vulnerable people, which still required improvement.

14.17. The Report highlighted that the constabulary needed to make sure its investigations are effective and properly supervised and that it needed to improve outcomes for victims of crime and make sure that victims are receiving the level of service they are entitled to. The report commented that the constabulary isn't yet providing a good service for the public in some key areas, such as responding to the public, investigating crimes and protecting vulnerable people.

14.18. The Constabulary remains focused on improving its performance and the service we provide to the public and All Areas For Improvement (AFI's) highlighted from the PEEL Inspection are aligned to governance boards for regular updates and with a requirement to demonstrate progress and improvement.

14.19. The force made strong progress against its AFI's during 2025/26 with the following areas from the latest PEEL Inspection being successfully closed:

Responding to the Public - Requires Improvement
The constabulary needs to improve the time it takes to answer emergency calls
Leadership and Force Management - Requires Improvement
The constabulary should scrutinise the implementation of any change to make sure they are achieving the intended aims
Police powers and treating the public fairly and respectfully - Adequate
The constabulary needs to improve its officers' confidence in using stop and search as an investigative tactic
The constabulary needs to improve its training for recording the use of force, and better support officers to follow force policy and improve data quality

14.20. The remaining AFI's are being managed carefully across the organisation with plans in place to address these gaps.

Responding to the Public - Requires Improvement
The constabulary needs to attend calls for service in line with its published attendance times, make sure there is effective supervision of deployment decisions and update the caller if there are delays.
The constabulary needs to better support officers to make the most of early evidence opportunities. (Now encompasses improving providing evidence preservation advice)
Investigating Crime - Requires Improvement
The constabulary doesn't consistently achieve appropriate outcomes for victims.
The constabulary should make sure there is supervisory oversight of investigations ensuring that all appropriate investigative opportunities are taken.
The constabulary needs to make sure that it complies with the requirements of the Code of Practice for Victims of Crime (VCOP).
Leadership and Force Management - Requires Improvement
The constabulary should ensure visibility of leaders at all levels to ensure staff are appropriately supported and challenged.
The constabulary should ensure problems and performance issues are raised to the appropriate level of governance.
Building, Supporting and protecting the workforce - Adequate
The constabulary needs to do more to support the development and inclusion of people from under-represented groups.

14.21. Under Leadership and Force Management section of the Report, HMICFRS found that:

- The constabulary shows effective financial management. It makes the best use of the finance it has available, and its financial plans are well thought out and sustainable.
- There is a clear link between the constabulary's financial plans and its other plans and priorities.
- The medium-term capital plan shows that the constabulary invests in its services to achieve improvements in performance.
- The financial forecasts in the medium-term financial plan are based on realistic assumptions about future funding and expenditure.
- The constabulary's financial plans are affordable, but it will need to consider a potential exit from a private finance initiative.

14.22. In February and March 2026 His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) completed a National Child Protection Inspection (NCPI) into Derbyshire Constabulary's child protection arrangements. In April 2026 the HMICFRS issued an accelerated cause of concern as it was found that the force was inadequately identifying and responding to risks involving children.

14.23. Derbyshire Constabulary fully accepts these findings and has produced a detailed improvement plan for HMICFRS. The improvement plan will be monitored by both the Constabulary and HMICFRS.

Management Review

14.24. This review is informed by the work of the Director of Finance and Assets and Senior Leaders within Derbyshire Constabulary who have responsibility for the development and maintenance of the governance environment.

Internal Control Action Plan 2026/27

14.25. Following the review of the effectiveness of the governance framework and the assessment of internal controls and in response to JARAC Annual Report recommendation to the Commissioner and Chief Constable, the following areas have been identified as internal control improvements to take place in 2026/27:

Improvement Area Action	Action Owners
Timely implementation of Internal Audit recommendations to include explanations of delays.	Head of Corporate/ Director of Finance and Assets
To move away from disclaimer opinions on the Statement of Accounts as soon as possible.	Director of Finance and Assets/Head of Finance
To develop an approach for promoting and embedding the Financial Handbook across the organisation.	Director of Finance and Assets/Head of Finance
To improve consistent application of governance principles to option appraisals and investment decisions, ensuring business cases are robust and go through all appropriate channels.	Director of Finance and Assets/ Head of Change

15. Significant issues for governance in 2026/27

Devolution - Abolishment of Police and Crime Commissioners

15.1. In November 2025, The Home Office announced that Police and Crime Commissioners (PCCs) will be abolished across England and Wales by May 2028. This will result in the transfer of Derbyshire police governance functions to East Midlands Combined County Authority (Mayoral Authority).

White Paper on Police Reform

15.2. In January 2026, the Home Office published the Police Reform White Paper entitled “from local to national: a new model for policing. The longer-term ambition from the paper is to have fewer and larger forces with an “optimal configuration” of regional police forces. The reforms aim to shift to a more centrally directed, technology-driven model while simultaneously trying to strengthen local neighbourhood policing. A new, centralised National Police Service will be created to manage national responsibilities, including counter-terrorism, serious and organised crime, and regional crime units. The NPS will take control of forensics, IT, and procurement from local forces. The Home Office published the “Independent review of police force structures: terms of reference” in March and appointed Lord Horgan-Howe as the independent lead for the review. The Independent Review of Police Force Structures is expected to report later in the summer 2026.

Force Leadership

15.3. In May 2026, the Chief Constable retired from the Force, the PCC has appointed a Temporary Chief Constable which has resulted in temporary appointments to Deputy Chief Constable and one Assistant Chief Constable. The temporary appointment will provide consistent strategic direction, strong operational oversight and organisational resilience during a challenging period which include:

- Preparation for the Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection by His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS)
- Ongoing strategic and operational performance management
- Preparatory work for the 2027–2028 budget-setting cycle

Internal Audit

- 15.4. The 2026/27 Internal Audit Plan is to be approved by JARAC Committee in July 2025⁶. It includes provision for 11 audits during 26/27. These are:
- Financial Fraud
 - Disciplinary Process
 - Workforce Planning
 - Violence Against Women and Girls (VAWG) Strategy
 - Core Financials
 - Data Quality Follow Up
 - Force Partnership Working
 - Environmental Sustainability Follow Up
 - Freedom of Information and Subject Access Requests
 - Capital Programme
 - IT Cyber Security

External Audit

- 15.5. Grant Thornton will be working with the Finance Team to complete the building back assurance work needed to move away from a disclaimed opinion. The External Auditors are working to complete the external audit by 30 November 2026, although the statutory back stop date for the 2025/26 Statement of Accounts is 31 January 2027.

HMICFRS

- 15.6. The Force will continue to implement the HMICFRS recommendations from previous Force and sector inspections and any future HMICFRS spotlight/sector wide inspections.
- 15.7. The HMICFRS have commenced the Derbyshire Constabulary police effectiveness, efficiency and legitimacy (PEEL) programme inspection for the 2025-2027 cycle in April 2026, with the main field work scheduled for September 2026. The PEEL programme 2025-2027 assess police forces against the characteristics of good performance. The inspection will grade the Force against each assessment area and identify areas for improvement.

Financial Sustainability

- 15.8. The Force set a balanced budget for 2026/26 after reducing police staff posts through Mutually Agreed Resignation Schemes and Force Service Reviews. The budget forecasts show a forecast budget gap of £3.8m for 2027/28 with an increasing funding deficit in future years. The Force has outlined a Financial Sustainability Plan in the Medium-term Financial Strategy setting out the approach to savings. A significant long-term financial risk remains the expiry of the St Mary's Wharf PFI contract in December 2030, for which there is limited funding provision. The Force is working with the Home Office to explore available options.

19. Declaration

- 19.1. This Annual Governance Statement demonstrates that a sound governance and decision-making framework exists in Derbyshire and is subject to regular review. Where significant governance or control issues are identified, an action plan is produced to address them. We propose over the coming year to further enhance and embed our governance arrangements and respond to the HMICFRS areas for improvement. We are satisfied that these steps will ensure that Derbyshire Constabulary's governance processes continue to remain effective in a changing environment and that our decisions are open and accountable.

Signed:

Simon Blatchly QPM
Chief Constable of Derbyshire
Constabulary

Date:

Signed:

Bev Bull CPFA
Director of Finance and Assets - S151 Officer
Derbyshire Constabulary

Date:

POLICE AND CRIME COMMISSIONER FOR DERBYSHIRE
STATEMENT OF ACCOUNTS 2025/26
COMMISSIONER'S ANNUAL GOVERNANCE STATEMENT 2025/26

Position as at 31 March 2026 including plans for the financial year 2026/27

1 INTRODUCTION

- 1.1 This Annual Governance Statement (AGS) explains how the Police and Crime Commissioner (Commissioner) has complied with:
- The Derbyshire Joint Code of Corporate Governance.
 - Requirements of Regulation 6[1] (a) of the Accounts and Audit (England and Wales) Regulations 2015 in relation to the review of the effectiveness of the system of internal control.
 - The Police Reform and Social Responsibility Act 2011 (the Act).
- 1.2 The Commissioner and the Chief Constable have approved and adopted a Derbyshire Joint Code of Corporate Governance which is consistent with the seven principles of the CIPFA Framework: *Delivering Good Governance in Local Government: Guidance note for Policing in England & Wales 2016*. A self-assessment matrix demonstrates how the Police and Crime Commissioner complies with those principles. It is available on the Commissioner's website. [.](#)
- 1.3 The Chief Constable produces a separate AGS which covers in more detail the activities of Derbyshire Constabulary together with any action plans produced to address governance or control issues. The Police and Crime Commissioner has reference to the Chief Constable's AGS (particularly the action-plan) and will monitor delivery against any actions as part of holding the Chief Constable to account. It is recommended that this AGS is therefore read in conjunction with the Chief Constable's version.
- 1.4 The current Commissioner (and signatory on this Annual Governance Statement) was elected in May 2024.

2 SCOPE AND RESPONSIBILITY

- 2.1 The Commissioner and the Chief Constable are responsible for ensuring that business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
- 2.2 The Commissioner is responsible under the Police Reform and Social Responsibility Act 2011 for securing, amongst other things, an efficient and effective police service for Derbyshire and to deliver value for money, and continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 2.3 In discharging this overall responsibility, the Commissioner is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the exercise of its functions, which includes ensuring a sound system of internal control is maintained through the year and that arrangements are in place for the management of risk. The Chief Constable may do this through delegation to officers.

3 THE POLICE AND CRIME PANEL

- 3.1 The Police and Crime Panel has been established under legislation to hold the Commissioner to account by scrutinising the Commissioner's decisions and also has a role to play in overseeing the police and crime plan, on the setting of the precept, the appointment of the Commissioner's statutory officers and in the appointment of a Chief Constable. The panel is politically and geographically balanced with representatives from the local authorities in the policing area (including co-opted political members to maintain balance). For further information visit: <https://www.derbyshire.gov.uk/community/community-safety/derbyshire-police-and-crime-panel/derbyshire-police-and-crime-panel.aspx>

4 THE PURPOSE OF A GOVERNANCE FRAMEWORK

- 4.1 The Police Reform and Social Responsibility Act 2011 changed the way policing was governed by introducing one directly elected Commissioner. The Commissioner is a corporation sole, as is the Chief Constable, and this required a new governance framework to be adopted.

4.2 Governance is about the systems, processes, culture and values which companies and other organisations are directed and controlled. Good governance enables the Commissioner to:

- Deliver on their vision and priorities for policing and crime
- Performance manage the Chief Constable and other partners
- Hold the Chief Constable and other partners to account for delivery
- Make decisions in an open, transparent way
- Engage with the public and victims to achieve better outcomes
- Provide good stewardship over public funds and achieve value for money

Importantly, it also provides an appropriate level of control and flexibility to enable the Chief Constable to make timely, efficient and effective operational decisions.

4.3 The Policing Protocol Order 2023 (previously 2011) requires the Commissioner to abide by the seven Nolan Principles as defined by the Committee on Standards in 'Public Life' published in May 1995. These principles include: selflessness, integrity, objectiveness, accountability, openness, honesty and impartiality. The protocol also defines the Chief Constable's operational independence from interference by the Commissioner.

4.4 The Commissioner has sworn an oath of impartiality. This has committed the Commissioner to serve local people without fear or favour and it sets out her public commitment to performing her role with integrity, impartiality and fairness.

4.5 The Commissioner's governance framework has been in place since 22 November 2012 when the first Commissioner for Derbyshire was elected. The framework was in place at the year-end 31 March 2026. The original framework was amended with effect from 1 April 2014 to reflect the transfer of all police staff (except those under the direct control of the Commissioner) to the employment of the Chief Constable (called the Stage 2 transfer). The Police and Crime Commissioner's governance framework applies up to and including the date that the 2025/26 Statement of Accounts are approved for publication.

4.6 The Commissioner is able to confirm that the financial management arrangements conform to the Financial Management Protocol issued under the Police Reform and Social Responsibility Act 2011 and the CIPFA Statement on the Role of the Chief Finance Officer (CFO) of the Police & Crime Commissioner and the Role of the CFO of the Chief Constable. The arrangements in place are in line with the expectations set out in the CIPFA Financial Management Code 2019.

5 THE POLICE AND CRIME PLAN

- 5.1 Each Commissioner is required to set out their vision, priorities and objectives for policing and crime within the Police and Crime Plan which has effect (subject to review) until the end of the financial year following a normal PCC election. The production and publication of the Police and Crime Plan is a core statutory planning requirement as defined by the Police Reform and Social Responsibility Act 2011. The Plan sets out the resources and assets that the Commissioner will make available to the Chief Constable for policing and the mechanisms by which the Chief Constable will report on performance and be held to account.
- 5.2 In developing the plan the Commissioner is required to consider a number of duties. These include:
- Working and co-operating with partner organisations in developing and implementing local crime and disorder strategies
 - Engaging and consulting with the public, victims of crime and businesses
 - Resources to support the strategic policing requirements to address national risks, harm and threats
 - Have regard to the safeguarding of children, promoting the welfare of children and equality and diversity
 - Co-operation with local criminal justice bodies to provide efficient and effective criminal justice services
- 5.3 Developing the Police and Crime plan is part of the Commissioner's annual business planning and commissioning cycle process. The Commissioner may review the Police and Crime plan to take account of public and victim consultation and findings from the partnership risk and threat assessment, subject to consultation with the Chief Constable and approval by the Police and Crime Panel.
- 5.4 Although the Chief Constable is responsible for operational policing matters, the direction and control of police personnel and for putting in place proper arrangements for the governance of the Constabulary, the Commissioner is required to hold the Chief Constable to account for the exercise of those functions and those of the persons under their direction and control. It therefore follows that the Commissioner must satisfy themselves that the Constabulary has appropriate mechanisms in place for the maintenance of good governance, and that these operate in practice. To this end and because of the Chief Constable being a corporation sole with separate accounts, the Commissioner has had regard to the Chief Constable's AGS when producing this AGS.

