



NORFOLK
CONSTABULARY
Our Priority is You

**THE CHIEF CONSTABLE OF
NORFOLK CONSTABULARY**

STATEMENT OF ACCOUNTS

31 March 2026

DRAFT

Statement of Accounts
for the year ended 31 March 2026

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INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE FOR NORFOLK

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Statement of Responsibilities for the Statement of Accounts

The Chief Constable of Norfolk Constabulary's Responsibilities

The Chief Constable must:

- Arrange for the proper administration of the Chief Constable's financial affairs and ensure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Finance Officer of the Chief Constable.
- Manage its affairs to ensure economic, efficient and effective use of resources and safeguard its assets;
- Approve the Statement of Accounts;
- Ensure that there is an adequate Annual Governance Statement.

Approval of Statement of Accounts

I approve the following Statement of Accounts:

Paul Sanford

Chief Constable of Norfolk Constabulary

The Chief Finance Officer (CFO) of the Chief Constable Responsibilities

The Chief Constable's CFO is responsible for preparing the Statement of Accounts for the Chief Constable of Norfolk Constabulary in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom based on International Financial Reporting Standards ("the Code").

In preparing this statement of accounts, the CFO of the Chief Constable has:

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

The CFO of the Chief Constable has also:

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

Certified by the Chief Finance Officer of the Chief Constable of Norfolk Constabulary

I certify that this statement of accounts has been prepared in accordance with proper accounting practice and presents a true and fair view of the financial position of the Chief Constable of Norfolk Constabulary at 31 March 2026, and its income and expenditure for the year to that date.

Peter Jasper ACMA,

Assistant Chief Officer

Narrative Report

Introduction

This Narrative Report provides information about Norfolk Constabulary, including the key issues affecting its accounts. It also provides a summary of the financial position at 31 March 2026 and is structured as below:

1. The policing context for Norfolk
2. Impact of the governance arrangements on the Financial Statements of the PCC and Chief Constable
3. Explanation of Financial Statements
4. The 2025/26 revenue and capital budget process
5. Financial performance
6. Non-financial performance
7. Funding Settlement 2026/27 and beyond

1. The policing context for Norfolk

Information about the Office of the Chief Constable of Norfolk

Under the Police Reform and Social Responsibility Act 2011 (the Act) the Police and Crime Commissioner for Norfolk (PCC) and the Chief Constable of Norfolk Constabulary were established as separate legal entities. Corporate governance arrangements for the PCC and Chief Constable have been reviewed and a commentary on their effectiveness is set out in the joint Annual Governance Statement for the PCC and Chief Constable which is published alongside these Statements of Accounts.

The responsibilities of the Chief Constable, determined by the Act, include:

- Supporting the PCC in the delivery of the strategy and objectives set out in the Police and Crime Plan;
- Assisting the PCC in planning the force's budget;

- Having regard to the Strategic Policing Requirement when exercising and planning their policing functions in respect of their Force's national and international policing responsibilities;
- Being the operational voice of policing in the force area and regularly explaining to the public the operational actions of officers and staff under their command;
- Entering into collaboration agreements with other Chief Constables, other policing bodies and partners that improve the efficiency or effectiveness of policing and with the agreement of their respective PCC;
- Remaining politically independent of their PCC;
- Exercising the power of direction and control in such a way as is reasonable to enable their PCC to have access to all necessary information and staff with the force;
- Having day to day responsibility for financial management of the force within the framework of the agreed budget allocation and levels of authorisation issued by the PCC.

For accounting purposes, the PCC for Norfolk is the parent entity of the Chief Constable of Norfolk and together they form the PCC for Norfolk Group.

The County of Norfolk

Norfolk is the fifth largest county in England with a land area of 2,074 square miles with approximately 100 miles of coastline. Most of Norfolk's land area is classed as rural and is reflected by the Police and Crime Plan priority to tackle crime within rural communities. Although predominantly rural, just over half of the population lives in an urban area (mid-2019 estimates). The four main urban areas are Norwich, Great Yarmouth, King's Lynn and Thetford.

The population of Norfolk in 2024 was 940,359 (source: Norfolk Insight) and Norfolk has an older age profile than England as a whole. Approximately 25% of the population in Norfolk are aged 65 and older compared with less than 19% in England (source: Norfolk Insight), by 2047 it is expected that those aged over 65 will account for over 30%.

Norfolk is a popular tourist destination and following the pandemic, visitor numbers have returned to and slightly exceeded pre-pandemic levels. In 2024, the county

received approximately 3.16 million overnight visitors and 47.2 million day trips were made. Norfolk's visitor economy in 2024 was valued at around £3.6bn, compared with approximately £3.4bn in 2022, while tourism supports around 68,000 jobs (or around 54,000 full-time equivalent roles). These figures indicate a stable and resilient visitor economy, with modest growth in staying visitors and overall value. (source: Economic Impact of Tourism Norfolk 2024).

Norfolk Constabulary supports hundreds of events throughout the year, including Norwich City football matches, Norwich Pride and numerous local carnivals and occasions.

There are extensive areas of flood risk within the county, particularly in Great Yarmouth, the Norfolk Broads, parts of Norwich along the River Yare, and coastal areas of North Norfolk and King's Lynn. Much of the Broads, Fens and coastal zone lie within Environment Agency Flood Zones 2 and 3 (medium to high risk) (source: norfolklivingguide.co.uk), and over 1,600 properties have experienced flooding since 2011 (source: Norfolk.gov.uk flood reports map). Coastal erosion also presents an ongoing risk in some locations and has already resulted in property loss.

The road network in Norfolk primarily comprises A and B roads with no motorways. Key routes such as the A11 and A47 provide the main connections, but the largely rural road network can present challenges for connectivity and road safety. 'Safer roads for all' is a priority within the PCC's Police and Crime Plan.

Collaboration and partnership working

The Police Reform and Social Responsibility Act 2011 places duties on chief officers and policing bodies to keep collaboration activities under review and to collaborate where it is in the interests of the efficiency and effectiveness of their own and other police force areas.

Norfolk Constabulary's preferred partner for collaboration is Suffolk Constabulary. A joint strategy exists which outlines the collaborative vision for Norfolk and Suffolk and provides a strategic framework within which collaborative opportunities are progressed.

The two police forces have been collaborating for over a decade, with the programme of collaborative work delivering an extensive number of joint units and

departments that encompasses most functions except local policing and includes areas such as major investigation, protective services, custody, and enabling support functions. The partnership has also yielded significant savings for both forces and received praise from His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS).

Areas of collaboration outside of Norfolk/Suffolk include the Eastern Region Special Operations Unit (ERSOU), a specialist unit with a remit for tackling serious and organised crime in the Eastern Region. ERSOU comprises resources from the following police forces: Norfolk, Suffolk, Essex, Cambridgeshire, Bedfordshire, Hertfordshire and Kent.

In January 2020 a 7Force Commercial Services team was implemented and is now overseeing all procurement activity across the seven forces, making sure all opportunities for savings and efficiencies are exploited. There is also the Eastern Region Innovation Network (ERIN) that continues to review areas for wider convergence and collaboration as well as completing some significant multi-force projects.

Norfolk is also part of a well-established 10 force consortium for insurance known as the Southeast and Eastern Regional Police Insurance Consortium (SEERPIC).

The Policing and Crime Act 2017 received Royal Assent on 31 January 2017. The Act includes a duty, in England, for emergency services to collaborate. It also gives enabling powers for PCCs in England to take responsibility for the governance of their local fire and rescue services.

Norfolk Constabulary and Norfolk Fire and Rescue Service continue to strengthen their working relationship with individual governance currently subject to further decisions on Devolution covered later in this report.

The Norfolk Office of the PCC and Norfolk Constabulary is committed to working in partnership with public, private and third sector agencies to tackle issues of crime and disorder. This is demonstrated through roles in critical partnership initiatives such as the Community Safety Partnership, Norfolk 180 and Early Help Hubs. Norfolk Constabulary is committed to finding long term sustainable solutions to problems of crime and disorder, working together with partners and the communities in an evidence-based problem-solving way and supporting innovation at a local level.

2. Impact of the governance arrangements on the Financial Statements of the PCC and Chief Constable

The International Accounting Standards Board framework states that assets, liabilities and reserves should be recognised when it is probable that any 'future' economic benefits associated with the item(s) will flow to, or from, the entity. The PCC has responsibility for the finances of the whole Group and controls the assets, liabilities and reserves. With the exception of the liabilities for employment and post-employment benefits, referred to later, this would suggest that these balances should be shown on the PCC's Balance Sheet.

The Scheme of Governance and Consent sets out the roles and responsibilities of the PCC and the Chief Constable, and also includes the Financial Regulations and Contract Standing Orders. As per these governance documents, all contracts and bank accounts are in the name of the PCC. No consent has been granted to the Chief Constable to open bank accounts or hold cash or associated working capital assets or liabilities. This means that all cash, assets and liabilities in relation to working capital are the responsibility of the PCC, with all the control and risk also residing with the PCC. To this end, all working capital is shown in the accounts of the PCC and the Group.

The PCC receives all income and makes all payments from the Police Fund for the Group and has responsibility for entering into contracts and establishing the contractual framework under which the Chief Constable's staff operates. The PCC has not set up a separate bank account for the Chief Constable, which reflects the fact that all income is paid to the PCC. The PCC has not made arrangements for the carry forward of balances or for the Chief Constable to hold cash backed reserves.

Therefore, the Chief Constable fulfils his statutory responsibilities for delivering an efficient and effective police force within an annual budget, which is set by the PCC. The Chief Constable ultimately has a statutory responsibility for maintaining the King's peace and to do this has direction and control over the force's police officers and police staff. It is recognised that in exercising day-to-day direction and control the Chief Constable will undertake activities, incur expenditure and generate income to allow the police force to operate effectively. It is appropriate that a distinction is made between the financial impact of this day-to-day direction and control of the force and the overarching strategic control exercised by the PCC.

Therefore, the expenditure and income associated with day-to-day direction and control and the PCC's funding to support the Chief Constable is shown in the Chief Constable's Accounts, with the main sources of funding (i.e. central government grants and council tax) and the vast majority of balances being shown in the PCC's Accounts.

Notably it has been decided to recognise transactions in the Chief Constable's Comprehensive Income and Expenditure Statement (CIES) in respect of operational policing, police officer and staff costs, and associated operational income, whilst liabilities for employment and post-employment benefits have been transferred to the Chief Constable's Balance Sheet in accordance with International Accounting Standard 19 (IAS19).

The rationale behind transferring the liability for employment benefits is that IAS19 states that the employment liabilities should follow employment costs. Because employment costs are shown in the Chief Constable's CIES, on the grounds that the Chief Constable is exercising day-to-day direction and control over police officers and employs police staff, it follows that the employment liabilities are therefore shown in the Chief Constable's Balance Sheet.

