West Midlands POLICE



Chief Constable of West Midlands Police

Statement of Accounts for

2025 - 2026

STATEMENT OF ACCOUNTS 2025-26

Contents

	Page
Narrative Report	1
Annual Governance Statement	13
Statement of Responsibilities for the Statement of Accounts	23
Independent Auditor's Report to the Chief Constable of West Midlands Police	25
Comprehensive Income and Expenditure Statement for the Chief Constable	30
Movement in Reserves Statement for the Chief Constable	31
Balance Sheet for the Chief Constable	32
Cash Flow Statement for the Chief Constable	33
Notes to the accounts	34
Notes to the Comprehensive Income and Expenditure Statement for the Chief Constable	37
Notes to the Balance Sheet for the Chief Constable	47
Police Pension Fund Account	60
Statement of Accounting Policies	62
Glossary of Terms	67

NARRATIVE REPORT

About the West Midlands and West Midlands Police

West Midlands Police is the second largest police force in the country, based on serving a population of 3.0 million people, after London's Metropolitan Police Service. It covers an area of 348 square miles with over 1 million households. The region sits at the very heart of the country and covers the three major cities of Birmingham, Coventry and Wolverhampton. It also includes the busy and thriving districts of Dudley, Sandwell, Solihull and Walsall. Much of the area is densely populated but there are some rural areas.



The region's economy has diversified from its historic heavy industry roots of the Industrial Revolution. With the decline in traditional manufacturing, both the public and private sectors have rejuvenated the area. Birmingham now has a commercial and shopping area which is among the largest in Europe. This is complemented by a wide range of social amenities such as the National Exhibition Centre, Utilita Arena Birmingham, International Convention Centre, theatres, galleries and many large conference facilities. The area boasts a thriving nightlife, centred around Birmingham City Centre. West Midlands hosts Premier League and Championship football clubs together with many others in the other leagues of the football pyramid.

The region is well served by rail and road links. Road and rail travel are supplemented by significant air traffic through Birmingham International and Coventry airports. The area is proud of its academic institutions, being home to several universities located in Birmingham, Coventry, Walsall and Wolverhampton.

There are seven local authorities within the area, Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton, each with a Community Safety Partnership.

Our Priorities

There are three strategic priorities for West Midlands Police. These are:

- A service that works for local people
  Our local policing model, which is built on seven Local Policing Areas, provides a local, visible police service, delivered in the heart of our diverse communities. People can expect to see more officers spending more time in their local community, understanding and preventing local problems and tackling the acquisitive and violent crime which has the greatest day to day impact on our communities. Each Local Policing Area has a Priority Crime Team as a proactive resource to address local issues and they also maintain a strong focus on serious and organised crime and exploitation to prevent the harm caused and bring more offenders to justice. This will build on our renewed investigative focus on key crimes including burglary, robbery, vehicle crime and domestic abuse which is already delivering better outcomes for the public we serve. Our specialist capabilities and teams including Operations, Intelligence, Major Crime Unit and Public Protection Unit (PPU) are an important part of West Midlands Police. They help to ensure that we are 'big enough to cope' with everything that is asked of us and perform to consistently high standards. Providing a service that works for local people also means ensuring the public can contact us easily and that we can respond quickly with the most appropriate resource. A significant investment has been made in Force Contact to ensure we can respond quickly and effectively when people need us.

- Engaged communities
  Engaged communities are the key to building trust, public confidence and legitimacy. Our new local policing model is helping us to get better at listening to the diverse communities across the West Midlands to understand their issues and work with them to act on the areas they tell us matter to them. Ongoing investment in neighbourhood policing will drive problem solving around local issues to reduce crime and harm. We can't do this alone though. We will continue to work collaboratively with our partners, businesses and other agencies to make the best use of our shared resources and to invest in long term prevention for the benefit of the communities we serve. We will be transparent and accountable to communities about what we are doing and why, and we will continue to be open to scrutiny of the use of police powers.

- Employer of choice
  West Midlands Police continue to thrive on the outstanding work of our officers and staff. We will prioritise investment in our front-line police officers and staff because they are the ones that keep people and communities safe. As a major regional employer, we will continue to creatively attract and develop local

talent from across the West Midlands, including its schools, colleges and universities to create jobs for local people. We will place a renewed focus on ensuring the force is representative of our local communities so we have the skills, cultural awareness and talents we need to serve the public as criminality changes and adapts across communities. This will mean investing in staff, their training, development, mobility, agility and providing supportive opportunities during a cost of living crisis.

These strategic priorities underpin the forces vision, to be recognised as a police force that is big enough to cope with everything that is asked of us, while showing that we are small enough and care about the things that really matter to people and allow us to achieve our mission of 'working in partnership, making communities safer'.

Our Approach

A service that works for local people

- Reduce crime and re-offending
- Improve criminal justice outcomes for victims
- Improve response times for calls for service
- Exploit technological advancements to maximise police productivity
- Protect the vulnerable and those at risk of serious harm

Engaged Communities

- Expand communication channels open to the public
- Increase understanding of shared community concerns
- Respond to community concerns through effective collaboration, problem solving and EBP
- Increase police visibility
- Demonstrate appropriate use of police powers

Employer of Choice

- Improve health and wellbeing of our workforce
- Attract, retain and develop local talent
- Improve the diversity of the workforce
- Foster a continuous improvement culture and empower employees voice ideas
- Reinforce an ethical culture where high standards are upheld

Organisation Overview

West Midlands Police has a reputation for continuous improvement, innovation and empowering leadership with a talent to continuously evolve and meet changing needs. The Force aims to deliver policing that is accessible and responds to the needs of local people. Neighbourhood policing provides a named team of local officers who can influence the policing priorities within their neighbourhood. They work with colleagues and partner agencies to address the concerns of their communities.

west midlands police and crime commissioner

PERFORMANCE

2025/26



OVER
730,700
EMERGENCY CALLS ANSWERED

OVER
811,600
NON-EMERGENCY CALLS ANSWERED



134,900
SINGLE ONLINE HOME SUBMISSIONS

29,200
STOP AND SEARCHES



ATTENDED AROUND
311,400
EMERGENCY AND PRIORITY INCIDENTS



TOTAL CRIME HAS REDUCED BY
6,000
WHEN COMPARED TO 2024/25

15.7%
OUTCOME RATE

The Role of Chief Constable

The Chief Constable is responsible for the direction and control of West Midlands Police Force. Chief Constables and their officers must answer to the courts and the law for how police powers are used. They must also answer to the Police and Crime Commissioner in terms of delivering efficient and effective policing, and the way resources and spending are managed. Chief Constables will deliver the strategy and aims set out in the PCC's police and crime plan, and they will help the PCC plan the force's budget and give them access to information, officers and staff whenever this is needed.

The Chief Constable is responsible for ensuring a Force's business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. The Chief Constable also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Chief Constable is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the exercise of its functions, which includes ensuring a sound system of internal control is maintained through the year and that arrangements are in place for the management of risk.

The Chief Constable has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE 2016 updated framework: *Delivering Good Governance in Local Government*, a copy is on our website at www.west-midlands.police.uk or can be obtained by contacting us, details at www.west-midlands.police.uk/contact-us. This statement explains how the Chief Constable has complied with the code and meets the requirements of Accounts and Audit Regulations 2015 (amended 2021), which requires all relevant bodies to prepare an annual governance statement.

The Chief Constable of the West Midlands is supported by a Deputy Chief Constable, six Assistant Chief Constables and a Director of Commercial Services. Information on West Midlands Police can be found at www.west-midlands.police.uk

The Statement of Accounts

This Statement of Accounts sets out the overall financial position of the Chief Constable of West Midlands Police (CCWMP). The Statement of Accounts has been prepared following the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom. This interprets the International Financial Reporting Standards on which the accounts of the PCCWM are required to be based. The accounts have been prepared following the International Financial Reporting Standards on which the accounts of the Chief Constable are required to be based.

The primary function of the Office of Chief Constable of West Midlands Police is the exercise of operational policing duties under the Police Act 1996. The role of the Office for the Police and Crime Commissioner is to hold the Chief Constable to account for the exercise of these duties thereby securing the maintenance of an efficient and effective police force in the West Midlands.

The Statement of Accounts for the CCWMP consists of:

1. Chief Constable's Approval of the accounts

This includes the date and signature of the Chief Constable of West Midlands Police on the approval of the Statement of Accounts.

2. Annual Governance Statement

This statement describes how the Chief Constable of West Midlands Police conducts its business in accordance with proper standards. The Annual Governance Statement does not form part of the Statement of Accounts but is shown here for reporting purposes.

3. Statement of responsibilities for the Statement of Accounts

This details the financial responsibilities of the CCWMP and his Chief Finance Officer in relation to the Statement of Accounts.

4. Auditors report

This is the External Auditors report and opinion on the accounts and any exceptions noted during their work on the arrangements in place for securing economy, efficiency and effectiveness in the use of resources.

5. The Statement of Accounts

This brings together the key financial statements of the Chief Constable of West Midlands Police and accompanying notes. The financial statements consist of:

- Comprehensive Income and Expenditure Statement for the Chief Constable of West Midlands Police - This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices. It summarises the resources that have been generated and consumed in providing policing services during the year. The statement has been prepared in accordance with the accounting principles set out in the CIPFA Code of Practice on Local Authority Accounting and highlights the financial consequences of policing activities in the West Midlands in 2025-26 under the direction and control of the Chief Constable.

- Movement in Reserves Statement for the Chief Constable of West Midlands Police - This statement shows the movement in the year on the reserves held by the Chief Constable.

- Balance Sheet as at 31 March 2026 - The Balance Sheet shows the value, as at the Balance Sheet date of the assets and liabilities recognised by the Chief Constable. The Chief Constable recognises the Pension Liabilities of all Police Officers and staff who are deemed to be under his direction and control excluding those staff working in the Office for the Police and Crime Commissioner. The statement also recognises the cost of short-term accumulated absences for police officers and police staff. The statement shows a reserve to match these liabilities.

- Cash Flow Statement as at 31 March 2026 - The Cash Flow statement aims to show the effect of the cash-based transactions between the PCCWM and the CCWMP. This demonstrates the effect of the income received from the PCCWM to enable the CCWMP to deliver a policing service for the force area.

  Significant statements include:

- Police Pension Fund, Net Asset Statement and notes to the police pension fund scheme.
  The Police Pension Fund Account contains the contributions from the CCWMP at a rate of 35.3% of police officers' pay which are used to pay police pensions during the year. The deficit on this account is met by a top-up grant from the Home Office which is credited to the Chief Constable's Comprehensive Income and Expenditure Statement.

- Expenditure and Funding Analysis
  The objective of the Expenditure and Funding Analysis is to demonstrate to Council tax payers how the funding available to the authority for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making

purposes between the Group's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement

Financial Review

Chief Constable Revenue Outturn 2025-26

The revenue outturn is based on the budget which is produced in setting council tax, but the accounts are prepared on the basis of a set of statutory regulations which permit some transactions to be either included or excluded so that they do not impact on the value of council tax that the Group is permitted to raise. Due to the Governance arrangements that result from two separate entities of the PCCWM and the CCWMP the budget setting view focuses mainly on the group position.

The outturn position of the Chief Constable is shown in the table below:

Revenue Expenditure	***Budget 2025-26 £m***	***Actual 2025-26 £m***	***Variation + (-) £m***
Financial Resources of the PCCWM consumed at the request of the Chief Constable			
Employee costs	737.0	735.8	(1.2)
Premises costs	27.7	25.5	(2.2)
Transport costs	11.2	14.2	3.0
Supplies and Services	74.1	67.0	(7.1)
Collaborative working costs	17.7	18.1	0.4
Capital Financing	16.9	12.7	(4.2)
Income	(131.1)	(135.2)	(4.1)
Police Force (Excl. Change Programme)	**753.5**	**738.1**	**(15.4)**
Change Programme	9.6	9.5	(0.1)
Police Force (Incl. Change Programme)	**763.1**	**747.6**	**(15.5)**
Regional and National Services	**21.4**	**21.1**	**(0.3)**

Overview of the year

The total grant settlement for the West Midlands in 2025-26 was £665.4m, which was an increase of £36.2m on the 2024-25 settlement. This was consistent with the Commissioner's medium-term financial planning assumptions.

The additional funding confirmed through the settlement was welcomed and covered most of the costs of the police officer pay awards announced for 2024 and most of the change in employer National Insurance rates and thresholds. The settlement also contained an additional £6.1m to fund the delivery of the Neighbourhood Policing Guarantee. Whilst this is welcomed and improves visible policing however it also introduces a structural affordability challenge.

The funding settlement also placed requirements on forces to absorb some cost pressures and deliver priorities through greater efficiencies. The force has been proactively involved in the Home Office Police Efficiency and

Collaboration Programme (PECP), participating in the national procurement and standardisation workstreams. The force has invested in digital tool, data and AI and process automation to deliver significant time and costs savings alongside additional procurement savings of £1.8m. This has included the Performance Data Improvement project, and the implementation of the Investigations dashboard that supported the turnaround in force performance and had an immediate and tangible impact on organisational performance. Through improved processes and optimised technology, we are using data to direct our activities resulting in improved services and our ability to keep people safe.

The financial position of the Force was closely managed and reported throughout the year. Through diligent cost management and collaboration with wider colleagues we were able to deliver the force priorities and realise a force revenue underspend of £15.5m which is 2.03% of the total net revenue budget of £763.1m. The underspend will allow the force to further strengthen its financial resilience as well as create some headroom to deal with in year activities and/or deliver service improvement projects.

Underspends in pay related expenditure were forecasted from the end of the first quarter and continued throughout the year particularly in police officer and staff pay where vacancies continued throughout the year. These were largely offset by overspends on overtime and other employee costs which are explained in the detail below. The force benefitted from reduced pressures on utilities costs, through reduced usage and lower prices through contractual arrangements, resulting in underspends in premises related expenditure of £2.2m. Supplies and Services costs were under budget as a result of smarter buying and contract extension renegotiations totalling £7.2m. The force generated £4.2m additional income from POCA related activity and operational policing, and capital financing costs were £4.2m under budget due to the proactive short-term investments and higher interest rate returns.

Throughout the year we have invested in a number of operational areas to improve service delivery including Custody posts and increases in non-pay budgets to reflect a significant uplift in the number of arrests being made by officers. We also invested in investigative posts to help improve the quality and timeliness of investigations. Furthermore, the Force has been mindful of future investments required, including the replacement of systems such as the Records Management System, decarbonisation plans, and the continued delivery of the estates programme and hence reserves have been earmarked for this purpose.

Since the Force implemented the new operating model in April 2023, with a greater focus on local policing and local accountability for investigations and response teams, Force budgets have continued to be aligned to support the operating model and areas for improvement as recommended in HMICFRS inspections. In the last year these investments have been to enable improved investigations especially in areas of child abuse and serious sexual offences and file build quality and to sustain improvements in call handling timeliness.

In the last performance year, the Force has continued to arrest more offenders and increase detections and outcome rates for victims of crime.

In 2025-26 the force has seen reductions in personal robbery by more than 20% and knife crime is down by 15%. Gun crime has fallen by 19% and domestic burglaries by 8%.

Overall, there were over 1,600 fewer victims of crime in the West Midlands than last year. This builds on the almost 6% reduction in 2024-25.

Since April 2025, the number of arrests has increased by 10.5%. This is on top of the 8.5% increase that was achieved in 2024-25.

Outcome rates have also improved. In 2025-26 the force provided positive victim-based outcomes in 12.9% of cases. This is the second-best performance among our most similar force group.

The force has also sustained the improvement in its call handling performance answering more than 730,000 calls from the public on 999 with the average call being answered in 2 seconds. A further 838,000 calls were

answered on the non-emergency 101 line where our average time to answer is now 30 seconds. This is among the best call handling performance in the county.

All these areas were supported with additional investments in physical assets, people resources and overtime where necessary. However, a robust budget setting exercise which generated £24.5m of base budget and in-year savings has ensured a balanced budget for 2026-27. During the year, careful management of staff and PCSO vacancies has ensured that operationally critical areas were prioritised whilst a combination of reviewing business as usual expenditure and robust contract management have helped the Force to manage in-year financial pressures.

