



**Chief Constable for Lincolnshire**

**Financial Statements**

**2022/23**

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**Chief Constable for Lincolnshire**  
**Statements of Accounts 2022/23**

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# **Introduction to the Financial Statements**

Chief Constable Chris Haward

Content TBD.

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# Annual Governance Statement 2022/23

Content to be agreed.

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## Chief Finance Officer's Narrative Report

The Narrative Report to the financial statements provides a guide to the most significant matters reported in the accounts and includes key performance information, a comparison of outturn figures to the budget and highlights significant areas of expenditure and major changes.

### Introduction

I am pleased to present the Statement of Accounts for the Chief Constable of Lincolnshire for the financial year 2022/23. This Statement of Accounts sets out the overall financial position of the Chief Constable for Lincolnshire for the year ended 31 March 2023.

The Chief Constable of Lincolnshire is responsible for providing operational policing services to a population in excess of 770,000 dispersed across a large geographical area of 590,000 hectares.

The Police and Crime Commissioner (PCC) for Lincolnshire determines the level of funding allocated to the Chief Constable for the provision of policing services within Lincolnshire.

The police grant for 2022/23 in Lincolnshire increased by £3.7m (5.6%) compared with 2021/22. Pension top-up grant of £1.2m was provided by government to meet the increased costs of employer pension contributions in respect of the police officer pension scheme. In addition, there was potential for Lincolnshire to claim up to a further £1.1m of specific grant funding in respect of the national Police Uplift Programme (PUP) dependent upon delivering the recruitment target for 2022/23 and expenditure being in accordance with grant conditions.

The PCC increased the council tax precept by the maximum amount allowed by government without triggering a local referendum. The precept referendum limit allowed an increase of up to an additional £9.99 per annum for a Band D property (or appropriate proportion for other property bands). This increase in the precept provided an additional £4m in council tax receipts when compared with 2021/22.

The grant settlement was subject to consultation and the Police & Crime Commissioner wrote to the Home Secretary and Minister of State for Policing and Fire Services expressing his views. The Final Police Grant Report 2022/23 was confirmed by the government on 2 February 2022 and subsequently debated by Parliament on 9 February 2022. During the debate, the Policing Minister confirmed that work on the funding formula was underway, a technical oversight group had been appointed and he expected that consultation would be undertaken during summer 2022.

The global economy is set to grow at the slowest pace for over thirty years over the next five years according to the Internal Monetary Fund. The causes of the Covid-19 pandemic, war in Ukraine and the soaring cost of living continue to reverberate across the world. The UK economy is predicted to shrink in 2023 due to high energy prices and interest rates further contributing to the major challenges effecting the government spending plans. The need for clear and robust plans and adequate levels of reserves are now more important than ever.

### Governance

The Chief Constable is responsible for operational policing within Lincolnshire, with the PCC being responsible for the totality of policing.

The Chief Constable holds joint responsibility with the PCC for ensuring that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. To



discharge this accountability, the PCC and Chief Constable must put in place procedures for the governance and stewardship of the resources at their disposal.

The annual review of Governance and Internal Control is included within the arrangements for producing the Annual Governance Statement, which forms part of these Financial Statements.

## **Organisation**

The PCC receives all funding and income and makes all payments for the PCC Group. Under a detailed Scheme of Delegation an annual budget is provided, following consultation with the Chief Constable, for fulfilling the requirements for policing Lincolnshire in accordance with the Police and Crime Plan. The Chief Constable spends his delegated budget to provide the operational policing services in Lincolnshire.

All Police Officers, and the majority of police staff (other than a small number relating to the PCC's Office, Victim Lincs staff, and regional support arrangements) are in the Chief Constable's employment.

These Financial Statements reflect the cost of providing operational policing, with the PCC's accounts showing a commensurate transfer of resources to the Chief Constable. A separate set of accounts has been published for the PCC and the PCC Group, which consolidates the Chief Constable's accounts and also recognises all of the transactions incurred during 2022/23 for policing in Lincolnshire.

The PCC took the decision in October 2020 not to take up an option to extend the G4S Strategic contract for a further five years. The contract, which was worth in the region of £23m per year was to provide a wide range of operational and support functions to the Chief Constable. The contract concluded at the end of financial year 2021/22 and following examination of the options the vast majority of the services (with the exception of custody/cleaning) transferred back to the Force for the start of the 2022/23 financial year.

Lincolnshire Police is one of five regional forces in the East Midlands and works closely with the other four across various collaborations to provide an efficient service. More detail and how the regional accounts are accounted for in these Financial Statements is provided in Note 16.

## **Performance**

The effect of the pandemic on damping down most crimes now seems to have come to end and it is important to remember the context for the crime figures for 2022/23.

Not only are we seeing a return to normal life post lockdown – and with it the re-emergence of certain crime types – but the numbers are also being compared with unusually low crime statistics creating unusual spikes. In the 12 months to March 2023 overall crime rose to total of 58,904 – a rise of 7%. Due to a spike in certain violent offences the crime harm index (a measurement of crime rates in which crimes are weighted based on how much “harm” they cause) rose by 12.3% within the year.

Some of the increases are also, in part, due to a focus on improving crime recording-

- The number of burglaries grew with the number of overall burglaries at 3,376 (a rise of 7.2%).
- Theft cases overall (excluding vehicles) were up by 19.7%, with a total number of 11,260. Thefts from person grew to 170 (up by 14.1%) whilst shoplifting grew by 29%, with a total of 5,355.

- Vehicle crime overall grew by 8.5% to 2,586 incidents in year. This included theft of vehicles risen by 9.3% and theft from vehicles increased by 17.3%.
- Arson and criminal damage incident stayed very much static with previous year with 6,642 incidents recorded.
- There were 6 homicides in the county – a reduction of 50% from the previous year. Violence against the person increased by 4.9% to 23,267. Of these cases violence without injury constituted the majority these cases at 9,110 (4% up). Stalking and harassment cases totalled 7,676 – a slight increase of 1.1%. Robbery increased by 12.1% to 388.
- Sexual offences overall increased to 2,521 (a rise of 3.5%) with rape cases reducing very slightly to 925 (a decrease of 0.8%).

Over the 12-month period the force has, on average per month issued the following tickets-speed 138, seatbelts 43, mobile phone 57, dangerous driving 47 and drink/drug driving 122. All the driving enforcement activity areas have seen an increase in volumes over the previous year.

Across the year there were 676 mental health detainees dealt with by the force – and dealing with mental health incidents continues to put significant strain on resources.

During the year the force received 135,671 calls for service – a slight reduction of 2.7% on the previous 12 months. More than 89% of Emergency calls were answered within 10 seconds.

There has been another encouraging increase in the number of crimes reported online with the 10,766 representing an increase of 83.9%.

The Force Urban Response time target for urgent calls is under 15 minutes and over the last 12 months 60.3% of urgent incidents have been attended within this time. The Force Rural Response time target is under 20 minutes and in the last 12 months 65.9% of urgent incidents have been attended within this time.

Lincolnshire Police received 1,013 complaints in the 12 months to March – a slight reduction of 3.2% on the previous year.

Further information about Force performance together with a detailed local breakdown is available through the Chief Constable's website at [www.lincs.police.uk](http://www.lincs.police.uk) and the crime mapper website [Police.uk](http://Police.uk)

## Gender Pay Gap

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 came into effect on 31 March 2017, which requires public sector authorities with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees. Lincolnshire Police employs around 1,500 people and is therefore subject to this duty.

It is important to understand that pay for both police officers and staff is determined nationally and to recognise that gender pay reporting is not the same as equal pay. Equal pay is ensuring equal pay for equal work; however, gender pay reporting compares hourly rates of pay and any bonuses staff may receive by gender, seeking to expose any imbalance.

Based on the results, steps will be taken, where possible, to minimise or readdress any identified inequities going forward.

### Our Pay Gap Information

These figures are calculated using the standard methodologies laid out in current legislation:

Published mean and median information				
	Male	Female	Gap	Percentage
Mean hourly rate	£18.85	£17.18	£1.67	8.87%
Median hourly rate	£19.77	£16.43	£3.34	16.89%
Total employees - salary quartile bands				
	Lower	Lower-middle	Upper-middle	Upper
Male proportion	47.37%	51.50%	69.00%	68.67%
Female proportion	52.63%	48.50%	31.00%	31.33%
Published bonus information*				
	Male	Female	Gap	Percentage
Mean bonus	£356.28	£932.77	£576.49	-161.81%
Median bonus	£150.00	£375.00	£225.00	-150.00%
Proportion receiving a bonus	4.55%	3.37%	1.18%	N/A

\*Bonuses are usually paid for 'unpleasant tasks', or for additional work or responsibilities. Chief Officers do not receive bonuses.

### Summary

Lincolnshire Police remain committed to ensuring fairness, inclusivity and the equal treatment of all employees regardless of protected characteristics, and therefore we are disappointed to have a gender pay gap which is 1.99% higher than the 2022 national average of 14.9% ([Office of National Statistics](#)).

The Chief Officer team remain determined to tackle the under-representation of women through all grades and ranks and provide every opportunity for women to progress. Throughout this period the organisation has employed 101 females, 56 of those as new constables, and promoted 7 through the ranks. This has resulted in a slight increase in the percentage of our female workforce. The Force remains committed to ensuring fairness and inclusivity within Lincolnshire Police and acknowledge the many benefits this brings to our organisation.

## Financial Performance

A summarised statement of the actual net expenditure compared to the approved original budget for the year is set out below:

	2021/22	2022/23
<b>Chief Constable for Lincolnshire</b>	<b>£m</b>	<b>£m</b>
Original Delegated Budget	102.0	110.2
Revised Budget (2022/23)		135.0
Outturn	103.6	133.2
(Underspend)/Overspend	<b>1.6</b>	<b>(1.8)</b>

The original budget was revised in April 2022 to reflect the end of the Strategic Partnership with G4S and the subsequent TUPE transfer of staff to the Chief Constable.

The Chief Constable actual expenditure in 2022/23 was £1.8m underspent against the revised budget. There were a number of significant variances across the whole budget, both favourable and adverse which included the following:

- Police Officer Salaries underspend of £0.78m partly caused by the in-year reversing of the Employers National Insurance 1.25% increase.
- Additional income of £0.5m arising on mutual aid due to recharging for police officers provided at significant events, along with police led prosecution income exceeding target by £0.5m.
- Transitional budget allocation £1m – to address terms and conditions transitional payments. The expenditure incurred was absorbed within the police staff budget resulting in an underspend.

## Capital Expenditure

Capital expenditure is undertaken by the PCC as the Chief Constable does not hold any assets. Information relating to assets held and capital expenditure incurred during the year, together with the historical debt position, is included within the PCC accounts. The Chief Constable uses the assets held by the PCC for operational policing.

