

# Unaudited Group Accounts for the Police and Crime Commissioner of Kent and Group Statement of Accounts for the Year Ending 31 March 2026



## Contents

Unaudited Group Accounts for the Police and Crime Commissioner of Kent and Group Statement of Accounts for the Year Ending 31 March 2026 .....	1
Contents .....	1
Annual Financial Report Overview.....	4
Narrative Report .....	5
Narrative Foreword by Rob Phillips, Chief Finance Officer to the Police and Crime Commissioner .....	6
Introduction .....	6
An Introduction to Kent.....	6
Organisational Structure.....	7
Governance and Accountability .....	7
Strategy .....	8
Risks.....	10
People.....	10
Non-financial Performance.....	11
Climate Change .....	15
PCC and Kent Police Group Finances .....	16
Financial Outlook .....	23
Future Outlook .....	26
Acknowledgements .....	26
Independent Auditor’s report .....	27
Statement of Responsibilities for the Statement of Accounts .....	31
Core Financial Statements .....	32
Comprehensive Income and Expenditure Statement .....	33
Movement in Reserves Statement.....	39
Balance Sheet .....	42
Cash Flow Statement.....	44
Notes to the Accounts .....	45
Notes to the Accounts.....	46
Note 1 – Accounting policies.....	46
Note 2 – Going concern.....	55
Note 3 – Accounting standards issued but not yet adopted.....	55
Note 4 – Assumptions made about the future and other major sources of estimation uncertainty .....	56
Note 5 – Critical judgements in applying accounting policies.....	58
Note 6 – Expenditure and funding analysis .....	58
Note 7 – Note to the expenditure and funding analysis .....	63
Note 8 – Adjustments between accounting basis and funding basis under regulations.....	65
Note 9 – Officers’ remuneration .....	66

Note 10 – Termination benefits.....	69
Note 11 – Defined benefit pension schemes (group accounts only) .....	70
Note 12 – Material items of income and expense .....	76
Note 13 – Grant income .....	76
Note 14 – External audit costs .....	77
Note 15 – Expenditure and income analysed by nature .....	78
Note 16 – Revenue from contracts with service recipients .....	79
Note 17 – Transfer to/from revenue earmarked reserves .....	80
Note 18 – Usable reserves.....	80
Note 19 – Unusable reserves .....	82
Note 20 – Property, plant and equipment .....	86
Note 21 – Investment properties .....	89
Note 22 – Intangible assets .....	90
Note 23 – Assets held for sale .....	90
Note 24 – Joint operations (group accounts only) .....	91
Note 25 – Joint operations assets .....	93
Note 26 – Impairment losses and changes in estimation bases .....	94
Note 27 – Capital expenditure and capital financing .....	94
Note 28 – Leases including right-of-use assets and related lease liabilities.....	95
Note 29 – Private finance initiative (PFI) funded schemes .....	98
Note 30 – Financial instruments.....	99
Note 31 – Nature and extent of risks arising from financial instruments .....	102
Note 32 – Short-term debtors.....	103
Note 33 – Cash and cash equivalents .....	103
Note 34 – Short-term creditors .....	104
Note 35 – Short-term borrowing .....	105
Note 36 – Long-term PFI lease liability and long-term borrowing .....	105
Note 37 – Provisions .....	105
Note 38 – Cash Flow Statement.....	106
Note 39 – Cash Flow Statement – investing activities .....	107
Note 40 – Cash Flow Statement – financing activities.....	107
Note 41 – Events after the Balance Sheet date .....	109
Note 42 – Related parties.....	109
Note 43 – Contingent liabilities .....	110
Note 44 – Contingent assets.....	110
Note 45 – Date of authorisation of Statement of Accounts for issue .....	110
Police Officer Pension Fund Account .....	111
Police Officer Pension Fund Account .....	112
Introduction .....	112
Pension fund net asset statement .....	113

Glossary and Contacts .....114

- Glossary.....115
  - Glossary of terms.....115
- Contact Information .....120
  - Contacts for further information.....120

Annual Governance Statement .....121

- Annual Governance Statement 2025/26 .....122
  - Introduction .....122
  - Assessment of OPCC Governance .....123
  - Update on Last Year’s Action Plan .....138
  - Action Plan for Issues Identified in 2025/26.....145
  - Internal Audit Update.....147
  - Other Significant Governance Issues .....147

## Annual Financial Report Overview

The Kent Police and Crime Commissioner (PCC) is an elected role responsible for setting policing priorities, managing the police budget, and holding the Chief Constable to account to ensure an effective police service and support for victims. Kent Police exists to provide a high-quality policing service by protecting the public, preventing and investigating crime, supporting victims, and maintaining trust so that Kent is a safe place to live, work and visit. In 2025/26 the Kent PCC and Kent Police was responsible for expenditure of £548m.

This Annual Financial Report tells the story of how the PCC and Kent Police served the public in 2025/26 – what we set out to do, what we achieved, and how we managed the public funds entrusted to us. It is designed to be clear and accessible to a wide audience, so that any reader can hold us to account for the stewardship of taxpayers' money.

In the pages that follow, we provide a joined-up narrative linking our purpose, the risks and challenges we face, the actions we took, and the outcomes we delivered. We openly discuss both successes and areas where challenges remain. We also show how our financial resources have been used to support our objectives, and how we plan to ensure long-term financial sustainability in a difficult funding environment.

The Annual Financial Report includes:

- The Narrative Report – which provides background on the PCC and force's operational and financial performance for the year, set in context.
- The Statement of Accounts – a full set of financial statements and notes for the PCC and the Group, prepared in accordance with statutes and accounting standards.
- The External Auditor's Report – the independent auditor's opinion on the financial statements.

The Annual Governance Statement (AGS) – which explains how we have ensured effective governance and internal controls throughout the year.

The Statement of Accounts provides a record of the PCC's and Kent PCC Group's financial position and performance for the year ended 31 March 2026.

The PCC and Chief Constable are separate legal entities, so each produce their own accounts. The PCC accounts also include group accounts showing the combined position.

A separate Annual Financial Report for 2025/26 for the Kent Chief Constable (CC) is also available from the Chief Constable's website.

Please note that comparable figures between different notes in the Accounts may vary slightly due to rounding.

The convention in this document is that when figures are presented as £m that means they are in millions of pounds and £k means they are in thousands of pounds.

The Statement of Accounts for UK local authorities are by their nature large and complex documents. They have to meet standards set by accounting bodies such as the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Government in a number of regulations and Acts, and this means that the level of financial information required has resulted in local authorities (including police forces) not being fully compliant with the 2018 Accessibility Regulations. In preparing this Statement of Accounts, every attempt has been made to comply with Accessibility Regulations as far as possible but it may not be fully accessible for screen reader software. This Statement of Accounts document is partially compliant with WCAG 2.2 AA accessibility standards. Some content may not be fully accessible to assistive technology, particularly due to the complexity of financial tables.

# Narrative Report



# Narrative Foreword by Rob Phillips, Chief Finance Officer to the Police and Crime Commissioner

## Introduction

These are the Police and Crime Commissioner Group Accounts which cover both the Kent Police and Crime Commissioner's (PCC) and Chief Constable's (CC) accounts for 2025/26. These accounts are long and complex documents. This narrative report simplifies the most noteworthy features of our accounts alongside other information to provide context and commentary on the financial performance of both the Kent PCC and Kent Police (known collectively as the Kent Police Group) over the last year in a simpler, less technical way. It also looks at the current and future financial environment we work in.

## An Introduction to Kent

Kent is a diverse county with a resident population of around 1.8 million. It stretches from the London borders (Dartford and Swanley) to the coastal towns of Margate and Folkestone, encompassing urban centres, rural villages and one of the longest coastlines in the UK. Because of this geography, Kent Police have some unique responsibilities in addition to core crime and disorder policing. Kent is the main gateway to Europe for the UK. We police three major seaports, the Channel Tunnel rail link, and regional airports (including Lydd). The county also contains critical national road infrastructure (e.g. M25, M20, M2/A2); any disruption here can have nationwide effects. These factors place Kent Police on the front line for certain international and national issues, like border security and managing cross-border crime.

In recent years, demand related to border security has grown. For example, the rise in small boat crossings in the Channel has created a "new normal" level of activity for Kent Police, requiring significant police resources with only limited additional funding from central government. Similarly, the implementation of Operation Brock (traffic management for port disruptions) incurs nearly £1m in policing costs each year, straining local policing capacity. These unique demands mean Kent often must divert officers to nationally critical tasks (terrorism response, international organised crime) – a challenge we manage alongside keeping our local communities safe.

Kent Police works closely with numerous partner agencies (UK Border Force, National Crime Agency, local councils, etc.) given this context. We benefit from effective partnerships, but our partners too face rising demand and funding pressures, which can in turn impact policing (for instance, reductions in youth services or CCTV by others can increase calls for the police).

The PCC works across Kent and Medway and is responsible for providing support services to victims and witnesses of crime, regardless of when that crime took place or whether it has been reported to the police. The PCC, and his office, work with partners, charities and other organisations to ensure that people can get the support they need, when they need it. In recent years this has become more difficult due to increasing costs and reducing resources for both the PCC and its partners. The PCC works tirelessly to ensure Kent receives its fair share of funding for both policing and victims and witnesses.

Picture 1: Map of Kent Including Policing Divisions



## Organisational Structure

The Police Reform and Social Responsibility Act 2011 created two legal entities for policing in Kent:

- the Police and Crime Commissioner (PCC) elected by the public to secure an efficient and effective police force, and to hold the Chief Constable to account; and,
- the Chief Constable of Kent Police – responsible for the direction and control of operational policing and managing resources and staff.

The PCC sets out the strategic objectives in a Police and Crime Plan (for 2025/26 this was the “Cut Crime, Support Victims, Build Trust” plan). The Chief Constable is accountable to the PCC for delivering policing services in line with these objectives.

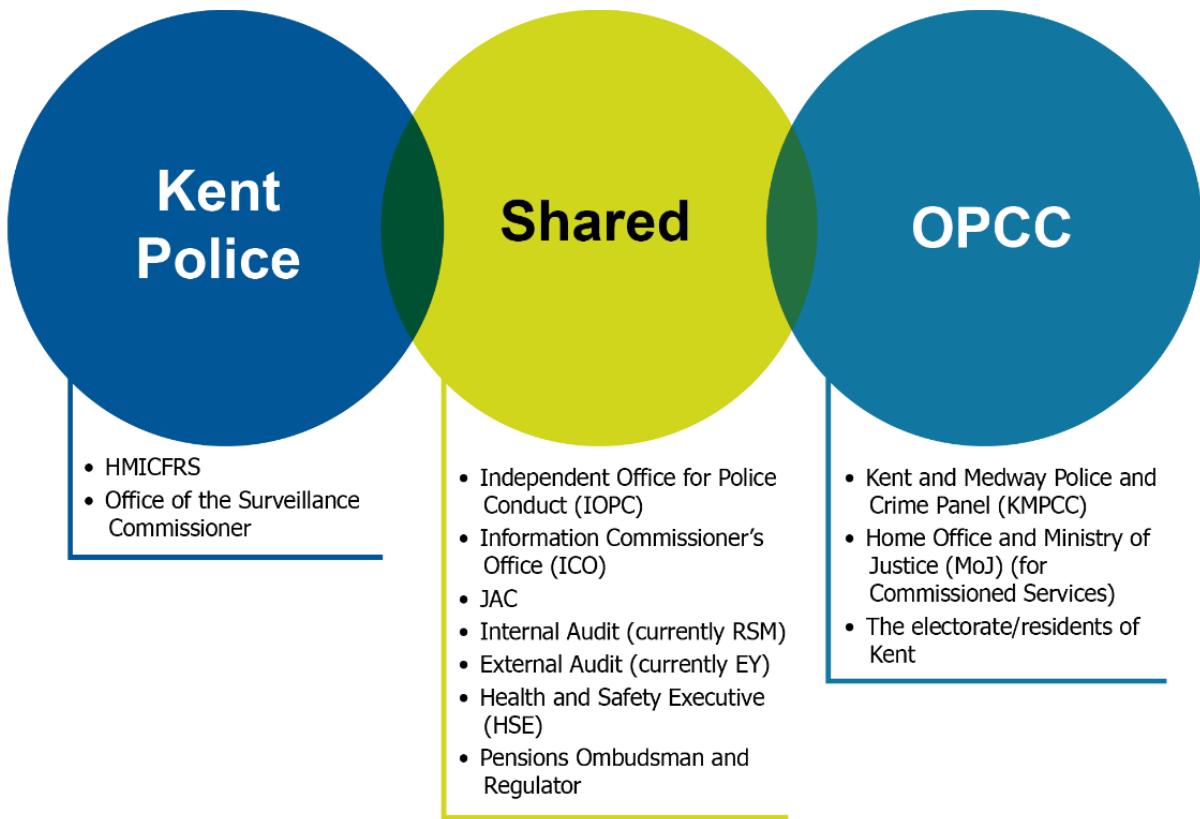
## Governance and Accountability

Strong governance supports everything we do, and we consider it essential to report this clearly. The governance framework for the Kent Police Group is explained in detail in the Annual Governance Statement (AGS); however, a brief overview is provided here for clarity.

The PCC is responsible for the overall governance of Kent Police, holding the Chief Constable to account for delivering efficient and effective policing. The PCC also receives all of the funding for policing and owns all of the assets including the Estate. The PCC is advised by the Joint Audit Committee (JAC), an independent body which scrutinises governance, risk management and internal control, and receives regular reports on performance, finance and risk. The PCC is also directly responsible for certain functions like commissioning of victim services, complaints against the Chief Constable and collaboration agreements with other agencies.

The Chief Constable, in turn, is responsible for day-to-day operational management. The Chief Constable chairs the Chief Officer Management Board (COMB), which provides strategic direction for the force. Below COMB, there are various boards and committees focusing on key areas (e.g. a Force Performance Management Committee for monitoring performance results, a Risk Management Board, etc.). These structures ensure that throughout 2025/26 we had defined forums to make decisions, manage risks, and monitor progress against our objectives.

Below is an overview diagram of our governance structure, including the Police and Crime Panel (which scrutinises the PCC), the makeup of the Chief Constable’s Chief Officer team and the PCC’s office, and the various boards and their membership. By clearly explaining who is responsible for what, and how decisions are made, we aim to give the public a transparent view of how Kent Police is governed and how we ensure ethical, effective leadership at the top.



The governance arrangements also include oversight of policing by the public:

- The PCC holds frequent Performance and Delivery Board meetings, which are held in public and is where the PCC challenges the Chief Constable on how Kent Police is performing.
- Independent Custody Visitors and other volunteer schemes provide external checks and feedback.
- We publish key information (from spending over £500 to senior salaries and our HMICFRS inspection reports) on the PCC and force websites in line with the Specified Information Orders, so that our stakeholders can readily find information and data on our operations.
- The Police and Crime Panel meet regularly in public to scrutinise the work of the PCC.
- All of our governance arrangements including schemes of delegation are published on the PCC's website.

During 2025/26, there were no significant governance failures. The AGS reports on a small number of governance issues identified (for example, the need to improve IT disaster recovery testing, identified by internal audit, which is being addressed). It also outlines last year's action plan and progress made – we are pleased to report that most actions (such as enhancing procurement controls and embedding the new Code of Ethics training) have been completed, reflecting our commitment to continuous improvement in governance.

## Strategy

The current Police and Crime Plan 'Cut Crime, Support Victims and Build Trust,' was published in April 2025 which sets out his vision and priorities for policing and community safety, as well as the objectives and ambitions to which Kent Police will be held to account. A summary of this plan is below.

# Cut Crime, Support Victims, Build Trust – My plan on a page



The Kent Police Pledge is set by the Chief Constable, outlining his commitments to staff, commitment to the public and priorities and values. At the heart of the Pledge, there is a commitment to provide a high-quality policing service that is delivered with absolute integrity, to support and protect victims, and to catch criminals and solve crime.

Furthermore, the force has a Control Strategy which sets out the operational priorities for crime prevention, intelligence and enforcement. The key crime types of focus are aligned to the Police and Crime Plan, with a particular focus on violence against women and girls (VAWG), serious violence and harm, organised crime and exploitation.

Nationally, Kent Police is also committed to ensuring delivery against Government set direction and priorities within the 'Strategic Policing Requirement' and the 'Safer Streets Mission'. The PCC is also obligated to report on delivery to the Home Office in the Annual Assurance Statement.

The Kent and Medway Police and Crime Panel perform a 'checks and balances' role to monitor the performance of the PCC regarding his priorities for Kent Police as set out in Plan. The Panel plays a vital role in scrutinising the work of the PCC and supporting him in the effective exercise of his duties, in particular in the way he holds the Chief Constable of Kent Police to account. The Panel also have the power to veto or accept the PCC's decision on any proposed changes to the level of precept levied across Kent and Medway.

All of this is underpinned by a suite of financial strategies including the Medium-Term Financial Plan, Capital, Reserves and Treasury Management amongst others.

Our Annual Report and these Accounts form a key accountability mechanism to show how we deliver on these plans and strategies.

## Risks

### Principal Risks and Uncertainties

Every large organisation faces risks, and managing these risks is an integral part of our governance. Kent Police and the Office of the PCC identify and monitor a range of strategic risks, both internal and external, that could impact our ability to serve the public. These risks are detailed in the Annual Governance Statement.

Both organisations have and operate separate risk management strategies and risk registers although clearly some risks (i.e. finance) are shared and impact both risk registers. These risks are regularly reviewed and scrutinised by the Joint Audit Committee (JAC). The last report by the Kent OPCC was considered by the JAC on the 11 June 2026 and the details are available on the website.

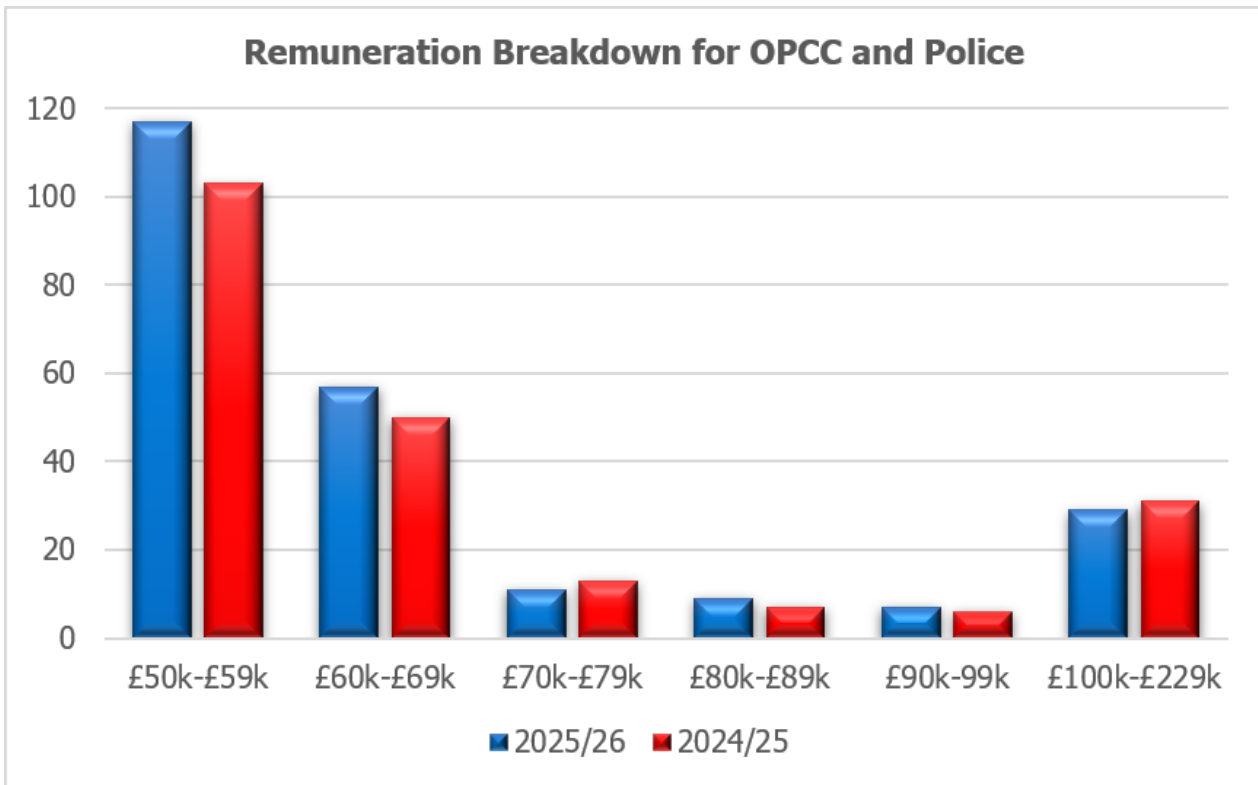
## People

### Recruitment

Kent Police, as at 31 March 2026, has a strength full time equivalent (FTE) of 4,092 officers, 2,132 staff and 86 police community support officers as well as 168 (headcount) specials. Below is a breakdown of strength by employee group, gender, and ethnicity.

In 2025/26, Kent Police achieved our goal of achieving the police uplift headcount requirements in both September 2025 and March 2026. The force ended the financial year with a police officer headcount of 4,223, which was the exact headcount requirement of 4,223. These figures will differ to the table below as the table is in strength FTE. In addition, police uplift headcount includes officers on career break, seconded into force and those working in regional collaboration (whereas the figures below do not).

Strength by Full-time Equivalent			Ethnic Minorities Staff Group	Strength by Full-time Equivalent			Ethnic Minorities
2024/25	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2025/26
Male	Female	Total	Total	Male	Female	Total	Total
2,659	1,449	4,108	156 Police	2,625	1,467	4,092	156
701	1,494	2,195	89 Staff	671	1,460	2,132	89
32	54	86	5 PCSO	31	55	86	4
<b>3,392</b>	<b>2,997</b>	<b>6,389</b>	<b>250 Total</b>	<b>3,328</b>	<b>2,981</b>	<b>6,309</b>	<b>249</b>
138	37	175	14 Specials (Headcount)	129	39	168	15



**Employee remuneration**

Our accounts have to publish the numbers of those employees whose remuneration, excluding pension contributions was £50,000 or more. The above chart illustrates the changes from last year. Further details can be found in Note 9 in the accounts. The increase in the number of employees from 2024/25 to 2025/26 is largely due to pay increments, inflation, and additional overtime.

**Non-financial Performance**

**PCC performance**

The PCC continued to hold the Chief Constable to account for delivery of his Police and Crime Plan through his quarterly Performance and Delivery Board. This is a meeting held in public and the Chief Constable is required to attend and answer questions about policing in the county. These meetings enable the Chief Constable to illustrate activity against the Plan priorities and provide the PCC with assurance that they are effectively being delivered through using real-life case studies and a variety of metrics.

The PCC and his Commissioning Team were once again successful in bidding for and receiving additional funding into the county, with £6.4m being spent on services for victims and witnesses. This continues the success of the team who have almost doubled the funds available to spend on victims’ services since 2016. Additional funding was received from the MoJ to continue support for domestic violence and sexual violence services in managing their increased demand and continue with increased capacity for domestic abuse and sexual violence trauma counselling.

Over the year 85,122 victims were referred for support across Kent and Medway. Of those, 96% or 82,064 people received some kind of support. This was across 26 different organisations funded by the PCC to deliver 43 different services to victims. These services are provided regardless of when the crime took place or if it has been reported to the police. Services include specialist support for children and young people, therapeutic services, trauma counselling, stalking advocacy, sexual abuse and domestic abuse specialist support. Caseloads continue to increase for victim services, particularly Independent Domestic Violence Advisers (IDVA) and Independent Sexual Violence Advisers (ISVAs) due to the complexity of cases and delays within the Criminal Justice System (CJS).

The OPCC dealt with approximately 5,248 pieces of casework and complaints, which is a significant increase on last year. However, this includes one month where one individual contacted the Office on around 700 occasions, notably skewing the figures. The OPCC is the 'Review' body for most police complaints from Kent Police taking the appeals against these complaints from members of the public. The OPCC has dealt with over 337 this year, a 34% increase on the previous year. This has not impacted on performance, with over 80% of reviews being completed within our own internal timeframe measures, and Kent OPCC still out-performs both regional and national comparators. This overall increase can be attributed to both an increase of complaints to PSD, and the work undertaken by the OPCC in ensuring that complaints were recorded correctly with the aligned right of review provided.

The PCC has a statutory Independent Custody Visitors Scheme (ICV Scheme), where unannounced visits/inspections take place at custody suites, to check on the welfare of detainees. In 2025/26, 224 visits took place, which is an almost identical number to last year, indicating that the Scheme has an appropriate level of volunteers to carry out the work. However, this year 724 individual detainees were spoken to, which is an increase of 10%. The Scheme has also been awarded the Gold Standard by the national organisation, demonstrating its effectiveness and a high level of compliance with the national framework.

The PCC also created and chairs the Retail Crime and Rural Crime Boards as well as hosting the Custody and Detention Scrutiny Panel (CDSP). The PCC also chairs the Criminal Justice Board and the Serious Violence Duty Board.

### Force performance

There is a regular report to the PCC's Performance and Delivery Board which provides a detailed analysis for the most recent quarter (January 2026 – March 2026) of Kent Police performance against an agreed set of measures within the four key priorities of the Police and Crime Plan, namely, Protecting People, Protecting Places, Protecting Property and Productive Partnerships. This is available from the PCC's website.

This section can also be found in the Chief Constable Accounts for 2025/26. His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) inspect crime data integrity for Kent, effectively measuring how well Kent Police records crime. This was last inspected approximately five years ago and resulted in a crime recording rate of 96.6%. Since then, the criteria for recording crime have changed, however, despite these new changes, Kent Police's crime recording rate is stable at 96.6%. This is one of the highest rates in the country and means if you report a crime in Kent, it will be properly recorded. Crime is falling across Kent; victim-based crime has fallen by 5.8% (8,076 fewer crimes) when compared to financial year 2024/25.

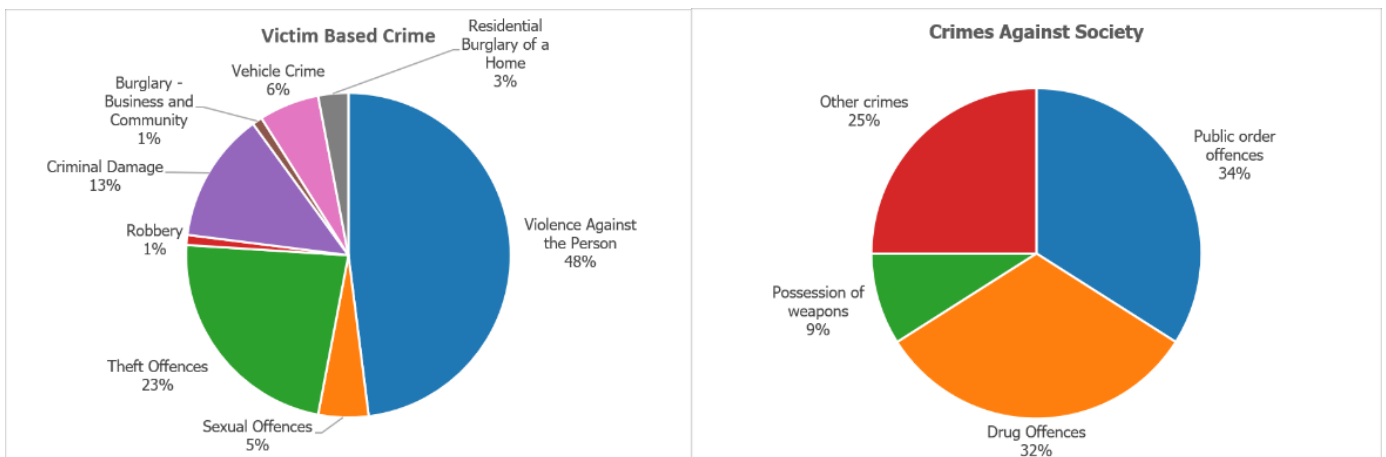
2024/25 Crimes	Police and Crime Plan Categories	Crime Category	2025/26	% Change	No. Change
67,485 Victim Based	Protecting People	Violence Against the Person	63,084	-6.5%	-4,401
6,703 Victim Based	Protecting People	Sexual Offences	6,600	-1.5%	-103
<b>74,188</b>	<b>Protecting People</b>	<b>Sub Total</b>	<b>69,684</b>	<b>-6.1%</b>	<b>-4,504</b>
952 Victim Based	Protecting Property	Robbery	1,497	57.2%	545
4,237 Victim Based	Protecting Property	Residential Burglary	3,385	-20.1%	-852
1,509 Victim Based	Protecting Property	Burglary - Business and Community	1,252	-17.0%	-257
9,080 Victim Based	Protecting Property	Vehicle Crime	7,364	-18.9%	-1,716
31,482 Victim Based	Protecting Property	Theft Offences	30,601	-2.8%	-881
<b>47,260</b>	<b>Protecting Property</b>	<b>Sub Total</b>	<b>44,099</b>	<b>-6.7%</b>	<b>-3,161</b>
17,612 Victim Based	Protecting Places	Criminal Damage	17,201	-2.3%	-411
<b>139,060 Victim Based</b>	<b>Total Victim Based</b>		<b>130,984</b>	<b>-5.8%</b>	<b>-8,076</b>
8,828 Against Society	Protecting People	Public Order Offences	7,859	-11.0%	-969
6,337 Against Society	Not in Plan	Drug Offences	7,088	11.9%	751
1,772 Against Society	Not in Plan	Possession of Weapons	1,902	7.3%	130
5,624 Against Society	N/A	Other Crimes	5,526	-1.7%	-98
<b>22,561 Against Society</b>	<b>Total Crimes Against Society</b>		<b>22,375</b>	<b>-0.8%</b>	<b>-186</b>
<b>161,621</b>			<b>153,359</b>	<b>-5.1%</b>	<b>-8,262</b>

All recorded crime has experienced a decrease of -5.1%, with 8,262 less crimes over the last 12 months with reductions seen in nearly all categories of crime. Robbery has seen an increase, up +57.2% (+545), this is attributable to an increase in business robbery, following a change to the Home Office Counting Rules introduced in April 2025 whereby 'a person is now guilty of robbery if they steal, and immediately before or at the time of doing so, uses force on any person or puts any person in fear of being subjected to force'. This previously would have been recorded as a shoplifting offence.

Drug offences and possession of weapon offences both saw an increase for the financial year, drug offences up +11.9% with 751 more crimes and possession of weapons up +7.3% with 130 more crimes. These offence types are influenced by proactive policing. Levels and trends should not be considered a measure of criminal activity. Kent continues to work in strong collaboration with partner agencies and other police forces sharing cross border information and intelligence.

Domestic Abuse (DA) experienced a -2.7% decrease, with 769 fewer crimes. In the last 12 months, the force has arrested / interviewed 10,811 suspects, charged 2135 offenders and achieved 2,786 solved outcomes for victims.

A County Line must have the following four elements: the movement of drugs, i.e., the practice of trafficking drugs into rural and smaller towns away from major cities, communication i.e., the mobile technology used to run the line, violence and vulnerability, which includes exploitation of individuals. The number of county lines in Kent has decreased by 1 from March 2025 (48) to March 2026 (47)

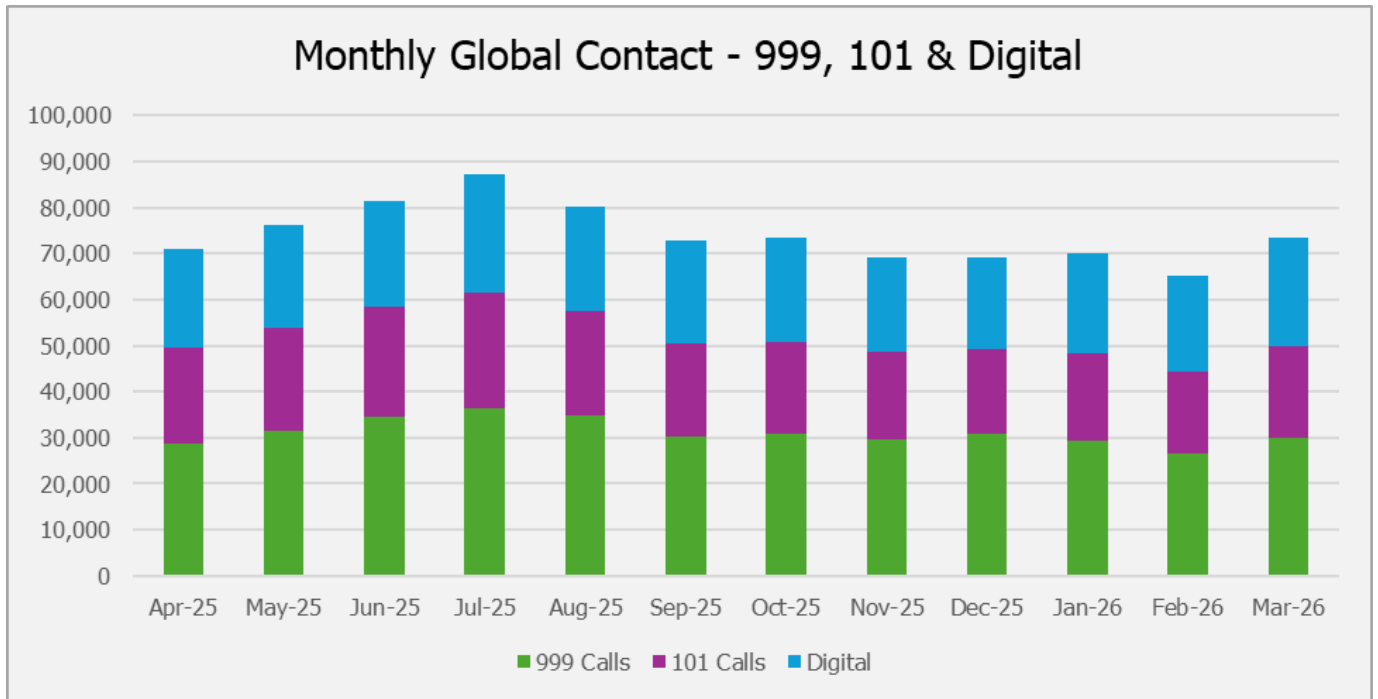


The Kent Police and Crime Plan has "Public contact" as one of its priorities as part of "Protecting Places". The tables below show Kent's performance in responding to the public compared to last year.

2024/25	999 Contact:	2025/26	% Change	No. Change
363,396	Calls Received	372,883	2.60%	9,487
361,813	Calls Answered	371,133	2.56%	9,320
1,583	Calls Not Answered	1,749	10.50%	166
0.44%	% Not Answered	0.47%		
3 Sec	Average Time to Answer	3 Sec		
96.59%	% Answered Under 10 Seconds	95.07%		
2024/25	101 Contact:	2025/26	% Change	No. Change
255,824	Calls Received	249,772	-2.40%	-6,052
248,284	Calls Answered	241,432	-2.80%	-6,852
7,540	Calls Not Answered	8,340	10.60%	800
2.95%	% Not Answered	3.34%		
31 sec	Average Time to Answer	31 sec		

2024/25	Digital Contact:	2025/26	% Change	No. Change
48,876	Online Crime Reports	51,095	4.50%	2,219
59,458	Live Chat	56,301	-5.30%	-3,157
146,505	Other Digital Contact	159,602	8.90%	13,097
<b>254,839</b>	<b>Total</b>	<b>266,998</b>	<b>4.80%</b>	<b>12,159</b>

Overall, calls for service to Kent Police have increased by +1.8% (15,427 more calls). Telephony operators received 372,883 Emergency (999) calls, a +2.6% increase (+9,487) and 249,772 non-Emergency (101) calls, a -2.4% decrease (-6,052) against the previous year. There has been a +4.8% increase (+12,159) in digital contact (including email, Live chat and Single Online Home (SOH),



### HMICFRS Inspection

His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) is an independent inspectorate that assesses and reports, in the public interest, on the efficiency, effectiveness and legitimacy of police forces. It carries out inspections, publishes judgments and recommendations, and uses its findings to promote improvement, accountability and value for money across policing services.

The Latest HMICFRS report on Kent Police is “Kent PEEL Assessment 2025–2027”. Their inspection assessed how well Kent Police performs in eight areas of policing and they made graded judgments as follows:

<b>Police and Crime Plan Key Priorities</b>	<b>PEEL Categories</b>	<b>Kent PEEL Assessment 2025–2027</b>	<b>Kent PEEL Assessment 2023–2025</b>
Other – Support Functions	Developing a positive workplace/ Developing a diverse and inclusive workforce	Outstanding	Good
Other – Support Functions	Leadership and force management	Good	Good
Protecting Property	Preventing Crime/ Preventing and deterring crime	Good	Good
Protecting Places	Police powers and public treatment	Adequate	Good
Other - Investigations	Investigating crime	Adequate	Requires improvement
Protecting Places	Responding to the public	Adequate	Requires improvement
Protecting People	Safeguarding children and adults	Adequate	
Protecting Property	Managing fraud	Adequate	
Protecting People	Protecting vulnerable people		Good
Protecting People	Disrupting serious organised crime		Good
Productive Partnerships	Managing offenders		Adequate
Other - Support Functions	Tackling workplace corruption		Adequate

In response to the PEEL assessment 2023-2025 Kent Police took action to address the areas identified as requiring improvement, resulting in an improved assessment for both of them. Analysis of 'where we spend the money' indicates that the three Police and Crime Plan priority areas showing improvement also represent the highest areas of spend within the overall police budget, demonstrating a clear commitment of resources to addressing these priorities.

## Climate Change

Kent Police Group maintains a formally published Environmental Policy, most recently reviewed in October 2025. This policy explicitly commits the force to:

- continuous improvement in environmental performance;
- delivery of carbon reduction through the Carbon Management Plan;
- considering climate change, adaptation and energy performance in estate acquisition, design and refurbishment; and,
- reducing energy and water consumption and managing waste responsibly.

## Carbon Management Plan

Kent Police Group have a publicly accessible Carbon Management Plan stating a long-term commitment to carbon reduction which can be found on the Kent Police website. It states that we have a clear long-term commitment to carbon reduction. Our Carbon Management Plan creates a better workplace for staff, helps cut costs and returns savings to operational policing. Since 2008 we have reduced carbon emissions from buildings and vehicles by 49%.

We are committed to:

- understanding legislation and acting responsibly to prevent air, water and land pollution
- considering energy performance in the adaption, acquisition, design, refurbishment, location and use of buildings
- complying with environmental legislation and regulations and if possible, by exceeding these requirements.