3. Explanation of Financial Statements

The 2025/26 Statement of Accounts for the Chief Constable are set out on the following pages. The purpose of individual primary statements is explained below:

- **The Comprehensive Income and Expenditure Statement (CIES)** 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. Adjustments made between the accounting and funding bases are shown in the Movement in Reserves Statement.
- **The Balance Sheet** shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Chief Constable. The net assets of the Chief Constable (assets less liabilities) are matched by the reserves held by the Chief Constable.
- **The Movement in Reserves Statement (MiRS)** shows the movement in the year on the different reserves held by the Chief Constable. The Surplus or (Deficit) on the Provision of Services line shows the true economic cost

of providing the Chief Constable's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These differ from the statutory amounts required to be charged to the General Fund Balance for council tax setting purposes.

- **The Cash Flow Statement** shows the changes in cash and cash equivalents during the reporting period. The statement shows how the Chief Constable generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. However, all cash is held by the PCC for Norfolk so the cash flow statement for the Chief Constable shows the net deficit on the provision of services as non-cash movements.

Please note that occasionally minor differences occur between the primary statements and the notes to the accounts, this is due to unavoidable rounding discrepancies.

The Accounting Policies are disclosed in Note 1 of the Notes to the Financial Statements.

4. The 2025/26 revenue and capital budget process

A joint financial planning process took place between June 2024 and January 2025 in accordance with an agreed timetable. An enhanced Service and Financial Planning process took place using Outcome Based Budgeting (OBB) principles.

OBB is a method for aligning budgets to demand, performance, outcomes and priorities. This process is informed by the Force Management Statement that reviews the services provided by the Constabulary, estimates future demand, and assesses the readiness of each function to meet that demand and deliver on required outcomes and performance levels. This information is then lined up against the priorities and demands of the PCC. This allows projects to be developed to target areas that can be made more efficient, and those areas requiring more investment.

These outcomes were then reviewed by a Joint Chief Officer Panel against the OBB principles and recommendations were developed for appropriate investment, efficiencies and savings.

These recommendations were then presented to the Joint Chief Officer Team, and further refined after these sessions. Finally, the outcomes of the process were presented to the PCC for review and challenge. The process concluded with agreement on Norfolk only budgets, the agreement of joint budgets, costs and savings arising from the process to be included in spending plans.

In accordance with the requirements of Section 96 (1) (b) of the Police Act 1996, as amended by section 14 of the Police Reform and Social Responsibility Act 2011, the PCC has an obligation to consult with business rate payers and there is also a general responsibility to consult with the public.

The PCC launched the consultation for the 2025/26 police budget which ran for a number of weeks. The consultation included an online and hard copy survey and an intensive programme of media, communications and engagement activity.

The results were collated towards the end of January 2025 and presented by the PCC to the Police and Crime Panel at its meeting on 4 February 2025.

These spending plans were then incorporated into the Medium-Term Financial Plan of the PCC that covered the period 2025/26 to 2028/29 and was signed off in February 2025.

The Medium-Term Financial Plans for the PCC are available at www.norfolk-pcc.gov.uk

5. Financial performance

Savings plans

The Chief Constable has run a well-established and effective change programme over recent years. The programme is required to deal with the impact of funding settlements, spending challenges from inflation, increasing demand, the changing nature of crime, increasing legislative and regulatory cost pressures and ongoing investment in modernising the Constabulary through improved digital infrastructure and technology.

Savings plans of £4.5m were identified for 2025/26, and those savings have been achieved. The PCC and Chief Constable are jointly committed to providing the best possible policing service across Norfolk whilst at the same time increasing

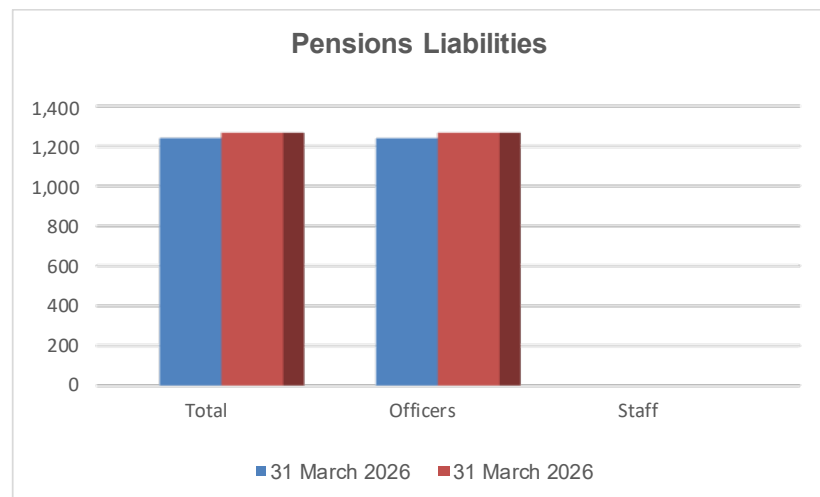
efficiency and reducing costs.

There is more information about the impact of the Home Office settlement for 2026/27 and what this means for the Constabulary over the medium-term in the Looking Forward section below.

Long Term Liabilities

Pension Liabilities

There are three separate pension schemes for police officers and one scheme for police staff. Although benefits from these schemes will not be payable until an officer or staff member retires, the Chief Constable has a future commitment to make these payments and under International Accounting Standard 19 (IAS19) is required to account for this future commitment based on the full cost at the time of retirement. The future net pension liabilities of the Chief Constable as calculated by an independent actuary are set out in the following table:



These liabilities result in the Balance Sheet showing net overall liabilities of £1,242m at 31 March 2026, however, the financial position of the Chief Constable remains sound as these liabilities will be spread over many years.

The value of the LGPS pension fund assets is calculated by the actuary as part of the formal triennial valuation process, and rolled forward to the balance sheet date, allowing for any movements in the year. These movements include investment returns, which may be estimated where necessary.

Reserves

The Chief Constable does not hold any usable reserves.

Annual Governance Statement

The Accounts and Audit Regulations 2015 require the Annual Governance Statement (AGS) to accompany the Statements of Accounts. The AGS can be found on the Constabulary website at www.norfolk.police.uk

6. Non-financial performance

In the 12 months to the end of March 2026 there were 57,686 recorded crimes, a decrease of 7% compared with the long-term average (62,004). There have been small variances in volumes across most crime types from 2024/25 to 2025/26. Considerable efforts continue to be made by officers and staff to encourage reporting from victims of 'hidden' crimes, and those from parts of the community which have not normally reported crime frequently. In addition, investments made by the Constabulary to ensure crime is recorded as accurately as possible continue to support our understanding of demand. Central to this is confidence that the Constabulary will identify and record such criminality accurately and ethically. The investment made to strengthen this approach has been recognised by HMICFRS in previous inspections, with the Constabulary's crime recording practices assessed as 'Outstanding' at its most recent inspection in 2024.

The Constabulary continues to prioritise services to the vulnerable and at-risk victims, target perpetrators who cause the highest harm, and implement robust operational responses to the threat of 'county lines' organised crime groups. In addition, the Constabulary is tackling modern slavery and focusing on sexual crimes against adults and children. Collaborations with Suffolk Constabulary, the regional special operations unit (ERSOU), ERIN and other Norfolk agencies and voluntary organisations, and investments in modern technologies such as automated number plate recognition, Rapid Video Response, drones, mobile

computing devices and body worn video cameras are critical parts of these responses.

Norfolk remains one of the top performing Constabularies for solving crime. The solved rate has increased to 22.1% as at March 2026. In addition, workloads of officers in terms of the live investigations they are carrying has reduced enabling greater time for engagement, visibility and problem solving.

The following table shows the year-end position for some of the more easily available Police and Crime Plan key performance indicators where prior year data is available. Further details will be published in the PCC's Annual Report in the autumn.

Area	Indicator	2023/24	2024/25	2025/26
Domestic Abuse	<i>Number of crimes</i>	10,739	10,898	10,726
	<i>Solved rate</i>	12%	12%	13%
Serious Sexual Offences	<i>Number of crimes</i>	2,420	2,409	2,518
	<i>Solved rate</i>	8%	10.3%	10.8%
Child Sexual Abuse	<i>Number of crimes</i>	1,281	1,174	1,081
	<i>Solved rate</i>	14%	19.9%	19.2%
Hate Crime	<i>Number of crimes</i>	922	921	960
	<i>Solved rate</i>	23%	19.8%	24.2%
Online Crime	<i>Number of crimes</i>	2,137	2,077	2,103
	<i>Solved rate</i>	12%	15.5%	17.5%
	<i>Number of crimes</i>	8,809	8,762	8,137

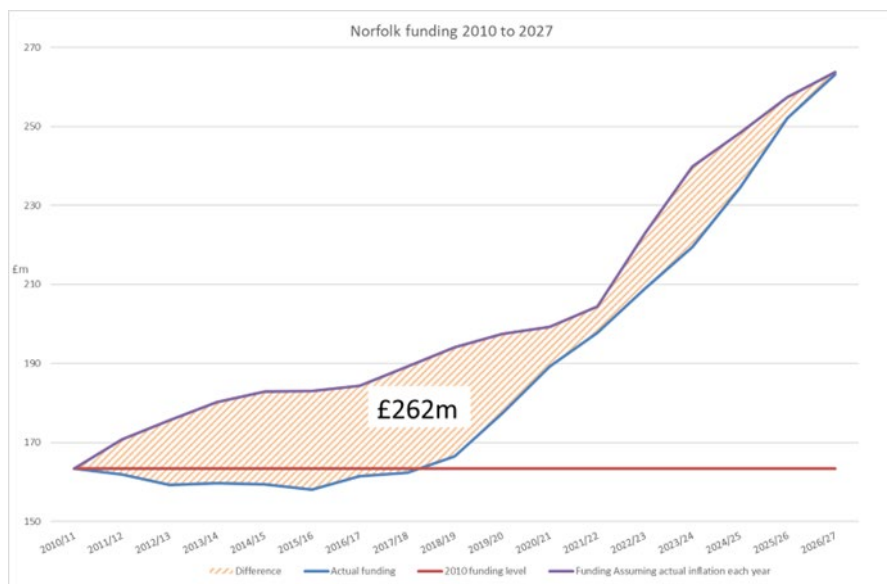
Neighbourhood Crime	<i>Solved rate</i>	13%	13.5%	13.3%
Violence With Injury	<i>Number of crimes</i>	8,196	7,707	7,761
	<i>Solved rate</i>	18%	19.6%	19.6%
Call Handling	<i>% 999 calls answered in 10 seconds</i>	92%	89.3%	88.5%
Emergency Response	<i>% of emergencies responded to in target time</i>	83%	80.8%	80.0%
Road Safety	<i>Number of KSI collisions</i>	448	493	504

Demands on the Constabulary have changed in nature in recent years. The Force continues to prioritise responding to emergencies, alongside focusing on the most harmful crime types and community priorities such as rural crime. Sustained pressure on the Force's Control Room has led to a slight decline in emergency call handling and response performance over the year. This is likely linked to increased call volumes across two consecutive years. In response, a range of resourcing and technical solutions are being rapidly explored. Encouragingly, a similar focus has already led to improvements, with a reduction in the number of 101 callers abandoning calls while waiting to be answered.