6 THE INTERNAL CONTROL ENVIRONMENT

- 6.1 The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Commissioner's policing objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically.
- 6.2 The following documents and strategies establish the policies, aims and objectives at a high level:
- The Police and Crime Plan reflecting local and national priorities
 - The Police and Crime Commissioner's Annual Report
 - The Medium Term Financial Plan
 - Strategic Risk Registers (Constabulary and Commissioner)
 - The Joint Scheme of Corporate Governance
 - The Scheme of Delegation and Consent
 - The Financial Regulations and Financial Management Handbook
 - Terms of reference for the Joint Audit Risk and Assurance Committee (JARAC)
- 6.3 These documents and other strategies and policies, which incorporate best practice, demonstrate that the Commissioner operates a good system of internal control and is detailed further in the following key elements of the Internal Control environment.
- 6.4 The Internal Control environment supports the Commissioner in establishing, implementing and monitoring policies and objectives. The Commissioner, in consultation with the Chief Constable, published the Police and Crime Plan 2024-2029 based on public consultation, the assessment of risk and threat in the County and the Commissioner's manifesto commitments. The plan has to have regard to the national Strategic Policing Requirement and the Policing Protocol, as well as the community safety priorities of the responsible authorities. The plan is reviewed and updated annually. The Police & Crime Plan is available to view on the website: <https://www.derbyshire-pcc.gov.uk/commissioner/police-and-crime-plan/>

- 6.5 The Medium-Term Financial Plan and the Risk Registers are informed by the policing objectives identified in the Commissioner's Police and Crime Plan. These objectives are used to direct resources and manage activity and risk.
- 6.6 The activities of the Constabulary are further governed by the vision, corporate values, principles and behaviours that have been agreed by the Commissioner and the Chief Constable.
- 6.7 Through the mechanism of a regular Public Assurance Meeting (PAM), the Commissioner receives reports from the Chief Constable and senior officers covering how the Force is delivering against the priorities set out in the Police & Crime Plan. In addition to the PAM, the Commissioner established a Financial Assurance Board (FAB) which is jointly chaired with the Chief Constable and attended by senior officers from both the OPCC and Force. The FAB allows for detailed discussion and scrutiny of the Force's financial affairs and is pivotal in delivering against the Commissioner's Police & Crime Plan objective "Driving Efficiencies". This is supplemented by Strategic Estates Board (oversees the delivery of the asset management plan to meet the deliver models for the Force), a range of policies and processes to support the operation of the Commissioner's office, including a scheme of delegation to officers, standing orders relating to the business of the Commissioner, and codes of conduct for the Commissioner and a Deputy (if relevant) as well as the staff of the OPCC.

7 DERBYSHIRE POLICE AND FIRE PARTNERSHIP (LLP)

- 7.1 The LLP was established by Derbyshire Fire Authority (through the Chair) and the Police and Crime Commissioner as a vehicle by which joint estates projects such as the Joint Headquarters and Joint Training Centre buildings could be built and maintained. The LLP leases space to the respective operational services (Derbyshire Police and Derbyshire Fire & Rescue Service).
- 7.2 The LLP has its own corporate governance framework, based on the Nolan Principles, which reflects the desire of both parties to work together in the interests of the local community that they serve.
- 7.3 The LLP Management Board (co-chaired by the Police and Crime Commissioner and Chair of the Fire Authority) meets quarterly to (a) have oversight of how the two buildings are being operated/utilised (b) consider any proposals from officers and (c) to discuss any future opportunities that the LLP may be considered the right vehicle for. Both Chairs are supported by director-level officers from their respective organisations as well as subject matter experts as required.

8 RISK MANAGEMENT

- 8.1 The Chief Operating Officer (supported by the Deputy Chief Finance Officer) leads on risk management for the Commissioner. This encompasses both risks specific to the Commissioner's responsibilities, but also a broader oversight over the Force's risk management system.
- 8.2 The Commissioner's risk register contains strategic risks linked to the Police & Crime Plan objectives as well as more operational risks that emerge from the work the office undertakes on the Commissioner's behalf.
- 8.3 The Commissioner utilises the same risk management system (supplemented by an internal database), and methodology as the Force and reports twice yearly to the JARAC. The Deputy Chief Finance Officer attended the Force's Risk Board as do on occasion members of the JARAC.
- 8.4 Risk management is a standing item on the agenda of the key management and team meetings within the Commissioner's office and most notably features heavily in the Commissioner's OPCC Management Board (OMB) that features the OPCC's Senior Leadership Team, Communications Adviser and is chaired by the Commissioner.
- 8.5 Risk is discussed regularly between the Commissioner, the office, the Chief Constable and the Force – particularly strategic risks that have relevance to the broader policing and crime portfolio.
- 8.6 Both the Commissioner and the Force's risk management systems are subject to regular internal audit review, the most recent of which recognised that the systems and controls gave substantial assurance.

9 TRANSPARENCY

- 9.1 The Commissioner has adopted and is following a wide ranging and robust transparency agenda which, whilst it is based on the secondary legislation of the two Specified Information orders and the requirements of the Information Commissioner's Office, is nevertheless one of the Commissioner's key tenets. Meetings are publicised in advance and published along with any supporting reports that are not subject to a restrictive marking.
- 9.2 The financial management of the Commissioner's business is integrated with, and influenced by, many of the above processes, and includes processes for

forward planning of expenditure and resources; budget consultation, setting and monitoring; and completion of final accounts, all aimed to be accurate, informative and timely. The Commissioner also has in place financial regulations designed to support sound financial management policies and procedures, and adherence thereto, and to reflect the Commissioner's current management structure and business activities.

- 9.3 In order to ensure compliance with policies, procedures and statutory requirements, the Commissioner has a range of controls and processes in place, as set out below. These processes also assist the Commissioner to ensure the economical, effective and efficient use of resources, and to secure continuous improvement in exercising their functions, providing for an effective performance management and reporting process.
- 9.4 The Commissioner or their representatives sit on Governance boards at all levels within the Constabulary and the Constabulary regularly provides the Commissioner with information on performance, finance and risk management, in accordance with an agreed forward plan. Furthermore, the FAB (see para 6.7) provides an additional forum at which the Commissioner can scrutinise and be assured on key financial planning and management information.
- 9.5 Collaborative functions are overseen by the East Midlands Police and Crime Commissioners Board (EMPCCB). The Board provides oversight of all collaboration activities in the region and is a forum for all Police and Crime Commissioners and Chief Constables to share and demonstrate their experiences of partnership work. All forces can discuss governance, performance and financial issues at the regular EMPCCB meetings. The EMPCCB is supported by the Regional Resources Board (currently chaired by the Commissioner), which has oversight of financial and internal audit matters for collaborative activity. In addition, there is a Regional CFO/FD Board where both the Commissioner and Chief Constable's respective Chief Finance Officers discuss financial, audit and risk matters and advise the Regional Resources Board. The collaboration approach builds on best practice from across the region and nationally to improve performance and enhance resilience as well as delivering a cost saving agenda.
- 9.6 There are 5 forces in the East Midlands region – Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire. These continue to review collaborative arrangements through the East Midlands Police Collaboration Programme (EMPCP) which is led by the Assistant Chief Constable East Midlands. All the projects aim to save money, increase capacity and capability, maintain or improve customer service standards, use officer and staff time in the best way possible, deliver the best service with the resources available, improve performance or make better use of technology. The EMPCP

focuses on delivering joint regional work in both operational and non-operational support services. Not all collaboration initiatives are shared by all five forces. Further information on the collaborations which Derbyshire is a participant in can be found within the main Statement of Accounts.

- 9.7 A regional AGS has been produced by the Assistant Chief Constable East Midlands covering performance monitoring, arrangements for compliance with relevant laws, policies and procedures, and that appropriate controls are in place for the management of resources. A management structure is in place, with clear lines of accountability for both operational issues and use of resources. Budgets for each service are approved each year at EMPCC/CC Board which defines the expenditure targets for each area of policing within regional collaboration.
- 9.8 Each force actively supports the budget allocation and sets its own precept accordingly. Management reports showing costs against budget are produced monthly and unexpected variances are investigated and explained, ready for reporting to EMPCC/CC Board quarterly (having been reviewed at the Regional CFO/FD Board and the Regional Resources Board). The monthly expenditure reports are shared across the region to provide each force with visibility over expenditure to date.
- 9.9 Whilst the EMPCC/CC Board provides joint oversight, Commissioners remain individually responsible for their decisions and Chief Constables are held to account locally for activities they carry out regionally.
- 9.10 The Joint Audit Risk and Assurance Committee (JARAC) for the Chief Constable and the Commissioner is charged with overseeing the corporate governance process, management of risk and financial reporting arrangements. It carries out the role similar to that of an audit committee but acts in an advisory and assurance capacity. It will review the Annual Governance Statement and approve its inclusion in the annual Statement of Accounts.

10 REVIEW OF THE JOINT CODE OF CORPORATE GOVERNANCE 2025/26

10.1 In adopting the Joint Code the Commissioner must comply with the principles of corporate governance in each of the six dimensions of the Commissioner's business:

- Focusing on the purpose of the Commissioner and the Constabulary, and on outcomes for the community, and creating and implementing a vision for the local area
- Leaders, officers and partners working together to achieve a common purpose with clearly defined functions and roles
- Promoting values for the Commissioner and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- Developing the capacity and capability of the Commissioner and the Officer of the Police and Crime Commissioner to be effective
- Engaging with local people and other stakeholders to ensure robust public accountability

The Commissioner is satisfied that these requirements are being met through a combination of:

- The Police & Crime Plan and its supporting delivery plans
- The Public Assurance Meeting (PAM)
- The Financial Assurance Board (FAB)
- The Strategic Estates Board (SEB) / Derbyshire Police and Fire Partnership (LLP)
- Governance & Delegation policies
- Formal decision notices covering the Commissioner's decisions
- Ongoing engagement with communities, stakeholders and the wider public through digital and physical means

11 DELIVERING THE GOVERNANCE FRAMEWORK

11.1 The Commissioner is committed to maintaining an effective governance framework. Alongside this the Commissioner has a structure within the OPCC to support delivery against the Police & Crime Plan. This structure includes the Chief Operating Officer post (with statutory finance and corporate leadership responsibilities alongside being the designated Head of Paid Staff for the

Commissioner); and Head of Governance & Compliance (in terms of the Monitoring Officer role).

- 11.2 The JARAC has oversight over areas of audit and inspection activity. This provides effective assurance that governance arrangements are working effectively. The JARAC has continued to refine its role in providing assurance on the Chief Constable and Commissioner's financial management arrangements during 2025/26.
- 11.3 External audit is carried out by Grant Thornton LLP, whilst Mazars provides the internal audit service. HMICFRS (Her Majesty's Inspectorate of Constabularies and Fire and Rescue Services) have no remit to inspect the Commissioner but can inspect activities on request and for a fee. In addition, changes to either Fire governance and/or complaints handling may see elements of the Commissioner's activities inspected.
- 11.4 The designated Monitoring Officer (the Commissioner's Head of Governance & Compliance) is responsible for promoting and maintaining high standards of conduct of the Commissioner and a deputy (if relevant) by monitoring compliance with the law, Commissioner's Code of Conduct and the Register of Interests and Hospitality. The Head of Strategic Policy and Communications acts as the Deputy Monitoring Officer and both are supported by the Chief Operating Officer in discharging their roles.
- 11.5 Collaboration is overseen by Management Boards together with the work of the Regional Chiefs Executive Board and Regional CFO/FD Board which inform the agendas of the East Midlands Police and Crime Commissioners Board.

12 REVIEW OF EFFECTIVENESS OF INTERNAL CONTROL

- 12.1 The Commissioner has responsibility for conducting, at least annually, the review of the effectiveness of the system of internal control. The review of effectiveness of the system of internal control is informed by the work of the internal auditors and the managers within both the Constabulary and the Commissioner's Office who have responsibility for the development and maintenance of the internal control environment. It is also informed by the comments received from external auditors, and other agencies. The process is finally formalised by the declaration provided by the Commissioner, and Chief Operating Officer as part of the annual governance statement (a copy of which is available on the website).

- 12.2 Internal Audit also provides assurance statements for each audit they carry out during the year, categories being Substantial, Moderate, Limited or Unsatisfactory Assurance.
- 12.3 Management Assurance statements were provided to the Chief Operating Officer by individual Senior Officers in the OPCC to provide confirmation on the status of the internal control environment within their areas of responsibility.

The Head of Internal Audit Opinion has reported that:

“On the basis of our audit work, our conclusion on the framework of governance, risk management, and control is Moderate in its overall adequacy and effectiveness. This conclusion is provided on the basis that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.”

and this is as detailed in the Internal Audit Annual Report 2025/26.

- 12.4 In addition to the above formal review, assurance is provided throughout the year through:
- The framework of regular management information
 - Internal audit reviews, advisory reports and progress and follow-up reports
 - Performance monitoring arrangements
 - The role of the Professional Standards Department (PSD) where their work impacts on the activities of the Commissioner's office
 - Reviews by other external agencies
- 12.5 Having undertaken the review of the effectiveness of the governance framework by the JARAC, the arrangements continue to be regarded as fit for purpose in accordance with the governance framework although it continues to be assessed in the context of the new performance and delivery portfolio of the OPCC. The areas of work or development and new actions planned in 2026/27 by the OPCC are outlined below:
- Work in collaboration with East Midlands Combined County Authority (EMCCA) on the transition programme to transfer PCC responsibilities to the Mayor from May 2028
 - Perform scheduled reviews of sections of the Assurance Framework (both peer and COO) to ensure the assurance description remains current and sufficient to satisfactorily discharge the statutory duties of the PCC, COO and Monitoring Officer
 - Continue to review the Police and Crime Plan alongside the Chief Constable's operational plans to ensure alignment
 - Undertake thematic internal audit work (with regional partners) across regional collaborations.

- Maintain proactive horizon-scanning of central government policy developments, recognising the significance of remaining agile and informed in light of ongoing political volatility and the increasing prevalence of rapidly formulated policy initiatives emerging from Whitehall
- Reviewing partnership working in the increasingly challenging fiscal difficulties faced by the government
- Have oversight of the actions raised by Derbyshire Constabulary in its own AGS (see Derbyshire Constabulary's financial statements)

13 SIGNIFICANT INTERNAL CONTROL ISSUES

- 13.1 **Significant Internal Control Issues 2025/26**– apart from two audits relating to Skills Audit, and IT legacy Systems that was issued with limited assurance (all seven of the recommendations are being addressed). There are zero high recommendation(s) (out of 23 recommendations in total for 2025/26). The system of Internal Control is considered to have operated effectively in 2025/26. There are no known post balance sheet events.