In order to provide the assets (buildings, vehicles and equipment) required for operational use by the Chief Constable, the PCC spent £5.6m in 2022/23 which included:

- £1.6m Command and Control system,
- £1.1m Window Replacement,
- £1.2m ICT projects (Digital Forensic Server, WIFI/Network upgrade)
- £1.1m Vehicles

The PCC has approved a capital programme of £10.8m for 2023/24, and includes:

- £6m investment for ICT transformation;
- £1.5m investment in the Force estate improvements and maintenance;
- £1.0m replacement programme for vehicles.

## Reserves

All reserves are held by the PCC; a number of these reserves are held to manage operational risks within the Chief Constable's budget.

Earmarked reserves as at 31 March 2023 total £28.153m (including regional reserves) and are held for specific expenditure or contingencies. Movements in Earmarked Reserves are detailed in Note 7.

As at 31 March 2023 the PCC held a General Reserve of £5.9m, there are no plans to use this to balance the 2023/24 budget, however it may become necessary to do so beyond 2023/24. It is likely that, for 2024/25, there will be a requirement to revert to a reserves policy based upon the minimum of the risk assessed target range to enable drawdown of risk-based reserves to support the MTFP.

An assessment in February 2023 indicated the range of required risk-based reserves at £6.0m - £12.4m, the mid-point of which is £9.2m. This is set against forecast risk-based reserves as at 31 March 2023 of £9.3m: General Reserve £5.9m, Major Incident Reserve £1.9m, Victim's Major Incident Reserve £0.3m, Insurance Reserve £1m, National Police Air Support £0.2m and Complaints Handling Reserve £0.02m.

In the context of general financial risk and continuing uncertainty post pandemic, the need for sound financial control is further emphasised. The role of the Director of Finance & Corporate Services (S151) in supporting the Chief Constable and his team is key to delivering this.

## Principal Risks

The principal risks facing the Chief Constable are detailed in the Annual Governance Statement included within these Financial Statements.

## Outlook for 2023/24 and beyond

There is a balanced budget for 2023/24 this includes the following funding:

- Increased police grant for Lincolnshire of £0.2m (0.3% increase)
- An allocation of pension top-up grant of £1.2m
- A precept increase of £4.3m (5.41%) based on an increase of an additional £14.94 per annum for a Band D property in line with the precept referendum limit imposed by government.
- The budget includes the use of £6.3m of specific earmarked reserves to balance the budget

The main principles on the setting of the budget are as below:

- The Chief Constable's baseline budget is based on strength of 1,186 police officers which is the pre uplift target establishment of 1,020 FTE plus all three tranches of the national uplift programme. The grant settlement included £2.3m contingent on maintaining the uplift target with headcount being assessed at 30th September 2023 and 31st March 2024 meaning that this income would be at risk should the force fail to maintain the Police Uplift Programme (PUP) officer numbers

- The current establishment of PCSOs is 85 FTE. This is under review as part of the PBB exercise and the need to deliver substantial savings. The final outcome of this review will not be known for some months into 2023/24.
- The Police Staff budget has been based on the aggregated G4S and force staffing numbers established in 2022/23, with adjustments for the voluntary transfer to Lincolnshire Police terms & conditions to be implemented on 1st April 2023. The budget has been fully costed with a vacancy factor of 5% included to allow for staff turnover.
- A provision for pay awards arising in 2023/24 has been included at 2.0%.

The Medium-Term Financial Plan includes provisional service budgets proposed for 2024/25 to 2026/27. The government has yet to set grant allocations for these years. Estimates have been based on prudent assumptions. There remains the risk that the grant income will be lower than assumed.

There is clarity on the government's future intentions in relation to the limitation of the council tax increase for 2024/25 only; the assumption contained with the MTFP for the following years is that the precept increases will revert back to the 2% cap without the need for a referendum.

On current assumptions, the budget is balanced for the first two years of the MTFP with use of specific earmarked reserves and a plan for savings included; however budget gaps in excess of £10m emerge beyond 2024/25, once reserves have been depleted such that no further non-recurrent support can be provided. These gaps are based on maintaining the police officer numbers at the PUP target of 1,186; without additional funding, this cannot be maintained. Significant reductions in service levels will be required to bridge a budget gap of this magnitude, including reductions in police officer numbers.

The delivery of savings of a further c. £10m in 2025/26, in addition to savings already planned of £3m for that year, will require measures to be implemented during 2024/25 to ensure that the full year effect is delivered during 2025/26. A detailed delivery plan will be required for incorporation into the budget for 2024/25.

Improving productivity and achieving a fairer share of government funding for Lincolnshire remain key to maintaining safe levels of policing into the medium term.

Continuing sound financial control will also be key to maintaining financial balance into the medium term as reserves to support the revenue budget will be depleted.

### **Going Concern**

The concept of a going concern assumes that the functions of the Police and Crime Commissioner and the Force will continue in operational existence for the foreseeable future. The provisions in the Code (code of practice on local authority accounting in the United Kingdom 2022/23) in respect of going concern reporting requirements reflect the economic and statutory environment in which police forces operate. These provisions confirm that, as police forces cannot be created or dissolved without statutory prescription, they must prepare their financial statements on a going concern basis of accounting.

Police and Crime Commissioners 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 prospects are thus that alternative arrangements might be made by central government either for the continuation of the functions it provides or for assistance with the recovery of a deficit over more than one financial year. As a result of this, it would not therefore be appropriate for the financial statements to be provided on anything other than a going concern basis. Accounts drawn up under the Code therefore assume that a police force

will continue to operate for the foreseeable future.

The pandemic has not yet had the negative impact on council tax receipts which was expected at the start of 2021/22. There was an increase of 2.05% in the tax base for 2022/23. There was also an aggregate new surplus on the council tax collection funds; the PCC Group share of the net surplus is estimated to be £0.615m.

It has been assumed that the tax base will increase by 0.5% per annum across the Medium-Term Financial Plan (MTFP). This is considered to be prudent level of increase given the anticipated longer-term impact of the COVID-19 pandemic, rising interest rates and inflationary pressures.

## **Explanation of Financial Statements**

These Financial Statements have been compiled in accordance with the Accounts and Audit Regulations 2015 and the Code of Practice on Local Authority Accounting 2022/23.

The format and content of the financial statements is prescribed by the CIPFA Code of Practice on Local Authority Accountancy in the United Kingdom 2022/23, which in turn is underpinned by International Financial Reporting Standards.

These Financial Statements for the Chief Constable set out the income and expenditure for the year and its financial position at 31 March 2023. It comprises core and supplementary statements, together with disclosure notes.

A glossary of terms can be found at the end of this publication.

All assets, liabilities and reserves continue to be held in the main by the PCC. However, those specifically relating to accounting entries within the Chief Constable entity are included in these Financial Statements. Pension liabilities have been split between the PCC and Chief Constable accounts.

## **Core Statements**

- **Comprehensive Income and Expenditure Statement** – this 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.
- **Movement in Reserves Statement** – this shows the movement on the usable and unusable reserves from the start of the financial year to the end of the year. As the Chief Constable does not hold any usable reserves, no movements are shown in respect of usable reserves. Movements are shown in unusable reserves which relate to pension accounting.
- **Balance Sheet** – this represents the financial position as at the balance sheet date of the assets and liabilities recognised. The net assets are matched by the reserves held. The only reserve balance is the pension reserve.
- **Cash Flow Statement** – this summarises the movement in cash and cash equivalents arising from transactions during the year. As the Chief Constable does not manage these transactions, the statement shows no movement in overall funds. However, a statement has been prepared in accordance with accounting requirements which shows the movement in the deficit and how this relates to non-cash movements within the PCC Group.

## Supplementary Statements

- Annual Governance Statement – the Chief Constable publishes an Annual Governance Statement in accordance with the Delivering Good Governance guidance in order to meet the statutory requirements set out in the Accounts and Audit Regulations 2015.
- Statement of Responsibilities – this explains the responsibilities for the financial affairs and how these responsibilities are carried out.
- Notes to the Accounts – the notes show details supporting each of the main accounting statements, together with additional information to explain the financial transactions. Note 1 contains the Accounting Policies. The purpose of these policies is to explain the basis for the recognition, measurement and disclosure of transactions and other events in the accounts.
- Police Officer Pensions, Home Office Memorandum Account – this summarises the transactions relating to retirement benefits paid to police officers and how these costs are financed.
- Expenditure and Funding Analysis – this shows how annual expenditure is used and funded from resources. Income and expenditure accounted for under generally accepted accounting principles is presented more fully in the Comprehensive Income and Expenditure Statement.

## Relationship between accounting statements

The different accounting statements are linked in several important ways. The relationship between the Comprehensive Income and Expenditure Statement and the movement in the total reserves is shown in the Movement in Reserves Statement.

The Cash Flow statement reconciles to the balance on the Comprehensive Income and Expenditure Statement for the year and the movement in the Balance Sheet cash and cash equivalents.

The Expenditure and Funding Analysis shows how the expenditure is allocated for decision making purposes between the directorates within the Force.

## Conclusion

Signed by Sharon Clark

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Sharon Clark FCA BA  
Director of Finance & Corporate Services (S151) for Chief Constable







**Independent Auditor's Report to the Chief Constable for  
Lincolnshire**

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## Expenditure and Funding Analysis 2022/23

This is a note to the Core Statements.

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources. It shows how the expenditure is allocated for decision making purposes between the PCC, CC and Joint Services. Income and expenditure accounted for under generally accepted accounting principles is presented more fully in the Comprehensive Income and Expenditure Statement.

2021/22			Note	2022/23		
Expenditure Chargeable to the General Fund £000	Adjustments between Funding and Accounting basis £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000		Expenditure Chargeable to the General Fund £000	Adjustments between Funding and Accounting basis £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000
124,463	(1,982)	122,481		156,008	(4,834)	151,174
670	-	670		1,823	-	1,823
<b>125,133</b>	<b>(1,982)</b>	<b>123,151</b>		<b>157,831</b>	<b>(4,834)</b>	<b>152,997</b>
968	-	968	7	1,267	-	1,267
-	34,361	34,361	8	-	43,424	43,424
(126,101)	-	(126,101)		(159,098)	-	(159,098)
-	<b>32,379</b>	<b>32,379</b>	4	-	<b>38,590</b>	<b>38,590</b>
-	-	-		-	-	-
-	-	-		-	-	-
-	-	-		-	-	-
-	-	-		-	-	-
-	-	-		-	-	-
-	-	-		-	-	-

## Comprehensive Income and Expenditure Statement 2022/23

The Income and Expenditure statement shows the accounting cost in the year of providing services in accordance with International Financial Reporting Standards.