The Force has continued to support the national police officer Uplift Programme by maintaining Police Officer numbers in 2025-26. As such, the government expected the force to maintain uplift officer numbers at 8,086. Further to this the Neighbourhood Policing Guarantee required a further FTE uplift of 150 officers, and the Commissioner required an investment of a further 30 FTE posts as agreed in 2024-25 to bring the required headcount to 8,266 posts, with a full time equivalent of 8,126 posts. On 31 March, the force police officer establishment was 8,211 posts. Officer Uplift funding was supported by Home Office grants of £21.4m which have been claimed in full to ensure that officers have all the uniform and equipment necessary for them to perform their roles effectively.

In addition, the Force continued to support a change programme which included the completion of a major redesign of Force Contact (an emergency response centre for dispatchers who allocate officers to incidents), the establishment of a mounted police unit, the purchase and roll out of the first phase of new Taser devices and an estates programme involving the sale, purchase and refurbishment of a number of police buildings. The estates programme underpins a large part of the cashable savings relied upon in the Medium Term Financial Plan, as well as providing the funding for refurbishments and upgrades of the Estate, so the oversight and delivery of the plan is a key element of ensuring financial resilience.

Balance Sheet

Capital Programme

The Chief Constable does not have ownership of any capital assets or liabilities and therefore has no capital expenditure. The Chief Constable is charged for the revenue costs of buildings, transport and equipment as the consumption of these assets are deemed to be under his direction.

Pensions

Pension liabilities in respect of Police Officers and police staff whose costs have been recognised in the Chief Constable's Comprehensive Income and Expenditure Statement have been recognised in the Balance Sheet of the Chief Constable. As at 31 March 2026 the Chief Constable recognised net pension liabilities of £5,241m. Overall statutory arrangements for funding the deficit mean that the financial position of the Group remains healthy.

The actuarial gain on pension funds in 2025-26 totalled £357.5m and compared to actuarial gains in 2024-25 of £708.8m. The decrease in the liability of £266.2m is mainly due to changes in the financial assumptions, namely the discount rate and long-term salary projections for the Police pension scheme. Both of the Local Government schemes are subject to asset ceiling calculations preventing the recognition of an unrealisable surplus.

It should be noted that actuarial gains and losses do change each year as can be seen from the defined benefit pension scheme notes starting on page 48 of the Statement of Accounts.

How has the West Midlands Performed in 2025-26

During 2025-26, WMP continued to demonstrate strong performance in the accessibility and responsiveness of its contact services. The force answered more than 730,700 emergency 999 calls over the course of the year, maintaining an average answer time of just two seconds. Performance against the national 10-second service level agreement remained consistently high, with 97.0% of calls answered within target. This reflects the force's continued ability to manage high levels of public demand while ensuring that callers in urgent or potentially life-threatening situations receive a quick response at the first point of contact.

Performance in relation to non-emergency demand also remained strong throughout the year. WMP answered more than 811,600 non-emergency 101 calls, achieving an average answer time of 30 seconds. The force maintained a compliance rate of 95.7% against the three-minute target, indicating sustained improvements in call handling efficiency and customer access. Strong performance across both emergency and non-emergency channels is significant given the scale and complexity of demand facing policing services and demonstrates continued investment in contact management capability and workforce resilience.

Emergency response times across the West Midlands improved notably during 2025-26. The median response time to emergency incidents reduced to 9 minutes and 43 seconds, representing an 11.7% improvement compared to the previous fiscal year. In addition, 79.3% of emergency incidents were attended within the 15-minute target. These improvements are important indicators of operational effectiveness and suggest that the force has strengthened its ability to deploy resources quickly to incidents where there is an immediate threat to safety or serious harm.

Similarly, response times for priority incidents also improved during the year. The median response time for priority calls reduced to 35 minutes and 28 seconds, which is 16.6% faster than in 2024-25. Compliance against the one-hour target reached 72.8%. While priority incidents are lower risk than emergency calls, they often involve vulnerable victims, ongoing neighbourhood issues, or time-sensitive investigative opportunities. Continued improvements in this area therefore contribute not only to public confidence, but also to the force's ability to safeguard communities and prevent escalation.

Crime levels across the force area reduced during 2025-26, with total recorded crime decreasing by 1.8% compared to the previous fiscal year. This equates to almost 6,000 fewer victims across the West Midlands. Although reductions in recorded crime can be influenced by a range of factors, the decrease suggests continued progress in prevention activity, targeted operational policing, and partnership-based approaches to tackling offending and vulnerability. Alongside this, WMP also improved outcomes for victims of crime. The force ended the year with a positive outcome rate of approximately 15.7%, representing an increase of 3.5 percentage points compared to 2024-25. This improvement indicates stronger investigative outcomes and increased opportunities for victims to see crimes resolved through charges, cautions, community resolutions, or other formal outcomes.

Anti-social behaviour (ASB) also continued its downward trajectory during 2025-26. A total of 18,684 ASB incidents were recorded during the year, representing a substantial 36.3% reduction compared to 2024-25. Sustained reductions of this scale are likely to reflect the combined impact of visible neighbourhood policing, place-based problem-solving activity, and partnership interventions aimed at addressing the underlying causes of nuisance, disorder, and repeat demand. Reducing ASB remains particularly important for public confidence, as these incidents can have a disproportionate impact on how safe communities feel in their local areas.

Performance rated by PEEL assessment

Significant work has continued through 2025-26 to maintain the performance improvements that enabled West Midlands Police (WMP) to be removed from 'Engage' status in September 2024 following the PEEL 23/25 inspection.

WMP are currently in their PEEL 25/27 inspection cycle with final evidence gathering taking place across two weeks in July 2026. Reporting from this inspection is anticipated in the Autumn 2026.

Whilst the Cause of Concern (from PEEL 23/25) relating to Investigations still exists, four of the six recommendations that made up this Cause of Concern have been addressed, and work continues to address the remaining two areas, with significant progress already being made. The closure of these final two recommendations is reliant on the findings of PEEL 25/27.

Governance around HMICFRS activity remains strong; An oversight board chaired by the Deputy Chief Constable ensuring progress is being made against open recommendations and our preparedness for future inspections. A report providing updates for the Joint Audit Committee is completed every quarter and HMICFRS activity is subject of review on a weekly basis between the Chief Constable and the PCC.

Events after the Reporting Period

There are no material events to report after 31 March 2026.

In May 2026, HM Treasury announced a change to the SCAPE discount rate applied to the Police Pension Scheme. The Government Actuary's Department has confirmed that this does not affect the IAS19 valuation as at 31 March 2026, as assumptions are derived based on market conditions at the reporting date.
The change is therefore treated as a non-adjusting post balance sheet event. The impact of the revised SCAPE rate will be reflected in future actuarial valuations and employer contribution rates. At this stage, the financial effect of the change cannot be reliably quantified.

Future Outlook

During 2025-26 the Force reintroduced the Mounted Unit after a gap of 26 years, strengthening our capability to support public order and neighbourhood policing whilst creating an opportunity to build trust and confidence within our communities.

WMP Officers have been some of the first officers to be equipped with the new TASER device (T10). Device improving officer safety and protecting the public from harm and building trust.

We continue to strengthen our neighbourhood policing model, which was established in 2023, The 'Fit for the Future' initiative gives us an important opportunity to reflect on our progress and define how local policing should evolve to support the delivery of Governments Safer Streets mission.

The Force have delivered significant savings in the past and continue to focus on real efficiency improvements around back-office services and have further opportunities to do so which are not yet captured in the medium-term plan. There is also a focus on marginal income activity, taking opportunities to share costs and deliver services in partnership with others in the region.

The force is proud to be providing significantly improved services to the public; responding faster, arresting more people, solving more crimes and keeping people safe. The continued improvements in performance over the past year shows that there were opportunities to deliver a more efficient and targeted service with the resources available. However, whilst the Police Uplift Programme delivered some additional headcount to WMP, and the Neighbourhood Policing Grant will bring some more, it still does not have the officer numbers which it had in 2010. Therefore, the amount and quality of affordable resources in Policing remains a significant risk in the investigation and prevention of crime. For this reason, the Force and PCC will continue to call on government to renew its focus on a formula funding review and ensure that the West Midlands receives an appropriate level of funding commensurate with need.

The continued reduction in Estates spend, in an era of high utility costs, will enable the retention of headcount and investments in ICT, and this underpins the medium-term financial plan. Whilst a challenge in terms of delivering public confidence, the necessary reduction of the size of the policing estate is continuing, delivering real savings in running costs and reduced exposure in terms of maintenance backlogs. The coming year will continue to see significant movement in estates and disposals, which will be key to ensuring the deliverability of the medium-term outlook.

The speed at which criminals use new technologies to undertake new crimes remains a present threat to the future budget outlook of the Group, as the ability to invest in those new areas at the same speed as criminals, is outstripped by the resources available. The removal of capital funding sources and the need to bid for funding for specific projects which are not available to all in Policing, e.g. STAR funding, exacerbates this risk. Despite this, the Force and PCC are committed to using new technology to keep ahead of criminals where we can, for example in digital forensics, and the coming year will see the beginning of a significant investment in that area of business.

In addition, the Force and PCC are investing in as much new AI based technologies as they can, to deal with speeding offences and call answering in the Contact centre. This will ensure that scarce and skilled human resource is targeted to highest need. We will work with the Police Efficiency and Collaboration Programme to ensure that we are well placed to deliver pilots in sharing these types of back office function as well.

. New legislation will change the future role and operating model of the OPCC and WMP. The English Devolution and Community Empowerment Act 2026 will see the passing of the powers of the Police and Crime Commissioner to the West Midlands Combined Authority in May 2028. In addition we anticipate a Police Reform Bill at some stage in the next Parliamentary year, which will lay out a very different future for regional and local Policing, and potentially change the number and responsibilities of existing Police Forces.

This new legislation does not diminish the ongoing duty of either corporation sole to deliver the services to victims of crime and those at risk of crime or criminality today. It is to be hoped that this new legislation offers more opportunity to work with partners and stakeholders to reduce crime and deliver an effective policing and criminal justice response where crime cannot be prevented. The risk registers of both organisations are regularly updated and reported to Joint Audit Committee in relation to this risk.

The Violence Reduction unit continues to deliver significant results in relation to diversionary activities and reduction in gang membership amongst young people. This funding faced a cliff edge in March 2026, significantly reducing its capability to deliver, and will see a reduction of around a third in its budget next year. At the same time, the Regional Organised Crime Unit has had a reduction in central government funding in 2026-27 and there is a concern about its funding in 2027-28.

The Group, the Force and PCC together, are jointly in a financially robust position to face the challenges of the future. Overall, the group retains a medium level of reserves in relation to its turnover and the delivery of national capabilities. However, these reserves are sufficient to meet need within the medium term.

The future outlook for interest rates is suggested to be a slow return to 2020 levels, however the continuing uncertainty in the world economy as a result of conflict and climate change pose a threat to that position. In response, we have reduced debt and therefore reduced exposure to interest rate threats, and we will use every opportunity in the implementation of the regulations in the Procurement Act 2023 to manage cost pressures with suppliers and deliver tangible social value benefits with cashable value to the local economy.

Annual Governance Statement

Position as at 31 March 2026, including plans for the financial year 2026-27

A. Introduction

This Annual Governance Statement (AGS) explains how the Chief Constable governs West Midlands Police Force through a system of internal controls. The Chief Constable has adopted a Code of Corporate Governance, consistent with the principles of the CIPFA/SOLACE 2016 updated framework: Delivering Good Governance in Local Government, a copy of which is on our website at www.west-midlands.police.uk or can be obtained by contacting us, details at www.west-midlands.police.uk/contact-us/index.aspx. This statement explains how the Chief Constable has complied with the code and also meets the requirements of the Accounts and Audit Regulations 2015, regulation 6(1), which requires all relevant bodies to prepare an annual governance statement.

The CIPFA Guidance on "Delivering good governance in local government: framework" published in May 2025 states that "the quality of governance arrangements is of paramount importance to enable authorities to make decisions with high quality information, and with a good understanding of risk". The guidance also highlights that Chief Constables need "confidence that their governance supports the effective implementation of those decisions".

B. Scope

The Chief Constable is responsible for ensuring the force's business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. The Chief Constable also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Chief Constable is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the exercise of its functions, which includes ensuring a sound system of internal control is maintained through the year and that arrangements are in place for the management of risk.

C. The Governance Framework

The governance framework comprises the systems, processes, culture and values by which the Chief Constable directs and controls activities through which it accounts and engages with the community. It enables the Chief Constable to monitor the achievement of strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services, including achieving value for money.

The governance framework is documented in the Corporate Governance Framework, which was updated in March 2026.

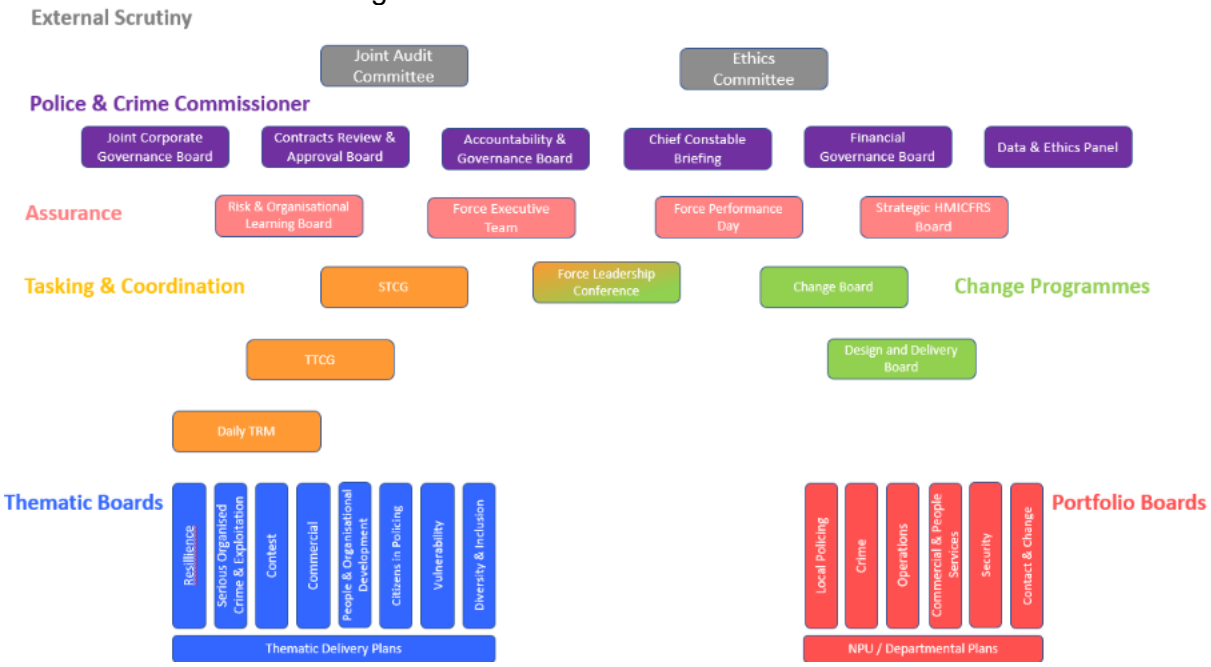
The system of internal control is a significant part of the governance framework and is designed to manage risk. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Chief Constable's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically.

The Chief Constable is responsible for operational policing matters, the direction and control of police personnel, and for putting in place proper arrangements for the governance of the force. The Chief Constable is held to account for the exercise of those functions and those of the persons under his direction and control, by the Police and Crime Commissioner.

It therefore follows that the Commissioner must satisfy himself that the force has appropriate mechanisms in place for the maintenance of good governance. For these to operate in practice, the Commissioner and the Chief Constable have separate but complimentary governance structures. These facilitate the achievement of effective governance arrangements, including the monitoring and assessment of performance in line with statutory responsibilities.

West Midlands Police Strategic Governance Structure:



The 'Delivering Good Governance standard for public services 2016' sets out the seven good governance core principles. The key elements of the systems and processes that have been put in place for the force and how the force adheres to these seven principles is evidenced below.

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

Evidence to demonstrate Principle A includes;

- The Chief Finance Officer (Section 151 Officer) is appointed under section 151 of the Local Government Act 1972 which requires every local authority, including police forces, to appoint a suitably qualified officer responsible for the proper administration of its affairs. The S151 Officer has statutory powers of intervention under S114 of the Local Government Finance Act 1988.
- The Chief Constable's Vision and Values, in conjunction with the Code of Ethics, define the standards expected of everyone working in policing and is communicated to all officers and staff.

