



## YORK AND NORTH YORKSHIRE COMBINED AUTHORITY

### STATEMENT OF ACCOUNTS

2024/25

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## **Introduction**

Welcome to the York and North Yorkshire Combined Authority's Statement of Accounts for the year ending 31 March 2025. This document contains all the financial statements and disclosure notes required by statute. The statements have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

The York and North Yorkshire Combined Authority (YNYCA) was established on 20 December 2023 under the York and North Yorkshire Combined Authority Order 2023. The Authority brings together the Local Authorities serving York and North Yorkshire, alongside private sector representation from the York and North Yorkshire Combined Authority Business Board.

YNYCA's role is to collaborate with local leaders and communities to invest in initiatives that enhance York and North Yorkshire as a place to live, work, and do business. Operating across the region, YNYCA aims to foster economic growth, strengthen community safety, and implement strategies and projects that attract funding and investment.

On 7 May 2024, David Skaith (Labour) was elected as the first Mayor of York and North Yorkshire, chairing the Combined Authority. Upon taking office, the Mayor assumed several devolved powers, including:

- Police and Crime Commissioner (PCC) Functions
- Fire and Rescue Authority (FRA) Functions
- Powers to improve local transport
- Economic development, housing, and regeneration powers
- Management of a £540 million Mayoral Investment Fund over 30 years

The Mayor inherited responsibilities previously held by the North Yorkshire Police, Fire and Crime Commissioner, consolidating oversight of policing, fire and rescue services within the Combined Authority. The Authority now serves as a central body in ensuring community safety across the region, alongside its broader economic and infrastructural responsibilities.

## **Governance Arrangements**

The governance framework of the York and North Yorkshire Combined Authority (YNYCA) is designed to ensure transparency, accountability, and effective decision-making. Following its formal establishment in December 2023, governance arrangements were expanded in May 2024 to incorporate policing and fire responsibilities, which were previously overseen by the North Yorkshire Police, Fire and Crime Commissioner.

## ***Leadership and Governance Structure***

The Mayor of York and North Yorkshire, elected in May 2024, chairs the Combined Authority which leads on strategic decision making. Membership of the Combined Authority comprises the Mayor, representatives from North Yorkshire Council and City of York Council and the York and North Yorkshire Business Board (non-voting), ensuring decisions reflect key local priorities. Statutory officers—including the Chief Executive,

Monitoring Officer, and Section 73 Officer—play crucial roles in overseeing financial, regulatory, and operational governance.

The Combined Authority has established a range of committees to provide robust oversight and scrutiny of decision-making. The Overview and Scrutiny Committee reviews the Authority’s policies and financial decisions, ensuring that governance remains aligned with public interest and statutory obligations. The Audit and Governance Committee plays a central role in maintaining financial integrity, overseeing risk management and compliance with governance standards.

### ***Constitutional Changes – incorporating Policing and Fire***

To formalise governance arrangements for policing and fire responsibilities, the Authority’s Constitution was amended in May 2024 to introduce “Part 9”, which sets out the governance framework for these functions. This amendment transferred statutory responsibilities to the Mayor, established new audit and governance structures, and introduced financial oversight mechanisms for policing and fire services. The adoption of Part 9 reflects the Authority’s commitment to ensuring strong financial governance, public accountability, and effective service delivery within the newly integrated functions.

### ***Governance of Policing and Fire Responsibilities***

Following the transfer of responsibilities from the North Yorkshire Police, Fire and Crime Commissioner, established governance arrangements were retained, alongside the Combined Authority’s own governance structures to support and scrutinise the Mayor and Deputy Mayor for Policing, Fire and Crime in their roles, ensuring continuity on transition and retaining valuable knowledge and experience.

In particular, the Joint Independent Audit Committee (JIAC) was retained as an independent committee to provide external audit oversight for policing functions. Similarly, the Independent Audit Committee (IAC) was retained in relation to of fire and rescue activities.

These committees, advise on governance, risk management, and internal control effectiveness and oversee compliance with statutory requirements. Working in coordination with the Deputy Mayor for Policing and Crime, as well as the Chief Constable and Chief Fire Officer, they provide strong oversight of emergency response services.

The governance framework also includes the Police, Fire, and Crime Panel, which serves as a public accountability mechanism for policing and fire services, the Mayor and Deputy Mayor for Policing Fire and Crime. This panel reviews strategic priorities, funding allocations, and operational effectiveness, ensuring community safety remains central to the Mayor’s agenda.

These changes made to governance structure in-year are designed to, ensure decision-making remains effective, transparent, and responsive to the region's needs through a structured approach to oversight, risk management, and public engagement. This in turn should support delivery of its strategic objectives while maintaining high governance standards across all aspects of its remit.

### ***Financial Risk Management and Audit Oversight***

The Combined Authority recognises the importance of financial resilience and risk management, ensuring that governance structures support long-term financial sustainability. The Audit and Governance Committee provides oversight of financial controls, ensuring compliance with statutory financial regulations.

In line with the Code of Practice on Local Authority Accounting 2024/25, the Authority has strengthened its approach to financial risk disclosures, including mechanisms to mitigate the risk of a Section 114 notice. The governance framework ensures that financial decisions are subject to rigorous scrutiny, supporting budgetary control and operational efficiency.