14 LOOKING FORWARD

- 14.1 2026/27's financial settlement saw an approximate 2.3% increase in Government funding to the Commissioner for policing and crime. All the items are detailed within the Budget and Precept Report. A further increase in funding was achieved through the £15 precept increase, which itself generated an additional £6.1m of income. However, the increase in funding also resulted in additional cost, meaning in real terms there is still pressure on the medium-term position.
- 14.2 The Medium-Term Financial Strategy (MTFS) shows a forecasted worst-case scenario of a £3.9m funding deficit for 2027/28. As the MTFS assumptions are live, it will require refinements as time progresses. A revised MTFS will be produced in Autumn 2026 to further refine what we believe the financial challenge looks like. This will be scrutinised by the Commissioner at the FAB.
- 14.3 The PCC continues to invest in the Estate to support the Chief Constable's desire to improve the infrastructure and reduce the reliance on costly and obsolete older buildings. The two statutory Chief Finance Officers work together to ensure plans are balanced against the higher cost of borrowing and financial pressures elsewhere in the policing budget.
- 14.4 In November 2025, the Government announced that Police and Crime Commissioners will be abolished at the end of the current electoral cycle in 2028, with police governance responsibilities transferring to alternative local

governance arrangements as part of wider police and devolution reform. In advance of this change, during 2026/27 the PCC will maintain oversight of emerging legislative and policy developments to ensure that governance, accountability and assurance remain clear, lawful and effective

- 14.5 The Commissioner's officers (under the leadership of the Chief Operating Officer) will continue to work closely with the Chief Constable, Chief Officer Team and wider Constabulary to scrutinise and have oversight of the challenges facing the Force as laid out in the Chief Constable's own Annual Governance Statement. Officers either attend or are represented at key governance boards and meetings within the Force and are regularly consulted with as work progresses.

15 **CONCLUSION**

- 15.1 During 2025/26 the internal and external auditors continued to work with the organisation and have provided both opportunities and challenges. The Commissioner welcomes the challenge and the support proved by our auditors; we will continue to meet the financial, economic and governance challenges of ensuring there is an efficient and effective policing service in Derbyshire.
- 15.2 This Annual Governance Statement demonstrates that a sound governance framework exists in Derbyshire and is subject to regular review. Where significant governance or control issues are identified, actions are taken to address them. Whilst no issues have been identified by the Police and Crime Commissioner in 2025/26 (beyond those identified by internal audit), the Chief Constable's own action plan is referred to and is kept under review as part of holding the Chief Constable to account.
- 15.3 Funding challenges continue for the police service at a national level and that is no different within Derbyshire. The MTFP is kept under review and regular dialogue held with the Chief Constable and the senior officers to ensure that adequate savings plans are put in place (if required) to ensure a balanced budget can be produced for 2027/28 and beyond.

Further Information:

- Regional AGS 2025/26 (included below)

Police and Crime Commissioner for Derbyshire
Annual Governance Statement 2025/26

Nicole Ndiweni

Police and Crime Commissioner for Derbyshire

Date:

Andrew Dale

Chief Operating Officer & Section 151 Officer

Office of the Police and Crime Commissioner for Derbyshire

Date:

REPORT TITLE	FORCE RISK MANAGEMENT
REPORT BY	CHIEF CONSTABLE
DATE	JULY 2026

PURPOSE OF THE REPORT

To provide a summary report to the Joint Audit, Risk and Assurance Committee (JARAC) of the arrangements with regards to the management of risk and to update the committee on work being undertaken to mitigate those risks.

RECOMMENDATIONS

To determine if the Police and Crime Commissioner can gain direct assurance that this area of business is being managed efficiently and effectively.

CONTACT FOR ENQUIRIES

Name: Head of Corporate Risk
Tel:
Email: joanna.hobson@derbyshire.police.uk

1. **INFORMATION AND ANALYSIS**

- 1.1 The Chief Constable is responsible for the management of the Force's operational and strategic business risks and is supported by an Executive Team which determines the force's appetite for risk.
- 1.2 It is important to note that risks are liable to change as circumstances alter and the corporate risk register presents the position at a particular point in time. The register continues to be refreshed by its risk owners, so it remains focused and relevant.
- 1.3 The remainder of this report focuses on changes that have been made in the latest review.

2. **FINDINGS - STRATEGIC RISK REGISTER REVIEW**

- 2.1 Appointed risk owners have reviewed their risks via an intranet-based software system in consultation (where applicable) with their Command or Senior Management Teams. Risks held on behalf of the Office of the Police and Crime Commissioner (OPCC) are not included in this report.
- 2.2 Our key risks have been assessed, analysed, and re-scored using the risk matrix and a total of 45 risks now exist following the latest review. Currently, there are 10 risks with high (Red) residual scores, 22 risks with medium (Amber) residual scores and 13 risks with low (Green) residual scores. The latest review has seen a further 16 risks added to the risk register and the closure of 18 risks.

3. **RED RISKS – UPDATES**

- 3.1 **Failing to meet operational requirements / policing services against the capital and repair maintenance programmes**

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
STR1035 Estate and Assets	4	3	12	12	↔ Static	Treat
Description	The operational effectiveness of the organisation could be adversely affected by the deteriorating condition of our estate and building infrastructure due to a failure of building systems. The is also currently being compounded by staff resourcing issues and difficulties attracting experienced and qualified engineers given the higher salaries being presently offered in the private sector which adds an additional challenge to employing candidates with the required levels of knowledge and experience.					
Risk owner	Head of Strategic Assets					
Scrutiny board	Strategic Estates Board					
Existing controls	➤ Assets Disposal Working Group ➤ Strategic Assets and IT Governance Programme Board ➤ Property Strategy ➤ Assets Building Management Software ➤ Strategic Estates Board					
Planned controls	N / A					
Assurance level	Limited					

Comment	Custody Suite (Dunston Site) - Main superstructure is completed and brickwork at 90%. Roof is watertight. Cell sections now installed and external works progressing well. Clay Cross - Tenders have been evaluated and the contract is pending award. Dates to commence revolve around vetting. Accreditation Hub - No further progress. Pending available funding. North Division Disposal Strategy - Negotiations have commenced with CBC regarding the possible relinquishment of the current lease.
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3.2 St Mary's Wharf (PFI Project) – Exit Strategy

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
STR0052 Estate and Assets	4	3	12	12	↔ Static	Treat
Description	There is a risk of failing to deliver policing services to the public from our largest operational policing base caused by expiry of the buildings 30-year lease period (Feb 2029) resulting in the need for the Force to give notice of intent to either terminate the agreement and vacate the site, extend the lease period or purchase by mutual consent.					
Risk owner	Head of Strategic Assets					
Scrutiny board	Resources Board					
Existing controls	➤ Strategic Estates Board - receive regular progress updates and monitor negotiations with buildings owners. ➤ Exploring funding options with Home Office/Treasury for potential new build project. ➤ Private Finance Initiative (PFI) agreement conditions. ➤ Mini Gold Group established.					
Planned controls	➤ Risk assessing operational requirements including options being considered relating to the removal, downsizing or site relocation.					
Assurance level	Adequate					
Comment	Meeting with BAM, with suggestion that they enter an early termination if supported by the Home Office. This would be on the understanding that HO continue to pay the Force grant money. BAM were open to this option and further discussions with a caveat to revert to existing contractual arrangements should it not be a suitable agreement for them. Following some lobbying from Derby MP's, the Home Office approached the Force requesting an executive summary of the situation to date detailing all options with a view to making a final decision following their budget settlement. No decision has been made by the HO which is now stalling any reasonable negotiations taking place between both parties. Continued delay from the HO will lead to a requirement from the Force to make a commitment to either remain in the premise or vacate. Home Office are not providing any certainty of funding support.					

3.3 HRDA Demand and Capacity

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
STR0164 Operational	3	3	9	9	↔ Static	Treat
Description	There is risk to HRDA victims from rising demand and inadequate officer resources, meaning post charging we do not have the capacity for teams to continue with their enquires or prepare cases for court caused by staff abstractions, excessive workloads and hours worked that are having a detrimental effect on officer wellbeing, resulting in poor service delivery and a loss of trust and confidence in supporting victims of abuse.					
Risk owner	Head of Public Protection					
Scrutiny board	Victims, Crime and Vulnerability Board					
Existing controls	➤ Daily movement of staff to meet demand ➤ Focus on high risk outstanding suspects with support for arrest attempts submitted to Force Daily Tasking ➤ Use of overtime for PIP 1 and 2 investigators ➤ DA leads and DART leads review secondary risk assessment processes to ensure there is consistency with grading post SafeLives audit.					
Planned controls	N / A					
Assurance level	Limited					
Comment	HRDA and CID have been temporarily merged pending the wider crime review that is currently ongoing and renamed IDAH. The MSL for the combined teams is currently 2 & 18 across the force. The purpose for this will allow supervision capacity around the management of live incidents and allow another to manage their staff welfare, crime reviews and victim code compliance. When staff were spoken with this one of the issues raised. This will also create equity across the teams in relation to workloads and will see shifts staffing levels balanced as part of the on-going work. This is in its infancy and will be monitored within performance and weekly meetings to identify any issues. Since the risk was originally recorded the numbers of high risk cases per day have reduced from 8.5 to in between 6.5 and 5 crimes per day which is coming back into line with previous number of cases albeit this was the Deercove levels and at this time numbers were raised to 1 and 10 per shift but reduced after a period to 1&6 staff. By combining the teams this will increase the number of available staff per shift but will need to be established if this can manage the demand coming in both known and hidden demand. HRDA teams still have a high number of abstractions and now have a number of staff waiting to move to other departments too which is being managed.					

3.4 Digital Forensic Unit network infrastructure failure

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
TFS0102 Security	3	3	9	9	↔ Static	Treat
Description	There is a risk that the Digital Forensic Unit (DFU) network infrastructure could temporarily fail specifically around archiving data and supporting the longevity of the current infrastructure, caused by the backup and Review, Retention and Disposal (RRD) of digital forensic data being insufficient, resulting in the potential of data loss and/or inappropriate retention of data, which could also result in enforcement action being taken by the Information Commissioners Office and/or loss of accreditation.					
Risk owner	Technical Forensic Services - Business Change Manager (BC&I)					
Scrutiny board	Resources Board					
Existing controls	➤ Temporary system administrator appointed ➤ Force accreditation board ➤ Management of DFU infrastructure managed by DDaT ➤ Data scoping project					
Planned controls	➤ Ensure Black Rainbow case management system set up to be interoperable with Niche ➤ Review/amend RRD policy to ensure it is in-line with the appropriate guidance ➤ Identify and fill any training/compliance gaps for OICs (updating case information) ➤ Develop long-term plan for cloud-based storage					
Assurance level	Adequate					
Comment	There has been some minor progress across DDaT and DFU are progressing towards the implementation of offline backups, however due to the remaining data risks the level of risk and mitigation remains unchanged. Minor progress has been made but awaiting significant step forward. AWS onboarded as partner for further exploration.					

3.5 PIP2 Accredited Investigators shortfall

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
STR0073 People	3	3	9	9	↔ Static	Treat
Description	There is a risk around the provision of adequate investigative resources and also to existing staffs health and wellbeing caused by a high vacancy rate against current establishment figures resulting in an increased demand and workload placed on officers/staff including higher sickness absence levels.					
Risk owner	Head of Crime					
Scrutiny board	Victims, Crime and Vulnerability Board					
Existing controls	➤ HR Recruitment Campaign – Direct Entry Detectives ➤ Crime Support Baseline Review ➤ Daily Crime Directorate tasking to manage resources against demand. ➤ Escalation to Force Tasking when wider resources are required. ➤ Recruitment processes continue, including external recruitment for qualified DCs. ➤ Prioritisation tool for outstanding suspects. ➤ Operation Hunted planned for the new year to reduce outstanding RASSO suspects. ➤ Gold Group established for strategic oversight and accelerated solutions.					
Planned controls	➤ Consideration for use of agency staff ➤ Introduction of Detective Development and Resilience Board					
Assurance level	Limited					
Comment	The vacancies within Crime have further increased to 50. The PC - DC saw only a few applicants and it remains difficult to get these staff released at PODP. TO deal with some significant pressure, we have made the decision for the two cohorts A and B of the DCEPs to join IDAH on 8th June - instead of going to CIU and NACT. This will provide some additional resources over the period of surge. In addition, we are focusing on external recruitment, where we have seen higher interest when we recruit to specific roles. We have 6 applicants for the child vacancies and 7 for general. Though the recruitment process is slow - any successful could be realised in approx.. 3 months.					

4. NEW RISKS

4.1 Response to Incidents Involving Children

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
STR0184 Operational	4 High	3 Medium	12	NEW	-	Treat
Description	There is a risk that the Force are not adequately recognising the risks to children and therefore not responding to those risks effectively and in a timely manner as per attendance times policy. This is being caused by officers and staff within CCMC not always recognising risks, grading risk inaccurately and / or not routinely, sufficiently and effectively using the THRIVE model of risk assessment. The risk is further increased due to long delays in attendance times for emergency and priority 1 calls with there being a lack of supervisory oversight for those incidents with delayed response times. The use of flags on the crime recording system are not being used well enough and officer and staff do not always access all relevant systems available to them to allow gathering of information and intelligence in a timely manner and better understand the risk to the child. This is resulting in an overall poor response to incidents involving children and leaving those children at risk of harm with no additional safeguarding measures. This could ultimately lead to victims and their families to lose trust and confidence in the Force.					
Risk owner	ACC Crime and Criminal Justice					
Scrutiny board	Child Safeguarding Board					
Existing controls	➤ Development of Action Plan ➤ Establishment of Safeguarding Children Gold and Silver Command Groups ➤ Establishment of Response Times Gold and Silver Command Groups					
Planned controls	N / A					
Assurance level	Adequate					
Comment	N / A					

4.2 Managing Information Retention Risk and Costs in SharePoint and Microsoft 365

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
STR0179 Governance & Legislative	3	3	9	NEW	-	-
Description	There is a risk that the Force is failing to comply the requirements of GDPR as a result of the current retention approach of keeping files indefinitely in SharePoint and Microsoft 365. This approach was only ever intended to be an interim position during the initial rollout of M365 which had to be accelerated due to the Covid pandemic. The current approach is creating a rapid and permanent growth in stored information, increasing costs, increased technical support and potential FOIA burden.					
Risk owner	Director of DDaT					
Scrutiny board	Information Management Steering Group					
Existing controls	➤ Implementation of Retention Policy					
Planned controls	N / A					
Assurance level	Limited					
Comment	N / A					

4.3 Fraud Demand Exceeding Capacity and Capability

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
CRIME0191 Operational	3	3	9	NEW	-	-
Description	There is a significant risk that the fraud team is unable to effectively meet current and growing demand for fraud investigation, victim safeguarding, and offender disruption. This is being caused by a combination of capacity, capability, and systemic challenges. A substantial proportion of the workforce is either non-deployable due to operating under restrictions caused by health issues, personal circumstances, or ongoing internal professional standard investigations, significantly limiting operational capacity and causing a disproportionate allocation of tasks and cases amongst officers i.e. small number of fully operational officers carrying a higher workload than others. At the same time, vacancies, low recruitment interest, and impending retirements are further reducing available resource. To further compound the issue it has been identified that fraud is, in some cases, being recorded incorrectly or in the wrong place which means that victims are not being given the appropriate service in that no investigation takes place where it should or they are not being safeguarded in terms of provided with 'protect' advice. This impacts on the number of cases coming into the unit.					