Our ongoing environmental improvement programme reflects our commitment to carbon reduction both ethically and economically.

## PCC and Kent Police Group Finances

This section explains the financial results of the PCC and Kent Police Group for the year 2025/26. It should be read alongside the primary financial statements and notes. We aim to present our finances in a straightforward way, linking back to our operational performance where possible.

These accounts cover:

- The PCC Single Entity – activities under the PCC’s direct control (e.g. community safety, commissioning services for victims and witnesses).
- The Group (PCC + Chief Constable) – all operational policing activities under the Chief Constable, funded by the PCC.

The Net Revenue Budget for 2025/26 was £429.3 million, of which £3.785 million was under the PCC’s direct control. The PCC is ultimately responsible for the combined Group finances. A separate set of accounts is published for the Chief Constable, explaining how resources provided by the PCC were used to deliver operational policing.

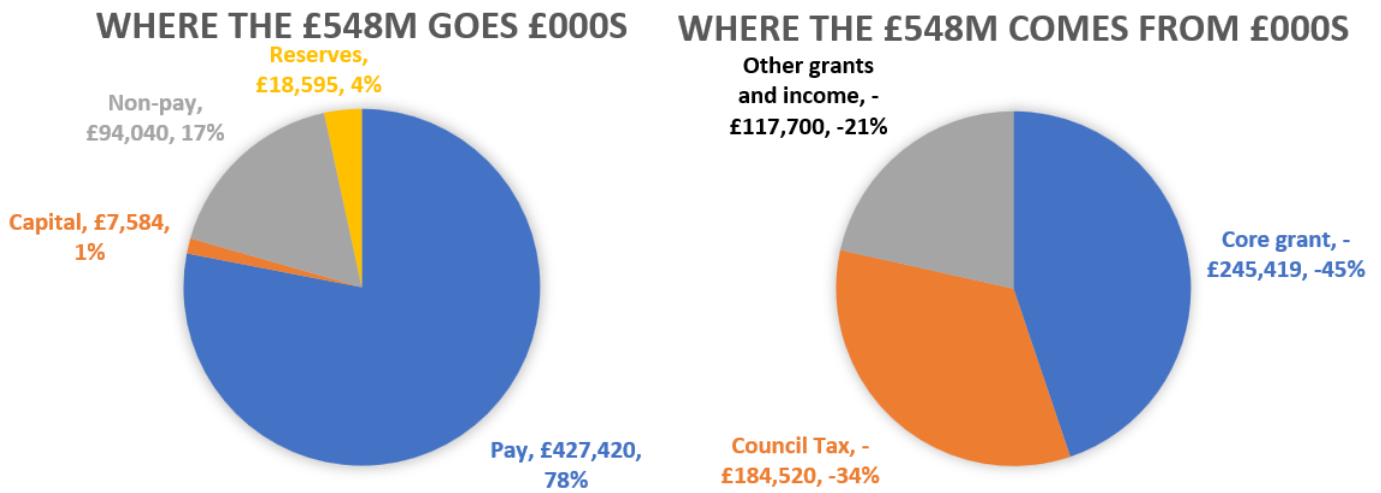
The accounts have been prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting. The main financial statements comprise:

- Comprehensive Income and Expenditure Statement (CIES)
- Movement in Reserves Statement
- Balance Sheet
- Cash Flow Statement

We also present a table showing how our budget compares with actual spending.

The statements use figures rounded to the nearest thousand (£000), so minor rounding differences may appear in totals.

### Where the Money Comes From and How It Is Spent



### Where We Spend the Money

The table below shows how we spend our money against the key priorities of the current Police and Crime Plan and compares us to other similar police forces. Much of the necessary spend is on items that are not specified in the Crime Plan, but which support the delivery of all of the key priorities and these are labelled as ‘Other’.

<b>Police and Crime Plan Priorities (£000s)</b>	<b>Kent</b>	<b>Avon and Derbyshire Somerset</b>	<b>Essex</b>	<b>Hertfordshire</b>	<b>Northamptonshire</b>	<b>Nottinghamshire</b>
Protecting Places	112	130	80	131	101	95
Other - Support Functions	107	123	59	102	72	72
Other - Investigations	69	44	18	34	20	31
Protecting People	60	35	40	64	29	28
Productive Partnerships	34	32	20	27	20	26
Other - Intelligence	19	19	9	16	8	10
Protecting Property	13	8	7	15	10	9
Other - Operational Support	10	15	7	15	14	10
Other - PCC	4	5	4	7	5	7
<b>Grand Total</b>	<b>428</b>	<b>411</b>	<b>244</b>	<b>411</b>	<b>279</b>	<b>288</b>

### Revenue budget vs outturn

#### PCC and group

We have summarised the revenue position in the table below:

<b>2024/25 Restated Actual £'000's</b>	<b>Revenue Outturn</b>	<b>2025/26 Budget £'000's</b>	<b>2025/26 Actual £'000's</b>	<b>2025/26 Variance £'000's</b>
12,260	Central Operations	12,634	10,763	(1,871)
1,440	Chief Officers	1,166	1,059	(107)
1,891	Corporate Communications & Citizens in Policing	1,972	2,022	50
5,292	Corporate Services	5,705	5,126	(579)
14,615	Crime	17,247	16,926	(321)
6,064	Human Resources	6,444	5,817	(627)
1,300	Legal Services	1,518	1,471	(47)
9,387	Local Policing & Partnerships	8,427	8,388	(39)
3,475	PCC	3,785	3,696	(89)
270,991	Police Pay	291,572	291,530	(42)
1,985	Professional Standards	2,197	2,461	264
18,228	Serious Crime	18,867	19,260	393
62,684	Support Services	57,800	61,420	3,620
<b>409,612</b>	<b>Cost of Services</b>	<b>429,334</b>	<b>429,939</b>	<b>605</b>
	<u>Financed by:</u>			
(237,120)	Government grants	(245,419)	(245,419)	0
(172,492)	Council tax	(183,915)	(184,520)	(605)
<b>(409,612)</b>	<b>Revenue Funding</b>	<b>(429,334)</b>	<b>(429,939)</b>	<b>(605)</b>
<b>0</b>	<b>Surplus for the Year</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>2024/25 Movement on General Fund</b>	<b>2025/26</b>	<b>2025/26</b>	<b>2025/26</b>
<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
<b>(12,273) General Fund Balance as at 1 April</b>	<b>(12,519)</b>	<b>(13,369)</b>	<b>(850)</b>
(1,096) Movement in year	(251)	(432)	(181)
<b>(13,369) General Fund Balance as at 31 March</b>	<b>(12,770)</b>	<b>(13,801)</b>	<b>(1,031)</b>

We have to prepare a balanced budget every year. The reported revenue breakeven position sits alongside a significantly larger underlying favourable position. In-year income and underspends of (£14.7m) have been partially offset by £5.8m of cost pressures and underachieved savings, resulting in an underlying underspend on service expenditure of (£8.9m). Additionally, there has been £0.6m additional surplus on council tax. This has been proactively managed through fully allocating as a transfer to reserves to support future financial resilience and the financial pressures shown in the Medium Term Financial Plan (MTFP). The favourable position is largely driven by in-year and non-recurrent factors including:

- Additional government funding and operational income received post budget setting and through the course of the financial year
- Vacancy factor and strong budget management
- Strong treasury performance and reduced borrowing

This has been proactively managed through fully allocating as a transfer to reserves to support future financial resilience and the financial pressures shown in the MTFP. Overall, the outturn reflects disciplined financial management and prudent use of in-year gains in the context of financial uncertainty both in-year and beyond. Whilst continuing to face financial pressures, the Kent Police Group is in a stronger financial position due to the proactive budget management taken which has put the Group in a better position to meet these external financial constraints.

### **Value for Money**

The 2025/26 outturn detailed above is confirmation of the control that Kent Police has over its finances. A recent National Audit Report<sup>1</sup> showed that Kent was only one of six police forces that added to their financial reserves in the most recently available figures compared to 36 forces who took from their reserves to balance their budgets. The most recent PEEL assessment concluded that: "The force can show how it aligns finances to its priorities and how it decides if its expenditure offers value for money".

The PCC and Chief Constable value the work independently undertaken by external audit each year, regarding their assessment of the arrangements that the PCC and Chief Constable have in place for achieving value for money from their use of resources. The 2024/25 auditor's report is published on the PCC's website and "identified no risks of significant weaknesses in arrangements and therefore expect to have no matters to report by exception in our audit report".

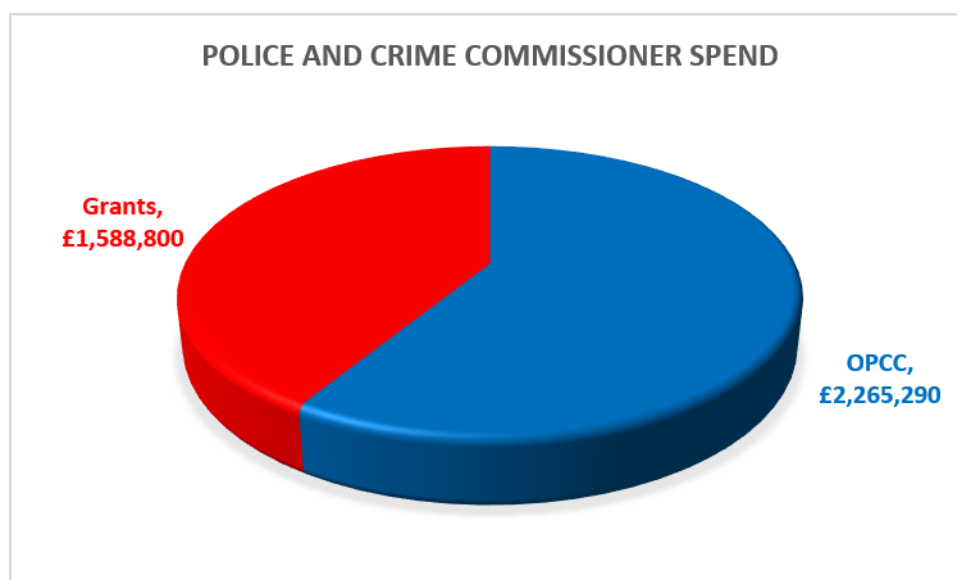
See Note 18 for movement on General Fund and all reserves.

### **Police and Crime Commissioner expenditure**

The PCC net budget consists of the costs of the OPCC and the grants that the PCC provides to support projects across Kent.

The following provides a breakdown of that expenditure:

<sup>1</sup> Police Productivity published 3 November 2025



The budget for the OPCC has always been at or below the level inherited in 2012 from the previous Police Authority. All additional responsibilities that were given to PCCs during that period did not come with any funding for additional burdens and these costs were also absorbed into the existing budget. The OPCC has faced significant cost pressures with increases in the number and cost of misconduct hearings, police complaints, the complexity and scale in commissioning services for victims and witnesses, increases in correspondence including Freedom of Information (FOI) and Subject Access Requests (SAR) alongside the normal pay pressures which put pressure on the OPCC budget for 2025/26. Due to careful management of the funds under the PCC's control this led to a small underspend which was transferred to the OPCC reserve.

<b>OPCC Revenue Outturn 2025/26</b>	<b>Budget £'000's</b>	<b>Actual £'000's</b>	<b>Variance £'000's</b>
Employees (including Police pay)	2,164	2,190	26
Premises-related expenditure	24	8	(16)
Transport-related expenditure	11	13	2
Supplies and Services	602	4,813	4,211
Third Party Payments	4,670	3,770	(900)
Grants	(3,617)	(6,973)	(3,356)
Movement from reserves	0	33	33
<b>Grand Total</b>	<b>3,854</b>	<b>3,854</b>	<b>0</b>

### Capital budget

<b>Department</b>	<b>Budget 2025/26 £'000's</b>	<b>Actual Expenditure 2025/26 £'000's</b>	<b>Variances Actual to Budget 2025/26 £'000's</b>
IT Department	6,276	2,093	(4,183)
Estate Department	5,595	3,092	(2,503)
Transport	2,876	3,009	133
ANPR - replacement and expansion	887	832	(55)
Other - plant and equipment plus ad hoc	1,728	545	(1,183)
North Kent Works	11,052	427	(10,625)
Counter Terrorism	14	14	0
Anticipated roll-forward from 2024/25	(3,977)	0	3,977
<b>Totals</b>	<b>24,451</b>	<b>10,012</b>	<b>(14,439)</b>

Our capital investment programme for 2025/26 had an approved budget of £24.5m, focusing on technology, fleet replacement and estates improvements. Actual capital spend was £10m (41% of the budget), with £5.3m slipping to 2026/27. The main reasons for this were:

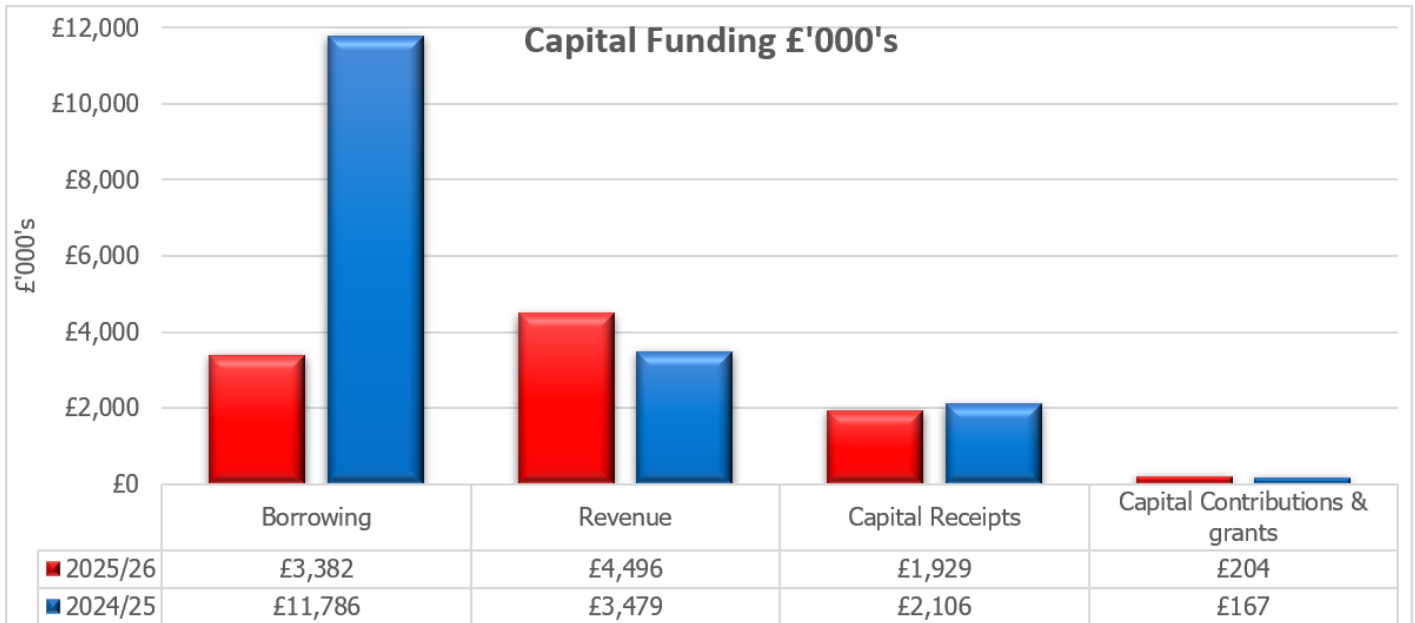
- North Kent (NK) (£10.6m) - majority of this underspend relates to the lower cost of tenders for the heating and cooling project plus reprioritisation of lifecycle works.
- IT (£4.2m) – delay in Digital Forensic Platform project, and Tech refresh project underspends relating to less demand for equipment, some hardware not required this year and a delayed laptop order due to a hardware fault that needed rectifying first.

Key projects delivered included:

- Replacement of a number of police vehicles
- Investment in ICT infrastructure and equipment, such as updating user devices, digital forensics, contact management with the public and victims
- Estates works, including works on the disposal of part of the force Headquarters, improving quality of buildings for officers and staff

**Capital funding**

Capital expenditure was financed by a mix of borrowing, capital receipts from asset disposals, direct revenue contributions and some government capital grants & contributions.



See Note 27 for capital financing.

**Balance Sheet**

At the end of each financial year, we draw up a balance sheet that represents how much Kent PCC/ Group's land and buildings are worth, what is owed to others, what others owe us and how much cash we have. An abbreviated Balance Sheet for the Group is shown in the table below:

<b>31 March 2025</b>	<b>Balance Sheet</b>	<b>31 March 2026</b>
<b>Restated</b>		<b>£'000's</b>
<b>£'000's</b>		<b>£'000's</b>
204,551	Buildings, land and other long-term assets owned by the PCC (Long-term Assets)	198,305
13,271	Cash and cash equivalents	13,763
47,430	Amount others owe to us (Current Assets)	55,683
(82,111)	Amount we owe to others (Current Liabilities)	(73,613)
(2,323,638)	Liability related to pension schemes	(2,315,630)
(19,203)	Other long-term liabilities	(42,469)
<b>(2,159,701)</b>	<b>Net Assets</b>	<b>(2,163,961)</b>
	Financed by:	
(38,711)	Usable reserves (can be used to provide services)	(52,810)
2,198,412	Unusable reserves (held for accounting purposes only, not to provide services)	2,216,771
<b>2,159,701</b>	<b>Total Reserves</b>	<b>2,163,961</b>

The main change is the reduction in the liability on pension schemes (see Note 11 for more details).

### Reserves

Reserves are reported in two categories:

- usable reserves, which are the reserves that we use during the year to fund investment opportunities or the capital programme. Any underspend at the end of the year is transferred into usable reserves. Any overspend at the end of the year is a transfer out of usable reserves.
- unusable reserves which consist of the adjustments that have to be made in order to report the annual expenditure on an accounting basis.

	<b>31 March 2025</b>	<b>Movement in Year</b>	<b>31 March 2026</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
General fund	(13,370)	(432)	(13,802)
Revenue Earmarked Reserves	(25,227)	(13,667)	(38,894)
Capital Reserves	(114)	0	(114)
<b>Total Usable Reserves</b>	<b>(38,711)</b>	<b>(14,099)</b>	<b>(52,810)</b>
2025/26 Budgeted Reserves	(29,700)	256	(29,444)

The increase of £14m in reserves was due to the revenue outturn underspend, a surplus on the collection fund and sums set aside to fund anticipated spend in future years.

The General Fund was maintained to the minimum of 3% Net Revenue Expenditure (NRE) in 2025/26.

The Budget Support reserve is a contingency to support unexpected budget pressures that may be identified during the year.

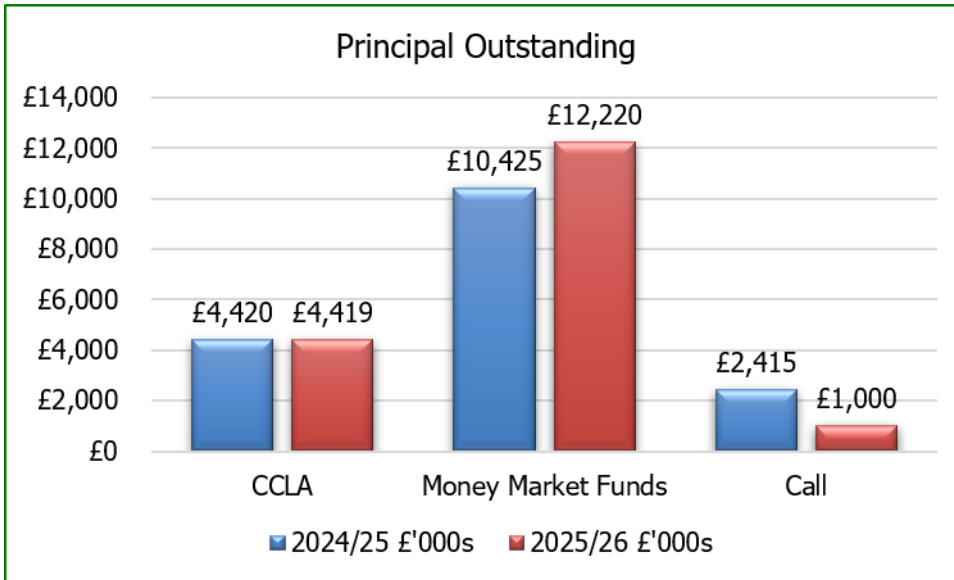
See Notes 17 & 18 for movement on General Fund and all reserves.

### Treasury management

The PCC invests surplus funds in accordance with his Treasury Management Strategy, which is updated and agreed each year. The 2025/26 strategy set out a clear set of investment rules to maximise the return with minimal risk.

### Investments

The table below shows a breakdown of our investments by type.



Money Market Funds are well rated, highly diversified pooled investment vehicles. The CCLA is the Church, Charities and Local Authorities (CCLA) property fund. Call investments represent balances on bank accounts. The total value of investments at the year-end amounted to £17.6m. £4.42m has been classified as long-term investments and £13.76m as cash and cash equivalents.

See Note 30 – Financial Instruments for further details on the force’s investments.

**Borrowing**

Aside from the Private Finance Initiative (PFI) contract, the PCC is carrying £39 million of external debt to manage cashflow pressures at the end of the year (£20 million, 2024/25).

**Cash flow**

Cash Flow	2024/25 £'000's	Movement £'000's	2025/26 £'000's
Long-term investments	4,420	0	4,420
Short-term deposits	10,425	2,795	13,220
Bank accounts	2,846	(2,303)	543
<b>Total</b>	<b>17,691</b>	<b>492</b>	<b>18,183</b>

The table shows a breakdown of our cash and investments. The 2024/25 figures have been re-stated to reflect the re-categorisation of cash held by Kent Police on behalf of third parties from being offset within the bank accounts figure, to short-term creditors. See Note 33 – Cash and Cash Equivalents.

The main factors affecting cash flow are:

- acquisitions and disposals relating to the capital programme
- the value of reserve balances

- grants and contributions unapplied
- receipt of government grant and local precepts
- the value of borrowing
- the value of loans raised

Further Cash Flow details can be found in Notes 38 to 40.

## Financial Outlook

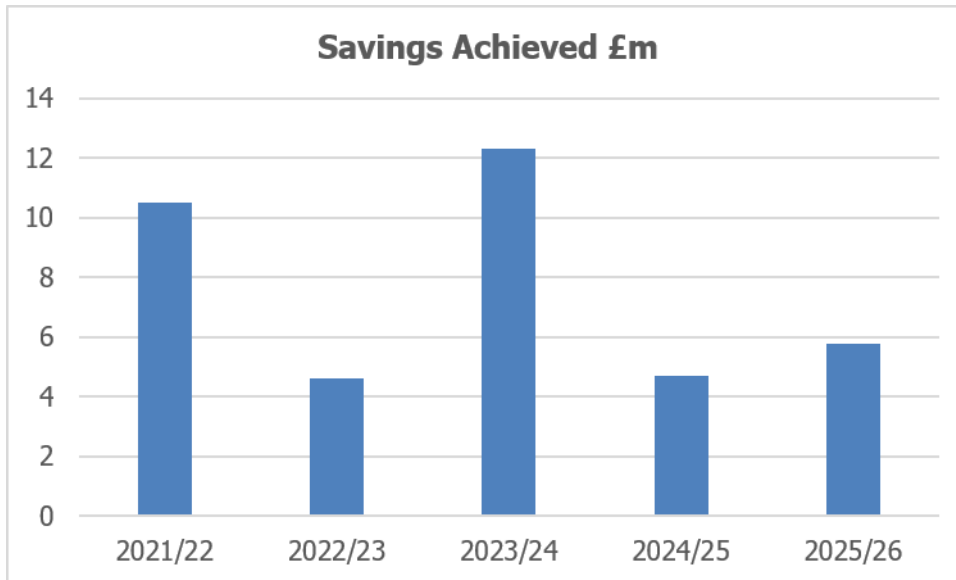
### Future funding and the medium-term challenge

These statement of accounts are by their nature backward looking. They are a snapshot of our performance at the end of the financial year. As a group we are constantly looking forward in order to understand the financial environment which we operate within. It ensures our decisions aren't taken for the short term but across the medium term and in relation to capital expenditure across the long term too.

Our MTFP is published every February and the latest version from 2026 shows the gap between what we need to spend and the amount we receive in income increasing from 2026/27 onwards. This gap is effectively the level of savings we need to make each year in order to balance the budget.

<b>Savings Required</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
New Savings (each year)	2.9	4.1	5.3	16.3	11.3
Total Savings (cumulative)	2.9	7.0	12.3	28.6	39.9

Unfortunately, this has become the normal state for the MTFP over recent years. The graph below shows revenue savings achieved in recent years:



The reason that these gaps occur is that our costs for running the group outweigh the funding we receive from government and council tax payers. Specifically:

- Pay: This is Kent Police's biggest cost. 80% of our budget is spent on employee costs. Pay awards for police officers and staff add around £8-10m of cost each year. For context, a 1% pay rise costs Kent Police about £3m per year. Kent Police and OPCC operate on a pay scale and officers and staff move up incrementally every year on satisfactory performance. These increments can add up to £8m a year.

- Price Inflation: A number of our contracts are linked to price inflation indices which have yet to decrease to the Bank of England target. This in addition to general inflation on fuel, utilities, technology, and other supplies we must purchase, also adds financial pressure.
- Cost of capital expenditure: We receive no capital funding from the government so increasingly our capital expenditure is funded from revenue funding or borrowing which incurs its own cost.
- Grant Funding: Government core grants are assumed to increase only marginally, if at all, in real terms. Recent years settlements have not kept pace with pay pressures and even when pay awards are partially funded no funding is given for increments.
- Precept: The PCC's ability to raise council tax (precept) is subject to a limit with any increase above that limit being subject to a local referendum. Although future limits have been suggested these can change on an annual basis which creates uncertainty beyond 2026/27. The tax-base growth (new homes etc.) provides some natural increase, but not enough to cover all cost rises.
- Both the PCC and force risk registers explicitly flag finance as a risk area. There are a number of approaches that the PCC and Chief Constable are pursuing in order to minimise this risk. These include:
- Efficiency Savings: We have a formal savings plan which is updated regularly – targeting procurement savings, streamlining support services, and exploiting new technology. During 2026/27 we aim to realise £3m of cashable savings (such as through Digital Transformation reducing manual workloads).
- Use of Reserves: We have a policy to maintain the General Reserve at around 3% of budget. This is set aside for unknown or unforeseen events. It is not used for day-to-day costs. However, we do have some Earmarked Reserves which can be used to support projects, invest in cost-saving initiatives and to help smooth delivery of services during turbulent times.
- Income and Grants: We continue to pursue all available external funding. For example, applying for any specific grants that become available from the government. This can bring additional resources into the county and help ease some budgetary pressures.
- Advocacy for Fair Funding: The PCC, through the Association of Police and Crime Commissioners (APCC), and the Chief Constable, through the National Police Chiefs' Council (NPCC), will keep lobbying for a review of the police funding formula. We are making the case that the current formula does not reflect the true demand of a county like Kent with unique national pressures and significant population churn.

In summary, 2026/27 and beyond will continue to require careful management, this approach in recent years, as recognised in the recent PEEL report, means we are as well-placed as we can be to be able to adapt to our changing financial environment.

Kent's MTFP 2026/27 to 2030/31 projects a significant gap due to flat government grant scenarios and rising pay costs. We ended 2025/26 in a stable financial position, but the underlying structure of police finance – especially the police funding formula – means that without extra funding or further efficiencies, future budgets will be very tight. The next section discusses the medium-term challenge and our plans to meet it.

### Capital expenditure

Kent Police Group is committed to a rolling medium-term revenue and capital plan that covers the current financial year plus four years. The plans are drawn up, reassessed, and extended annually and if required re-prioritised to enable Kent Police Group to achieve the aims and objectives established in the PCC's Police and Crime Plan, the Chief Constable's Policing Model and to support national drivers like the National Policing Vision for 2030. The Capital Strategy takes a view beyond the medium term and looks at the long-term implications of the capital projects and the funding thereof.

The key themes driving capital investment can be summarised as follows:

- Policy led with clear linkages to operational requirements and the Cut Crime, Support Victims, Build Trust Plan.
- Maximising the efficiency and effectiveness of the estate and meeting statutory compliance.
- Using technology and innovation to reduce demand, increase the time, and focus officers can devote to core policing.

- Where possible, generate revenue savings.
- Ensuring sound and reliable equipment and facilities for officers.

The plans acknowledge the constrained financial position of Kent Police Group and maximise both the available financial resources and the capacity to manage change projects.

	2026/27	2027/28	2028/29	2029/30	2030/31	Total
	£m	£m	£m	£m	£m	£m
Information Technology	4.8	4.9	8.7	9.5	1.2	29.2
Estates	3.7	4.8	4.2	4.2	7.1	23.9
North Kent	2.9	0.8	0.3	0.3	0.0	4.4
Replacement Programmes inc. vehicles	6.6	6.7	4.5	3.5	3.6	25.0
<b>Total Forecast Capital Spend</b>	<b>18.0</b>	<b>17.2</b>	<b>17.7</b>	<b>17.6</b>	<b>11.9</b>	<b>82.6</b>

Note: Table may not calculate correctly due to rounding

The capital programme is a mixture of projects that either update/refresh assets or are new. The IT programme includes the continuing implementation of the Digital Forensics platform, mentioned in previous reports, which will revolutionise how the force deals with storing and investigating digital devices, freeing up officer time, and meaning victims will not be without their device for longer than necessary. Work continues on the implementation of a contact management system that will improve how the public can contact Kent Police and keep victims and witnesses informed on the progress of crimes they have reported.

The Estates programme is taking existing core buildings and ensuring they are fit for policing in the 21st century. The works undertaken across the county at places like Coldharbour and Sittingbourne amongst others have made an improvement in officers and staff wellbeing and improved the efficient and effective use of workspace across the estate. It will also release revenue savings back into the budget, especially from utility and maintenance costs. Replacement programmes include projects for replacing vehicles and updating the force's equipment as well as the electrification of the fleet.

The investment programme is funded by a combination of investment reserves, a revenue contribution to capital, borrowing and the use of capital receipts from disposing of assets during the year. All asset disposals are subject to a business case and require approval by the PCC. It should be noted that the Capital Grant from the Government has been abolished so therefore we no longer receive any government funding for capital expenditure.

The PCC will have to borrow to fund the capital programme. Any decision to borrow will be made, like all decisions, with value for money for the taxpayer in mind and only be done when it is the most cost-effective way of delivering a project and will consider the project, business case, and asset life expectancy. A decision to borrow will also consider taxpayer equity, this is where taxpayers of today may be funding assets that future taxpayers will use. Spreading the cost of a long-term asset over its life cycle will ensure that all taxpayers who benefit from the asset will be contributing to the cost.

## Reserves

An important element of the PCC's overall financial strategy is the use of reserves over the life of the MTFP. The following section summarises the current and medium-term position on reserves.

The PCC's Reserves Strategy has the following key elements:

- A general non-earmarked reserve of 3% of the net budget will be maintained for unknown and/or unforeseeable events.
- A prudent approach to risk management will be maintained and accordingly earmarked reserves will be created to cover for possible significant risks.
- Reserves not required for the above purposes will be clearly identified as available for other discretionary opportunities.
- In the interest of the council taxpayer, the PCC will where possible build up and maintain a level of reserves for investment, borrowing only where the life of the asset and economic environment make it the most efficient way of financing investment.

The reserves position over the medium term is set out below:

<b>Reserve</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
General	13.9	14.2	14.5	14.7	15.0
Risk (inc. Insurance)	18.8	16.7	14.8	13.0	11.5
Investment Reserve	0.0	0.0	0.0	0.0	0.0
Partnership & Ring fenced	3.0	3.1	2.8	2.8	2.7
OPCC	0.4	0.4	0.4	0.4	0.4
<b>Total Forecast Reserves</b>	<b>36.1</b>	<b>34.4</b>	<b>32.5</b>	<b>30.9</b>	<b>29.6</b>

## Future Outlook

Beyond the medium term there are changes expected within local government and policing governance. The Government are in the process of reorganising local authorities across the country and Kent is expected to lose all its second-tier councils with the establishment of three or four new unitary authorities. This is a substantial upheaval and depending on the outcome is likely to have an impact in how Kent Police shapes its policing units across the county.

In November 2025, the government announced that PCCs would be abolished at the end of their current term in May 2028. The legislation to replace PCCs has not yet been laid so exact details are not available, but it is thought that Kent will have an Independent Policing Board (IPB) with a Chair and members made up from the newly formed unitary authorities. It is expected that the employees and staff of the OPCC will transfer across to the new Board sat under one of the new authorities.

The Government have also announced an independent review of police structures. This review is being chaired by Lord Hogan-Howe and may result in the number of police forces being reduced. The outcome of course is not yet known. Both the PCC and Chief Constable contributed and continue to contribute to the review and have argued that, in terms of police force size, Kent is about right.

Clearly these ongoing discussions around the future of policing and police governance will have a profound impact on the PCC and the force, however, for now, both the PCC and Chief Constable are focussed on delivering a high standard of policing across Kent and Medway and supporting those people who have been affected by crime.

I hope you enjoy reading the accounts and that the narrative foreword proves helpful in understanding the context in which we spend our funding and the links between how we manage our expenditure during the year and the statutory accounting processes.

In summary, the 2025/26 Annual Accounts demonstrate how the PCC and Kent Police are responding to the evolving landscape – by investing in priority areas, innovating for efficiency, and being open about the challenges we face. Through strong governance and our commitment to serving and safeguarding our communities we will ensure the public are well informed and trust in the work we do.

## Acknowledgements

I would like to thank Jonathan Castle, force CFO, Philip Wilson, Chief Accountant, Stephen Pereira, Senior Management Accountant, and the whole Kent finance team for producing these accounts you are about to read. Producing a set of accounts as comprehensive as this is a challenge but even more so during what has been another demanding year. Despite the external audit complexities, we consistently meet our statutory deadlines every year. The finance team's hard work and dedication have once again been exceptional, and I am grateful for their support throughout the year.

## **Independent Auditor's report**

These draft accounts will be audited by EY

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## Statement of Responsibilities for the Statement of Accounts

The Police and Crime Commissioner for Kent and the Chief Constable are required to:

- make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. That officer is the CFO for the PCC for Kent and the CFO of the CC for Kent
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- approve the Statement of Accounts

**Matthew Scott**

**Police and Crime Commissioner for Kent**

This will be signed and dated for the audited version of the Accounts.

The Chief Finance Officer's responsibilities:

The CFO is responsible for the preparation of the Kent Police Group Statement of Accounts in accordance with proper practices as set out in the CIPFA/ Local Authority (Scotland) accounts Advisory Committee (LASAAC) Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The CFO is also responsible for certifying the accounts as correct with the CFO for the CC.

In preparing this statement of accounts, I have:

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

I confirm that the Statement of Accounts presents a true and fair view of the financial position of the Kent Police Group at 31 March 2026 and its income and expenditure for the year ended 31 March 2026.



**Rob Phillips**

**Chief Finance Officer for the Police and Crime Commissioner of Kent**

29 June 2026

# Core Financial Statements



## Comprehensive Income and Expenditure Statement

The accounting year runs from 1 April to 31 March. The 2024/25 figures have been restated to reflect reporting and organisational changes.

The CIES shows the accounting cost in the year of providing services in accordance with generally accepted proper practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different to the accounting cost.

The increase in the Cost of Services from 2025/26 compared to 2024/25 of £18m is mainly due to the increase in the gross cost of police officers of £20.6m, a £4.2m increase in police staff pay, a legal settlement (see Note 12), offset by increases in grants of £11.2m for Neighbourhood Policing and for funding the increase in National Insurance, a reduction of £18.1m in the accounting cost of pensions and other lesser movements. The fall of £62m in Police pension liabilities in 2025/26 is due to a reduction in pension liabilities as a result of an increase in the discount rate which places a lower value on benefits paid in the future; however, this does not have any effect on the resources available to the force.

The CIES includes a material item of expenditure and income. See Note 12 for details.

<b>2024/25 (Restated)</b>	<b>2024/25 (Restated)</b>	<b>2024/25 CIES for Kent Police (Restated) Group</b>	<b>2025/26</b>	<b>2025/26</b>	<b>2025/26</b>	
<b>Gross Expenditure £'000's</b>	<b>Gross Income £'000's</b>	<b>Net Expenditure £'000's</b>	<b>Gross Expenditure £'000's</b>	<b>Gross Income £'000's</b>	<b>Net Expenditure £'000's</b>	
36,521	(23,565)	12,956	Central Operations	36,708	(26,073)	10,635
1,630	(170)	1,460	Chief Officers	1,342	(294)	1,048
1,986	(78)	1,908	Corporate Communications & Citizens in Policing	2,106	(88)	2,018
7,596	(2,275)	5,321	Corporate Services	7,534	(2,447)	5,087
20,401	(5,050)	15,351	Crime	21,780	(5,038)	16,742
11,280	(5,009)	6,271	Human Resources	10,655	(4,888)	5,767
1,339	(32)	1,307	Legal Services	1,495	(29)	1,466
13,968	(2,508)	11,460	Local Policing & Partnerships	13,385	(3,091)	10,294
10,804	(7,129)	3,675	PCC	10,685	(6,973)	3,712
212,941	(722)	212,219	Police Pay	216,880	(2,916)	213,964
2,038	(19)	2,019	Professional Standards	2,466	(30)	2,436
34,444	(15,374)	19,070	Serious Crime	35,120	(15,497)	19,623
101,893	(42,256)	59,637	Support Services	126,334	(48,519)	77,815
<b>456,841</b>	<b>(104,187)</b>	<b>352,654</b>	<b>Cost of Services</b>	<b>486,490</b>	<b>(115,883)</b>	<b>370,607</b>
			<b>Other Operating Expenditure</b>			
			(140) Revaluation (gain) / losses of Asset Held for Sale			(1,101)
			103 Net (gains) / losses on disposal of non-current assets			(190)
			<b>(37) Total Other Operating Expenditure</b>			<b>(1,291)</b>
			<b>Financing and Investment Income and Expenditure</b>			
			62 Interest payable on right-of-use leases (Note 30)			62
			5 Interest payable on transport workshop lease (Note 30)			68
			1,320 Interest payable on PFI unitary payments (Note 30)			1,269

2024/25 (Restated) Gross Expenditure £'000's	2024/25 (Restated) Gross Income £'000's	2024/25 CIES for Kent Police (Restated) Group Net Expenditure £'000's	2025/26 Gross Expenditure £'000's	2025/26 Gross Income £'000's	2025/26 Net Expenditure £'000's
		(586) Net investment interest (Note 30)			(633)
		128,753 Pensions interest cost			131,702
		(80) (Income) on investment properties (Note 21)			(80)
		(83) Net (gains)/ losses on pooled investment funds (Note 19)			0
		59 Revaluation losses/ (gains) to investment properties and changes in fair value (Note 21)			(27)
		<b>129,450 Total Financing and Investment Income and Expenditure</b>			<b>132,361</b>
		<b>Taxation and Non-Specific Grant Income</b>			
		(141,954) Police grant			(147,218)
		(81,869) National non-domestic rates grant			(84,903)
		(11,094) Council tax support grant			(11,094)
		(2,203) Council tax freeze grant			(2,203)
		(173,214) Council tax precepts			(185,520)
		(896) Capital grant and contributions			(265)
		<b>(411,230) Total Taxation and Non-Specific Grant Income</b>			<b>(431,203)</b>
		<b>70,837 Deficit for the Year on the Provision of Services</b>			<b>70,474</b>
		102 Deficit / (surplus) on revaluation of non-current assets (Note 19)			(4,889)
		(455,500) Remeasurement of the net defined benefit liability - Police Pension (Note 11)			(62,400)
		(1,302) Remeasurement of net defined benefit liability - Local Government Pension Scheme (Note 11)			1,075
		<b>(385,863) Total Comprehensive Income and Expenditure</b>			<b>4,260</b>

The PCC CIES includes a recharge between the Chief Constable and PCC which reflects the financial resources consumed by the Chief Constable on behalf of the PCC. This represents the Net Cost of Services for the Chief Constable excluding employee related accounting adjustments for pensions and accrued leave.