7. Funding Settlement 2026/27 and beyond

Public sector funding has been constrained since 2010 and that has been no different for the police service. The chart below shows the impact of funding set against rises in inflation since 2010/11. The straight (red) line shows the level of funding at 2010/11 across all years as a baseline. The lower (blue) line of shape shows actual direct funding received by the constabulary from the main Home Office grant, precept from households in Norfolk plus all specific grants. The upper (purple) shaped line represents the level the funding would have been if in line with actual levels of inflation.

While the funding gap was closing through the national Uplift programme, recent levels of inflation have seen the constabulary funding once again falling behind in real terms. Since 2010/11 the constabulary has had to absorb £262m of inflationary pressures.



It should be noted, that within this context, His Majesty’s Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) has previously rated Norfolk as Outstanding in terms of Good Use of Resources (the top rating achievable) in the force’s Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection.

In the last round of inspections, the HMICFRS no longer makes a judgement on Good Use of Resources but incorporates financial planning into a much wider assessment of Leadership and Management. In their assessment in 2024 this was judged to be Adequate, but it made specific reference to the fact that “The constabulary’s financial plans are affordable and will help it make improvements in performance...The constabulary has an effective approach to financial management and uses an outcome-based budgeting model to help set its budgets. The forecasts within the medium-term financial plan are based on realistic

assumptions about future funding and planned expenditure.”

During 2025/26, the Constabulary has also undertaken significant preparatory work for the next PEEL inspection. The evidence collection window opened in February 2026, with final fieldwork scheduled for February 2027.

2026/27 settlement

The table below represents the increase in government funding between 2025/26 and 2026/27.

The most significant change is the removal of the police officer Uplift grant. The Ringfenced Grant (Uplift) supported Norfolk’s baseline share (224) of the additional 20,000 police officers introduced by the previous government and maintained by the current government for 2025/26.

The Additional Recruitment (Uplift) grant was paid to forces that took on further officer numbers to make up for the shortfall in recruitment by the Met Police. Norfolk volunteered to take on 45 additional officers above the 224 baseline.

Nationally forces had called for the removal of the Uplift target as this was causing unintended consequences with officers being put into non-visible police staff roles (such as the control room) due to the ongoing pressure to make cash savings that could only be made from police staff posts.

The removal of the overall Uplift target is therefore welcome as forces can now make their own decisions on workforce mix between officers and staff based on the need for warranted powers, skills requirements and local need rather than purely on maintaining an arbitrary number of police officers.

However, former Uplift funding has now been redistributed into Police Core Grant. Forces (such as Norfolk) that volunteered to take on the additional recruitment targets to make up for the Met Police shortfall above their Police Core Grant % share have now had a cliff edge removal of the Additional Recruitment (Uplift) grant. This grant has now been shared to all forces, even those that had previously not undertaken any additional recruitment. As a result, Norfolk has had the joint worst government grant increase in the country for 2026/27.

The government are now focussed on their manifesto pledge to increase Neighbourhood Policing numbers by 13,000 nationally. The Neighbourhood Policing Grant will support the increase in neighbourhood policing that Norfolk will need to deliver as part of that national requirement.

	2025/26	2026/27	Variance	
	£000	£000	£000	%
Police Core Grant	106,175	114,259	8,084	7.61
Ringfenced Grant (Uplift)	3,916	-	(3,916)	N/A
Additional Recruitment (Uplift)	2,371	-	(2,371)	N/A
Legacy Council Tax Grants	9,305	9,305	-	0
Pensions Grant	5,079	5,079	-	0
Neighbourhood Policing Grant	2,237	4,092	1,855	82.92
National Insurance Contribution Grant	3,224	3,190	(34)	0
Total all Grants	132,307	135,925	3,618	2.73

As part of the police settlement PCCs were given the flexibility to increase the precept by up to £15 per annum (19 pence per week at Band B / 29 pence at Band D) without the need to go to a referendum. Following a period of consultation with the public the PCC took the decision to raise the precept by the maximum allowed. By doing this, the PCC has been able to provide funding to balance the budget and reduce the impact on current levels of service in the face of significant cost pressures.

However, the detailed settlement for forces only outlined detail for 2026/27. This leaves some uncertainty on the financial detail going forward.

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.

The PCC has published the Reserves Strategy and the Capital Strategy in the new MTFP for 2026/27 to 2029/30 and these can be found at the link below:

[Police budget and council tax | Norfolk PCC](#)

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 long-

term and that increased efficiency is kept at the heart of these developments. The PCC and Constabulary are well equipped to meet these challenges.

Devolution

Following an initial announcement in February 2025, The UK Government undertook a consultation on establishing a Mayoral Strategic Authority (MSA) across Norfolk and Suffolk, with a single directly elected Mayor. As part of the proposed devolution deal, the statutory functions of the Police and Crime Commissioners (PCCs) for both counties would be transferred to the new Mayor.

The current timeline for implementation of the mayoral model is for there to be elections for the post in May 2028. The exact manner in which the statutory duties pertaining to policing will be discharged through the English Devolution and Community Empowerment Bill that reached Royal Assent in April 2026. This governance change is anticipated to affect financial responsibilities, though the full details of the transfer mechanisms have yet to be outlined.

Peter Jasper ACMA

Assistant Chief Officer

Comprehensive Income and Expenditure Statement for the Chief Constable of Norfolk Constabulary for the year ended 31 March 2026

Gross Expenditure	Income	Net Expenditure		Gross Expenditure	Income	Net Expenditure
2024/25	2024/25	2024/25		2025/26	2025/26	2025/26
£000	£000	£000	Note	£000	£000	£000
			Division of service:			
225,554	(35,533)	190,021	Constabulary	230,740	(35,472)	195,268
225,554	(35,533)	190,021	Net cost of police services before group funding	230,740	(35,472)	195,268
	(229,105)	(229,105)	Intra-group funding	4	(244,669)	(244,669)
225,554	(264,638)	(39,084)	Net cost of police services	230,740	(280,141)	(49,401)
			Other operating expenditure:			
			Financing and investment income and expenditure:			
65,793	-	65,793	Pensions interest cost	13	70,180	-
65,793	-	65,793		70,180	-	70,180
		26,709	Deficit / (surplus) on the provision of services			20,779
			Other comprehensive income and expenditure:			
		(163,876)	Remeasurements of the net defined benefit liability	13		(47,332)
		(163,876)				(47,332)
		(137,167)	Total comprehensive income and expenditure			(26,553)

Balance Sheet for the Chief Constable of Norfolk Constabulary as at 31 March 2026

31 March 2025 £000		Notes	31 March 2026 £000
-	TOTAL ASSETS		-
(1,422)	Short-term creditors and accruals	14	(1,529)
(1,422)	Current liabilities		(1,529)
(1,267,316)	Pension liability	13	(1,240,655)
(1,267,316)	Long-term liabilities		(1,240,655)
(1,268,737)	TOTAL LIABILITIES		(1,242,183)
(1,268,737)	NET LIABILITIES		(1,242,183)
-	Usable reserves	Page 13	-
(1,268,737)	Unusable reserves	Page 13	(1,242,183)
(1,268,737)	TOTAL RESERVES		(1,242,183)

These unaudited statements were issued on
26 June 2026



Peter Jasper ACMA
Assistant Chief
Officer 26 June 2026

Movement in Reserves Statement for the Chief Constable of Norfolk Constabulary

	General Fund Balance	Total Usable Reserves	Pension Reserves	Comp' Absences Account	Total Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000
Year Ended 31 March 2026	Note					
Balance at 1 April 2025	-	-	(1,267,316)	(1,422)	(1,268,737)	(1,268,737)
Movement in reserves during 2025/26						
Surplus or (deficit) on provision of services (accounting basis)	(i) (20,779)	(20,779)	-	-	-	(20,779)
Other comprehensive income and expenditure	(i) -	-	47,332	-	47,332	47,332
Total comprehensive income and expenditure		(20,779)	47,332	-	47,332	26,553
Difference between IAS 19 pension costs and those calculated in accordance with statutory requirements		43,764	(43,764)	-	(43,764)	-
Contribution to the Police Pension Fund		(23,093)	23,093	-	23,093	-
Movement on the Compensated Absences Account		107	-	(107)	(107)	-
Adjustments between accounting basis and funding basis under regulations		20,779	(20,671)	(107)	(20,778)	-
Net movement in reserves		-	26,661	(107)	26,554	26,554
Balance at 31 March 2026		-	(1,240,655)	(1,529)	(1,242,183)	(1,242,183)

	General Fund Balance	Total Usable Reserves	Pension Reserves	Comp' Absences Account	Total Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000
Year Ended 31 March 2025	Note					
Balance at 1 April 2024	-	-	(1,404,392)	(1,513)	(1,405,905)	(1,405,905)
Movement in reserves during 2024/25						
Surplus or (deficit) on provision of services (accounting basis)	(i) (26,709)	(26,709)	-	-	-	(26,709)
Other comprehensive income and expenditure	(i) -	-	163,876	-	163,876	163,876
Total comprehensive income and expenditure		(26,709)	163,876	-	163,876	137,167
Difference between IAS 19 pension costs and those calculated in accordance with statutory requirements		47,169	(47,169)	-	(47,169)	-
Contribution to the Police Pension Fund		(20,369)	20,369	-	20,369	-
Movement on the Compensated Absences Account		(92)	-	92	92	-
Adjustments between accounting basis and funding basis under regulations		26,709	(26,800)	92	(26,708)	-
Net movement in reserves		-	137,076	92	137,168	137,168
Balance at 31 March 2025		-	(1,267,316)	(1,422)	(1,268,737)	(1,268,737)

(i) Details within the Comprehensive Income and Expenditure Statement

**Cash Flow Statement for the Chief Constable for Norfolk Constabulary
for the year ended 31 March 2026**

2024/25		2025/26
£000		£000
(26,709)	Net surplus/(deficit) on the provision of services	(20,779)
	Adjustment for non cash or cash equivalent movements	
26,800	Movements on pension liability	20,671
(92)	Increase/(decrease) in revenue creditors	107
26,708	Net adjustment for non cash or cash equivalent movements	20,778
-	Net increase or (decrease) in cash and cash equivalents	-
-	Cash and cash equivalents at the beginning of the reporting period	-
-	Cash and cash equivalents at the end of the reporting period	-

Expenditure and Funding Analysis for the Chief Constable of Norfolk Constabulary

The Expenditure and Funding Analysis is a note to the Financial Statements; however, it is positioned here as it provides a link from the figures reported in the Narrative Report to the CIES.