2021/22				2022/23		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000	Note	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
131,202	(8,721)	122,481		163,494	(12,320)	151,174
675	(5)	670		1,841	(18)	1,823
<b>131,877</b>	<b>(8,726)</b>	<b>123,151</b>		<b>165,335</b>	<b>(12,338)</b>	<b>152,997</b>
1,626	(658)	968	7	2,058	(791)	1,267
34,361	-	34,361	8	43,424	-	43,424
-	(126,101)	(126,101)	10	-	(159,098)	(159,098)
<b>167,864</b>	<b>(135,485)</b>	<b>32,379</b>		<b>210,817</b>	<b>(172,227)</b>	<b>38,590</b>
-	(136,904)	(136,904)	14	-	(568,182)	(568,182)
-	<b>(136,904)</b>	<b>(136,904)</b>		-	<b>(568,182)</b>	<b>(568,182)</b>
<b>167,864</b>	<b>(272,389)</b>	<b>(104,525)</b>		<b>210,817</b>	<b>(740,409)</b>	<b>(529,592)</b>

The Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 requires that the Comprehensive Income and Expenditure Statement reflects the internal management reporting and decision making arrangements of the organisation.

The end of the strategic partnership contract managed by the PCC in March 2022 has resulted in a cost movement in the current year from PCC to Chief Constable.

The year to year variance on actuarial (gains) or losses on the pensions assets and liabilities relates largely to losses arising on changes in financial assumptions due to market conditions.

## Movement in Reserves Statement 2022/23

The Movement in Reserves Statement shows the movement in the year on the unusable 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, further details are shown in the Comprehensive Income and Expenditure Statement.

	Capital Receipts Reserve £000	Earmarked Reserves £000	General Fund Balance £000	Total Usable Reserves £000	Unusable Reserves £000	Total Chief Constable Reserves £000
<b>Balance at 31 March 2021</b>	-	-	-	-	(1,719,654)	(1,719,654)
<b>Movement in Reserves during 2021/22</b>						
Surplus or (Deficit) on the provision of services	-	-	(32,379)	(32,379)	-	(32,379)
Other Comprehensive Income and Expenditure	-	-	-	-	136,904	136,904
<b>Total Comprehensive Income and Expenditure</b>	-	-	(32,379)	(32,379)	136,904	104,525
Adjustments between accounting basis and funding basis under regulations (Note 6)	-	-	32,379	32,379	(32,379)	-
<b>Net Increase/(Decrease) before Transfers to Earmarked Reserves</b>	-	-	-	-	104,525	104,525
Transfers to/from Earmarked Reserves	-	-	-	-	-	-
<b>Increase/(Decrease) in 2021/22</b>	-	-	-	-	104,525	104,525
<b>Balance at 31 March 2022 carried forward</b>	-	-	-	-	(1,615,128)	(1,615,128)
<b>Movement in Reserves during 2022/23</b>						
Surplus or (Deficit) on the provision of services	-	-	(38,590)	(38,590)	-	(38,590)
Other Comprehensive Income and Expenditure	-	-	-	-	568,182	568,182
<b>Total Comprehensive Income and Expenditure</b>	-	-	(38,590)	(38,590)	568,182	529,592
Adjustments between accounting basis and funding basis under regulations (Note 6)	-	-	38,590	38,590	(38,590)	-
<b>Net Increase/(Decrease) before Transfers to Earmarked Reserves</b>	-	-	-	-	529,592	529,592
Transfers to/from Earmarked Reserves	-	-	-	-	-	-
<b>Increase/(Decrease) in 2022/23</b>	-	-	-	-	529,592	529,592
<b>Balance at 31 March 2023 carried forward</b>	-	-	-	-	(1,085,535)	(1,085,535)

## Balance Sheet as at 31 March 2023

The Balance Sheet provides the value of assets and liabilities recognised by the Force for the Chief Constable. The net assets are matched by the reserves held. The only reserve balance for the Chief Constable is the pension reserve.

2021/22 £000	Note		2022/23 £000
-		Property, Plant and Equipment	-
-		Investment Property	-
-		Intangible Assets	-
-		Assets Held for Sale	-
-		<b>Long-Term Assets</b>	-
-		Short-Term Investments	-
-		Inventories	-
3,051	11	Short-Term Debtors	2,503
-		Cash and Cash Equivalents	-
-		Short-Term Investments	-
<b>3,051</b>		<b>Current Assets</b>	<b>2,503</b>
-		Short-Term Borrowing	-
(3,051)	12	Short-Term Creditors	(2,503)
-		Other Short Term Liabilities	-
(15)	13	Short-Term Provisions	(16)
-		Capital Grants Receipts in Advance (< 1 yr)	-
<b>(3,066)</b>		<b>Current Liabilities</b>	<b>(2,519)</b>
-		Long-Term Borrowing	-
(1,615,040)	23	Pension Liabilities	(1,085,458)
-		Other Long-Term Liabilities	-
(74)	13	Long-Term Provisions	(62)
<b>(1,615,114)</b>		<b>Long-Term Liabilities</b>	<b>(1,085,520)</b>
<b>(1,615,129)</b>		<b>Net Assets</b>	<b>(1,085,536)</b>
-		Usable Reserves	-
(1,615,129)	14	Unusable Reserves	(1,085,536)
<b>(1,615,129)</b>		<b>Total Reserves</b>	<b>(1,085,536)</b>

The Police and Crime Commissioner's Scheme of Delegation limits the entries required in the Chief Constables Balance sheet. All entries relating to the Police and Crime Commissioner and Chief Constable Group are shown in the Police and Crime Commissioner's Financial Statements.

These unaudited accounts were signed on 30 May 2023.

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Sharon Clark FCA BA

Director of Finance & Corporate Services (S151) for Chief Constable

## Cash Flow Statement 2022/23

The Cash Flow Statement does not show any cash flows for the year, as all payments were made from the PCC's accounts. Similarly, all income and funding is received into the PCC's accounts.

2021/22 £000	Note		2022/23 £000
32,379		Net Deficit on the Provision of Services	38,590
(32,379)	15	Adjustments to net deficit on the provision of services for non-cash movements	(38,590)
-		Adjustments for items included in the net deficit on the provision of services that are investing and financing activities	-
-		<b>Net Cash (Inflows) or Outflows from Operating Activities</b>	-
-		Investing Activities	-
-		Financing Activities	-
-		<b>Net (Increase) or Decrease in Cash and Cash Equivalents</b>	-
-		Cash and Cash Equivalents at the Beginning of the Reporting Period	-
-		Cash and Cash Equivalents at the End of the Reporting Period	-

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# Chief Constable for Lincolnshire

## Notes to the Accounts

### 1. Accounting Policies

#### 1.1. General Principles

The Statement of Accounts summarises the Chief Constable's transactions for the 2022/23 financial year and its position at the year end of 31 March 2023. The Chief Constable is required to prepare an annual Statement of Accounts by the Accounts and Audit (England) Regulations 2015 which require the statements to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, supported by International Financial Reporting Standards.

The accounting convention adopted in the Statement of Accounts is principally historical cost.

All accounting policies that are material to the production of the accounts are described in this section.

#### 1.2. Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

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

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

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

#### 1.3. Accruals of Income and Expenditure

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

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract;
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet;
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.



#### **1.4. Non-Current Assets – Property, Plant and Equipment**

The Chief Constable does not own any non-current assets. All capital equipment used in operational policing is procured and owned by the PCC, under the agreement that control, in particular usage and responsibility for maintenance, is delegated to the Chief Constable under the PCC Group's existing scheme of delegation.

#### **1.5. Provisions**

Provisions are made where an event has taken place that gives the Chief Constable a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Chief Constable may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

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

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

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

#### **1.6. Contingent Liabilities**

A contingent liability is where there is a possible obligation to transfer economic benefits due to a past event, but the possible obligation will only be confirmed by the occurrence or non-occurrence of one or more events in the future, 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.

The Chief Constable discloses these obligations in the narrative notes to the accounts if greater than £100k.

These amounts are not recorded in the Chief Constable's accounts because:

- It is not probable that an outflow of economic benefits or service potential will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability at the year end.

#### **1.7. Contingent Assets**

A contingent asset is where there is a possible transfer of economic benefit to the Chief Constable from a past event, but the possible transfer will only be confirmed by the

occurrence or non-occurrence of one or more events in the future. These events may not wholly be within the control of the Chief Constable.

The Chief Constable discloses these rights in the narrative notes to the accounts if greater than £100k.

### **1.8. Cost of Overheads and Support Services**

The costs of overheads and support services are charged to service segments in accordance with the authority's arrangements for accountability and financial performance.

### **1.9. Value Added Tax (VAT)**

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

### **1.10. Events After the Reporting Period**

Events after the Balance Sheet date 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 for which the Statement of Accounts is adjusted to reflect such events;
- Those that are indicative of conditions that arose after the reporting period for which the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

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

### **1.11. Recognition of Revenue (Income and Expenditure)**

Revenue shall be measured at the fair value of the consideration received or receivable. Revenue is recognised only when it is probable that the economic benefits or service potential associated with the transaction will flow to the Chief Constable.

### **1.12. Government Grants and Contributions**

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;
- The grants or contributions will be received.

Amounts recognised as due to the Chief Constable are not credited to the Comprehensive Income and Expenditure Statement until conditions attached 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 in the form of the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-specific Grant Income and Expenditure (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

### **1.13. Reserves**

#### **1.13.1. Useable Reserves**

The Chief Constable does not maintain usable reserves. Its main source of income in the year is an intra-group transfer from the PCC, which is matched to its net resources expended, with all additional surplus or deficit held by the PCC.

#### **1.13.2. Unusable Reserves**

The Chief Constable keeps a pensions reserve to maintain the accounting processes for retirement benefits and the related provisions. These reserves do not represent usable resources for the Chief Constable.

### **1.14. Employee Benefits**

#### **1.14.1. Benefits Payable during Employment**

Short-term employee benefits are those due to be settled wholly within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits for current employees and are recognised as an expense for services in the year in which employees render service to the Chief Constable. A provision is made for the cost of unused leave earned by employees, but not taken before the year-end.

The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday entitlements are charged to revenue in the financial year in which the absence occurs.

#### **1.14.2. Termination Benefits**

Termination benefits are amounts payable as a result of a decision by the Chief Constable to terminate an officer's employment before the normal retirement date or an officer'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 Chief Constable can no longer withdraw the offer of those benefits or when the Chief Constable 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 Chief Constable to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

### **1.14.3. Post-employment Benefits**

Employees of the Chief Constable are members of two separate pension schemes:

- The Police Officer Pension Scheme, for which the scheme manager is the Chief Constable;
- The Local Government Pensions Scheme, administered by West Yorkshire Pension Fund on behalf of Lincolnshire County Council.

Both schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees.

### **1.14.4. Local Government Pension Scheme**

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

- The liabilities of the Lincolnshire pension fund attributable to the Chief Constable are included in the Balance Sheet on an actuarial basis using the projected unit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projections of earnings for current employees;
- Liabilities are discounted to their value at current prices, using a discount rate of 2.7% (based on the indicative rate of return on high quality AA index corporate bonds);
- The assets of Lincolnshire pension fund attributable to the Chief Constable are included in the Balance Sheet at their fair value:
  - Quoted securities – current bid price;
  - Unquoted securities – professional estimate;
  - Unitised securities – current bid price;
  - Property – market value.