2024/25	2024/25	2024/25 CIES for Police and Crime Commissioner for Kent	2025/26	2025/26	2025/26
Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's	Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's
4,611	(21,206)	(16,595)	4,707	(24,780)	(20,073)
363	(3)	360	278	(128)	150
290	(67)	223	312	(70)	242
		Central Operations			
		Chief Officers			
		Corporate Communications & Citizens in Policing			
204	(2,233)	(2,029)	211	(2,374)	(2,163)
2,424	(4,931)	(2,507)	2,741	(4,821)	(2,080)
3,216	(3,676)	(460)	2,650	(3,522)	(872)
839	(28)	811	961	(22)	939
4,913	(2,487)	2,426	5,087	(3,052)	2,035
		Local Policing & Partnerships			
10,804	(7,129)	3,675	10,685	(6,973)	3,712
53	0	53	109	0	109
90	(5)	85	89	(1)	88
16,741	(9,483)	7,258	16,348	(9,448)	6,900
69,942	(31,754)	38,188	94,961	(40,141)	54,820
		PCC			
		Police Pay			
		Professional Standards			
		Serious Crime			
		Support Services			
<b>114,490</b>	<b>(83,002)</b>	<b>31,488</b>	<b>139,139</b>	<b>(95,332)</b>	<b>43,807</b>
		<b>Cost of Policing Services</b>			
		<b>Other Operating Expenditure</b>			
		380,893			404,932
		(37)			(1,291)
		<b>380,856</b>			<b>403,641</b>
		<b>Total Other Operating Expenditure</b>			
		<b>Financing and Investment Income and Expenditure</b>			
		62			62
		5			68
		1,320			1,269
		(586)			(633)
		(80)			(80)
		(83)			0
		59			(27)
		<b>697</b>			<b>659</b>
		<b>Total Financing and Investment Income and Expenditure</b>			
		<b>Taxation and Non-Specific Grant Income</b>			
		(141,954)			(147,218)
		(81,869)			(84,903)

2024/25	2024/25	2024/25 CIES for Police and Crime Commissioner for Kent	2025/26	2025/26	2025/26
Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's	Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's
		(11,094) Council tax support grant			(11,094)
		(2,203) Council tax freeze grant			(2,203)
		(173,214) Council tax precepts			(185,520)
		(167) Capital grant and contributions for counter terrorism			(265)
		(729) Donation of peppercorn/ nominal assets			0
		<b>(411,230) Total Taxation and Non-Specific Grant Income</b>			<b>(431,203)</b>
		<b>1,811 Deficit / (Surplus) for the Year on the Provision of Services</b>			<b>16,904</b>
		102 Deficit / (surplus) on revaluation of non-current assets (Note 19)			(4,889)
		<b>1,913 Total Comprehensive Income and Expenditure</b>			<b>12,015</b>

Name of Service in CIES	Purpose
Central Operations	<p>Consists of Tactical Operations, Counter Terrorism (CT), Incident Management Unit (IMU) and Force Control and Incident Response (FCIR)</p> <ul style="list-style-type: none"> <li>Tactical Operations supports divisions with dog teams, armed response vehicles, roads policing and other specialist assets.</li> <li>CT works with the United Kingdom (UK) intelligence to help protect the public and national security by preventing, investigating and disrupting terrorist activity.</li> <li>FCIR is responsible for taking all 999 and 101 calls, recording information and allocation of patrols and includes IMU, which is responsible for recording and managing all reported crime and ensuring compliance with the Home Office Counting Rules and the National Crime Recording Standards.</li> </ul>
Chief Officers	<p>The Command Team for the force comprising both police and staff, together with their staff officers and Personal Assistants. This also includes the SSD (Support Services Directorate) Development Team.</p>
Corporate Communications and Citizens in Policing	<p>Corporate Communications protects the force's reputation, maintains public confidence and ensures clear, timely internal communications. Citizens in Policing includes the Special Constabulary (around 200 trained volunteers supporting high-visibility policing and public order), Police Cadets (ages 13–17) and volunteers who support day-to-day policing, service delivery and community links.</p>
Corporate Services	<p>Corporate Services consists of Innovation Task Force, Inspectorate, Force Crime &amp; Incident Registrar and Performance Analysis.</p>
Crime	<p>The Crime Command consists of Public Protection Command, Victim Justice, County Lines/Gangs, Rape and Domestic Abuse Investigation Team (RDAIT), Offender Management which includes Management of Sexual and Violent Offenders (MOSOVO) and Violent and Sex Offender Register (ViSOR), Prison Investigation Team (PIT), and the Investigative Improvement Team (IIT), hosting the Crime Academy.</p> <ul style="list-style-type: none"> <li>Crime Command brings together specialist teams to manage risk from dangerous offenders, investigate crimes within the prison estate, and develop the skills and capability of those handling serious and complex investigations.</li> <li>The Crime Academy/Investigative Improvement develops the skills of detectives and others investigating serious and complex crime.</li> <li>Public Protection Command acts as the strategic lead for cases that are defined by the Home Office as 'vulnerable' in Kent, setting strategy, maintaining policy and partnerships, and bringing together Central Referral Unit (CRU), Police Online Investigation Team (POLIT) and the Development Team to share information, manage risk and drive performance across public protection.</li> <li>The County Line and Gangs Team provide proactive prevention to reduce harm to Kent communities.</li> <li>Victim Justice helps ensure compliance with the Victim Code of Practice and Witness Charter.</li> </ul>
Human Resources (HR)	<p>Human Resources Teams consists of Operational HR, Health and Wellbeing Services, People Development, Organisational Management, Resource Planning, Recruitment, HR Strategy, Diversity and Inclusion, Performance Improvement and Learning and Development.</p>
Legal Services	<p>Provides assistance, advice and support to all officers and police staff in most areas of law. For example: public liability claims, employer liability claims, judicial reviews, domestic violence protection orders, stalking protection orders, sexual and violent offender orders, closure orders, civil injunctions, property disputes, employment tribunals, inquests, firearms appeals and dog control orders.</p>

Name of Service in CIES	Purpose
Local Policing and Partnerships (LPP)	<p>Neighbourhood Policing and Victim Based Crime Teams are split into three divisions across the force formed of eleven districts:</p> <ul style="list-style-type: none"> <li>• North Division: Dartford and Gravesham, Swale and Medway Unitary Authority</li> <li>• East Division: Ashford and Shepway, Canterbury, Dover and Thanet</li> <li>• West Division: Maidstone, Sevenoaks, Tonbridge and Malling and Tunbridge Wells</li> </ul> <p>Also includes Strategic Prevent which seeks to combine prevention, deterrence, and enforcement, connecting the public with police to deliver safer neighbourhoods, in order to reduce crime and Anti-Social Behaviour (ASB), early intervention with children and young people, and using problem solving approaches.</p>
Professional Standards (PSD)	<p>Comprises of four main functions: Complaints, Internal Conduct Investigations, Counter Corruption and Vetting. The main purpose as a department is to uphold standards of service to the public and protect the professional reputation of the force.</p>
Serious Crime	<p>Responsible for tackling the most serious of crimes committed across Kent and Essex Police collaboratively. This includes Major Crime, Economic and Cyber Crime. Serious and Organised Crime, Covert Support, Forensics and Intelligence.</p>
Support Services Directorate (SSD)	<p>The Support Services Team provides back-office support to the force and is made up of the following departments: Business Services, Corporate Finance (including Payroll and Insurance), Estates and Facilities, IT Services, Transport Services, Strategic Change and 7 Force Procurement</p>
Police and Crime Commissioner's Office	<p>Holds the force to account, to scrutinise their performance on behalf of the public they serve. They also set the annual budget for the force and decide the level of the portion of council tax, which is dedicated to police funding, known as the police precept.</p>

## Movement in Reserves Statement

This statement shows the movement in year on the different reserves held by the Kent Police Group, analysed into 'usable' (those that can be applied to fund expenditure or reduce local taxation) and 'unusable' reserves. The statement shows how the movements in year of the force's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year.

The deficit on the Provision of Services line shows the true economic cost of providing the policing services, more details of which are shown in the CIES. These are different from the statutory amounts required to be charged to the General Fund for council tax setting purposes. The net (increase) before transfers to earmarked reserves line shows the statutory General Fund balance before any discretionary transfers to or from earmarked reserves undertaken by the PCC for Kent.

In 2025/26 there was an increase in the Kent Police Group's usable reserves of £14.1 million resulting in a balance of £52.8 million. The favourable position is largely driven by in-year and non-recurrent factors including: additional government funding and operational income received post budget setting and through the course of the financial year and strong budget management and treasury performance.

<b>Movement in Reserves Statement for Kent Police Group</b>	<b>General Fund</b>	<b>Earmarked Reserves</b>	<b>Capital Receipts and Capital Contributions Unapplied Reserves</b>	<b>Total Usable Reserves</b>	<b>Total Unusable Reserves</b>	<b>Total Reserves</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
	Note 18	Note 18	Note 18	Note 18	Note 19	
<b>Balance as at 31 March 2024</b>	<b>(12,274)</b>	<b>(18,604)</b>	<b>(114)</b>	<b>(30,992)</b>	<b>2,576,555</b>	<b>2,545,563</b>
Deficit on the Provision of Services on an accounting basis	70,838	0	0	70,838	0	70,838
Other comprehensive income and expenditure					(455,843)	(455,843)
Other comprehensive income and expenditure – implementation of IFRS 16 leases	0	0	0	0	(858)	(858)
<b>Total Comprehensive Income and Expenditure</b>	<b>70,838</b>	<b>0</b>	<b>0</b>	<b>70,838</b>	<b>(456,701)</b>	<b>(385,863)</b>
Implementation of IFRS 16 Leases at 1 April 2024	0	0	0	0	580	580
Adjustments between accounting basis and funding basis under regulations (Note 8)	(82,036)	0	0	(82,036)	77,978	(4,058)
Transfer (to) / from reserves	10,102	(6,623)	0	3,479	0	3,479
<b>(Increase) / decrease in the year</b>	<b>(1,096)</b>	<b>(6,623)</b>	<b>0</b>	<b>(7,719)</b>	<b>(378,143)</b>	<b>(385,862)</b>
<b>Balance as at 31 March 2025</b>	<b>(13,370)</b>	<b>(25,227)</b>	<b>(114)</b>	<b>(38,711)</b>	<b>2,198,412</b>	<b>2,159,701</b>
Deficit on the Provision of Services on an accounting basis	70,474	0	0	70,474	0	70,474
Other comprehensive income and expenditure	0	0	0	0	(66,214)	(66,214)
<b>Total Comprehensive Income and Expenditure</b>	<b>70,474</b>	<b>0</b>	<b>0</b>	<b>70,474</b>	<b>(66,214)</b>	<b>4,260</b>

<b>Movement in Reserves Statement for Kent Police Group</b>	<b>General Fund</b>	<b>Earmarked Reserves</b>	<b>Capital Receipts and Capital Contributions Unapplied Reserves</b>	<b>Total Usable Reserves</b>	<b>Total Unusable Reserves</b>	<b>Total Reserves</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
	Note 18	Note 18	Note 18	Note 18	Note 19	
Adjustments between accounting basis and funding basis under regulations (Note 8)	(89,069)	0	0	(89,069)	84,574	(4,495)
Transfer (to) / from reserves	18,163	(13,668)		4,495	0	4,495
<b>(Increase) / decrease in the year</b>	<b>(432)</b>	<b>(13,668)</b>	<b>0</b>	<b>(14,100)</b>	<b>18,360</b>	<b>4,260</b>
<b>Balance as at 31 March 2026</b>	<b>(13,802)</b>	<b>(38,895)</b>	<b>(114)</b>	<b>(52,811)</b>	<b>2,216,772</b>	<b>2,163,961</b>

<b>Movement in Reserves Statement for PCC</b>	<b>General Fund</b>	<b>Earmarked Reserves</b>	<b>Capital Receipts and Capital Contributions Unapplied Reserves</b>	<b>Total Usable Reserves</b>	<b>Total Unusable Reserves</b>	<b>Total Reserves</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
	Note 18	Note 18	Note 18	Note 18	Note 19	
<b>Balance as at 31 March 2024</b>	<b>(12,274)</b>	<b>(18,604)</b>	<b>(114)</b>	<b>(30,992)</b>	<b>(139,396)</b>	<b>(170,388)</b>
Deficit on the Provision of Services on an accounting basis	1,811	0	0	1,811	0	1,811
Other comprehensive income and expenditure	0	0	0	0	960	960
Other comprehensive income and expenditure – implementation of IFRS 16 leases	0	0	0	0	(858)	(858)
<b>Total Comprehensive Income and Expenditure</b>	<b>1,811</b>	<b>0</b>	<b>0</b>	<b>1,811</b>	<b>102</b>	<b>1,913</b>
Implementation of IFRS 16 Leases at 1 April 2024	0	0	0	0	580	580
Adjustments between accounting basis and funding basis under regulations (Note 8)	(13,009)	0	0	(13,009)	8,951	(4,058)
Transfer (to) / from reserves	10,102	(6,623)	0	3,479	0	3,479
<b>(Increase) / decrease in the year</b>	<b>(1,096)</b>	<b>(6,623)</b>	<b>0</b>	<b>(7,719)</b>	<b>9,633</b>	<b>1,914</b>
<b>Balance as at 31 March 2025</b>	<b>(13,370)</b>	<b>(25,227)</b>	<b>(114)</b>	<b>(38,711)</b>	<b>(129,763)</b>	<b>(168,474)</b>
Deficit on the Provision of Services on an accounting basis	16,904	0	0	16,904	0	16,904
Other comprehensive income and expenditure	0	0	0	0	(4,889)	(4,889)
<b>Total Comprehensive Income and Expenditure</b>	<b>16,904</b>	<b>0</b>	<b>0</b>	<b>16,904</b>	<b>(4,889)</b>	<b>12,015</b>
Adjustments between accounting basis and funding basis under regulations (Note 8)	(35,499)	0	0	(35,499)	31,004	(4,495)
Transfer (to) / from reserves	18,163	(13,668)		4,495	0	4,495
<b>(Increase) / decrease in the year</b>	<b>(432)</b>	<b>(13,668)</b>	<b>0</b>	<b>(14,100)</b>	<b>26,115</b>	<b>12,015</b>
<b>Balance as at 31 March 2026</b>	<b>(13,802)</b>	<b>(38,895)</b>	<b>(114)</b>	<b>(52,811)</b>	<b>(103,648)</b>	<b>(156,459)</b>

## Balance Sheet

The Balance Sheet shows the value of the assets and liabilities recognised by the Kent Police Group. The net assets of Kent Police Group (assets less liabilities) are matched by the reserves held by the Kent Police Group.

The reserves are presented in the Movement in Reserves Statement. Usable reserves can be used to provide services and unusable reserves cannot.

The movement in cash that has resulted in the Cash and Cash Equivalents balance of £13.8 million shown below is detailed in the Cash Flow Statement.

<b>Group</b>				<b>PCC</b>		<b>Notes</b>		<b>Balance Sheet</b>	
<b>31 March</b>	<b>31 March</b>			<b>31 March</b>	<b>31 March</b>			<b>Group</b>	<b>PCC</b>
<b>2025</b>	<b>2025</b>			<b>2026</b>	<b>2026</b>				
<b>Restated</b>	<b>Restated</b>								
<b>£'000's</b>	<b>£'000's</b>			<b>£'000's</b>	<b>£'000's</b>				
162,683	162,683	20	Land and Buildings	159,795	159,795				
26,736	26,736	20	Vehicles, Plant and Equipment	25,701	25,701				
4,384	4,384	20	Surplus Assets	3,016	3,016				
1,554	1,554	28	Right-Of-Use Assets	1,279	1,279				
1,411	1,411	25	Joint Operation Assets	1,352	1,352				
<b>196,768</b>	<b>196,768</b>		<b>Property, Plant and Equipment</b>	<b>191,143</b>	<b>191,143</b>				
37	37		Heritage Assets	37	37				
941	941	21	Investment Properties	968	968				
2,307	2,307	22	Intangible Assets	1,676	1,676				
4,419	4,419	30	Long-term Investments	4,419	4,419				
79	79	30	Long-term Debtors	62	62				
<b>204,551</b>	<b>204,551</b>		<b>Total Long-term Assets</b>	<b>198,305</b>	<b>198,305</b>				
536	536		Inventories	680	680				
46,439	46,439	32	Short-term Debtors	48,003	48,003				
13,271	13,271	33	Cash and Cash Equivalents	13,763	13,763				
455	455	23	Assets Held for Sale	7,000	7,000				
<b>60,701</b>	<b>60,701</b>		<b>Total Current Assets</b>	<b>69,446</b>	<b>69,446</b>				
(55,556)	(51,020)	34	Short-term Creditors	(60,338)	(55,547)				
(395)	(395)	28	Short-term Creditors - Lease Liabilities	(511)	(511)				
(22,000)	(22,000)	35	Short-term Borrowing	(10,000)	(10,000)				
(3,680)	(3,680)	37	Provisions	(2,533)	(2,533)				
(480)	(480)	13	Revenue Grant Receipts in Advance	(231)	(231)				
<b>(82,111)</b>	<b>(77,575)</b>		<b>Total Current Liabilities</b>	<b>(73,613)</b>	<b>(68,822)</b>				
0	0	36	Long-term Borrowing	(26,238)	(26,238)				
(13,431)	(13,431)	36	Other long-term liabilities – PFI	(12,117)	(12,117)				
(2,161)	(2,161)	28	Other long-term liabilities - Leases	(1,598)	(1,598)				
(3,611)	(3,611)	37	Long-term Provisions	(2,516)	(2,516)				
(2,322,800)	0	11	Police Officer Pension Liability	(2,315,100)	0				
(838)	0	11	Police Staff Pension Liability	(530)	0				
<b>(2,342,841)</b>	<b>(19,203)</b>		<b>Total Long-term Liabilities</b>	<b>(2,358,099)</b>	<b>(42,469)</b>				
<b>(2,159,700)</b>	<b>168,474</b>		<b>Net Assets</b>	<b>(2,163,961)</b>	<b>156,460</b>				

<b>Group</b>	<b>PCC</b>	<b>Notes</b>	<b>Balance Sheet</b>	<b>Group</b>	<b>PCC</b>
<b>31 March</b>	<b>31 March</b>			<b>31 March</b>	<b>31 March</b>
<b>2025</b>	<b>2025</b>			<b>2026</b>	<b>2026</b>
<b>Restated</b>	<b>Restated</b>				
<b>£'000's</b>	<b>£'000's</b>			<b>£'000's</b>	<b>£'000's</b>
		18	<b>Usable Reserves</b>		
(13,370)	(13,370)		General Fund	(13,801)	(13,801)
(25,227)	(25,227)		Earmarked Revenue Reserves	(38,895)	(38,895)
(114)	(114)		Capital Receipts and Capital Contributions Unapplied Reserves	(114)	(114)
<b>(38,711)</b>	<b>(38,711)</b>		<b>Total Usable Reserves</b>	<b>(52,810)</b>	<b>(52,810)</b>
		19	<b>Unusable Reserves</b>		
(52,517)	(52,517)		Revaluation Reserve	(55,905)	(55,905)
2,323,638	0		Pensions Reserve	2,315,630	0
(76,930)	(76,930)		Capital Adjustment Account	(46,428)	(46,428)
(897)	(897)		Collection Fund Adjustment Account	(1,898)	(1,898)
4,537	0		Accumulated Absences Account	4,791	0
581	581		Pooled Investment Funds Adjustment Account	581	581
<b>2,198,412</b>	<b>(129,763)</b>		<b>Total Unusable Reserves</b>	<b>2,216,771</b>	<b>(103,650)</b>
<b>2,159,701</b>	<b>(168,474)</b>		<b>Total Reserves</b>	<b>2,163,961</b>	<b>(156,460)</b>

The position as at 31 March 2025 has been re-stated due to the re-categorization of the provision for bad and doubtful debt from short-term creditors to short-term debtors and third party cash from Cash and Cash Equivalents to short-term creditors.

The PCC for Kent owns and controls all of the assets and bank accounts of the Group and therefore the Group Balance sheet is in many respects identical to that of the PCC. The only differences are that the Group Balance sheet includes the net pension liability and the provision for compensated absences, both of which sit with the accounts of the Chief Constable of Kent Police. Please note that this has been signed for the unaudited Accounts and the final audited Accounts will be signed again after approval by the Joint Audit Committee.



Rob Phillips, Chief Finance Officer to the Police and Crime Commissioner for Kent

29 June 2026

## Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Kent Police Group during the reporting period. The statement shows how Kent Police generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

The amount of net cash flows arising from operating activities is a key indicator of the extent to which operations of Kent Police are funded by way of taxation and grant income or from the recipients of the services provided by Kent Police. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to Kent Police's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (such as borrowings) to Kent Police.

All bank accounts are held in the name of the PCC for Kent, and all cash flows are therefore attributable to the Office of the PCC.

The 2024/25 figures have been restated to reflect the change in the cash and cash equivalents figure as detailed in Note 33.

<b>Group</b>	<b>PCC</b>	<b>Cash Flow Statement</b>	<b>Group</b>	<b>PCC</b>
<b>2024/25 Restated</b>	<b>2024/25 Restated</b>		<b>2025/26</b>	<b>2025/26</b>
<b>£'000's</b>	<b>£'000's</b>		<b>£'000's</b>	<b>£'000's</b>
70,838	1,812	Net (surplus) or deficit on the provision of services	70,474	16,904
(118,526)	(49,500)	Adjustments to net surplus or deficit on the provision of services for non-cash movements (Note 38)	(65,165)	(11,595)
2,859	2,859	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities (Note 38)	2,637	2,637
<b>(44,829)</b>	<b>(44,829)</b>	<b>Net Cash Outflows/ (Inflows) from Operating Activities</b>	<b>7,946</b>	<b>7,946</b>
<b>16,670</b>	<b>16,670</b>	Net Cash Outflows from Investing Activities (Note 39)	<b>6,032</b>	<b>6,032</b>
<b>8,869</b>	<b>8,869</b>	Net Cash Outflows/ (Inflows) from Financing Activities (Note 40)	<b>(14,471)</b>	<b>(14,471)</b>
<b>(19,290)</b>	<b>(19,290)</b>	<b>Net (Increase) / Decrease in Cash and Cash Equivalents</b>	<b>(493)</b>	<b>(493)</b>
(6,016)	(6,016)	Cash and cash equivalents at 1 April (Note 33)	13,271	13,271
13,273	13,273	Cash and cash equivalents at 31 March (Note 33)	13,763	13,763
<b>(19,289)</b>	<b>(19,289)</b>	<b>Net (Increase) / Decrease in Cash and Cash Equivalents</b>	<b>(492)</b>	<b>(492)</b>

# Notes to the Accounts



## Notes to the Accounts

### Note 1 – Accounting policies

The Accounting Policies have been updated to include the changes to the 2025/26 Code. The following policies apply to the Kent Police Group Accounts and apply to the Single Entity of the PCC for Kent unless otherwise stated.

#### i. General principles

The Statement of Accounts summarises the PCC for Kent's transactions for the 2025/26 financial year and its position for the year ended 31 March 2026 and those of the Kent Police Group. The Accounts and Audit Regulations 2015 (SI 2015 No 234) require the PCC for Kent to prepare a Statement of Accounts for each financial year in accordance with proper accounting practices. For 2025/26, these proper accounting practices principally comprise:

- the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (the Code)
- the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003 No 3146, as amended) (the 2003 Regs)

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

Any reference to the PCC for Kent hereafter in the Accounting Policies also includes the Kent Police Group unless expressly stated otherwise.

At midnight on the 21 November 2012 all property, rights, assets and liabilities which previously belonged to the Kent Police Authority were transferred to the PCC for Kent. The CC's Accounts show all expenditure related to the delivery of policing services for the year including staff costs, pension costs and the provision for short-term compensated absences whilst the PCC's Single Entity Accounts only show those costs directly related to the Office of the PCC.

#### ii. 2025/26 code changes

The following changes were made to the 2025/26 Code:

- new indexation requirements for the valuation of property, plant and equipment (PPE) and the response of Kent Police is detailed in the PPE policy note below.
- valuation option for Intangible Assets revoked – no effect on Kent Police.
- the Annual Governance Statement has been prepared in accordance with "Delivering Good Governance in Local Government: Addendum".
- adoption of IFRS 17 Insurance Contracts – nothing has been identified that comes within insurance contracts for Kent Police which does not issue insurance contracts.
- adoption of amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" relating to lack of exchangeability which does not affect Kent Police's transactions in foreign currencies.

#### iii. 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 the sale of goods is recognised when the PCC for Kent transfers the significant risks and rewards of ownership to the purchaser
- revenue from the provision of services is recognised when the organisation can measure reliably the percentage of completion of the transaction
- revenue from contracts with service recipients are recognised when goods and or services are delivered, and title passed, except for utility bills which are charged or credited to the year in which they are billed
- supplies are recorded as expenditure when they are consumed
- accruals are recognised where the value exceeds £10,000

- expenses in relation to services received are recorded as expenditure when the services are received
- interest receivable on investments and interest payable on borrowings is accounted for respectively as income and expenditure based on the effective interest rate for the relevant financial instrument

Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

#### iv. Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of Kent Police's cash management.

#### v. Charges to revenue for non-current assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve (RR) against which the losses can be written off
- amortisation of intangible fixed assets attributable to the service

The PCC is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisations. These charges are reversed out of the CIES via the Movement in Reserves Statement to the Capital Adjustment Account (CAA). However, there is an annual provision from revenue to contribute towards the reduction in the overall borrowing requirement, the Minimum Revenue Provision (MRP) (normally equal to an amount calculated on a prudent basis determined in accordance with statutory guidance) which is approved each year by the PCC.

#### vi. Employee benefits

### **Benefits payable during employment**

The majority of staff costs are accounted for within the CC's Statement of Accounts as it is the CC who has direction and control over them. All staff costs are shown in the Kent Police Group statements.

Short-term employee benefits are those due to be settled within 12 months of the year-end. An accrual is made for the cost of holiday entitlements or time off in lieu earned by employees but not taken before the year-end which employees can carry forward into the next financial year. This is shown in the short-term accumulated compensated absences account.

The Apprenticeship Levy was introduced from 1 April 2017. The Apprenticeship Levy is a charge on all large UK employers with a pay bill of over £3 million per annum. Kent Police is required to pay 0.5% of its annual payroll into the Levy and these funds will be used to pay for new apprenticeships. There were 451 apprenticeships funded during 2025/26 (2024/25, 420 apprenticeships). The reason for the increase is due to additional police officers being employed as part of the ongoing implementation of the Kent Police recruitment programme.

### **Termination benefits**

Termination benefits are amounts payable as a result of a decision by the PCC for Kent or the CC for Kent to terminate an employee's contract before the normal retirement date or an employee's decision to accept voluntary redundancy and are charged on an accruals basis to overheads in the CIES. Termination benefits are recorded in the accounts when Kent Police has confirmed and communicated its decision to those affected.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by Kent Police to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

### Post-employment benefits

Post-employee benefits are associated with the Kent Police Group and CC's Accounts; they do not materially affect the accounts of the Single Entity for PCC for Kent. Kent Police participate in two pension schemes:

- the 2015 Police Pension Scheme (PPS), regulated under the Police Pension Regulations 2015
- the Local Government Pensions Scheme (LGPS), administered by Kent County Council

As a result of requirements under IAS19 the net pensions liability is analysed into several components:

- current service cost – allocated in the CIES to the services for which the employees worked
- past service cost – debited to the surplus or deficit on the Provision of Services in the CIES as part of Non-Distributed Costs
- gains or losses on settlements and curtailments – debited or credited to the Surplus or Deficit on the Provision of Services in the CIES as part of Non-Distributed Costs
- interest cost – debited to the Financing and Investment Income and Expenditure line in the CIES
- actuarial gains and losses arising on changes in demographic assumptions – debited to the Pensions Reserve
- actuarial gains and losses arising on changes in financial assumptions – debited to the Pensions Reserve
- experience gains and losses on defined benefit obligation – debited to the Pensions Reserve
- benefits paid – payments made directly to pensioners

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by Kent Police 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 appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the impact to the General Fund of being required to account for retirement benefits based on cash flows rather than as benefits are earned by employees.

### Police pension schemes

The PPS is a contributory occupational pension scheme with officers making varying levels of contributions dependent on their salary level. The PPS is a defined benefit scheme (without managed pension assets). The employer's contribution for each serving officer is common to all schemes at 35.3% of pensionable pay from 1 April 2024. This is set nationally and is subject to a three-yearly review. Accrued net pension liabilities have been assessed on an actuarial basis in accordance with IAS 19. The net liability and a pensions reserve incorporating all pension schemes have been recognised in the Balance Sheet, as have entries in the CIES for movements in the asset / liability relating to the defined benefit scheme. Transfers into and out of the scheme representing joining and leaving the Police are recorded on a cash basis in the Pension Account because of the time taken to finalise the sums involved.

The liabilities of the PPS attributable to Kent Police are included in the Balance Sheet on an actuarial basis using the projected unit method and 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 and projections of earnings for current employees.

Liabilities as well as anticipated gains and losses are discounted to their value at current prices using a discount rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds.

## The Local Government Pension Scheme

The Local Government Pension Scheme (LGPS) is a contributory occupational pension scheme with police staff making contributions dependent on their salary level. The LGPS is accounted for as a defined benefits scheme.

The liabilities of the pension fund attributable to Kent Police are included in the Balance Sheet on an actuarial basis using the projected unit method which is 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, and projections of projected earnings for current employees. The liabilities of the LGPS for PCC staff are not identified separately as this would not be material to the understanding of the accounts.

Liabilities are discounted to their value at current prices. The assets of the pension fund attributable to Kent Police are included in the Balance Sheet at their fair value (FV):

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

## Discretionary benefits

Kent Police 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 LGPS.

## Asset ceiling

The force has an accounting surplus on its LGPS, but accounting standards only allow an asset to be recognised to the extent that the force can gain economic benefit from that surplus. Economic benefit can be gained in two ways: either via a refund, or via a reduction in future contributions. This limit to the net asset is known as the “asset ceiling”. The accounts are prepared on the basis that the force will not have a right to a refund and cannot recognise an accounting surplus. The force cannot cease contributions at the accounting date due to current and potential future funding commitments which are referred to as a “minimum funding requirement”. The accounts are prepared on the basis that a minimum funding requirement applies under both IFRS and UK General Accepted Accounting Practice (GAAP), and that it spans the full period of anticipated participation in the LGPS.

- vii. Financial instruments

## Financial liabilities

Financial liabilities are recognised on the Balance Sheet when the PCC for Kent becomes a party to the contractual provisions of a financial instrument and are initially measured at FV and are carried at their amortised cost.

The PCC for Kent’s financial liabilities comprise: trade and other payables, lease liabilities and a PFI funded scheme.

## Financial assets

Financial assets are classified as follows:

- Amortised cost - a financial asset is measured at amortised cost if both of the following conditions are met:
  - the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows
  - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets measured at amortised cost are recognised on the Balance Sheet when the authority becomes a party to the contractual provisions of a financial instrument and are initially measured at FV.

- FV through profit or loss – any financial assets that are not held in one of the two business models mentioned are measured at FV through profit or loss.

FV measurements use a hierarchy of two levels for the inputs to valuation techniques used to measure FV:

- Level 1 – These assets are considered to have a readily observable prices and therefore a reliable, fair market value
- Level 2 – Financial assets that do not have regular market pricing, but whose FV can be determined based on other data values or market prices

### Expected credit losses

The expected losses calculated on trade debtors are based on an assessment of the likelihood of recovery of each debt in respect of each financial year.

Debtors Ageing Period	Impairment %age
Less than 60 days	0%
61 days to 6 months	15%
6 months to 1 year	35%
1 – 2 years	45%
2 – 3 years	55%
3 – 4 years	75%
Over 4 years	100%

In addition to meet the requirements of the Code no impairment will be made for debts for other local councils or for central Government for which relevant statutory provisions prevent default. This has been interpreted to include Chief Constables and Police and Crime Commissioners.

The expected credit losses for the financial assets have been reviewed and are immaterial as they consist of bank accounts and investments with high credit ratings. The change in the FV of the CCLA investment is reflected in the Balance Sheet.

#### viii. Government grants and contributions

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised when there is reasonable assurance that:

- the PCC for Kent will comply with the conditions attached to the payments
- the grants or contributions will be received

Amounts recognised as due to the PCC for Kent are not credited to the CIES until conditions attached to the grant or contribution has been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet 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 (non-ring-fenced revenue grants and all capital grants) in the CIES.

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

ix. Intangible assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the PCC for Kent as a result of past events (such as software licences). Intangible assets are measured initially at cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service lines in the CIES.

x. Investment property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation.

Investment properties are measured initially at cost and subsequently at FV, to reflect the market conditions at the end of the reporting period. Properties are not depreciated but are revalued annually. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the CIES.

xi. Joint operations

Joint operations are arrangements where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement. The activities undertaken by the authority in conjunction with other joint operators involve the use of the assets and resources of those joint operators. In relation to its interest in a joint operation, the authority as a joint operator recognises:

- its assets, including its share of any assets held jointly
- its liabilities, including its share of any liabilities incurred jointly
- its revenue from the sale of its share of the output arising from the joint operation
- its share of the revenue from the sale of the output by the joint operation
- its expenses, including its share of any expenses incurred jointly

xii. Property, plant and equipment (PPE)

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as non-current assets. Assets which are not being used to deliver services, but which do not meet the criteria to be classified as either Investment Assets or Assets Held for Sale, are recorded as Surplus Assets. The PCC for Kent's de-minimis level for capital expenditure of £12,000. Motorised vehicles are classified as non-current assets in the asset portfolio under the vehicles, plant and equipment.

The PCC for Kent applies the principles of component accounting where an asset has a gross book value in excess of £1m and a residual life of over 25 years.

### Measurement

Assets are initially measured at cost.

### Asset revaluation – Indexation

The main change in the 2025/26 version of the CIPFA/LASAAC Code of Practice on Local Authority Accounting (the Code) concerns the revaluation of PPE held at current value. This primarily affects property, i.e. land and buildings, since the depreciated cost of vehicles and equipment is usually a close enough estimate of current value. The changes result from HM Treasury's 2023 thematic review of non-investment assets, which sought to improve PPE valuation and reduce audit challenges.

However, for the 2025/26 Accounts, Kent Police has revalued all of their PPE covering:

- Land and buildings
- Surplus assets

The reasons are:

- Kent Police therefore is still in the process of building back assurance over its PPE valuations. As part of Kent Police's strategy to achieve this all the PPE assets were revalued in 2025/26.
- Despite the Code claim that it will be rare for there to be no appropriate index, CIPFA remains unable to recommend any. Furthermore, the Valuation Office have confirmed that they will not be able to provide a property index for 2025/26 and only for 2026/27 at the earliest as "the robust data needed to produce usable regional indices is not available".

- The use of valuation certificates prepared by qualified Royal Institution of Chartered Surveyor (RICS) valuers will result in a more accurate and “true and fair view” of the value of the PPE assets than the use of indices for 2025/26.

### Asset revaluation

Kent Police carries out a rolling programme that ensures that all PPE required to be measured at current value is revalued at least every five years. From 2026/27, valuations will be updated by indexation of carrying amounts in the years that a revaluation is not carried out. The Current Value measurement basis includes:

- Existing Use Value defined in accordance with RICS Valuation – Professional Standards for assets providing service potential to the force where an active market exists
- Depreciated Replacement Cost (DRC), for assets where there is no active market and/or the asset is specialised
- FV, for surplus assets that are not being used to deliver services, but which do not meet the criteria to be classified as either Investment Assets or Assets Held for Sale

The valuer will use one or several measurements and/or factors to determine the value of the property, some of which may be more significant in assessing the valuation than others. Many of these inputs are observable, e.g. they can be seen, measured or found from existing data and records. Other inputs however may not be observable, e.g. an input based solely on the judgement of the valuer or where data is not available, and assumptions are made. Each input has a level of significance towards determining the final valuation. The inputs used in valuations are classified into separate hierarchies, which hierarchies are a guide in assessing the risk of the valuation being more based on subjective interpretation than fact. For building and land valuations, observable inputs are classed as Level 2 and unobservable inputs are classed as Level 3.

Revaluation gains arising from revaluations are reflected in the RR or, where previous losses have occurred, are credited to the CIES to the limit of the previous loss. A loss on valuation is charged to the RR to the limit of that fund and thereafter is charged to the CIES.

Non-property assets that have short useful lives or low values (or both) are measured at the depreciated historical cost basis which is used as a proxy for FV.

### Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where impairment losses are identified, they are charged against the RR up to the amount attributable to each specific asset held in that Reserve. Any excess of this amount is then chargeable to the CIES. Any charges to the CIES are reversed out to the CAA via the Movement in Reserves Statement.