Our Values:

Effective policing is built upon public trust and confidence which depends on officers and staff serving the public with integrity, professionalism, compassion and fairness to earn that trust and confidence.

Our WMP Values work alongside the Policing Code of Ethics to support an ethical policing culture which demonstrates professionalism throughout the organisation.

- Service – we put people first
- Integrity – we always do the right thing
- Compassion – we see the person needing help
- Professionalism – we lead by good example
- Equality, Diversity and Human Rights – we treat everyone fairly

- The Standards of Professional Behaviour reflect the expectations of the public and are governed by specific policies, procedural rules and internal management processes that cover the activities of the force:
    - Financial Management
    - Procurement
    - Health and safety
    - Gifts and Hospitality
    - Business Interests
    - 'Whistleblowing' – Confidential Reporting
    - Complaints Handling
    - Anti-Fraud, Bribery and Corruption
    - Information Security
    - Information sharing
    - Data Protection
    - General Data Protection Regulations
    - Change of Circumstances
- At a national level, the force cooperates in the National Fraud Initiative which attempts to identify fraud by sharing and comparing employee data across the public sector.
- Within the force there are two formal codes of conduct, one for police officers and one for police staff. Both codes define the standards of personal behaviour expected. The officer code also sets out requirements in terms of use of force, performance, execution of duties and other general conduct expectations. Certain staff, e.g. qualified accountants or solicitors, will have professional codes of conduct to which they are held to account.
- An Ethics Committee is responsible for providing the Chief Constable and PCC with independent advice around ethical issues arising from the data analytics projects.

Principle B: Ensuring openness and comprehensive stakeholder engagement

Evidence to demonstrate Principle B includes;

- One of the strategic pillars that support the force vision is 'Engaged Communities'. Under this pillar there are a number of strategic objectives:
    - To expand communication channels open to the public
    - Increase understanding of shared community concerns
    - Respond to community concerns through effective collaboration, problem solving and evidence based practise
    - Increase police visibility
    - Demonstrate appropriate use of police powers

- The West Midlands Police website includes the current Freedom of Information (FOI) publication scheme in its 'Your right to information' pages.
- The Office of the Police and Crime Commissioner sets the overall strategic direction for the Chief Constable and the force through the objectives contained in the Police and Crime Plan, setting the force budget and determining the precept, commissioning services, and holding the Chief Constable to account on behalf of the public. The Police and Crime Plan covers the period 2025-2029.
- The force website aids agile accessibility to the police service by providing advice, enabling a member of the public to report an incident, track their case and undertake live webchat to report all non-emergency crimes online.
- The force actively involves communities across the force geography. The approach involves public meetings including community forums, independent advisory groups, scrutiny panels and messaging via WMNOW.
- There is also active involvement with the full range of media such as press, TV, social media and public surveys.
- The force works closely with Independent Advisory Groups and independent scrutiny panels to increase levels of trust and understanding in our diverse communities, support the most vulnerable and make sure our engagement is targeted and meaningful.
- The force has a number of initiatives to increase citizen participation in policing and community safety by developing the scale and variety of opportunities for volunteers, special constables, cadets and a number of street watch schemes.
- The force engages and collaborates with a significant number of partners within the region, including the Regional Safeguarding Board and Regional Mental Health Boards. The force also works with the West Midlands Violence Reduction Unit. The WMVRU aims to bring together partners to work together with the shared understanding that violence and its associated harms are preventable. The WMVRU is a member of the World Health Organisation Violence Prevention Alliance international network.
- WMP regularly speaks to its communities and partners to share the experiences and develop ideas and practices. We use the Four Key Principles (Voice, Dignity and Respect, Trustworthy Motives and Neutrality) to ensure we all understand what we're doing. Understanding what people think of the Force's practices helps WMP to change and constantly improve what it does. With greater levels of citizen satisfaction comes an increase in trust and legitimacy.

Op Parkmill/ Op Strive

During 2025-26, WMP was under significant scrutiny in relation to Operation Parkmill which was the policing response to the football match between Aston Villa Football Club (AVFC) and Macabi Tel Aviv (MTA). During the planning of the event, the decision was made to ban away fans from attending the fixture. The policing operation was subject of an HMICFRS review as well as the Chief Constable and Assistant Chief Constable being called to the Home Affairs Committee (HAC) to respond to questions. The scrutiny surrounding this fixture resulted in the retirement of the former chief constable, and a voluntary referral to the IOPC. A number of areas for improvement have been identified as a result of the HMICFRS letter to the Home Secretary with the findings, HAC report and learning already identified by WMP. Key areas identified that need to be addressed are:

- How we engage with the community
- Cultural awareness of staff across WMP
- Use of AI within WMP
- Confirmation bias during decision making

As a result, the force has introduced Operation Strive which is the response to the matters arising from Operation Parkmill and a command structure has been introduced to ensure the required focus. The Acting Chief Constable made the decision that he would be the gold commander for this operation, with the Temporary Deputy Chief Constable being the silver commander and a number of bronze workstream leads.

Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits

Evidence to demonstrate Principle C includes;

- A force strategy has just been published that reiterates the strategic direction for the force for 2026 – 2028. This has been developed, building on the Chief Constables ambitions that were set as part of the new Local Policing model that was delivered in April 2023.
- The CC is committed to ensuring that the force remain financially sustainable and sound management and financial planning is key to this. A five year 'Medium Term Financial Plan' (MTFP) has been developed to support the delivery of the force strategy.
- The force is advanced in its delivery of the forces Environmental Strategy which focuses on how, over the five-year period 2022 to 2027, we will meet our ambition of net zero by 2035.
- Social value / benefit. Contracts with a value over £100k are, where relevant, required to consider and commit to social value deliverables as part of their tender offering. This commitment is evaluated alongside quality and price to form part of the overall best value tender evaluation. Social value is calculated within four themes, Jobs, Growth, Social and Environment, with outcomes and measures available for the suppliers to commit to as part of their contractual obligations should they be successfully awarded a contract. We are not currently prescriptive as to which themes the suppliers can commit to but we are working towards a local needs analysis model in the future. The contract for the refurbishment of Dudley Police Station has seen a social value commitment and delivery of £1.3m local spend, and the contract for the provision of ICT Hardware and Consumables has seen a social value commitment of 720 hours supporting young people, under 24yrs, into work.
- The Policing Vision 2030 highlighted trends most likely to impact policing by 2030 and the College of Policing's Future Operating Environment 2040 provides an insight into policing's operating environment as far as 2040, we consider the implications of these kind of trends, scenarios and future challenges on WMP as part of our annual strategic assessment within our strategy and business planning cycle.

Principle D: Determining the outcomes necessary to optimise the achievement of the intended outcomes

Evidence to demonstrate Principle D includes;

- Strategic governance is in place to monitor and track activity against WMP's strategy. This includes regular Chief Officer meetings, portfolio governance boards and biannual Strategic Tasking and Co-ordination group meeting which are in place to drive the key deliverables of the strategic assessment.
- Force performance is scrutinised via both strategic and tactical force level governance structures, with the monthly Performance Day acting as the main oversight body. Portfolio and thematic boards are in place to manage performance within the portfolio areas and provide the necessary oversight and assurance.
- A dedicated Assurance team within Corporate Development and dedicated governance for all aspects of HMICFRS activity including preparedness for upcoming inspections as well as scrutiny of open recommendations.
- The force planning cycle incorporates an annual strategic assessment, annual Force Management Statement (FMS) and financial planning.
- The Medium Term Financial Plan (MTFP) has been updated which forms the basis of the annual budgets and provides a framework for the evaluation of future proposals.
- Decision-making at all levels of the force is undertaken within the framework of the National Decision Model, which has the Code of Ethics at its core.
- WMP continue to utilise the Threat Harm Risk Investigation Vulnerability Engagement (THRIVE) framework across functions. It underpins all decision making in the force and encourages flexible and adaptable risk management, while empowering staff and officers at all levels to have confidence in the decisions that they make.

Principle E: Developing the Force's capacity, including the capability of its leadership and the individuals within it

Evidence to demonstrate Principle E includes;

- The Force Executive Team have clearly defined leadership roles and objectives; they are responsible for implementing strategy and managing the delivery of services within their respective portfolios.
- WMP Conversations continue to be delivered across the force as a way of engaging with the workforce and evidencing individual and team performance and capability. The process retains a focus on measuring and improving our performance to meet the strategic objectives and drive personal, departmental and force-wide deliverables.
- During 2025-26 there has been continued investment in leadership training, with the Op Excellence programme continuing for first line leaders, and a further programme created for second line leaders. The programmes equip leaders with all necessary skills needed as a leader of people.
- To build on capacity, collaboration arrangements are in place with neighbouring forces for significant service areas including Forensics, Legal Services and Operations as well as Regional Organised Crime Unit (ROCU) and future collaborations continue to be considered.
- Regional and national governance arrangements are in place in relation to national and regional programmes (Single Online Home, Specialist Capabilities, and Blue Light Commercial etc.)
- The Data Driven Insight Lab continues to utilise the vast amounts of data available to the force to predict future demand, as well as the use of data science to allow to more targeted operational activity.
- The forces 'digital workforce' that was identified by HMICFRS as 'Innovative Practise' continues to improve efficiency, effectiveness and productivity.

Principle F: Managing risks and performance through robust internal control and strong public financial management

Evidence to demonstrate Principle F includes;

- The force has an Organisational Risk Management Policy and Corporate Risk Register, prepared and reviewed by the Deputy Chief Constable and managed via the Force Executive Team Meeting and Risk and Organisational Learning Board. The Joint Audit Committee (with the PCC) is responsible for independent assurance on the adequacy of the risk management framework.
- The force ensures all decision-making processes are overseen by correct governance structures. Each member of the Force Executive Team (FET) leads a specific portfolio board and chairs thematic boards, all of which incorporate sub-groups for specific functions and themes. This oversight from the highest level ensures that there is no disconnect at any level of management in the continued delivery of force performance and ambitions. Risk is discussed as a regular agenda item within these portfolio and thematic boards. These meetings ensure risks are being managed and mitigated. Oversight of force risks is through the Risk and Organisational Learning Board that is chaired by the Deputy Chief Constable.
- Objectives are defined within the WMP Conversations of each executive team member and cascaded throughout the organisation's approach to performance management.
- Performance management forms part of the force governance arrangements. Performance information is scrutinised by the Force Executive Team via the boards they chair and the Quarterly Performance Reviews (QPRs) they hold. Force performance is monitored through the force performance day chaired by the DCC. All aspects of performance are tracked through an assurance calendar that includes operational areas such as Serious Organised Crime to financial management.
- The second phase of the Performance Data Improvement project has been embedded during 2025-26 which saw the Productivity Dashboard launched. This brought together multiple data sets to allow leaders at all levels to understand the efficiency and effectiveness of their staff and teams.

- His Majesty's Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS) independently assesses operational policing processes and reports the performance of the force at a national level. The force tracks and monitors all recommendations and areas for improvement from HMICFRS via the force governance structures.
- Strong public financial management is evidenced through the following strategies and reports:
    - Medium Term Financial Plan
    - Annual Financial Strategy
    - Budget Monitoring reports
    - Annual Statement of Accounts
    - Treasury Management Strategy
    - Treasury Management Reports
    - Reserves Strategy
    - Benefit Realisation plans
    - HMICFRS Value for Money Profile
    - CIPFA Financial Management Capability Review
- The CIPFA Financial Management Code (CIPFA FM Code) is designed to support good practice in financial management and to assist police organisations in demonstrating their financial sustainability. The CIPFA FM Code therefore sets the standards of financial management for PCCs and Forces. A key goal of the FM Code is to improve the financial resilience of organisations by embedding enhanced standards of financial management. There are also clear links between the FM Code and the Governance Framework, particularly with its focus on achieving sustainable outcomes.
- During 2025-26 an internal audit review identified controls weaknesses relating to Information Management. Work is underway to thoroughly review the information governance arrangements across the Force, including establishing an Information Management Strategy and supporting policy framework. Whilst there is much work still to do, WMP are committed to addressing this issue and have proactively invited the Information Commissioners Office to undertake a review in Summer 2026, which further demonstrates their commitment and support for resolving the issues identified.

Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability

Evidence to demonstrate Principle G includes;

- A Joint Audit Committee is responsible for independent assurance on the adequacy of the risk management framework and the associated control environment, the independent scrutiny of the Chief Constable's and the PCC's financial performance to the extent that it affects the Chief Constable and PCC's exposure to risk and weakens the control environment.
- The Joint Scheme of Corporate Governance, updated in March 2026, sets out in detail the respective roles and functions of the Commissioner and Chief Constable, outlining all significant decisions which are consented or delegated and which are of a statutory, financial or management nature.
- All major change and transformation programmes and projects have their own project boards and adhere to consistent force change control processes which include addressing risk management and mitigation. When projects close, any risk still in existence is reviewed for inclusion on the force risk register.
- An External Audit function reports to "those charged with governance" in respect of the Annual Accounts to ensure they are prepared in accordance with legislation, accounting standards and good practice. As well as issuing a statutory opinion on the accounts they also issue a statutory opinion on the Chief Constable's arrangements for securing value for money, measured as economy, efficiency and effectiveness, which sits alongside the HMICFRS assessment work.
- This Annual Governance Statement is published alongside the Statement of Accounts.
- Regular publication (subject to confidentiality tests) of reports presented to the Strategic Policing and Crime Board.

D. Our assessment of effectiveness

The Chief Constable has responsibility for an annual review of the effectiveness of the Governance Framework. The review of effectiveness is informed by the work of the Force Executive Team within West Midlands Police, who have responsibility for the development and maintenance of the governance environment, the Internal Audit Annual report, and also by comments made by the external auditors and other review agencies and inspectorates. In maintaining and reviewing the effectiveness of the governance arrangements, the following was conducted:

The Force

The Chief Constable operates a system of strongly controlled arrangements for the delivery of operational policing in its communities, together with management and monitoring arrangements for:

- Performance management and associated reporting;
- Financial management;
- Standards of data quality that underpin key reporting requirements;
- The professional standards of police officers and staff in the force;
- Programme and project management.

These functions are organised within clear reporting structures in the force, designed to provide the Chief Constable and the Executive Team with assurances as to the effective delivery of operational policing and the Commissioner's Policing and Crime plan.

The CIPFA Financial Management Code review

The CIPFA Financial Management Code (CIPFA FM Code) is designed to support good practice in financial management and to assist police organisations in demonstrating their financial sustainability. The CIPFA FM Code therefore sets the standards of financial management for PCCs and Forces. A key goal of the FM Code is to improve the financial resilience of organisations by embedding enhanced standards of financial management. There are also clear links between the FM Code and the Governance Framework, particularly with its focus on achieving sustainable outcomes.

A self-assessment compliance review of the CIPFA FM Code was completed during 2025/26 across the Force, with the majority of the assessment being RAG rated as green with no areas of concern.

The PCC and the Force are compliant with the principles of the FM code and work will continue in 2026-27 to improve and enhance financial accountability through reinforcement of roles and responsibilities, formalised training and enhanced financial reporting. The enhanced financial reporting will include data on policing performance and outcomes against financial information to support operational decision making.

Joint Audit Committee

The Commissioner and Chief Constable have established a Joint Audit Committee to be responsible, on behalf of both Corporations Sole, to:

- Advise the Commissioner and the Chief Constable according to good governance principles;
- Provide independent assurance on the adequacy and effectiveness of the Commissioner's and Chief Constable's internal control environment and risk management framework;
- Oversee the effectiveness of the framework in place for ensuring compliance with statutory requirements;
- Independently scrutinise financial and non-financial performance to the extent that it affects the Commissioner's and Chief Constable's exposure to risks and weakens the internal control environment;
- Oversee the financial reporting process.
- Ensure the Force is implementing agreed actions resulting from HMICFRS inspections and thematic reviews/reports.

Internal Audit Annual Opinion

The Head of Audit Conclusion for the 12 months to the 31 March 2026 stated:

"Overall Conclusion: Based upon the results of work undertaken for the 12 months ended 31 March 2026, and the action taken by management to address audit recommendations and respond to other external reviews, the Head of Internal Audit conclusion for both the West Midlands Police and Crime Commissioner and West Midlands Police Force is that:

Reasonable assurance can be given that the governance, risk management and control frameworks in place are good and are adequate to support achievement of the organisation's objectives, and that controls are generally operating effectively in practice."