Net Expenditure Chargeable to the General Fund Balances	Adjustments between Funding and Accounting Basis	Net Expenditure in the CIES 2024/25	Constabulary	Net Expenditure Chargeable to the General Fund Balances	Adjustments between Funding and Accounting Basis	Net Expenditure in the CIES 2025/26
£000	£000	£000		£000	£000	£000
Year ended 31 March						
208,737	(18,716)	190,021	Constabulary	221,577	(26,309)	195,268
(229,105)	-	(229,105)	Intra-group funding	(244,669)	-	(244,669)
(20,368)	(18,716)	(39,084)	Net cost of police services	(23,092)	(26,309)	(49,401)
20,369	45,424	65,793	Other income and expenditure	23,093	47,087	70,180
-	26,708	26,709	Deficit/(surplus) on the provision of services	-	20,778	20,779
-			Opening general fund balance at 1 April	-		
-			Closing general fund balance at 31 March	-		

Notes to the Financial Statements for the Chief Constable of Norfolk Constabulary

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1. Accounting Policies

General principles

The Statement of Accounts summarises the Chief Constable's transactions for the 2025/26 financial year and its position at the year-end of 31 March 2026. The Chief Constable is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015, which those Regulations require to be prepared in accordance with proper accounting practices. Those practices primarily comprise the Code, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

Cost recognition and intra-group adjustment

Refer to Note 4 for further details.

Recognition of working capital

The Scheme of Governance and Consent sets out the roles and responsibilities of the Police and Crime Commissioner and the Chief Constable, and also includes the Financial Regulations and Contract Standing Orders. As per these governance documents all contracts and bank accounts are in the name of the PCC. No consent has been granted to the Chief Constable to open bank accounts or hold cash or associated working capital assets or liabilities. This means that all cash, assets and liabilities in relation to working capital are the responsibility of the PCC, with all the control and risk also residing with the PCC. To this end, all working capital is shown in the accounts of the PCC and the Group.

Accruals of income and expenditure

Activity is accounted for in the year that it takes place, not in the financial period in which cash payments are paid or received.

Debtors and creditors

Revenue and capital transactions are included in the accounts on an accruals basis. Where goods and services are ordered and delivered by the year-end, the

actual or estimated value of the order is accrued. With the exception of purchasing system generated accruals, a de-minimis level of £1,000 is set for year-end accruals of purchase invoices, except where they relate to grant funded items, where no de-minimis is used. Other classes of accrual are reviewed to identify their magnitude. Where the inclusion or omission of an accrual would not have a material impact on the Statement of Accounts, either individually or cumulatively, it is omitted.

Employee benefits

Benefits payable during employment

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. An accrual is made for the cost of annual leave entitlements earned by employees but not taken before the year end. The accrual is made at the most recent wage and salary rates applicable.

Termination benefits

Termination benefits are amounts payable as a result of a decision by the entity to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits and are charged on an accruals basis to the appropriate service segment or, where applicable, to a corporate service segment at the earlier of when the entity can no longer withdraw the offer of those benefits or when the entity recognises costs for a restructuring. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable by the entity to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the MiRS, 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

Officers have the option of joining the Police Pension Scheme 2015. Civilian employees have the option of joining the Local Government Pension Scheme (LGPS), administered by Norfolk County Council. All of the schemes provide defined benefits to members (retirement lump sums and pensions), earned as

employees worked for the Constabulary, and all of the schemes are accounted for as defined benefit schemes. There are also two legacy Police Pension Schemes (PPS 1987 and NPPS 2006) which are closed to new entrants but still pay benefits to existing retired and deferred members.

The liabilities attributable to the Chief Constable of all four schemes are included in the Balance Sheet on an actuarial basis using the projected unit credit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits (including injury benefits on the Police Schemes) earned to date by officers and employees, based on assumptions about mortality rates, employee turnover rates etc., and projections of earnings for current officers and employees.

Liabilities are discounted to their value at current prices, using a discount rate specified each year by the actuaries.

The assets of the LGPS attributable to the Chief Constable are included in the Balance Sheet at their fair value as follows:

- Quoted securities – current bid price.
- Unquoted securities – professional estimate.
- Unitised securities – current bid price.
- Property – market value.

All three of the police schemes are unfunded and therefore do not have any assets. Benefits are funded from the contributions made by currently serving officers and a notional employer's contribution paid from the general fund; any shortfall is partially topped up by a grant from the Home Office.

The change in the net pensions liability is analysed into six components:

- Current service cost – the increase in liabilities as a result of years of service earned this year, it is debited to the net cost of policing in the Comprehensive Income and Expenditure Statement (CIES). The current service cost is based on the latest available actuarial valuation.
- Past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years. Past service costs are debited to the net cost of policing in the CIES.
- Interest cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid. It is charged to the Financing and Investment Income and Expenditure line in the CIES.

The interest cost is based on the discount rate and the present value of the scheme liabilities at the beginning of the period.

- The return on plan assets – excluding amounts included in net interest on the net defined benefit liability (asset) – charged to the Pensions Reserve as Other Comprehensive Income and 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. They are charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Contributions paid to the four pension funds – cash paid as employer's contributions to the pension fund in settlement of liabilities. These are not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund Balance to be charged with the amounts payable by the Chief Constable to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. This means that in the MiRS there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pension Reserve thereby measures the beneficial impact on the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The entity 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 (including injury awards for police officers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

The Chief Constable makes payments to police officers in relation to injury awards, and the expected injury awards for active members are valued on an actuarial basis.

Events after the reporting period

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

- Those that provide evidence of conditions that existed at the end of the reporting period. The Statement of Accounts is adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period. The Statement of Accounts is not adjusted to reflect such events. However, where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

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

Government grants and contributions

All government grants are received in the name of the PCC. However, where grants and contributions are specific to expenditure incurred by the Chief Constable, they are recorded as income within the Chief Constable's accounts. Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Chief Constable when there is reasonable assurance that:

- The Chief Constable will comply with the conditions attached to the payments, and
- The grants or contributions will be received.

Amounts recognised as due to the Chief Constable are not credited to the CIES until conditions attaching to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits 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 within creditors as government grants

received in advance. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants / contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the CIES.

Where capital grants are credited to the CIES, they are reversed out of the General Fund balance in the MiRS. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Account. Where it has been applied, it is posted to the Capital Adjustment Account.

Joint operations

Joint operations are activities undertaken by the Chief Constable in conjunction with other bodies, which involve the use of his resources or those of the other body, rather than the establishment of a separate entity. The Chief Constable recognises the liabilities that he incurs and debits and credits the CIES with his share of the expenditure incurred and income earned from the activity of the operation.

Private Finance Initiative (PFI) and similar contracts

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor.

The amounts payable to the PFI operators each year are analysed into five elements; only the fair value of the services received during the year is debited to the Chief Constable's net cost of policing in the CIES. The other elements are only shown in the PCC and Group accounts.

Contingent Liabilities

A contingent liability 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.

Reserves

Pension Reserve

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with the statutory provisions. The Chief Constable accounts for post-employment benefits in the CIES as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Chief Constable makes employer's contributions to pension funds or eventually pays any pensions for which they are directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall between the benefits earned by past and current employees and the resources the Chief Constable has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

Value Added Tax

VAT payable is included as an expense or capitalised only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income. Where the VAT is irrecoverable it is included in the relevant service line of the Chief Constable's CIES, or if the expenditure relates to an asset, is capitalised as part of the value of that asset. Irrecoverable VAT is VAT charged which under legislation is not reclaimable (e.g., purchase of command platform vehicles).

Going Concern

The Code stipulates that the financial statements of local authorities can only be discontinued under statutory prescription and therefore shall be prepared on a going concern basis. This assumption is made because local authorities carry out functions essential to the local community, and cannot be created or dissolved without statutory prescription. Transfers of services under combinations of public sector bodies do not negate the presumption that the financial statements shall be prepared on a going concern basis of accounting. However, a review of going

concern is carried out by management, please refer to section 7 of the narrative report and Note 17 for detail of this review.

2. Accounting Standards That Have Been Issued But Have Not Yet Been Adopted

The Financial Statements have been prepared in accordance with the Code, which is based on International Financial Reporting Standards (IFRSs).

The amendments required to be adopted under the 2026/27 Code are:

- **Amendments to FRS 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 IFRS 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 IFRS 7)** issued in December 2024

Note that this is based on the current position as agreed by CIPFA/LASAAC but the Code has not yet been subject to full due process so this might be subject to change.

Application of the Standards referred to above, as adopted by the Code, is required by 1 April 2026, and these standards will be initially adopted as at 1 April 2026, where applicable. The Code requires changes in accounting policy to be applied retrospectively unless alternative transitional arrangements are specified in the Code.

It is not expected that the adoption of any of the standards listed above will have a material effect on the 2026/27 financial statements.

3. Critical Judgements in Applying Accounting Policies

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

- The budget is set by the PCC and provides the Chief Constable with the authority to incur expenditure. There are still uncertainties about the future funding beyond 2026/27 in regard of what the PCC will receive from the government and the limitations around the precept. The PCC and the Chief Constable are working together to mitigate the impact of the funding gap emerging over the period of the Medium-Term Financial Plan, the impact of which will be realised in the budget set by the PCC.
- The allocation of transactions and balances between the PCC and the Chief Constable has been set out in the Narrative Report to these accounts.
- The PCC for Norfolk has a significant number of assets including those under Private Finance Initiative (PFI) arrangements. The PCC has the responsibility, control and risk in terms of the provision of those assets. Consequently, a critical judgement has been made to show any connected grant funding (e.g. for PFI) and the capital and financing costs of the provision of those assets in the PCC's account. As the Chief Constable utilises the assets on a day-to-day basis, the officers and staff of the Chief Constable have responsibility for the use of the consumables, heating and lighting and so forth. Consequently, these costs are shown in the Chief Constable accounts including the service charges element of the PFI.
- Costs of pension arrangements require estimates assessed by independent qualified actuaries regarding future cash flows that will arise under the scheme liabilities. The assumptions underlying the valuation used for IAS19 reporting are the responsibility of the Group as advised by the actuaries. The financial assumptions are largely prescribed at any point and reflect market expectations at the reporting date. Assumptions are also made around the life expectancy of the UK population.

- In respect of the LGPS police staff pension costs, separate actuarial valuations have been carried out to provide the accounting entries for the PCC and the Chief Constable in 2025/26 and are reflected in the financial statements.
- Under accounting standards, an asset ceiling may be applied to the surplus on the pension fund. This limits the surplus recognised in the accounts to the present value of any economic benefits available in the form of either refunds from the plan or reductions in future contributions to the plan. However, as the Employer has no unconditional right to a refund from the Fund, there is therefore no economic benefit available as a refund, so a judgment has been made to limit the surplus recognised in the accounts to the present value of reductions in future contributions.

4. Intra-group Funding Arrangement Between the PCC and Chief Constable

The background and principles that underpin the accounting arrangements and create the need for an intra-group adjustment have been set out in the Narrative Report.