### Depreciation

Depreciation is provided for on all PPE assets including PFI assets by the systematic allocation of their depreciable amounts over their useful lives. This is calculated based on the straight-line method. Where an item of PPE asset has major components with different estimated useful lives, the components are depreciated separately.

The standard useful lives for each category of asset as follows:

Asset Class	Useful Life
Land	999 years
Buildings	1 to 60 years
Plant and Equipment	1 to 40 years
Vehicles	1 to 8 years
Van trailers	10 years

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the RR to the CAA.

There has been a change in accounting policy for depreciation. Up to and including the 2024/25 Accounts, depreciation was calculated from when capital expenditure on a new asset was incurred. From 2025/26 depreciation for all new non-current assets acquired from 1/4/2025 shall begin from the start of the first financial year after it becomes operational (i.e. no depreciation in the year of recognition) and defer the end of its useful life until the end of the financial year in which it is derecognised (i.e. full year of depreciation in the final operational year). This is on the basis that this will not lead to a material understatement or overstatement of depreciation in any financial year. However, if a material asset (i.e. over £5m) is brought into use during a financial year then depreciation will begin for that asset from the date when it was available for use. The £5m limit has been chosen as the depreciation on it would be immaterial. This change has not been applied retrospectively.

### Disposals

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether PPE or Assets Held for Sale) is written off to the CIES against any receipts arising from the disposal as a gain or loss on disposal.

The sale of non-current assets for £10,000 or greater in aggregate is recognised as a capital receipt.

#### xiii. Leases

### PCC as lessee – right-of-use assets

PCC for Kent adopted IFRS 16 for leases effective from 1 April 2024. IFRS 16's main impact is to remove the traditional distinction between finance leases and operating leases for lessees. The main impact of IFRS 16 is that, for arrangements previously accounted for as operating leases, a right-of-use asset and a lease liability were brought into the balance sheet at 1 April 2024. IFRS 16 requires all substantial leases to be accounted for using the acquisition approach, recognising the rights acquired to use an asset with the exception for intangible assets and licensing agreements. IFRS 16 was not applied retrospectively, but with the cumulative effect recognised at 1 April 2024.

### Exemption

PCC for Kent is applying the recognition exemption to low value leased assets below the de-minimus of £12,000 and short-term leased assets that are due to end within 12 months. Payments associated with the lease's exemption are recognised in the CIES. These exemptions comprise of leased photocopiers and storage containers.

### Initial Measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date, if later). The leases are typically for fixed periods in excess of one year but may have extension options. The force initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the authority's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. The Public Works Loan Board standard fixed interest annuity loan rate is applied for the similar group of the right-of-use asset class. The continuation of the lease agreements for the rolling lease contracts is based on the Estate Management Plan, where substantially all of the economic benefits or service potential from the use of the assets can be obtained.

The transport workshop lease and the private finance initiative contract assets have effectively been accounted for as acquisition with the assets on the balance sheet. Therefore, they are remaining unchanged and are separately disclosed on the statement of accounts.

### Subsequent Measurement

IFRS 16 requires that right-of-use assets for which the underlying asset is an item of PPE are subsequently measured in accordance with Section 4.1 Property, Plant and Equipment of the Code. The adaptation also includes criteria for the use of the cost model in IFRS 16 as a proxy for current value where the lease has provisions to regularly update lease payments for market conditions and market prices are unlikely to fluctuate significantly.

IFRS 16 specifies the non-commercial accounting requirements for leases at peppercorn or nominal payments or for nil consideration by following the principles in the Code for the treatment of donated assets. The right-of-use of the non-commercial assets are initially measured at FV. Subsequent measurement is at the appropriate current value for the relevant class of assets. PCC for Kent has a small number of peppercorn or nominal rent assets and the asset is initially recognised at FV with a gain recognised in grant income within the surplus or deficit recognised on the provision of services.

### Depreciation

The right-of-use assets are depreciated on a straight-line basis over the lease term.

### Private Finance Initiative

The Code requires that these arrangements are accounted for in a manner that is consistent with an adaptation of International Financial Reporting Interpretations Committee (IFRIC) number 12 Service Concession Arrangements and International Public Sector Accounting Standards (IPSAS) number 32 Service Concession Arrangements. Where indexation or changes in a rate affect future payments, the lease liability is recalculated based on the revised level of payments. Increases (or reductions) in expenditure are realised as increases (or reductions) in the charge taken against the remeasured liability which is based on an assumption of indexation in future years from the contract model. If no indexation had been assumed the liability would have reduced by £3m; however to assume no indexation is not prudent given current inflation and the liability would have been understated. Contingent rent is not to be recognised.

The PFI asset value was amended to reflect the calculated change in liability calculated on 1 April 2025 in accordance with IFRS 16, and then a new valuation from the force's valuers was obtained dated 31 December 2025.

The remeasurement of liability is based upon the model for the PFI contract whereby the inflation for the related financial year is based on the previous January.

### PCC as lessee – leases payable

PPE held under leases are recognised on the Balance Sheet at the commencement of the lease at its FV measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability
- a finance charge (debited to the Financing and Investment Income and Expenditure line in the CIES

xiv. Private Finance Initiative (PFI) and similar contracts

PFI and similar contracts are agreements to receive services, where the responsibility for making available the PPE needed to provide the services passes to the PFI contractor. As the PCC for Kent is deemed to control the services that are provided under its PFI schemes, and as ownership of the PPE will pass to the PCC for Kent at the end of the contracts for no additional charge, the PCC for Kent carries the assets used under the contracts on its Balance Sheet as part of non-current assets.

The original recognition of these assets at FV (based on the cost to purchase the PPE) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment.

Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as PPE owned by the PCC for Kent.

xv. Provisions

Provisions are made where an event has taken place that gives the PCC for Kent 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.

Provisions are charged as an expense to the appropriate service line in the CIES in the year that the PCC for Kent 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.

#### xvi. Contingent liabilities and contingent assets

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

A contingent asset arises where an event has taken place that gives the PCC for Kent a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the PCC for Kent.

#### xvii. Reserves

When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in the Surplus or Deficit on the Provision of Services in the CIES. The reserve is then appropriated back into the General Fund in the Movement in Reserves Statement (MIRS) so that there is no net charge against council tax for the expenditure.

#### xviii. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from His Majesty's Revenue and Customs. VAT receivable is excluded from income.

### Note 2 – Going concern

The accounts are prepared on a going concern basis reflecting the economic and statutory environment in which police forces and PCCs operate.

As police forces and PCCs cannot be created or dissolved without statutory prescription it is only appropriate for their financial statements to be prepared on a going concern basis. The going concern assumption under the Code is therefore drawn up to assume that the services of police forces and PCCs will continue to operate for the foreseeable future. The Government has set out its intention to abolish Police and Crime Commissioners, with implementation expected from 2028. However, the PCC is a statutory body, and any reorganisation will be enacted through legislation. In such circumstances, the functions currently undertaken by the PCC will continue to be delivered by successor bodies. Accordingly, this planned structural change does not impact upon the going concern basis of preparation.

The Kent force has forecast cashflow and resources to 31 March 2026 and has not identified any material uncertainties in the going concern assumptions.

### Note 3 – Accounting standards issued but not yet adopted

The standards introduced by the 2026/27 Code where disclosures are required in the 2025/26 financial statements are unlikely to have a material impact on amounts in the financial statements:

- Amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and 7)
- Contracts Referencing Nature-Dependent Electricity (amendments to IFRS 9 and IFRS 7)
- Annual improvements to IFRS accounting standards – Volume 11
- Amendments to FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (Amendments relating to Heritage Assets)

The amendments to the Classification and Measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7) includes a clarification that a financial liability is to be derecognised on the settlement date, but with the introduction of an accounting policy option for earlier derecognition for electronic payments where specified conditions are met.

## Note 4 – Assumptions made about the future and other major sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The key judgements and estimation uncertainty that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities in the next financial year are listed below:

### Police pension schemes (group accounts only)

The range of sensitivities regarding the principal assumptions used to measure the combined PPS' liabilities are set out below:

Sensitivity analysis	£'000's	£'000's	£'000's
Adjustment to discount rate	0.5%	0%	-0.5%
Present value of total obligation	2,528,000	2,315,100	2,102,170
Projected service cost	23,370	15,600	7,830
Adjustment to member life expectancy	+1 Year	None	-1 Year
Present value of total obligation	2,384,550	2,315,100	2,245,650
Projected service cost	16,070	15,600	15,130
Adjustment to salary increase rate	0.5%	0%	-0.5%
Present value of total obligation	2,323,930	2,315,100	2,306,270
Projected service cost	15,600	15,600	15,600
Adjustment to pension increases and deferred revaluation	0.5%	0%	-0.5%
Present value of total obligation	2,485,160	2,315,100	2,145,040
Projected service cost	18,600	15,600	12,600

### Local Government Pension Scheme

The sensitivities regarding the principal assumptions used to measure the LGPS are set out below:

Sensitivity analysis	£'000's	£'000's	£'000's	£'000's	£'000's
Adjustment to discount rate	+0.5%	+0.1%	0%	-0.1%	-0.5%
Present value of total obligation	426,257	454,753	462,363	470,180	506,674
Projected service cost	7,135	8,411	8,757	9,116	10,677
Adjustment to long term salary increase	+0.5%	+0.1%	0%	-0.1%	-0.5%
Present value of total obligation	464,696	462,823	462,363	461,906	460,111
Projected Service Cost	8,757	8,757	8,757	8,757	8,757
Adjustment to pension increases and deferred revaluation	+0.5%	+0.1%	0%	-0.1%	-0.5%
Present value of total obligation	499,600	470,203	462,363	456,720	431,926
Projected service cost	10,823	9,142	8,757	8,385	7,017
Adjustment to member life expectancy		+1 Year	None	-1 Year	
Present value of total obligation		476,150	462,363	449,023	
Projected service cost		9,067	8,757	8,455	

### Police pension scheme and LGPS

Information from the Actuaries is reviewed against the information previously provided and market commentaries for reasonableness and compared with other force's expectations and returns through the Police and Crime Commissioners Treasurers' Society (PACCTS) network. The tables included above are taken directly from the actuarial statements.

Given the high values for the liabilities in the pension schemes, they are susceptible to small fluctuations in discount rates etc. causing relatively large variation in the values. This is why the sensitivity analysis tables have been included in the Statement of Accounts.

### Insurance provisions

The overall liability on the Balance Sheet for insurance (including the reserve) is around £9.649m. This is significantly higher than for other similar forces and all outstanding claims values are being reviewed. The force will have a mid-year reassessment of the estimate of the future liability. A 1% increase in outstanding claims would result in an additional cost of £47k.

### Property, plant and equipment

Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the OPCC will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.

If useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for buildings would increase by £0.050m for every year that useful lives had to be reduced by one year.

### Non-current assets

The market review by the force's valuers, Wilks Head and Eve (WHE) LLP recognises estimation uncertainty factors arising from global and national inflationary pressures, higher interest rates, currency movements, the Russian invasion of Ukraine and the conflict in the Middle East. These ongoing situations which has wider impact on the value of the asset because of the conflict and volatility in property markets due to consumer and investor behaviour is sensitive to these issues.

The values in the Accounts are not reported as being subject to 'material valuation uncertainty' as defined by Valuation Technical and Performance Standards (VPS) 6 and Valuation Practice Guidance Applications (VPGA) 10 of the RICS Valuation Global Standards.

### Financial instruments

The fair values used in the preparation of the accounts have not been affected by any material uncertainty.

### Impairment allowance for non-payment of debt

It is prudent to establish a provision (impairment allowance) for non-payment of debt. The impact of the events described above could potentially have an adverse impact on collectability of debt and will be the subject of ongoing review. Therefore, due to the uncertainty about collecting any outstanding monies from taxpayers, a prudent approach has been taken when setting the rates for bad debt provisions, which are reflected in these financial statements. However, if collection rates were to fall, the cost of covering the impairment of doubtful debts would require an additional £59k to be set aside for every 1% reduction in collection rates.

### International events

During 2025/26, there has been heightened geopolitical uncertainty, including conflict in the Middle East involving Iran. While there has been no direct operational impact on the PCC or Group's activities, this situation contributes to wider global economic uncertainty which may influence key assumptions used in the financial statements. The main areas of the financial statements potentially affected by this uncertainty are:

- PPE valuations: Asset valuations are sensitive to changes in market conditions, including inflation, construction costs and investor sentiment. Ongoing geopolitical instability may affect these factors and could lead to volatility in valuation inputs (including indices used for revaluation). A reasonably possible change in market assumptions could result in material movements in asset valuations in future periods.

- Pension liability: The valuation of the net defined benefit pension liability is based on actuarial assumptions, including discount rates and expected returns on assets. These assumptions are influenced by global financial markets, which may be affected by geopolitical developments. Small changes in these assumptions can have a material effect on the valuation of pension liabilities.
- Inflation and cost pressures: Broader economic impacts arising from global instability, including energy prices and supply chain disruption, may influence inflation assumptions used in financial planning and valuation models, particularly for capital assets and service costs.

At the Balance Sheet date, management considers that there is no requirement to adjust the carrying value of assets or liabilities directly as a result of these events. However, given the inherent uncertainty, there is a risk that future developments could result in material adjustments to the accounts in subsequent financial periods.

## Note 5 – Critical judgements in applying accounting policies

In applying the accounting policies set out in Note 1, the PCC for Kent has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are set out below and Note 4 details judgements made in the light of estimation uncertainty.

There remains some uncertainty about future levels of funding for forces in England and Wales. However, the PCC for Kent has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the PCC for Kent might be impaired as a result of a need to close facilities and reduce levels of service provision.

The Pensions liability relating to both Police Officers and staff has been valued in line with the Consumer Price Index (CPI) as opposed to the Retail Price Index (RPI).

The Head of Estates Services was consulted with regard to any impairment of assets under their jurisdiction in the financial year and no other impairment of assets were declared. The Kent and Essex Head of Information Services carried out a review of current intangible assets. Please refer to Note 26.

## Note 6 – Expenditure and funding analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants and council tax) by police bodies in comparison with those resources consumed or earned by public bodies in accordance with generally accepted proper practices. It also shows how this expenditure is allocated for decision purposes between the PCC and the force. Income and expenditure accounted for under generally accepted proper practices is presented more fully in the CIES.

The net expenditure chargeable to the general fund is the annual expenditure on a funding basis and is the final spend of the year as reported to Joint Audit Committee. The adjustments between funding and accounting basis shows the changes that have to be made in order to report the annual expenditure on an accounting basis which is shown as the net expenditure in the CIES.

A guide to the services is shown in the CIES.

2024/25 (Restated)	2024/25 (Restated)	2024/25 (Restated)	Expenditure and Funding Analysis for Kent Police Group	2025/26	2025/26	2025/26
Net Expenditure Chargeable to General Fund £'000's	Adjustments Between Funding and Accounting Basis £'000's	Net Expenditure in the CIES £'000's		Net Expenditure Chargeable to General Fund £'000's	Adjustments Between Funding and Accounting Basis £'000's	Net Expenditure in the CIES £'000's
12,259	697	12,956	Central Operations	10,763	(128)	10,635
1,440	20	1,460	Chief Officers	1,059	(11)	1,048
1,891	17	1,908	Corporate Communications and Citizens in Policing	2,022	(4)	2,018
5,292	29	5,321	Corporate Services	5,126	(39)	5,087
14,615	736	15,351	Crime	16,926	(184)	16,742
6,064	207	6,271	Human Resources	5,817	(50)	5,767
1,300	7	1,307	Legal Services	1,471	(5)	1,466
9,387	2,073	11,460	Local Policing and Partnerships	8,388	1,906	10,294
3,475	200	3,675	OPCC	3,696	16	3,712
270,991	(58,772)	212,219	Police pay	291,530	(77,566)	213,964
1,985	34	2,019	Professional Standards	2,461	(25)	2,436
18,228	842	19,070	Serious Crime	19,260	363	19,623
61,588	(1,951)	59,637	Support Services	60,988	16,827	77,815
<b>408,515</b>	<b>(55,861)</b>	<b>352,654</b>	<b>Net Cost of Services</b>	<b>429,507</b>	<b>(58,900)</b>	<b>370,607</b>
(10,102)	10,102	0	Transfer to reserves	(18,163)	18,163	0
0	0	0	Other Operating Expenditure items already in General Fund Net Cost of Services	0	0	0
(721)	721	0	Financing and Investment Income and Expenditure items already in General Fund Net Cost of Services	(686)	686	0
<b>397,692</b>	<b>(45,038)</b>	<b>352,654</b>	<b>Service Cost</b>	<b>410,658</b>	<b>(40,051)</b>	<b>370,607</b>
0	(37)	(37)	Other Operating Expenditure	0	(1,291)	(1,291)
721	128,730	129,451	Financing and Investment Income and Expenditure	686	131,675	132,361
(409,612)	(1,618)	(411,230)	Taxation and Non- specific Grant Income	(429,939)	(1,264)	(431,203)
<b>(11,199)</b>	<b>82,037</b>	<b>70,838</b>	<b>Provision of Services</b>	<b>(18,595)</b>	<b>89,069</b>	<b>70,474</b>

2024/25 (Restated)	2024/25 (Restated)	2024/25 (Restated)	Expenditure and Funding Analysis for Kent Police Group	2025/26	2025/26	2025/26
Net Expenditure Chargeable to General Fund £'000's	Adjustments Between Funding and Accounting Basis £'000's	Net Expenditure in the CIES £'000's		Net Expenditure Chargeable to General Fund £'000's	Adjustments Between Funding and Accounting Basis £'000's	Net Expenditure in the CIES £'000's
<b>(12,274)</b>			<b>Opening General Fund balance</b>	<b>(13,370)</b>		
(11,198)			(Surplus) on revenue outturn transferred to General Fund	(18,595)		
10,102			Transfer to reserves	18,163		
<b>(13,370)</b>			<b>Closing General Fund Balance</b>	<b>(13,802)</b>		

2024/25	2024/25	2024/25	Expenditure and Funding Analysis for PCC	2025/26	2025/26	2025/26
Net Expenditure Chargeable to General Fund £'000's	Adjustments Between Funding and Accounting Basis £'000's	Net Expenditure in the CIES £'000's		Net Expenditure Chargeable to General Fund £'000's	Adjustments Between Funding and Accounting Basis £'000's	Net Expenditure in the CIES £'000's
(16,819)	224	(16,595)	Central Operations	(20,253)	180	(20,073)
360	0	360	Chief Officers	151	(1)	150
235	(12)	223	Corporate Communications and Citizens in Policing	227	15	242
(1,929)	(100)	(2,029)	Corporate Services	(2,208)	45	(2,163)
(2,940)	432	(2,508)	Crime	(2,097)	17	(2,080)
(546)	86	(460)	Human Resources	(901)	29	(872)
811	0	811	Legal Services	939	0	939
408	2,018	2,426	Local Policing and Partnerships	101	1,934	2,035
3,475	199	3,674	OPCC	3,696	16	3,712
70	(17)	53	Police pay	158	(49)	109
86	0	86	Professional Standards	88	0	88
6,670	588	7,258	Serious Crime	6,373	527	6,900
37,732	448	38,180	Support Services	38,302	16,519	54,821
<b>27,613</b>	<b>3,866</b>	<b>31,479</b>	<b>Net Cost of Policing Services</b>	<b>24,576</b>	<b>19,232</b>	<b>43,808</b>
380,903	0	380,903	Recharge for Chief Constable's Net Service Cost	404,932	0	404,932
<b>408,516</b>	<b>3,866</b>	<b>412,382</b>	<b>Net Cost of Services</b>	<b>429,508</b>	<b>19,232</b>	<b>448,740</b>
(10,102)	10,102	0	Transfer to reserves	(18,163)	18,163	0
0	0	0	Provision of Services items already in General fund Net Cost of Services	0	0	0
(721)	721	0	Provision of Services items already in General fund Net Cost of Services	(686)	686	0
<b>397,693</b>	<b>14,689</b>	<b>412,382</b>	<b>Service Cost</b>	<b>410,659</b>	<b>38,081</b>	<b>448,740</b>
0	(37)	(37)	Other Operating Expenditure	0	(1,290)	(1,290)
721	(24)	697	Financing and Investment Income and Expenditure	686	(27)	659
(409,612)	(1,618)	(411,230)	Taxation and Non-specific Grant Income	(429,939)	(1,265)	(431,204)
<b>(11,198)</b>	<b>13,010</b>	<b>1,812</b>	<b>Provision of Services</b>	<b>(18,594)</b>	<b>35,499</b>	<b>16,905</b>

2024/25	2024/25	2024/25	Expenditure and Funding Analysis for PCC	2025/26	2025/26	2025/26
Net Expenditure Chargeable to General Fund £'000's	Adjustments Between Funding and Accounting Basis £'000's	Net Expenditure in the CIES £'000's		Net Expenditure Chargeable to General Fund £'000's	Adjustments Between Funding and Accounting Basis £'000's	Net Expenditure in the CIES £'000's
<b>(12,274)</b>			<b>Opening General Fund balance</b>	<b>(13,370)</b>		
(11,198)			(Surplus) on revenue outturn transferred to General Fund	(18,594)		
10,102			Transfer to reserves	18,163		
<b>(13,370)</b>			<b>Closing General Fund Balance</b>	<b>(13,801)</b>		

## Note 7 – Note to the expenditure and funding analysis

This note is a breakdown of the column "Adjustments Between Funding and Accounting Basis" in Note 6. It shows the changes made to the funding version of the outturn that is reported as outturn against budget and the transactions made to convert it to the accounting version of the outturn as shown in the CIES. The 2024/25 figures have been restated to reflect the latest service reporting structure to make them comparable to 2025/26.

<b>2024/25 Kent Police Group (Restated)</b>	<b>2025/26</b>	<b>2025/26</b>	<b>2025/26</b>	<b>2025/26</b>	
<b>Total Adjustments Between Funding and Accounting Basis</b>	<b>Adjustments from General Fund to Arrive at the Comprehensive Income and Expenditure Statement Amounts</b>	<b>Adjustment for Capital Purposes (Note 1)</b>	<b>Net Change for Pensions Adjustments (Note 2)</b>	<b>Other Differences (Note 3)</b>	<b>Total Adjustments Between Funding and Accounting Basis</b>
<b>£'000's</b>		<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
696	Central Operations	166	(308)	0	(142)
20	Chief Officers	0	(11)	0	(11)
36	Corporate Communications & Citizens in Policing	3	(19)	0	(16)
129	Corporate Services	0	(82)	0	(82)
344	Crime	18	(202)	0	(184)
209	Human Resources	29	(79)	0	(50)
7	Legal Services	0	(4)	0	(4)
2,034	Local Policing & Partnerships	1,912	(29)	0	1,883
31	PCC	0	49	0	49
(62,147)	Police Pay	0	(77,800)	234	(77,566)
34	Professional Standards	0	(26)	0	(26)
849	Serious Crime	560	(164)	0	396
12,719	Support Services	35,394	290	19	35,703
<b>(45,039)</b>	<b>Net Cost of Services</b>	<b>38,082</b>	<b>(78,385)</b>	<b>253</b>	<b>(40,050)</b>
127,074	Other income and expenditure	(1,582)	131,702	(1,000)	129,120
<b>82,035</b>	<b>Difference Between General Fund and CIES</b>	<b>36,500</b>	<b>53,317</b>	<b>(747)</b>	<b>89,070</b>

Note 1 – This column adds in depreciation, impairments and revaluation gains and losses. It adjusts for capital disposals with a transfer of the income on the disposal and the amounts written off. Minimum Revenue Provision (MRP) is deducted, adjustments are made to recognise capital grant income.

Note 2 – This column shows the lines which have been affected by the removal of pension contributions and replaced with IAS 19 debits and credits.

Note 3 – Other differences include short-term accumulated absences and the collection fund adjustment.

2024/25	PCC		2025/26		
Total Adjustments Between Funding and Accounting Basis	Adjustments from General Fund to Arrive at the Comprehensive Income and Expenditure Statement Amounts	Adjustment for Capital Purposes (Note 1)	Net Change for Pensions Adjustments (Note 2)	Other Differences (Note 3)	Total Adjustments Between Funding and Accounting Basis
£'000's		£'000's	£'000's	£'000's	£'000's
223	Central Operations	166	0	0	166
8	Corporate Communications and Citizens in Policing	3	0	0	3
40	Crime	18	0	0	18
87	Human Resources	29	0	0	29
1,979	Local Policing and Partnerships	1,912	0	0	1,912
596	Serious Crime	560	0	0	560
11,756	Support Services	35,394	0	0	35,394
<b>14,689</b>	<b>Net Cost of Services</b>	<b>38,082</b>	<b>0</b>	<b>0</b>	<b>38,082</b>
(1,680)	Other income and expenditure	(1,582)	0	(1,000)	(2,582)
<b>13,009</b>	<b>Difference Between General Fund and CIES</b>	<b>36,500</b>	<b>0</b>	<b>(1,000)</b>	<b>35,500</b>

Note 1 – This column adds in depreciation, impairments and revaluation gains and losses. It also adjusts for capital disposals with a transfer of the income on the disposal and the amounts written off. MRP is deducted, adjustments are also made to recognise capital grant income.

Note 2 – PCC has no Police Officers pay cost therefore not affected by the pension contributions.

Note 3 – Other differences include the collection fund adjustment.

## Note 8 – Adjustments between accounting basis and funding basis under regulations

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

<b>Total Usable Reserves</b>	<b>Adjustments Between Accounting Basis and Funding Under Regulations for Kent Police Group</b>	<b>General Fund</b>	<b>Capital Receipts and Capital Contributions Unapplied Reserves</b>	<b>Total Usable Reserves</b>	<b>Total Unusable Reserves</b>
<b>2024/25</b>		<b>2025/26</b>	<b>2025/26</b>	<b>2025/26</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
<b>Adjustments to Revenue Resources</b>					
(69,062)	Pension costs	(53,317)	0	(53,317)	53,317
83	Pooled fund adjustment account	0	0	0	0
722	Collection fund adjustment account	1,000	0	1,000	(1,000)
36	Accumulated compensated absences account	(253)	0	(253)	253
0	Capital grants move to capital grant unapplied account	204	(204)	0	0
(17,681)	Reversal of entries for capital expenditure	(12,868)	0	(12,868)	12,868
(580)	Implementation of IFRS 16	0	0	0	0
<b>(86,482)</b>	<b>Total Adjustment to Revenue Resources</b>	<b>(65,234)</b>	<b>(204)</b>	<b>(65,438)</b>	<b>65,438</b>
<b>Adjustments Between Revenue and Capital Resources</b>					
(103)	Transfer of cash sale proceeds from non-current assets to Capital Receipts Reserve (CRP)	85	0	85	1,845
0	Revenue Expenditure Funded Capital under Statute	(29,000)	0	(29,000)	29,000
4,382	Statutory provision for financing of capital investment (MRP)	5,080	0	5,080	(5,080)
<b>4,279</b>	<b>Total Adjustments Between Revenue and Capital Adjustment to Capital Resources</b>	<b>(23,835)</b>	<b>0</b>	<b>(23,835)</b>	<b>25,765</b>
<b>Adjustments to Capital Resources</b>					
0	Use of the capital receipts and capital finance reserves to finance capital expenditure	0	0	0	(6,425)
167	Application of capital grants to finance capital expenditure	0	204	204	(204)
<b>167</b>	<b>Total Adjustments to Capital Resources</b>	<b>0</b>	<b>204</b>	<b>204</b>	<b>(6,629)</b>
<b>(82,036)</b>	<b>Total</b>	<b>(89,069)</b>	<b>0</b>	<b>(89,069)</b>	<b>84,574</b>

<b>Total Usable Reserves</b>	<b>Adjustments Between Accounting Basis and Funding Under Regulations for Police and Crime Commissioner</b>	<b>General Fund</b>	<b>Capital Receipts and Capital Contributions Unapplied Reserves</b>	<b>Total Usable Reserves</b>	<b>Total Unusable Reserves</b>
<b>2024/25</b>		<b>2025/26</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
<b>Adjustments to Revenue Resources</b>					
83	Pooled fund adjustment account	0	0	0	0
722	Collection fund adjustment account	1,000	0	1,000	(1,000)
0	Capital grants move to capital grant unapplied account	204	(204)	0	0
(17,681)	Reversal of entries for capital expenditure	(12,868)	0	(12,868)	12,868
(580)	Implementation of IFRS 16	0	0	0	0
<b>(17,456)</b>	<b>Total Adjustment to Revenue Resources</b>	<b>(11,664)</b>	<b>(204)</b>	<b>(11,868)</b>	<b>11,868</b>
<b>Adjustments Between Revenue and Capital Resources</b>					
(103)	Transfer of cash sale proceeds from non-current assets to Capital Receipts Reserve (CRP)	85	0	85	1,845
0	Revenue Expenditure Funded Capital under Statute	(29,000)	0	(29,000)	29,000
4,382	Statutory provision for financing of capital investment (MRP)	5,080	0	5,080	(5,080)
<b>4,279</b>	<b>Total Adjustments Between Revenue and Capital</b>	<b>(23,835)</b>	<b>0</b>	<b>(23,835)</b>	<b>25,765</b>
<b>Adjustment to Capital Resources</b>					
<b>Adjustments to Capital Resources</b>					
0	Use of the capital receipts and capital finance reserves to finance capital expenditure	0	0	0	(6,425)
167	Application of capital grants to finance capital expenditure	0	204	204	(204)
<b>167</b>	<b>Total Adjustments to Capital Resources</b>	<b>0</b>	<b>204</b>	<b>204</b>	<b>(6,629)</b>
<b>(13,010)</b>	<b>Total</b>	<b>(35,499)</b>	<b>0</b>	<b>(35,499)</b>	<b>31,004</b>

## Note 9 – Officers' remuneration

Kent Police has a specific requirement to disclose the number of employees whose taxable remuneration falls within certain brackets. The table illustrates the number of senior police officers and staff whose remuneration, excluding pension contributions was £50,000 or more in bands of £5,000. Senior Police Officers are defined by CIPFA guidance as those at Chief Superintendent rank and above.

The amended Regulations introduce a requirement to disclose individual remuneration details for senior employees whose salary is £50,000 or more per year. For these employees their salaries are listed individually by way of job title. Additionally, persons whose salary is £150,000 or more per year must be identified by name.

A senior employee is considered one whose salary is greater than £50,000 per year (calculated pro rata for part time employees) and who is responsible for the management of Kent Police to the extent that the person has power to control the major activities of the service, in particular activities involving the expenditure of money, whether solely or collectively with other persons. This includes the PCC, their Chief Executive and CFO, all police officers of rank of chief superintendent and above, the Director of Essex and Kent Support Services, the Director of Essex and Kent HR and Learning and Development, the Director of Corporate Communications and Citizens in Policing and the force CFO.

Officers listed in the following remuneration note are also included in this banding disclosure note. Whilst not technically compliant, it provides a complete analysis for the user of the Accounts. The definition of remuneration used is based on the Code as it includes salary and other benefits to the extent to which they are taxable. The 2024/25 year has been re-stated to include amounts sacrificed from salary in return for employee benefits such as shared cost pension additional voluntary contributions, childcare vouchers and vehicles provided through the employee Green Car Scheme. The increase in the total number for the Group can be attributed to pay progression and inflation.

<b>2024/25 Group Restated</b>	<b>2024/24 PCC Restated</b>	<b>Number of Employees Remuneration Band (£)</b>	<b>2025/26 Group</b>	<b>2025/26 PCC</b>
68	3	50,000 to 54,999	55	1
35	0	55,000 to 59,999	62	1
39	5	60,000 to 64,999	37	2
11	1	65,000 to 69,999	20	2
7	0	70,000 to 74,999	7	0
6	0	75,000 to 79,999	4	0
3	0	80,000 to 84,999	3	0
4	1	85,000 to 89,999	6	0
5	1	90,000 to 94,999	4	2
1	0	95,000 to 99,999	3	0
7	0	100,000 to 104,999	3	0
1	0	105,000 to 109,999	5	0
9	0	110,000 to 114,999	3	0
3	0	115,000 to 119,999	5	1
1	0	120,000 to 124,999	3	0
1	0	125,000 to 129,999	1	0
1	0	130,000 to 134,999	1	0
1	0	135,000 to 139,999	0	0
4	0	140,000 to 144,999	3	0
1	0	150,000 to 154,999	3	0
1	0	160,000 to 164,999	0	0
0	0	170,000 to 174,999	1	0
1	0	200,000 to 204,999	0	0
0	0	225,000 to 229,999	1	0
<b>210</b>	<b>11</b>	<b>Total</b>	<b>230</b>	<b>9</b>

2024/25		2025/26	2025/26	2025/26	2025/26
Total Post Title Remuneration	Note	Salary Including Allowances	Benefits in Kind	Pension Contributions	Total Remuneration
£		£	£	£	£
<b>Group and PCC</b>					
98,796		92,321	1,617	9,791	103,729
72,542	1	118,047		14,402	132,449
84,533	2	0		0	0
108,598		94,524		11,515	106,039
<b>CC and Group</b>					
238,102		228,039	7,566	0	235,605
18,580		0		0	0
201,872		174,665	2,314	59,590	236,568
118,813	3	128,407		0	128,407
171,144	4	141,977	591	4,946	147,513
205,468	5a	44,760	2,203	11,980	58,943
	5b	97,084	2,203	37,032	136,319
184,570	6	93,996	1,360	31,948	127,304
	7	91,052	745	32,751	124,549
56,706	8	141,844	2,330	49,012	193,186
36,362	9	127,837	7,148	44,057	179,042
126,983	10	132,128	4,068	45,581	181,777
153,741	11	133,296	6,626	45,994	185,916
161,876	12	148,656	910	17,984	167,550
188,617		143,104	6,219	49,012	198,335
160,414		149,040		18,183	167,222
125,537		116,812		14,251	131,063

2024/25		2025/26	2025/26	2025/26	2025/26
Total Post Title Remuneration	Note	Salary Including Allowances	Benefits in Kind	Pension Contributions	Total Remuneration
£		£	£	£	£
132,721	Assistant Chief Constable (Local Policing)	0		0	0
123,925	Assistant Chief Constable (Central Operations)	0		0	0
<b>2,769,900</b>	<b>Total</b>	<b>2,397,588</b>	<b>45,900</b>	<b>498,028</b>	<b>2,941,516</b>

**Notes:**

- The PPC Chief Executive commenced 4 November 2024, the previous incumbent (2) retired on 3 November 2024.
- The Deputy Chief Constable for Operation Magenta leads the independent enquiry into deaths at Gosport War Memorial Hospital. The post is externally funded, full costs are recovered from the Home Office under the control of Hampshire Police but are included here as Kent Police is the employing force.
- The Deputy Chief Officer was made redundant on 4 July 2025. The salary amount includes the taxable element of their termination package.
- The Assistant Chief Constable (Crime) (5a) transferred to Assistant Chief Constable (Serious Crime) (5b) with effect from 27 July 2025. The previous ACC (Serious Crime) (6) retired on 4 December 2025.
- The replacement Assistant Chief Constable (Crime) commenced on 14 July 2025.
- The Assistant Chief Constable (Local Policing and Partnerships) commenced 12 December 2024.
- The Assistant Chief Constable (Central Operations) commenced 20 January 2025.
- Full costs are recovered from the Home Office but are included here as Kent Police is the employing force.
- The collaborative Assistant Chief Constable ERSOU covers specialist policing operations within the eastern region. Costs are shared between partner agencies, administered by Bedfordshire Police but are included here as Kent Police is the employing force.
- Director of Human Resources and Learning and Development is a shared post 50:50 Kent and Essex Police. Full costs are shown against Kent as the employing force.

In addition to the police officers and police staff shown in the table, the Kent Police Officer Management Team also included in the following shared posts: Director of Essex and Kent Support Services – the post is shared 50:50 between Essex and Kent Police, 50% of costs were recharged to Kent Police in 2025/26. Their remuneration is disclosed in full in the Essex Police Statement of Accounts.

**Note 10 – Termination benefits**

There were 17 terminated contracts during 2025/26 (five in 2024/25), as well as one redundancy from the joint collaboration within Kent and Essex Transport Department where Kent paid their 50% share of the cost. Termination payments are made to staff made redundant mostly on a voluntary basis, as part of the Kent Police rationalisation of the service. Payments were made to staff in accordance with Kent Police policy and are calculated on a combination of age, length of service and pay scale of the employee at the time of their leaving the organisation.

The following table shows the number of people leaving the organisation through redundancy in bands of £20,000.

2024/25	2024/25	2024/25	2024/25		2025/26	2025/26	2025/26	2025/26
Number of People	Redundancy Cost	Pension Cost	Total	Cost to Kent Police	Number of People	Redundancy Cost	Pension Cost	Total
	£'000's	£'000's	£'000's	£'000's		£'000's	£'000's	£'000's
2	25	0	25	0 to 20	6	44	0	44
0	0	0	0	20 to 40	2	25	46	71
1	17	29	46	40 to 60	4	130	69	199
0	0	0	0	60 to 80	2	31	93	124
1	29	71	100	80 to 100	0	0	0	0
0	0	0	0	100 to 120	2	80	128	208
0	0	0	0	120 to 140	2	78	172	250
1	131	283	414	400 +	0	0	0	0
<b>5</b>	<b>202</b>	<b>383</b>	<b>585</b>	<b>Total</b>	<b>18</b>	<b>388</b>	<b>508</b>	<b>896</b>

### Note 11 – Defined benefit pension schemes (group accounts only)

The Police Officer pension scheme is an unfunded scheme meaning there are no assets built up to meet the pension liabilities and cash has to be generated to meet pension payments as they fall due. Both Police Officers and the employer make contributions to the Police Pension Fund. Any difference between the pension income and the actual pensions paid out is reimbursed by the Home Office through a top up grant.

All Police Staff are eligible to join the LGPS administered by Kent County Council (KCC). Both the staff and the employer make contributions to the Scheme; however, the LGPS is a fully funded scheme meaning contributions are invested to help fund future liabilities. The amount the employer pays is determined by a valuation which takes place every three years.

#### Police pension scheme

When referred to the PPS' this includes all PPS' including the New Police Pension Scheme where additional disclosure has been provided under Note 1 – Accounting Policies.

#### Transactions relating to retirement benefits

The Group recognises the cost of retirement benefits in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. The charge the Group is required to make against the council tax however, is based on the cash payable in the year and therefore the real cost of retirement benefits is reversed out of the CIES. The following transactions have been made in the Group's accounts during the year.