### **1.14.5. Police Officer Pension Scheme**

The police officer pension schemes (both the old and new schemes) are accounted for as a defined benefit scheme:

- The liabilities of the Lincolnshire pension fund attributable to the Chief Constable are included in the Balance Sheet on an actuarial basis using the projected unit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc. and projections of projected earnings for current employees;
- Liabilities are discounted to their value at current prices, using a discount rate of 2.6% (based on the indicative rate of return on high quality AA index corporate bonds).

#### **1.14.6. Pension Scheme Policies**

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

- Service cost comprising:
  - Current service cost (the increase in liabilities as a result of years of service earned this year) allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked;
  - Past service cost (the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years) debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement to a corporate service segment;
  - Net interest on the net defined benefit liability (asset), i.e. net interest expense for the Chief Constable (the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement) this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period (taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments).
- Remeasurements comprising:
  - The return on plan assets (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) charged to the Pensions Reserve as Other Comprehensive Income and Expenditure;
  - Contributions paid to the Lincolnshire pension fund (cash paid as employer's contributions to the pension fund in settlement of liabilities) not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund Balance to be charged with the amount 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. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than when benefits are earned by employees.

#### **1.14.7. Discretionary Benefits**

The Chief Constable also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as

a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

### **1.15. Police Officer Pensions – Home Office Memorandum Account**

From 1 April 2006 the Home Office changed the methods of financing police pensions. Effectively the Chief Constable has continued to make payments but accounts for these outside of these accounts in a separate memorandum account, which is reported in a supplementary statement in these accounts.

### **1.16. Joint Operations**

Joint operations are joint arrangements in which the PCC and other venturers have joint control of the arrangement. The parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Chief Constable accounts for only its expenses that it incurs on its own behalf or jointly with others in respect of its interest in the joint operation and income that it earns from the venture.

## **2. Judgements in applying Accounting Policies**

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

- For retirement benefits, the interpretation of CIPFA guidance differs from that of the Code itself. CIPFA guidance expects plan assets to be included in the financial statements; however the Code says not to include them. The impact of this on the General Reserve is reversed through the Movement in Reserves Statement, with a corresponding entry in the Pensions Reserve. The Chief Constable and the Director of Finance & Corporate Services have concluded that this approach presents a true and fair view of the Chief Constable's financial position, financial performance and cash flow;
- All G4S employees who transferred under TUPE arrangements to the Chief Constable for Lincolnshire on 1st April 2022 were enrolled in the Local Government Pension Scheme and the IAS 19 results as at 31 March 2023 reflect the full pension fund assets and liabilities for all police staff;
- The split of the pension liability within the Local Government Pensions Scheme is allocated between the PCC and the Chief Constable. The current percentage entity split is 30.5% PCC and 69.5% Chief Constable.

## **3. Assumptions made about the future and other major sources of Estimation Uncertainty**

The Statement of Accounts contains estimated figures that are based on assumptions made by the entity about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Chief Constable's Balance Sheet at 31 March 2023 for which there is a significant risk of material adjustment in the forthcoming financial year are described below. The main area of fluctuation is the assessment of pensions' assets and liabilities. Hence, these are considered separately.

### 3.1. Estimation of Uncertainties

Item	Uncertainties	Effect if actual results differ from assumptions
Pension liability £1,085,458k	<p>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.</p> <p>A firm of consulting actuaries is engaged to provide the Chief Constable with expert advice about the assumptions to be applied.</p>	<p>The effects on the net pension liability of changes in individual assumptions have been measured and described in the tables below.</p> <p>The tables give an indication of the impact of changes in the main assumptions but are not an exhaustive list of the variables involved.</p>
Actuarial Assumptions £1,085,458k	The actuaries have assumed that CPI will be approximately 1% p.a. below RPI on average.	As a market in CPI linked bonds does not exist the actuaries need to make an estimate of the long term gap between RPI and CPI in order to arrive at a CPI assumption for the accounts.
Accumulated Absences £2,503k	<p>The calculation is based on the balance of hours owed to or owing by each individual recorded in the Duty Management System which includes Annual Leave, Time Off In Lieu and Rest Days in Lieu.</p> <p>Adjustments have been made to remove negative balances and reduce high carry forward balances that significantly exceed policy.</p> <p>Annual Leave is restricted to 5 days, as per policy. The hourly rate used is based on the average pay from the March payroll files.</p>	Actual balances have since been calculated for approved carry forward and the figures are not materially different to the estimates, therefore no adjustments have been made.

The sensitivities regarding the Police Pension Scheme liabilities are set out below.

Change in financial and demographic assumptions	Approximate percentage increase to Employer Liability	Approximate monetary amount (£m)
0.5% decrease in the Real Discount Rate	10%	156
1 year increase in member life expectancy	3%	47
0.5% in the Salary Increase Rate	<1%	10
0.5% increase in the Pensions Increase Rate (CPI)	8%	126

The sensitivities regarding the Police Pension Scheme current service costs are set out below.

Change in financial and demographic assumptions	Approximate percentage increase to Projected Current Service Cost	Approximate monetary amount (£m)
0.5% decrease in the Real Discount Rate	22%	6
1 year increase in member life expectancy	3%	1
0.5% in the Salary Increase Rate	<1%	0
0.5% increase in the Pensions Increase Rate (CPI)	9%	3

The sensitivities regarding the principal assumptions used to measure the liabilities in the Local Government Pension Scheme are set out below.

	£000	£000	£000	£000	£000
<b>Adjustment to discount rate</b>	<b>+0.5%</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>	<b>-0.5%</b>
Present value of total obligation	138,067	147,699	150,271	152,914	164,240
Projected Service Cost	5,166	5,884	6,079	6,280	7,153
<b>Adjustment to long term salary increase</b>	<b>+0.5%</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>	<b>-0.5%</b>
Present value of total obligation	151,404	150,494	150,271	150,051	149,186
Projected Service Cost	6,099	6,083	6,079	6,075	6,059
<b>Adjustment to pension increase and deferred revaluation</b>	<b>+0.5%</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>	<b>-0.5%</b>
Present value of total obligation	163,318	152,740	150,271	147,869	138,879
Projected Service Cost	15,086	6,283	6,079	5,882	5,137
<b>Adjustment to life expectancy assumptions</b>		<b>+ 1 year</b>	<b>None</b>	<b>- 1 year</b>	
Present value of total obligation		156,143	150,271	144,643	
Projected Service Cost		6,322	6,079	5,843	

#### 4. Note to the Expenditure and Funding Analysis

2021/22					2022/23			
Adjustments for Capital Purposes £000	Net change for the Pensions Adjustments £000	Other Differences £000	Total Adjustments £000	Note	Adjustments for Capital Purposes £000	Net change for the Pensions Adjustments £000	Other Differences £000	Total Adjustments £000
-	(1,982)	-	(1,982)	Chief Constable	-	(4,834)	-	(4,834)
-	-	-	-	Joint Services	-	-	-	-
-	(1,982)	-	(1,982)	Cost of Services	-	(4,834)	-	(4,834)
-	-	-	-	7 Other Operating Expenditure	-	-	-	-
-	34,361	-	34,361	8 Financing and Investment Income and Expenditure	-	43,424	-	43,424
-	32,379	-	32,379	Difference between General Fund Surplus or Deficit and CIES Surplus or Deficit	-	38,590	-	38,590



## 5. Expenditure Analysed by Nature

2021/22 £000	Expenditure and Income	2022/23 £000
	<b>Expenditure</b>	
56,624	Police Pay and Allowances	59,245
21,913	Police Staff Pay and Allowances	43,635
1,635	Other Employee Expenses	2,557
1,456	Police Pensions	2,052
30,532	Pension costs inc IAS19	29,163
2,974	Premises	4,877
1,420	Transport	2,213
14,373	Supplies and Services	18,875
950	Third Party Payments	2,719
-	Capital Financing	-
955	Precepts and levies	1,255
671	Seconded Officers (net)	803
34,361	Interest and investment expenditure	43,424
<b>167,864</b>	<b>Total expenditure</b>	<b>210,816</b>
	<b>Income</b>	
(8,084)	Fees, charges and other service income	(11,695)
(643)	Other Grant Income	(643)
(658)	Seconded Officers	(791)
(126,101)	Intra Group financing	(159,098)
<b>(135,486)</b>	<b>Total income</b>	<b>(172,227)</b>
<b>32,380</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>38,590</b>

The year on year variance between police staff pay and allowances and intra-group financing is due to the end of the Strategic Partnership with G4S and the subsequent TUPE transfer of staff to the Chief Constable.

## 6. Adjustments Between Accounting Basis and Funding Basis Under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by both the Chief Constable in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Chief Constable to meet future capital and revenue expenditure.

2021/22	Usable Reserves			Movement in Usable Reserves £000
	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	
<b>Adjustments to the Revenue Resources</b>				
<b>Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:</b>				
Pensions costs (transferred to (or from) the Pensions Reserve)	32,379	-	-	(32,379)
Council tax (transferred to or from Collection Fund)	-	-	-	-
Holiday pay (transferred to the Accumulated Absences Reserve)	-	-	-	-
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account):	-	-	-	-
<b>Total Adjustments to Revenue Resources</b>	<b>32,379</b>	<b>-</b>	<b>-</b>	<b>(32,379)</b>
<b>Adjustments between Revenue and Capital Resources</b>				
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	-	-	-	-
Administrative costs of non current asset disposals (funded by a contribution from the Capital Receipts Reserve)	-	-	-	-
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	-	-	-	-
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	-	-	-	-
<b>Total Adjustments between Revenue and Capital Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Adjustments to Capital Resources</b>				
Use of the Capital Receipts Reserve to finance capital expenditure	-	-	-	-
Application of capital grants to finance capital expenditure	-	-	-	-
<b>Total Adjustments to Capital Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Adjustments</b>	<b>32,379</b>	<b>-</b>	<b>-</b>	<b>(32,379)</b>

2022/23	Usable Reserves			Movement in Usable Reserves £000
	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	
<b>Adjustments to the Revenue Resources</b>				
<b>Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:</b>				
Pensions costs (transferred to (or from) the Pensions Reserve)	38,590	-	-	(38,590)
Council tax (transferred to or from Collection Fund)	-	-	-	-
Holiday pay (transferred to the Accumulated Absences Reserve)	-	-	-	-
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account):	-	-	-	-
<b>Total Adjustments to Revenue Resources</b>	<b>38,590</b>	<b>-</b>	<b>-</b>	<b>(38,590)</b>
<b>Adjustments between Revenue and Capital Resources</b>				
Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	-	-	-	-
Administrative costs of non current asset disposals (funded by a contribution from the Capital Receipts Reserve)	-	-	-	-
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	-	-	-	-
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	-	-	-	-
<b>Total Adjustments between Revenue and Capital Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Adjustments to Capital Resources</b>				
Use of the Capital Receipts Reserve to finance capital expenditure	-	-	-	-
Application of capital grants to finance capital expenditure	-	-	-	-
<b>Total Adjustments to Capital Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Adjustments</b>	<b>38,590</b>	<b>-</b>	<b>-</b>	<b>(38,590)</b>

## 7. Other Operating Expenditure

Levies are the Chief Constable's contributions towards national police computing systems provided by the Home Office.