	As a result of these combined factors, demand is already exceeding the team's capacity and is projected to increase further. This is leading to growing backlogs of unallocated and unresolved investigations, delays in victim contact and service, and a reduced ability to disrupt offenders through timely arrests and enforcement activity. Vulnerable victims are at increased risk of harm and repeat victimisation due to delays or gaps in safeguarding. Internally, the pressure on a small number of deployable staff is impacting morale, resilience, and productivity, creating further sustainability risks
Risk owner	Head of Serious and Organised Crime
Scrutiny board	Victims, Crime and Vulnerability Board
Existing controls	➤ Holding of Workloads ➤ Development of Performance Data & Dashboards
Planned controls	➤ Change to Operating Model ➤ Recruitment and Uplift
Assurance level	Limited
Comment	N / A

4.4 Intelligence Analysis Unit – Increased Demand & Decreased Resources

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
CRIME0171 Operational	3	3	9	NEW	-	-
Description	There is risk of being unable to bring about successful prosecutions which rely on analytical support to investigations due to dramatic increases in demand on the Unit. This is resulting in requests for support remaining unallocated for many months. Despite regular triaging taking place, many requests remain unallocated despite the risks to victims, the wider community and to the timely progression and support of the criminal justice process. This level of resourcing is not sustainable and has no resilience for annual leave and sickness to provide even the most basic level of tactical analysis required.					
Risk owner	Head of Crime					
Scrutiny board	Victims, Crime and Vulnerability Board					
Existing controls	➤ Triage process in place ➤ Recruitment to vacancies ➤ Reduction in level of investigative support ➤ Use of overtime					
Planned Controls	➤ Re-structure of Strategic Analysis Team within the Intelligence Analysis Unit					
Assurance level	Limited					
Comment	N/A					

4.5 Child Investigation Team Establishment

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
CRIME0176 Operational	2	4	8	NEW	-	-
Description	There is a risk of the Child Investigation Team (CIT) establishment not being adequately resourced to meet with current and future demand. This is due to a shortage of suitably qualified investigators within the Force and a sizeable establishment gap within the Crime Directorate. This CIT gap and overall Directorate establishment gap is resulting in increased pressure on the capacity of investigators. Furthermore, establishment gap combined with workload pressures is having an adverse impact on the morale and wellbeing of team members resulting in long term sickness absence. This in turn will have an impact on the quality of investigations being conducted and the ability of the CIT to take on further work.					
Risk owner	Head of Public Protection					
Scrutiny board	Victims, Crime and Vulnerability Board					
Existing controls	➤ CIT Recruitment Drive ➤ PPU Performance Meetings					
Planned controls	➤ Operating Model Review ➤ Establishment of Child Vulnerability Board					
Assurance level	Adequate					
Comment	N / A					

4.6 Retention of Evidential Property and Vehicle Recovery

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
CRIMJ0175 Governance & Legislative	2	4	8	NEW	-	-
Description	There is a risk that the Force is not complying with the legislative requirements of MOPI and that current seized evidence / property is being stored inappropriately. This has been caused due to a lack of review and direction over many years resulting in property accumulating to unacceptable levels with no process in place to manage evidential property. This is compounded by a lack of officer action with regard Niche property review tasks. Which has resulted in storage capability now being reached, property being held unlawfully and an increasing budgetary impact of seizing and storing exhibits which are of no evidential value.					
Risk owner	Head of Criminal Justice					
Scrutiny board	Criminal Justice Oversight Board					
Existing controls	➤ Establishment of Dedicated Review Team					
Planned controls	➤ Management Strategy					

Assurance level	Limited
Comment	N / A

4.7 Contact Handler and Despatch Staffing Levels

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
CONM0187 Operational	2	3	6	NEW	-	-
Description	At the current time, there are sufficient, manageable staffing levels to deliver critical functions. However, should this figure reduce any further, there is a significant risk that there will be insufficient numbers of contact handlers and despatchers to meet the demand from the public, deploy appropriate resources to incidents in a timely manner and manage and review high risk incidents. This is caused by a 25% abstraction rate which is a combination of sickness, PSD restrictions, maternity, and staff covering other roles (temporary supervisor cover). This is on top of an existing high turnover rate for this role. The impact of this has the potential to see adverse effects on performance, inability to answer calls in a timely manner to meet targets, with particular impact on 101 incoming calls as these are affected first to ensure priority is retained for 999 calls. Reduced staffing levels will also result in high-risk incidents (particularly those involving children) not being reviewed and managed appropriately, officer response times not being achieved due to high workload of dispatchers, with the cumulative effect of these issues resulting in a deterioration in public trust and confidence in the Force					
Risk owner	Head of Contact Management					
Scrutiny board	CCMC Oversight Board					
Existing controls	➤ Use of overtime ➤ Change of shift pattern ➤ Prioritise calls / incidents ➤ Continuous recruitment programme					
Planned controls	N / A					
Assurance level	Adequate					
Comment	N / A					

4.8 Armed Response Unit (ARU) staffing levels

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
STR0174 People	2	3	6	NEW	-	-
Description	There is a risk with our current establishment and deployable ARU staff that we will not be adequately resourced to cover daily deployments including meeting our minimum staffing levels, caused by ongoing recruitment challenges and the high failure rate of course applicants. This is resulting in leave refusal, cancelling rest days, use of overtime, which impacts on officer health and wellbeing.					
Risk owner	Head of Operational Support					
Scrutiny board	Strategic Firearms Meeting					
Existing controls	➤ External advertising /recruitment campaign ➤ Internal advertising /recruitment campaign ➤ Increase number of initial courses per year ➤ Increase establishment of Firearms Support Unit					
Planned Controls	N / A					
Assurance level	Adequate					
Comment	N / A					

4.9 ITFC / FIM Operational Capacity & Resilience

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
CONM0186 Operational	2	3	6	NEW	-	-
Description	At the current time, there are sufficient, manageable staffing levels. However, should this current figure reduce any further, there is a significant risk that there will be insufficient numbers of officers with the appropriate training and competency available, to effectively assess firearms incidents and deploy suitable resources as well as provide tactical oversight of all incidents coming into the Control Room. This position has arisen due to a combination of retirements, maternity leave and natural workforce attrition. This is further compounded by limited oversight of Commander RDIL, meaning that officers who appear available on paper are, in practice, not operationally deployable. In some cases, the use of RDIL is also bringing forward retirement dates, exacerbating the resourcing gap. The cumulative impact of these factors is now beginning to materialise, with demand outstripping the availability of suitably qualified officers. As a result, officers trained as ITFC, are increasingly being relied upon to cover FIM duties outside of normal expectations, which creates a					

	potential risk to effective decision-making during fast-moving and developing incidents and may impact public safety. In addition, this reliance is placing increased pressure on the existing workforce, leading to higher levels of overtime and RDIL usage. If not effectively managed, this presents a further risk to officer welfare, with the potential for fatigue and reduced resilience.
Risk owner	Head of Contact Management
Scrutiny board	CCMC Oversight Board
Existing controls	➤ Ongoing recruitment ➤ CIM Cover
Planned Controls	N / A
Assurance level	Adequate
Comment	N / A

4.10 EMSOU - Digital Intelligence Investigations Target Operating Model

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
TFS0178 Operational	2	3	6	NEW	-	-
Description	There is a risk that Force Digital Forensic Teams will fail to provide an adequate service to Serious Organised Crime (SOC) teams with regard identifying and gathering valuable digital forensic opportunities to enable investigations to be progressed effectively. This is being caused by the current EMSOU-DII TOM not being sufficiently defined with regard outlining what each respective agency (EMSOU and individual Forces) will be responsible for, how requests will be submitted or how calls for support will be made. This is resulting in a reduced understanding of operational requirements, a potential increase in demand into Force DFU and delays into ongoing SOC investigations.					
Risk owner	Technical Forensic Services - Business Change Manager (BC&I)					
Scrutiny board	Performance Assurance Board					
Existing controls	➤ Submission Oversight					
Planned Controls	N / A					
Assurance level	Adequate					
Comment	N / A					

4.11 Criminal Justice Backlog

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
CRIMJ0189 Operational	3	2	6	NEW	-	-
Description	There is a significant backlog of work across three key areas within the Criminal Justice Department specifically relating to Postal Requisitions, Pre-Charge GREEN cases and Traffic files. Of these 3 strands, the main concern is in relation to the build-up of Postal Requisitions. This work sits within the Magistrates section of the Prosecutions team. The backlog of Postal Requisitions has been building up since Dec 25. This upward trend indicates growing pressure on the team's capacity to process cases in a timely manner and highlights an emerging risk to performance and service delivery if the current trajectory continues without additional mitigating measures. The current situation of outstanding work is resulting in delays in progressing cases through the Criminal Justice system which in turn results in delayed justice for victims and therefore having a detrimental effect on overall public trust and confidence.					
Risk owner	Head of Criminal Justice					
Scrutiny board	Criminal Justice Board					
Existing controls	➤ Prioritisation of Statutory Time Limit Files ➤ Increase in staffing					
Planned Controls	➤ Recruitment to vacancies ➤ Provision of overtime ➤ File faults and identification of hidden demand ➤ Production of file build guide					
Assurance level	Adequate					
Comment	N / A					

4.12 Technology supply chain volatility

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
STR0180 Security	3	2	6	NEW	-	-
Description	The force may be unable to procure sufficient laptops, desktops, monitors, MDTs and infrastructure devices due to global supply chain disruption, resulting in delays to device replacement, infrastructure projects, force and national programmes. This may also lead to extended use of existing equipment leading to degrading performance and operational capability.					
Risk owner	Director of DDaT					
Scrutiny board	Strategic Change Board					
Existing controls	N / A					

Planned Controls	➤ Extend IT infrastructure lifecycle ➤ Establish multi-vendor procurement ➤ Introduce device refurbishment and second user procurement ➤ Prioritise hardware allocation based on operational criticality ➤ Suspend new user accounts
Assurance level	Limited
Comment	N / A

4.13 Regionally shared software and unauthorised access to sensitive medical information

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
PS0173 Security	2	2	4	NEW	-	-
Description	There is a risk of unauthorised access to a job applicants sensitive health information by other forces within the region (Notts/Leics) caused by a technical fault and use of a shared Occupational Health software platform (Cority) which the supplier is unable resolve and could result in a data breach of the GDPR (General Data Protection Regulation) and fines for non-compliance.					
Risk owner	Head of Occupational Health and Wellbeing					
Scrutiny board	Our People Board					
Existing controls	➤ Tri- force agreement in place					
Planned Controls	➤ Forces to de-segregate system to move to stand-alone platforms					
Assurance level	Limited					
Comment	N / A					

4.14 Potential Ligature Points (PLP's) in cells (Amalgamation of closed risks STR2018, CRIMJ1992 & CRIMJ1950)

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
CRIMJ0177 Estate & Assets	4	1	4	NEW	-	-
Description	There is a suicide risk to vulnerable detainees within custody cell accommodation. This is caused by 2 design issues within the cells and fitted sanitary furniture. The first being letterbox style sinks which introduce a potential ligature point (PLP) and the second being the toilet flush mechanisms which allow for blockages to be created. Both issues could result in enabling the detainee to attempt suicide, leading to serious injury or death in custody. In the event of this being realised, there is a subsequent adverse impact to the Force and custody staff as a result of an IOPC investigation.					
Risk owner	Head of Criminal Justice					
Scrutiny board	Criminal Justice Oversight Board					

Existing controls	➤ Replacement of sanitary furniture ➤ Detainee risk assessment ➤ Central cell risk assessment ➤ Custody staff briefing ➤ Visual PLP checks ➤ Custody Oversight Board
Planned Controls	➤ PLP remedial works report ➤ New build custody suite
Assurance level	Substantial
Comment	N / A

4.15 Impact of the Independent Sentencing Review & Sentencing Bill

Risk	Impact Score	Likelihood Score	Residual Score	Previous Score	Current Direction of Travel	Expected Direction of Travel
STR0190 Operational	1	2	2	NEW	-	-
Description	The introduction of the revised Sentencing Bill will lead to significant increases in operational demand across multiple policing departments—including MOSOVO, Domestic Abuse safeguarding, IOM, HHRU and Neighbourhood Policing—due to a large shift in offender management responsibilities from custody based to community based supervision. This is likely to occur because the Bill introduces a presumption to suspend sentences of 12 months or less, expands community order requirements, and increases the use of electronic monitoring, resulting in more offenders remaining in the community and requiring enhanced management. The outcomes and recommendations of the Independent Sentencing Review, which propose major reforms to reduce pressure on the prison estate—including expanded suspended sentences, increased community rehabilitation requirements, and a new earned progression model for Standard Determinate Sentences. These changes will result in more offenders being managed in the community rather than in custody. A substantial increase in demand for compliance checks, breach enforcement, recall locate/arrest activity, and safeguarding interventions. National policing commentary also highlights the risk of increased reoffending among early released or community managed offenders, creating additional threat, harm, and risk to the public, alongside increased resource pressures and potential deterioration of community trust and confidence.					
Risk owner	Head of Partnership & Prevention					
Scrutiny board	Force Audit and Assurance Board					
Existing controls	➤ Early identification of risk ➤ Ongoing oversight of departmental impacts					
Planned Controls	N / A					
Assurance level	Adequate					
Comment	N / A					

5. CLOSED RISKS

- 5.1 The following risks have been successfully mitigated and closed since the last reporting period. In closing a risk, a risk owner must provide a brief description to the Risk Management Board of why the risk is to be considered for closure and removal from the strategic risk register. An archived risk may also contain important information, because they can be reopened again or information regarding these risks might be useful for management of other risks.