2024/25 £'000's	Police Officer Pension Schemes (Combined)	2025/26 £'000's
<b>Comprehensive Income and Expenditure Statement</b>		
Cost of Services:		
33,300	Current service cost	18,200
300	Past service cost / (gain)	0
Financing and Investment Income and Expenditure:		
130,000	Net interest on the net defined benefit liability (asset)	132,500
<b>163,600</b>	<b>Sub-total Charged to the (Surplus) / Deficit on the Provision of Services</b>	<b>150,700</b>
Other Post-employment Benefit Charged to Other Comprehensive Income and Expenditure:		
(32,500)	Actuarial losses (gains) arising from change in demographic assumptions	16,600
(442,000)	Actuarial losses (gains) arising from change in financial assumptions	(98,700)
19,000	Other experience	19,700
<b>(455,500)</b>	<b>Sub-total Charged to Other Comprehensive Income and Expenditure</b>	<b>(62,400)</b>
<b>(291,900)</b>	<b>Total Charged to the Comprehensive Income and Expenditure Statement</b>	<b>88,300</b>
Movement in Reserves Statement		
(163,600)	Reversal of net charges made to the (surplus) / deficit on the Provision of Services for post-employment benefits	(150,700)
Actual Amount Charged to the General Fund for Pensions		
95,700	Actuarial Contributions to Fund	96,000

### Assets and liabilities in relation to retirement benefits

The following table reconciles the present values of the liabilities of the PPS.

2024/25 £'000's	Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)	2025/26 £'000's
<b>(2,710,400)</b>	<b>Benefit Obligation at 1 April</b>	<b>(2,322,800)</b>
(33,300)	Current service cost	(18,200)
(130,000)	Interest on pension liabilities	(132,500)
455,500	Actuarial remeasurement	62,400
(22,100)	Contributions by scheme participants	(23,300)
(300)	Past service gains/(losses)	0
117,700	Benefits paid / (received)	119,400
100	Transfers (in from) / out to other authorities	(100)
<b>(2,322,800)</b>	<b>Benefit Obligation at 31 March</b>	<b>(2,315,100)</b>

<b>2024/25</b>	<b>Reconciliation of Movements in the Fair Value of the Scheme (Plan)</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>0</b>	<b>Opening Fair Value of Assets</b>	<b>0</b>
(95,700)	Contributions by employer	(96,000)
(22,100)	Contributions by participants	(23,300)
100	Transfers (in from) / out to other authorities	(100)
117,700	Net benefits paid out	119,400
<b>0</b>	<b>Closing Fair Value of Assets</b>	<b>0</b>

**Pensions assets and liabilities recognised in the Balance Sheet**

<b>2024/25</b>	<b>Police Pension Scheme (Combined)</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
(2,322,800)	Present value of Police Pension Scheme defined benefit obligation	(2,315,100)
<b>(2,322,800)</b>	<b>Net Liability Arising From the Defined Benefit Obligation</b>	<b>(2,315,100)</b>

The liabilities show the underlying commitments that the Group has in the long-term to pay retirement benefits. The total liability of £2.31 billion (2024/25, £2.32 billion) has a substantial impact on the net worth of the Group as recorded in the Balance Sheet.

Statutory arrangements for funding the deficit however, mean that the financial position of the Group remains healthy. Police Pensions are charged to the Police Pension Fund Account (see note below) and any shortfall between the value of pensions paid in the year and the receipts into the account from the employer and employee contributions is funded from the General Fund. A top-up grant from the Government is then claimed to cover the deficit or, in the event of a surplus, repaid to the Government for 2025/26 this was £30.05 million (£31.8 million, 2024/25) top up grant received.

**Basis for estimating assets and liabilities Police Pension Scheme**

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The PPS' have been assessed by Hymans Robertson LLP, an independent firm of actuaries.

The principal assumptions used in their calculations are shown below:

<b>2024/25</b>	<b>Actuarial Assumptions:</b>	<b>2025/26</b>
<u>Years</u>	Longevity at 60 for current pensioners:	<u>Years</u>
26.3	Men	26.8
29.2	Women	29.4
	Longevity at 60 for future pensioners:	
28.1	Men	28.8
30.5	Women	31.4
3.1%	Rate of inflation (RPI)	3.3%
3.1%	Rate of increase in salaries	3.3%
2.8%	Rate of increase on pensions	3.0%
5.8%	Rate of discounting for scheme liabilities	6.3%
90.0%	Take up of option to convert annual pension into retirement lump sum	90%

## Local Government Pension Scheme

2024/25	Local Government Pension Scheme	2025/26
£'000's		£'000's
<b>Comprehensive Income and Expenditure Statement</b>		
Service Cost:		
12,003	Current service cost	8,940
100	Past service cost	554
550	Administration expenses	626
Financing and Investment Income and Expenditure:		
28,902	Interest cost	33,827
(30,148)	Expected interest return on assets in the scheme	(34,625)
<b>11,407</b>	<b>Sub-total Charged to the (Surplus) / Deficit on the Provision of Services</b>	<b>9,322</b>
Other Post-employment Benefits Charged to Other Comprehensive Income and Expenditure:		
10,815	Return on plan assets (excluding amount included in net interest expense)	(33,226)
(1,244)	Actuarial (gains) arising from demographic assumptions	6,270
(91,757)	Actuarial (gains) arising from financial assumptions	(18,934)
82,086	Actuarial losses arising from the impact of the asset ceiling	40,645
(1,202)	Experience (gains) / losses	6,847
	Other (gains)/losses	(527)
<b>(1,302)</b>	<b>Sub-total Charged to Other Comprehensive Income and Expenditure</b>	<b>1,075</b>
<b>10,105</b>	<b>Total Charged to the Comprehensive Income and Expenditure Statement</b>	<b>10,397</b>
<b>Movement in Reserves Statement</b>		
(11,407)	Reversal of net charges made to the (surplus) / deficit on the Provision of Services for post-employment benefits	(9,322)
<b>Actual Amount Charged to General Fund for Pensions in the Year</b>		
10,245	Employers' contribution payable to the scheme	10,705

The actual return on scheme assets in the year was £34.63 million (2024/25, £30.15 million).

The return on plan assets has increased because corporate bond yields at 31 March 2026 were significantly higher than used at 31 March 2025.

## Pensions assets and liabilities recognised in the Balance Sheet

2024/25	Local Government Pension Scheme	2025/26
£'000's		£'000's
(446,663)	Present value of liabilities	(462,363)
600,935	Fair value of assets	666,541
<b>154,272</b>	<b>Surplus</b>	<b>204,178</b>
(155,110)	Impact of LGPS asset ceiling	(204,708)
<b>(838)</b>	<b>Total (Liability)</b>	<b>(530)</b>

### Reconciliation of impact of asset ceiling

IFRIC 14 requires that a surplus in the LGPS must be measured at the lower of the surplus in the defined benefit plan, or the "asset ceiling" which is the present value of any economic benefits available in the form of reductions in future contributions to the LGPS. However, as there is no unconditional right to a refund or a reduction in employer contributions, application of the asset ceiling results in a net liability.

<b>2024/25</b>	<b>Local Government Pension Scheme</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>(69,429)</b>	<b>Opening impact of asset ceiling</b>	<b>(155,110)</b>
(3,595)	Interest on impact of asset ceiling	(8,953)
(82,086)	Actuarial (losses)/ gains	(40,645)
<b>(155,110)</b>	<b>Closing impact of asset ceiling</b>	<b>(204,708)</b>

The calculation of the asset ceiling assumes that:

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

### Reconciliation of present value of the scheme assets and liabilities

The following tables reconcile the present value of liabilities and assets of the LGPS attributable to the Group. Asset returns have been higher than the discount rate assumed at the previous valuation and discount rates used have increased, leading to the increase of £49.6m in the impact of the LGPS asset ceiling.

<b>2024/25</b>	<b>Local Government Pension Scheme – Liabilities</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>(513,882)</b>	<b>Balance Brought Forward</b>	<b>(446,663)</b>
(12,003)	Current service cost	(8,940)
(25,307)	Interest cost	(24,874)
(5,400)	Contributions by scheme participants	(5,453)
1,244	Actuarial gains / losses arising from changes in demographic assumptions	(6,270)
91,757	Actuarial gains / losses arising from changes in financial assumptions	18,934
1,202	Experience (gains)/losses on defined benefit obligation	(6,847)
(100)	Past service costs	(554)
15,696	Benefits paid / transfers paid	18,185
130	Unfunded pensions payments	119
<b>(446,663)</b>	<b>Balance Carried Forward</b>	<b>(462,363)</b>

**Reconciliation of present value of the scheme assets**

The Local Government Pension Scheme's assets consist of the following categories:

31 March 2025	31 March 2025	Reconciliation of present value of the scheme assets	31 March 2026	31 March 2026
£'000's	%		£'000's	%
342,198	57	Equities	390,717	58
35,621	6	Gilts	36,774	6
89,332	15	Other Bonds	93,082	14
49,209	8	Property	65,117	10
23,767	4	Cash	18,377	3
30,693	5	Target Return Portfolio	33,271	5
30,115	5	Infrastructure	29,203	4
<b>600,935</b>	<b>100</b>	<b>Total</b>	<b>666,541</b>	<b>100</b>

**Reconciliation of the movements in fair value of scheme assets**

2024/25	Local Government Pension Scheme – Assets	2025/26
£'000's		£'000's
<b>582,333</b>	<b>Opening Fair Value of the Scheme Assets</b>	<b>600,935</b>
30,148	Interest Income	34,625
0	Remeasurement Gain	527
(10,815)	Expected return on assets	33,226
(550)	Other	(626)
10,245	Employer contributions	10,705
5,400	Contributions by employees into the scheme	5,453
(15,826)	Benefits paid	(18,304)
<b>600,935</b>	<b>Closing Fair Value of the Scheme Assets</b>	<b>666,541</b>

**Basis for estimating assets and liabilities (LGPS)**

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The LGPS liabilities have been assessed by Barnett Waddingham, an independent firm of actuaries. Estimates for the LGPS scheme are based on the 12-months valuation of the scheme as at 31 March 2026. The principal assumptions used in their calculations have been:

2024/25	Local Government Pension Scheme	2025/26
Years	Mortality assumptions:	Years
20.7	Longevity at 65 for current pensioners: Men	21.6
23.3	Longevity at 65 for current pensioners: Women	23.9
22.0	Longevity at 65 for future pensioners: Men	23.2
24.7	Longevity at 65 for future pensioners: Women	25.6
%		%
3.1%	Rate of inflation (RPI)	3.3%
2.9%	Rate of inflation (CPI) on which pensions are based	2.9%
3.9%	Rate of increase in salaries	3.9%
2.9%	Rate of increase on pensions	2.9%
5.9%	Rate of discounting for scheme liabilities	6.2%
50%	Take up of option to convert annual pension into retirement lump sum	50%

The liabilities show the underlying commitments that the Group has in the long-term to pay retirement benefits. The total liability £0.5m (£0.8m, 2024/25) has a substantial impact on the net worth of the Group as recorded in the Balance Sheet.

### McCloud consideration

In 2018 the Government was found to have discriminated against younger members of public service pension schemes. The judgment, known as McCloud, resulted in the Government making changes to public service pension schemes to remedy discrimination which had taken place. In the Lord Chancellor v McCloud and others, the Court of Appeal ruled that younger members of the judges' and firefighters' pension schemes had been unlawfully discriminated against because the protections from the reforms did not apply to them. As a result, the Government accepted that the judgment would apply to all public service schemes, including the police and the LGPS, which had similar arrangements protecting members closer to retirement from the reform.

The impact of an increase in scheme liabilities arising from McCloud judgment will be measured through the pension valuation process, which determines employer and employee contribution rates. The impact of an increase in annual pension payments arising from McCloud 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. A separate process for reimbursing the police authority for costs in relation to the McCloud remedy is also in place – it operates outside of the police pension fund top-up grant.

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

### Note 12 – Material items of income and expense

In August 2023, the PCC terminated the PFI contract for North Kent Police Station with the PFI Contractor on the grounds of contractor default. The PCC and the PFI Contractor were unable to agree the amount of the compensation payment due under the PFI contract. In February 2024, the PFI Contractor issued a claim against the PCC. In December 2025, the PCC with support from the Home Office, agreed an out-of-court settlement with the PFI Contractor whereby the PCC made a settlement payment which reflected the amount of compensation which the PCC was required to pay under the PFI contract (including all compensation, interest and costs) to the PFI Contractor in January 2026.

### Note 13 – Grant income

This note details the grants to the Comprehensive Income and Expenditure Account.

Grants Credited to Taxation and Non-Specific Grant Income are detailed in the CIES.

Capital grants and contributions: please see Note 18 under "capital contributions unapplied".

Revenue grants – receipts in advance for 2025/26 were £0.23 million (£0.5 million, 2024/25).

<b>2024/25</b>	<b>Grants</b>	<b>Providers</b>	<b>2025/26</b>
<b>£'000's</b>			<b>£'000's</b>
	Credited to Net Cost of Services		
(31,797)	Home Office pension top-up grant	Home Office	(30,052)
(11,693)	Police pension grant	Home Office	(10,619)
(10,421)	Police officer maintenance grant	Home Office	(8,833)
0	National Insurance contribution grant	Home Office	(6,332)
(5,724)	PFI grant	Home Office	(5,724)
0	Neighbourhood policing grant	Home Office	(4,897)
(4,001)	Ministry of Justice (MoJ) grant	Home Office/ MoJ	(3,950)
(2,163)	PCC special grants including Safer Streets	Home Office	(2,946)
(4,008)	Police officers pay award	Home Office	(2,937)
(1,557)	Serious violence fund (GRIP programme)	Home Office	(1,569)
(62)	Designated security post grant	Home Office	(111)
(20,040)	Other	Home Office/ ERSOU	(19,957)
<b>(91,466)</b>	<b>Total</b>		<b>(97,927)</b>

**Note 14 – External audit costs**

<b>2024/25</b>	<b>2024/25</b>	<b>External Audit Costs</b>	<b>2025/26</b>	<b>2025/26</b>
<b>Group</b>	<b>PCC</b>		<b>Group</b>	<b>PCC</b>
<b>£'000's</b>	<b>£'000's</b>		<b>£'000's</b>	<b>£'000's</b>
195	134	External audit service fees for year	196	135
0	0	Variation fees	45	23
<b>195</b>	<b>134</b>	<b>Total External Audit Costs</b>	<b>241</b>	<b>158</b>

The force's auditors are Ernst and Young (EY) LLP.

**Note 15 – Expenditure and income analysed by nature**

<b>Group</b>	<b>PCC</b>		<b>Group</b>	<b>PCC</b>
<b>2024/25</b>	<b>2024/25</b>	<b>Income and Expenditure Analysed by Nature</b>	<b>2025/26</b>	<b>2025/26</b>
<b>£'000's</b>	<b>£'000's</b>		<b>£'000's</b>	<b>£'000's</b>
		Expenditure		
480,133	11,317	Employee benefits expenses	481,017	9,610
19,019	19,019	Premises related expenses	18,645	18,645
8,164	8,164	Transport related expenses	8,467	8,467
43,172	43,050	Supplies and services	72,723	74,488
16,034	13,867	Third party payments	23,178	13,765
19,071	19,071	Depreciation, amortisation and impairment	14,162	14,162
5,271	5,271	Capital financing expenses	4,244	4,244
3	3	Other service expenses	0	0
0	380,893	Recharge for Chief Constable's Net Service Cost	0	404,932
<b>590,867</b>	<b>500,655</b>	<b>Total Expenditure</b>	<b>622,436</b>	<b>548,313</b>
		Income		
(20,601)	(20,601)	Fees, charges and other service income	(22,172)	(22,172)
(173,214)	(173,214)	Income from council tax	(185,520)	(185,520)
(295,349)	(291,343)	Government grants and contributions	(313,293)	(310,356)
(30,866)	(13,686)	Contributions from other public bodies	(29,875)	(12,260)
<b>(520,030)</b>	<b>(498,844)</b>	<b>Total Income</b>	<b>(550,860)</b>	<b>(530,308)</b>
<b>70,837</b>	<b>1,811</b>	<b>Deficit on the Provision of Services</b>	<b>71,576</b>	<b>18,005</b>

## Note 16 – Revenue from contracts with service recipients

In accordance with the Code, Kent Police recognises revenue from contracts with service recipients when it satisfies a performance obligation by transferring promised goods or services to a recipient, measured as the amount of the overall transaction price allocated to that obligation.

Group		PCC		Revenue from Contract with Service Recipients Analysis		Group		PCC	
2024/25	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2025/26	2025/26	2025/26
£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
(3,659)	(3,659)			Channel Tunnel	(3,961)			(3,961)	
(2,196)	(2,196)			Seconded police officer income	(2,712)			(2,712)	
(2,241)	(2,241)			Sale of assets	(2,074)			(2,074)	
(1,511)	(1,511)			National Driver Offending Retraining Scheme (NDORS)	(2,064)			(2,064)	
(1,073)	(1,073)			Proceeds of crime (POCA)	(1,466)			(1,466)	
(745)	(745)			Court costs	(897)			(897)	
(844)	(844)			Bluewater	(784)			(784)	
(618)	(618)			Courses	(579)			(579)	
(590)	(590)			Vehicle seizure	(472)			(472)	
(623)	(623)			Driver training	(214)			(214)	
(6,496)	(6,496)			Other income	(6,948)			(6,948)	
<b>(20,596)</b>	<b>(20,596)</b>			<b>Revenue from Contracts with Service Recipients in CIES Provision of Services</b>	<b>(22,171)</b>			<b>(22,171)</b>	
193	193			Impairment of receivables	39			39	
<b>(20,403)</b>	<b>(20,403)</b>			<b>Total</b>	<b>(22,132)</b>			<b>(22,132)</b>	

The total income for CIES Provision of Service for 2025/26 was £551m (£520m, 2024/25) and therefore the result of the analysis of the income streams was that there was no impact on the 2025/25 accounts as a consequence of revenue from contracts with service recipients.

## Note 17 – Transfer to/from revenue earmarked reserves

This note sets out the amounts set aside from the General Fund to earmarked reserves to provide financing for future revenue expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in 2025/26.

	<b>As at 31 March 2024</b>	<b>Transfers In</b>	<b>Transfers Out</b>	<b>As at 31 March 2025</b>	<b>Transfers In</b>	<b>Transfers Out</b>	<b>As at 31 March 2026</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
Budget support	(7,148)	(10,858)	6,261	(11,745)	(22,393)	11,178	(22,960)
PFI reserve	(4,648)	(2,227)	0	(6,874)	(172)	0	(7,046)
Insurance	(3,626)	(173)	800	(2,999)	(2,158)	173	(4,984)
Airwave Credits	0	(1,104)	0	(1,104)	0	0	(1,104)
Operation Brock/Stack contingency	(1,078)	0	0	(1,078)	0	0	(1,078)
OPCC	(921)	(507)	676	(753)	(93)	60	(786)
Partnership funding and contributions	(974)	(27)	493	(562)	(225)	68	(719)
Property maintenance	(101)	(13)	2	(112)	0	0	(112)
Revenue funding of capital	(108)	(3,479)	3,587	0	(4,602)	4,496	(106)
<b>Total Earmarked Reserves</b>	<b>(18,604)</b>	<b>(18,388)</b>	<b>11,765</b>	<b>(25,227)</b>	<b>(29,643)</b>	<b>15,975</b>	<b>(38,896)</b>

## Note 18 – Usable reserves

<b>31 March 2025</b>	<b>Usable Reserves</b>	<b>31 March 2026</b>
<b>£'000's</b>		<b>£'000's</b>
(13,370)	General fund	(13,801)
(11,745)	Budget support	(22,961)
(6,875)	PFI reserve	(7,046)
(2,999)	Insurance	(4,984)
(1,104)	Airwaves credits	(1,104)
(1,078)	Op Brock/Stack contingency	(1,078)
(752)	OPCC	(786)
(562)	Partnership funding and contributions	(719)
(112)	Property maintenance	(112)
0	Revenue funding of capital	(106)
(114)	Capital contributions unapplied and capital receipts	(114)
<b>(38,711)</b>	<b>Total</b>	<b>(52,811)</b>

Movements in the PCC for Kent's usable reserves are detailed in the MIRS and Note 17.

### General fund

During 2025/26 the general fund was maintained to 3% of the net revenue budget.

### Budget support

This reserve has been created for identified revenue slippage in projects, operational risks and for supporting unforeseen budget fluctuations.

**PFI reserve**

NK Police Station transferred into the force's ownership from a PFI contract during 2023/24 and the difference between the cost of the PFI contract and the actual cost of running the building is credited to this reserve. It will be used to help meet the ongoing costs of the building and works required to remedy the building's significant defects.

**Insurance**

This reserve is held to cover potential liabilities in any insurance claim. In order to keep insurance premiums at a reasonable level the force will self-insure to a significant degree. This level is reviewed annually.

**Airwaves credits**

This reserve was created once it was confirmed Kent Police would retain the credits applied to the cost for a contracted communications service and will be used to support future budget fluctuations.

**Operation Brock/Stack contingency**

This reserve was created to assist in policing of the Kent ports.

**OPCC**

This reserve has been built up over the years where the PCC for Kent transferred its office underspend to this reserve. This funding is then used to support several special projects during the year for both the PCC and the force.

**Partnership funding and contributions**

This reserve hold monies received from other bodies to support Kent Police expenditure on projects.

**Property maintenance**

This reserve has been created for the maintenance of the properties for which the Kent PCC Group is responsible.

**Revenue funding of capital**

This reserve is made up of transfers from revenue balances for the financing of capital expenditure.

**Capital contributions unapplied and capital receipts reserves**

These reserves are built up from contributions for capital projects and the sale of non-current assets. The funds received from disposal of non-current assets can only be used for capital expenditure.

<b>31 March 2025</b>	<b>Capital Contributions Unapplied Reserve</b>	<b>31 March 2026</b>
<b>£'000's</b>		<b>£'000's</b>
<b>(114)</b>	<b>Balance at 1 April</b>	<b>(114)</b>
(167)	Receipts and transfers during the year	(204)
167	Financing of non-current assets	204
<b>(114)</b>	<b>Balance at 31 March</b>	<b>(114)</b>
<b>31 March 2025</b>	<b>Capital Receipts Reserve</b>	<b>31 March 2026</b>
<b>£'000's</b>		<b>£'000's</b>
<b>0</b>	<b>Balance at 1 April</b>	<b>0</b>
(2,106)	Receipts and transfers during the year	(1,929)
2,106	Financing of non-current assets	1,929
<b>0</b>	<b>Balance at 31 March</b>	<b>0</b>

## Note 19 – Unusable reserves

Unusable Reserves			Unusable Reserves	
Group	PCC		Group	PCC
31 March	31 March		31 March	31 March
2025	2025		2026	2026
£'000's	£'000's		£'000's	£'000's
(52,518)	(52,518)	Revaluation reserve	(55,906)	(55,906)
838	0	Pensions reserve (LGPS)	530	0
2,322,800	0	Pension reserve (Police)	2,315,100	0
(76,930)	(76,930)	Capital adjustment account	(46,428)	(46,428)
(897)	(897)	Collection fund adjustment account	(1,898)	(1,898)
4,537	0	Short-term accumulated compensated absences account	4,791	0
581	581	Pooled investment funds adjustment account	581	581
<b>2,198,411</b>	<b>(129,764)</b>	<b>Total</b>	<b>2,216,770</b>	<b>(103,651)</b>

### Revaluation reserve

The RR contains the gains made by the PCC for Kent arising from increases in the value of its PPE. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- used in the provision of services and the gains are consumed through depreciation
- disposed of and the gains are realised

2024/25	Revaluation Reserve	2025/26
£'000's		£'000's
<b>(54,376)</b>	<b>At 1 April</b>	<b>(52,518)</b>
429	Adjustment to opening balance	0
<b>(53,947)</b>	<b>Restated balance at 1 April</b>	<b>(52,518)</b>
(1,495)	Upward revaluation of assets	(9,354)
1,724	Downward revaluation of assets and impairment losses not charged to the Provision of Services in the CIES	4,465
(129)	Upward revaluation of IFRS 16 right-of-use assets	0
<b>100</b>	<b>Sub Total Deficit / (surplus) on revaluation of non-current assets</b>	<b>(4,889)</b>
801	Difference between fair value of depreciation and historical cost depreciation	926
465	Accumulated gains on assets sold or scrapped	575
63	Difference between fair value of depreciation and historical cost depreciation IFRS 16 right of use (ROU) assets	0
<b>(52,518)</b>	<b>At 31 March</b>	<b>(55,906)</b>

**Pensions reserve (group accounts only)**

<b>2024/25</b>	<b>Pensions Reserve (LGPS and Police)</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>2,711,378</b>	<b>At 1 April</b>	<b>2,323,638</b>
(460,397)	Actuarial (losses) on pensions assets and liabilities	(28,099)
175,007	Reversal of items relating to retirement benefits debited or credited to the Provision of Services in the CIES	117,843
(105,945)	Employer's pension contributions and direct payments to pensioners payable in the year	(106,705)
3,595	Impact of Local Government Pension Scheme (LGPS) asset ceiling	8,953
<b>2,323,638</b>	<b>At 31 March</b>	<b>2,315,630</b>

Accounting standards state that if an employer has an accounting surplus for a pension scheme, it should only be recognised to the extent that it is able to recover the surplus either through reduced contributions in the future, or through refunds. The present value of such economic benefits is commonly referred to as the "asset ceiling". In accordance with IFRIC 14 an allowance for an asset ceiling was made for Kent Police LGPS scheme for the 2025/26 accounts. The impact of the asset ceiling creates an additional liability to reflect that Kent Police does not have an unconditional right to a refund of the pension surplus.

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The PCC for Kent accounts for post-employment benefits in the CIES as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the PCC for Kent makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the PCC for Kent has set aside to meet them, this shortfall is met by the Home Office through the top-up grant. In 2025/26 this shortfall was £30.05 million (£31.8 million, 2024/25). The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

**Capital adjustment account**

The CAA absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the CIES (with reconciling postings from the RR to convert FV figures to a historical cost basis). The Account is credited with the amounts set aside by the PCC for Kent as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the PCC for Kent.

The Account also contains revaluation gains accumulated on PPE before 1 April 2007, the date that the RR was reset to hold such gains.

<b>2024/25</b>	<b>Capital Adjustment Account</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>(85,509)</b>	<b>At 1 April</b>	<b>(76,930)</b>
	<b>Reversal of items of capital expenditure debited or credited to the CIES:</b>	
11,184	Charges for depreciation of non-current assets	7,638
6,938	Revaluation (gains)/losses	1,439
1,259	Amortisation of intangible assets	1,110
2,209	Amount of non-current assets written off on disposal or sale as part of the gain/ loss on disposal to the CIES	1,914
(630)	Revaluation (gains)/losses on right of use assets	(35)
	<b>Adjusting amounts written out of the Revaluation Reserve:</b>	
(2,247)	Net written out amount of the cost of non-current assets consumed in the year	1,207
	<b>Capital financing applied in the year:</b>	
(5,585)	Use of reserves to finance new capital expenditure	(6,425)
0	Donated asset	(61)
0	Revenue Expenditure Funded as Capital under Statute funded by PWLB loan	29,000
(167)	Capital grants and contributions credited to the CIES that have been applied to capital financing	(204)
(4,382)	Minimum Revenue Provision repayments	(5,080)
<b>(76,930)</b>	<b>At 31 March</b>	<b>(46,427)</b>

### Collection fund adjustment account

<b>2024/25</b>	<b>Collection Fund Adjustment Account</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>(175)</b>	<b>At 1 April</b>	<b>(897)</b>
(722)	Amount by which Council Tax Income credited to the CIES is different from the cost of settlements chargeable in the year in accordance with statutory requirements	(1,001)
<b>(897)</b>	<b>At 31 March</b>	<b>(1,898)</b>

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax income in the CIES as it falls due from council taxpayers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund. This reflects the PCC for Kent's share of any under or over payments and potential bad debts relating to non-payment of council tax to local authorities.

### Short-term accumulated absences account (group accounts only)

<b>2024/25</b>	<b>Short-term Accumulated Absences Account</b>	<b>20 25/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>4,573</b>	<b>At 1 April</b>	<b>4,537</b>
(4,573)	Unused amounts reversed in year	(4,537)
4,537	Additional liability calculated in year	4,790
<b>4,537</b>	<b>At 31 March</b>	<b>4,790</b>

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year such as annual leave entitlement and time off in lieu of payment carried forward at 31 March 2026. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the account.

**Pooled investment funds adjustment account**

<b>2024/25</b>	<b>Pooled Investment Funds Adjustment Account</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>664</b>	<b>At 1 April</b>	<b>581</b>
(83)	Adjustment to fair value of property fund investments	0
<b>581</b>	<b>At 31 March</b>	<b>581</b>

The movement of £0 shown above in 2025/26 shows that there was not a change in the FV of the CCLA property fund (the long-term investment in the Balance Sheet). The Pooled Investment Funds Adjustment Account absorbs the changes in FV of investments. There was in place a statutory override so that the movement on this reserve does not impact on the General Fund. The Government has decided that the override will be extended until 31 March 2029 for investments already in place at 1 April 2024 which applies to this investment as it was purchased in September 2017.

## Note 20 – Property, plant and equipment

2024/25	Operational Assets	Operational Assets	Non-Operational Assets	Non-Operational Assets	Property, Plant and Equipment Assets
Classification	Land and Buildings	Vehicles, Plant and Equipment	Surplus Assets	Assets Under Construction	Total
	£'000's	£'000's	£'000's	£'000's	£'000's
<b>Cost or Valuation</b>					
Balance Brought Forward on Asset Register	167,212	60,800	3,754	0	231,766
Adjustment to Opening Balance on Asset Register	0	(2,958)	0	0	(2,958)
<b>At 1 April 2024</b>	<b>167,212</b>	<b>57,842</b>	<b>3,754</b>	<b>0</b>	<b>228,808</b>
Additions	0	13,035	0	4,373	17,408
Disposal	0	(3,726)	0	0	(3,726)
Revaluation recognised in the Revaluation Reserve	(1,724)	0	(48)	0	(1,772)
Revaluation recognised in the Surplus / Deficit on the Provision of Services	(4,155)	0	0	0	(4,155)
Revaluation recognised in the Surplus / Deficit on the Provision of Services – IFRS 16 Medway PFI	(2,634)	0	0	0	(2,634)
Reclassifications	2,688	0	689	(4,373)	(996)
Transport workshop's extension of lease acquisition	397	0	0	0	397
Transport workshop lease recognised in the Revaluation Reserve	(3)	0	0	0	(3)
IFRS 16 PFI Lease Liability Remeasurement – Medway PFI	2,463	0	0	0	2,463
<b>As at 31 March 2025</b>	<b>164,244</b>	<b>67,151</b>	<b>4,395</b>	<b>0</b>	<b>235,790</b>
<b>Accumulated Depreciation and Impairment</b>					
Balance Brought Forward	(938)	(38,362)	(9)	0	(39,309)
Adjustment to Opening Balance	0	2,958	0	0	2,958
<b>At 1 April 2024</b>	<b>(938)</b>	<b>(35,402)</b>	<b>(9)</b>	<b>0</b>	<b>(36,349)</b>
Depreciation Charge	(2,530)	(8,102)	(35)	0	(10,667)
Disposal	2	3,090	0	0	3,092
Revaluation Depreciation written out to the Revaluation Reserve	1,481	0	69	0	1,550

2024/25	Operational Assets	Operational Assets	Non-Operational Assets	Non-Operational Assets	Property, Plant and Equipment Assets
Classification	Land and Buildings	Vehicles, Plant and Equipment	Surplus Assets	Assets Under Construction	Total
	£'000's	£'000's	£'000's	£'000's	£'000's
Revaluation Depreciation written out to the Surplus / Deficit on the Provision of Services	235	0	7	0	242
Revaluation Depreciation written out to the Provision of Services – IFRS 16 Medway PFI	145	0	0	0	145
Reclassification	44	0	(42)	0	2
<b>As at 31 March 2025</b>	<b>(1,561)</b>	<b>(40,414)</b>	<b>(10)</b>	<b>0</b>	<b>(41,985)</b>
<b>Net Book Value at 31 March 2025</b>	<b>162,683</b>	<b>26,737</b>	<b>4,385</b>	<b>0</b>	<b>193,805</b>
<b>Net Book Value at 31 March 2024</b>	<b>166,274</b>	<b>22,440</b>	<b>3,745</b>	<b>0</b>	<b>192,459</b>

<b>2025/26</b>	<b>Operational Assets</b>	<b>Operational Assets</b>	<b>Non-Operational Assets</b>	<b>Non-Operational Assets</b>	<b>Property, Plant and Equipment Assets</b>
<b>Classification</b>	<b>Land and Buildings</b>	<b>Vehicles, Plant and Equipment</b>	<b>Surplus Assets</b>	<b>Assets Under Construction</b>	<b>Total</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
<b>Cost or Valuation</b>					
<b>At 1 April 2025</b>	<b>164,244</b>	<b>67,151</b>	<b>4,395</b>	<b>0</b>	<b>235,790</b>
Additions	1,743	6,649	1,122	0	9,514
Accumulated Depreciation & Impairment Write Off to Gross Cost Amount	(3,336)	0	(24)	0	(3,360)
Disposal	(2,757)	(3,214)	(725)	0	(6,696)
Revaluation recognised in the Revaluation Reserve	6,850	0	(1)	0	6,849
Revaluation recognised in the Surplus / Deficit on the Provision of Services	2,762	0	0	0	2,762
Assets Reclassified (to)/from Held for Sale	0	0	(5,899)	0	(5,899)
Other movement - FHQ Main Block, Sutton Rd Maidstone	(4,377)	0	4,377	0	0
Other movements - HQ Sports Ground (Amenity Land)	(400)	0	400	0	0
<b>As at 31 March 2026</b>	<b>164,729</b>	<b>70,586</b>	<b>3,645</b>	<b>0</b>	<b>238,960</b>
<b>Accumulated Depreciation and Impairment</b>					
<b>At 1 April 2025</b>	<b>(1,561)</b>	<b>(40,413)</b>	<b>(10)</b>	<b>0</b>	<b>(41,984)</b>
Depreciation Charge	(2,517)	(7,120)	(29)	0	(9,666)
Accumulated Depreciation & Impairment Write Off to Gross Cost Amount	3,336	0	24	0	3,359
Disposal	2,579	2,651	7	0	5,237
Impairment Losses/(Reversals) recognised in the Revaluation Reserve	(1,328)	0	(466)	0	(1,794)
Impairment Losses/(Reversals) recognised in the Surplus/Deficit on the Provision of Services	(5,443)	0	(154)	0	(5,597)
Other movements	0	(3)	0	0	(3)
<b>As at 31 March 2026</b>	<b>(4,934)</b>	<b>(44,885)</b>	<b>(629)</b>	<b>0</b>	<b>(50,445)</b>
<b>Net Book Value at 31 March 2026</b>	<b>159,795</b>	<b>25,701</b>	<b>3,016</b>	<b>0</b>	<b>188,515</b>
<b>Net Book Value at 31 March 2025</b>	<b>162,683</b>	<b>26,736</b>	<b>4,384</b>	<b>0</b>	<b>193,803</b>

All assets are under the control of the PCC.

Medway Police Station is subject to a PFI agreement and therefore to comply with IFRS 16 in 2025/26. The asset has historically been treated as an operational property and, accordingly, the Medway PFI asset continues to be included within the Land and Buildings asset category.

Right-of-use assets are included under the PPE assets and are disclosed separately in Note 28 Leases including Right-of-Use Assets.

**Non-current asset valuation**

Kent Police ensures that all PPE required to be measured at current value is revalued sufficiently regularly so that their carrying amount is not materially different from their current value at the year-end, and as a minimum every five years. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the RICS. The PCC for Kent property asset (excluding vehicles, plant, and equipment) valuations were prepared by WHE LLP who are a registered professional surveyor company which is a non-related organisation to Kent Police.

The valuation date for the year end of 2025/26 was 31 December 2025. In 2025/26 the PCC for Kent operates a rolling five-year revaluation programme to revalue 100% of the value of the land and buildings portfolio in accordance with the CIPFA Code. All investment, surplus and assets held for sale assets were revalued except right-of-use asset which were revalued last year which resulting in a total of 100% of the value of the Kent Group portfolio.

An impairment review was also carried out by WHE LLP. The impairment review considered if there were material differences to the valuations performed at 31 December 2025 which would require these to be updated at 31 March 2026, but the result was that there were no material changes to the valuations advised.

The table below shows how regularly valuations are carried out over the five-year cycle:

<b>Revaluation Timescale</b>	<b>Land and Buildings</b>	<b>Vehicle, Plant and Equipment</b>	<b>Surplus Assets</b>	<b>Assets Under Construction</b>	<b>Total Property, Plant and Equipment Assets</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
Carried at historical cost	0	0	0	0	0
Carried at cost model (depreciated historical cost)	0	25,704	0	0	25,704
Valued at current value as at:	0	0	0	0	0
2025/26	159,795	0	3,016	0	162,811
<b>Total Cost/Valuation at 31 March 2026</b>	<b>159,795</b>	<b>25,704</b>	<b>3,016</b>	<b>0</b>	<b>188,515</b>

Operational and surplus assets were subject to a full revaluation in 2025/26, with 100% of the asset base reviewed in-year. As a result, no phased breakdown is provided.

**Note 21 – Investment properties**

The following items have been accounted for in the Financing and Investment Income and Expenditure line in the CIES:

<b>2024/25</b>	<b>Investment Properties</b>	<b>2025/26</b>
<b>£'000's</b>	<b>Financing and Investment Income and Expenditure</b>	<b>£'000's</b>
(80)	Rental income from investment properties	(80)
(59)	Net gain / (loss)	27

The PCC for Kent has no contractual obligations to, construct or develop investment property or repairs, maintenance, or enhancement.

The following table summarises the movement in the FV of investment properties over the year:

<b>2024/25</b>	<b>Investment Properties</b>	<b>2025/26</b>
<b>£'000's</b>	<b>Fair Value of Investment Properties</b>	<b>£'000's</b>
<b>1,000</b>	<b>At 1 April</b>	<b>941</b>
(59)	Net gain / (loss) from revaluation	27
<b>941</b>	<b>At 31 March</b>	<b>968</b>

The investment property has been assessed as input hierarchy Level 2 for valuation purposes using the FV approach which is based on the market approach using current market conditions and recent sales process and external geographical market data. Market conditions for these assets are such that the level of observable inputs are significant with no significant Level 3 inputs used, leading to the properties being categorised as Level 2 in the FV hierarchy. In estimating the FV of the PCC for Kent's investment property, the highest and best use of the property has been applied.