2021/22				2022/23		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
955	-	955	Levies	1,255	-	1,255
671	(658)	13	Seconded Officers	803	(791)	12
1,626	(658)	968		2,058	(791)	1,267

## 8. Financing and Investment Income and Expenditure

2021/22				2022/23		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
34,361	-	34,361	Pensions Interest Cost and Expected Return on Pensions Assets	43,424	-	43,424
34,361	-	34,361		43,424	-	43,424

## 9. Grant Income

The Chief Constable credited the following grant to Comprehensive Income and Expenditure:

	2021/22 £000	2022/23 £000
<b>Credited to Services</b>		
<b>Other Grant Income</b>		
Armed Response Vehicle (ARV) Grant	-	(94)
Regional External Grant	(643)	(738)
<b>Total</b>	<b>(643)</b>	<b>(832)</b>

## 10. Intra-Group Financing

An annual intra-group transfer of funds is made by the PCC to the Chief Constable. This intra-group transfer will equal the income requirement for the Chief Constable.

## 11. Debtors

2021/22 £000		2022/23 £000
	<b>Amounts falling due within one year:</b>	
(3,051)	PCC guarantee for accumulated absences liability	(2,503)
<b>(3,051)</b>	<b>Total Debtors falling due within one year</b>	<b>(2,503)</b>

## 12. Short-Term Creditors

2021/22 £000		2022/23 £000
(3,051)	Accumulated absences	(2,503)
<b>(3,051)</b>	<b>Total Short-Term Creditors</b>	<b>(2,503)</b>

### 13. Provisions

The Chief Constable has made provisions to meet the costs of the liabilities described below. They are classified as provisions because there is a present obligation to transfer economic benefit as a result of a past event, payment is probable and the amount can be reliably estimated.

<b>Short Term Provisions</b>	<b>Termination Benefits of Employment £000</b>	<b>Total £000</b>
<b>Balance at 31 March 2022</b>	<b>(15)</b>	<b>(15)</b>
Additional Provisions made in 2022/23	(1)	(1)
Amounts Used in 2022/23	-	-
Unused amounts reversed in 2022/23	-	-
<b>Balance at 31 March 2023</b>	<b>(16)</b>	<b>(16)</b>

<b>Long Term Provisions</b>	<b>Termination Benefits of Employment £000</b>	<b>Total £000</b>
<b>Balance at 31 March 2022</b>	<b>(74)</b>	<b>(74)</b>
Additional Provisions made in 2022/23	-	-
Amounts Used in 2022/23	-	-
Unused amounts reversed in 2022/23	12	12
<b>Balance at 31 March 2023</b>	<b>(62)</b>	<b>(62)</b>

The only provision in the Chief Constable's accounts is for the termination benefits of employment relating to the pension payments which are held by the Chief Constable along with the IAS19 Pension Liability.

### 14. Pensions Reserve

Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions.

The Chief Constable accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service. The liability recognises inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require a benefit earned to be financed, as the Chief Constable makes employer's contributions to pension funds, and eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve shows a substantial shortfall in the benefits earned by past and current employees and the resources the Chief Constable has set aside to meet them. The statutory arrangements will have been set aside by the time the benefits come to be paid.

2021/22 £000		2022/23 £000
<b>(1,719,653)</b>	<b>Balance at 1 April</b>	<b>(1,615,128)</b>
136,904	Actuarial gains or losses on pensions assets and liabilities	568,182
(74,642)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(82,283)
39,251	Employers contributions payable to scheme	40,669
-	Contributions in respect of unfunded benefits	-
3,011	Employers contributions payable to schemes - Cash Top-up	3,011
1	Other unfunded termination benefits	13
<b>(1,615,128)</b>	<b>Balance at 31 March</b>	<b>(1,085,536)</b>

## 15. Cash Flow – Adjustments on Provision of Services for Non Cash Movements

2021/22 £000		2022/23 £000
(25)	Increase/(Decrease) in Creditors	(548)
25	(Increase)/Decrease in Debtors	548
(32,380)	Pension Liability	(38,603)
1	Contributions to Provisions	12
<b>(32,380)</b>	<b>Non Cash Movements</b>	<b>(38,591)</b>

## 16. Joint Operations

### 16.1. Sexual Assault Referral Centre

The SARC is a one stop location where victims of sexual assault can receive medical care and counselling whilst at the same time having the opportunity to assist the police investigation into alleged offences. It is a joint operation between Lincolnshire Police and Lincolnshire Partnership NHS Foundation Trust, with Lincolnshire Police acting as the lead body. The financial statements include the PCC Group's share of non-current assets, primarily the purchase and refurbishment costs associated with Spring Lodge (the PCC for Lincolnshire's share is 65%). The financial statements also include the PCC's share of income £19k and revenue expenditure £113k compared to income of £10k and revenue expenditure of £92k in 2021/22 (the PCC for Lincolnshire's share is 50%).

### 16.2. Regional Collaboration

The East Midland Regional Collaboration consists of:

- East Midlands Special Operations Unit (EMSOU) including Regional Asset Recovery Team, Regional Review Unit, Collaboration Team, Protected Persons Unit and Technical Support Unit. The lead body is Leicestershire;
- EMSOU Major Crime. Lead body Leicestershire;
- Forensics. Lead body Derbyshire;
- Occupational Health Unit (OHU) (ceased during 2022/23). Lead body Leicestershire;
- Emergency Services Network (ESN). Lead body Leicestershire;
- Specialist Operations Training (SOT) (ceased during 2022/23). Lead body Leicestershire;

- East Midlands Criminal Justice Services (EMCJS) (ceased during 2022/23). Lead body Leicestershire, Finance Lincolnshire;
- East Midlands Legal Services. Lead body Derbyshire.

As all assets, liabilities and reserves are held by the PCC; only the operational policing costs have been shown in the Chief Constable's Comprehensive Income and Expenditure Statement. The PCC's share of assets and liabilities is included in the PCC Group accounts. The transactions relating to Lincolnshire's share of a five Force collaboration is set at 13.2%, in the case of 3 Force collaborations such as SOT, Lincolnshire's share is 25.9% of revenue expenditure. These allocations from regional forces have been included in the Comprehensive Income and Expenditure Statement.

### Lincolnshire's Share of Regional Comprehensive Income and Expenditure Statement:

2021/22 £000		2022/23 £000
1,627	Police Pay and Allowances	1,647
2,870	Police Staff Pay and Allowances	2,872
101	Other Employee Expenses	71
74	Premises	94
87	Transport	104
616	Supplies and Services	607
573	Agency and Contracted Services	564
226	Depreciation	129
4	Amortisation	1
-	(Surplus) or Deficit on revaluation of non current assets (not covered by accumulated revaluation gains)	23
<b>6,178</b>	<b>Gross Operating Expenditure</b>	<b>6,112</b>
(170)	Other Income	(139)
(1)	(Gains) or Losses on Disposal of Non Current Assets	(2)
<b>6,007</b>	<b>Amount to be met from Partners</b>	<b>5,971</b>
	<b>Financed by:</b>	
(5,213)	Contributions from Partners	(5,213)
(643)	External Grants	(738)
(47)	Capital Grants and Contributions	(25)
<b>104</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>(5)</b>
<b>104</b>	<b>Total Comprehensive Income and Expenditure</b>	<b>(5)</b>

### 17. Funded Partnerships Outside Scope of Collaborative Arrangements

Lincolnshire Road Safety Partnership (LRSP) was formed in order to reduce the number of people killed or injured on Lincolnshire's roads. LRSP is a unique multi-agency partnership that brings together road safety professionals from the Police, Lincolnshire County Council, Fire and Rescue, the NHS, the Highways Agency and the Probation Service.

Income received in the year was £1,261k which was less than the previous year figure of £1,653k. The expenditure in year was £821k compared with £1,254k in 2021/22.

### 18. Audit Committee Allowances and Expenses

The amount paid to members of the Joint Independent Audit Committee equated to £5,000 for the year compared to £7,966 in 2021/22. £468 of the amount paid to members is charged to the PCC based on the percentage split used for allocating finance joint services costs (9.37%).

## 19. Remuneration of Senior Officers

Remuneration includes all sums paid to or receivable by an employee. Pension contributions payable by the employee are excluded.

The Accounting Code of Practice requires detailed disclosure for specific senior officers. These are disclosed in the tables below.

### 2021/22 details

2021/22 Senior Officers' Remuneration	Notes	Salaries, fees or allowances £	Relocation benefits receivable in the role £	Car benefits receivable in the role £	Compensation for loss of office £	Total remuneration excluding pension contributions 2021/22 £	Employer's pension contribution £	Total remuneration including pension contributions 2021/22 £
<b>Police Officers</b>								
Chief Constable Chris Haward		164,491	13,212	7,115	-	184,818	37,459	222,277
Deputy Chief Constable		127,435	-	6,360	-	133,795	34,847	168,642
Assistant Chief Constable		121,623	-	5,605	-	127,228	36,958	164,186
Assistant Chief Constable	Started May 2021	105,177	-	1,239	-	106,416	28,442	134,858
<b>Police Staff of the Chief Constable</b>								
Director of Finance & Corporate Services (S151)		103,169	-	5,047	-	108,216	16,816	125,032
Assistant Chief Officer (Resources)	Redundant May 2021	12,178	-	573	313,034	325,785	1,985	327,770

### 2022/23 details

2022/23 Senior Officers' Remuneration	Notes	Salaries, fees or allowances £	Relocation benefits receivable in the role £	Car benefits receivable in the role £	Compensation for loss of office £	Total remuneration excluding pension contributions 2022/23 £	Employer's pension contribution £	Total remuneration including pension contributions 2022/23 £
<b>Police Officers</b>								
Chief Constable Chris Haward		165,600	-	7,115	-	172,715	-	172,715
Deputy Chief Constable	Retired May 2022	25,657	-	1,060	-	26,717	-	26,717
Deputy Chief Constable	Started June 2022	101,913	-	10,400	-	112,313	30,756	143,069
Assistant Chief Constable	Retired December 2022	93,767	-	3,948	-	97,715	26,199	123,914
Temporary Assistant Chief Constable		105,177	-	1,239	-	106,416	28,442	134,858
Temporary Assistant Chief Constable	Started in Role Feb 2023	101,757	-	3,737	-	105,494	28,786	134,280
<b>Police Staff of the Chief Constable</b>								
Director of Finance & Corporate Services (S151)		106,902	-	5,605	-	112,507	17,425	129,932
Director of People Services	Started April 2022	123,907	-	3,850	-	127,757	15,977	143,734
Chief Digital & Data Officer	Started April 2022	100,058	-	5,231	-	105,289	16,309	121,598

## 19.1. Remuneration Banding

The table below highlights the number of employees within defined remuneration ranges. This excludes the senior employees who are shown in more detail in the tables above.