Internal audit recommendations relating to financial governance are also regularly reviewed at Financial Governance Board which should ensure delivery during 2026-27.

E. How we have improved our governance arrangements in 2025-26 & a forward look on governance

WMP and the OPCC continue to work together to ensure that oversight of regional collaborations is strengthened in the coming year, given the shared responsibility to deliver the Neighbourhood Policing guarantee in a manner which recognises the need for the Police to be fully representative of the neighbourhoods and communities which they police.

The meetings between the PCC and Chief Constable during 2025-26 included a review by exception of the Force's Corporate Risk Register and there were no instances where a risk arose which prevented the achievement of a principal objective.

The Force governance arrangements have proved effective during 2025-26 in providing assurance that activity is being focused on delivery of the strategic objectives, as well as identifying where there are performance challenges that need to be addressed. The governance arrangements are well established with clear reporting lines into boards and effective leadership, appropriate membership with suitable representation, good attendance and contributions. The Deputy Chief Constable holds monthly Performance Panels where senior officers across the Force are held to account for performance in their area of responsibility. At a local level, each Force Executive Portfolio lead holds monthly governance boards to review progress and performance within their area. A separate governance Board, also chaired by the Deputy Chief Constable, maintains oversight of HMICFRS recommendations and during 2025-26 we saw good progress made by the Force to address Areas for Improvement and recommendations identified by HMICFRS.

The core governance arrangements continue to operate effectively. The force is however currently undertaking a review of the force governance arrangements to ensure that the governance structures are as efficient as possible and delivering on their purpose. This review will align with appointment of a permanent Chief Constable.

The effectiveness of the strategic governance arrangements is evident through the meetings such as the Force Performance Day where senior leaders are held to account for their departments performance and HMICFRS Oversight Board where the DCC is provided with assurance that relevant activity is progressing against HMCIFRS activity as it should.

Our future planning takes into consideration the transfer of powers from the Office of the Police and Crime Commissioner to the West Midlands Combined Authority albeit it is not intended to transition until the 2028-29 financial year.

We are committed to seeking new opportunities to collaborate with other organisations; where opportunities are identified and progressed, we will ensure that governance arrangements are implemented.

F. Conclusion and Commitment Statement

The Force has been on a rapid journey of change and improvement resulting in WMP coming out of 'engage status'. This has required clear leadership, innovation and robust governance. The Force has implemented an operating model based on the foundations of effective neighbourhood policing across seven Local Policing Areas, each with local responsibility for responding to calls for service and investigating offences. Changes have been made to Force Contact and the Force has opened two more custody suites. As a result, the force is now answering more calls from the public, responding quicker to those calls for help and investigating more crime.

The systems and processes the Chief Constable has in place to monitor the implementation of the Police and Crime Plan and Force strategy will ensure activities detailed in this statement are implemented. The governance arrangements of the PCC and the Chief Constable will remain under constant review in the forthcoming financial year.

Signed

Scott Green

Scott Green
Chief Constable of West Midlands Police

Peter Gillett

Peter Gillett, CPFA
Director of People and Commercial Services West Midlands

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

THE RESPONSIBILITIES OF THE CHIEF FINANCE OFFICER TO THE CHIEF CONSTABLE

The Chief Finance Officer is responsible for the preparation of the Chief Constable of West Midlands Police Statement of Accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain ("the Code of Practice"), is required to give a true and fair view of the financial position of the Force at the accounting date and its income and expenditure for the year ended 31 March 2026.

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

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent; and
- complied with the CIPFA IFRS Code of Practice on Local Government Accounting.

The Chief Finance Officer has also:

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

CHIEF FINANCE OFFICER TO THE CHIEF CONSTABLE OF WEST MIDLANDS POLICE CERTIFICATE

In accordance with regulation 9 of the Account and Audit Regulations 2015, I certify that the Statement of Accounts presents a true and fair view of the financial position of the Chief Constable of West Midlands Police as at 31 March 2026 and his income and expenditure for the year then ended.

Peter Gillett

P Gillett, CPFA
Chief Finance Officer to the Chief Constable of West Midlands Police
Date: 19 October 2026

THE RESPONSIBILITIES OF THE CHIEF CONSTABLE OF WEST MIDLANDS POLICE

The Chief Constable of West Midlands Police is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this entity that officer is the Chief Constable's Chief Finance Officer.
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- to approve the Statement of Accounts.

CHIEF CONSTABLE OF WEST MIDLANDS POLICE CERTIFICATE

I certify that the Statement of Accounts has been certified by the responsible financial officer and approved for issue by the Chief Constable of West Midlands Police on 19 October 2026, in accordance with regulation 9 of the Accounts and Audit Regulations 2015. All known material events that have occurred up to and including this date which relate to 2025-26 or before have been reflected in the accounts.

Scott Green

Scott Green
Chief Constable of West Midlands Police
Date: 19 October 2026

Independent auditor's report to the Chief Constable of West Midlands Police

Report on the Audit of the Financial Statements

Opinion on financial statements

We have audited the financial statements of the Chief Constable for West Midlands (the 'Chief Constable') for the year ended 31 March 2026, which comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including material accounting policy information, and include the police pension fund account financial statements comprising the Police Pension Fund Account, Net Assets Statement and notes to the Police Pension Fund Account**.** The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Chief Constable as at 31 March 2026 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2024) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Chief Constable in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Chief Finance Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Chief Constable's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Chief Constable to cease to continue as a going concern.

In our evaluation of the Chief Finance Officer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 that the Chief Constable's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Chief Constable. In doing so we had regard to the guidance provided in Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2024) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Chief Constable and the Chief Constable's disclosures over the going concern period.

In auditing the financial statements, we have concluded that the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Chief Constable's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Chief Finance Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. The Chief Finance Officer is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in November 2024 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit of the financial statements, the other information published together with the financial statements in the Statement of Accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Chief Constable under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

Responsibilities of the Chief Constable and the Chief Finance Officer

As explained more fully in the Statement of Responsibilities, the Chief Constable is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Finance Officer. The Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the Chief Constable's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern

basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Chief Constable without the transfer of its services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Chief Constable and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks: CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, Local Audit and Accountability Act 2014, Accounts and Audit Regulations 2015 (as amended), Local Government Act 2003, Police Reform and Social Responsibility Act 2011, Public Service Pensions Act 2013, Police Pension Fund Regulations 2006 and Police Pensions Regulations 2015
- We enquired of management and the Chief Constable concerning the Chief Constable's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the Chief Constable whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the Chief Constable's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. We determined that the principal fraud risk was in relation to management override of controls, specifically posting inappropriate journals to manipulate results for the year ended March 2026

  Our audit procedures to address the principal fraud risk included:
  - Review of accounting estimates, critical judgements and significant decisions made by management
  - Evaluation of the design and implementation of controls
  - Review of accounting policies and any changes to those policies
  - Testing of journals entries for appropriateness, and
  - Review of unusual significant transactions

  These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it or recognise non-compliance.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.

The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:

- understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
- knowledge of the police sector

- understanding of the legal and regulatory requirements specific to the Chief Constable including:
  - the provisions of the applicable legislation
  - guidance issued by CIPFA/LASAAC and SOLACE
  - the applicable statutory provisions.

- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The Chief Constable's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - The Chief Constable's control environment, including the policies and procedures implemented by the Chief Constable to ensure compliance with the requirements of the financial reporting framework.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements – the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2026.

We have nothing to report, except that we identified one significant weaknesses in the Chief Constable's arrangements for the year ended 31 March 2026:

Significant weaknesses in arrangements identified:	Recommendations:
Governance	
Decision making HMICFRS and the Home Affairs Committee identified weaknesses in governance and oversight of decision-making concerning advice provided to the Birmingham Safety Advisory Group regarding the Europa Conference League fixture at Villa Park Stadium. This is a newly identified significant weakness in the current year.	**Key recommendation** The Chief Constable must ensure that all key decisions are fully supported, with evidence of appropriate challenge and oversight, and must continue to ensure that Operation Strive is delivered as a priority, ensuring that lessons learned and subsequent improvements continue to be embedded.

Responsibilities of the Chief Constable

The Chief Constable is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Auditor's responsibilities for the review of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the relevant guidance issued by the Comptroller and Auditor General. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Chief Constable plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Chief Constable ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Chief Constable uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Chief Constable has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for the Chief Constable of the West Midlands for the year ended 31 March 2026 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed the work necessary in relation to the Authority's consolidation returns and we have received confirmation from the National Audit Office that the audit of the Whole of Government Accounts is complete for the year ended 31 March 2026. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2026.

Use of our report

This report is made solely to the Chief Constable, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 85 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Chief Constable those matters we are required to state to the Chief Constable in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable as a body, for our audit work, for this report, or for the opinions we have formed.

Laurelin Griffiths

Laurelin Griffiths
Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Birmingham

20 October 2026

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR THE CHIEF CONSTABLE

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. It summarises the resources that have been generated and consumed in providing policing and crime reduction services during the year.

2024-25 Gross Exp	2024-25 Gross Income Restated	2024-25 Net Exp Restated		Note	2025-26 Gross Exp	2025-26 Gross Income	2025-26 Net Exp
£'000	£'000	£'000			£'000	£'000	£'000
756,739	(90,899)	665,840	Police Force Financial Resources consumed		783,382	(95,341)	688,041
10,390	(333)	10,057	Change Programme		8,833	(458)	8,376
99,422	(93,482)	5,940	Regional and National Services		97,057	(80,525)	16,532
866,552	**(184,714)**	**681,837**	**Total Financial Resources consumed**		**889,272**	**(176,324)**	**712,948**
0	**(749,796)**	**(749,796)**	**PCC Funding for Financial Resources Consumed**		**0**	**(805,335)**	**(805,335)**
866,552	**(934,510)**	**(67,958)**	**NET COST - POLICING SERVICES**		**889,272**	**(981,659)**	**(92,387)**
0	(106,853)	(106,853)	Pensions Top Up Grant receivable from the PCC	13	0	(118,000)	(118,000)
0	**(106,853)**	**(106,853)**	**Other Operating income**		**0**	**(118,000)**	**(118,000)**
281,827	0	281,827	Net interest on the net defined benefit liability	16	305,189	0	305,189
281,827	**0**	**281,827**	**Financing and Investment income and expenditure**		**305,189**	**0**	**305,189**
1,148,379	**(1,041,363)**	**107,016**	**(Surplus) or Deficit on Provision of Services**		**1,194,461**	**(1,099,659)**	**94,803**
		(708,822)	Remeasurements of the net defined benefit liability	16			(357,507)
		(708,822)	**OTHER COMPREHENSIVE INCOME AND EXPENDITURE**				**(357,507)**
		(601,806)	Total comprehensive Income and Expenditure				**(262,704)**

This Comprehensive Income and Expenditure Statement should be compared with the analysis within the PCC and Group accounts to compare the costs over which the Chief Constable has direction and control to the total costs of the PCC and the Group.

The PCC funding for financial resources consumed represents non-specific funding received by the PCC which is transferred to the Chief Constable to enable him to deliver effective police services.

MOVEMENT IN RESERVES STATEMENT FOR THE CHIEF CONSTABLE

This statement shows the movement in the 2024-25 and 2025-26 financial years on the different reserves held by the Chief Constable. This is analysed into usable reserves (i.e. those that can be used to fund expenditure or reduce local taxation) and unusable reserves. At present, the only transactions shown in this statement relate to the pensions reserve and the accumulated absences account reflecting movements relating to police officers and staff under the direction and control of the Chief Constable. All other reserves are managed by the PCC. The financial consequences of the operational activities undertaken by the Chief Constable can be seen in the Comprehensive Income and Expenditure Statement.

	General Fund Balance (Useable)	Pensions Reserve	Accumulated Absences Account	Total Unusable Reserves	Total Reserves
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 April 2024	**0**	**6,107,823**	**7,096**	**6,114,919**	**6,114,919**
Total Comprehensive Income and Expenditure	**107,016**	**(708,822)**		**(708,822)**	**(601,806)**
Actual Amounts charged against the pensions fund for the year	253,508	(253,508)		(253,508)	0
Reversal of items relating to retirement benefits debited or credited to the CIES	(361,812)	361,812		361,812	0
Difference in employee remuneration costs (between accounting and funding basis)	1,288		(1,288)	(1,288)	0
Adjustments between accounting basis and funding basis under regulations	**(107,016)**	**108,304**	**(1,288)**	**107,016**	**0**
Net increase or (decrease)	0	(600,518)	(1,288)	(601,806)	(601,806)
Balance as at 31 March 2025 carried forward	**0**	**5,507,305**	**5,808**	**5,513,113**	**5,513,113**
Total Comprehensive Income and Expenditure	**94,803**	**(357,507)**		**(357,507)**	**(262,704)**
Actual Amounts charged against the pensions fund for the year	272,798	(272,798)	0	(272,798)	0
Reversal of items relating to retirement benefits debited or credited to the CIES	(364,082)	364,082	0	364,082	0
Difference in employee remuneration costs (between accounting and funding basis)	(3,519)	0	3,519	3,519	0
Adjustments between accounting basis and funding basis under regulations	**(94,803)**	**91,284**	**3,519**	**94,803**	**0**
Net increase or (decrease)	0	(266,223)	3,519	(262,704)	(262,704)
Balance as at 31 March 2026	**0**	**5,241,082**	**9,326**	**5,250,408**	**5,250,408**

BALANCE SHEET FOR THE CHIEF CONSTABLE

The Balance Sheet for the Chief Constable of West Midlands Police shows the value as at 31 March 2026 (the Balance Sheet date) of the assets and liabilities recognised by the CCWMP. The assets and liabilities recognised relate to the Police Officers and Police Staff under the direction and control of the Chief Constable. The net liabilities of the CCWMP are met by the reserves held by the entity.

	As at 31 March 2025	As at 31 March 2026	Notes
	£'000	£'000	
Long Term Assets	0	0	
Total Long term Assets	**0**	**0**	
Current Assets			
Intra-group Debtor	815	866	18
Total Current Assets	**815**	**866**	
Current Liabilities			
Short Term Creditors	(5,808)	(9,326)	15
Provisions	(815)	(866)	18
Total Current Liabilities	**(6,622)**	**(10,192)**	
Long term Liabilities			
Liability relating to defined benefit pension scheme	(5,507,305)	(5,241,082)	16
Total Long term Liabilities	**(5,507,305)**	**(5,241,082)**	
Net Liabilities	**(5,513,113)**	**(5,250,408)**	
Reserves			
Usable Reserves	**0**	**0**	
Unusable Reserves	**5,513,113**	**5,250,408**	15
Total reserves	**5,513,113**	**5,250,408**	

The unusable reserves consist of a reserve for short term compensated absences of £9.3m and pension reserves of £5,241m.

The audited Statement of Accounts were authorised for issue on 19 October 2026.

Peter Gillett Chief Finance Officer to the Chief Constable of West Midlands Police

CASH FLOW STATEMENT FOR THE CHIEF CONSTABLE

The Cash Flow Statement shows the changes in cash and cash equivalents of the CCWMP during the reporting period. However, all the payments were made from the Police Fund which is held by the PCC. Similarly, all income and funding is received by the PCC so the Chief Constable does not have any real cash flows from operating activities.