## Note 22 – Intangible assets

The PCC for Kent accounts for software and licenses as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of PPE.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the PCC for Kent. The useful lives assigned to the major software suites used by the PCC for Kent vary between 0 to 10 years depending on the nature of the software.

<b>Total</b>	<b>Intangible Assets</b>	<b>Total</b>
<b>2024/25</b>		<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
	<b>At 1 April</b>	
12,412	Gross carrying amounts	12,542
(8,976)	Accumulated amortisation	(10,235)
<b>3,436</b>	<b>Net Carrying Amount at 1 April</b>	<b>2,307</b>
130	Purchases	479
(1,259)	Amortisation for the period	(1,110)
<b>2,307</b>	<b>Net Carrying Amount at 31 March</b>	<b>1,676</b>
	Comprising	
12,542	Gross carrying amounts	13,020
(10,235)	Accumulated amortisation	(11,344)
<b>2,307</b>	<b>At 31 March</b>	<b>1,676</b>

## Note 23 – Assets held for sale

<b>2024/25</b>	<b>Assets Held For Sale</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>1,025</b>	<b>As at 1 April</b>	<b>455</b>
998	Assets held for sale reclassification	7,000
(1,568)	Assets sold	(455)
<b>455</b>	<b>As at 31 March</b>	<b>7,000</b>

There is one property classified as an Asset Held for Sale at 31 March 2026. This is HQ surplus land which has been reclassified from surplus to assets held for sale, as part of the formal approval of the sale of an area of the force Headquarters at Sutton Road Maidstone. The asset is available for immediate sale, with disposal highly probable within 12 months.

## Note 24 – Joint operations (group accounts only)

### Eastern Region Special Operations Unit (ERSOU)

ERSOU is a joint arrangement comprising seven forces - Hertfordshire, Cambridgeshire, Essex, Suffolk, Norfolk, Bedfordshire and Kent, to provide one serious and organised crime unit for the eastern region. ERSOU is run by a management board where all forces are equally represented, and decisions are made with the unanimous consent of all forces. Therefore, each force's share of costs is consolidated into their own financial statements.

The ERSOU income and expenditure statement for 2025/26 is shown below. Please note that whilst the £4.670m in the table below is the reported share of ERSOU costs for Kent in 2025/26 (2024/25, £4.754m), the actual costs chargeable to the taxpayer in the year will differ. This is due to adjustments from the previous accounting period, as well as the depreciation element, which is chargeable to the CIES but not the taxpayer. In addition, the CIES includes capital recharges which are not itemised out in the table.

2024/25 £'000's	ERSOU Forces	2025/26 £'000's	2025/26 £'000's	2025/26 £'000's	2025/26 £'000's
Deficit		Revenue Grants	Running Costs	Depreciation	Deficit
3,114	Bedfordshire	(1,015)	3,960	110	3,056
3,902	Cambridgeshire	(1,283)	5,006	123	3,846
4,348	Essex	(2,527)	6,559	78	4,109
5,565	Hertfordshire	(1,823)	7,114	187	5,478
4,754	Kent	(1,909)	6,524	55	4,670
4,395	Norfolk	(1,452)	5,664	146	4,358
3,393	Suffolk	(1,123)	4,378	116	3,371
<b>29,471</b>	<b>Total</b>	<b>(11,132)</b>	<b>39,204</b>	<b>815</b>	<b>28,888</b>

### The Serious Crime Directorate

The Serious Crime Directorate (SCD) is working across Kent and Essex to provide intelligence and support to target and tackle anyone involved in serious criminality in our neighbourhoods, from home grown criminal networks within our own communities, to criminals who travel into Kent and Essex to commit offences. The directorate is one of the largest in UK policing dedicated to tackling serious and organised crime, with over 1,000 officers and staff working together across both counties.

The Directorate includes the following departments:

- Major Crime
- Forensics
- Serious and Organised Crime
- Intelligence
- Cyber Crime

### The Support Services Directorate

The Support Services Directorate (SSD) provides specialist services to Kent Police and Essex Police and includes the following departments.

#### Finance

The Payroll and Pensions Team provide a comprehensive payroll service for Kent and Essex Police forces and is shared 50:50 between those forces.

### IT Services

IT Services provide the two organisations of Essex Police and Kent Police with a comprehensive range of technology services and functions, including day to day support of over 500 business applications that enable police officers and staff to carry out their operational roles, integration and development of new products, a joined up network and communications structure across both forces, data storage, and the supply of a variety of user devices, including desktops, laptops, and telecoms equipment.

### Transport Services

Transport Services supports cost efficient policing in Kent and Essex through the provision of vehicles and services, delivered to high standards, ensuring the operational effectiveness and safety of officers, staff and the public. The Transport Management team costs are shared between Kent Police and Essex Police.

### Human Resources

The joint Human Resources and Learning and Development Directorate provides efficiency of resources and resilience enabling greater harmonisation of systems and processes across all services provided. HR delivers a comprehensive, professional and business focussed service across both Kent and Essex. The department covers Diversity and HR Strategy; Resourcing; Learning and Development; Health Services and Performance Improvement.

### Business Services

Business Services carry out a range of high-volume transactions. The department also manages local facilities and administration services delivery teams at both HQ's and other operational bases across both forces and supports users accessing self-services and administers processes across a wide range of support services functions for all officers and staff as well as for and on behalf of other departments in the Support Services Directorate. The Head of Business Services and three deputies, one each for HR, Finance and Facilities are jointly funded between Essex Police and Kent Police. The department is 50:50 shared costs between Kent Police and Essex Police.

### **Procurement**

A Seven Forces (7F) Procurement Team has been operable covering Kent, Essex, Bedfordshire, Hertfordshire, Cambridgeshire, Norfolk and Suffolk Police forces, the aim of this team is to gain savings from increased buying power and standardisation.

### **South East Regional Organised Crime Unit (SEROCU)**

Kent is a member of the South East Regional Organised Crime Unit (SEROCU) with the Hampshire Constabulary, Surrey Police, Sussex Police, Thames Valley Police, UK Border Force, HM Revenue and Customs (HMRC), the National Crime Agency (NCA) and the Crown Prosecution Service (CPS) for the South East Regional Prison Intelligence Unit (SERPIT) only. Kent prisons will have SERPIT staff working within them and are the main point of contact for His Majesty's Prison and Probation Service (HMPPS).

### **Gatwick Hub**

Kent is a member of the Gatwick Hub, along with Hampshire Constabulary, Thames Valley Police, Surrey Police and Sussex Police. The Gatwick Hub is a shared regional armed policing unit for the South East, On a quarterly basis a South-East Region Firearms Forum is held where the region is discussed, including finance and contributions across each of the forces.

<b>2024/25</b>	<b>Joint Operations Net Spend in CIES</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
39,307	Serious Crime Directorate	41,307
29,822	Information Services	28,777
5,737	Transport Services	6,126
4,271	Human Resources	4,143
3,579	Business Services	3,652
778	Gatwick Hub	673
600	Procurement	611
377	Payroll	336
473	SEROCU	682
<b>84,944</b>	<b>Total</b>	<b>86,307</b>

**Note 25 – Joint operations assets**

As part of the collaborative arrangements between Kent Police, Essex Police and their collaborative partners in the Seven Force Consortium (7F) a number of assets have been jointly purchased specifically for joint / collaborative operations. The following tables set out the values of joint controlled assets held in the Kent Police Group's Balance Sheet as at 31 March 2026.

<b>2024/25</b>	<b>Joint Controlled Assets – Kent PCC share</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>Eastern Region Organised Crime Unit (ERSOU)</b>		
69	Land and buildings	67
312	Vehicles	249
44	Equipment	70
986	Two properties – shared on separate basis	965
<b>1,411</b>	<b>Total ERSOU</b>	<b>1,351</b>

Total depreciation for year for ERSOU assets is £0.095m (£0.099m, 2024/25).

On 1 January 2025, an Agreement was signed by the Chief Constable of Kent to transfer the ownership of 8 vehicles and equipment purchased by our TSU (Technical Surveillance Unit) from Kent Police to ERSOU, via Bedfordshire Police. The net book value of these held within our Balance Sheet (Note 20) is £0.165m at 31 March 2026.

As part of the collaborative arrangements between Kent Police and Essex Police a number of assets have been jointly purchased specifically for joint / collaborative operations. The following table sets out jointly controlled assets that were held at 31 March 2026, where the PCC's proportion is included in the Balance Sheet (Note 20).

<b>2024/25</b>	<b>Joint Controlled Assets – Kent PCC share</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>Collaboration with Essex Police</b>		
51	SCD equipment	43
927	IT software and equipment	494
1	Other	0
<b>979</b>	<b>Total Collaboration with Essex Police</b>	<b>537</b>

## Note 26 – Impairment losses and changes in estimation bases

The Code requires disclosure by class of assets of the amounts for impairment losses and impairment reversals charged to the surplus or deficit on the provision of services and to other comprehensive income and expenditure. These disclosures are consolidated in notes 20 and 21 reconciling the movement over the year in the PPE and investment asset balances.

As part of the Sutton Road HQ Disposal Programme, buildings located on land identified for sale have been demolished, dismantled, or are vacant and derelict in preparation for disposal. These assets no longer provide service potential and have therefore been written out or reduced in value within the asset register. This has resulted in impairment losses to reflect the reduced recoverable amount of the site as it transitions from operational use to disposal, ensuring that carrying values align with current condition and intended use. The total impairments put through the CIES for the Sutton Road HQ disposal programme totalled £5.6m in 2025/26 of which £4.9m related to demolition and dismantling of force HQ assets.

## Note 27 – Capital expenditure and capital financing

The total amount of capital expenditure incurred in the year is shown in the table below together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue, as assets are used by the PCC for Kent, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the PCC for Kent that has yet to be financed. The CFR is analysed in the second part of this note.

<b>2024/25</b>	<b>Capital Expenditure and Financing</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
<b>59,487</b>	<b>Opening Capital Financing Requirement</b>	<b>71,024</b>
	<b>Capital Investment</b>	
17,408	Property, plant and equipment	9,532
130	Intangible assets	479
0	Donated assets	61
394	Transport workshop lease property	(189)
1,275	Right-of-use assets	181
2,463	IFRS 16 PFI Medway Police Station	136
0	Revenue Expenditure Funded from Capital Under Statute	29,000
<b>21,670</b>	<b>Total Capital Investment</b>	<b>39,200</b>
	<b>Sources of Finance</b>	
(2,106)	Capital receipts	(1,929)
(167)	Grants and other contributions applied	(204)
(3,479)	Amounts set aside from revenue to finance capital expenditure	(4,496)
0	Donated assets	(61)
<b>(5,752)</b>	<b>Total Sources of Finance</b>	<b>(6,690)</b>
	<b>Minimum Revenue Provision Repayments (MRP)</b>	
(3,188)	Capital expenditure financed by debt	(3,785)
(710)	Repayment of PFI	(856)
(231)	Transport workshop lease	(179)
(252)	Right-of-use assets	(260)
<b>(4,381)</b>	<b>Total Minimum Revenue Provision Repayments</b>	<b>(5,080)</b>
<b>71,024</b>	<b>Closing Capital Financing Requirement</b>	<b>98,454</b>

<b>2024/25</b>	<b>Capital Expenditure and Financing</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
	<b>Explanation of Movements in Year</b>	
15,918	Capital expenditure to be funded from future MRP when assets are operational	32,510
(4,381)	Increase (decrease) in underlying need to borrow (MRP)	(5,080)
<b>11,537</b>	<b>Increase/(Decrease) in Capital Financing Requirement</b>	<b>27,430</b>

The transport workshop lease property reflects a negative capital investment due to a 25% lease reduction, with no break clause, following the lease review finalised on 24 March 2025.

<b>2024/25</b>	<b>Capital Financing from Balance Sheet</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
162,683	Land and Buildings	159,795
26,736	Vehicles, Plant and Equipment	25,701
4,384	Surplus Assets	3,016
1,554	Right-Of-Use Assets	1,279
1,411	Joint Operation Assets	1,352
941	Investment Properties	968
2,307	Intangible Assets	1,676
455	Assets Held For Sale	7,000
(52,517)	Revaluation Reserve	(55,905)
(76,930)	Capital Adjustment Account	(46,428)
<b>71,024</b>	<b>Closing Capital Financing Requirement</b>	<b>98,454</b>

## Note 28 – Leases including right-of-use assets and related lease liabilities

### Police and Crime Commissioner for Kent as lessee

#### Group right-of-use assets held under leases by the authority

The authority's lease contracts comprise leases of operational land and buildings, and vehicles. Most are individually immaterial; however, material leases include the lease of Transport Workshop at Quarry Wood and the Medway Police Station PFI and these assets are included under the PPE in the Balance Sheet and in Note 20. Right-of-use assets are recognised under IFRS 16 and are subsequently measured in accordance with the valuation requirements of the underlying asset class.

The table below shows the change in the value of right-of-use assets held under leases by the PCC:

2024/25		2025/26	2025/26	2025/26	2025/26
Total	Classification	Buildings	Peppercorn and Nominal Rent Assets	Vehicles	Total
£'000's		£'000's	£'000's	£'000's	£'000's
<b>Cost or Valuation</b>					
1,275	At 1 April Assets held under operating leases	1,219	730	23	1,972
0	Additions	147	0	34	181
(162)	Revaluation depreciation written out to the Revaluation Reserve	0	0	0	0
859	Revaluation recognised in the CIES Provision of Services	0	0	0	0
<b>1,972</b>	<b>As at 31 March</b>	<b>1,366</b>	<b>730</b>	<b>57</b>	<b>2,153</b>
<b>Accumulated Depreciation and Impairment</b>					
<b>0</b>	<b>At 1 April</b>	<b>(268)</b>	<b>(137)</b>	<b>(14)</b>	<b>(419)</b>
(419)	Depreciation charge for the year	(300)	(139)	(17)	(456)
<b>(419)</b>	<b>As at 31 March</b>	<b>(568)</b>	<b>(276)</b>	<b>(31)</b>	<b>(875)</b>
<b>1,553</b>	<b>Net Book Value at 31 March</b>	<b>798</b>	<b>454</b>	<b>26</b>	<b>1,278</b>

#### Analysis of amounts included in the Group Comprehensive Income and Expenditure Statement in relation to leases:

The PCC incurred the following expenses and cash flows in relation to leases.

2024/25	At 31 March	2025/26
£'000's		£'000's
<b>Comprehensive income and expenditure statement</b>		
62	Interest expense on lease liabilities	62
136	Expenses relating to low-value items	48
91	Variable lease payments not included in the measurement of lease liabilities	94
<b>Cash flow statement</b>		
243	Minimum lease payments (undiscounted)	289

The low-value items include photocopiers and storage containers. Variable lease payments consist of service charges, maintenance expenditures, and any other payments not included in the lease liability calculation.

#### Group maturity analysis of right-of-use lease liabilities:

The table below shows the lease liabilities due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments). The intention of this analysis is to disclose the impact on future cash flows, and so the figures are undiscounted so they will not match the lease liabilities included in the Balance Sheet.

2024/25	At 31 March	2025/26	2025/26	2025/26
Total	Undiscounted liabilities	Right-of-use Leases	Transport Workshop Lease	Total
£'000's		£'000's	£'000's	£'000's
524	Less than one year	289	329	618
2,185	Two to five years	662	986	1,648
297	More than five years	153	0	153
<b>3,006</b>	<b>Total undiscounted liabilities</b>	<b>1,104</b>	<b>1,315</b>	<b>2,419</b>
	Less:			
(450)	Present value discount	(160)	(150)	(310)
<b>2,556</b>	<b>Present value of minimum lease payments</b>	<b>944</b>	<b>1,165</b>	<b>2,109</b>

**Group lease liabilities to right-of-use assets:**

2024/25	At 31 March	Principal Outstanding	2025/26	2025/26	2025/26
Total			Right-of-use Leases	Transport Workshop Lease	Total
£'000's			£'000's	£'000's	£'000's
(395)	Short-term liabilities		(241)	(270)	(511)
(2,161)	Long-term liabilities		(703)	(894)	(1,598)
<b>(2,556)</b>	<b>Total lease liabilities</b>		<b>(944)</b>	<b>(1,165)</b>	<b>(2,109)</b>

**Police and Crime Commissioner for Kent as lessor**

The PCC leases out part of its premises to partners such as Hampshire Police (Op Magenta), Bedfordshire (ERSOU), KFRS and Highways Agency. There are also a small number of properties are let out to public sector tenancies dating from a previous agreement by KCC in 1995. Such agreements are only undertaken where space is available and where such an undertaking would be mutually beneficial and not compromise Kent Police's impartiality or provision of service.

The PCC for Kent rents space on either buildings or its own masts to telecommunications providers such as mobile phone companies. These are long contracts but can be terminated at short notice by either party. For 2025/26, this generated an income of £0.70m (2024/25 £0.82m); of which, £0.12m related to mast rental (2024/25 £0.18m) and £0.58m relating to premises rent (2024/25 £0.64m).

The authority made the following gains and losses as a lessor during the year:

2024/25	At 31 March	2025/26
Total		Total
£'000's		£'000's
<b>(824)</b>	<b>Total Operating Lease Income</b>	<b>(702)</b>

**Maturity analysis of lease receivables**

The lease receivables are due to be collected over the following time bands measured at the undiscounted amounts of expected cash receipts.

<b>2024/25</b>	<b>At 31 March</b>	<b>2025/26</b>
<b>Total</b>	<b>Operating Lease Income</b>	<b>Total</b>
<b>£'000's</b>		<b>£'000's</b>
0	Less than one year	0
(1,932)	Two to five years	(1,422)
(740)	More than five years	(524)
<b>(2,672)</b>	<b>Total undiscounted receivables</b>	<b>(1,946)</b>

## Note 29 – Private finance initiative (PFI) funded schemes

Kent Police has one property funded through PFI arrangements: Medway Police station, brought into service in December 2006. The Medway contract expires in July 2034 at which time the contractors are contractually required to hand the facilities and all furniture, fixtures and fittings provided under the contract, over to the PCC for Kent in good condition. The PFI contractor is contractually required to maintain the asset and deliver facilities management services in accordance with the contracts on a 'full risk transfer' basis to the contractor. There are no options to renew the contract. Termination is possible in accordance with the terms and conditions of the respective contract.

The assets used to provide services are recognised on the Kent Police Group and PCC Balance Sheet. Movements in their value over the year are detailed in the analysis of the movement on the property, plant, and equipment balance in note 20.

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the FV of the services they provide over the life of the contracts, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed. The amounts due for the remainder of the contracts are shown in the table below.

<b>2024/25</b>	<b>Private Finance Initiative (PFI) Funded Schemes – Medway PFI Balance Sheet Liability</b>	<b>2025/26</b>
<b>Liabilities</b>		<b>Liabilities</b>
<b>£'000's</b>		<b>£'000's</b>
<b>12,430</b>	<b>At 1 April</b>	<b>14,180</b>
2,461	Remeasurement of liability as at 1 April in accordance with IFRS 16	135
<b>14,891</b>	<b>Balance outstanding at 1 April</b>	<b>14,315</b>
(711)	Capital repayment	(855)
<b>14,180</b>	<b>Balance outstanding at 31 March</b>	<b>13,460</b>

The PCC for Kent makes an agreed unitary payment each year to the contract provider that is increased annually by inflation and can be reduced if the contractor fails to meet availability and performance standards in any year, but which is otherwise fixed. Payments remaining to be made under the PFI contract at 31 March 2026 (excluding any estimation of inflation and availability/performance deductions) are as follows:

2024/25		2025/26	2025/26	2025/26	2025/26
Total Payments	Medway PFI Funded Scheme	Within one year	Within 2 to 5 years	Within 6 to 10 years	Total Payments
£'000's		£'000's	£'000's	£'000's	£'000's
14,180	Reimbursement of capital expenditure	1,343	5,399	6,719	13,460
7,319	Payments of interest	1,193	3,547	1,335	6,075
19,104	Payments for service charges	1,920	8,172	7,266	17,359
4,960	Payments for asset lifecycles	229	2,409	1,627	4,265
<b>45,563</b>	<b>Total amount payable under non-cancellable PFI arrangements</b>	<b>4,685</b>	<b>19,527</b>	<b>16,947</b>	<b>41,159</b>

### Note 30 – Financial instruments

The term financial instrument refers to any contract that gives rise to a financial asset and a financial liability or equity instrument with the PCC for Kent. For Kent Police this includes investments, loans, borrowing, trade debtors and creditors, PFI and leases.

There have been no substantive changes in the PCC for Kent's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The risks associated with financial instruments are detailed in Note 31.

#### Financial Asset Balances

The financial assets disclosed in the Balance Sheet are analysed across the following categories:

Total per Category of Financial Asset (Restated)	Financial Assets	Fair Value Through Profit and Loss	Amortised Cost	Total per Category of Financial Asset
31 March 25 £'000's		31 March 26 £'000's	31 March 26 £'000's	31 March 26 £'000's
13,271	Cash and cash equivalents	12,220	1,543	13,763
7,931	Trade and other receivables (debtors)	0	9,987	9,987
<b>21,202</b>	<b>Total Short-term</b>	<b>12,220</b>	<b>11,530</b>	<b>23,750</b>
4,420	Investments – CCLA Property Fund	4,419	0	4,419
79	Loans made for services purposes	0	62	62
<b>4,499</b>	<b>Total Long-term</b>	<b>4,419</b>	<b>62</b>	<b>4,481</b>
<b>25,701</b>	<b>Total Financial Assets</b>	<b>16,639</b>	<b>11,592</b>	<b>28,231</b>

The 2024/25 figures have been restated because cash held on behalf of third parties has been reclassified. Previously it was included as an offsetting entry within cash and cash equivalents (Note 33) whereas it is now included on the balance sheet as a current liability within short-term creditors and government grant debtors and prepayments are excluded as they do not meet the definition of 'Financial Instruments'.

The debtors' lines on the Balance Sheet include £38.0m (2024/25, £38.5m) within short-term debtors (see Note 32) that do not meet the definition of 'Financial Instruments' which are debtors from central government, local authorities and other police forces.

The amortised cost assets are shown net of a loss allowance reflecting the statistical likelihood that the borrower or debtor will be unable to meet their contractual commitments to the force of £34k (£188k, 2024/25). The loss allowance has been calculated by reference to the force's historic experience of default and to adjust for current and forecast economic conditions. Long-Term debtors are not similarly impaired because the CFO is confident the debt is fully recoverable. The adjustment made for expected credit losses against trade debtors has also been re-classified from short-term creditors to short-term debtors.

### Financial Liability Balances

The financial liabilities disclosed in the Balance Sheet are analysed below:

<b>31 March 2025 (Restated) £'000's</b>	<b>Financial Liabilities (Amortised Cost)</b>	<b>31 March 2026 £'000's</b>
(27,438)	Trade and other payables (creditors)	(25,788)
(9,188)	Third Party Cash	(9,655)
(22,000)	Loans and borrowings	(12,762)
(204)	Transport workshop lease	(270)
(191)	Right-of-use leases	(241)
(749)	PFI arrangements	(1,343)
<b>(59,770)</b>	<b>Total Short-term</b>	<b>(50,059)</b>
0	Loans and borrowings	(26,238)
(1,328)	Transport workshop lease	(894)
(832)	Right-of-use leases	(703)
(13,432)	PFI arrangements	(12,117)
<b>(15,592)</b>	<b>Total Long-term</b>	<b>(39,953)</b>
<b>(75,362)</b>	<b>Total Financial Liabilities</b>	<b>(90,012)</b>

The 2024/25 figures have been restated because of the re-categorization of the third-party cash balances as mentioned above.

The creditors lines on the Balance Sheet include £30,444k (2024/25, £27,368k) within short-term creditors (Note 35) that do not meet the definition of 'Financial Instruments' which are creditors for central government, local authorities and other police forces.

### Financial instruments gains / losses

The gains and losses in the CIES in relation to financial instruments consist of the following:

<b>2024/25 Financial Instruments (Gains)/Losses</b>	<b>2025/26</b>	<b>2025/26</b>	<b>2025/26</b>	<b>2025/26</b>
<b>Total</b>	<b>Financial Liabilities Amortised Cost</b>	<b>Financial Assets Loans and Receivables</b>	<b>Financial Assets Fair Value Through Profit and Loss</b>	<b>Total</b>
<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
3,062 Interest Payable and Similar Charges	2,504	0	0	2,504
(2,030) Interest income received	0	(1,539)	0	(1,539)
(231) Dividend income received	0	0	(199)	(199)
<b>(2,261) Interest and Investment Income received</b>	<b>0</b>	<b>(1,539)</b>	<b>(199)</b>	<b>(1,738)</b>
<b>801 Net Impact on CIES Provision of Services</b>	<b>2,504</b>	<b>(1,539)</b>	<b>(199)</b>	<b>766</b>
<b>801 Net (Gain)/ Loss for the Year</b>	<b>2,504</b>	<b>(1,539)</b>	<b>(199)</b>	<b>766</b>

## Financial instruments – Fair Value

31 March 25 (Restated) £'000's	FV Level		FV Level	31 March 26 £'000's
<b>Short-term Financial Assets:</b>				
10,425	1	Money Market Funds	1	12,220
2,845	2	Bank Deposits	2	1,543
7,931		Trade and other receivables		9,987
<b>21,202</b>		<b>Total Short-term Financial Assets</b>		<b>23,750</b>
<b>Long-term Financial Assets:</b>				
4,420	2	Investments – CCLA Property Fund	2	4,419
79	2	Loans made for services purposes	2	62
<b>4,499</b>		<b>Total Long-term Financial Assets</b>		<b>4,481</b>
<b>25,701</b>		<b>Total Financial Assets</b>		<b>28,231</b>
<b>Short-term Financial Liability</b>				
(27,438)		Trade and other payables		(25,788)
(9,188)	2	Third Party Cash	2	(9,655)
(22,000)	2	Loans and borrowings	2	(12,762)
(1,144)	2	Other Short-term liabilities	2	(1,854)
<b>(59,770)</b>		<b>Total Short-term Financial Liabilities</b>		<b>(50,059)</b>
<b>Long-Term Financial Liability</b>				
0	2	Loans and Borrowings	2	(26,238)
(15,592)	2	Other Long-term liabilities	2	(13,715)
<b>(15,592)</b>		<b>Total Long-Term Financial Liability</b>		<b>(39,953)</b>
<b>(75,362)</b>		<b>Total Financial Liabilities</b>		<b>(90,012)</b>

The 2024/25 figures were restated because cash held on behalf of third parties has been reclassified as described above (Note 33) and government grant debtors and prepayments are excluded as described above. Cash and cash equivalent short-term financial assets have been split to show Money Market Funds and bank deposits separately.

The fair value of short-term financial assets and short-term liabilities held at amortised cost, including trade receivables and trade payables, is assumed to approximate to the carrying amount.

Descriptions of the FV level ratings are given below:

Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the force can access at the measurement date.

Level 2 inputs – measurements other than quoted prices included within Level 1 that are observable (for example, they can be measured or found from existing data and records) for the asset, either directly or indirectly

The valuation techniques and significant unobservable inputs used in determining the FV measurement of level 1 and level 2 financial instruments, as well as the inter-relationship between key unobservable inputs and FV, are set out in the accounting policies.

During 2017, the Police and Crime Commissioner invested in the CCLA local authority property fund, and this has been treated in accordance with IFRS 9. This means the FV gains and losses are chargeable to the surplus or deficit on the provision of services. The FV of the CCLA investment fund was £4.42m as of 31 March 2026 and the dividend received for 2025/26 amounted to £199k.

The fair value for the PWLB loan of £29m as at 31 March 2026 was £28.694m.

## Note 31 – Nature and extent of risks arising from financial instruments

The PCC for Kent's activities expose the PCC to a variety of financial risks:

**Liquidity risk** – the possibility that the PCC for Kent might not have funds available to meet its commitments to make payments to its suppliers and creditors.

**Credit risk** – the possibility that other parties might fail to pay amounts due to the PCC for Kent.

**Market risk** – there are three types of market risk:

- foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.
- interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates, that income from investments will fall if interest rates fall, or that borrowing costs will rise if interest rates rise. The PCC for Kent has fixed rate, fixed term investments which are not impacted although the investments in Money Market Funds do have this risk as do liabilities.
- price risk – the possibility that financial loss might arise for the PCC for Kent as a result of changes in such measures as market prices.

The PCC obtains independent professional treasury management advice from Arlingclose which informs decision-making and helps to mitigate exposure to those risks.

### Liquidity risk

This is the possibility that the PCC might not have the funds available to meet its payment commitments. The PCC meets Government and accounting requirements on treasury management which emphasise the security of funds. The policy is to avoid unnecessary risk, so the PCC only puts money with the safest and most secure financial institutions and a number of very large, wide-ranging money market funds (these are well rated, highly diversified pooled investment vehicles).

The PCC for Kent has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. If unexpected movements happen, the PCC's borrowing strategy addresses the key issue of affordability without compromising the longer-term stability of the organisation. There is no significant risk that the PCC for Kent will be unable to raise finance to meet its commitments under financial instruments. Instead, the PCC is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.

To cover short-term commitments, the PCC for Kent maintains an instant access account and on call deposit accounts in line with a detailed cash management plan, minimising the requirement to realise an investment before it reaches final maturity.

The PCC has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing as part of the Treasury Management Strategy.

All trade creditors and other payables are due to be paid by the PCC for Kent in less than one year. The repayment on the PFI building is tabulated in Note 29 of this statement. The future lease payments are tabulated in Note 28 of this statement.

The PCC holds £13.76 million (2024/25: £13.27m) of liquid financial assets that can be withdrawn or sold at short notice if required to meet cash outflows on financial liabilities.

### Credit risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the PCC for Kent's customers. Deposits are made with banks and financial institutions by the Treasury Management department of Kent County Council in accordance with the PCC's risk-based investment strategy and on advice from ratings companies who specialise in analysing financial institutions for investment purposes. The Treasury Management Strategy stipulates the minimum credit quality of counterparties for inclusion in the lending list.

Impairment for loss on trade debtors is calculated based on historical experience of default and is detailed in the Accounting Policies Note 1.

## Market risk

### Interest rate risk

The PCC for Kent is exposed to risk in terms of its exposure to interest rate movements on its borrowings (under the PFI contracts) and money market fund investments. A 1% interest rate rise would result in a £106k increase in income calculated on the £12.22m invested at 31 March 2026. A 1% decrease in interest rate would see a corresponding decrease.

### Inflation risk

Repayments against the PFI for the interest element of the charge will increase the amounts payable and have a corresponding increase in the amounts paid through the CIES. The PFI contract held by the PCC for Kent is comprised of two elements, capital repayment which is fixed and the service charge and interest which is variable based on the retail price index excluding mortgages (RPIX). If this index were to increase by 1% the net effect would be an increase in cost to the Comprehensive Income and Expenditure Account of £32k. A 1% decrease in the value of RPI would see a corresponding decrease.

The PCC's Treasury Management Strategy has invested in the CCLA Local Authority Property Fund. Investment in a property fund offers enhanced returns over the longer term, which should help mitigate inflation risk, but can be more volatile in the short-term. Therefore, a longer-term investment view is taken to absorb changes in the capital value of the fund whilst receiving income / dividend payments on a regular basis. These funds are a long-term investment and have no defined maturity date, however these are available for withdrawal after a notice period. The performance and continued suitability in meeting the PCC's investment objectives will be monitored regularly.

### Price risk

The PCC for Kent is exposed to a risk from movements in property prices which could impact upon the CCLA investment, so this value is under regular review. A 5% fall in property prices would result in a reduction of £209k in the investment's fair value.

## Note 32 – Short-term debtors

<b>31 March 2025 (Re-stated)</b>	<b>Short-term Debtors</b>	<b>31 March 2026</b>
<b>Group and PCC</b>		<b>Group and PCC</b>
<b>£'000's</b>		<b>£'000's</b>
21,276	Central government bodies	17,674
5,491	Other local authorities	7,394
5,474	Payments in advance	4,819
234	Staff advance	522
13,963	Other entities and individuals	17,594
<b>46,438</b>	<b>Total</b>	<b>48,003</b>

In accordance with the Code, there has not been any impairment for debt outstanding from local authorities, other police, or PCC authorities or from central Government departments because the relevant statutory provisions prevent default. As at 31 March 2026 the gross balance for short-term debtors, excluding these categories, was £23.0m (2024/25, £19.9m). A review of significant balances suggested that an impairment for doubtful debts of £0.03m was appropriate for expected credit losses (2024/25, £0.19m) after a write-off of debts of £0.1m in 2025/26. The position as at 31 March 2025 has been re-stated due to the re-categorisation of the impairment for doubtful debts from short-term creditors to short-term debtors within the "Other entities and individuals" category.

## Note 33 – Cash and cash equivalents

The balance of cash and cash equivalents is made up of the following elements:

<b>31 March 2025</b>	<b>Cash and Cash Equivalents</b>	<b>31 March 2026</b>
<b>Re-stated</b>		
<b>£'000's</b>		<b>£'000's</b>
431	Cash and bank current accounts	543
2,415	Bank investments	1,000
10,425	Money Market Funds (MMF's)	12,220
<b>13,271</b>	<b>Total Cash and Cash Equivalents</b>	<b>13,763</b>

The table has been re-stated to reflect the re-categorisation of Third Party Cash referred to below. It was previously included as an offsetting entry within Cash and Cash and Equivalents and is now included as a Short-Term Creditor within the "Other Entities and Individuals" category (Note 34).

On 31 March 2026 an Accounts Payable Bankers' Automated Clearing Services (BACS) payment was made to creditors of £2.8m and shown in 2025/26 as a cost to services and as a creditor balance on the Balance Sheet, the latter of which was offset in 2026/27 on 2 April 2026 when the payment was cleared.

<b>31 March 2025</b>	<b>Third Party Cash</b>	<b>31 March 2026</b>
<b>£'000's</b>		<b>£'000's</b>
5,974	Proceeds of Crime Act (POCA) monies	6,291
2,916	Prisoners' property and lost cash	2,706
298	Other	658
<b>9,188</b>	<b>Total</b>	<b>9,655</b>

The PCC for Kent held £6.3m of monies in trust under POCA 2002 (2024/25, £6m). This money was seized and banked under powers granted by the act and will be paid over to the Government on the conclusion of each successful prosecution. If defendants are found not guilty or no charges are made, the money is returned to the person(s) it was seized from.

In addition to this a further £3.36m was held in trust in relation to prisoner's property, found property and deceased persons cash (2024/25, £3.2m).

### Note 34 – Short-term creditors

<b>31 March 2025</b>	<b>31 March 2025</b>	<b>Short-term Creditors</b>	<b>31 March 2026</b>	<b>31 March 2026</b>
<b>(Restated)</b>	<b>(Restated)</b>		<b>Group</b>	<b>PCC</b>
<b>Group</b>	<b>PCC</b>		<b>£'000's</b>	<b>£'000's</b>
<b>£'000's</b>	<b>£'000's</b>			
(4,537)	0	Short-term accumulating compensated absences	(4,791)	0
(9,049)	(9,049)	Central Government bodies	(18,291)	(18,291)
(13,389)	(13,389)	Other local authorities	(13,983)	(13,983)
(305)	(305)	NHS	(3)	(3)
(2,808)	(2,808)	Receipts in advance	(2,275)	(2,275)
(24,719)	(24,720)	Other entities and individuals	(19,652)	(19,652)
<b>(54,807)</b>	<b>(50,271)</b>	<b>Sub-total</b>	<b>(58,995)</b>	<b>(54,204)</b>
(749)	(749)	Repayments due on Private Finance Initiative (PFI) within 1 year	(1,343)	(1,343)
<b>(55,556)</b>	<b>(51,020)</b>	<b>Total</b>	<b>(60,338)</b>	<b>(55,547)</b>

Other entities and individuals for both the Group and PCC have been re-stated as at 31 March 2025 due to the change in treatment of the provision for bad and doubtful debt from a short-term creditor to a short-term debtor and also the re-categorisation of Third Party Cash from Cash & Cash Equivalents to short-term creditors (Note 33).

### Note 35 – Short-term borrowing

31 March 2025	31 March 2025	Short-term Borrowing	31 March 2026	31 March 2026
Group	PCC		Group	PCC
£'000's	£'000's		£'000's	£'000's
(22,000)	(22,000)	Other local authorities – short-term borrowing	(10,000)	(10,000)
<b>(22,000)</b>	<b>(22,000)</b>	<b>Total</b>	<b>(10,000)</b>	<b>(10,000)</b>

### Note 36 – Long-term PFI lease liability and long-term borrowing

31 March 2025	Long-term Creditors	31 March 2026
£'000's		£'000's
0	Long Term Borrowing	(26,238)
(13,432)	PFI Long Term Liability	(12,117)
<b>(13,432)</b>	<b>Total</b>	<b>(38,355)</b>

Kent Police borrowed £29m for 10 years from the PWLB in January 2026. The PCC subsequently successfully applied for a capitalisation directive for the £29 million under sections 16(2)(b) and 20 of the Local Government Act 2003 ("the Act").

### Note 37 – Provisions

Provisions are made where an event has taken place that gives the force 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.

Provisions	Balance at 31 March 2025	Additional provisions	Claims paid in year	Balance at 31 March 2026
	£'000's	£'000's	£'000's	£'000's
Insurance	(6,650)	(1,303)	3,287	(4,666)
Legal claims	(374)	0	173	(201)
Police pension	(192)	0	85	(107)
Employee costs	(75)	0	0	(75)
<b>Grand Total</b>	<b>(7,291)</b>	<b>(1,303)</b>	<b>3,545</b>	<b>(5,049)</b>

The insurance provision is split between amounts expected to be paid within one-year 2025/26 - £2.150m (2024/25, £3.039m) and those expected to be payable after one-year 2025/26 - £2.516m (2024/25, £3.611m). The long-term provision has not been discounted as it is based on an accurate forecast of costs due to be paid after one year for known insurance claims.

The legal claims provision relates to claims made by police officers.

The police pension provision relates to retiring police officers who then re-join as a police officer whilst in receipt of a police pension. The regulations for this cost are in K4 of the 1987 Police Pension Regulations and regulation 52 of the 2006 Police Pension Regulations and it is known as a "pension abatement".