Remuneration Range	2021/22 Number of employees	2022/23 Number of employees
£50,000 to £54,999	-	1
£55,000 to £59,999	-	-
£60,000 to £64,999	2	1
£65,000 to £69,999	-	1
£70,000 to £74,999	1	-
£75,000 to £79,999	-	1
£80,000 to £84,999	-	-
£85,000 to £89,999	1	1
£90,000 to £94,999	4	4
£95,000 to £99,999	-	2
£100,000 to £104,999	-	-
£105,000 to £109,999	-	-

## 20. Termination Benefits

Cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number by cost band		Total cost in each band	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22 £000	2022/23 £000
£0,000 to £20,000	-	-	-	-	-	-	-	-
£20,001 to £40,000	-	-	-	-	-	-	-	-
£40,001 to £60,000	-	-	-	-	-	-	-	-
£60,001 to £80,000	-	-	-	-	-	-	-	-
£80,001 to £100,000	-	-	-	-	-	-	-	-
over £150,000	1	-	-	-	1	-	313	-
<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>313</b>	<b>-</b>

## 21. Audit Costs

	2021/22 £000	2022/23 £000
Fees payable with regard to external audit services carried out by the appointed auditor for the year	12	12
<b>Total</b>	<b>12</b>	<b>12</b>

## 22. Related Party Transactions

The entity is required to disclose details of any material transactions with related parties - bodies or individuals that have the potential to control or influence the Chief Constable or, to be controlled or influenced by him. Disclosure of these transactions allows readers to assess the extent to which the entity might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with it.



## **22.1. UK Central Government**

The UK central government has effective control over the general operations of the PCC. It is responsible for establishing the statutory framework within which the PCC operates. It provides a large proportion of the PCC's funding in the form of grants and prescribes the terms of many of the transactions that the PCC has with other parties.

## **22.2. Chief Constable for Lincolnshire**

Within the Group, the Chief Constable is accountable to the Police and Crime Commissioner for Lincolnshire. The PCC provides all funding to the Chief Constable for the discharge of his duties. The total funding is shown in the Chief Constable's Comprehensive Income and Expenditure Statement.

## **22.3. Officers**

The total remuneration to senior staff in 2022/23 is shown in Note 19. All senior officers employed by the Chief Constable at the 31 March 2023 have completed a Related Party Transaction Declaration for the financial year in respect to themselves and close family members to identify any business dealings with the Group that fall into this category. No further disclosures are required.

## **22.4. Other Public Bodies**

Joint Operations and Funded Partnerships are disclosed in Notes 16 and 17.

## **23. Retirement Benefits**

### **23.1. Participation in pension schemes**

As part of the terms and conditions of employment of its officers and other employees, the PCC Group offers retirement benefits. Although these benefits will not actually be payable until employees retire, the PCC Group has a commitment to disclose the cost of future pension liabilities at the time that employees earn their future entitlement.

The Group participates in two pensions schemes:

- The Local Government Pension Scheme (LGPS) for police staff is administered by West Yorkshire Pension Fund on behalf of Lincolnshire County Council. This is a funded defined benefit scheme, meaning that the PCC Group and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

Due to changes under the Public Pension Services Act 2013, from the 1 April 2014 scheme members now accrue pension entitlements based on their career-average rather than their final salary.

All G4S employees who transferred under TUPE arrangements to the Chief Constable for Lincolnshire on 1st April 2022 were enrolled in the Local Government Pension Scheme and the IAS 19 results as at 31 March 2023 reflect the full pension fund assets and liabilities for all police staff;

- The Police Pension Scheme for police officers is an unfunded defined benefit scheme. This means that there are no investment assets built up to meet the pensions' liabilities and cash has to be generated to meet actual pensions' payments as they eventually fall due. From the 1 April 2015 The Police Pension Scheme 2015 (CARE) scheme

was introduced (under the Public Pension Services Act 2013), and members who are not covered by protection or the transitional arrangements in the previous schemes now accrue pension entitlements based on their career-average rather than their final salary. Three schemes were in operation during 2022/23 as well as injury awards:

- The 1987 scheme (Final Salary) which is based on a maximum pensionable service of 30 years (closed to new entrants on 31 March 2006);
- The 2006 scheme (Final Salary) which is based on a maximum pensionable service of 35 years (closed to new entrants on the 31 March 2015);
- The 2015 (CARE) scheme which was available to new entrants from the 1 April 2015 and is a Career Average Revalued Earnings (CARE) scheme there is no maximum period of service.

Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pensions fund for the year are less than amounts payable, the PCC must transfer an amount required to meet the deficit to the pension fund. Subject to parliamentary scrutiny and approval, this cost is met by a central government Police Pensions Payments grant.

The principal risks to the authority of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund the amounts required by statute as described in the accounting policies note.

### **23.2. Discretionary Post-Retirement Benefits**

Discretionary post-retirement benefits on early retirement are an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. There are no scheme assets built up to meet these pension liabilities.

### **23.3. Transactions Relating to Retirement Benefits**

In order to comply with IAS 19, employer's pension contributions have been replaced with current service costs as estimated by the independent actuaries. The PCC Group recognises the cost of retirement benefits in the Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge the PCC Group is required to make against council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out in the Movement in Reserves Statement. The reversal of the IAS 19 transactions ensures that there is no effect on the amounts to be met from government grant and the local taxpayers.

## 23.4. Transactions Relating to Retirement Benefits

	Local Government Pension Scheme		Police Pension Scheme		Comprehensive Income and Expenditure Account	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23
	£000	£000	£000	£000	£000	£000
<b>Comprehensive Income and Expenditure Statement</b>						
<b>Cost of Services:</b>						
Current service cost	(5,364)	(8,671)	(34,400)	(29,300)	(39,764)	(37,971)
Past service costs	(238)	-	(200)	(800)	(438)	(800)
Effect of settlements	-	-	-	-	-	-
	(5,602)	(8,671)	(34,600)	(30,100)	(40,202)	(38,771)
<b>Other Operating Expenditure:</b>						
Home Office Grant	-	-	(21,914)	(24,715)	(21,914)	(24,715)
<b>Financing and Investment Income and Expenditure:</b>						
Net interest expense	(961)	(824)	(33,400)	(42,600)	(34,361)	(43,424)
Administrative Expenses	(79)	(89)	-	-	(79)	(89)
<b>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</b>	<b>(6,642)</b>	<b>(9,583)</b>	<b>(89,914)</b>	<b>(97,415)</b>	<b>(96,556)</b>	<b>(106,999)</b>
<b>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</b>						
Return on scheme assets (excluding the amount included in the net interest expense)	10,446	(6,111)	-	-	10,446	(6,111)
Actuarial gains and losses arising on changes in demographic assumptions	4,705	-	16,000	17,900	20,705	17,900
Actuarial gains and losses arising on changes in financial assumptions	6,968	73,474	105,300	546,900	112,268	620,374
Other experience	(847)	(23,762)	(3,300)	-	(4,147)	(4,147)
Other actuarial Gains / (Losses)	(2,368)	-	-	(52,100)	(2,368)	(52,100)
<b>Subtotal Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</b>	<b>18,904</b>	<b>43,601</b>	<b>118,000</b>	<b>512,700</b>	<b>136,904</b>	<b>580,063</b>
<b>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</b>	<b>12,262</b>	<b>34,017</b>	<b>28,086</b>	<b>415,285</b>	<b>40,348</b>	<b>473,064</b>
<b>Movement in Reserves Statement</b>						
Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code	6,642	9,583	68,000	72,700	74,642	82,283
<b>Actual Amount charged against the General Fund Balance for pensions in the year:</b>						
Employers contributions payable to scheme	(3,262)	(4,580)	(42,011)	(42,111)	(45,273)	(46,691)
Contributions in respect of unfunded benefits	-	-	-	-	-	-
Employers contributions payable to schemes - Cash Top-up	-	-	3,011	3,011	3,011	3,011
Retirement benefits payable to pensioners	-	-	-	-	-	-
Administrative Expenses	-	-	-	-	-	-
<b>Statement to the General Fund</b>	<b>3,380</b>	<b>5,003</b>	<b>29,000</b>	<b>33,600</b>	<b>32,380</b>	<b>38,603</b>

### 23.5. Pensions Assets and Liabilities in relation to Retirement Benefits

The amount included in the Balance Sheet arising from the PCC Group's obligation in respect of its defined benefit schemes is as follows:

<b>Funded liabilities LGPS</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>
Present value of the defined benefit obligation	154,455	104,256
Fair value of scheme assets	(120,710)	(120,977)
	<b>33,745</b>	<b>(16,721)</b>
Other movements in the liability (asset)	195	182
<b>Net liability arising from the defined benefit obligation</b>	<b>33,940</b>	<b>(16,539)</b>

<b>Discretionary Benefits Police Pension Scheme</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>
Present value of the defined benefit obligation	1,516,700	1,057,100
Fair value of scheme assets	-	-
	<b>1,516,700</b>	<b>1,057,100</b>
Other movements in the liability (asset)	64,400	44,900
<b>Net liability arising from the defined benefit obligation</b>	<b>1,581,100</b>	<b>1,102,000</b>

### 23.6. Reconciliation of the movements in the Fair Value of the scheme assets

<b>LGPS</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>
Opening fair value of scheme assets	109,975	120,710
Interest income	2,205	3,181
Administrative Expenses	(79)	(89)
<b>Remeasurement gain / (loss):</b>	-	-
The return on scheme assets, excluding the amount included in the net interest expense	10,446	(6,111)
Other actuarial Gains / (Losses)	(2,368)	-
Effect of changes in foreign exchange rates	-	-
Contributions from employer	3,262	4,580
Contributions in respect of unfunded benefits	-	-
Contributions from employees in the scheme	803	1,307
Benefits paid	(3,533)	(2,601)
Other	-	-
<b>31 March</b>	<b>120,710</b>	<b>120,977</b>

### 23.7. Reconciliation of Present Value of the scheme liabilities (defined benefit obligation)

LGPS Liabilities	2021/22		2022/23	
	PCC £000	Group £000	PCC £000	Group £000
Opening balance at 1 April	69,969	229,408	67,868	222,517
Current service cost	2,354	7,718	3,805	12,476
Interest cost	1,389	4,555	1,757	5,762
Contributions from scheme participants	352	1,155	574	1,881
<b>Re-measurement (gain) / loss:</b>	-	-	-	-
Actuarial gains / losses arising from changes in demographic assumptions	(2,065)	(6,770)	-	-
Actuarial gains / losses arising from changes in financial assumptions	(3,058)	(10,026)	(32,244)	(105,718)
Other	372	1,219	5,214	17,095
Past service cost	104	342	-	-
Losses / (gains) on curtailment	-	-	-	-
Liabilities assumed on entity combinations	-	-	-	-
Benefits paid	(1,551)	(5,084)	(1,141)	(3,742)
Liabilities extinguished on settlements (where relevant)	-	-	-	-
<b>31 March</b>	<b>67,868</b>	<b>222,517</b>	<b>45,833</b>	<b>150,271</b>