The PCC received all funding on behalf of the Group; at no time, under the current arrangements, does the Chief Constable hold any cash or reserves. However, it is felt that to accurately represent the substance of the financial impact of the day-to-day control exercised by the Chief Constable over policing it is necessary to capture the costs associated with this activity in the Chief Constable's CIES. A consequence of this is that the employment liabilities associated with police officers and police staff are also contained in the Chief Constable's CIES and the accumulative balances are held on the Chief Constable's Balance Sheet. All other assets and liabilities are held on the PCC's Balance Sheet.

Whilst no actual cash changes hands the PCC has undertaken to fund the resources consumed by the Chief Constable. The PCC effectively makes all payments from the Police Fund. To reflect this position in the Accounts, funding from the PCC offsets cost of service expenditure contained in the Chief Constable's CIES. This intra-group adjustment is mirrored in the PCC's CIES. The financial impact associated with the costs of the employment liabilities are carried on the balance sheet in accordance with the Code and added to the carrying value of the Pensions Liability and Accumulated Absences Liability.

5. Notes to the Expenditure and Funding Analysis

Adjustments between the CIES and the General Fund

Net Change for the Pensions Adjustments £000	Other Differences £000	Total Adjustments 2024/25 £000	Constabulary	Net Change for the Pensions Adjustments £000	Other Differences £000	Total Adjustments 2025/26 £000
(18,624)	(92)	(18,716)	Constabulary	(26,416)	107	(26,309)
(18,624)	(92)	(18,716)	Net Cost of Police Services	(26,416)	107	(26,309)
45,424	-	45,424	Other income and expenditure	47,087	-	47,087
26,800	(92)	26,708	Difference between General Fund Deficit/(Surplus) & CIES Deficit/(Surplus)	20,671	107	20,778

Expenditure and Income Analysed by Nature

Total 2024/25 £000	Total 2025/26 £000
Expenditure	
182,693 Employee benefits expenses	186,081
42,862 Other service expenditure	44,659
65,793 Net pensions interest cost	70,180
291,347 Total Expenditure	300,920
Income	
(12,059) Fees, charges and other service income	(12,429)
(23,473) Government grants and contributions	(23,043)
(35,533) Total Income	(35,472)
255,814 Deficit/(Surplus) on the Provision of Services before Intra Group funding	265,448
(229,105) Intra group funding	(244,669)
26,709 Deficit/(Surplus) on the Provision of Services	20,779

6. Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

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. The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.5% decrease in the discount rate assumption would result in an increase in the pension liability of £112.0m.

The value of the LGPS pension fund assets is calculated by the actuary as part of the formal triennial valuation process, and rolled forward to the balance sheet date, allowing for any movements in the year. These movements include investment returns, which may be estimated where necessary. The return on the Fund in market value terms for the period to 31 March 2026 is estimated based on actual employer returns as reported in HEAT and index returns where necessary. Index returns, where used, are based on employer asset holdings.

7. Events After the Reporting Period

Events after the reporting period have been considered for the period from the year-end to the date the accounts were authorised for issue on 2026. At the time of issue there were no adjusting or non-adjusting subsequent events that required disclosure.

8. Employees' Remuneration

The number of employees and senior police officers whose remuneration exceeded £50k in 2025/26 were as follows:

Remuneration	Chief Constable	
	2025/26	2024/25
£50,000 - £54,999	72	65
£55,000 - £59,999	39	21
£60,000 - £64,999	13	15
£65,000 - £69,999	13	10
£70,000 - £74,999	7	3
£75,000 - £79,999	3	4
£80,000 - £84,999	3	3
£85,000 - £89,999	1	-
£90,000 - £94,999	2	3
£95,000 - £99,999	2	3
£100,000 - £104,999	1	3
£105,000 - £109,999	4	1
£110,000 - £114,999	1	2
£115,000 - £119,999	2	1
£125,000 - £129,999	-	2
£130,000 - £134,999	1	-
£135,000 - £139,999	1	-
£140,000 - £144,999	-	1
£145,000 - £149,999	1	2
£150,000 - £154,999	1	-
£185,000 - £189,999	-	1
£195,000 - £199,999	1	-

“Remuneration” is defined, by regulation, as “all amounts paid to or receivable by an employee 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.”

In addition to the above the Accounts and Audit Regulations 2015 require a detailed disclosure of employees' remuneration for relevant senior police officers, certain statutory and non-statutory chief officers and other persons with a responsibility for management of the Constabulary. The officers listed in the following table are also included in the above banding disclosure note.

	Salaries Fees and Allowances £000	Employers Pension Contributions £000	Benefits in Kind £000	Total £000
2025/26				
Position held				
Chief Constable - Paul Sanford	199	65	1	265
Deputy Chief Constable (to 28.9.25)	77	51	1	129
Deputy Chief Constable (from 3.11.25)	68	-	-	68
Assistant Chief Constable - Nicholas Davison (to 31.3.26)	152	49	-	201
Assistant Chief Constable	149	49	-	198
Temporary Assistant Chief Constable (from 15.9.25)	119	41	-	160
Temporary Assistant Chief Constable (to 7.12.25)	91	27	-	118
Assistant Chief Officer	131	24	-	155
2024/25				
Position held				
Chief Constable - Paul Sanford	188	61	-	249
Deputy Chief Constable	149	51	1	201
Assistant Chief Constable	146	47	-	193
Assistant Chief Constable (from 24.6.24)	143	47	-	190
Temporary ACC (from 16.2.24 to 23.6.24)				
Temporary Assistant Chief Constable (from 28.10.24)	114	38	-	152
Assistant Chief Officer	126	24	-	150

During 2025/26, a chief officer from Norfolk Constabulary acted as an Assistant Chief Constable (ACC) in a joint capacity, Suffolk Constabulary contributed 43.6% towards the cost of this post. A Norfolk chief officer also acted as an Assistant Chief Constable in a three force cost sharing role, Norfolk contributed 33.02% towards the cost of this post.

The Regulations also require disclosure of compensation for loss of employment and other payments to relevant police officers. No amounts were paid to the above officers in respect of these categories.

The number of exit packages with a total cost per band are set out in the table below.

Exit Package Cost Band including Payments £000	Number of Compulsory Redundancies		Number of Other Agreed Departures		Total Number of Exit Packages		Total Value of Exit Packages £000	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
0-20	1	6	1	2	2	8	22	113
20-40	1	-	-	-	1	-	25	-
40-60	3	-	-	-	3	-	160	-
60-80	2	-	-	-	2	-	140	-
80-100	-	1	-	1	-	2	-	166
150-200	-	1	-	-	-	1	-	194
	7	8	1	3	8	11	347	473

Actual in year expenditure recognised in the CIES includes adjustments relating to estimates made in the prior period, where actual settlement amounts differ from those previously accrued or where employees were projected to be made redundant but were subsequently found employment within the Constabulary.

9. Related Parties

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

During 2025/26 there were no material related party transactions involving senior officers of the Constabulary, other than those included under employees' remuneration set out in Note 8 of these financial statements. All Chief Officers have been written to requesting details of any related party transactions and there are no disclosures.

Central Government has effective control over the general operations of the Chief Constable, it is responsible for providing the statutory framework within which the Chief Constable operates, provides the majority of its funding and prescribes the terms of many of the transactions that the Chief Constable has with other parties. Income from central government is set out in Note 11 of these financial statements.

Norfolk and Suffolk Constabularies have implemented significant collaborative arrangements, these are fully disclosed in Note 15.

No other material transactions with related parties have been entered into except where disclosed elsewhere in the accounts.

10. External Audit Costs

The Chief Constable fees payable in respect of external audit services were as follows:

2024/25	2025/26
£000	£000
The Chief Constable has incurred the following costs in relation to the audit of the Statement of Accounts	
51 The Chief Constable of Norfolk	53
7 The Chief Constable of Norfolk scale fee variation 2022/23	-
- The Chief Constable of Norfolk scale fee variation 2023/24	14
- The Chief Constable of Norfolk scale fee variation 2024/25	12
58	79

In the 2022/23 Statement of Accounts, the Chief Constable disclosed an estimated external audit fee of £16,288 based on information available at that time; this was invoiced and paid; however, no full audit was undertaken in that year. In 2024/25, £6,509 was disclosed as a scale fee variation in respect of Value for Money work relating to the 2022/23 audit. The Public Sector Audit Appointments (PSAA) has now confirmed that the total fee payable for all audit work relating to 2022/23 is £14,316 which includes the Value for Money work previously disclosed but not paid. The overpayment of £1,972 was settled in 2025/26; however, as this relates to the 2022/23 audit, it is not included within the table above.

No fees have been paid to the auditors for non-audit work.

11. Grant Income

The Chief Constable credited the following grants and contributions to the Comprehensive Income and Expenditure Statement.

	Amount receivable for 25/26 £000	Amount receivable for 24/25 £000
Credited to Services		
Police incentivisation	374	501
Vulnerability Coordination Centre	-	-
Specific grant for police pensions	5,079	5,489
Serious Violence Duty	451	449
Other specific grants	17,590	17,484
	23,494	23,923

Other specific grants credited to services include £12.0m Home Office grants.

12. Private Finance Initiatives

Operations and Communications Centre at Wymondham

The PCC is committed to making payments under a contract with a consortium for the use of Jubilee House, Operations and Communications Centre at Wymondham until 2037.

The actual level of payments is dependent on availability of the site and provision and delivery of services within. The estimated cost covers the contract standard facilities management provision. The contract, which is for a period of 35 years starting from 2001, has an option at contract end date to purchase the property at open market value or to negotiate with the PFI provider to extend the contract for up to a further 2 periods of 15 years, or of terminating the contract.

The PCC makes an agreed payment each year which is increased by inflation for service-related elements of the unitary charge and can be reduced if the contract fails to meet availability and performance standards in any year but which is otherwise fixed.

The payment recognised in the Chief Constable accounts for the services element and variable consideration for non-lease components during 2025/26 amounted to £1.845m (£1.770m in 2024/25). Payments remaining to be made under the PFI contract for services at 31 March 2026 (excluding any estimation of inflation and availability / performance deductions) are as follows:

	OCC Revenue Services £000
Payable in 2026/27	1,485
Payable within two to five years	6,320
Payable within six to ten years	8,831
Payable within eleven to fifteen years	1,343
	17,979

Police Investigation Centres (PIC)

During the financial years 2010/11 to 2040/41 the Norfolk and Suffolk PCCs are committed to making payments under a contract with a consortium for the use of the six PICs. The actual level of payments will be dependent on the availability of the site and provision and delivery of services within. The contract is for 30 years. As the end of this term the properties revert to the two Groups.

Norfolk and Suffolk PCCs have agreed to pay for these services on an agreed percentage in accordance with the total number of cells within the six properties located in the two counties – this being Norfolk 58.2% and Suffolk 41.8%. The payment recognised in the Chief Constable accounts for the services element and variable consideration for non-lease components during 2025/26 amounted to £2.771m (£1.996m in 2024/25). This figure includes a credit received from Cambridgeshire Police for £0.593m in respect of services provided at the Kings Lynn PIC.