Risk	Risk Title	Risk Score	Archived Date	Division/Department
DDaT0098	PSTN & ISDN Switch Off	4	25/03/26	DDaT
OPS0050	Op DOTTERELL – Public Order Training Incident	9	02/04/26	Operational Support
STR0166	SAP Business Objects	4	08/04/26	DDaT
STR0158	Security of Airwave Terminal Pool	4	08/04/26	Contact Management
STR0093	Core Network Design Issues	3	08/04/26	DDaT
STR0074	BT EISEC Connectivity	3	08/04/26	DDaT
STR0150	Tertiary Control Room Fall-Back	2	10/04/26	Contact Management
STR0085	Building Stock and Mains Service Testing – Lack of Regulatory Compliance	6	10/04/26	Assets
EXEC0129	LLP Ineffective Governance	6	10/04/26	Assets
EXEC0103	Transitioning from Forensic Service Regulator (FSR) Codes to FSR Statutory Code	2	10/04/26	Technical Forensic Services
AST0046	Borer Access Control Problems	6	10/04/26	Assets
STR2018	Potential Ligature Points in Cells	4	14/04/26	Criminal Justice
CRIM1992	Cell Toilet Flush Mechanism (Suicide Risk)	4	14/04/26	Criminal Justice
CRIMJ1950	Letterbox Style Ligature Risk	4	14/04/26	Criminal Justice
STR0139	Fraud Assessment & Investigative Capability	6	24/04/26	Crime Directorate
STR1742	Collaboration Conflict with Priorities & Austerity Plans	3	24/04/26	Executive
STR140	Extended use of Lithium Ion Batteries	6	29/06/26	DDaT
CONM0159	Indoor Airwave Coverage at Stations not assured	3	29/06/26	Contact Management

6. RISK MANAGEMENT EXTERNAL AUDIT

- 6.1 The Force were subject to an external audit in October 2025. The scope of which was to assess the design and effectiveness of the control framework for Risk Management. The Force achieved a Substantial Opinion of assurance level with two, low priority recommendations. Examples of good practice were documented as below;
- The Force has developed a Fundamentals of Risk Management training package which is to be issued to staff by the end of 2025. This was achieved and a second launch is scheduled due to promotions and identification of new risk owners

- The Force and OPCC capture both strategic and operational risks, distinctly, in its risk registers
- For all risks listed on both the Force and OPCC risk registers, actions were documented

7. FINANCIAL IMPACT

- 7.1 Risks if uncontrolled can result in a drain of resources that could be directed to front-line services. Indirect financial impact can arise from poor risk management systems that fail to identify, monitor, and eliminate risks that carry financial consequences. Conversely good risk management will help reduce our exposure to financial loss that may arise from a risk being poorly managed of which this report is a key part of that process.

8. LEGAL IMPLICATIONS

- 8.1 Failure to manage risk properly can result in incidents occurring that could place the force in breach of statutory obligations and duties. This report and the risk management process that underpins it are therefore important tools in ensuring that legal implications are mitigated and reduced wherever possible.
- 8.2 The force also recognises that well managed risk taking is desirable where it offers opportunities to provide an effective policing service in a more cost-effective manner. It is also a key element of good corporate governance and contributes to an effective focused organisation that understands the challenges it faces.

9. RECOMMENDATION

- 9.1 Our Strategic Risk Register has been reviewed to ensure that our risks are accurately recorded. This report combined with tracking and monitoring the force's highest risks via our software system is a record of the principal risks that the force faces and the existing/planned controls to address these risks as far as is reasonably practicable. The Risk Management Board is ultimately responsible for considering and accepting the risks and agree any further actions or controls it deems appropriate regarding the risks being reported on.



Force Policy

Document Title: Health and Safety Policy

Document Reference: 05/034

Owner: Head of Department, Corporate Services

Review Date: Feb 2026

Next Review Date: Feb 2027

Publication:

All policies are published on Connect.

This Force policy is suitable for public disclosure under the Freedom of Information Act 2000 and will be published on the external Force website? Yes

1. Introduction

1.1 Force Policy Statement

1.2 It is the policy of the Chief Constable and Police and Crime Commissioner of Derbyshire Constabulary to ensure so far as is reasonably practicable, the health, safety and welfare of all Police Officers (including Specials), Police Staff, Volunteers and Cadets whilst on duty.

1.3 They recognise that successful health and safety must be an integral part of all business activities and objectives of the Force and as such they will ensure provisions are made for adequate financial and physical resources to be available to ensure legislative compliance.

1.4 The Chief Constable and Police and Crime Commissioner acknowledge that high standards of health and safety exist through the current legislative framework; however, the organisation seeks to exceed these minimum standards through adopting a process of continual improvement. The Chief Constable and Police and Crime Commissioner will ensure the provision and maintenance of:

- A safe place of work and healthy working environment including safe access, egress and suitable and sufficient welfare facilities (in relation to Force owned and managed buildings).
- Uniform, equipment and systems of work that are safe, suitable and effective in protecting and assisting employees to carry out their policing functions.
- Suitable information, instruction, training and supervision to enable employees to conduct their duties in a competent and safe manner and discharge their health and safety responsibilities.
- Safe and appropriate arrangements for the use, handling, storage and transport of articles and substances.

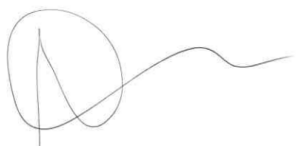
1.5 The allocation of responsibilities for health and safety matters is set out in the Organisations section to this statement.

1.6 In order to demonstrate their shared vision and commitment with regard to health and safety, this policy is signed by both the Chief Constable and the Police and Crime Commissioner.

1.7 This policy shall be reviewed at least annually, but reviews can occur in between these intervals to reflect organisational changes.



Chief Constable



Police and Crime Commissioner

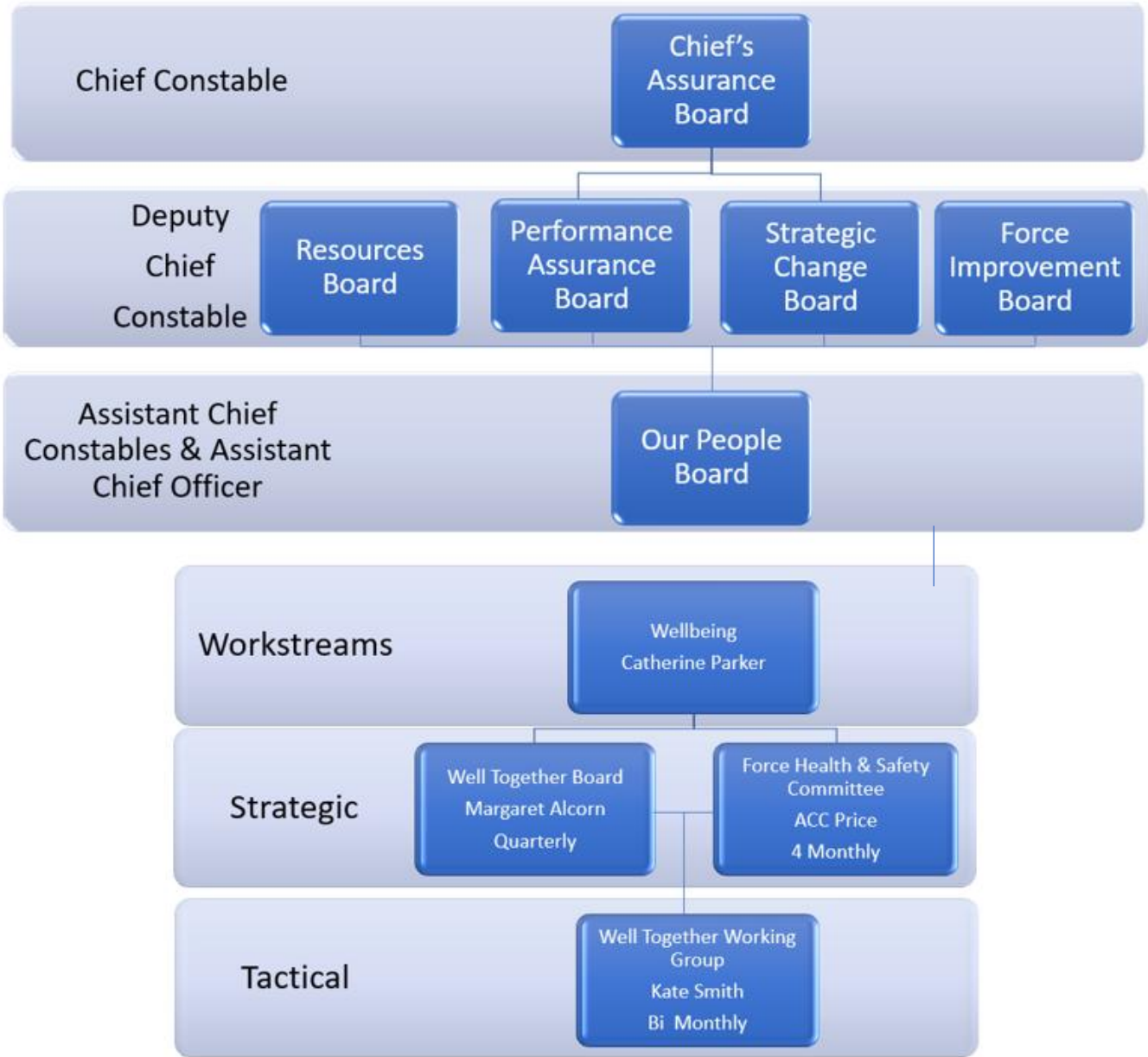
1.8 Commitment to Policy

1.9 The Police and Crime Commissioner and the Chief Constable expect that all members of the Force, irrespective of grade, rank or position, will fully co-operate and actively work towards the successful implementation of this policy.

1.10 All employees of the Force have been issued with the Policy and confirmed acknowledgement of this to demonstrate their commitment to the Statement of Intent and to acknowledge their responsibilities with regard health and safety.

1.11 In doing so, this demonstrates, that all Force employees are aware of the level of importance afforded to health and safety and that it requires the commitment of all employees with regard ensuring the health, safety and welfare of themselves and others.

2. Governance Arrangements



3. Organisation

3.1 Roles and Responsibilities

3.2 Chief Constable and Police and Crime Commissioner

The Chief Constable is responsible for ensuring the health, safety and welfare of all persons in their employment and as such holds overall accountability for health and safety matters throughout the Force.

The Office of the Police and Crime Commissioner has strategic oversight of the Force and is responsible for holding the Chief Constable to account in regard the Forces' performance which includes health and safety.

Both the Chief Constable and Police and Crime Commissioner have responsibility for the management of health and safety, for which responsibility may be delegated as necessary.

Both are specifically responsible for:

- Ensuring all legal obligations under health and safety legislation and related guidance are met.
- Demonstrating visible leadership and commitment towards health and safety, including understanding the Force Policy and ensuring it is brought to the attention of all employees.
- Agreeing to and approving the Force Health and Safety Policy
- Ensuring that sufficient resources, financial and other, are made available to allow effective management of health and safety.

3.3 Chief Officers (Deputy Chief Constable, Assistant Chief Constables, Assistant Chief Officer)

The Chief Officer team assist the Chief Constable in the overall management of the Force and as such have delegated responsibilities with regard health and safety.

Specifically, they are responsible for:

- Demonstrating visible leadership and commitment towards health and safety
- Supporting the Chief Constable in fulfilling their health and safety responsibilities
- Ensuring health and safety is afforded due consideration as part of any decision making process.
- Ensuring that sufficient resources, financial and other, are made available within their areas of responsibility to allow effective management of health and safety.

3.4 Divisional Commanders / Heads of Department

Divisional Commanders and Heads of Department are accountable to the Chief Constable for the overall management of health and safety within their areas of responsibility.

Specifically, they will be responsible for:

- Demonstrating visible leadership and commitment towards health and safety, including understanding the Force Policy and affording their support to ensuring all Divisional

- employees are aware of the Policy and their responsibilities contained within it.
- Ensuring Force arrangements, safe systems of work, workplace precautions and associated procedures are implemented and working effectively within their areas of responsibility.
- Ensuring that Officers under their command with specific health and safety responsibilities have the appropriate training to fulfil this role.
- Actively encouraging employee participation regarding health and safety issues
- Delegate to an appropriate Command Team Member to attend 4-monthly Force Health and Safety Committee meetings.
- Include health and safety at all relevant senior management meetings.
- Taking all reasonable steps to resolve significant health and safety risks and where necessary escalate issues to the Force Health and Safety Committee and / or Chief Officers for support and resolution.

3.5 Supervising Officers / Managers

Supervising Officers and Managers are accountable to their Divisional Commander / Head of Department for the overall day to day implementation of health and safety within their areas of responsibility.

Specifically, they will be responsible for:

- Demonstrating visible leadership and commitment towards health and safety, including understanding the Force Policy and affording their support to ensuring all employees under their management are aware of the Policy and their responsibilities contained within it.
- Managing the health and safety risks affecting their staff and ensuring that control measures detailed within Force risk assessments relevant to them and their staff are implemented and adhered to.
- Investigating all health and safety incidents and near misses allocated to them via the Incident Reporting System, determining root causes, implementing any corrective action as required to prevent reoccurrence and providing feedback (where appropriate) with regard lessons learnt.
- Ensuring all assets under their control are suitable for use and maintained in a safe condition including ensuring that any defects in property, fleet or equipment are promptly reported to allow repair to take place.
- Ensuring that actions from workplace inspections and any other report detailing recommendations or actions required to achieve compliance with legislation, are acted upon in accordance with defined timescales.
- Taking all reasonable steps to resolve significant health and safety risks and where necessary escalate issues to the Force Health and Safety Committee and / or Chief Officers for support and resolution.
- Ensuring all officers and staff under their control complete mandatory health and safety training and any additional health and safety training required for their role or other health and safety related roles they hold.
- Encouraging and supporting all officers and staff to report all injury on duty or near miss incidents they are involved in via the appropriate reporting mechanism.
- Ensuring all officers and staff are aware of emergency plans within their areas of responsibility in case of serious or imminent danger, such as fire evacuations and know the procedures to follow to reach a safe assembly point as well as raise the alarm to warn others.
- Making arrangements for the provision of necessary personal protective equipment (over and above standard issue uniform) to allow officers and staff to carry out their

roles safely.