Liabilities	2021/22	2022/23
LGPS	£000	£000
Opening balance at 1 April	159,439	154,649
Current service cost	5,364	8,671
Interest cost	3,166	4,005
Contributions from scheme participants	803	1,307
<b>Re-measurement (gain) / loss:</b>	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	(4,705)	-
Actuarial (gains) / losses arising from changes in financial assumptions	(6,968)	(73,474)
Other	847	11,881
Past service cost	238	-
Losses / (gains) on curtailment	-	-
Liabilities assumed on entity combinations	-	-
Benefits paid	(3,533)	(2,601)
Liabilities extinguished on settlements (where relevant)	-	-
<b>31 March</b>	<b>154,649</b>	<b>104,438</b>

### 23.8. Pension scheme assets

The Police Pension Schemes are unfunded in nature and hence have no scheme assets. The PCC Group's Local Government Pension Scheme assets consist of the following categories:

	2021/22		2022/23	
	Bid Value %	Bid Value %	Bid Value %	Bid Value %
	Quoted in active market	Not quoted in active market	Quoted in active market	Not quoted in active market
<b>Fixed Interest Government Securities</b>				
UK	1	-	1	-
Overseas	-	-	-	-
<b>Index Linked Government Securities</b>				
UK	2	-	1	-
Overseas	-	-	-	-
<b>Corporate Bonds</b>				
UK	9	-	9	-
Overseas	-	-	-	-
<b>Equities</b>				
UK	16	-	15	-
Overseas	40	-	41	-
<b>Property</b>				
All	7	-	6	1
<b>Others</b>				
Hedge fund	-	3	-	4
Private Equity	-	7	-	7
Infrastructure	1	3	-	4
Commodities	1	-	-	-
Bonds	5	-	-	-
Credit Diversified Income	-	-	5	-
Private Debt	-	1	-	2
Other Diversified Alternatives	-	-	-	1
Forward Currency Contracts	1	-	-	-
Cash/Temporary Investments	-	-	3	-
<b>Net Current Assets</b>				
Debtors	-	-	1	-
Creditors	-	-	-	-
<b>Net Assets</b>	<b>85</b>	<b>15</b>	<b>81</b>	<b>19</b>

### 23.9. Basis for estimating assets and liabilities

The Police Pension Scheme has been assessed by Hymans Robertson (an independent firm of actuaries). The Local Government Pension Scheme has been assessed by Barnett Waddingham (an independent firm of actuaries). The value of the liabilities is an estimate of the pensions that will be payable in future years dependent on assumptions about uncertain variables.

For the Local Government Pension Scheme, liabilities have been assessed on an actuarial basis using the projected unit method. Estimates are based on the latest full valuation of the scheme as at April 2020.

For the Police Pension Scheme liabilities have been assessed on an actuarial basis using the projected unit method. The last formal valuation of the schemes was carried out as at 31 March 2023.

	Local Government Pension Scheme		Police Pension Scheme	
	2021/22	2022/23	2021/22	2022/23
	Longevity at 65		Longevity at 60	
	Years	Years	Years	Years
<b>Mortality assumptions</b>				
Longevity for current pensioners:				
Men	19.8	19.8	27.1	26.7
Women	22.7	22.9	29.4	29.2
Longevity for future pensioners:				
Men	21.0	21.1	28.4	28.1
Women	24.3	24.4	30.8	30.6
<b>Financial assumptions</b>	%	%	%	%
Market derived RPI	0.0	0.0	0.0	0.0
Rate of increase in salaries	4.2	4.2	3.7	3.2
Rate of increase in pensions	3.2	3.2	3.2	3.0
Rate for discounting scheme liabilities	2.6	2.6	2.7	4.8

The Local Government Pension Scheme longevity assumptions are as per the latest full valuation as at April 22, the Police Pension Scheme longevity assumptions are remodelled annually in the actuarial review.

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above.

### 23.10. Present Value of Liabilities

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
<b>Present value of liabilities</b>						
Local government pension scheme	(123,923)	(143,442)	(118,478)	(159,439)	(154,649)	(104,438)
Police pension scheme	(1,331,600)	(1,476,800)	(1,371,300)	(1,670,100)	(1,581,100)	(1,102,000)
Fair value of assets in the local government pension scheme	87,341	95,794	87,426	109,975	120,710	120,977
<b>Surplus / (deficit) in the scheme</b>	<b>(1,368,182)</b>	<b>(1,524,448)</b>	<b>(1,402,352)</b>	<b>(1,719,564)</b>	<b>(1,615,040)</b>	<b>(1,085,461)</b>
Local government pension scheme	(36,582)	(47,648)	(31,052)	(49,464)	(33,940)	16,539
Police pension scheme	(1,331,600)	(1,476,800)	(1,371,300)	(1,670,100)	(1,581,100)	(1,102,000)
<b>Total surplus / (deficit) in the scheme</b>	<b>(1,368,182)</b>	<b>(1,524,448)</b>	<b>(1,402,352)</b>	<b>(1,719,564)</b>	<b>(1,615,040)</b>	<b>(1,085,461)</b>

### 23.11. Impact on the PCC Group's cash flows

The liabilities show the underlying commitments for retirement benefits that the PCC Group has to pay in the long run. The total liability has a substantial impact on the net worth of

the PCC Group as recorded in the Balance Sheet, resulting in a negative overall balance. However, statutory arrangements for funding the deficit mean that the financial position of the PCC Group remains healthy.

The objectives of the local government scheme are to keep employers' contributions at as constant a rate as possible. The PCC Group has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 20 years. At the last triennial valuation it was agreed that in order to mitigate for the effect of fluctuations in membership numbers that a lump sum contribution towards meeting the deficit would also be paid alongside the percentage of pay contribution.

The minimum employer contributions payable over the next year for the PCC Group is 24.4%. Estimated employer's contribution for 2022/23 amount to £8.4m on the Local Government Pension Scheme.

Funding levels are monitored through the triennial valuation process and the last triennial valuation was as at 31 March 2019.

For police pensions, the rate (%) at which employer contributions are made to the police pension fund is set by the Home Office. An actuarial valuation during 2014/15 resulted in a reduction in the employers' contribution rate from 24.2% to 21.3% from 1 April 2015. The difference between the old employer contribution rate of 24.2% and the new rate will be retained by the exchequer by means of a reduction in the Police Pensions Payments grant from the Home Office, therefore the actual cost to the PCC Group of the employer's contribution is still 24.2%.

Estimated employer contributions for 2023/24 at 28.7% of pensionable pay amount to £14.1m.

The Local Government Pension Scheme and the Police Pension Scheme take account of the national changes required under the Public Pensions Services Act 2013. Under the Act, the main public service pension schemes may not provide benefits on a final salary basis in relation to service after 31 March 2015. The Act provides for scheme regulations to be made within a common framework, to establish new, career average, revalued earnings schemes to pay pensions and other benefits to certain public servants. For the Local Government Pension Scheme these changes came into operation on 1 April 2014 and for the Police scheme from 1 April 2015.

Maturity profile of the defined benefit obligation:



	LGPS			Police Pension Scheme		
	Liability Split as at 31 March 2023	Liability Split as at 31 March 2023	Weighted Average Duration at Previous Formal Valuation	Liability Split as at 31 March 2023	Liability Split as at 31 March 2023	Weighted Average Duration at Previous Formal Valuation
	£000	%		£000	%	
Active Members	70,956	49.3%	25.0	349,200	33.0%	26
Deferred Members	42,394	25.8%	26.9	48,000	4.5%	26
Pensioner Members	55,971	24.8%	12.2	659,900	62.4%	13
<b>Total</b>	<b>169,321</b>	<b>100.0%</b>	<b>20.6</b>	<b>1,057,100</b>	<b>100.0%</b>	<b>18.1</b>
Contingent Injuries				17,500	39.0%	26
Injury pension liabilities				27,400	61.0%	16
<b>Total</b>	-	-	-	<b>44,900</b>	<b>100.0%</b>	<b>20.6</b>

## 24. Accounting Standards Issued but Not Yet Adopted

The following Accounting Standards may be relevant for additional disclosures that will be required in the financial statements in respect of accounting changes in the Code:

- IFRS 16 Leases (but only for those local authorities that have decided to voluntarily implement IFRS 16 in the 2023/24 year).
- Where an authority adopted IFRS 16 in 2022/23 but choose to defer implementation of IFRS 16 to PFI/PPP arrangements until 2023/24 information on that more specific accounting change will be required in its 2022/23 statements of accounts.
- IAS 8 – providing a definition of accounting estimates.
- IAS 1 / IFRS Practice Statement 2 – to provide guidance on the application of materiality judgements to accounting policy disclosures.
- Deferred Tax related to Assets and Liabilities arising from a single transaction (amendments to IAS 12) - requires companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.
- IFRS 3 Business Combinations – updating a reference to the Conceptual Framework

If these had been adopted for the financial year 2022/23 there would be no known material changes as many do not apply to the PCC. If further information becomes available that requires changes to 2022/23 these will be restated in the 2023/24 financial statements.

The government's Financial Reporting Advisory Board has advised CIPFA/LASAC that it agreed with their decision to defer the implementation of IFRS 16 Leases until 1 April 2024. The 2023/24 Code will allow for early adoption should the PCC wish to do so.

## Police Officer Pensions

### Home Office Memorandum Account 2022/23

This statement shows the transactions relating to retirement benefits paid to Police Officers and for how those costs are paid.

2021/22 £000	Fund account	2022/23 £000
	<b>Contributions Receivable</b>	
	<b>From Employer:</b>	
13,077	Normal	13,540
404	Early Retirements	698
	<b>From Members:</b>	
5,593	Contributions	5,805
329	Individual Transfers in from Other Schemes	248
<b>19,403</b>		<b>20,291</b>
	<b>Benefits Payable</b>	
35,753	Pensions	37,306
5,350	Commutations	7,154
-	Lump Sum Death Benefits	137
	<b>Payments To and On Account of Leavers</b>	
23	Refunds of Contributions	119
-	Individual Transfers Out	-
191	Scheme Pays	238
-	Lifetime Allowance (25%)	52
-	Equivalent Premium	-
<b>41,317</b>		<b>45,006</b>
<b>21,914</b>	<b>Sub-total for the year before transfer from the PCC Group for Lincolnshire of amount equal to the deficit</b>	<b>24,715</b>
<b>(21,914)</b>	<b>Additional funding payable by the PCC Group for Lincolnshire to meet deficit for the year</b>	<b>(24,715)</b>
-	<b>Net Amount payable/(receivable) by the PCC Group for Lincolnshire</b>	-

#### Disclosure Notes

- The operation of the Pension Fund for Police and Crime Commissioners in England and Wales is controlled by the Police Pension Fund Regulations 2007 (SI 2007 No 1932). It covers both old, new and Career Average Revalued Earnings (CARE) Police Officer occupational pension schemes but has no impact on the benefit structure of either scheme. The CARE scheme was introduced from 1 April 2015. This is the only scheme open to new officers. Existing officers will be brought into the scheme on 1 April 2015 unless they have full transitional protection or tapered protection. Injury and ill health awards continue to be paid from the PCC's operating account. The employer contribution rate is 24.2% of pensionable pay. Employees' contributions in the 1987 old scheme are either 14.25% or 15.05% of pensionable pay. In the 2006 new scheme employees contribute either 11%, 12.05% or 12.75% of pensionable pay. In the 2015 CARE scheme employees contribute either 12.44%, 13.44% or 13.78% of pensionable pay. Any transitional protection or tapered protection came to an end at 31 March 2022 at which point all officers transferred into the CARE scheme.
- The fund is administered by XPS on behalf of Lincolnshire Police. Salary deductions are made from members of the scheme, and payments are made to retiring officers and pensioners in accordance with Police Pension Fund Regulations 2007. Returns are made to the Home Office for the projected and actual costs in each year, and funds are transferred accordingly.