The PCC makes an agreed payment each year which is increased by inflation for service-related elements of the unitary charge and can be reduced if the contractor fails to meet availability and performance standards in any year but which is otherwise fixed. Payments remaining to be made under the PFI contract at 31 March 2026 (which exclude any availability / performance deductions or amounts receivable from Cambridgeshire Police), are shown in the following table:

	PIC Revenue Services £000
Payable in 2026/27	2,903
Payable within two to five years	9,995
Payable within six to ten years	14,840
Payable within eleven to fifteen years	15,623
	43,360

13. Retirement Benefits

Participation in pension schemes

Pension and other benefits are available to all PCC and Constabulary personnel under the requirements of statutory regulations. Four defined benefit pension schemes are operated:

- a) The Local Government Pension Scheme (LGPS) for PCC and Constabulary police staff, administered by Norfolk County Council – this is a funded defined benefit scheme, meaning that the employers and employees pay contributions into a fund. Contributions are calculated at a level intended to balance the pensions liabilities with investment assets.

From April 2014 the LGPS changed to a career average defined benefit scheme, so that benefits accrued are worked out using the employee's pay each scheme year rather than the final salary. This applies to all membership which builds up from 1 April 2014, but all pensions in payment or built up before April 2014 are protected. Employee contributions are determined by reference to actual pensionable pay and are tiered between 5.5% and 12.5%.

- b) The Police Pension Scheme (PPS) for police officers who joined before April 2006 is now closed and all active members have been transferred to the CARE scheme.
- c) The New Police Pension Scheme (NPPS) for police officers who either joined from April 2006 or transferred from the PPS is now closed and all active members have been transferred to the CARE scheme.
- d) The Police Pension 2015 Scheme for police officers, is a Career Average Revalued Earnings (CARE) scheme, for those who either joined from April 2015 or transferred from PPS or NPPS. The employee contributions are 12.44%-13.78% of salary and the Normal Pension Age is 60 although there are protections for eligible officers to retire earlier. Contribution rates are dependent on salary.

All police pension schemes are unfunded defined benefit schemes, meaning that there are no investment assets built up to meet pension liabilities. Employees' and employer's contribution levels are based on percentages of pensionable pay set nationally by the Home Office and are subject to triennial revaluation by the Government Actuary's Department.

The actuarial valuation has set a notional employer contribution rate for the police pension schemes from 1 April 2024 at 35.3% of pensionable pay. Under the police pensions financing arrangements, a pensions top-up grant is received from the Home Office to meet the net cost of pension payments. The grant is calculated by deducting employee contributions and employer contributions assessed at this notional valuation rate from total pension expenditure. While police bodies fund employer contributions at a lower effective level in practice (historically around 21.3% of pensionable pay through core funding), the higher notional rate is applied in the grant calculation. As a result, the difference between the assumed employer contribution rate and the level effectively funded gives rise to a residual cost pressure, which is met from the Police General Fund.

The Home Office has provided additional specific grant funding to support the increase in employer contribution rates following the latest actuarial valuation; however, this does not fully offset the impact of the higher notional rate used in the grant calculation. In 2025/26 a specific grant of £5.08m was received to part fund the cost of the change in contribution rates. The CIES meets the costs of injury awards and the capital value of ill-health benefits.

The PCC is also required to maintain a Police Pension Fund Account. Employer and employee contributions are credited to the account together with the capital value of ill-health retirements and transfer values received. Pensions and other benefits (except injury awards) and transfer values paid are charged to this account. If the account is in deficit at 31 March in any year, the Home Office pays a top-up grant to partially cover it. If there is a surplus on the account, then that has to be paid to the Home Office.

Transactions relating to post-employment benefits

The cost of retirement benefits are recognised 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 required against council tax is based on the cash payable in the year, so the real cost of retirement is reversed out of the General Fund in the MIRS.

The note below contains details of the Chief Constable's operation of the Local Government Pension Scheme (administered by Norfolk County Council) and the Police Pension Schemes in providing police staff and police officers with retirement benefits. In addition, the Chief Constable has arrangements for the payment of discretionary benefits to certain retired employees outside of the provisions of the schemes. The following transactions have been made in the CIES and the General Fund via the MIRS during the year:

	LGPS		Police Pension Schemes	
	2025/26 £000	2024/25 £000	2025/26 £000	2024/25 £000
Comprehensive Income and Expenditure Statement				
Cost of services				
Current service costs	6,455	9,028	8,750	13,220
Past service costs	355	52	-	-
Financing and investment income and expenditure				
Net interest expense (including asset ceiling interest)	(100)	(17)	70,280	65,810
Total post employment benefit charges to the surplus or deficit on the provision of service	6,710	9,063	79,030	79,030
Other post employment benefit charged to the CIES				
- Return on plan assets (excluding the amount included in the net interest expense)	(11,291)	4,829	-	-
- Actuarial gains/losses arising from changes in demographic assumptions	(4,840)	(499)	-	(2,530)
- Actuarial gains/losses arising from changes in financial assumptions	(12,399)	(54,622)	(29,360)	(163,530)
- Other (including asset ceiling adjustment)	32,069	51,601	(21,511)	875
	3,539	1,309	(50,871)	(165,185)
Total post employment benefit charged to the CIES	10,249	10,372	28,159	(86,155)
Movement in Reserves Statement (MIRS):				
Reversal of net charges made to the CIES for post employment benefits in accordance with the Code	(10,249)	(10,372)	(28,159)	86,155
Actual amount charged against the General Fund Balance for pensions in the year:				
Employers contributions payable to scheme	10,290	10,388	54,779	50,905
Retirement benefits payable to pensioners	(8,225)	(7,586)	(65,999)	(61,385)

Assets and liabilities in relation to retirement benefits

	Local Government		Police		Total	
	Pension Scheme		Pension Schemes		Pension Schemes	
	2025/26	2024/25	2025/26	2024/25		
Present value of liabilities	(268,055)	(249,160)	(1,240,540)	(1,267,160)	(1,508,595)	(1,516,320)
Fair value of plan assets	379,991	345,853	-	-	379,991	345,853
Sub total	111,936	96,693	(1,240,540)	(1,267,160)	(1,128,604)	(1,170,467)
Interest on the effect of the asset ceiling	(5,613)	(1,980)	-	-	(5,613)	(1,980)
Changes in the effect of the asset ceiling	(106,438)	(94,869)	-	-	(106,438)	(94,869)
Other movements on the asset	(112,051)	(96,849)	-	-	(112,051)	(96,849)
Total net liabilities	(115)	(156)	(1,240,540)	(1,267,160)	(1,240,655)	(1,267,316)

Reconciliation of present value of the scheme liabilities

	Local Government		Police	
	Pension Scheme		Pension Schemes	
	2025/26	2024/25	2025/26	2024/25
	£000	£000	£000	£000
Opening balance at 1 April	249,160	288,130	1,267,160	1,404,220
Current service cost	6,455	9,028	8,750	13,220
Interest cost	14,507	14,077	70,280	65,810
Contributions by scheme participants	3,347	3,222	11,220	10,480
Remeasurement (gains) and losses:				
- Actuarial gains/losses arising from changes in financial assumptions	(12,399)	(54,622)	(29,360)	(163,530)
- Actuarial gains/losses arising from changes in demographic assumptions	(4,840)	(499)	-	(2,530)
- Other	19,695	(2,642)	(21,511)	875
Past service costs	355	52	-	-
Benefits paid	(8,225)	(7,586)	(65,999)	(61,385)
Closing balance at 31 March	268,055	249,160	1,240,540	1,267,160

Reconciliation of fair value of the scheme assets

	Funded Assets		Unfunded Assets	
	Local Government		Police	
	Pension Scheme		Pension Schemes	
	2025/26	2024/25	2025/26	2024/25
	£000	£000	£000	£000
Opening fair value of scheme assets at 1 April	345,853	328,777	-	-
Interest income	20,220	16,074	-	-
Remeasurement gain/(loss):				
- the return on plan assets, excluding the amount included in the net interest expense	11,291	(4,829)	-	-
- other	(2,785)	(193)	-	-
Contributions from employer	10,290	10,388	54,779	50,905
Contributions from employees into the scheme	3,347	3,222	11,220	10,480
Benefits paid	(8,225)	(7,586)	(65,999)	(61,385)
Closing fair value of scheme assets at 31 March	379,991	345,853	-	-

The total net pensions liabilities of £1,241m represent the long run commitments in respect of retirement benefits and results in the balance sheet showing net overall liabilities of £1,242m. However, the financial position of the Chief Constable remains sound as the liabilities will be spread over many years as follows:

- The net liability on the local government scheme will be covered by contributions over the remaining working life of employees, as assessed by the scheme actuary.
- The net costs of police pensions which are the responsibility of the PCC will be covered by provision in the revenue budget and any costs above that level will be funded by the Home Office, under the change which came into effect from April 2006.

Actuarial losses on scheme assets represent the difference between the actual and expected return on assets, actuarial gains on scheme liabilities arise from more favourable financial assumptions. Because of the March 2025 triennial revaluation of the LGPS, there was a swing from the pension fund being in a net liability position to being in a net asset position which has resulted in an asset ceiling adjustment being made. IFRIC 14 states where there is a pension net asset an asset ceiling may be applied to the surplus on the pension fund. This limits the surplus recognised to the present value of any economic benefits available in the form of either refunds from the plan or reductions in future contributions. As the employer has no unconditional right to a refund from the Fund, there is no economic benefit available as a refund therefore the PCC has made a judgement to limit the surplus recognised in the accounts to the present value of reductions in future contributions. This adjustment is shown in the asset and liabilities table above as other movements on the asset.

The County Council is required to have a funding strategy for elimination of deficits, under regulations effective from 1 April 2005. The strategy allows deficits to be cleared over periods up to 20 years.

The Police Pension Schemes have no assets to cover their liabilities. The Chief Constable's share of the assets in the County Council Pension Fund are valued at fair value, principally market value for investments and consist of the categories in the following table.

	Fair Value of Scheme Assets			
	31 March 2026		31 March 2025	
	£000	%	£000	%
Cash and cash equivalents	22,968	6.04	11,624	3.36
Bonds - by sector				
- Corporate				
- Government	9,054		6,555	
Sub total bonds	9,054	2.38	6,555	1.90
Property - by type				
- UK property	19,724		22,046	
- Overseas property	3,452		3,240	
Sub total property	23,176	6.10	25,286	7.31
Private equity - all:	49,615	13.06	44,247	12.79
Other investment funds:				
- Equities	154,218		193,185	
- Bonds	76,612		26,110	
- Infrastructure	44,624		38,646	
Sub total other investment funds	275,454	72.49	257,942	74.58
Derivatives:				
- Foreign exchange	(276)		199	
Sub total derivatives	(276)	-0.07	199	0.06
Total assets	379,991	100	345,853	100

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent

on assumptions about mortality rates, salary levels etc. Within the police schemes, the age profile of the active membership is not rising significantly, which means that the current service cost in future years will not rise significantly as a result of using the projected unit credit method.