As at 31 March 2025			Notes	As at 31 March 2026	
£'000	£'000			£'000	£'000
	107,016	Net deficit on the provision of services			**94,802**
		Adjust the net deficit on provision of services for non-cash movements			
(108,304)		Pensions Movements		(91,283)	
0		Increase/(decrease) in debtors		0	
1,288		(Increase)/decrease in creditors	*15*	(3,519)	
	0	**Net cash flows from operating activities**			**0**
	0	**Cash and cash equivalents**			**0**

NOTES TO THE ACCOUNTS **PAGE**

1. Accounting standards that have been issued but have not yet been adopted 35
2. Critical judgements in applying accounting policies 35
3. Major Sources of Estimation Uncertainty 36
4. Events after the Balance Sheet date 36

NOTES TO THE COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR THE CHIEF CONSTABLE

5. Expenditure and Funding Analysis 37
6. Note to the Expenditure and Funding Analysis 37
7. Subjective analysis of the net cost of Police services 38
8. Joint Operations and other Collaborative Working 39
9. Employee remuneration 41
10. Senior Officers' remuneration 43
11. Termination benefits 44
12. External Audit costs 45
13. Grant Income 45
14. Related party transactions 46

NOTES TO THE BALANCE SHEET FOR THE CHIEF CONSTABLE

15. Unusable Reserves 47
16. Pension schemes 48
17. Discretionary pension payments 57
18. Provisions 57
19. Contingent Liabilities and Assets 57

ADDITIONAL NOTE

20. Prior Period Adjustment 58

POLICE PENSION FUND ACCOUNT 60

NOTES TO THE POLICE PENSION FUND ACCOUNT 61

STATEMENT OF ACCOUNTING POLICIES 62

GLOSSARY OF TERMS 67

NOTES TO THE ACCOUNTS

1. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED

The Code of Practice on Local Authority Accounting in the United Kingdom 2025-26 (the Code) and IAS 8 requires the CCWMP to disclose information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted by the Code for the relevant financial year. There are no amendments which are expected to have a material effect on the information provided in the financial statements.

The standards introduced by the 2026-27 Code where disclosures are required in the 2025-26 financial statements, in accordance with the requirements of paragraph 3.3.4.3 of the Code, are:

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

CIPFA have advised that it is likely that there will be limited application of all these items and we have assessed that the impact on the CCWMP Accounts of these amendments is likely to be trivial, if any.

2. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In applying the accounting policies set out in pages 61 to 65 the CCWMP has had to make certain judgements about complex transactions. The critical judgements made in the statement of accounts are:

- A judgement has been made about the split of cost to include in the financial statements in relation to the Chief Constable and the impacts of this on the PCC and Group accounts. Following the stage 2 transfer of resources which was interpreted based on the Scheme of Consents and Delegation between the 2 corporation soles, the Chief Constable controls and directs police officers, PCSOs and the majority of police staff (excluding those staff directly employed by the PCC to manage his office), therefore all pay and pensions costs associated with these staff groups are presented in the Chief Constable's accounts. The CFOs for the PCC and Chief Constable have determined that the non-pay costs attributable to the assets and liabilities of the PCC will also form part of the cost of the Chief Constable since these are consumed under his direction. The carrying value of the assets and liabilities remain with the PCC as he has control of them.
  Following the implementation of IFRS 16 from 1 April 2024, the substance of the arrangement between the Chief Constable and the PCC has been reviewed. IFRS 16 defines a lease as a contract, or part of a contract, that conveys the right to use an asset for a period of time. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations. The Scheme of Consents and Delegation between the Chief Constable and the PCC sets out no legally enforceable rights or obligations and is not considered a contract between the parties. The arrangement under which the Chief Constable uses the assets of the PCC is not a lease between them under IFRS 16.

3. MAJOR SOURCES OF ESTIMATION UNCERTAINTY

The Statement of Accounts contains estimated figures that are based on assumptions made by the CCWMP about the future, or that are otherwise uncertain. Estimates are made, taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the Chief Constables Balance Sheet as at 31 March 2026 for which there are significant risks of material adjustment in the next financial year are detailed in the table below.

Item	Uncertainties	Effect if actual results differ from assumptions
Pensions liability	Estimation of the net liability to pay pensions depends on a number of complex actuarial judgements related to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and the expected rate of return on the assets invested in the pension scheme. The Chief Constable uses 2 firms of actuaries to provide expert advice about the assumptions to be applied to the Police Pension Schemes and the Local Government Pension Scheme.	The effect on the net pension liability of changes in individual assumptions can be measured but they interact in complex ways. The liability as at 31 March 2026 is £5,241m (£5,507m in 2024-25) so a small percentage change in the overall liability can have a material impact on the accounts. Sensitivity analysis of the potential impact of changes is shown in Note 16 on page 55.

4. EVENTS AFTER THE BALANCE SHEET DATE

There are no material events to report after 31 March 2026.

In May 2026, HM Treasury announced a change to the SCAPE discount rate applied to the Police Pension Scheme. The Government Actuary's Department has confirmed that this does not affect the IAS19 valuation as at 31 March 2026, as assumptions are derived based on market conditions at the reporting date.
The change is therefore treated as a non-adjusting post balance sheet event. The impact of the revised SCAPE rate will be reflected in future actuarial valuations and employer contribution rates. At this stage, the financial effect of the change cannot be reliably quantified.

NOTES TO THE COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR THE CHIEF CONSTABLE

5. EXPENDITURE AND FUNDING ANALYSIS

2024-25 Net Expenditure Chargeable to the General Fund Balance Restated £'000	2024-25 Adjustments between Funding and Accounting Basis £'000	2024-25 Net Expenditure in the Comprehensive Income and Expenditure Statement Restated £'000	Chief Constable	2025-26 Net Expenditure Chargeable to the General Fund Balance £'000	2025-26 Adjustments between Funding and Accounting Basis £'000	2025-26 Net Expenditure in the Comprehensive Income and Expenditure Statement £'000
			Chief Constable			
735,884	(70,044)	665,840	Chief Constable	784,035	(95,995)	688,040
9,427	630	10,057	Change Programme	9,465	(1,089)	8,376
7,437	(1,497)	5,940	Regional & National Services	21,032	(4,500)	16,532
(752,748)	2,952	(749,796)	Funding from the PCC	(814,532)	9,197	(805,335)
0	**(67,959)**	**(67,959)**	**Net Cost of Services**	**0**	**(92,387)**	**(92,387)**
0	174,974	174,974	Other Income and Expenditure	0	187,189	187,189
0	**107,015**	**107,015**	**Surplus or Deficit**	**0**	**94,802**	**94,802**

	Chief Constable	
	2024-25	**2025-26**
Opening General Fund Balance	0	0
Less Deficit on General Fund Balance in Year	0	0
Closing General Fund Balance at 31 March	0	0

6. NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS

2024-25 Net Change for the Pensions Adjustment (Note 1) £'000	2024-25 Other Differences (Note 2) £'000	2024-25 Total Adjustments between Funding and Accounting Basis £'000	Chief Constable	2025-26 Net Change for the Pensions Adjustment (Note 1) £'000	2025-26 Other Differences (Note 2) £'000	2025-26 Total Adjustments between Funding and Accounting Basis £'000
			Chief Constable			
(61,323)	(8,721)	(70,044)	Chief Constable	(87,514)	(8,481)	(95,995)
(9)	639	630	Change Programme	(175)	(914)	(1,089)
(5,338)	3,841	(1,497)	Regional & National Services	(8,217)	3,717	(4,500)
0	2,952	2,952	Funding from the PCC	0	9,197	9,197
(66,670)	**(1,289)**	**(67,959)**	**Net Cost of Services**	**(95,906)**	**3,519**	**(92,387)**
174,974	0	174,974	Other Income and Expenditure	187,189	0	187,189
108,304	**(1,289)**	**107,015**	**Surplus or Deficit**	**91,283**	**3,519**	**94,802**

Note 1 – This shows which lines have been affected by the removal of pension contributions and replaced with IAS 19 transactions
Note 2 – This column includes adjustments for Accumulated Absences and capital adjustments from PCC funding

7. SUBJECTIVE ANALYSIS OF THE NET COST OF POLICE SERVICES

2024-25 Restated £'000		2025-26 £'000
	Financial Resources of the PCCWM consumed at the request of the Chief Constable	
470,696	Police Pay and Allowances	484,312
206,066	Police Staff and PCSO Pay and Allowances	218,952
10,533	Other Employee Expenses	11,702
687,295	**Sub Total Employee Costs**	**714,966**
32,483	Premises Related Costs	32,174
12,495	Transport/Travel Costs	15,554
88,437	Supplies and Services	82,959
29,547	Collaborative Working Expenditure	26,093
13,840	Capital Financing Costs	13,717
(184,714)	Income	(176,324)
2,454	Non distributed costs	3,809
681,838	**Total Financial Resources of the PCCWM consumed at the request of the Chief Constable**	**712,948**
(749,796)	**PCC funding for financial resources consumed**	**(805,335)**
(67,958)	**Net Cost of Policing Services**	(92,387)
281,827	Financing and investment income and expenditure	305,189
(106,853)	Other Operating Income	(118,000)
107,015	**Deficit on the provision of services**	**94,803**
(708,822)	Other Comprehensive Income and Expenditure	(357,507)
(601,806)	**Net Comprehensive Income and Expenditure**	**(262,704)**

8. JOINT OPERATIONS AND OTHER COLLABORATIVE WORKING

WEST MIDLANDS REGIONAL ORGANISED CRIME UNIT

The West Midlands Regional Organised Crime Unit (WMROCU) is a collaboration between the police forces of Staffordshire, Warwickshire, West Midlands and West Mercia to fight organised crime across the region.

The aim of WMROCU is to reduce the impact and increase the disruption of serious and organised crime within the region and beyond. West Midlands Police acts as the lead force for this joint arrangement and provides the financial management service for this unit.

The unit is funded in part by force contributions and also by grants from the Home Office and the National Cyber Security Programme (NCSP). The revenue account for this unit covers all core operating costs defined in the annual model agreed by the forces. The details are as follows:

WMROCU 2024-25 £'000		WMROCU 2025-26 £000	W Mids split* 2025-26 £000
	Funding provided to WMROCU		
(17,296)	Contribution from West Midlands Police	(16,952)	(16,952)
(5,310)	Contribution from West Mercia Police	(5,204)	0
(5,158)	Contribution from Staffordshire Police	(5,056)	0
(2,579)	Contribution from Warwickshire Police	(2,528)	0
(2,399)	WMROCU Grant	(2,460)	(1,402)
(280)	National Cyber Security Programme funding	(311)	(177)
(252)	Asset Confiscation Enforcement grant (ACE)	(267)	(152)
(330)	ROCU Reserves	(75)	(43)
(1,120)	UCOL Funding	(1,156)	(659)
(236)	ROCTA Funding	(236)	(135)
(256)	Disruption Team Funding	(256)	(146)
(250)	Dark Web Funding	(253)	(144)
0	Regional Prisons Intelligence Unit	(110)	(63)
(142)	Fraud Investigation	(331)	(189)
(46)	Development Assessment Review Team (DART)	(662)	(377)
0	Regional Asset Recovery Team (RART)	(461)	(263)
0	Regional Confidential Unit	(370)	(211)
(35,654)	**Total funding**	**(36,688)**	**(20,912)**
	WMROCU expenditure		
1,555	Regional Asset Recovery Team (RART)	2,139	1,863
260	RART – ACE team	288	288
912	Regional Cyber Crime Unit	788	459
605	Regional Fraud Team	826	782
1,472	Regional Prisons Intelligence Unit	1,822	1,251
67	Operational Security (OPSY)	75	75
74	Regional Government Agency Intelligence Network (GAIN)	76	76
1,621	Command Team	1,370	647
6,776	Regional Confidential Unit	6,948	5,001
694	TIDU – Technical Intelligence	763	623
346	Enabling Services	351	351
5,899	SOCU	5,725	2,795
9,567	Regional Surveillance Unit (FSU)	9,500	5,589
428	Threat Assessment Team (ROCTA)	384	261
336	Disruption Team	249	249
317	Dark Web	262	262
321	Development Assessment Review Team (DART)	894	779
4,404	Other Regional Operations	4,228	3,159
0	Contribution to/(from) Collaboration	0	(3,598)
35,654	**Total expenditure**	**36,688**	**20,912**
0	**Total Net Expenditure**	**0**	**0**

*West Midlands Police split is 57% of income and expenditure, however, as lead force, West Midlands may contribute to some teams outside the collaboration split of costs.

NATIONAL POLICE AIR SERVICE

The National Police Air Service (NPAS) is a national service that provides the police service with capability from the air that maximises the benefits of air support to the delivery of frontline services. Contributions are made by Policing Bodies receiving a service under a National Police Chief's Council (NPCC) funding formula to the West Yorkshire Combined Authority. Payments of £2.145m were made to NPAS in 25-26 (£2.035m in 24-25).

NATIONAL BALLISTICS INTELLIGENCE SERVICE

The mission of the National Ballistics Intelligence Service (NABIS) is to provide a national centre of excellence for forensic science, intelligence and knowledge around the use, supply, distribution and manufacture of illegal firearms and ammunition.

NABIS is primarily accountable to the NABIS Governance Board although West Midlands Police is responsible for the hosting of the organisation. The NABIS service is funded from contributions made by each Body receiving a service calculated according to ONS data of firearms discharges.

Those receiving a service have neither joint control of the overall activity nor rights to particular assets or obligations for particular liabilities. The lead force arrangement has been reviewed against IFRS 11 on Joint Arrangements and it has been determined that it falls outside the scope of a joint operation.

The following table shows the income and expenditure for NABIS.
Expenditure and income are included in the Comprehensive Income and Expenditure Statement as part of the Regional and National Services. Income and contributions are received by the PCCWM and are transferred to the Chief Constable as part of the funding transfer.

2024-25 £'000		2025-26 £'000
	Expenditure	
2,819	Pay and allowances	2,704
41	Other Employee costs	50
150	Premises costs	170
45	Transport costs	42
432	Supplies and Services	830
85	Direct Revenue Financing	1,027
3,572	**Total expenditure**	**4,823**
	Income	
(3,972)	Contributions	(4,052)
(139)	Other Income	(311)
(4,111)	**Total income received**	**(4,363)**
(539)	**Deficit/(Surplus) in year**	**460**
539	Transfer to/(from) Reserves	(460)

9. EMPLOYEE REMUNERATION

The following table shows the remuneration of employees under the direction and control of the Chief Constable of West Midlands Police with £5,000 banding for those whose remuneration is more than £50,000 per year. The values in this table exclude the staff of the Office for the Police and Crime Commissioner, but includes all senior officers later disclosed in note 10.

2024-25 Police Officers	2024-25 Police Staff	2024-25 Total	Earnings Band	2025-26 Police Officers	2025-26 Police Staff	2025-26 Total
1,248	225	1,473	£50,000 - £54,999	1,169	268	1,437
814	135	949	£55,000 - £59,999	1,071	214	1,285
498	71	569	£60,000 - £64,999	550	70	620
341	32	373	£65,000 - £69,999	417	54	471
117	15	132	£70,000 - £74,999	196	23	219
49	7	56	£75,000 - £79,999	68	3	71
28	8	36	£80,000 - £84,999	42	9	51
20	3	23	£85,000 - £89,999	17	2	19
23	1	24	£90,000 - £94,999	18	4	22
13	0	13	£95,000 - £99,999	24	1	25
5	1	6	£100,000 - £104,999	9	0	9
13	5	18	£105,000 - £109,999	3	3	6
2	1	3	£110,000 - £114,999	6	4	10
1	0	1	£115,000 - £119,999	7	0	7
0	0	0	£120,000 - £124,999	3	1	4
2	0	2	£125,000 - £129,999	1	0	1
3	0	3	£130,000 - £134,999	1	0	1
0	0	0	£135,000 - £139,999	2	0	2
0	0	0	£140,000 - £144,999	0	0	0
0	1	1	£145,000 - £149,999	0	0	0
0	0	0	£150,000 - £154,999	0	1	1
0	0	0	£155,000 - £159,999	1	0	1
0	0	0	£160,000 - £164,999	0	0	0
0	0	0	£165,000 - £169,999	0	0	0
0	0	0	£170,000 - £174,999	0	0	0
0	0	0	£175,000 - £179,999	0	0	0
1	0	1	£180,000 - £184,999	0	0	0
0	0	0	£185,000 - £189,999	0	0	0
0	0	0	£190,000 - £194,999	1	0	1
0	0	0	£195,000 - £199,999	0	0	0
0	0	0	£200,000 - £204,999	0	0	0
0	0	0	£205,000 - £209,999	0	0	0
0	0	0	£210,000 - £214,999	0	0	0
1	0	1	£215,000 - £219,999	0	0	0
0	0	0	£220,000 - £224,999	0	0	0
0	0	0	£225,000 - £229,999	0	0	0
0	0	0	£230,000 - £234,999	0	0	0

2024-25 Police Officers	2024-25 Police Staff	2024-25 Total	Earnings Band	2025-26 Police Officers	2025-26 Police Staff	2025-26 Total
0	0	0	£235,000 - £239,999	0	0	0
0	0	0	£240,000 - £244,999	0	0	0
0	0	0	£245,000 - £249,999	0	0	0
0	0	0	£250,000 - £254,999	0	0	0
0	0	0	£255,000 - £259,999	0	0	0
0	0	0	£260,000 - £264,999	0	0	0
0	0	0	£265,000 - £269,999	0	0	0
0	0	0	£270,000 - £274,999	0	0	0
0	0	0	£275,000 - £279,999	1	0	1
3,179	**505**	**3,684**	**Totals**	**3,607**	**657**	**4,264**

10. SENIOR OFFICERS REMUNERATION

This note has been prepared in accordance with the Account and Audit Regulations 2015. This aims to provide greater transparency and accountability to local taxpayers in respect of the total remuneration package for the senior team charged with stewardship of the organisation. In respect of the CCWMP the information is reported for the senior command team of the police force. The regulations require that persons whose annual salary is more than £150,000 are identified by their job title and their name, and that senior employees and relevant police officers earning more than £50,000 (but less than £150,000) are identified by their job title.