The employee costs provision is for costs due to be paid for staff related payments.

## Note 38 – Cash Flow Statement

The 2024/25 figures have been restated to reflect the change in the cash and cash equivalents figure as detailed in Note 33, the inclusion of insurance recoveries and the dividend received on the CCLA long-term investment.

<b>2024/25 Group Re-stated £'000's</b>	<b>2024/25 PCC Re-stated £'000's</b>	<b>Cash Flow Statement Adjustments to CIES Provision of Services for Non-Cash Movements</b>	<b>2025/26 Group £'000's</b>	<b>2025/26 PCC £'000's</b>
(11,184)	(11,184)	Depreciation on non-current assets	(10,217)	(10,217)
(1,259)	(1,259)	Amortisation of intangible assets	(1,110)	(1,110)
(6,680)	(6,680)	Reversals of previous impairments and upwards revaluations of non-current assets and investment property	(2,835)	(2,835)
(2,209)	(2,209)	Carrying amount of non-current assets and assets held for sale sold or de-recognised	(813)	(813)
(13,966)	(13,966)	Increase / (decrease) in debtors	1,564	1,564
(20)	(20)	Increase / (decrease) in long-term debtors	(17)	(17)
(10,688)	(10,723)	(Increase) / decrease in creditors	(2,020)	(1,767)
(2,848)	(2,848)	(Increase) / decrease in long term creditors	1,761	1,761
30	30	(Increase) / decrease in revenue grants receipts in advance	250	250
(359)	(359)	Increase / (decrease) in inventories	144	144
(509)	(509)	(Increase) / decrease in provisions	2,242	2,242
(69,062)	0	Pensions liability	(53,317)	0
83	83	Revaluation of pooled investment funds (CCLA)	0	0
108	108	Pensions non-cash movements	(773)	(773)
36	36	Provision for compensated absences	(253)	(253)
		Donated Assets	61	61
		Other non-cash items	167	167
<b>(118,527)</b>	<b>(49,500)</b>	<b>Total</b>	<b>(65,166)</b>	<b>(11,596)</b>

<b>2024/25 Group £'000</b>	<b>2024/25 PCC £'000's</b>	<b>Cash Flow Statement Adjustments for Items in the Net Surplus or Deficit on the Provision of Services that are Investing or Financing Activities</b>	<b>2025/26 Group £'000</b>	<b>2025/26 PCC £'000's</b>
2,106	2,106	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	1,929	1,929
2,261	2,261	Interest and dividends received	1,738	1,738
(1,675)	(1,675)	Interest paid	(1,235)	(1,235)
167	167	Capital contributions received	204	204
<b>2,858</b>	<b>2,858</b>	<b>Total</b>	<b>2,637</b>	<b>2,637</b>

## Note 39 – Cash Flow Statement – investing activities

The 2024\_25 values in the tables below have been re-stated due to the inclusion of the market price revaluation carried out for the long-term CCLA investment and insurance recoveries.

<b>2024/25</b>	<b>2024/25</b>	<b>Cash Flow Statement – Investing Activities</b>	<b>2025/26</b>	<b>2025/26</b>
<b>Group</b>	<b>PCC</b>		<b>Group</b>	<b>PCC</b>
<b>Re-stated</b>	<b>Re-stated</b>			
<b>£'000's</b>	<b>£'000's</b>		<b>£'000's</b>	<b>£'000's</b>
21,274	21,274	Purchase of property, plant and equipment, investment assets and intangible assets	9,965	9,965
(2,106)	(2,106)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets.	(1,929)	(1,929)
(658,246)	(658,246)	Purchase of short-term and long-term investments	514,674	514,674
658,259	658,259	Proceeds from short-term and long-term investments	(514,674)	(514,674)
(83)	(83)	Revaluation of long-term investments	0	0
(2,261)	(2,261)	Other receipts from investing activities	(1,738)	(1,738)
(167)	(167)	Capital contributions received	(204)	(204)
		Donated Assets	(61)	(61)
<b>16,670</b>	<b>16,670</b>	<b>Net Cash Flows from Investing Activities</b>	<b>6,032</b>	<b>6,032</b>

## Note 40 – Cash Flow Statement – financing activities

<b>2024/25</b>	<b>2024/25</b>	<b>Cash Flow Statement - Financing Activities</b>	<b>2025/26</b>	<b>2025/26</b>
<b>Group</b>	<b>PCC</b>		<b>Group</b>	<b>PCC</b>
<b>£'000's</b>	<b>£'000's</b>		<b>£'000's</b>	<b>£'000's</b>
6,000	6,000	Reduction in short-term borrowing	12,000	12,000
0	0	Cash receipts of long-term borrowing	(29,000)	(29,000)
1,194	1,194	Cash payments for the reduction of outstanding liabilities relating to leases and PFI contracts	1,295	1,295
1,675	1,675	Interest paid	1,235	1,235
<b>8,869</b>	<b>8,869</b>	<b>Net Cash Flows from Financing Activities</b>	<b>(14,471)</b>	<b>(14,471)</b>

The balance sheet shows that the force's short-term borrowings reduced by £12m from £22m in 2024/25 to £10m for 2025/26. This is the movement shown in the first line of the table below. The short-term creditors amounts have been restated to reflect the recategorisation of the provision for bad and doubtful debts from short-term creditors to short-term debtors and for the recategorisation of third-party cash from an offsetting entry within cash and cash equivalents in 2024/25 to a short-term liability in 2025/26 (Notes 33 and 34).

Reconciliation of Liabilities Arising from Financing Activities for Kent Police Group	1 April 2024 Re-stated	Financing Cash Flows	Non-Financing Cash Flows	31 March 2025 Re-stated	Financing Cash Flows	Non-Financing Cash Flows	31 March 2026
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
<b>Short-term borrowings as per Balance Sheet</b>	<b>(28,000)</b>	<b>6,000</b>	<b>0</b>	<b>(22,000)</b>	<b>12,000</b>	<b>0</b>	<b>(10,000)</b>
Short-term borrowings – Transport workshop lease	(231)	231	(204)	(204)	653	(719)	(270)
Short-term borrowings – PFI	(658)	711	(802)	(749)	856	(1,450)	(1,342)
Short-term borrowings – ROU leases	0	253	(444)	(191)	252	(302)	(241)
Other short-term creditors	(44,210)	0	(10,433)	(54,643)	0	(4,073)	(58,716)
<b>Short-term Creditors and Lease Liabilities as per Balance Sheet</b>	<b>(45,099)</b>	<b>1,195</b>	<b>(11,883)</b>	<b>(55,787)</b>	<b>1,761</b>	<b>(6,544)</b>	<b>(60,569)</b>

Reconciliation of Liabilities Arising from Financing Activities for PCC	1 April 2024	Financing Cash Flows	Non-Financing Cash Flows	31 March 2025	Financing Cash Flows	Non-Financing Cash Flows	31 March 2026
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
<b>Short-term borrowings as per Balance Sheet</b>	<b>(28,000)</b>	<b>6,000</b>	<b>0</b>	<b>(22,000)</b>	<b>12,000</b>	<b>0</b>	<b>(10,000)</b>
Short-term borrowings – Transport workshop lease	(231)	231	(204)	(204)	653	(719)	(270)
Short-term borrowings – PFI	(658)	711	(802)	(749)	856	(1,450)	(1,342)
Short-term borrowings – ROU leases	0	253	(444)	(191)	252	(302)	(241)
Other short-term creditors	(39,637)	0	(10,632)	(50,269)	0	(4,073)	(54,205)
<b>Short-term Creditors and Lease Liabilities as per Balance Sheet</b>	<b>(40,526)</b>	<b>1,195</b>	<b>(12,082)</b>	<b>(51,143)</b>	<b>1,761</b>	<b>(6,544)</b>	<b>(56,058)</b>

## Note 41 – Events after the Balance Sheet date

The unaudited Statement of Accounts was authorised for issue by the CFO on 29 June 2026. Events taking place after this date are not reflected in the financial statement or notes. Where events taking place before this date provided information about conditions existing at 31 March 2026, the figures in the financial statements and notes have been adjusted in all material respects to reflect this information. There are no material non-adjusting events to report. This text will be reviewed before the publication of the audited accounts.

## Note 42 – Related parties

The PCC for Kent is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the council or to be controlled or influenced by Kent Police. Disclosure of these transactions allows readers to assess the extent to which the PCC for Kent 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 the PCC for Kent.

### Central government

Central government has effective control over the general operations of the PCC for Kent – it is responsible for providing the statutory framework within which the PCC for Kent operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the PCC for Kent has with other parties (such as council tax bills).

### Officers

The Kent Police Chief Officer team led by the CC has direct control over all operational decisions and the day-to-day running of the service as well strategic decision making in conjunction with the PCC. All Chief Officers have been contacted and there are no material related party transactions to disclose for 2024/25. The PCC, Chief Executive, and CFOs for the PCC and CC of Kent were also contacted as they have influence over strategic decisions of Kent Police. There are no related party transactions to disclose for 2024/25.

### Other public bodies

The PCC for Kent has several business relationships with public organisations such as local authorities in Kent and other police forces in England and Wales mainly Kent County Council, Essex Police and West Yorkshire Police for the National Police Air Service (NPAS).

Kent Police paid £1,253m in 2025/26 (£1,157m, 2024/25) to the National Police Air Service for air support as part of a national framework.

Income Expenditure		Debtors		Creditors	Related Party	Income Expenditure		Debtors		Creditors
2024/25	2024/25	31 March 2025	31 March 2025			2025/26	2025/26	31 March 2026	31 March 2026	
£'000's	£'000's	£'000's	£'000's			£'000's	£'000's	£'000's	£'000's	£'000's
(2,599)	2,241	(10,848)	152	UK Government		(1,076)	2,452	(10,358)	443	
(732)	5,805	0	250	Local authorities		(769)	4,968	(30)	75	
(14,188)	18,152	(633)	394	Essex police		(16,257)	14,961	(344)	356	
(288)	17,455	0	296	KCC		(376)	16,854	(68)	83	
(16,462)	5,580	(1,305)	1,399	Other police forces		(16,375)	3,484	(1,787)	2,160	
<b>(34,269)</b>	<b>49,233</b>	<b>(12,786)</b>	<b>2,491</b>	<b>Total</b>		<b>(34,853)</b>	<b>42,719</b>	<b>(12,587)</b>	<b>3,117</b>	

KCC provides Treasury Management and Pensions services to Kent Police as well as coordinating partnership programmes in conjunction with the PCC for crime reduction initiatives.

Kent Police has collaborative agreements with Essex Police covering SCD and SSD. These are categorised as joint operations as each force uses and retains its own assets in the provision of the joint service rather than creating a legal entity separate to Kent Police and Essex Police.

Kent Police is a member of the Seven Forces Procurement Team in collaboration with other police forces.

Joint Operations are further explained in Note 24.

## Note 43 – Contingent liabilities

### Operation Cabin – Speed Enforcement on Motorway Network

The Department for Transport (DfT) has confirmed that National Highways is responsible for funding financial redress arising from erroneous speed enforcement linked to certain managed motorway cameras enforced on their behalf by Kent Police. While police forces are involved in supporting the administration of the redress scheme, no liability resulting from this redress is expected to fall to the Police force or the Police and Crime Commissioner. At the date of approval of these financial statements, the redress scheme has not yet been fully implemented, and the final scope remains subject to further approvals. Accordingly, no provision has been recognised in these accounts, but this matter is disclosed as a contingent liability.

### Virgin Media Ltd v NTL Pension Trustees II Ltd

Kent Police is aware of the 'Virgin Media Ltd v NTL Pension Trustees II Ltd (and others)' case and considers that there is potential for the outcome of this case to have an impact on the Kent Police Authority. The case affects defined benefit schemes that provided contracted-out benefits before 6 April 2016 based on meeting the reference scheme test. Where scheme rules were amended, potentially impacting benefits accrued from 6 April 1997 to 5 April 2016, schemes needed the actuary to confirm that the reference scheme test was still being met by providing written confirmation under Section 37 of the Pension Schemes Act 1993. The original court case in June 2023 decided that certain rule amendments were invalid in absence of the actuarial certification (potentially including cases where such a confirmation cannot now be located).

For the LGPS, the Scheme Actuary is the Government Actuary's Department (GAD). GAD is currently reviewing historic amendments to the LGPS in this context and the Scheme Advisory Board are liaising with GAD on whether the relevant certificates were available for past scheme changes. On 18 September 2025, the government published proposed amendments to the Pension Schemes Bill that would allow retrospective actuarial validation to confirm whether historic changes to contracted-out benefits complied with statutory requirements. The Bill states that it is applicable to public service schemes, so the proposal is that it will apply to the LGPS. The bill is expected to receive Royal Assent in 2026. On 23 January 2026 the FRC published technical guidance for scheme actuaries to help them apply the retrospective-validation process under the Pension Schemes Bill. For the LGPS, the Scheme Actuary is GAD. We understand that GAD was reviewing historic amendments to the LGPS in this context and the Scheme Advisory Board were liaising with GAD on whether the relevant certificates were available for past scheme changes.

### Goodwin case

Prompted by the Goodwin case, the UK Government launched the Access and Fairness consultation on 15 May 2025 which closed on 7 August 2025. Draft LGPS regulation amendments have been published following the consultation. The Goodwin case highlighted discriminatory practices in survivor pensions for same-sex spouses and civil partners, and as such the government proposes amendments to align LGPS regulations with principles of equality. The Goodwin ruling identified that male survivors of members in same-sex relationships received less favourable pension benefits compared to their counterparts in opposite-sex relationships, contravening equality laws. The draft amendments seek to eliminate disparities in survivor benefits, ensuring that all eligible survivors, regardless of the member's or survivor's sex or the nature of their relationship, receive equitable treatment. This includes standardising the calculation of survivor pensions and death grants to reflect a uniform approach, thereby addressing past discrimination and fostering inclusivity within the LGPS. Employers may see an increase to their LGPS defined benefit obligations resulting from any backdated benefit awards to members. The value of these possible payments are uncertain, because of the historical nature of these benefit awards to members. We are not provided with data which will allow us to make an assessment of the cost of the Access and Fairness changes to the Scheme. The overall costs are not anticipated to be significant, and we therefore expect that any such awards will not be material to Kent Police.

## Note 44 – Contingent assets

There are no contingent assets for 2025/26.

## Note 45 – Date of authorisation of Statement of Accounts for issue

The unaudited Statement of Accounts was authorised for issue on 29 June 2026 by Mr Rob Phillips, CFO to the PCC.

# Police Officer Pension Fund Account



## Police Officer Pension Fund Account

### Introduction

The Police Officer Pension Fund Account was established under the Police Pension fund Regulations 2007 (SI 2007 No 1932). It is administered on behalf of the PCC by XPS Pensions Group.

The income is either from serving police officers contributing to the pension fund account or from the employers' contribution that is a real cost to the Police budget. The expenditure is the cost of pensions paid out through payroll. The net balance is charged to the PCC who in turn will receive a Home Office grant to offset it.

The Fund receives income each year from:

- employer's contributions from the PCC, based on a percentage of pay
- contributions from serving police officers
- other receipts

Pensions to retired officers, lump sum payments and other benefits are paid from the Fund. The Account is balanced to nil at the end of the year by a contribution from or to the General Fund.

The Account is not backed by any investment assets and its outgoings are funded entirely from the receipts identified above. The Fund accounts solely for the benefits payable in the financial year and does not account for benefits payable after the period end.

The above statement does not include liabilities to pay pensions and other benefits after the Balance Sheet date. The liabilities for future retirement benefits are disclosed in Note 11 of these Accounts.

From 2024/25, the employer contribution rate increased from 31.2% to 35.3%.

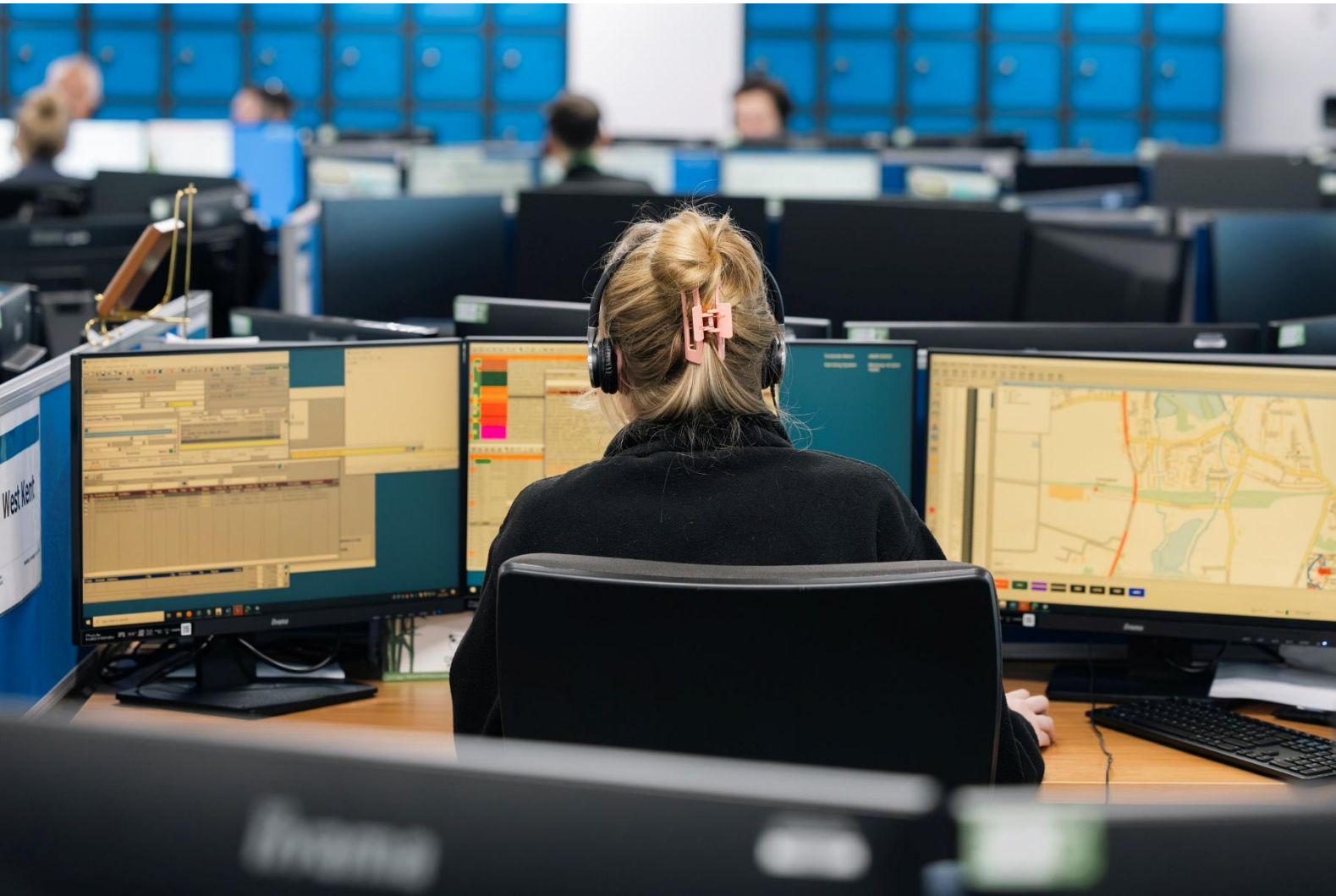
The table identifies the movements on the Police Officer Pension Fund Account for the year.

<b>2024/25</b>	<b>Police Officer Pension Fund Account</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
	<b>Contributions Receivable</b>	
(58,143)	Police and Crime Commissioner for Kent	(60,728)
(22,446)	Serving Police Officers	(23,360)
(774)	Capital equivalent payment for ill-health	(608)
(10)	Transfers in: Individual transfers in from other schemes	(192)
<b>(81,373)</b>	<b>Total Receipts</b>	<b>(84,888)</b>
	<b>Benefits Payable</b>	
97,832	Pensions	100,297
14,557	Commutations and lump sum payments	14,211
305	Lump sum death benefits	109
	<u>Payments to and on account of leavers</u>	
393	Refund of contributions	191
83	Individual transfers out to other schemes	132
<b>113,170</b>	<b>Total Payments</b>	<b>114,940</b>
<b>31,797</b>	<b>Sub-total for the year before transfer from Police and Crime Commissioner for Kent of amount equal to the deficit</b>	<b>30,052</b>
(31,797)	Transfer of amount from the PCC for Kent of amount equal to the deficit which is recouped by a government grant	(30,052)
<b>0</b>	<b>Net Amount Payable for the Year</b>	<b>0</b>

**Pension fund net asset statement**

<b>2024/25</b>	<b>Pension Fund Net Asset Statement</b>	<b>2025/26</b>
<b>£'000's</b>		<b>£'000's</b>
0	Unpaid pension benefits	0
0	Amount owing from the general fund	0
0	Net current assets and liabilities	0

# Glossary and Contacts



## Glossary

### Glossary of terms

#### ACC

Assistant Chief Constable

#### Actuarial gains and losses

Changes in the force's pensions liabilities calculated at the end of the previous year as a result of actual events being different from those predicted by the actuary or because the actuary has updated their assumptions.

#### AGS

Annual Governance Statement. A statement published with the Statement of Accounts prepared in accordance with the CIPFA/SOLACE publication Delivering Good Governance in Local Government: Framework. It assesses the effectiveness of the arrangements the Council has put in place to govern decision-making and accountability.

#### Amortisation

The spreading of the cost of an asset over a number of financial years to fairly represent the period over which the force benefits from the asset.

#### ANPR

Automatic Number Plate Recognition

#### APCC

Association for Police and Crime Commissioners

#### Appropriations

Transfer of monies between the revenue account and the Balance Sheet

#### ASB

Anti Social Behaviour

#### AUC

Assets Under Construction. Property, plant and equipment that is being constructed for use by the force, but which is not yet operational.

#### Budget

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

#### CAA

Capital Adjustment Account. The unusable reserve that absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets (largely depreciation) and for the financing of the acquisition, construction or enhancement of those assets from revenue, grants, contributions and capital receipts as determined under statutory provisions. (The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains)

#### Capital Expenditure

The expenditure incurred by the force that is intended to provide longer-term benefits and qualifies to be paid for from capital resources, rather than charged to revenue as it is incurred. The definition covers expenditure that results in the recognition of non-current assets in the Balance Assets and other transactions specified in Government regulations.

#### Capital Receipts

Income received from the sale of non-current assets (particularly property) when they are £10,000 or more and from other transactions specified in Government regulations. Their use is largely restricted to financing capital expenditure.

#### Carrying value

The amount at which an asset or liability is recognised in the Balance Sheet

#### Cash equivalents

Investments that are comparable to cash, being short-term, highly liquid and readily convertible to known amounts of cash and unlikely to change in value

#### CCLA

Churches, Charities and Local Authorities Property Fund

#### Central Ops

Stands for Central Operations, this includes: Central Investigation Command; Strategic Partnerships and Tactical Operations Command

#### CC

Chief Constable

#### CDSP

Custody and Detention Scrutiny Panel

#### CFO

Chief Finance Officer

#### CFR

Capital Financing Requirement

#### Chief Officers

Include the Chief Officers and Directors in the senior management team.

**CIES**

Comprehensive Income and Expenditure Statement. The financial statement that summarises the expenditure that the force has incurred in providing services and the income it has generated during the year and other gains and losses arising from changes in the value of assets and liabilities.

**CIPFA**

The Chartered Institute of Public Finance and Accountancy – the accountancy body primarily concerned with public services that issues guidance on accounts preparation for local authorities.

**CJS**

Criminal Justice System

**Contingency**

An event that may occur but that where the likelihood and financial impact are uncertain.

**COMB**

Chief Officer Management Board

**CT**

Counter Terrorism

**CPI**

Consumer Price Index, a measure of inflation which has replaced the RPI.

**CPS**

Crown Prosecution Service

**Creditors**

The organisations and individuals that the force owes money to

**Crime Academy**

The Crime Academy provides training to staff who investigate serious crimes, helping them build the skills needed to carry out thorough and effective investigations.

**CRR**

Capital Receipts Reserve

**CRU**

Central Referral Unit

**Current service (pensions) cost**

The increase in pensions liabilities arising from employee service in the current year.

**Curtailed and settlements**

Curtailed arises as a result of the early payment of accrued pensions on retirement on the grounds of efficiency, redundancy or where the employer has allowed employees to retire on unreduced benefits before they would otherwise have been able to do so. A settlement is a transaction that eliminates pensions liabilities, such as the transfer of an employee to a new employer that participates in the Local Government Pension Scheme

**DA**

Domestic Abuse

**DCC**

Deputy Chief Constable's portfolio. This includes the following departments: Local Policing, Central Operations, Serious Crime, Crime, Professional Standards and Corporate Services

**Debtors**

The organisations and individuals that owe the force money.

**Depreciation**

The charge made for the use of an item of property, plant or equipment during the year, based on the systematic allocation of its depreciable amount over its useful life.

**DfT**

Department for Transport

**DFU**

Digital Forensics Unit

**Division**

The force is organised into three geographical areas, North, West and East Divisions

**DRC**

Depreciated Replacement Cost

**ERSOU**

Eastern Regions Special Operations Unit

**EY**

Trade name of Ernst and Young Global Ltd, financial auditors

**Fair Value (FV)**

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

**FCIR**

Force Control & Incident Room

**FOI**

Freedom of Information

**FTE**

Full Time Equivalent

**GAAP**

General Accepted Accounting Practice

**GAD**

Government Actuary's Department

**HMICFRS**

His Majesty's Inspectorate of Constabulary and Fire and Rescue Services

**HMPPS**

His Majesty's Prison and Probations Service

**HMRC**

His Majesty's Revenue and Customs

**HR**

Human Resources

**HSE**

Health & Safety Executive

**IAS**

International Accounting Standards

**ICO**

Information Commissioner's Office

**ICV Scheme**

**Independent Custody Visitors Scheme**

**IDVA**

Independent Domestic Violence Advisers

**IFRIC**

International Financial Reporting Interpretations Committee

**IMU**

Incident Management Unit

**IPSAS**

International Public Sector Accounting Standards

**ISVA**

Independent Sexual Violence Advisers

**IE**

Income and Expenditure

**IFRIC**

International Financial Reporting Interpretations Committee

**IFRS**

International Financial Reporting Standards

**IIT**

Investigative Improvement Team

**Impairment**

A fall in the value of an asset to the force (whether it will be sold or continue in use) below the amount it is recorded in the Balance Sheet

**Intangible Fixed Assets**

Assets that do not have physical substance, such as computer software, licences and websites supporting the force's services.

**IOPC**

Independent Office for Police Conduct

**IPSAS**

International Public Sector Accounting Standards

**ISVA**

Independent Sexual Violence Advisers

**IT**

Information Technology

**IPB**

Independent Policing Board

**JAC**

Joint Audit Committee

**Joint Support Services**

The Joint Support Services Department includes: HR; Learning and Development; Information Services; Procurement; Transport, Business Services and Estate Department; Payroll and Pensions Team.

**KCC**

Kent County Council

**KFRS**

Kent Fire and Rescue Services

**KMPCC**

Kent and Medway Police & Crime Panel

**LASAAC**

Local Authority (Scotland) Accounts Advisory Committee

**Lease**

An arrangement under which a lessor conveys the right to use an asset to a lessee in return for a payment or series of payments. The definition can include contracts that are not in the legal form of a lease but involve the use of a specific asset and therefore might contain a lease.

**LGPS**

Local Government Pension Scheme

**Liability**

Liabilities are present obligations of the force to transfer an economic resource as a result of past events. They include borrowings and amounts owed by the force.

**LLP**

Limited Liability Partnership

**LPP**

Local Policing and Partnerships, includes Neighbourhood Policing teams, incident response and management, specialist community liaison and local command teams and local support overheads.

**MFR**

Minimum Funding Requirement

**MHCLG**

Ministry of Housing,  
Communities and Local  
Government

**MIRS**

Movement in Reserves  
Statement

**MoJ**

Ministry of Justice

**MOSOVO**

Management of Sexual or  
Violent Offenders

**MRP**

Minimum revenue provision is  
the method by which capital  
expenditure is financed by  
setting aside amounts from  
revenue over the useful life of  
the relevant asset.

**MTFP**

Medium Term Financial Plan

**NCA**

National Crime Agency

**NDORS**

National Driver Offending  
Retraining Scheme

**NHS**

National Health Service

**NK**

North Kent (Police Station)

**NPAS**

National Police Air Service

**NPCC**

National Police Chiefs' Council

**NRE**

Net Revenue Expenditure

**OPCC**

Office of the Police and Crime  
Commissioner

**Outturn**

The actual level of spending  
and income in a particular year

**PACCTS**

Police and Crime  
Commissioners Treasurers  
Society

**PCC**

Police and Crime Commissioner

**PCSO**

Police Community Support  
Officer

**PEEL**

Police Effectiveness, Efficiency  
& Legitimacy

**PFI**

Private Finance Initiative

**PIT**

Prison Investigation Team

**POCA**

Proceeds of Crime Act

**Police Grant**

Police grant is allocated by the  
Home Office using a complex  
needs-based formula.

**POLIT**

Paedophile Online Investigation  
Team

**PPS**

Police Pension Scheme

**PPE**

Property, plant, and equipment  
is a class of assets with  
physical substance that are  
held for use in the production  
or supply of goods and  
services, for rental to others, or  
for administrative purposes  
(and expected to be used for  
more than one year)

**Peppercorn / Nominal Rent Asset**

This is a non-commercial lease  
asset where lease payment is  
at nominal amount or nil  
consideration.

**Provision**

A liability of the force where  
there is uncertainty about  
when it will be settled and/or  
how much the force will have  
to pay. The estimated amount  
that will be required to settle  
the liability is charged as an  
expense when the force  
recognises the obligation.

**PSE**

Police Staff Employee, an  
employee of Kent Police who is  
not a police officer. Police  
Community Support Officers  
(PCSOs) are PSEs.

**PSD**

Professional Standards  
Department

**PSPJOA**

Public Service Pensions & Judicial  
Offices Act

**PWLB**

Public Works Loan Board

**RADIT**

Rape & Domestic Abuse  
Investigation Team

**Remuneration**

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

**Reserves**

The balances in the Balance  
Sheet that show variously the  
revenue and capital resources  
available to support the  
provision of services by the  
force, the cumulative effect of  
statutory adjustments to  
manage the availability of  
those resources for particular  
financial years, and balances of  
revaluation gains and losses on  
assets that have yet to be  
realised

**Return on Plan Assets**

Interest, dividends, and other income derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less: a) any costs of managing plan assets, and b) any tax payable by the plan itself, other than tax included in the actuarial assumptions used to measure the present value of the defined benefit obligation

**Revaluation Reserve**

The un

reserve that accumulates the gains made by the force from increases in the value of its Property, Plant and Equipment assets. The force might benefit from these gains in the future from the continued use of the assets or from their sale. (The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the CAA)

**Revenue Expenditure**

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

**RICS**

Royal Institute of Chartered Surveyors

**ROU**

Right-of-use asset recognised on the balance sheet from the IFRS 16 Leases effective from 1 April 2024.

**RPI**

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

**RPIX**

Retail Price Index excluding mortgages.

**RR**

Revaluation Reserve

**SAP**

The Enterprise Resource Planning software that Kent Police uses for Finance, HR and Payroll.

**SAR**

Subject Access request

**SCD**

Serious Crime Directorate

**SEROCU**

South East Regional Organised Crime Unit

**SERPIT**

South East Regional Prison Intelligence Unit

**Specific Grants**

Grant that is required to be applied to revenue expenditure meeting criteria specified by the donor

**SSD**

Support Services Directorate

**TSU**

Technical Surveillance Unit

**Usable Capital Receipts**

Income received from the sale of non-current assets (particularly property) and from other transactions specified in Government regulations. Their use is largely restricted to financing capital expenditure. They are available to finance capital expenditure in future years.

**VAWG**

Violence Against Women & Girls

**VPGA**

Valuation Practice Guidance Applications

**VPS**

Valuation Technical and Performance Standards

**WHE**

Wilks Head Eve, the force's valuer

## Contact Information

This document gives details of Group and PCC Annual Accounts and is available on the website at [kent.police.uk](http://kent.police.uk)

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# Annual Governance Statement



# Annual Governance Statement 2025/26

## Introduction

The Police and Crime Commissioner (PCC) is elected by the people of Kent and is responsible for creating a Police and Crime Plan and holding the Chief Constable to account. PCCs were established under the 2011 Police Reform and Social Responsibility Act.

The Office of the Police and Crime Commissioner (OPCC) is a small organisation, with the responsibility of supporting Kent's PCC, and helping to ensure the PCC meets the obligations set out above. It covers four main areas: finance; commissioning; governance; and complaints & correspondence, with administrative support and a media/communications team. There are two statutory roles, the Chief Executive and the Chief Finance Officer.

In 2025-2026, whilst there were a significant number of positive changes to strengthen and refine the governance framework within the OPCC, these have been against a backdrop the Government's announcement in November that PCCs will be abolished. This is part of the Government's broader reform agenda, encompassing local government and policing. This has and will continue to have a significant impact on the work of both the PCC and OPCC.

Each year, the OPCC is required to produce an Annual Governance Statement (AGS) which assesses how its corporate governance arrangements, as outlined in the Local Code of Governance, are working. This is informed by internal and external audit, the risk register, external oversight bodies, and other areas such as engagement with the public and new legislation. The Local Code sets out the overall governance framework within which the OPCC operates, and the AGS provides assurances as to how the OPCC is complying with it. The AGS identifies areas of both success during 2025-26, and where the OPCC can and will improve.

### Document key:

Area of strength (Green)	Area for improvement (Amber)	Area of challenge (Red)
The policies and procedures in place, as set out in the Local Code of Governance, are effective, with a high level of internal and external assurance. There are potentially some areas for improvement, but these have no material impact on the strength of the governance framework.	The policies and procedures in place, as set out in the Local Code of Governance, are mainly effective. However, there are areas where there remain challenges or the potential for improvement, which have a limited impact on the strength of the governance framework. There are plans in place to address this.	Failings have been identified in the policies and procedures, which may have a material impact on the governance arrangements in this area, and therefore on the wider operation of the OPCC. Significant remedial work is being taken to address these risks.

**Assessment of OPCC Governance**

**Core Principle of the Framework: A Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.**

The PCC has assessed compliance with the framework as set out in the Local Code of Governance under section A. He has assessed that there is adequate assurance, and that this is overall an area of strength.

<b>Issue</b>	<b>Identified from</b>	<b>Strength (Green)</b>	<b>Area for Improvement (Amber)</b>	<b>Area of Challenge (Red)</b>
Improving SAR and FOI processes	OPCC risk register	<p>Work has continued to improve processes and create further efficiencies. Communications with applicants has now improved, with additional early signposting to the force’s FOI/SAR team.</p> <p>The new member of staff appointed to support the process is now fully embedded and providing support to the Data Protection Manager and Head of Department.</p>		
KCJB (Kent Criminal Justice Board) Victim and Witness Sub-Group established	Police and Crime Plan	<p>New sub-group of KCJB established with aim of improving processes and procedures across the CJS to deliver an improved experience for victims and witnesses where they feel supported, engaged and informed.</p> <p>It ensures that victims’ voices are at the heart of the CJS.</p> <p>To enhance co-ordination, the Group is co-chaired by the KCJB Manager and the Head of Commissioning.</p> <p>The group includes representatives not just from partner agencies, but from commissioned services which support victims, which is a new approach to KCJB work.</p>	As a newly developed sub-group, work will continue to develop both the work programme and the membership	

<b>Issue</b>	<b>Identified from</b>	<b>Strength (Green)</b>	<b>Area for Improvement (Amber)</b>	<b>Area of Challenge (Red)</b>
Property Fund	Other- legislative	<p>The management of the Property Fund was returned to the OPCC in line with legislation.</p> <p>Since then, a new suite of policies has been developed, and community organisations can make applications to the fund, to deliver projects and interventions that:</p> <ul style="list-style-type: none"> <li>Prevent or reduce crime and anti-social behaviour (ASB).</li> <li>Support safer and stronger neighbourhoods.</li> <li>Reduce the risk of victimisation to individuals, groups or businesses, thereby improving people’s lives.</li> </ul> <p>The first round in Autumn 2025 saw £88,031.86 awarded to 49 organisations across Kent, supporting a wide range of community safety and victim-focused projects</p>		
Commissioning management system	OPCC risk register and Internal Audit	<p>The OPCC’s Commissioning Team has moved to a cloud-based commissioning management system. This has provided a wide range of benefits and efficiencies, including:</p> <ul style="list-style-type: none"> <li>Allows the team to manage processes more effectively and assigns owners to tasks.</li> <li>Improvement management of funding applications and monitoring of progress</li> <li>Greater consistency of approach</li> <li>Improved public interface.</li> <li>Dashboard to allow an immediate overview of performance.</li> <li>Feedback from providers and services has been consistently positive.</li> </ul>	The Commissioning Team will continue to explore the capabilities of the new system to further improve efficiency.	

<b>Issue</b>	<b>Identified from</b>	<b>Strength (Green)</b>	<b>Area for Improvement (Amber)</b>	<b>Area of Challenge (Red)</b>
Award of Gold Standard for ICV (Independent Custody Visitor) Scheme	Police and Crime Plan and Other-legislative	Assessment of nearly 100 required areas across 'Code Compliant', 'Silver' and then Gold. Demonstrated high levels of compliance with national requirements across recruitment and training; management of volunteers; communications; holding the force to account; transparency and public reassurance; ensuring detainee welfare; support of Scheme Managers; ensuring volunteer voice is captured and acted upon.	Aim to publicise achievement with Kent Police, and to highlight the work of the Scheme in Kent.	
Pension forfeiture guidance	Other- Home Office Guidance and other legislation	The PCC and his Office remain committed to seeking the reduction of officers' pensions, where they have been convicted of an offence that can be linked to the officer's service. The OPCC has introduced an internal progress tracking process, and a linked process with the force's Professional Standards Department, to allow the early identification of cases that may be suitable. The OPCC has, on behalf of the Association of Police and Crime Commissioners' Chief Executives and working with the Home Office, produced standardised national guidance.		

### Core Principle of the Framework: B. Ensuring openness and comprehensive stakeholder engagement.

The PCC has assessed compliance with the framework as set out in the Local Code of Governance under section B. He has assessed that there is adequate assurance, and that this is overall an area of strength.