The police officer schemes liabilities have been assessed by the Government Actuary's Department and the LGPS liabilities have been assessed by Hymans Robertson, an independent firm of actuaries. The actuary has confirmed that for police staff, there is no reason to believe that the age profile is rising significantly. The main assumptions used in their calculations are shown below.

	Local Government Pension Scheme		Police Pension Schemes	
	2025/26	2024/25	2025/26	2024/25
Mortality assumptions:				
Longevity at 65 for current pensioners				
Men	21.7	21.0	22.0	21.9
Women	24.6	24.1	24.0	23.9
Longevity at 65 for future pensioners				
Men	23.1	22.4	23.4	23.3
Women	26.2	25.8	25.3	25.2
Rate of inflation (CPI)	3.00%	2.75%	2.95%	2.70%
Rate of increases in salaries	3.70%	3.45%	3.70%	3.45%
Rate of increase in pensions	3.00%	2.75%	2.95%	2.70%
Rate for discounting scheme liabilities	6.30%	5.80%	6.10%	5.65%
Rate of CARE revaluation	n/a	n/a	4.20%	3.95%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses shown in the table below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all others remain constant. The assumptions of longevity, for example, assume that the life expectancy increases or decreases for men and women. In practice, this is unlikely to occur and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and

types of assumptions used in preparing the following sensitivity analyses did not change from those used in the previous period.

	Local Government Pension Scheme		Police Pension Schemes	
	Approximate Increase to Employers Liability %	Approximate Monetary Amount £000	Approximate Increase to Employers Liability %	Approximate Monetary Amount £000
0.5% (PPS) 0.1% (LGPS) decrease in real discount rate	2.0%	4,800	7.0%	88,000
1 year increase in member life expectancy	4.0%	10,722	2.5%	30,000
0.5% (PPS) 0.1% (LGPS) increase in the salary increase rate	0.0%	223	1.0%	10,000
0.5% (PPS) 0.1% (LGPS) increase in the pension increase rate	2.0%	4,620	7.0%	88,000

Unlawful discrimination

Police Pension Scheme

The protection provided to some members when PPS 2015 was introduced (resulting in members closest to their normal pension age remaining in their legacy scheme) was found to be age discriminatory, further to the case of McCloud / Sargeant.

The practical effects of McCloud / Sargeant are set out below.

Remedy

The Public Service Pensions and Judicial Offices Act 2022 (PSPJOA 2022) and The Police Pensions (Remediable Service) Regulations 2023 legislate for how the government will remedy the discrimination identified.

As a result, all members were moved to PPS 2015 from 1 April 2022, which ensures equal treatment from that point onwards. Eligible members have a choice of the benefits they wish to take for the “remedy period” of April 2015 to 31 March 2022. When this choice can be made depends on whether or not the member has already retired and if not, when they intend to retire.

In addition, The Public Service Pensions Valuations and Employer Cost Cap Amendment Directions 2021 ensure there are no reductions to member benefits as a result of the 2016 cost control valuations.

Impact on pension liability

Allowing for all eligible members to accrue benefits from their legacy scheme during the remedy period has led to an increase in the Police Pension Scheme liabilities.

The impact of an increase in scheme liabilities arising from McCloud / Sargeant judgement is measured through the pension valuation process, which determines employer and employee contribution rates. The 2024 Police Pension valuation is underway, although at the time of publication of these accounts the valuation report had yet to be published.

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

Employment Tribunal claims

Claimants have lodged claims for compensation for the discrimination within three groups; Aarons & Ors, Roderick & Ors and Slade & Ors. The compensation can be broken down in to two elements; injury to feelings and financial loss.

Aarons & Ors, Roderick & Ors and Slade & Ors

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 sets a helpful precedent, therefore no liability in respect of compensation claims is recognised in these accounts. Pecuniary loss claims remain stayed under Counsel advice, but it is expected that most of these claims will be settled under the current compensation mechanism 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 liabilities in respect of compensation claims is recognised in these accounts.

Valuations

Scheme liabilities will be measured through the pension valuation process, which determines employer and employee contribution rates. The last LGPS valuation took place in 2025, the police pension valuation took place in 2020 and was implemented in 2024/25.

Impact on the Chief Constable's cash flow

Employer contributions to the Local Government Pension Scheme are determined by the Fund's actuary at each triennial valuation, taking account of the employer's funding position and the Fund's funding strategy. The Fund aims to maintain stable and affordable contribution rates over time, using stabilisation mechanisms within its Funding Strategy Statement to manage volatility. Contribution rates may be adjusted at each valuation to reflect changes in funding levels, economic conditions and actuarial assumptions.

Estimated employer's contributions for 2026/27 amount to £8.6m on the LGPS and £53.7m on the Police Schemes. The weighted average duration of the defined benefit obligation for the LGPS is 19 years, 2025/26 (21 years, 2024/25) and for the Police Schemes is 16 years, 2025/26 (16 years, 2024/25).

14. Creditors

The balance of creditors is made up of the following:

	31 March 2026 £000	31 March 2025 £000
Short-term creditors:		
Accruals and receipts in advance	1,529	1,422
Balance at 31 March	1,529	1,422

15. Collaborative Arrangements

Local Collaboration

Both Norfolk and Suffolk Constabularies are collaborating extensively across a range of service areas. At the point where collaborative opportunities are identified as able to deliver efficiencies, savings or improved service then the PCC is required to give their approval to collaborate. This is recognised by Norfolk and Suffolk alike.

The PCCs consider issues of mutual interest and discharge their governance responsibilities in line with the Scheme of Governance and Consent. The agreed shared costs of fully collaborated units that arose during the year was as follows:

	Business Support £000	Specialist Operations £000	Spec' Crime & Capability £000	County Policing £000	Total £000
2025/26					
Suffolk PCC	28,522	21,331	12,242	-	62,095
Norfolk PCC	36,896	27,593	15,836	-	80,325
Total shared running costs	65,418	48,924	28,077	-	142,420

	Business Support £000	Criminal Justice £000	Protective Services £000	County Policing £000	Total £000
2024/25					
Suffolk PCC	25,300	13,883	19,981	140	59,304
Norfolk PCC	32,861	18,032	25,952	182	77,026
Total shared running costs	58,161	31,915	45,933	321	136,330

Following an organisational restructuring within certain collaborative directorates, Joint Protective Services and Joint Justice Services ceased to operate in their previous forms with effect from 1 April 2025. These functions were reconstituted as Joint Specialist Operations and Joint Specialist Crime and Capability. In addition, certain elements transitioned to single-force arrangements during the course of the financial year.

This note is presented as a voluntary supplementary disclosure. In accordance with the CIPFA Code of Practice, prior year comparative figures have not been restated.

Consequently, the amounts disclosed are not directly comparable and are provided for explanatory purposes only.

Regional Collaboration

Collaboration within the Region has been pursued for a number of years. Since April 2023, the six PCCs from the region have met annually as a group with their Chief Constables and Chief Executives. All collaborations that have been entered into have a collaboration agreement which specifies the formalities of the collaboration arrangements in relation to specific collaborations.

Since October 2015 the six police areas in the Region have been joined by Kent in the 7Force Strategic Collaboration Programme. This has been formalised in a collaboration agreement entered into between the PCCs and Chief Constables of the seven police areas. The agreement is for an indefinite duration.

The net expenditure incurred by each force in relation to ERSOU (Eastern Region Specialist Operation Unit) is as follows:

	Total 2025/26 £000	Total 2024/25 £000
Operating costs	40,020	39,214
Specific Home Office grant	(13,449)	(9,743)
Total deficit/ (surplus) for the year	26,571	29,471
Contributions from forces:		
Bedfordshire	(2,794)	(3,114)
Cambridgeshire	(3,518)	(3,902)
Essex	(3,506)	(4,347)
Hertfordshire	(5,012)	(5,565)
Kent	(4,670)	(4,754)
Norfolk	(3,986)	(4,396)
Suffolk	(3,085)	(3,394)
	-	-

7F Commercial Services

The business case to collaborate 7F Commercial Services was agreed at the Eastern Region Summit on 10 July 2018.

During 2019/20, procurement services across the Seven Forces; Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Kent, Norfolk and Suffolk have been collaborated to a single 7F Commercial Services function.

As a partnership of seven forces, this created the second largest contracting body in police procurement nationally. This provides greater economies of scale and better presence and 'buying power' for value for money contracts in the market place.

The 7F Commercial Services vision is to enable the delivery of an effective police service and provide support for victims of crime in the eastern region by procuring and managing a high quality, value for money supply chain.

The net expenditure incurred by each force is as follows:

	Total	Total
	2025/26	2024/25
	£000	£000
Operating Costs	4,236	3,881
Contributions from forces:		
Bedfordshire	668	329
Cambridgeshire	290	415
Essex	641	589
Hertfordshire	585	838
Kent	562	887
Norfolk	1,028	466
Suffolk	461	359
	4,236	3,881

National Collaboration

West Yorkshire Police is the lead force for the National Police Air Service (NPAS). Police staff engaged in provision of the service were employed by the

Commissioner and police officers were seconded to West Yorkshire Police. Expenditure relating to NPAS incurred by forces will be charged to West Yorkshire and they will charge forces for the service. The Home Office provides a capital grant to cover the capital investment required.

The service is governed by a section 22A collaboration agreement and is under the control of a Strategic Board made up of Commissioners and Chief Constables from each region. The Board determines the budget and the charging policy and monitors performance.

During the year £229k was payable to West Yorkshire PCC in respect of the NPAS service provided.

16. Contingent Liabilities

MMI Ltd

The insurance company Municipal Mutual Insurance Limited (MMI) ceased trading in 1992 and ceased to write new or renew policies. Potentially claims can still be received as the company continues to settle outstanding liabilities. A scheme of arrangement is in place; however, this arrangement will not meet the full liability of all claims and a current levy of 25% will be chargeable in respect of successful claims on MMI's customers. There is currently one open claim against Norfolk Constabulary. At this point in time, it is not possible to calculate the full amount payable on MMI claims.

Forensic Service Uncertainty

The validity of evidence provided by forensic testing companies to the police service is currently under investigation. It is reasonable to anticipate that some people may have been convicted of offences based on flawed data and that conviction will have had a significant impact on their personal circumstances. As a result, litigation is anticipated. At this point in time, it is not possible to assess the number of claims or the financial exposure arising from them.