Senior Officers' remuneration in 2025-26

Post holder information	Notes	Salary (inc. fees and allowances)	Benefits in Kind	Compensation for loss of office	Total remuneration (Exc. employer pension contributions)	Employers pension contributions	Total Remuneration (Inc. employers pension contributions)
		£'000	£'000	£'000	£'000	£'000	£'000
Chief Constable for West Midlands Police							
Chief Constable C Guildford	1	220.8		57.8	278.6	65.9	344.5
Acting Chief Constable S Green	2	50.7		0	50.7	17.9	68.6
Deputy Chief Constable S Green	2	140.2		0	140.2	42.2	182.4
Acting Deputy Chief Constable J Mattinson	3	48.6		0	48.6	13.1	61.7
Assistant Chief Constable J Mattinson	3	105.9		0	105.9	35.9	141.8
Assistant Chief Constable (1)	4	22.5	2.0	0	24.5	8.0	32.5
Assistant Chief Constable (2)	5	53.2		0	53.2	18.2	71.4
Assistant Chief Constable (3)		138.3		0	138.3	49.0	187.3
Assistant Chief Constable (4)		137.8		0	137.8	49.0	186.8
Assistant Chief Constable (5)		123.5		0	123.5	43.6	167.1
Assistant Chief Constable (6)	6	109.3		0	109.3	38.7	148.0
Assistant Chief Constable (7)	7	10.0		0	10.0	3.6	13.6
Assistant Chief Constable (8)	8	24.9		0	24.9	8.7	33.6
Assistant Chief Constable (9)	9	24.9		0	24.9	8.7	33.6
Director of Commercial Services P Gillett		151.6		0	151.5	28.4	180.0
Total:		**1,362.2**	**2.0**	**57.8**	**1,422.1**	**430.9**	**1,852.9**

Notes:
1. Craig Guildford retired on 16 January 2026. The compensation for loss of office is Payment in Lieu of Notice (PILON).
2. DCC Green retired on 31 August and rejoined on 1 October 2025 and was promoted to T/Chief Constable 17 January 2026
3. ACC Mattinson covered the role of DCC for the period above and was promoted to T/DCC 17 January 2026
4. ACC (1) left on secondment from 2 June 2025
5. ACC (2) left on 17 August 2025
6. ACC (6) was prompted to ACC role from 2 June 2025
7. ACC (7 was promoted to T/ACC to cover retire and rejoin period for DCC above
8. ACC (8) commenced role of temporary Assistant Chief Constable on 20 January 2026
9. ACC (9) commenced role of temporary Assistant Chief Constable on 20 January 2026

Senior Officers' remuneration in 2024-25

Post holder information	Notes	Salary (inc. fees and allowances)	Benefits in Kind	Total remuneration (Exc. employer pension contributions)	Employers pension contributions	Total Remuneration (Inc. employers pension contributions)
		£'000	£'000	£'000	£'000	£'000
Chief Constable for West Midlands Police						
Chief Constable C Guildford	1	215.3		215.3	73.4	288.7
Deputy Chief Constable S Green	2	182.8		182.8	64.8	247.6
Assistant Chief Constable (1)	3	135.0	0.8	135.8	48.4	184.2
Assistant Chief Constable (2)		129.1		129.1	45.8	174.9
Assistant Chief Constable (3)		132.4		132.4	47.0	179.4
Assistant Chief Constable (4)	4	130.0		130.0	47.0	177.0
Assistant Chief Constable (5)	5	130.4		130.4	46.3	176.7
Assistant Chief Constable (6)	6	4.9		4.9	1.7	6.6
Director of Commercial Services		145.5		145.5	27.2	172.7
Total:		**1,205.4**	**0.8**	**1,206.2**	**401.6**	**1,607.8**

Notes:
1. Craig Guildford left on 15 November 2024 and rejoined on 16 December 2024
2. DCC Green covered the role of Chief Constable for the period above
3. ACC (1) covered the role of DCC for the period above
4. ACC (4) was a temporary ACC before promotion to full rank on 10 July 2024
5. ACC (5) was a temporary ACC before promotion to full rank on 20 June 2024
6. ACC (6) commenced role of temporary Assistant Chief Constable on 17 March 2025

11. TERMINATION BENEFITS

The Code of Practice on Local Authority Accounting requires the disclosure of the number and cost of agreed exit packages. This note splits exit packages between those which relate to a compulsory redundancy and those which relate to other redundancy and departure costs.

Cost band	No. of compulsory redundancies		No. of other agreed departures		Total No. of exit packages by cost band		Total cost of exit packages in each band	
	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25 £'000	2025-26 £'000
£0 - £19,999	13	17	3	1	16	18	137	274
£20,000 - £39,999	2	12	1	2	3	14	100	363
£40,000 - £59,999	2	3	0	0	2	3	100	150
£60,000 - £79,999	1	6	0	0	1	6	66	430
£80,000 - £99,999	1	9	0	0	1	9	81	771
£100,000 - £149,999	4	9	2	4	6	13	795	1,621
£150,000 - £199,999	1	7	1	1	2	8	372	1,300
£200,000 - £249,999	1	0	0	0	1	0	206	0
£250,000 - £299,999	0	0	1	0	1	0	255	0
Total	**25**	**63**	**8**	**8**	**33**	**71**	**2,111**	**4,909**

12. EXTERNAL AUDIT COSTS

In 2025-26 the Chief Constable incurred the following fees relating to external audit:

	2024-25 £'000	2025-26 £'000
Fees payable to Grant Thornton UK LLP with regard to audit services carried out by the appointed auditor	82	84
Fees payable to Grant Thornton UK LLP with regard to external audit services carried out by the appointed auditor for a prior year	0	2

The appointed auditor in 2025-26 was Grant Thornton UK LLP. The proposed audit fee for the Chief Constable's accounts for the year is £83,804.

13. GRANT INCOME

The Chief Constable credited the following grants to the Comprehensive Income and Expenditure Statement. The Police Services income received by the Chief Constable is income that is directly attributable to the Chief Constable. It includes income for services provided such as events and airports but also grant income that is credited to the net cost of services rather than non-specific grant income.

	2024-25 Restated £'000	2025-26 £'000
Credited to Other Operating Income		
Pensions top up grant receivable	106,853	118,000
Total	**106,853**	**118,000**
Credited to Police Services		
Loan Charges Grant	498	373
Counter Terrorism Grant	81,808	70,240
Serious Violence Grant	4,103	3,703
County Lines	7,000	7,000
ROCU Grants	4,882	3,933
Police Uplift Programme	29,644	21,369
Neighbourhood Policing Grant	0	12,432
Other Grants	12,844	9,357
	140,779	**128,407**

14. RELATED PARTY TRANSACTIONS

The PCCWM and Chief Constable of West Midlands Police are required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Chief Constable or to be controlled or influenced by him. Disclosure of these transactions allows readers to assess the extent to which the Chief Constable 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 him.

Central Government

The UK Government exerts significant influence over the operations of the Chief Constable – it is responsible for providing the statutory operating framework and provides the majority of funding in the form of grants which are paid to the PCCWM. It also prescribes the terms of many of the transactions that the PCCWM Group has with other parties. The grants received from Central Government to the PCCWM are set out in the PCCWM and Group Statement of Accounts.

Pension schemes

The Local Government Pension Scheme is administered by Wolverhampton City Council and payments of £42.8m were made to them in 2025-26 (£40.5m in 2024-25).

Officers

Peter Gillett, Director of Commercial and People Services, is a Trustees of Building Blocks, which is the West Midlands Police Forces charitable trust funding projects which are within the West Midlands county. Its main focus is youth and projects which tackle the issues of drug abuse and diverting young people from crime. Donations from West Midlands Police to Building Blocks during 2025-26 were £36,639.12. The nature and amount of any transactions between the above parties have been carried out in conjunction with the governance arrangements and any conflicts of interest suitably managed.

NOTES TO THE BALANCE SHEET FOR THE CHIEF CONSTABLE

15. UNUSABLE RESERVES

The Chief Constable recognises two unusable reserves in his Balance Sheet. These relate to Police and Police staff pensions and accumulated compensated absences.

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The CCWMP accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement 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 CCWMP makes employer's contributions to pension funds, or eventually pay any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the CCWMP has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

	31 March 2025 £'000	31 March 2026 £'000
Balance at 1 April	**6,107,823**	**5,507,305**
Remeasurements of the net defined benefit liability or asset	(708,822)	(357,507)
Reversal of items related to retirement benefits debited or credited to the Surplus or Deficit on the provision of service in the Comprehensive Income and Expenditure Statement	361,812	364,082
Employers' pensions contributions and direct payments to pensioners payable in the year	(253,508)	(272,798)
Balance as at 31 March	**5,507,305**	**5,241,082**

Accumulated Compensated Absences Account

The Accumulated Compensated 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, e.g. annual leave entitlement and time owing balances carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the account. The Balances in the table below represent the liability of the CCWMP to pay outstanding compensating absences.

	2024-25 £'000	2025-26 £'000
Balance at 1 April	**7,096**	**5,808**
Settlement or cancellation of accrual made at the end of the previous year	(7,096)	(5,808)
Amounts accrued at the end of the current year	5,808	9,326
Amounts by which officers' remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory provisions	0	0
Balance at 31 March	**5,808**	**9,326**

Up to 5 days of untaken annual leave was carried forward automatically into 2025-26 and into 2026-27.

16. PENSION SCHEMES

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

The Group participates in two post-employment schemes:

- The Local Government Pension Scheme for civilian employees, administered by West Midlands Pension Fund. This is a funded Career Average Retained Earnings scheme, meaning that the PCCWM and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets.

- The Police Pension Scheme (defined benefit) for police officers - this is an unfunded Career Average Retained Earnings scheme, meaning that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due.

Police pensions operate under three schemes: The 1987 scheme which no new members can now join, the 2006 Police pension scheme which all officers joining a pension scheme since 1 April 2006 became a member of and the 2015 pension scheme which all new officers join and many officers from the 2006 scheme have transferred into. In addition, the disclosures which follow also show the costs of police injury awards separately as the costs of injury pensions are material in their own right. Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pensions fund for the year is less than the amounts payable, the Group must annually transfer an amount required to meet the deficit to the pension fund. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by Central Government pension top-up grant. If, however the pension fund is in surplus for the year, the surplus is required to be transferred from the pension fund to the Group which then must repay the amount to Central Government.

The costs of retirement benefits are recognised in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the General Fund in the Group Movement in Reserves Statement.

The tables which follow show pension transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year. The Chief Constable is responsible for the pension payments for all Police Officers and Police staff with the exception of the staff of the Office for Policing and Crime. The statements which follow show transactions for the Chief Constable only because the assets and liabilities in the Local Government pension Scheme are now disclosed separately by the group's actuary.

The following tables show how the transactions have been recognised in the Comprehensive Income and Expenditure Statement, Movement in Reserves and Balance Sheet during the year.

Pension transactions within the Comprehensive Income and Expenditure Statement

2025-26	Local Government Pension Scheme CC element £'000	1987 Police Pension Scheme £'000	Police Injury Awards £'000	2006 Police Pension Scheme £'000	2015 Police Pension Scheme £'000	Total £'000
Net cost of services:						
Current Service Cost inc. administration	18,834	(10)	1,540	0	34,720	**55,084**
Past service cost (inc. curtailments)	3,809	0	0	0	0	**3,809**
Financing and Investing Income & Expenditure:						
Net Interest cost	(341)	255,080	3,600	10,430	36,420	**305,189**
Total post-employment benefits charged to the surplus or deficit on the provision of Services	**22,302**	**255,070**	**5,140**	**10,430**	**71,140**	**364,082**
Other post-employment benefits charged to the Comprehensive Income and Expenditure Statement	0	0	0	0	0	**0**
Remeasurements of the net defined benefit liability/asset comprising:						
Return on plan assets (excluding the amount included in the net interest cost)	(42,301)	0	0	0	0	**(42,301)**
Actuarial gains and losses arising on changes in demographic assumptions	(14,453)	0	0	0	0	**(14,453)**
Actuarial gains and losses arising on changes in financial assumptions	(37,501)	(141,380)	(2,610)	(11,670)	(21,620)	**(214,781)**
Experience gains and losses arising on the pension liabilities	60,784	44,640	(520)	73,990	(311,720)	**(132,826)**
Other actuarial gains and losses (Asset Ceiling adjustment)	46,854	0	0	0	0	**46,854**
Net charge to CIES	**35,685**	**158,330**	**2,010**	**72,750**	**(262,200)**	**6,575**

2024-25	Local Government Pension Scheme CC element £'000	1987 Police Pension Scheme £'000	Police Injury Awards £'000	2006 Police Pension Scheme £'000	2015 Police Pension Scheme £'000	Total £'000
Net cost of services:						
Current Service Cost inc. administration	25,831	(10)	1,810		49,900	**77,531**
Past service (cost) / gain	2,454					**2,454**
Curtailments						
Financing and Investing Income & Expenditure:						
Net Interest cost	(4,293)	240,160	3,560	10,610	31,790	**281,827**
Total post-employment benefits charged to the surplus or deficit on the provision of Services	**23,992**	**240,150**	**5,370**	**10,610**	**81,690**	**361,812**
Other post-employment benefits charged to the Comprehensive Income and Expenditure Statement	0	0	0	0	0	**0**
Remeasurements of the net defined benefit liability/asset comprising:						
Return on plan assets (excluding the amount included in the net interest cost)	31,417	0	0	0	0	**31,417**
Actuarial gains and losses arising on changes in demographic assumptions	(1,534)	(4,170)	(300)	(730)	(3,070)	**(9,804)**
Actuarial gains and losses arising on changes in financial assumptions	(164,459)	(530,390)	(5,810)	(45,990)	(129,200)	**(875,849)**
Experience gains and losses arising on the pension liabilities	(7,671)	8,290	(5,480)	210	(820)	**(5,471)**
Other actuarial gains and losses (Asset Ceiling adjustment)	150,885					**150,885**
Net charge to CIES	**32,630**	**(286,120)**	**(6,220)**	**(35,900)**	**(51,400)**	**(347,010)**

Pension transactions within the Movement in Reserves Statement

2025-26	Local Government Pension Scheme CC element £'000	1987 Police Pension Scheme £'000	Police Injury Awards £'000	2006 Police Pension Scheme £'000	2015 Police Pension Scheme £'000	Total £'000
Reversal of Net Charges for retirement benefits in accordance with IAS 19	(22,302)	(255,070)	(5,140)	(10,430)	(71,140)	**(364,082)**
Actual amount charged against the General Fund balance for pensions in the year:						
Employer's contributions payable to the scheme	35,738	0	0	0	0	**35,738**
Retirement benefits payable to pensioners (net of employee contributions)	0	263,270	5,020	2,870	(33,910)	**237,250**

2024-25	Local Government Pension Scheme CC element £'000	1987 Police Pension Scheme £'000	Police Injury Awards £'000	2006 Police Pension Scheme £'000	2015 Police Pension Scheme £'000	Total £'000
Reversal of Net Charges for retirement benefits in accordance with IAS 19	(23,992)	(240,150)	(5,370)	(10,610)	(81,690)	**(361,812)**
Actual amount charged against the General Fund balance for pensions in the year:						
Employer's contributions payable to the scheme	32,758	0	0	0	0	**32,758**
Retirement benefits payable to pensioners (net of employee contributions)	0	247,900	4,640	2,810	(34,530)	**220,820**