3. There are no investment assets; the fund is balanced to nil each year by receipt of a Police Pensions Payments grant from the Home Office (via PCC for Lincolnshire). Payments are made monthly to pensioners, with the pension fund entries being kept separate, outside of the PCC's general ledger accounts. Details of the PCC's long-term pension obligations can be found in the main statements at Note 44.
4. The accounting policies followed are in accordance with Note 1.
5. The Police Officer Pensions – Home Office Memorandum Account does not take account of liabilities to pay pensions and benefits after the period end.
6. The net amount receivable of £5,591,161.66 is shown in PCC for Lincolnshire accounts as due from the Home Office.
7. The McCloud judgement continues to impact on the Police Officer Pension schemes. When changes were made to public sector schemes in April 2015, they introduced protections for older members to ensure that the changes would not negatively impact their pension. In December 2018, the Court of Appeal ruled that younger member had been discriminated against because they did not receive the protections allowed to older members. The Government has laid primary legislation before Parliament at the start of 2022 which will be in two parts –
  - to ensure equal treatment for all members within each of the main public service pension schemes by moving all members into the new schemes on 1 April 2022 irrespective of age – moving all remaining members on the Old Pension Schemes onto the CARE scheme on 1<sup>st</sup> April 2022 and closing the old schemes.
  - to remove the effect of transitional protection by offering eligible members a choice over the set of benefits (legacy scheme or new scheme) they wish to receive for any pensionable service during the period 1 April 2015 to 31 March 2022 – further work is still to be done on this part of the remedy plan (including further legalisation) before the work can be completed for the target deadline of October 2023.
8. Claimants have lodged claims for compensation under two active sets of litigation, Aarons and Penningtons.
  - **Aarons & Ors** -Government Legal Department settled the injury to feelings claims for Aarons on behalf of Chief Officers without seeking any financial contributions. Pecuniary loss claims have been stayed until the remedy is brought into force from 1 October 2023. The settlement of the injury to feelings claims for Aarons sets a helpful precedent. Therefore, no liability in respect of compensation claims is recognised in these accounts.
  - **Penningtons** - As at 31 March 2022, it is not possible to reliably estimate the extent or likelihood of these claims being successful, and therefore no liability in respect of compensation claims is recognised in these accounts.
9. The Public Service Pensions and Judicial Offices Act 2022 (PSPJOA 2022) legislates for how the government will remove the discrimination identified by the courts in the way that the 2015 reforms were introduced for some members. The main elements of the Act are:

Changes implemented across all the main public service pension schemes in response to the Court of Appeal judgment in the McCloud and Sargeant cases:

- Eligible members of the main unfunded pension schemes have a choice of the benefits they wish to take for the “remedy period” of April 2015 to 31 March 2022.
- Claimants have lodged claims for compensation under two active sets of litigation, Aarons and Pennington’s.
- From 1 April 2022, when the remedy period ends, all those in service in main unfunded schemes will be members of the reformed pension schemes, ensuring equal treatment from that point on.
- Ensures there are no reductions to member benefits as a result of the 2016 cost control valuations.

10. Impact on pension liability - Allowing for all eligible members to accrue benefits from their legacy scheme during the remedy period would lead to an increase in the Police Pension Scheme liabilities. For Lincolnshire Police, this effects around 1,000 members. Scheme actuaries originally estimated the increase in scheme liabilities for the Lincolnshire Police to be 4% or £56m of pension scheme liabilities. This was recognised in the 2018/19 accounts. In 2019/20, the estimate increase was a further £8m reflecting an additional year’s benefits from the remedy and a reduction resulting from the eligibility criteria for members set out on HM Treasury’s consultation. In 2020/21, a further, more detailed, estimated of 1.3% of pensions scheme liabilities or £21m was calculated using actual membership data and reflected in the accounts (again reflecting an additional year’s benefits from the remedy).

The impact of an increase in scheme liabilities arising from McCloud/Sargeant judgement will be measured through the pension valuation process, which determines employer and employee contribution rates. The next Police Pension valuation is due to be reported in 2023/24, although this timetable is subject to change.

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

11. The April Pensions payroll was due to be paid on 1<sup>st</sup> April 2023, which fell on a weekend. The payroll was therefore made on the last available working day before the weekend which was Friday 31 March, 2023. The payment of £2,931,918.78 was therefore a payment in advance and is shown in the Debtors note 21 as a non-government prepayment.

## Glossary of Terms

Term	Definition
Accrual	An adjustment to ensure that expenditure and income are reflected in the appropriate accounting period.
Actuary/Actuarial	A person professionally qualified to advise on pension matters and undertakes calculations on pension costs, allowing for risk and demographic factors.
Amortisation	The measure of the wearing out, consumption, or other reduction in the useful economic life of Intangible Assets.
Balances	The total revenue Reserves required to provide a working balance during the financial year, for example in periods when expenditure exceeds income.
Capital Adjustment Account	A reserve primarily designed to represent timing differences between the amount of the historical cost of Property Plant and Equipment that has been consumed and the amount that has been financed in accordance with statutory requirements.
Capital Expenditure	Expenditure on assets, which have a long-term value. Includes the purchase of land, purchase or construction of new buildings and vehicles.
Capital Grants	Grants received towards capital outlay on a particular service or project.
Capital Receipts	Proceeds received from the sale of Property Plant and Equipment (assets which have value beyond one financial year).
CIPFA	The Chartered Institute of Public Finance and Accountancy. This is the main professional body for accountants working in the public service.
Collection Fund	A fund administered by each billing authority. Council Tax monies are paid into the fund. These are distributed to precepting and billing authorities in proportion to the Council Tax set.
CoPaCC	Centre on Police Practices and Community.
Creditors	Amounts owed by the PCC for work done, goods received or services rendered but for which payment has not been made at 31 March.
Debtors	Sums of money due to the PCC but unpaid at 31 March.
Depreciation	The measure of the wearing out, consumption, or other reduction in the useful economic life of Property, Plant and Equipment.
Direct Revenue Financing	This refers to financing of capital expenditure directly from revenue rather than loans or other sources.
Earmarked Reserves	The elements of total PCC's Reserves, which are retained for specific purposes.
EMSOU	East Midland Special Operations Unit.
EMCJS	East Midlands Criminal Justice Service.
Finance lease	Where the conditions of the lease amount to recognising all the costs of an asset but legal title is with a third party.
Financial instruments	Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability of another. For local authorities, this will normally mean contracts which involve the right to transfer cash or other financial assets.
Flexi Time	Police Staff may utilise the flexi time scheme to accrue additional hours worked that are held pending their use at a future date.

FRS	Financial Reporting Standards, as agreed by the UK accountancy profession and the Accounting Standards Board.
Government Grants	Payments by Central Government towards the PCC's expenditure. They are receivable in respect of both revenue and capital expenditure.
IFRS	International Financial Reporting Standards: the accounting standards which determine the production and disclosure of financial statements.
Impairment	An adjustment to the value of long-term assets.
ISG	Integrated Scheme of Governance
JIAC	Joint Independent Audit Committee
Long-term Debtors	Sums of money due to the PCC originally repayable within a period in excess of twelve months and where payment is not due until future years.
Materiality	An item that is not material will not be relevant, cannot influence a user's decision and need not be reported in the financial statements.
Minimum Revenue Provision (MRP)	The statutory requirement to set aside a minimum revenue provision for the repayment of external loans.
Net Book Value	Long-term assets are depreciated in accordance with their asset life. The net book value is the value remaining after cumulative depreciation has been taken away.
Non Domestic Rates	Rates levied on business properties, collected by District Councils, which are distributed between local authorities as income.
Non Operational Assets	Property, Plant and Equipment held by the PCC Group but not directly occupied, used or consumed in the delivery of services. These include buildings under construction and surplus assets.
OJEU	Official Journal of the European Union.
Operating lease	A lease where the asset is only used for part of its useful life, and lease payments amount to rental of the asset.
PCC Group	The Police and Crime Commissioner and the Chief Constable are separate legal entities. They are part of the same PCC Group whose combined accounts are presented collectively.
PEEL	Police Effectiveness Efficiency and Legitimacy board.
Precept	The amount levied by one authority which is collected by another, e.g. the PCC Group is the precepting authority and the District Councils are the collecting authorities.
PUP	Police Uplift Programme – nationwide recruitment programme of an additional 20,000 officers
Revaluation Reserve	A reserve designed to represent the amount by which the current value of long-term assets carried in the Balance Sheet is greater, because they are carried at revalued amounts rather than depreciated historical cost.
Revenue Contributions	The financing of capital expenditure directly from revenue rather than from loans or other sources.
Revenue Expenditure	The day to day expenditure of the PCC group on such items as employees and supplies and services.

Revenue Support Grant (RSG)	Grant paid by Central Government in aid of service provision.
Section 22 Agreement	Section 22 of the Police Act 1996 provides for joint working between police forces and/or Police and Crime Commissioners where, in the opinion of the Chief Constable or the Commissioner, collaboration would deliver greater efficiency or effectiveness.
Straight Line Depreciation	The writing down of Property, Plant and Equipment values by an equal amount for each year of that asset's life.
Strategic Partner	G4S are the Strategic Partner with the Force until 31 March 2022. G4S Policing Support Services deliver a range of administrative and operational services formerly delivered by a combination of civilian employees and police officers – including Finance, HR, Fleet Management, Custody, Support Services and Control Room.
TOIL	Time Off In Lieu may be accrued by both Police Officers and Staff when working additional hours for which payment is not made.
WYPF	West Yorkshire Pension Fund.
Virement	Transfers between budget headings, in accordance with Financial Regulations, reflecting changes in the PCC's expenditure plans.
XPS	XPS Pensions Group, the pension administrators of the Lincolnshire Police Pension Fund.

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