Civil Claims

When civil claims are made against the Constabulary, where possible an assessment of potential liability is made, and an associated insurance provision is raised in the financial ledgers. Provisions are regularly reviewed and where necessary the provision updated. No provision is made until a claim has been received or if it is probable that a claim will be received and is measurable. There is therefore a general underlying contingent liability where incidents have taken place but where claims have yet to be received. In these circumstances it isn't possible to assess an estimate of economic outflow associated with claims yet to be received or any liability arising from statutory fines associated with these incidents.

Validity of Historic Amendments to Defined Benefit Pension Schemes

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments to contracted-out defined benefit pension schemes were invalid where the required actuarial confirmation had not been obtained at the time the amendment was made. The Court of Appeal upheld this judgment in July 2024.

In response to the uncertainty arising from this ruling, the UK Government has enacted the Pension Schemes Act 2026. This legislation establishes a statutory mechanism enabling pension schemes to retrospectively validate affected amendments through actuarial confirmation, where certain conditions are met.

The Local Government Pension Scheme (LGPS) is a contracted-out defined benefit scheme, and amendments made between 1997 and 2016 may fall within the scope of the Virgin Media judgment. National guidance indicates that the legislative remedy is expected to mitigate the risk that such amendments would result in material additional liabilities.

Work is ongoing at a national level, and within the LGPS, to assess the extent to which historical amendments are affected and to determine the appropriate application of the legislative remedy. The administering authority for the Pension Fund, supported by its actuary, is considering the implications for the Fund and any potential impact on employer liabilities. At the date of these financial statements, this assessment has not been completed.

Accordingly, it is not currently possible to determine whether there will be any impact on the liabilities of the Scheme, or to reliably estimate any such impact. On this basis, no provision has been recognised in these financial statements. The Chief Constable/PCC will continue to monitor developments and consider the outcome of the ongoing review in future reporting periods.

Devolution of PCC Functions

Following an initial announcement in February 2025, The UK Government undertook a consultation on establishing a Mayoral Strategic Authority (MSA) across Norfolk and Suffolk, with a single directly elected Mayor. As part of the proposed devolution deal, the statutory functions of the Police and Crime Commissioners (PCCs) for both counties would be transferred to the new Mayor.

The current timeline for implementation of the mayoral model is for there to be elections for the post in May 2028. The exact manner in which the statutory duties pertaining to policing will be discharged through the English Devolution and Community Empowerment Bill that reached Royal Assent in April 2026. This governance change is anticipated to affect financial responsibilities, though the full details of the transfer mechanisms have yet to be outlined.

Identified areas of potential contingent liability include:

- Legal proceedings - ongoing legal claims may result in liabilities, depending on outcomes and future allocation of responsibility.
- Pension obligations - pension arrangements for Norfolk and Suffolk are administered separately. Each Constabulary remains responsible for its own LGPS and PPS liabilities, though clarity is needed on accounting treatment post-transition.
- Employment liabilities - staff transfers under TUPE-like arrangements may lead to claims or disputes where liability is not yet defined.
- Shared Services - joint units and collaborative agreements between Norfolk and Suffolk Police may require review to determine future liability sharing.

As these matters cannot yet be reliably quantified, they are disclosed as contingent liabilities under IAS 37 (as adapted by the CIPFA Code). The OPCCN continues to monitor developments in consultation with legal and financial advisors. Updates will be reflected in future accounts as more detail becomes available.

17. Going Concern

The Police Reform and Social Responsibility Act 2011 sets out in statute the creation of the Police and Crime Commissioners and the financial responsibility they have. The concept of a going concern assumes that the functions of the PCC and the Constabulary will continue in operational existence for the foreseeable future. The provisions in the Code in respect of going concern reporting requirements reflect the economic and statutory environment in which police forces operate. These provisions confirm that, as the Office of the Police and Crime Commissioner and the Constabulary cannot be created or dissolved without statutory prescription, they must prepare their financial statements on a going concern basis of accounting.

PCCs and Chief Constables 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 force were in financial difficulty, the prospect is that alternative arrangements would 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. Accounts drawn up under the Code therefore assume that a police force will continue to operate for the foreseeable future.

Through the action taken to control spending in-year in order to mitigate significant cost pressures, the Group recorded an outturn underspend of £2.609m (1.17% of Net Revenue Budget).

During 2025/26, the PCC has increased the General Reserve by £0.280m to £5.540m, at 31 March 2026 the PCC has an Invest to Save Reserve of £0.768m that in extremis would be used to manage the financial risks of major incidents.

A high-level scenario planning exercise was completed and compared against 25/26 MTFP assumptions. The budget gap for 2026/27 of £1.707m was calculated using assumptions on government funding, precept decisions, tax base growth and collection fund deficits. The guidelines to Heads of Department in regard of the Strategic & Financial Planning process (using Outcome Based Budgeting

principles) took this into account and through this process the Constabulary delivered the required savings in order to reach a balanced budget for 2026/27.

Based on the approved medium Term Financial Plan, general fund balances including earmarked reserves at 31 March 2027 are planned to be £18.463m. This remains well above our minimum level of general fund balance as set by the PCC CFO of £5.940m.

Taking into account the availability of useable reserves, the capacity to finance the current gap between external borrowing and the capital financing requirement and the ability to borrow on a short-term basis to prudently fund any temporary shortfall of cash; the PCC is able to demonstrate that he has sufficient liquid resources until 12 months from the date of authorisation of the financial statements to meet all liabilities as they fall due.

Therefore, following our review of future finances, it has been concluded that there is no material uncertainty relating to going concern.

Police Pension Fund Accounting Statements

2024/25		2025/26	
£000	£000	£000	£000
Contributions receivable			
Employer			
	27,673	Normal	29,152
	530	Early retirements	232
	205	McCloud Remedy	39
28,408			29,423
Members			
	10,552	Normal	11,103
10,552			11,103
Transfers in			
	56	Individual transfers in from other schemes	176
56			176
Benefits payable			
(50,510)		Pensions	(52,507)
(8,584)		Commutations and lump sum retirement benefits	(11,043)
-		Lump sum death benefits	(71)
(47)		Other	(54)
(59,141)			(63,675)
Payments to and on account of leavers			
(119)		Refunds on contributions	(72)
(124)		Individual transfers out to other schemes	(48)
(244)			(120)
(20,369)		Net amount payable for the year before contribution from the Police General Fund	(23,093)
20,369		Contribution from the Police General Fund	23,093
-		Net balance receivable for the year	-

No assets are held by the pension fund and no amounts were owed to or from it as at 31 March 2026 (31 March 2025 £nil)

The actuarial valuation has set a notional employer contribution rate for the police pension schemes from 1 April 2024 at 35.3% of pensionable pay. Under the police pensions financing arrangements, a pensions top-up grant is received from the Home Office to meet the net cost of pension payments. The grant is calculated by deducting employee contributions and employer contributions assessed at this notional valuation rate from total pension expenditure. While police bodies fund employer contributions at a lower effective level in practice (historically around 21.3% of pensionable pay through core funding), the higher notional rate is applied in the grant calculation. As a result, the difference between the assumed employer contribution rate and the level effectively funded gives rise to a residual cost pressure of £11.6m in 2025/26 (2024/25 - £11.0m), which is met from the Police General Fund. The Home Office has provided additional specific grant of £5.1m funding to support the increase in employer contribution rates following the latest actuarial valuation; however, this does not fully offset the impact of the higher notional rate used in the grant calculation, giving rise to a short fall of £6.5m.

Glossary of terms

For the purposes of the statement of accounts the following definitions have been adopted:

Accruals basis

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

Actual return on plan assets

The difference between the fair value of plan assets at the end of the period and the fair value at the beginning of the period, adjusted for contributions and payments of benefits.

Actuarial gains and losses

For a defined benefit pension scheme, the changes in actuarial deficits or surpluses that arise because:

- a) Events have not coincided with the actuarial assumptions made for the last valuations (experience gains and losses) or
- b) The actuarial assumptions have changed

CIPFA

The Chartered Institute of Public Finance and Accountancy.

Contingent liability

A contingent liability is either:

- a) A possible obligation arising from past events; it may be confirmed only if particular events happen in the future that are not wholly within the local authority's control; or
- b) A present obligation arising from past events, where economic transactions are unlikely to be involved or the amount of the obligation cannot be measured with sufficient reliability.

Current Service Costs

The increase in pension liabilities as a result of years of service earned this year.

Defined benefit scheme

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

Government grants

Part of the cost of service is paid for by central government from its own tax income. Specific grants are paid by the Home Office to the Group towards both revenue and capital expenditure.

Group

The term Group refers to the Police and Crime Commissioner (PCC) for Norfolk and the Chief Constable (CC) for Norfolk.

Outturn

The actual amount spent in the financial year.

Past Service Costs

The increase in pension liabilities as a result of a scheme amendment or curtailment whose effect relates to year of service earned in earlier years.

Projected Unit Credit Method

An accrued benefits valuation method in which the scheme liabilities make allowance for projected earnings.

An accrued benefits valuation method is a valuation method in which the scheme liabilities at the valuation date relate to:

- a) The benefits for pensioners and deferred pensioners (i.e. individuals who have ceased to be active members but are entitled to benefits payable at a later date) and their dependants, allowing where appropriate for future increases, and
- b) The accrued benefits for members in service on the valuation date.

The accrued benefits are the benefits for service up to a given point in time, whether vested rights or not. Guidance on the projected unit credit method is given in the Guidance Note GN26 issued by the Faculty and Institute of Actuaries.

Precept

The proportion of the budget raised from council tax.

Provision

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.

PWLB

The Public Works Loan Board (PWLB) is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. PWLB's function is to lend money from the National Loans Fund to local authorities and other prescribed bodies and to collect the repayments.

Related parties

Two or more parties are related parties when at any time during the financial period:

- a) One party has direct or indirect control of the other party; or
- b) The parties are subject to common control from the same source; or
- c) One party has influence over the financial and operational policies of the other party so that the other party might not always feel free to pursue its own separate interests; or
- d) The parties, in entering a transaction, are subject to influence from the same source to such an extent that one of the parties to the transaction has subordinated its own separate interests.

Retirement Benefits

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

Scheme Liabilities

The liabilities of a defined benefit scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit credit method reflect the

benefits that the employer is committed to provide for service up to the valuation date.

Settlement

An irrevocable action that relieves the employer (or the defined benefit scheme) of the primary responsibility for a pension obligation and eliminates significant risks relating to the obligation and the assets used to affect the settlement. Settlements include:

- a) a lump-sum cash payment to scheme members in exchange for their rights to receive specified pension benefits;
- b) the purchase of an irrevocable annuity contract sufficient to cover vested benefits; and
- c) the transfer of scheme assets and liabilities relating to a group of employees leaving the scheme.

Vested Rights

In relation to a defined benefit scheme, these are:

- a) for active members, benefits which they would unconditionally be entitled to on leaving the scheme;
- b) for deferred pensioners, their preserved benefits;
- c) for pensioners, pensions to which they are entitled.

Vested rights include where appropriate the related benefits for spouses or other dependants.