Assets and Liabilities in relation to Post-employment benefits

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

2025-26	Funded liabilities: LGPS CC element £'000	Unfunded liabilities: 1987 Police Pension Scheme £'000	Unfunded liabilities: Injury Awards Pensions £'000	Unfunded liabilities: 2006 Police Pension Scheme £'000	Unfunded liabilities: 2015 Police Pension Scheme £'000	Total £'000
Present value of the defined benefit obligation	(1,057,988)	(4,539,570)	(62,420)	(255,880)	(382,520)	**(6,298,378)**
Fair value of plan assets	1,117,952	0	0	0	0	**1,117,952**
Sub-total	**59,964**	**(4,539,570)**	**(62,420)**	**(255,880)**	**(382,520)**	**(5,180,426)**
Other in year movements in the liability (Asset ceiling adjustment)	(60,656)	0	0	0	0	**(60,656)**
Net liability arising from the defined benefit obligation	**(692)**	**(4,539,570)**	**(62,420)**	**(255,880)**	**(382,520)**	**(5,241,082)**

2024-25	Funded liabilities: LGPS CC element £'000	Unfunded liabilities: 1987 Police Pension Scheme £'000	Unfunded liabilities: Injury Awards Pensions £'000	Unfunded liabilities: 2006 Police Pension Scheme £'000	Unfunded liabilities: 2015 Police Pension Scheme £'000	Total £'000
Present value of the defined benefit obligation	(852,793)	(4,644,510)	(65,430)	(186,000)	(610,620)	**(6,359,353)**
Fair value of plan assets	1,002,933					**1,002.933**
Sub-total	**150,140**	**(4,644,510)**	**(65,430)**	**(186,000)**	**(610,620)**	**(5,356,420)**
Other in year movements in the liability (Asset ceiling adjustment)	(150,885)	0	0	0	0	**(150,885)**
Net liability arising from the defined benefit obligation	**(745)**	**(4,644,510)**	**(65,430)**	**(186,000)**	**(610,620)**	**(5,507,305)**

Under IFRIC 14, the pension surplus reported under IAS 19 is not fully realisable and a ceiling has been applied to the amounts recognised in the Balance Sheet, reducing the recognised surplus to nil. The methodology employed shows an excess of future service contributions payable above the value of future service costs which results in nil economic benefit available. In 2025-26 the LGPS scheme for the Chief Constable recognised a surplus of £298.8m (£238.1m in 2024-25) against the funded liability.

Reconciliation of the Asset Ceiling:

	Local Government Pension Scheme CC Total Asset Ceiling £'000	
	2024-25	**2025-26**
01 April	87,246	238,131
Effect of the Asset Ceiling	150,885	60,656
31 March	**238,131**	**298,787**

Reconciliation of present value of the scheme liabilities (defined benefit obligation):

2025-26	Funded liabilities: Local Govt Pension Scheme (CC element) £'000	Unfunded liabilities: 1987 Police Pension Scheme £'000	Unfunded liabilities: Injury Awards Pensions £'000	Unfunded liabilities: 2006 Police Pension Scheme £'000	Unfunded liabilities: 2015 Police Pension Scheme £'000	Total £'000
1 April 25	**(1,003,678)**	**(4,644,510)**	**(65,430)**	**(186,000)**	**(610,620)**	**(6,510,238)**
Current service cost	(18,834)	10	(1,540)	0	(34,720)	(55,084)
Interest cost	(44,627)	(255,080)	(3,600)	(10,430)	(36,420)	(350,157)
Contributions by scheme participants	(10,732)	(10)	0	0	(42,130)	(52,872)
Transfers into the scheme	0	0	0	0	(190)	(190)
Remeasurement of the defined benefit obligation	(1,823)	96,740	3,130	(62,320)	333,340	369,067
Benefits paid	25,515	263,280	5,020	2,870	8,220	304,905
Past service costs	(3,809)	0	0	0	0	(3,809)
Asset Ceiling adjustment	(60,656)	0	0	0	0	(60,656)
31 March 26	**(1,118,644)**	**(4,539,570)**	**(62,420)**	**(255,880)**	**(382,520)**	**(6,359,034)**

2024-25	Funded liabilities: Local Govt Pension Scheme (CC element) £'000	Unfunded liabilities: 1987 Police Pension Scheme £'000	Unfunded liabilities: Injury Awards Pensions £'000	Unfunded liabilities: 2006 Police Pension Scheme £'000	Unfunded liabilities: 2015 Police Pension Scheme £'000	Total £'000
1 April 24	**(968,763)**	**(5,178,530)**	**(76,290)**	**(224,710)**	**(627,420)**	**(7,075,713)**
Current service cost	(25,831)	10	(1,810)		(49,900)	(77,531)
Interest cost	(43,074)	(240,160)	(3,560)	(10,610)	(31,790)	(329,194)
Contributions by scheme participants	(10,104)	(10)	0	0	(40,520)	(50,634)
Transfers into the scheme	0	0	0	0	(70)	(70)
Remeasurement of the defined benefit obligation	173,664	526,270	11,590	46,510	133,090	891,124
Benefits paid	23,769	247,910	4,640	2,810	5,990	285,119
Curtailments	0	0	0	0	0	0
Past service costs	(2,454)	0	0	0	0	(2,454)
Asset Ceiling adjustment	(150,885)	0	0	0	0	(150,885)
31 March 25	(1,003,678)	(4,644,510)	(65,430)	(186,000)	(610,620)	(6,510,238)

Reconciliation of fair value of the scheme assets:

	Local Government Pension Scheme CC Element	
	£'000	£'000
	2024-25	2025-26
1 April	967,890	1,002,933
Interest on plan assets	47,367	58,770
Return on plan assets excluding the amount included in the net interest expense	(31,417)	42,301
Other actuarial gains and (losses)	0	(7,007)
Employer contributions	32,758	35,738
Member contributions	10,104	10,732
Benefits paid	(23,769)	(25,515)
31 March	**1,002,933**	**1,117,952**

The total value of the liability for the pension schemes disclosed in the Chief Constables Balance Sheet excludes the PCC element of the Local Government Pension Scheme (nil for 25-26) and is thus £5,241m.

The liabilities show the underlying commitments that the CCWMP has in the long run to pay post-employment (retirement) benefits. The total liability of £5,241m within the Chief Constable's Balance Sheet has a substantial impact on the net worth of the Group recorded in the Group Balance Sheet.
Statutory arrangements for funding the deficit mean that the financial position of the pension deficit will always be funded:

- The deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees (i.e. before payments fall due), as assessed by the scheme actuary.

- Finance is only required to be raised to cover police pensions when the pensions are actually paid.

As at the date of the most recent valuation, the duration of the Employer's funded obligations is 18 years.

Basis for Estimating Assets and Liabilities

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

Under the projected unit method of estimating liabilities, the current service cost will increase as the members of that scheme approach retirement. This is more evident in schemes such as the 1987 Police pension scheme where the age profile of the active membership is significantly rising.
The principal assumptions in the calculations made are: -

	Chief Constable Portion of Local Government Pension Scheme £'000		Police Pension Scheme £'000	
	2024-25	2025-26	2024-25	2025-26
	Years	Years	Years	Years
Mortality Assumptions:				
Longevity at 65 for current pensioners:				
Men	20.6	21.4	21.9	22.0
Women	23.4	24.0	23.9	24.0
Longevity at 65 for future pensioners:				
Men	21.5	22.2	23.3	23.4
Women	25.2	25.6	25.2	25.3
	%	%	%	%
Rate of CPI inflation	2.75	3.00	2.70	2.95
Rate of increase in salaries	3.75	4.00	3.45	3.70
Rate of increase in pensions	2.75	3.00	2.70	2.95
Rate for discounting scheme liabilities	5.80	6.30	5.65	6.10

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the above table. The sensitivity analyses below have been determined based on reasonably possible changes in the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while other assumptions remain constant. It is noted that some assumptions are interrelated.

Local Government Pension Scheme Chief Constable Sensitivity analysis		Impact on the defined benefit obligation in the scheme £'000	£'000	£'000
Adjustment to the discount rate		**+0.1%**	**0%**	**-0.1%**
	Present value of total obligation	1,104,114	1,118,644	1,133,174
Adjustment to long term salary increase		**+0.1%**	**0%**	**-0.1%**
	Present value of total obligation	1,119,425	1,118,644	1,117,863
Adjustments to pension increases and deferred valuations		**+0.1%**	**0%**	**-0.1%**
	Present value of total obligation	1,132,388	1,118,644	1,104,900
Adjustment to life expectancy assumptions		**+ 1 year**	**No change**	**- 1 year**
	Present value of total obligation	1,151,438	1,118,644	1,085,850

Police Pension Scheme	Impact on the defined benefit obligation in the scheme £'000
Longevity (decrease of 1 year)	127,000
Rate of increase in pensions / deferred revaluation (increase by 0.5%)	360,000
Rate of increase in salaries (increase by 0.5%)	49,000
Rate of discounting scheme liability (increase by 0.5%)	(370,000)

The police pension scheme has no assets to cover its liabilities. Assets in the West Midlands Metropolitan Authorities Pension Fund relating to the Chief Constable are valued at fair value. The Fund assets consist of the following categories by proportion of the total assets of the Fund:

		Fair value of assets held 31 March 2025	31 March 2026
Asset category	**Sub category**	**£'000**	**£'000**
Cash and cash equivalents	All	48,771.4	55,274.6
Private Equity	Private	62,337.6	57,633.0
Debt Securities	UK Government	134,559.9	151,735.4
	Corporate Bonds	84,162.6	83,625.2
	Other Bonds	182,848.4	228,670.1
Real Estate	UK property	67,993.4	68,835.2
Investment Funds and Unit Trusts	Equities	373,868.9	412,092.0
	Infrastructure	48,640.2	59,974.5
	Other	191.3	112.0
Derivatives	Foreign Exchange	0	0
	Other	(440.7)	0
Total Assets held		**1,002,933**	**1,117,952**

Claims of age discrimination were brought in relation to the terms of transitional protection by groups of firefighters and members of the Judiciary in the McCloud/Sargeant legal case (referred herein as "McCloud") and the Court of Appeal handed down its judgment on this claim on 20 December 2018, ruling that the transitional protection arrangements were discriminatory on the basis of age.

The Public Service Pensions and Judicial Offices Act 2022 (PSPJOA 2022) got royal assent on 10 March 2022 and the Act came into force from 1 April 2022. The Act legislates for how the government will remove the discrimination identified by the courts in the way that the 2015 reforms were introduced for some members.
The main elements of the Act are:

- Changes implemented across all the main public service pension schemes in response to the Court of Appeal judgment in the McCloud and Sargeant cases.
- Eligible members of the main unfunded pension schemes have a choice of the benefits they wish to take for the "remedy period" of April 2015 to 31 March 2022.
- From 1 April 2022, when the remedy period ended, all those in service in main unfunded schemes will be members of the reformed pension schemes, ensuring equal treatment from that point on.
- Ensures there are no reductions to member benefits as a result of the 2016 cost control valuations.

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

Contribution adjustments relating to the 1987 scheme were made for many officers in 2024-25 and this has been recorded as income into the fund. Contribution adjustments relating to the 2006 scheme were funded outside

the Pension Fund from a Government grant. Annual pension payment adjustments, including arrears, commenced in 2025-26 and continue to be applied.

On 25 July 2024, the Court of Appeal dismissed the appeal in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others. The appeal was brought by Virgin Media Ltd against aspects of the High Court's ruling handed down in June 2023 relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. The Court of Appeal upheld the High Court's ruling. The ruling may have implications for other UK defined benefit plans. There is draft legislation which allows for remedial action, though this is yet to receive Royal Assent. No further information is available at this stage.

17. DISCRETIONARY PENSION PAYMENTS

The table below shows the capitalised value of payments made during the year to former employees under the conditions of the Local Government Superannuation Scheme. The actual payments made reflect the employer spend on unfunded pension liabilities for the scheme.

	2024-25 Capitalised Value £'000	2025-26 Actual Payments £'000	2025-26 Capitalised Value £'000
Payments made in respect of decisions made in the year	0	0	0
Payments made in respect of decisions made in previous years	1,768	97	1,741
	1,768	**97**	**1,741**

18. PROVISIONS

	Employee provisions £'000	Internal reorganisation £'000
Balance as at 31 March 2024	**0**	**(1,505)**
Additional Provisions made in year	(799)	(16)
Amounts used in year	0	561
Unused amounts reversed in year	0	944
Balance as at 31 March 2025	**(799)**	**(16)**
Additional Provisions made in year	(752)	(114)
Amounts used in year	799	16
Unused amounts reversed in year	0	0
Balance as at 31 March 2026	**(752)**	**(114)**

The provision for internal reorganisation is for exit costs. The Employee provisions cover costs relating to ill health retirement for officers. These will be funded by an intra-group transfer from the PCCWM.

19. CONTINGENT LIABILITIES AND ASSETS

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

Motorway Speed Enforcement (Op Cabin)
The Department for Transport (DfT) has confirmed that National Highways is responsible for funding financial redress arising from erroneous speed enforcement linked to certain managed motorway cameras enforced on their behalf by West Midlands 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 31 March 2026, 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.

ADDITIONAL NOTE
20. PRIOR PERIOD ADJUSTMENT

In previous years disclosures within the CIES and Grants Note included the Pensions Grant within income for Policing Services. The balances for 2024-25 have been restated to move this to Taxation and Non-Specific Grant income for the group, so is recognised in the CCWMP CIES as part of the PCC Funding for Financial Resources Consumed.
The Expenditure and Funding analysis is also affected by the adjustment to the presentation.

Previous Presentation – CIES **Restated Presentation – CIES**

2024-25 Gross Exp £'000	2024-25 Gross Income £'000	2024-25 Net Exp £'000		2024-25 Gross Exp £'000	2024-25 Gross Income Restated £'000	2024-25 Net Exp Restated £'000
756,739	(111,994)	644,745	Police Force Financial Resources consumed	756,739	(90,899)	665,840
10,390	(333)	10,057	Change Programme	10,390	(333)	10,057
99,422	(93,482)	5,940	Regional and National Services	99,422	(93,482)	5,940
866,552	**(205,809)**	**660,743**	**Total Financial Resources consumed**	**866,552**	**(184,714)**	**681,837**
0	**(728,701)**	**(728,701)**	**PCC Funding for Financial Resources Consumed**	**0**	**(749,796)**	**(749,796)**
866,552	**(934,510)**	**(67,958)**	**NET COST - POLICING SERVICES**	**866,552**	**(934,510)**	**(67,958)**

Note 13: GRANT INCOME

	Original 2024-25 £'000	Restated 2024-25 Restated £'000
Credited to Police Services		
Loan Charges Grant	498	498
Counter Terrorism Grant	81,808	81,808
Serious Violence Grant	4,103	4,103
County Lines	7,000	7,000
ROCU Grants	4,882	4,882
Police Uplift Programme	29,644	29,644
Police Pensions Grant	21,095	0
Neighbourhood Policing Grant	0	0
Other Grants	12,844	12,844
	161,874	**140,779**

Note 5: Expenditure and Funding Analysis

Original				Restated		
2024-25 Net Expenditure Chargeable to the General Fund Balance	2024-25 Adjustments between Funding and Accounting Basis	2024-25 Net Expenditure in the Comprehensive Income and Expenditure Statement	Chief Constable	2024-25 Net Expenditure Chargeable to the General Fund Balance Restated	2024-25 Adjustments between Funding and Accounting Basis	2024-25 Net Expenditure in the Comprehensive Income and Expenditure Statement Restated
£'000	£'000	£'000		£'000	£'000	£'000
			Chief Constable			
714,789	(70,044)	644,745	Chief Constable	735,884	(70,044)	665,840
9,427	630	10,057	Change Programme	9,427	630	10,057
7,437	(1,497)	5,940	Regional & National Services	7,437	(1,497)	5,940
(731,653)	2,952	(728,701)	Funding from the PCC	(752,748)	2,952	(749,796)
0	**(67,959)**	**(67,959)**	**Net Cost of Services**	**0**	**(67,959)**	**(67,959)**
0	174,974	174,974	Other Income and Expenditure	0	174,974	174,974
0	**107,015**	**107,015**	**Surplus or Deficit**	**0**	**107,015**	**107,015**

POLICE PENSION FUND ACCOUNT

From 1 April 2006 the funding arrangements for the Police Pension Scheme were changed. This is an unfunded scheme, meaning that there are no investment assets built up to meet the pensions liabilities and that cash has to be generated to meet actual pensions payments as they eventually fall due. Each year the pension fund is balanced to nil by the transfer of top up grant to/from the Police Fund.