- Completing Occupational Health Referrals for officers and staff within their areas of control who require reasonable adjustments and / or other forms of support to enable them to remain in the workplace.

3.6 All Police Officers, Police Staff, Special Constables, Volunteers, Police Cadets

All members of staff have a duty to take reasonable care of their own health and safety and that of those people who may be affected by their work activities.

In addition to the general duty above, all staff are specifically responsible for the following:

- Demonstrating commitment towards health and safety, including understanding the Force Policy and making themselves aware of their responsibilities contained within it
- Complying with all health and safety policies, guidance, instructions, and other documentation whether written or verbal.
- Making themselves aware of risk assessments and control measures relevant to their roles and ensuring these are complied with.
- Co-operating with Managers and Supervisors on matters of health and safety including assistance in developing risk assessments and bringing issues to their attention that they cannot resolve themselves.
- Reporting all accidents, incidents and near misses involving themselves or others in a timely manner via the Incident Reporting System.
- Reporting any damaged equipment or defects in property or fleet via the appropriate mechanisms and where necessary removing the items from use whilst repair is carried out.
- Maintaining their work environment (building or vehicle) in a manner so as not to introduce hazards which may affect the health and safety of themselves or other.
- Completing all mandatory health and safety training and any additional health and safety training required for their role or other health and safety related roles they hold.
- Familiarising themselves with emergency plans for their work environment, such as fire evacuations and know the procedures to follow to reach a safe assembly point as well as raise the alarm to warn others.
- Ensuring that uniform, equipment, personal protective equipment and any other item provided to them for the purpose of protecting their health and safety is used, stored and maintained in the correct manner and in accordance with training and that this is not misused or interfered with.
- Co-operating in health screening or surveillance as is required due to the nature of the role they carry out or as a result of exposure to hazardous substances.

3.7 Departmental Roles and Responsibilities

3.7.1 Health and Safety Section

The Force Health and Safety section provide the competent person function as required by the Management of Health and Safety at Work Regulations.

They are accountable to the Chief Constable in ensuring they discharge their health and safety responsibilities effectively and efficiently and complies with all relevant legislative requirements. They must ensure that appropriate arrangements are established to

effectively implement health and safety legislation and the Forces' Health and Safety arrangements.

Specifically, they will be responsible for:

- Providing advice and guidance across the entire Force, including written documentation, on all matters relating to health and safety.
- Producing risk assessments in collaboration with appropriate Departments, Officers and Staff to ensure that they are relevant and fit for purpose.
- Conducting workplace inspections of all Force premises to ensure that each location receives an annual inspection and providing reports of recommendations to Supervising Officers / Managers.
- Monitoring and analysing injury on duty and near miss reports to identify any trends and making relevant recommendations to management.
- Completing relevant accident reports to the enforcing authority (HSE) for any and all reportable incidents which occur as part of routine Force activities.
- Being active members of Force Health and Safety Committee and other related groups
- Developing and managing training packages in relation to health and safety issues for mandatory completion by all Officers and Staff.
- Maintaining professional competence and keeping up to date with relevant legislation, guidance, techniques etc.

3.7.2 Occupational Health and Wellbeing Department

The primary function of the Derbyshire Constabulary Occupational Health and Wellbeing Department is to assess the effects of health on work and conversely the effects of work on the health of employees. This will be achieved by delivering a proactive and preventative approach to staff wellbeing by providing a wide range of services to help support the physical, mental, and emotional health of the workforce.

In doing so Occupational Health and Wellbeing offers advice to individuals, the Human Resource Department and Line Managers in a number of ways, including, but not restricted to:

- Assessment of pre-recruitment/employment fitness for work.
- Ongoing assessment of fitness for role, including fitness for role change or specialist functions.
- Advice on suitable and sufficient intervention and rehabilitation of sick or injured staff.
- Health surveillance in line with Health and Safety legislation and Home Office guidance.
- Advice on reasonable adjustments that may be required in order to support and assist an employee with their return to work or when in the workplace.
- Advice on the suitability and undertaking of immunisation programmes in relation to roles.

3.7.3 Staff Associations (Federation and Unison)

Union and Staff Association safety representatives have a positive impact on health and safety at work.

The rights and functions of representatives include the following:

3.7.4 Unison Health & Safety Officer (Police Staff)

- Increase the awareness of members, health and safety representatives and branch officers of health and safety issues.
- Co-ordinate the activity of health and safety representatives and to organise regular meetings of health & safety representatives to exchange information and consider priorities.
- Advise the branch committee on health and safety issues arising in the branch and to recommend policies and priorities.
- Act as a link between the health and safety representatives and other branch representatives to ensure that health and safety issues are treated as an integral part of the work of the branch.
- Investigate complaints and / or reports of hazards and dangerous occurrences made by members.
- Conduct workplace inspections.
- Attend Force Health and Safety Committees to represent their members.

3.7.5 Federation Health and Safety Lead (Police Officers)

- Ensure that health and safety considerations are fully integrated into force operational policies and guidance.
- Act as conduit and liaison between the Branch Board, Workplace Representatives, the Force, and members, to communicate key legislation issues, change in practices and any other relevant updates relating to health and safety
- Manage the engagement with members, regarding health and safety concerns, coordinating with the Workplace Representative and acting as a point of escalation on specialised cases
- Represent PFEW, at the local level, on matters relating to the wellbeing of Officers, including participation in appropriate strategic groups, where appropriate
- Manage attendance of all appropriate obligatory and statutory health and safety meetings, including inspections e.g. Force Health & Safety Committee, Health & Wellbeing Delivery Group as examples
- Act as a point of review and challenge for Force documentation relating to health and safety where appropriate e.g. near miss accident reports, fire assessments, risk assessments etc.

3.8 Specific Health and Safety Roles and Responsibilities

3.8.1 Fire Wardens

Fire Wardens are responsible for:

- Completing all relevant training to enable them to fulfil their role effectively.
- Familiarising themselves with escape routes, assembly points, Fire Marshal and location of refuge areas for the building they work from
- Assisting in the efficient evacuation of persons from their area of responsibility to the relevant assembly points during any activation of the fire alarm, be this a drill or real event by:
 - Directing staff out of the area via the nearest fire exit route / door and to their designated assembly point
 - Conducting a sweep their areas checking meeting rooms, toilets etc. ensuring that they are the last person out of their area.

- Ensuring that any persons subject to a PEEP (Personal Emergency Evacuation Plan) evacuates the building as per the plan (i.e. use of Evac Chair, buddy system etc.)
- Liaising with the Fire Marshal to provide an update report with regard the status of their area of responsibility.
- Liaising with Assets staff as and when required to ensure compliance with any findings and recommendations detailed with the Fire Risk Assessment
- Participating in any debriefs following drills or real events to identify any issues, learning points or good practice.

3.8.2 Fire Marshals

Fire Marshals are responsible for: -

- All of the items as detailed for Fire Wardens
- Acting as the single point of contact for Fire Wardens to report the status of their area following evacuation.
- Liaising with the Fire Service upon attendance at scene.
- Communicating the 'All Clear' message to persons and providing instructions for re-entering the premise.
- Conducting a debrief of all fire drill and real events and providing report to Divisional Commanders / Heads of Department and the Responsible Person
- Ensuring that the log book is completed with information pertaining to fire drill and other alarm activations (false alarms etc.).

3.8.3 First Aiders

First aiders are responsible for:

- Ensuring their first aid training is kept up to date.
- Administering first aid to anyone requiring assistance at work.
- Disposal of any contaminated equipment in biohazard waste bins.
- Ensuring replacement first aid supplies are requested from Central Stores where required.
- Maintenance of personal issue first aid kits (where provided) to ensure items have not expired and are replaced in a timely manner.
- Familiarise themselves with the locations of the First Aid Rooms and Defibrillators.
- If working in a building with a first aid room, regular checks should be undertaken to ensure it is fit for purpose and fully stocked as intended.
- Inform Health & Safety Department / HR of any circumstances which may prevent them from continuing in the role of First Aider (i.e. relocation, departure from the organisation).

4. Arrangements

There are a number of documentary arrangements which supplement this Policy and set out the Forces approach to managing health and safety issues.

These detail the arrangements in place and are available by searching for the relevant subject on CONNECT - the Force intranet portal.

Part 1 to 7 to be completed by the Policy Owner

Part 1: Version Control

Date	Version	Reason for Amendment	Completed by	Policy Implementation and Change Matrix Score (please see below Matrix)
April 2023	V1	Annual Review	Jo Bingley	2
Feb 2024	V2	Annual Review	Jo Bingley	2
May 2024	V3	Updated PCC signature	Jo Bingley	1
Jan 2025	V4	Annual Review	Jo Bingley	1
Feb 2026	V5	Annual Review Federation Health and Safety Lead roles & responsibilities updated	Jo Hobson	0

Policy Implementation and Change Assessment Matrix

Score	Type	Indicator
0	No significant Change: The Policy change can be managed within existing skills and knowledge with no training communication	The change involves a reword or subtle change in processes to update terminology or clarify ambiguity (as examples).
1	Business Only Change: The Policy change involves a process change with no requirement for training	Process changes that involve systems or clearly defined processes that are contained within the process without the need for additional training.
2	Minimal Change: A change in process that can be managed through simple communication and briefing	A minimal change in process that can be managed by a given lead, and potentially supported by the Communication and Engagement Team.
3	Moderate Change: A change or implementation of a process that requires targeted communication and training to ensure the change is delivered.	A moderate change that may require training and a clear communication and engagement plan, supported by assurance that change has been embedded.
4	Significant Change: A change in process that requires project support and would require significant behaviour and process change. Executive sign off required	A significant change that reworks or implements a completely new or different process that requires dedicated in-depth support in respect of project management, training and communication.

Part 2: Policy Sign Off

Relevant Lead	Sign Off	Date
Executive Lead (for new policy and change impact of four)	N/A	N/A - review
Head of Department	Hayley Barnett T/Chief Supt. Jed Keen Chief Supt. Gemma Booth	03/04/2023 08/02/2024 10/01/2025 01/02/2026
Policy Author	Jo Hobson	03/04/2023 08/02/2024 10/01/2025 01/02/2026
Other		

Part 3: Impact on any Other Policy

Name	Impact
N/A	

Part 4: Human Rights

Question	Answer
1. What is the policy or procedure title, what is its purpose or objective and who will be affected by it?	Derbyshire Constabulary Health and Safety Policy Purpose is to achieve compliance with the legislation and the Policy is applicable to all employees and volunteers of the Force
2. Will the policy or procedure restrict anyone's Convention rights?	No
If the answer to Q2 was Yes proceed to Q3. If the answer to Q2 was No, there is no requirement to continue with the below questions in the Human Rights section. However, be alert to any possibility that your policy or procedure may restrict someone's Convention rights, things may change and you may need to reassess.	
3. What Convention rights are restricted? Are they absolute rights or limited rights?	
4. What is the legal basis for the restriction?	
5. What is the legitimate aim for the restriction?	
6. Are the actions that restrict the right proportionate? Are you sure you are not using a sledgehammer to crack a nut?	
7. Are the actions that restrict the right fair, non-discriminatory and least intrusive?	
8. Does the policy or procedure specify that a record of any	

decisions that affect someone's rights are documented?	
9. Has legal advice been sought on the policy or procedure?	

Part 5: Consultation

What departments, individuals and organisations have been consulted in the development or review of this policy? If the below have not been consulted, please put N/A in the Department/Organisation section.

Name	Department / Organisation	Date
Police Federation	Consulted to ensure accuracy of their roles and responsibilities	01.01.25
Unison	Consulted to ensure accuracy of their roles and responsibilities	02.01.25
Data Protection	N / A - no data protection implications	
Legal Services	N / A - no data protection implications	
Communication and Engagement		
Force Staff Networks		
Health and Safety		
Other relevant Departments	Occupational Health and Wellbeing - Consulted to ensure accuracy of their roles and responsibilities	02.01.25
Freedom of Information		
HR - People Services		

Part 6: Equality Impact Assessment

(All policies must have an Equality Impact Assessment completed)

Completed By: Jo Bingley - Review	Date: 10/01/2025
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Part 7: Data Protection Impact Assessment

Please ensure you have fully reviewed the Information Management Document covering Data Protection and DPIAs which is attached as an appendix to the policy.

(To be completed if required, please put N/A in the below if not required)

Completed By: N/A	Date:
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Force Policy

Document Title: Data Protection and Security by Design and Default

Document Reference: 22/381

Owner: Head of Department, Information Management.

Review Date: May 2026

Next Review Date: May 2028

Publication:

All policies are published on Connect.

This Force policy is suitable for public disclosure under the Freedom of Information Act 2000 and will be published on the external Force website? Yes

1. Introduction

- 1.1 The purpose of this guidance is to provide project managers with an overview of information management considerations, together with relevant checklists to assist them to ensure that data protection and information security matters are properly addressed at the correct juncture in their project or initiative.
- 1.2 Projects and initiatives must take into account data protection and other legal obligations for information management if they are to be successfully delivered. The Force must also consider the accreditation and information assurance of shared services.
- 1.3 You must consider the process and steps you need to take in order to request a new system or project through the Digital Data and Technology Department (DDaT).
- 1.4 The purpose of a business case is to outline the benefit to the organisation of making a change or undertaking a project. The business case is written during the early stages of a new change initiative or project to clearly identify the why, what, how, and who – to enable key stakeholders to understand the value of the change activity and help them decide whether to support it.

2. Background

- 2.1 Information is a key asset and essential to the effective working of the Police Service. Effective management of information is vital to the safe and effective delivery of public services and confidence. In response to new technologies and the increasing volume and methods of processing information, data protection legislation was updated in May 2018 to provide a comprehensive and modern framework for data protection in the UK.
- 2.2 The General Data Protection Regulations (UK GDPR), the Data Protection Act 2018 (DPA) and the Data Use and Access Act 2025 (DUAA) introduce new obligations including those for 'data protection by design and default' which require the Constabulary to demonstrate that the consideration and integration of the principles of data protection have been built into the Constabulary's processing activities.

3. Data Protection and Security by Design

- 3.1 Article 25 (1) of the UK GDPR specifies the requirements of data protection by design:

'Taking into account the state of the art, the cost of implementation and the nature, scope, context and purposes of processing as well as the risks of varying likelihood and severity for rights and freedoms of natural persons posed by the processing, the controller shall, both at the time of the determination of the means for processing and at the time of the processing itself, implement appropriate technical and organisational measures which are designed to implement data-protection principles in an effective manner and to integrate the necessary safeguards into the processing in order to meet the requirements of this Regulation and protect the rights of data subjects.'