Issue	Identified from	Strength (Green)	Area for Improvement (Amber)	Area of Challenge (Red)
New Communications Strategy	Police and Crime Plan	<p>Engaged an experienced external consultant to carry out a comprehensive review of the media and engagement work of the OPCC, meet with the senior team, and produce a new strategy to give new clear direction.</p> <p>Overarching aim is broaden the strategy, to ensure that it reflects the breadth of the work of the OPCC and its staff, and not just the PCC himself.</p> <p>On a practical level, strategy to ensure that some media/engagement elements are mainstreamed, to build in the capacity to undertake significant one-off events, such as the PCC's recent focus on waste crime.</p>	<p>Improve joint working with force.</p> <p>Improve relationship with news outlets.</p> <p>Both elements required to ensure the strategy has the strongest impact.</p>	Without fully staffed Communications Team, will not be able to deliver the strategy.
Joint working with NHS England, including co-commissioning SARC (sexual assault referral centre) contract	Other-Commissioning Strategy	<p>The PCC has co-commissioned the SARC contract with NHS England for the first time. Previously there were two separate contracts, one for the SARC and Therapeutic work, one for community-based support, with notable overlap.</p> <p>The OPCC worked closely with NHS England and other wider stakeholders, and aligned funding streams, to commission one service.</p> <p>This has allowed a joined-up approach with the ISVA and Therapeutic Service delivered by KSAAS (which is commissioned by the OPCC) to enable a co-ordinated referral pathway with the SARC.</p> <p>This has cemented a positive working relationship that can hopefully be built upon.</p>		Upcoming abolition of OPCCs and changes to Local Authorities threatens contract stability and provision of service
Work with KCC (Kent County Council) and KIDAS (Kent Integrated Domestic Abuse Service)	Other-Commissioning Strategy	<p>The PCC's Victim Support contract now provides initial referral and triage for KIDAS service, which supports victims of domestic abuse.</p> <p>This has created a consistent 'front door' and established pathway for abuse victims in Kent.</p> <p>In addition, there is an enhanced offer for victims, with Victim Support providing a sanctuary point of contact.</p>		Upcoming abolition of OPCCs and changes to Local Authorities threatens contract stability and provision of service

Issue	Identified from	Strength (Green)	Area for Improvement (Amber)	Area of Challenge (Red)
IOPC (Independent Office for Police Conduct) engagement events	Police and Crime Plan	<p>Joint engagement between the IOPC, Kent Police (both PSD and Rape/DA section) and OPCC (both complaints and commissioning) with a range of commissioned services. Kent was the pathfinder for this event.</p> <p>Two events held, in September and April</p> <p>Two-way process: highlighted to services how they could better access the complaints process, and hearing services' views on how engagement with both the police generally and complaints specifically could be improved.</p> <p>Feedback from attendees was extremely positive; allowed some barriers to be broken down and gave the chance to highlight positive working relationships across media, such as LinkedIn.</p>	Need to ensure that learning from the event is captured, and acted upon by the relevant stakeholders	
AA (Appropriate Adult) re-commissioning	Other-Commissioning Strategy	<p>New contract to be awarded for Appropriate Adult Scheme.</p> <p>Significant market engagement process, with extensive information provided.</p> <p>Engagement with Kent Police to ensure that specifications were up to date and reflected current service needs.</p> <p>Engaged with a wide range of potential service providers through the process.</p>		
KCJB Victim and Witness Sub-Group established	Police and Crime Plan	<p>New sub-group of KCJB established with aim of improving processes and procedures across the CJS to deliver an improved experience for victims and witnesses where they feel supported, engaged and informed.</p> <p>Includes representatives from a range of partner agencies and commissioned victims' services.</p> <p>Enhanced approach ensures that the victims' voice is at the heart of the CJS, and any decision making within it.</p>		
ICV recruitment strategy	Police and Crime Plan and Other-legislative	<p>ICV recruitment strategy revised with the assistance of new communications staff in OPCC.</p> <p>There was greater visibility across all forms of social media, changing the format to suit each platform. There was enhanced engagement with harder-to-reach communities.</p> <p>Applications to the Scheme were at three times the level of previous recruitment rounds.</p>		

Issue	Identified from	Strength (Green)	Area for Improvement (Amber)	Area of Challenge (Red)
Revised engagement programme for Annual Survey	Police and Crime Plan	<p>Utilised staff to conduct additional engagement exercises.</p> <p>Targeted high street communities that had not previously featured in the engagement programme, specifically small towns/large villages in rural locations.</p> <p>This gave a new opportunity to businesses and retailers in these areas to participate in the survey, aligning with the work of both the Rural and Retail Crime Boards</p>	<p>Lack of capacity within team reduced possibilities for innovation</p> <p>Loss of Open Day reduced number of responses to Annual Survey</p> <p>The team will have to review how to effectively manage these risks, in line with the new Communications Strategy</p>	
Waste crime engagement	Other- PCC manifesto and engagement programme	<p>This issue arose with PCCs across the South-East region working together, and with partner agencies in their area. Identified waste crime as both an issue of serious criminality and having a significant impact on residents' lives.</p> <p>The PCC has hosted a round table event to bring all the SE Region PCCs and the relevant partner agencies, such as the Police (both local and the Regional Organised Crime Units), local government, Environment Agency and representatives from the rural community together. Examined involvement of Organised Criminal Gangs.</p> <p>The PCC has also given evidence to the House of Lords enquiry on the subject.</p> <p>The EA continues to engage with the PCC and Kent community representatives through the Rural Crime Board. They have committed to providing regular updates on progress against their recently announced Waste Crime 10-Point Plan.</p>	<p>Consideration needs to be given as to whether this will remain a priority for policing/PCC.</p> <p>Lack of capacity within the Environment Agency, as the lead partner, to manage this.</p>	

### Core Principle of the Framework: C. Defining outcomes in terms of sustainable service and economic benefits

The PCC has assessed compliance with the framework as set out in the Local Code of Governance under section C. He has assessed that there is adequate assurance, and that this is overall an area of strength.

Issue	Identified from	Strength (Green)	Area for Improvement (Amber)	Area of Challenge (Red)
Preparatory work for sale of part of Sutton Road site	Other-PCC policy	<p>Negotiations have been undertaken with the preferred bidder.</p> <p>Site is now prepared for sale.</p> <p>As the legal owner of the Kent Police Estate, there are frequent briefings to the PCC, as well as to the CFO and Chief Executive. This is in addition to OPCC representation on the Kent Police Boards that manage the governance arrangements.</p> <p>Aim to generate significant receipt and will be able to evidence best value for the public.</p>	PCC will have responsibility to ensure force gets best use of remaining site.	The biggest asset sale in Kent PCC history provides a number of complexities to ensure the sale gets over the line.
Property Fund	Other- legislative	<p>After a review of relevant legislation, PCC took ownership of Property Fund.</p> <p>Comprehensive governance framework established, and new process for bidding.</p> <p>Effective sifting and scoring process, and a panel with an independent member to decide on successful bids.</p> <p>Aligned with the PCC's Police and Crime Plan; funds are disturbed in a more targeted way.</p> <p>Introduced themes for each bidding round.</p>	<p>Managing expectations and demand of organisations bidding in to the Fund</p> <p>Significant administrative burden on an already busy team.</p>	

Issue	Identified from	Strength (Green)	Area for Improvement (Amber)	Area of Challenge (Red)
Improving Kent CJS	Police and Crime Plan	<p>Defined meeting structure for the new boards which underpin the KCJB, with new terms of reference.</p> <p>Re-introduction of the Victim and Witness subgroup, to consider Victims' Code compliance across all CJ agencies.</p> <p>Data pack continues to improve, with partners providing more and improved information.</p> <p>Regular updates to the Police and Crime Panel on the CJS; Panel supportive of the specific challenges that Kent faces, and as a result have written to the Minister outlining their concerns and seeking assurances.</p> <p>Two workshops convened by the KCJB Manager, attended by a wide range of CJS partners evidences both commitment to partnership working, and joint aim to tackle backlog.</p> <p>KCJB Manager has developed an excellent working relationship at the operational level with partners across the CJS.</p> <p>Following the KCJB's identification of specific areas where delays were contributing to the backlog, HMCTS has awarded Kent financial support to pilot virtual remand hearings for a period of six months. There is national interest in this pilot scheme, with the possibility of a nation-wide roll out.</p> <p>PCC has provided Prisoners Building Homes (PBH) with £25k seed funding. PBH is a program where prisoners construct low-cost, low-carbon modular homes, gaining skills and qualifications that reduce reoffending while addressing housing shortages. Thanet District Council is engaged and has identified suitable development opportunity; currently looking to procure housebuilder and awaiting outcome of planning application.</p>	Owing to demands at operational level across all services, challenging to progress issues.	
Medium Term Financial Plan	Internal Audit	Received substantial assurance. Audit noted strength of Financial Regulation documents; communication between OPCC and force CFOs; on-going review of assumptions underlying the plan; and that appropriate governance and reporting processes are in place.		
Work with NHS England and with Kent County Council		See section B		

### Core Principle of the Framework: D. Determining the actions necessary to achieve the intended outcomes

The PCC has assessed compliance with the framework as set out in the Local Code of Governance under section D. He has assessed that there is adequate assurance, and that this is overall an area of strength.

Issue	Identified from	Strength (Green)	Area for Improvement (Amber)	Area of Challenge (Red)
OPCC internal measures and performance framework	Police and Crime Plan	<p>The Police and Crime Plan contains measures for the Chief Constable, for which the PCC holds him to account.</p> <p>The PCC has now established formal internal measures and associated oversight processes to track the elements of the Plan that relate to his own commitments to the public.</p> <p>This covers the four pillars of the plan, and the internal measures are reviewed by the SMT quarterly, with subsequent exception reporting to the PCC. This enables the identification of risks to delivery, as well as opportunities, and also allows the PCC to evidence his achievements, and that of the OPCC.</p>		
VRU (Violence Reduction Unit)	Police and Crime Plan	<p>The approach to working with the Violence Reduction Unit has been updated, with a specific focus on:</p> <ul style="list-style-type: none"> <li>Ensuring there is no duplications between the work of the VRU, Kent Police and the OPCC</li> <li>The VRU adhering to the OPCC's Commissioning Teams strategy and standards</li> <li>Ensuring that there is a long-term view, with a sustainable delivery of strategic aims taken from the Police and Crime Plan and the force's strategic plans, as opposed to short term projects.</li> </ul>	New working relationship with the force is strong but will continue to build and improve during the next financial year.	
Reviewing of returns by grant-funding organisations	Internal audit	<p>The OPCC conducted a review of the Crime Reduction Grant, and what the grant-funding organisations were supporting.</p> <p>This review highlighted that three Community Safety Partnerships were providing funding to the same organisation.</p> <p>As a result, the OPCC will now provide direct funding, which will allow for better value for money, and give the OPCC greater oversight.</p>		
Government's Police Performance Framework	Other-Government	<p>First iteration produced and issued Winter 25/26; now being developed and refined.</p> <p>The OPCC will need to undertake work to ensure it is aligned to the Plan and incorporated into existing performance monitoring and governance processes.</p> <p>The Government aims to produce a dashboard in July 2026 to provide data for forces and OPCCs</p>	Demand in terms of data collation and reporting could add additional pressure to OPCC going forward	
Improvements in CJS	Police and Crime Plan	See section C		

**Core Principle of the Framework: E. Developing the entity’s capacity, including the capability of its leadership and the individuals within it**

The PCC has assessed compliance with the framework as set out in the Local Code of Governance under section E. He has assessed that there is adequate assurance, and that this is overall an area of strength.

Issue	Identified from	Strength (Green)	Area for Improvement (Amber)	Area of Challenge (Red)
Identification of resources to support OPCC training	OPCC risk register	<p>Comprehensive review of OPCC budget and spending priorities to focus on improved training offer to all OPCC staff.</p> <p>Staff identified training needs, which were then provided to Heads of Department, and taken to SMT.</p> <p>SMT reviewed in detail, and a costed training plan for 2026 was agreed.</p>	<p>Will need to ensure that quality of training is appropriate, and meets needs of both individual staff and OPCC as a whole</p>	
New tailored PM training for Commissioning team	OPCC risk register	<p>Entire commissioning team will undertake commissioning-specific project management training and qualification.</p> <p>Additional high-level training identified for Head of Department.</p> <p>This will allow for more systemic approach to commissioning processes and will ensure that the team are operating under the same understandings and processes.</p>		
Introduction of Co-Pilot	Other- SMT	<p>All OPCC staff have been trained on the use, benefits and risk of AI, with the introduction of Co-Pilot across both the force and OPCC.</p> <p>Most staff have standard licenses; some have the full license with additional capability.</p> <p>Staff being encouraged to incorporate Co-Pilot where useful and appropriate, into standard business.</p> <p>The OPCC has its own O365 Champion, who is one of the few super-users in Kent Police and the OPCC; to ensure this is not lost, continuity plans are in place and a colleague also being trained.</p>		

Issue	Identified from	Strength (Green)	Area for Improvement (Amber)	Area of Challenge (Red)
OPCC Staffing	OPCC risk register	<p>The OPCC has introduced a range of measures to improve communication and working processes for staff. These include:</p> <ul style="list-style-type: none"> <li>• Quarterly team days, which include training and updates on national legislative changes</li> <li>• As noted above, additional training organised for all OPCC staff</li> <li>• Consultation was undertaken with the entire team, and staff feedback on the need for improved internal messaging has led to a new Teams Channel to provide information</li> <li>• The Chief Executive now provides updates to all staff following SMT meetings</li> <li>• Improved working processes within each team to manage demand, and improved working across teams.</li> </ul>	<p>There is a need to solidify the frequency and detail of communications from the SMT to staff; can be ad hoc.</p> <p>There is limited access to data for the OPCC analyst.</p>	<p>Government announcement to abolish PCCs significantly impacts on OPCC ability to recruit and retain staff and therefore delivery of statutory functions</p>

**Core Principle of the Framework: F. Managing risks and performance through robust internal control and strong public financial management.**

The PCC has assessed compliance with the framework as set out in the Local Code of Governance under section F. He has assessed that there is adequate assurance, and that this is overall an area of strength.

<b>Issue</b>	<b>Identified from</b>	<b>Strength (Green)</b>	<b>Area for Improvement (Amber)</b>	<b>Area of Challenge (Red)</b>
Review of risk management for contracted services	Internal audit	Both the internal audit review, and the OPCC's own work to review the management of contracted services identified areas for improve around risk management.  Work will be undertaken to standardise risk process and to improve oversight	Work to be done in 26-27, but this is dependent on the team's capacity.	
New internal performance framework to measure PCC accountable plan measures	Police and Crime Plan	See section D		
New Chair and members for JAC	Other- national guidance	The OPCC took a new approach to JAC recruitment, and used a specialist external agency to identify candidates, enabling a far wider reach than previously. Both the Chair and new members have successfully joined the JAC, and the committee is functioning well as a team.	Continuing work to develop JAC self-assessment, and to identify any training or development needs.	
New VFM profiles report	Other- SMT	Data analyst is now providing new and improved analysis of Kent's VFM profiles.  Allows the OPCC CFO to put appropriate challenges to the force where Kent is an outlier		

Issue	Identified from	Strength (Green)	Area for Improvement (Amber)	Area of Challenge (Red)
Improved staffing and information management to support KCJB	Risk register and Police and Crime Plan	<p>Enhanced focus on the criminal justice system and the role of the PCC as Chair of the KCJB.</p> <p>In 25-26, the analyst and KCJB manager have provided additional support and co-ordination for the KCJB, and to the PCC directly.</p> <p>This has in turn allowed the PCC/OPCC to better drive the work of the KCJB, with the creation of new or re-invigorated subgroups.</p> <p>Information flows have improved, with both the data pack, and the minutes of meetings published on the website.</p>		

**Core Principle of the Framework: G. Implementing good practices in transparency, reporting and audit to deliver effective accountability.**

The PCC has assessed compliance with the framework as set out in the Local Code of Governance under section G. He has assessed that there is adequate assurance, and that this is overall an area of strength.

<b>Issue</b>	<b>Identified from</b>	<b>Strength (Green)</b>	<b>Area for Improvement (Amber)</b>	<b>Area of Challenge (Red)</b>
Renewed approach to promoting PCC work through social media	Police and Crime Plan	It was identified that there was a low level of engagement from the public in terms of the PCC's attendance at, and work with, the Police and Crime Panel. The PCC now provides a short, verbal update, focussing on the key highlights, to be used on social media		
Creation of Kent-specific police dog welfare inspection scheme	Police and Crime Plan and Other-legislative	Kent departed from the national scheme and created its own police dog welfare inspection programme, which also included seized dangerous dogs. This allowed the Scheme to be less bureaucratic, whilst keeping the dogs' welfare- and public reassurance about dogs' welfare- at the centre of the scheme. A full policy, terms of reference, and SOP were created and agreed with Kent Police	Scheme to launch in Spring/Summer 2026; will require close monitoring in the first year of operation to ensure that the new process is fully embedded.	
Sums system reporting to support work of Commissioning Team	Internal audit	The Commissioning team have been using Sums for nearly two years. In the first year, it was only used for financial tracking; however, this year the team have been exploiting the capabilities of the system. This is vital at a time when the demands on the commissioning team are growing.	Using Sums for reporting is a work in progress; aim is to improve the tracking on the reports from service providers, so that the journey from contract to mid-year reporting, to end of year reporting can be seen holistically. Aim to use case studies to enhance the reporting to central government and more effectively demonstrate the impact of services. Aim to use Sums to improve engagement.	
Specified Information Order compliance	Other-legislative	The requirements under the SIO are kept under review, both in terms of content, and the way the information is provided to the public. An additional page has now been included on the website to ensure that all of the information can be found and accessed improving compliance.		

Issue	Identified from	Strength (Green)	Area for Improvement (Amber)	Area of Challenge (Red)
Data retention and disposal process	Other- SMT	<p>During 25/26, the OPCC undertook a comprehensive review of all information held electronically, both in terms of central files and individuals' records.</p> <p>Days were put aside to review information against the Retention &amp; Disposal policy, and the OPCC is now compliant.</p> <p>Going forward, the OPCC and individual teams have introduced regular data review days.</p>	<p>There is still the need to carry out a final review of the small amount of material that is held in hard copy.</p>	
Rural and Retail Crime Boards	Police and Crime Plan	<p>These Boards have developed over 25-26 and are now considered effective community forums focused on engagement and sharing of information.</p> <p>Representation has expanded with high levels of attendance and engagement.</p> <p>Both forums are proactively invited to share and contribute to PCC and national consultations.</p> <p>Minutes published on website.</p>		
Enhanced engagement with Business Crime Partnerships	Police and Crime Plan	<p>In line with his focus on retail crime, the Commissioner and the Office have improved the engagement with Business Crime Partnerships.</p> <p>This has included:</p> <ul style="list-style-type: none"> <li>• Going out in communities with Street Ambassadors for the BCPs to hear directly from retailers</li> <li>• Closer working with the Federation of Independent retailers</li> </ul> <p>As a result of this work, more representatives have been invited to the both the retail and the rural crime boards.</p> <p>This compliments the work carried out to prepare for the Annual Policing Survey (as per Section B)</p>		

## Update on Last Year's Action Plan

	<b>Core Principle</b>	<b>Issue</b>	<b>Owner</b>	<b>Action plan</b>	<b>Met?</b>
	A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.	Comprehensive update of Police and Crime Plan	Chief Executive and Head of Governance and Performance	<p>It was decided that a performance framework would allow both the public to hold the PCC to account, and for the PCC to hold the Chief Constable to account, in an effective and transparent manner.</p> <p>This will need agreement as to what success looks like, how it can be measured, and the appropriate metrics.</p> <p>This should be in operation by September 2025</p>	MET
				<p><i>Performance framework agreed with force in May 25, and performance reported to P&amp;D Board; will be developed further.</i></p> <p><i>Internal performance framework agreed in October, and discussed at SMT and PCC SMT.</i></p>	
	A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.	Management of FOIs and SARs	Head of Governance and Performance and Office Manager	<p>To further enhance and streamline processes, the team intend to create a bank of standardised elements (for example, the specific legislative framework text) to use within responses.</p> <p>This will enable responses to be compiled more quickly and ensure a more uniform and legislatively compliant set of FOI responses to members of the public.</p>	PARTIALLY MET
				<p><i>Staff have designed some standardised processes and are in use, but work continues. Aim to be finalised in next six months, depending on workload.</i></p>	
	A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.	Membership of CDSP	Chairs of CDSP and Head of Standards	<p>The CDSP needs to further broaden its membership, to include partnership agencies such as Liaison and Diversion.</p>	MET

	<b>Core Principle</b>	<b>Issue</b>	<b>Owner</b>	<b>Action plan</b>	<b>Met?</b>
				<i>LDR are invited, and now also provide data to the CDSP. Head of Custody Nurse team also attends. More ICVs also attend, as well as an additional member of the force's IAG</i>	
	A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.	Strengthened grant conditions and application process for Commissioned Services	CFO and Head of Commissioning	The OPCC intends to further strengthen processes, by reviewing grant conditions years, and carrying out spot check audits.  The degree to which oversight will be enhanced depends on staffing levels.	PARTIALLY MET
				<i>Grant conditions reviewed yearly, learning taken to inform future practice. Audit process still in development owing to staffing capacity; aim to be proactive in future.</i>	
1	B: Ensuring openness and comprehensive stakeholder engagement	Schools' engagement programme	Head of Communications	The engagement with schools is in its early stages. The aim is to visit 100 schools, and to refine the programme as it progresses, using feedback from the first round of visits.  The PCC also aims to develop collaboration with Collaborate Digital to avoid overlap between the two.	PARTIALLY MET
				<i>Visited 16 schools between March and October 25; however, announcement of abolition of PCCs has changed engagement focus. Saw over 1 500 pupils and promoted the stay safe campaign and the safer use of internet generally.</i>	

	<b>Core Principle</b>	<b>Issue</b>	<b>Owner</b>	<b>Action plan</b>	<b>Met?</b>
2	B: Ensuring openness and comprehensive stakeholder engagement	Development of Performance and Delivery Board	Head of Governance and Performance	<p>This project is in its initial stages, and it will be an on-going process of refinement over the next financial year. It will also need to take account of the police reform and devolution agendas at the national level.</p> <p>The way in which the Board is broadcast will be reviewed to give a more professional look, and to increase public engagement.</p>	MET
				<i>Various matters considered, and P&amp;D Board now focusing on performance framework. Broadcasting options reviewed but decided to keep current arrangements.</i>	
3	B: Ensuring openness and comprehensive stakeholder engagement	Re-commissioning of ISVA and Therapy Services	Head of Commissioning	There is a need to further develop and refine the process to ensure that the engagement programme to ensure it does not re-traumatise victims.	MET
				<i>Re-commissioning completed 1<sup>st</sup> April 2026; engagement with victims was positive.</i>	
4	C. Defining outcomes in terms of sustainable service and economic benefits	Improving Management of Criminal Justice Partnership work	Chief Executive and KCJB Manager	<p>There are significant issues with each organisation having its own data sets. This makes it challenging to both access data and to pull together for to a comprehensive Board pack.</p> <p>The OPCC will also lobby government to try to break down some of the barriers around siloed funding and national contracts.</p>	PARTIALLY MET
				<i>There is now a performance data pack containing most relevant partners' data. Work is on-going to get final few partners' data included. This is used at Core Performance Group and informs KCJB. Working to ensure that review and discussion around interpretation of data takes place at the CPG, and that KCJB remains strategic. Engagement with Government continues.</i>	

	<b>Core Principle</b>	<b>Issue</b>	<b>Owner</b>	<b>Action plan</b>	<b>Met?</b>
		Working with Victim Support to survey victims of crime about their experiences with the Police and Criminal Justice System	Head of Commissioning	The response rate will be closely monitored to ensure that the number of responses is of a level where appropriate conclusions can be drawn.  The team is aware of survey fatigue.	MET
				<i>Survey in place but take up is low; exploring greater engagement via Victim Support.</i>	
	D. Determining the actions necessary to achieve the intended outcomes	Monitoring compliance with Victims' Code	Head of Commissioning	This new requirement is likely to place significant new demands on the OPCC's team, and on partners. The level is not yet known, as the statutory guidance has not been released, but will require careful monitoring.	n/a
				<i>Legislation not yet introduced; will fall into Victims &amp; Witness sub-group</i>	
		Development of a new CJ work programme	Chief Executive and KCJB Manager	The need for a further task group has been identified, to review key processes and 'journeys' within the CJS, with the aim of increasing efficiency across the sector.	PARTIALLY MET
				<i>Workshop held in March to map 'journey' through CJ system and associated processes in order to provide greater understanding and identify risks/opportunities</i>	

	<b>Core Principle</b>	<b>Issue</b>	<b>Owner</b>	<b>Action plan</b>	<b>Met?</b>
5	E. Developing the entity's capacity, including the capability of its leadership and the individuals within it	OPCC staffing	Chief Executive and Head of Standards	<p>The OPCC is inherently disadvantaged by being a small organisation, and therefore the departure of one or two staff can have a significant impact on function.</p> <p>There is also the impact on finances; the time and investment of on-boarding new people; and growing external pressures such as new legislation.</p> <p>Consideration will be given to an Office-wide review of structure and capacity, to ensure the work of the OPCC is on a sustainable footing, with necessary resilience built in.</p>	PARTIALLY MET
				<p><i>The OPCC conducted a full review of job descriptions, responsibilities, team configuration and capacity. New training opportunities were identified for all members of staff, with an on-going commitment.</i></p> <p><i>However, some roles could not be recruited into (within Commissioning and Media) owing to the national decision to abolish PCCs. The OPCC has therefore brought in some external support; however, the majority of the work will be managed within existing capacity.</i></p>	
		Commissioning Team training	CFO and Head of Commissioning	Owing to the constantly changing landscape, there is a need for further training for staff.	MET
				<i>Specific training identified and arranged; will take place later in 2026</i>	
6	F. Managing risks and performance through robust internal control and strong public financial management	Appointment of analyst to provide data analysis and insight across all departments and new Boards	Chief Executive and Head of Governance and Performance	There needs to be a greater understanding on what data exists both internally and with partners, and how best to collate this to maximise its use for the Office.	PARTIALLY MET

	<b>Core Principle</b>	<b>Issue</b>	<b>Owner</b>	<b>Action plan</b>	<b>Met?</b>
				<p><i>Significantly more data is provided to both the KCJB and CDSP.</i></p> <p><i>However, the OPCC does not have access to force data, and will not until Power BI is introduced, the date of which is unknown.</i></p>	
		Strengthened process in commissioning for mid and end of year reviews	Head of Commissioning	<p>As a part of the new process, the team will introduce spot check audits on providers, in line with the RAG rating.</p> <p>There is also a need to establish a framework to provide independent assurance on providers' services and governance arrangements.</p>	PARTIALLY MET
				<p><i>Work with 7 Force Procurement to review commissioned services' arrangements.</i></p> <p><i>Changed process to ensure all organisations seeking funding self-declare governance arrangements</i></p>	
7	G. Implementing good practices in transparency, reporting and audit to deliver effective accountability	Information management and security	Head of Governance and Performance and Office Manager	<p>Some of the retained hard copy documents will need to be sent to long term storage.</p> <p>A new asset register will need to be established.</p>	PARTIALLY MET
				<p><i>Asset register has been created but requires fully populating. Aim for completion within one year.</i></p> <p><i>Hard copy documents have been reviewed; however, it is likely that as there is very little hard copy info, may not need long term storage</i></p>	
		Webcasting JAC	CFO and Head of Standards	There are some technical issues with simultaneously webcasting and on-line attendance by JAC officers and staff, which need to be resolved.	PARTIALLY MET

	Core Principle	Issue	Owner	Action plan	Met?
				<p><i>Currently, webcasting can only take place if there are no virtual attendees, or if there are, they are only in an observer capacity. Therefore, webcasting has only occurred on a few occasions. Work continues to find a solution.</i></p>	
		<p>New Rural Crime and Retail Crime Boards</p>	<p>Chief Executive and Head of Governance and Performance</p>	<p>Now that the Boards are established, there is a need to develop an effective framework and work plan to aid delivery of objectives.</p> <p>Work is also being undertaken to ensure outcomes from the Boards feed into KCJB and Performance and Delivery Board.</p> <p>Need to capture national best practice</p>	<p>PARTIALLY MET</p>
				<p><i>Focus of Boards has changed and they are now considered community forums. Therefore, framework and objectives not required.</i></p> <p><i>PCC Chairs boards; there is a representative (a Superintendent) from Kent Police- this allows operational updates to be provided to attendees and for key issues to be fed into the force. Updates are fed into the KCJB and P&amp;D Board as and when appropriate.</i></p>	
		<p>Improvement of Annual Report in Commissioning</p>	<p>Head of Commissioning</p>	<p>The information on the OPCC website needs to be improved. The OPCC also wants to explore other approaches to raising awareness of services and their achievements.</p>	<p>MET</p>
				<p><i>Report improved- showcases impact and learning from PCC activities.</i></p>	

**Action Plan for Issues Identified in 2025/26**

	<b>Core Principle</b>	<b>Issue</b>	<b>Owner</b>	<b>Action plan</b>
	A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.	KCJB Victim and Witness Sub-Group established		As a newly developed sub-group, work will continue to develop both the work programme and the membership
	A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.	Commissioning Management system		The Commissioning Team will continue to explore the capabilities of the new system to further improve efficiency.
	A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.	Award of Gold Standard for ICV Scheme		Aim to publicise achievement with Kent Police, and to highlight the work of the Scheme in Kent.
	B: Ensuring openness and comprehensive stakeholder engagement	New Communications Strategy		Improve joint working with force. Improve relationship with news outlets
	B: Ensuring openness and comprehensive stakeholder engagement	IOPC Engagement events		Need to ensure that learning from the event is captured, and acted upon by the relevant stakeholders
	B: Ensuring openness and comprehensive stakeholder engagement	Revised engagement programme for Annual Survey		Lack of capacity within team reduced possibilities for innovation Loss of Open Day reduced number of responses to Annual Survey The team will have to review how to effectively manage these risks, in line with the new Communications Strategy
	B: Ensuring openness and comprehensive stakeholder engagement	Waste Crime Engagement		Consideration needs to be given as to whether this will remain a priority for policing/PCC. Lack of capacity within the Environment Agency, as the lead partner, to manage this.
	C. Defining outcomes in terms of sustainable service and economic benefits	Preparatory work for sale of part of Sutton Road site		PCC will have responsibility to ensure force gets best use of remaining site.

	<b>Core Principle</b>	<b>Issue</b>	<b>Owner</b>	<b>Action plan</b>
	C. Defining outcomes in terms of sustainable service and economic benefits	Property Fund		Managing expectations and demand of organisations bidding in to the Fund  Significant administrative burden on an already busy team.
	C. Defining outcomes in terms of sustainable service and economic benefits	Improving Kent CJS		Owing to demands at operational level across all services, challenging to progress issues.
	D. Determining the actions necessary to achieve the intended outcomes	VRU		New working relationship with the force is strong but will continue to build and improve during the next financial year.
	D. Determining the actions necessary to achieve the intended outcomes	Government's Police Performance Framework		Demand in terms of data collation and reporting could add additional pressure to OPCC going forward
	E. Developing the entity's capacity, including the capability of its leadership and the individuals within it	Identification of resources to support OPCC training		Will need to ensure that quality of training is appropriate, and meets needs of both individual staff and OPCC as a whole
	E. Developing the entity's capacity, including the capability of its leadership and the individuals within it	OPCC Staffing		There is a need to solidify the frequency and detail of communications from the SMT to staff; can be ad hoc.  There is limited access to data for the OPCC analyst.
	F. Managing risks and performance through robust internal control and strong public financial management	Review of risk management for contracted services		Work to be done in 26-27, but this is dependent on the team's capacity.
	F. Managing risks and performance through robust internal control and strong public financial management	New Chair and members for JAC		Continuing work to develop JAC self-assessment, and to identify any training or development needs.
	G. Implementing good practices in transparency, reporting and audit to deliver effective accountability	Creation of Kent-specific police dog welfare inspection scheme		Scheme to launch in Spring/Summer 2026; will require close monitoring in the first year of operation to ensure that the new process is fully embedded.

	<b>Core Principle</b>	<b>Issue</b>	<b>Owner</b>	<b>Action plan</b>
	G. Implementing good practices in transparency, reporting and audit to deliver effective accountability	Sums system reporting to support work of Commissioning Team		Using Sums for reporting is a work in progress; aim is to improve the tracking on the reports from service providers, so that the journey from contract to mid-year reporting, to end of year reporting can be seen holistically. Aim to use case studies to enhance the reporting to central government and more effectively demonstrate the impact of services. Aim to use Sum to improve engagement.
	G. Implementing good practices in transparency, reporting and audit to deliver effective accountability	Data retention and disposal process		There is still the need to carry out a final review of the small amount of material that is held in hard copy.

## Internal Audit Update

During 25-26, there were two OPCC-specific audits, and two joint follow ups. The outcomes demonstrate a high level of compliance, and a strong assurance framework.

In addition, the Kent Police audit outcomes enable the Police and Crime Commissioner to hold the Chief Constable to account. It also allows his Chief Finance Officer (as s.151 Officer) to effectively consider the level of controls in place within Kent Police, through both formal channels (such as the Joint Audit Committee) and through other meetings, boards and workstreams.

<b>Assignment</b>	<b>Organisations</b>	<b>Opinion</b>
Follow up part 1	OPCC and Kent Police	Good progress
Medium Term Financial Plan	OPCC	Substantial Assurance
Treasury Management	OPCC	Reasonable assurance
Follow up part 2	OPCC and Kent Police	Good progress

## Other Significant Governance Issues

This section covers key issues outside of day-to-day governance issues, many of which are at the national level.

### National issues affecting external audit

Nationally, there have been ongoing issues concerning the timely completion of local audits. These national delays are due to a number of reasons but primarily a lack of resources within the external audit sector, changes in statutory regulations and for some organisations, but not Kent PCC or Police, the quality of the accounts themselves. Kent PCC and Police have always prepared the accounts in accordance with the statutory deadlines and had continually received an unqualified opinion on the quality of those accounts. In July 2023, the Government set out proposals to clear the backlog of audits. This three-stage approach required a Reset - clearing the backlog of historical audit opinions up to and including financial year 2022/23 by 13 December 2024; Recovery - after the Reset Measures that reduces the likelihood of the backlog re-emerging by using backstop dates to allow assurance to be rebuilt over one or more audit cycles; Reform - addressing systemic challenges in the local audit system and embedding timely financial reporting and audit.

For Kent PCC and Police, the milestones in terms of the opinions that EY can issue on the statement of accounts is as follows; disclaimed; qualified; and finally unqualified. An unqualified opinion is 'back to normal' reporting requirements. EY completed their audit of the Kent PCC/ Group 2024/25 Accounts and were able to offer a 'qualified' opinion. This was as a consequence of EY not having the resources to review and audit the brought forward balances from 2022/23. This followed on from EY issuing a disclaimed opinion on the 2023/24 accounts Therefore the Kent PCC/ Group accounts are currently at the qualified opinion stage. EY have planned resources for the 2025/26 accounts process so it is hoped they will be able to offer an unqualified opinion on the 2025/26 statement of accounts. Kent PCC and Police will then be back where they were at the outset of this national issue.

As per previous years all the draft Accounts were published in accordance with the statutory timetable, and everything had been prepared in readiness for the audit. The fact that EY did not issue an "unmodified" opinion for the 2023/24 or 2024/25 Accounts opinion is not a reflection on either the quality of the work or the Accounts themselves.

### **North Kent PFI**

In August 2023, the PCC terminated the PFI contract for North Kent Police Station with the PFI Contractor on the grounds of contractor default. The PCC and the PFI Contractor were unable to agree the amount of the compensation payment due under the PFI contract. In February 2024, the PFI Contractor issued a claim against the PCC. In December 2025, the PCC with support from the Home Office, agreed an out-of-court settlement with the PFI Contractor whereby the PCC made a settlement payment which reflected the amount of compensation which the PCC was required to pay under the PFI contract (including all compensation, interest and costs) to the PFI Contractor in January 2026.

### **Policing Governance and Landscape Reform, Devolution, and Local Government Reorganisation**

The UK government's police landscape reform white paper (From Local to National) represents a significant overhaul of policing in England and Wales. It transitions the service from a 43-force model into a system that prioritises local visible policing while centralising specialist, counter-terrorism, and operational capabilities into a new National Police Service.

The White Paper is structured around several themes:

- **National Police Service (NPS):** Merging the National Crime Agency (NCA), the College of Policing, and the National Police Chiefs' Council (NPCC) to handle counter-terrorism and serious organized crime.
- **Police Force Mergers:** Setting up an Independent Commission, chaired by Lord Hogan-Howe, to create fewer, larger police forces to replace the current 43-force structure, allowing for faster deployment of technology and standardized responses. A number of 'Pathfinder' mergers are foreseen, and the Commission is due to report in July 2026. It is not anticipated that there would be significant progress towards mergers until 2034.
- **Police Governance:** Police and Crime Commissioners (PCCs) will be abolished at the end of their current terms in 2028. Local policing governance will, for non-mayoral authorities, be through a Local Policing Board, made up of elected members from Unitary authorities and led by an appointed full-time Policing and Crime Lead. There will be national arrangements to hold the NPS to account and assist Local Policing Boards in their work.
- **Neighbourhood Policing Guarantee:** A requirement that every council ward will have dedicated, named, and contactable officers to restore visible community patrols and prevent local crime.
- **Centralised Technology & Procurement:** Establishing unified forensics and IT procurement to tackle digital backlogs and save an estimated £350 million to reinvest in frontline resources.
- **Police Performance Framework:** The introduction of a new iterative police performance framework and national standards

The legislation to support this programme is due to be tabled in September 2026. It is likely to be a large and not uncontroversial bill.

A decision about the number of unitary authorities for Kent will be made clear in mid-July. Each unitary authority is likely to be a Local Policing Area and, depending on the number chosen, may therefore result in organisational changes for Kent.

**The internal auditors' view is that:**

"The organisation has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework off risk management, governance and internal control to ensure that it remains adequate and effective"<sup>2</sup>. Therefore, the view of the Chief Constable and the PCC, supported by their statutory officers and of the Internal Auditors, is that overall, the effectiveness of governance, risk management and controls remain generally sound and that no significant weaknesses have been identified.

**Matthew Scott**

**PCC for Kent**

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<sup>2</sup> This conclusion is provided jointly for both the OPCC and Kent Police.