2024-25 £'000	Police Pension Fund Account	2025-26 £'000	£'000
	Fund Account		
	Contributions receivable:		
	From employer:		
(104,905)	Normal	(109,268)	
(4,199)	Ill Health Capital Sum	(5,532)	
0	Other	0	
(109,104)		(114,800)	
(41,199)	From members	(42,882)	
(41,199)		(42,882)	
(70)	Transfers in	(190)	
(70)		(190)	
(150,373)	**Total income into the Pension Fund**		**(157,872)**
	Benefits payable:		
210,525	Pensions	219,115	
45,779	Lump sums	55,383	
153	Lump sum death benefits	181	
42	Benefits payable to other regional forces re earlier reorganisations	44	
256,499		274,723	
	Payments to and on account of leavers:		
675	Refunds of contributions	644	
51	Individual transfers out to other schemes	504	
0	Other	0	
727		1,148	
257,226	**Total payments from the pension fund**		**275,871**
106,853	**Net amount payable for the year**		**118,000**
(106,853)	Additional contribution received from the Home Office		(118,000)
0			**0**

Net Assets Statement

Net current assets and liabilities	2024-25 £'000	2025-26 £'000
Current assets	0	0
Current liabilities	0	0
Total	**0**	**0**

Notes to the Police Pension Fund Account

1. The police pension fund account has been prepared in accordance with the Police Pension Regulations 2007 and the accounting polices detailed on page 61 of this Statement of Accounts.

2. The police pension fund is administered by the Chief Constable of West Midlands Police.

3. All benefits payable during 2025-26 have been accounted for within the pension fund account; however, liabilities that are due after the 31 March 2026 are not included. These liabilities are recognised within the Comprehensive Income and Expenditure Statement and are detailed in note 16.

4. The police pension fund scheme is an unfunded defined benefit scheme. This means that there are no assets to the scheme and that all benefits payable are funded by contributions from employers and employees. Any difference that arises in the year between the benefits payable and the contributions received is met by a top up grant received from the Home Office.

5. Employee and employer contributions into the scheme are based on percentages of pensionable pay set nationally by the Home Office and subject to a triennial revaluation by the Government Actuaries Department. During 2025-26 the contribution rates were as follows:

Employers Contribution – 35.3% for the 2015 Police pension schemes

For tier 1 officers (salaries under £27,000 a year)

Employee Contribution – 12.44% for 2015 police pension scheme

For tier 2 officers (salaries between £27,000 and £60,000 a year)

Employee Contribution – 13.44% for 2015 police pension scheme

For tier 3 officers (salaries over £60,000 a year)

Employee Contribution – 13.78% for 2015 police pension scheme

STATEMENT OF ACCOUNTING POLICIES

General Principles

The Statement of Accounts summarises the Force's transactions for the 2025-26 financial year and its position at the year end of 31 March 2026. The Chief Constable is required to prepare an Annual Statement of Accounts by the Accounts and Audit Regulations 2015. The regulations require the Statement of Accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26 published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and supported by International Financial reporting Standards. Guidance notes issued by CIPFA on the application of accounting standards to local authorities have in general been followed, and any exceptions to this are disclosed below. The policies below reflect the powers and responsibilities of the Chief Constable of West Midlands Police as designated by the Police Reform and Social Responsibility Act 2011 and the Home Office Financial Management Code of Practice for the Police Service of England and Wales 2012.

a. Income and Cost Recognition and Intra-group Adjustment

Costs are recognised within the Chief Constable's accounts to reflect the resources consumed by activities under his direction and control.

All expenditure within the group accounts is paid for by the PCCWM as the Office for the Police and Crime Commissioner holds all the funds and controls the bank accounts for the Group. Hence an intra-group adjustment is made to account for the resources consumed by the Chief Constable so that the net cost of police services for the Chief Constable are transferred to the PCC/Group.

The Chief Constable's Accounts show the cost of undertaking day to day operational policing under the direction and control of the Chief Constable. Expenditure shown in the Comprehensive Income and Expenditure Statement (CIES) includes the salaries of police officers, PCSOs and police staff as well as the cost of purchases. In addition, a charge is shown for the Chief Constable's use of assets, which are strategically controlled by the PCC. The capital charge is equal to depreciation of property, plant and equipment and amortisation of intangible assets plus any financing charges for in-year capital outlay.
To fund the operational expenditure, the Chief Constable's Accounts show income by way of funding or financial guarantee provided by the PCC to the Chief Constable. This treatment forms the basis of the intra-group adjustment between the Accounts of the PCC and the Chief Constable. However, because the Chief Constable does not have a bank account there is no actual transfer of cash between the PCC and the Chief Constable.
The cost of post employment benefits accrued by serving and ex-police officers and police staff and the cost of accrued absences is also shown in the Chief Constable's Accounts.

b. Treatment of Grants

The Chief Constable recognises specific revenue grants which relate to particular aspects of the Force's functions and have been shown as income in determining net expenditure. These include the Counter Terrorism Grant and other non-material Home Office grants. All of these grants are initially paid to the PCC and form part of the intra-group adjustment.
The Chief Constable also recognises the Police pensions top-up grant in other operating income in the Comprehensive Income and Expenditure account.

c. Employee Benefits

Benefits payable during employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g.

cars) for current employees and these benefits are recognised as an expense in the year in which the employee renders service to the CCWMP.

IAS 19 Employee Benefits requires the CCWMP to account for short term compensating absences which include time owing and annual leave accrued by accruing for the benefits which have accumulated but have not been taken by the Balance Sheet date. The amount will be recognised in the Comprehensive Income and Expenditure Statement in the period in which officers gain entitlement to the benefit. The cost of annual leave entitlement and time off in lieu earned but not taken at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the next period.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Organisation to terminate a member of staff's employment before their normal retirement date or their decision to accept voluntary redundancy. These are charged as an expense in the Comprehensive Income and Expenditure Statement when the Chief Constable can no longer withdraw the offer of those benefits and when the Chief Constable recognises costs for a restructuring within the scope of IAS 37 involving the payment of such benefits.

Post employment benefits

The Police Pensions Scheme is unfunded and therefore net pension payments are charged against the year in which they are made, rather than being provided for by means of a pension fund. All receipts and payments relating to the 1987, 2006 and 2015 Police Pensions Regulations are generally receivable into and payable out of the pensions fund and specific provision is made for officers' contributions and inward transfer values to be paid into the fund and for awards payable and outward transfer values to be paid out of the fund. Transfers into and out of the fund are recognised as income to (or expenditure from) the Police Pension fund account in the year in which the transfer occurs.

The Police Pension Scheme note includes a separate disclosure of the 1987 Police Pension Scheme liabilities, the Police Pension Scheme injury awards liabilities the 2006 Police Pension Scheme liabilities and the 2015 Police Pension Scheme liabilities. This disclosure reflects the material nature of all four schemes in operation. Scheme liabilities are shown on the Balance Sheet following the requirements of the code and IAS 19.

Pension payments to former members of Police Staff are funded through an employer's contribution to the West Midlands Metropolitan Authorities Superannuation Fund (the LGPS), administered by Wolverhampton City Council. This is accounted for as a defined benefit scheme:

a. The rate of contribution in 2025-26 was 19.8%.

b. The liabilities of the scheme attributable to the Chief Constable are included in the balance sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of future earnings for current employees.

c. Liabilities are discounted to their value at current prices, using an appropriate discount rate set by the Actuary (usually based on the indicative rate of return on AA rated corporate bonds of appropriate duration).

d. The assets of the fund attributable to the Group are included in the Balance Sheet at their fair value:

    i. Quoted securities – current bid price
    ii. Unquoted securities – professional estimate
    iii. Unitised securities – current bid price
    iv. Property – market value

e. The change in the net pension liability is analysed into the following components:
   i. *Current service cost* –the increase in liabilities as a result to years of service earned this year
   ii. *Past service cost* – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – this is debited to the surplus or deficit on the provision of services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs
   iii. *Net Interest on the net defined benefit liability (asset)* – the net interest expenses for the organisation. This is debited to the financing and investing income and expenditure line in the Comprehensive Income and Expenditure Statement
   iv. *Gains or losses on settlements and curtailments* – the result of actions to relieve the Group of liabilities or events that reduce the expected future service or accrual of benefits of employees. This is debited or credited to the surplus or deficit on the provision of services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs
   v. *Remeasurements* – this comprises of (1) the return on plan assets excluding the amount included in net interest on the net defined benefit liability (asset) charged to the Pensions Reserve as Other Comprehensive Income and Expenditure and (2) actuarial gains and losses changes – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions. These are charged to the Pensions Reserve as other Comprehensive Income and Expenditure.
   vi. *Contributions paid to the pension fund* – cash paid as employers' contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Chief Constable to the pension fund 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 any amounts payable to the fund but unpaid at the year-end.

The Chief Constable recognises pension costs for all police officers in these accounts. The Chief Constable also recognises the costs of police staff pensions to the extent that the staff are under his direction and control. The staff of the Office for Policing and Crime are not recognised by the Chief Constable as they are deemed to be under the direction and control of the Police and Crime Commissioner. All other staff are deemed to be under the direction and control of the Chief Constable.

The value of actuarial gains and losses and overall pensions liability within the Local Government Pension Scheme has been split by the actuary between the Chief Constable and PCC.

d. Value Added Tax

The Chief Constable is not registered for VAT as an entity. The PCCWM submits a single VAT return to HM Revenue and Customs on behalf of the Group. Income and Expenditure excludes any amounts related to VAT as all VAT collected is payable to HM Revenue and Customs and all VAT paid is recoverable from them.

e. Events after the end of the Reporting Period

Events which occur between the end of the reporting period (31 March) and the date when the Statement of Accounts are authorised for issue are known as post-Balance Sheet events. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period – these are known as adjusting events and the Statement of Accounts is adjusted to reflect these events
  The Operating cost statement of the Chief Constable will reflect any adjustments where appropriate.

- Those that are indicative of conditions that arose after the reporting period – these are known as non adjusting events and the Statement of Accounts is not adjusted to reflect such events. However, where the event would have a material effect on the accounts, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events which appear after the date of authorisation for issue are not reflected in the Statement of Accounts.

f. 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 by the PCCWM. In particular:

- Revenue from the sale of goods is recognised at the time of transfer to the purchaser and when it is probable that economic benefits or service potential associated with the transaction will flow to the CCWMP.

- Revenue from the provision of services is recognised when the CCWMP can measure reliably the performance obligations of the transaction which are completed and it is probable that economic benefits or service potential associated with the transaction will flow to the CCWMP.

- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

Notional transactions between the PCC and the Chief Constable are assumed to be settled immediately. Where revenue and expenditure has been recognised but cash has not been paid or received a creditor or debtor for the relevant amount is recorded in the PCC's Balance Sheet.

g. Provisions

Provisions are made where an event has taken place that gives the CC/Group 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 obligation.

A provision would only be recognised in the CCWMP Balance Sheet where the obligation is specific to charges for employees under the direction and control of the CCWMP and are to be settled as a result of internal decision making.

h. Prior period adjustments, changes in accounting policies and estimates and errors

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

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Chief Constable of West Midlands Police's financial position or financial performance.

Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparable amounts for the prior period.

i. Joint Operations

Joint operations are arrangements where the parties have joint control of the arrangement and have rights to the assets and obligations for the liabilities relating to the arrangement. One joint operation is ongoing. This is the Regional Organised Crime Unit (ROCU). The activities undertaken by CCWMP in conjunction with other joint operators involve the use of the assets and resources of the joint operators. Agreements for these joint operations are between the PCCs for the Forces. In relation to its interest in a joint operation, the CCWMP accounts for:

- 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

GLOSSARY OF TERMS

ACCRUAL – The recognition, in the correct accounting period, of income and expenditure as it is earned or incurred, rather than as cash is received or paid.

ACTUARIAL GAINS AND LOSSES – For a defined benefit scheme, the changes in actuarial deficits or surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation (experience gains or losses) or the actuarial assumptions have changed.

ACTUARIAL VALUATION – A valuation of assets held, an estimate of the present value of benefits to be paid, and an estimate of required future contributions, by an actuary, on behalf of a pension fund.

AGENCY SERVICES – The provision of services by an authority (the agent) on behalf of another authority, which is legally responsible for providing those services. The responsible authority reimburses the authority providing the service.

ASSET – An item owned by the PCC, which has a value, for example, land & buildings, vehicles, equipment, cash.

BEST VALUE ACCOUNTING CODE OF PRACTICE – A CIPFA guide to accounting for best value which provides a consistent and comparable calculation of the total costs of services. This was replaced in 2011 with the Service Reporting Code of Practice (SeRCOP).

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.

CAPITAL EXPENDITURE – Expenditure on new assets or on the enhancement of existing assets so as to prolong their life or enhance market value.

CCWMP – Chief Constable of West Midlands Police. This is the name of the entity which has direction and control over the police force and is headed by the Chief Constable.

CIPFA – The Chartered Institute of Public Finance and Accountancy. This is the professional body for accountants working in the public services.

CONTINGENCY – a sum of money set aside to meet unforeseen expenditure or a liability.

COUNCIL TAX – The local tax levied on householders, based on the relative market values of property, which helps to fund local services.

CURRENT SERVICE COSTS (PENSIONS) – The increase in the present value of a defined benefit scheme's liabilities expected to arise from the employee service in the current period.

DEFINED BENEFIT SCHEME – a pension scheme which defines the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme.

FINANCIAL YEAR – The period of twelve months for the accounts commencing 1 April and ending on 31 March the following year.

GOVERNMENT GRANTS – Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in the form of cash or transfers of assets to a PCC in return for past or future compliance with certain restrictions and/or conditions relating to the activities of the PCC.

INTEREST INCOME – The money earned from the investment of surplus cash.

INTEREST COSTS (PENSIONS) – For a defined benefit scheme, the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) – The standards developed by the International Accounting Standards Board (IASB) and supported by interpretations of the International Financial Reporting Interpretations Committee (IFRIC) on which these accounts are based.

MEDIUM TERM FINANCIAL PLAN (MTFP) – A document looking to pull together one place all known factors affecting the financial position and financial sustainability of an organisation over the medium term.
The MTFP balances the financial implications of objectives and policies against constraints in resources and provides the basis for decision making.

NET BOOK VALUE – The amount at which fixed assets are included in the balance sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.

NON DISTRIBUTED COSTS – This is where overheads are not charged or apportioned to activities within the Service Expenditure Analysis.

NON DOMESTIC RATES – The non domestic rate in the pound is the same for all non domestic rate payers and is set annually by the Government. Income from non domestic rates goes into a Central Government pool that is then distributed to Local Authorities and Police and Fire bodies according to resident population.

OUTTURN – The actual amount spent in the financial year.

PAST SERVICE COST – For a defined benefit scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to retirement benefits.

PCCWM – This stands for Police and Crime Commissioner for West Midlands. This is the entity which is headed by the Police and Crime Commissioner and whose role is to hold the Chief Constable to Account, to agree the Policing and Crime Plan, and to agree the budget for the Police Force.

PENSION FUND – A fund which makes pension payments on retirement of its participants.

REMEASUREMENTS – These are re-measurements of the net defined pension liability which comprise of returns on pension plan assets (excluding an amount including in net interest) and changes in actuarial gains and losses. These are shown on the Comprehensive Income and Expenditure Statement as other Comprehensive Income and Expenditure.

.

RESERVES – Monies set aside by the PCC that do not fall within the definition of provisions.

RETIREMENT BENEFITS – All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment.

REVENUE EXPENDITURE AND INCOME – Day to day expenses mainly salaries and general running expenses.

SeRCOP – Service Reporting Code of Practice. This replaced the BVACOP as a method of providing a consistent and comparable total cost of services in Local Authority Accounting.