4. Data Protection and Security by Default

4.1 Article 25 (2) specifies the requirements for data protection by default:

'The controller shall implement appropriate technical and organisational measures for ensuring that, by default, only personal data which is necessary for each specific purpose of the processing are processed. That obligation applies to the amount of personal data collected, the extent of their processing, the period of their storage and their accessibility.

In particular, such measures shall ensure that by default personal data is not made accessible without the individual's intervention to an indefinite number of natural persons.'

5. What is Data Protection and Security by Design?

5.1 This is ultimately an approach that ensures you as a project manager considers privacy and data protection issues at the **design** phase of any system, service, product, or process and then throughout the lifecycle. This requires:

- Putting into place appropriate technical and organisational measures designed to implement the data protection principles; and
- Integrating safeguards into the processing so that the Constabulary's UK GDPR and DPA requirements are met and protect the individual rights
- 'baking in' data protection into any processing activities and business practices

6. What is Data Protection and Security by Default?

6.1 This requires you as a project manager to ensure that the Constabulary only processes the data that is necessary to achieve the specific purpose, which links into the fundamental data protection principles of data minimisation and purpose limitation. This requires:

- Specifying what data is necessary to be processed before the processing starts
- Appropriately inform individuals and only process the data needed for the purpose of the project
- Adopting a 'privacy-first' approach with any default settings of systems and applications
- Not processing additional information unless there is a legal requirement to do so

6.2 This policy helps to inform project managers leading a project and its development, when to engage with Information Management practitioners and at what point risks need to be escalated to the Information Asset Owner (IAO) and/or the Senior Information Risk Owner (SIRO), to ensure that information continues to be managed appropriately during the management of a project and system development.

3. Procedures

- 3.1 The Constabulary's data protection and information assurance leads will act as advisors to the project via the project manager and will be available to advise and support project managers in respect of compliance issues and good practice and will participate in relevant meetings, where required.
- 3.2 The majority of the information that the Constabulary processes is sensitive and should therefore be afforded a higher level of protection. It is the responsibility of each project manager to seek advice from the Information Management Department's data protection team, Information Security Officer and Records Manager at the earliest opportunity, and throughout the project development and its delivery, to ensure that new systems and initiatives have adequate and technical arrangements in place and that any processing is fully compliant with data protection legislation.
- 3.3 Failure to meet these requirements may result in costly software amendments, unnecessary delays, or the postponement of implementation.
- 3.4 The project manager should consider how information will be managed when planning for compliance against data protection, security and broader information management requirements as set out below:

3.5 Confirm the purpose(s) of the project

- The starting point for ensuring data protection compliance is to confirm at the outset the intended purpose(s) of the project. Any processing of personal data within the project should be in accord with the purpose(s).
- Briefly explain the specific aim and purpose of the proposal in a way that someone with no prior knowledge could easily understand; avoid technical language and acronyms.

3.6 Confirm the Information Asset Owner and Project Lead

- It is important to identify and discuss the project with the IAO and Project Lead at the earliest opportunity to gain approval for the project to proceed and to provide the right data protection and security advice before any procurement or work begins.

3.7 Confirm what personal data will be processed by the project (data requirement)

- A project or initiative may process personal data for both operational policing (law enforcement purposes) and support purposes (general processing). It is important to identify the nature of the personal data to be processed for these differing purposes.

3.8 Confirm what technology is intended to be used

- There is a need to consider what technology will be used for the processing of data, including which IT applications and infrastructure will be used. The nature and type of technology used will also dictate security requirements.

- It will be prudent to identify early considerations for mobile data, and cloud storage.

4. Data Protection and Security by Design and Default – System Specification

- 4.1 Project managers are required to work through the data protection and security by design and default specification document (DPSDD), Appendix A, in the first instance in order to demonstrate that this requirement is considered at the outset of the project.
- 4.2 Completion of this document will then help to inform the Data Protection Impact Assessment requirements.
- 4.3 The DPSDD specification document sets out in detail how the following information management requirements are to be integrated into the project/system design:
- Data protection principles, (lawful, fair and transparent processing of personal data; for a specific legitimate purpose, which is adequate but not excessive for that purpose, that is accurate, retained for no longer than necessary and secure.)
 - Information security (the physical and technological measures to be implemented);
 - Records management (storage, retention and disposal);
 - Facilitating data subject rights (including access to their personal data);
 - Digital strategy (management of images, scanning, indexing etc.).
 - Data categorisation

5. Conduct a Data Protection Impact Assessment (DPIA)

- 5.1 A DPIA is mandatory where the processing is likely to present a high risk to the rights and freedoms of the data subject(s). The DPIA is a structured approach to ensuring compliance with the data protection legislation and identifying and mitigating any information management risks that might be identified.
- 5.2 DPIAs are required for any new or changing business processes or new technologies impacting on the processing of personal data.
- 5.3 The results of the DPIA will influence system design requirements to ensure that systems and processes comply with legal obligations concerning privacy and confidentiality and the legal requirement for data protection and security by design and default.
- 5.4 It is the responsibility of project managers to conduct the DPIA on behalf of the SIRO or business lead with assistance from the data protection team.
- 5.5 The purpose of the DPIA is to ensure that privacy risks are minimised whilst allowing the aims of the project to be met whenever possible. Risks can be identified and addressed at an early stage by analysing how the proposed uses of personal information and technology will work in practice. This analysis can be tested by

consulting with people who will be working on, or affected by, the project.

5.6 A DPIA is normally conducted in two stages with the second stage only being necessary where the answers to stage one indicates the need to do so. The DPIA documents are designed to be used by staff who are not experts in data protection or privacy matters but who do have detailed knowledge of the project.

5.7 A DPIA Questionnaire is available here [New Processing Application](#). This MS Form precedes the completion of a DPIA and has been designed to help project managers get started. Completion of this Questionnaire will assist the data protection team to understand what the project or initiative involves and enable the team to assist the project manager with the progression of the DPIA process.

5.8 Stage 1 and Stage 2 DPIA templates, and relevant guidance documents are available from the Data Protection Team upon completion of the DPIA Questionnaire.

5.9 If it is identified that a DPIA is not required for new processing or new technologies, then a record of the decision and rationale should be kept within the project to justify this.

5.10 The results of the DPIA should be fed back into the wider project management process, usually while the project is still being developed. If the project aims develop or change during the project lifecycle the organisation may need to revisit the DPIA which is a living document subject to reviews.

6. Requirements Arising from the Data Protection and Security by Design and Default and the DPIA

6.1 Confirm what Government Security Classification will apply to the data

- The appropriate level of protective marking may vary across projects, and it will be appropriate to check what level applies in each case and what arrangements are in place across the project to manage these considerations. Care should be taken to make a proper assessment of where data may be aggregated or diluted.

6.2 Confirm the identity of the Senior Information Risk Owner (SIRO) where appropriate?

- To meet the mandatory requirements of the Security Policy Framework, forces must establish clear lines of responsibility and accountability for information security and to this end a designated Senior Information Risk Owner (SIRO) should be identified as responsible for managing the organisation's information risks, including maintaining an information risk register. The identification of other associated roles will follow.
- A Senior Information Risk Owner ("SIRO") must be appointed at the beginning of the project to oversee the work of the unit.

6.3 Identify any processing requiring a data processing contract

- A data processing contract will be required where the processing of personal data which is owned by the Chief Constable (Controller) is 'outsourced' to a third party,

or where a police collaboration involves one party processing personal data on behalf another party or parties.

- Where a third party (processor) is supplying services to a police force that involves the processing of personal data on behalf of that force, the Data Protection Act 2018 requires that only processors who provide sufficient guarantees to implement appropriate technical and organisational measures to secure that processing and protect the rights of the data subject(s).
- The contract will require that the processor complies with obligations equivalent to those imposed upon the Controller with regard to security, and will require that the processor only acts on instructions from the Controller.
- Where services are engaged through procurement processes, it should be the case that relevant terms and conditions to meet the Controller's data protection obligations for the processing of the data are included in the procurement contract.
- The Data Protection Team should be consulted early in the procurement process to allow for this. Where the data protection considerations have not adequately been addressed in any procurement contract or the processing is such that it falls outside the procurement process, the Data Protection Team will assist the Project Manager to ensure that a suitable data processing contract is drawn up.

6.4 Identify process and responsibilities for maintaining an information risk register for the project

- This requirement follows on from the requirements to identify roles and responsibilities for information security and the appointment of a designated SIRO.

7. Bulk Data Transfers

7.1 Where there is an intention to transfer bulk data (defined as more than 100 records in a single instance) between forces to other parties, this must not occur until an assessment has been conducted which examines the nature of the data, the circumstances of the transfer, and the risk of harm should the data be compromised.

7.2 That assessment should involve consideration of the data protection principles. If as a result it is still deemed necessary to carry out the transfer, then appropriate arrangements must be put in place to minimise the risk – for example, the partitioning of the data so that in some cases no more than 100 records will be transferred together.

7.3 This is simply common sense and reduces the impact of any data being lost or incorrectly delivered.

8. Data Quality

8.1 Consideration must be given to data quality and how standards will be set and maintained within any information system or project. Careful consideration will be necessary where IT solutions are implemented to match and merge records from multiple sources and such solutions will need to be tested before any live data is processed.

9. Data Matching and Conversion

9.1 It will be necessary to identify if any data or systems are to be merged and to understand how the merging process is intended to work. Care must be taken to set appropriate standards for the 'match and merge' of records from across two or more systems.

10. Records and Image Management

10.1 Plans to provide the right information to the right system users should be developed early in the project so that the requirements for an Electronic Document and Records Management System (EDRMS) can be considered before the database design is complete.

10.2 The scope of an EDRMS includes the scanning of records; the management of digital images; and the review and retention of records, the Constabulary's Records Management Policy refers.

11. User Acceptance Testing (UAT)

11.1 User Acceptance Testing should include tests to measure compliance of the delivered system against information management requirements. Where the system is developed as the result of an Invitation To Tender (ITT), the tests to be undertaken within UAT will be derived from the design criteria.

12. Accreditation and Operating Rules

12.1 Each new system will require Security Operating Procedures (SyOps) and System Operating Rules. Operating Procedures and Rules will include accreditation, arrangements for access to the system, data quality, timeliness and retention policies.

13. System Access by 3rd Parties including Maintenance Contractors

13.1 Where maintenance contractors are required to access police force systems remotely, authorisation must be in line with police force policy, and appropriate arrangements made to enable contractors to dial-in securely to the police force(s) network.

13.2 Where there is a necessity for contractors to make a site visit, this should be specified within contractual the arrangements.

13.3 Contractors need to be suitably vetted and further considerations needs to be given to ensuring appropriate confidentiality agreements are signed by contractors to protect the Constabulary's data from what they may see and here whilst on our premises.

14. Confirm how processing will be in compliance with data protection principles

14.1 If the project involves migrating existing and well established processes then this should not be too onerous. If however, new processing is being developed then consideration of the Data Protection and Security by Design and Default standards (DPSDD) Appendix A refers should be undertaken and followed by a DPIA, as necessary.

14.2 The same would apply if a new IT system is to be used in which case that system will

need to go through full data protection compliance testing.

15. Identify Information Asset Owner(s) for information used by the project

15.1 This follows on from the requirement to identify the controllers and SIRO and will be particularly important in the creation of operating rules for information system(s) used.

16. Identify which Policies and Procedures apply

16.1 The governance arrangements for the management of information in each project or initiative must be clearly identified. It is necessary to give clear instructions such that any individual can readily identify which policies and procedures apply.

17. Create Information Sharing Agreements (ISAs) where necessary

17.1 Information sharing can facilitate business relationships with Partner agencies. It may be necessary to implement information sharing arrangements, or instigate information sharing initiatives. The Data Protection Team will facilitate the business lead with the development of such agreements; the Information Sharing Policy refers.

18. Review and amend Privacy Information where necessary

18.1 If the project involves new or altered processing of personal data it may be necessary to amend the privacy information provided to data subjects, typically through the Constabulary's privacy notice on the website, as well as within any other documentation, or departmental website entries.

19. Provide Training and Guidance

19.1 All officers and staff using the system will need to receive relevant information management training and guidance relevant to the system, to include the development and availability of System Operating Rules. All staff should have received data protection training and there should be adequate security in place which reflects the nature of the data being processed.

20. Review vetting arrangements to ensure that individuals with access to the information system have the appropriate level of clearance

20.1 The appropriate level of vetting clearance may vary across projects, and it will be appropriate to check what level applies in each case and what arrangements are in place across the project to manage these considerations.

21. Conduct Site Security Assessments

21.1 Physical security risk assessments are required for every location where police information is to be processed. These assessments must be carried out in accordance with the prevailing security policy and guidance.

21.2 This will include where services are contracted to external service providers and terms and conditions arising from such security assessments to be imposed on the service provider will be included in the relevant contract or data processing agreement.

21.3 The SIRO must ensure that they have risk assessed the vulnerability of premises to

burglary and theft at the beginning of any collaborative project and have ensured appropriate security measures are taken to protect personal data.

22. Reference and Relevant Standards

22.1 The following are relevant for reference and standards:

- General Data Protection Regulations (UK GDPR)
- Data Protection Act 2018
- The Data Use and Access Act 2025
- Freedom of Information Act 2000
- ACPO Code of Practice on the Management of Police Information 2005
- ACPO Standards for Records Management & Information Security
- HMG CESG Information Assurance Standards
- BS ISO/IEC 27001
- BS EN ISO 9001
- BIP 0008 code of practice for legal admissibility
- College of Policing Authorised Professional Practice on Management of Police Information (replaced ACPO 2010 Guidance on Management of Police Information)
- Police Service Community Security Policy issued. February 2019
- Data Protection Legislative Compliance
- Information Sharing Policy
- Information Security Policy
- Information Asset Owner Policy
- Records Management Policy
- Review, Retain and Disposal Policy

23. Roles and Responsibilities

23.1 Each project manager should be aware and consider liaison with the following:

23.2 Information Asset Owners (IAO)

- The IAO is a mandated role; the individuals appointed are senior/responsible and experienced individuals involved in the running of the relevant business data protection champion and advocate for their business areas.
- They are accountable and responsible for segments of the force information asset register and the information asset owner master list who are responsible for ensuring information assets are handled and managed appropriately by; being properly protected and managing any related risks and; fully exploiting their value

to the organisation; supporting and safeguarding digital continuity over time and through any periods of change; business decisions on decommissioning of obsolete systems no longer used or upgraded, in conjunction with the Strategic Information Management Board (SIMB)

23.3 Data protection officer (DPO)

- The role of the data protection officer is defined in the UK GDPR, the Data Protection Act 2018 and the Data Use and Access Act 2025 (DUAA) and includes the following tasks: providing advice on the carrying out of a data protection impact assessment under section 64 and monitoring compliance with that section; co-operating with the commissioner; acting as the contact point for the commissioner on issues relating to processing, including in relation to the consultation mentioned in section 65 and consulting with the commissioner, where appropriate, in relation to any other matter; monitoring compliance with policies of the controller in relation to the protection of personal data; and monitoring compliance by the controller with UK GDPR, the Data Protection Act 2018 and the Data Use and Access Act 2025 (DUAA)

23.4 Information security officer (ISO)

- The information security officer is responsible for the method of identifying and assessing the risks to the system to ensure standardisation in the approach taken for upholding and ensuring compliance with security policies and standards.

23.5 Records manager (RM)

- The force records manager is responsible for the development, implementation and maintenance of the records management best practices and guidance that underpin the records management policy.
- These are crystallised in the records management programme (details below). When required, the force records manager advises the force executive and senior management above on records management matters.

24. Further advice and guidance

24.1 Further information and advice is available from the Data Protection Officer, Information Security Officer and Data Protection Team.

25. Appendices:

A: Data protection and security by design and default specification document (DPSDD)



Data Protection
and Security by Design

B: Commissioning New Workflow Chart

Part 1 to 7 to be completed by the Policy Owner

Part 1: Version Control

Date	Version	Reason for Amendment	Completed by	Policy Implementation and Change Matrix Score (please see below Matrix)
17/04/24	May 2024 Review	Review of Policy	Nathan Gaunt	0
09/04/26	Apr 2026	Review of Policy and updates	Nathan Gaunt	1

Policy Implementation and Change Assessment Matrix

Score	Type	Indicator
0	No significant Change: The Policy change can be managed within existing skills and knowledge with no training communication	The change involves a reword or subtle change in processes to update terminology or clarify ambiguity (as examples).
1	Business Only Change: The Policy change involves a process change with no requirement for training	Process changes that involve systems or clearly defined processes that are contained within the process without the need for additional training.
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3	Moderate Change: A change or implementation of a process that requires targeted communication and training to ensure the change is delivered.	A moderate change that may require training and a clear communication and engagement plan, supported by assurance that change has been embedded.
4	Significant Change: A change in process that requires project support and would require significant behaviour and process change. Executive sign off required	A significant change that reworks or implements a completely new or different process that requires dedicated in-depth support in respect of project management, training and communication.

Part 2: Policy Sign Off

Relevant Lead	Sign Off	Date
Executive Lead (for new policy and change impact of four)		
Head of Department	Jenna Boulter -Review	17/04/2024
Policy Author	Nathan Gaunt - Review	09/04/2026
Other		

Part 3: Impact on any Other Policy

Name	Impact
n/a	

Part 4: Human Rights

Question	Answer
1. What is the policy or procedure title, what is its purpose or objective and who will be affected by it?	The objective is to ensure that Data Protection by design and default is embedded into a project from the outset. It is mainly Project Managers who will be affected.
2. Will the policy or procedure restrict anyone's Convention rights?	No
If the answer to Q2 was Yes proceed to Q3. If the answer to Q2 was No, there is no requirement to continue with the below questions in the Human Rights section. However, be alert to any possibility that your policy or procedure may restrict someone's Convention rights, things may change and you may need to reassess.	
3. What Convention rights are restricted? Are they absolute rights or limited rights?	
4. What is the legal basis for the restriction?	
5. What is the legitimate aim for the restriction?	
6. Are the actions that restrict the right proportionate? Are you sure you are not using a sledgehammer to crack a nut?	
7. Are the actions that restrict the right fair, non-discriminatory and least intrusive?	
8. Does the policy or procedure specify that a record of any decisions that affect someone's rights are documented?	
9. Has legal advice been sought on the policy or procedure?	

Part 5: Consultation

What departments, individuals and organisations have been consulted in the development or review of this policy? If the below have not been consulted, please put N/A in the Department/Organisation section.

Name	Department / Organisation	Date
Police Federation		
Unison		
Data Protection	Information Management	09/04/26
Legal Services		
Communication and Engagement		
Force Staff Networks		
Health and Safety		
Other relevant Departments	Force ISO	17/04/24
Freedom of Information		
HR - People Services		

Part 6: Equality Impact Assessment

(All policies must have an Equality Impact Assessment completed)

Completed By: Nathan Gaunt	Date:09/04/26
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Part 7: Data Protection Impact Assessment

Please ensure you have fully reviewed the Information Management Document covering

Data Protection and DPIAs which is attached as an appendix to the policy.

(To be completed if required, please put N/A in the below if not required)

Completed By: n/a	Date:
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REPORT TITLE	CRIME DATA INTEGRITY AND CRIME RECORDING ASSURANCE REPORT
REPORT BY	ROBERT LESTER – FORCE CRIME REGISTRAR
DATE	29 TH JUNE 2026

PURPOSE OF THE REPORT

This report provides the Joint Audit, Risk and Assurance Committee (JARAC) with an update on the current position in relation to crime recording compliance and assurance arrangements within Derbyshire Constabulary. It summarises the force's position against the National Standard for Incident Recording (NSIR), the National Crime Recording Standard (NCRS) and the Home Office Counting Rules (HOCR), and outlines the steps being taken to strengthen governance, oversight and data quality.

ATTACHMENTS

There are no separate attachments to this report. The content of this paper summarises the current audit, assurance and improvement position as set out in the underlying draft material.

RECOMMENDATIONS

- Note the current position in relation to crime recording compliance, classification accuracy and timeliness of recording.
- Note the outcome of recent audit and assurance activity, including the deterioration identified in sexual offences recording and classification accuracy.
- Support the continued development of a revised continuous audit and assurance regime overseen by the Force Crime Registrar.
- Note that the key proposed strands of the revised assurance model are incident-to-crime attrition, ASB classification and attrition, crime outcomes (solved), crime cancellations and crime reclassifications.
- Seek assurance that future resourcing decisions will enable these arrangements to operate effectively and provide a sustainable basis for performance improvement and organisational learning.

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HMICFRS inspection context

HMICFRS concluded its programme of comprehensive Crime Data Integrity (CDI) inspections in 2021, with the national overview report '[How effectively do the police record crime?](#)' published in August 2025. Crime data integrity is now considered through the PEEL inspection regime, rather than through standalone CDI inspections.

The 2026 PEEL inspection of Derbyshire Constabulary is now underway, with the CDI and Crime File Review element commencing on 29 June 2026. The anticipated areas of focus include

- a) the recording of all crime with a focus on violent and sexual crimes
- b) the recording of rape and N100 reported incidents of rape,
- c) crime within safeguarding and vulnerable persons units,
- d) crimes within incidents finalised as anti-social behaviour (ASB),
- e) compliance with NCRS timeliness requirements,
- f) the use of crime recording audits and the effectiveness of governance arrangements.

Current internal assurance position

The full time Force Crime Registrar is additionally supported by a small team of CDI auditors (2.4 full-time equivalent posts). In view of limited resources, the audit model has been adjusted so that it is now more focused on quality assurance and corrective action in areas of greatest operational importance, rather than relying solely on a traditional strategic audit model.

The last comprehensive attrition audit based on statistically relevant sampling was conducted in July 2025.

Table 1: Data Quality Assurance Manual Grading

Compliance Estimate	Recording Process Judgement
Less than 79.9%	Poor crime data quality – urgent and significant improvement required
80% - 89.9%	Processes unsound – further improvement needed
90% - 94.9%	Process mostly sound – but some improvement needed
95% or greater	Processes appear sound – limited scope for improvement

Crime recording compliance

The July 2025 audit results (table 2) show that whilst the organisation was generally good at identifying and recording crime in January 2025, this fell considerably within the Sexual offences category in July 2025 moving the latter into the ‘processes unsound’ area whilst ‘violence’ dropped by 3.5% and ‘all other crime’ remain stable at 96%.

Table 2: Crime Attrition - Jan / July 2025 results

Category	Crime-recording compliance Jul 2025	Crime-recording compliance Jan 2025
Violence	93.5%	97.0%
Sexual offences	84.3%	94.6%
All other crime	96.0%	96.0%

These results indicate that the force remained broadly effective in identifying and recording most crime categories, but that performance in relation to sexual offences deteriorated to a level that required further improvement. Violence remained within the "mostly sound" range, while all other crime continued to sit within the "sound" range.

Crime classification accuracy

The July 2025 audit did identify significantly declining classification accuracy. Results showed all areas as being ‘unsound’ or ‘requires urgent improvement’.

Table 3: Crime Classification Accuracy

Category	Classification accuracy Jul 2025	Classification accuracy Jan 2025
Violence	71.4%	84.6%
Sexual offences	76.5%	Not available
All other crime	84.2%	93.4%

Although a misclassified crime is not classed as an unrecorded crime - inaccurate classification can distort performance data, weaken safeguarding decisions and undermine confidence in the integrity of recorded crime data. In practice, classification error can therefore have an effect similar to attrition where the recorded crime does not properly reflect the reported circumstances.

ASB assurance

ASB has historically been subject to periodic statistical audit. Due to the identified issues with classification accuracy the Force Crime Registrar recommended a move towards a continuous assurance process reporting monthly compliance and correcting errors rather than high level strategic audit that was unable to correct errors and therefore was limited on the improvement it could achieve. This process has been developed over several months since December 2025 with the latest May 2026 data shown below.

Table 4: ASB Assurance

Period / method	Crime-recording compliance	ASB closing-code compliance	Methodology
Dec 2024 audit	88.3%	60.0%	Statistically valid sample audit
Mar 2025 audit sample	95.4%	84.5%	Statistically valid sample audit
May 2026 (current) (new process since Jan 26)	95.2%	91.5%	Continuous review of all ASB incidents

The new process provides stronger assurance than statistical audit alone because it enables continuous review, quicker correction of errors and more immediate organisational learning. It

also supports earlier supervisory intervention and reinforces correct incident classification and crime-recording practice across operational teams. This process is now overseen by the Force Crime Registrar.

Timeliness of recording

Where the information available at first point of contact satisfies the crime-recording test, crimes should be recorded without delay and, in any event, within 24 hours of the initial report. Over the last 12 months, the force has recorded an average of 91% of crimes within that requirement, with performance monitored monthly through the Contact Management Performance Meeting.

Governance, learning and improvement

The findings from the July 2025 audits were reported to the September 2025 CDI Board, where particular concern was expressed about the fall in compliance for sexual offences and the continuing decline in classification accuracy. In response, the Board decided to suspend the next programmed attrition audits, which had been due to examine January 2026 data, and instead prioritise improvement activity and more targeted assurance work including the creation of a new continuous crime attrition process.

The Board was clear that future assurance should provide insight into individual performance and learning needs, rather than relying only on periodic strategic-level compliance rates. A rebalanced model has therefore been proposed, placing greater emphasis on continuous quality assurance, case-level feedback and targeted corrective action, while still maintaining an overview of organisational compliance. This approach was tested between November 2025 and February 2026 however due to the limited resourcing within the Crime Registrar team it has been paused to support the development of a new Outcome Assurance process with the intention to restart crime attrition by the end of July 2026 subject to resourcing and other necessary audit activity.

Other improvement activity

Sexual Crime - attrition

A process change was introduced by the Crime Management Support Unit (CMSU) Lead following concerns identified in the July 2025 sexual offences audit. This now ensures that all incidents classified within the sexual category are immediately tasked to the crime-recording team within CMSU, with the intention of improving timeliness and reducing the risk that a required crime-recording task is missed.

N100 Reported Incidents of Rape

The Force Crime Registrar has implemented daily checks of N100 Reported incidents of Rape at the point of recording following the identification of the incorrect application of this classification. There remains a gap in governance around such reports when a victim may later provide confirmation of a crime and the necessity to reclassify to a substantive crime of rape. The Force Crime Registrar is working with the RASSO lead to provide necessary data reports and ownership of oversight.

Crime Outcomes - assurance

The Force Crime Registrar is also working with key stakeholders to introduce a crime outcome assurance process, with particular focus on outcomes within the solved category, namely outcomes 1 to 8. This work follows quality assurance activity aimed at identifying the root causes for data exceptions and is currently being tested prior to full implementation.

Learning and Development

An e-learning package covering the main elements of NCRS and HOCR went live in October 2025, although it has not yet been mandated across the force. Group-based training was delivered to the majority of CMSU officers in November 2025, and the Force Crime Registrar has also committed to attending sergeant continuing professional development sessions across the force over an 18-month period; three sessions involving around 40 sergeants have been completed to date with positive feedback.

In addition, the Crime Recording Hub has been fully reviewed and refreshed to provide officers and staff with clearer and more up-to-date guidance on NCRS and HOCR requirements. This supports the wider objective of improving consistency in incident assessment, crime recording and supervisory oversight.

Assurance assessment

Taken together, the available evidence indicates that the force has maintained a generally positive position in several core areas of crime recording, but that there remain important risks requiring continued oversight, particularly in relation to sexual offence recording and the accuracy of crime classification and certain outcome types. The shift towards continuous assurance and targeted feedback is a proportionate response to the current risk profile and should provide a stronger basis for both improvement and ongoing scrutiny if sufficiently resourced.

A review of CDI governance will take place following the HMICFRS PEEL process as part of the organisations aims of continuous improvement. This will be supported by practical improvement activity in ASB review, crime outcome assurance, training and process redesign. The principal issue for the force is therefore less the absence of improvement action and more the need to ensure that the revised assurance regime is sufficiently resourced, sustained and capable of demonstrating measurable improvement over time.

Summary

The report provides JARAC with an overview of Derbyshire Constabulary's current crime recording position and related assurance arrangements against NSIR, NCRS and the Home Office Counting Rules.

It summarises recent audit findings on crime-recording compliance, classification accuracy and timeliness, noting in particular the deterioration identified in sexual offences recording and the wider risks posed by misclassification to performance, safeguarding and data integrity.

It explains the governance response through the CDI Board, including the decision to rebalance activity towards a more continuous assurance model focused on case-level feedback, targeted corrective action and better insight into individual learning needs.

The report also sets out the introduction of the revised ASB assurance process, which actively corrects attrition and classification errors and therefore provides more accurate ASB data than the previous strategic audit approach, alongside wider improvement work on crime outcome assurance, training and refreshed guidance.

Overall, the paper is intended to give JARAC assurance that key crime data integrity risks are recognised, that proportionate remedial action is underway, and that future audit and assurance activity will be concentrated on areas of greatest risk and impact.