### **Overview of YNYCA Resources**

YNYCA budgets are made up of a variety of both historic budgets and new budgets relating to the functions provided by the Mayor and the Combined Authority. The majority of funding received is from government grants, levies and council tax (through precepts) which are ringfenced for the delivery of Police and Crime, and Fire and Rescue functions.

#### **Revenue budgets**

- **YNYCA General Budget** – This includes corporate functions, economic, development and regeneration and transport activities. The budget is made up of a number of specific government grants, including the annual revenue allocation of the Mayoral Investment Fund.
- **Mayoral General Budget (NYFRS)** – Currently this comprises the budget of the North Yorkshire Fire and Rescue Service which was funded for 2024/25 partly by a Fire and Rescue council tax precept alongside a revenue support grant, business rates income and a top up grant.
- **North Yorkshire Police Fund** – North Yorkshire Police Fund is made up of government grant and the policing precept, which was agreed with the Police, Fire and Crime Panel, following a public consultation. The majority of the Police Fund is allocated to the Chief Constable of North Yorkshire.

The table below shows the budgets and provisional outturn position for each of the Combined Authority budgets in 2023/24:

Summary 2024/25	Approved Budget			Provisional Outturn			Variance from Budget		
	Exp	Inc	Total	Exp	Inc	Total	Exp	Inc	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
YNYCA General	79,435	(79,435)	-	70,016	(70,016)	-	(9,419)	9,419	-
NYFRS	45,255	(45,255)	-	46,270	(46,270)	-	1,015	(1,015)	-
Police Fund	221,012	(221,012)	-	227,929	(227,854)	(75)	6,917	(6,842)	(75)

**Note** Expenditure and income relating to Policing and Fire and Rescue functions within the following Authority's 2024/25 statements will be for an 11-month period 7th May 2024 to 31st March 2025. The above analysis considers expenditure versus budget for the full year to 31 March 2025 for clarity and to aid understanding of performance

### Capital budgets

During 2024/25, the Combined Authority oversaw capital investment across general budgets, North Yorkshire Police (NYP), and North Yorkshire Fire and Rescue Service (NYFRS), with total capital expenditure of £17.274 million against a budget of £19.268 million, resulting in spend falling below budget by £1.994 million.

Capital programme provisional outturn (2024/25)	Approved Budget £'000s	Provisional Outturn £'000s	Provisional Variance £'000s
General budgets	-	185	185
Fire and rescue Service	7,251	4,805	(2,446)
<b>Total YNYCA (Excl Police Fund)</b>	<b>7,251</b>	<b>4,990</b>	<b>(2,261)</b>
Police Fund (NYP)	12,017	12,284	267
<b>Total Capital</b>	<b>19,268</b>	<b>17,274</b>	<b>(1,994)</b>

**Note** Capital expenditure relating to Policing and Fire and Rescue functions within the following Authority's 2024/25 statements will be for an 11-month period 7th May 2024 to 31st March 2025. The above analysis considers expenditure versus budget for the full year to 31 March 2025 for clarity and to aid understanding of performance

**General budgets** - £185,000 of capital expenditure has been spent to support general budgets principally to provide office equipment and infrastructure to support the ongoing set up of the authority.

**North Yorkshire Fire and Rescue Service** incurred £4.805 million of capital expenditure against a budget of £7.251 million, with a net variance of £2.261m. This lower than budgeted level of spend was principally driven by slippage including delays in fleet deliveries, breathing apparatus procurement, and ICT upgrades. Despite these delays, the programme supported key operational improvements and was fully funded from internal cash balances, with no external borrowing required.

**North Yorkshire Police** delivered £12.284 million of capital investment, slightly above its original budget, reflecting additional approved allocations for priority schemes. Key achievements included ICT infrastructure upgrades, fleet replacements, and progress on estates projects such as the Ripon station and Victims Centre.

The tables below provide a breakdown of provisional capital expenditure by YNYCA function and capital financing for 2024/25:

<b>Capital Financing (2024/25)</b>	<b>YNYCA £'000s</b>	<b>NYP £'000s</b>	<b>Total £'000s</b>
Borrowing	3,626	5,004	8,630
Capital grants	185	3,674	3,859
Revenue contribution to capital	-	3,606	3,606
Capital contributions	421	-	421
Application of capital reserves	758	-	758
<b>Total funding</b>	<b>4,990</b>	<b>12,284</b>	<b>17,274</b>

## **YNYCA General**

General budgets comprise YNYCA's Corporate Core and Economy Directorate which delivers the Combined Authority's Economic Development, Regeneration, Skills and Transport functions and is responsible for delivering against the Authority's overarching ambitions as set out in the YNYCA Economic Framework.

In 2024/25, the York and North Yorkshire Combined Authority (YNYCA) began to build its long-term strategic plans following the election of its first Mayor, and the Local Economic Framework was updated and formally approved in July 2024, with a final version published in October 2024. Updates reflect the Mayor's post-election priorities while retaining the core structure and ambitions of the original framework.



The Framework articulates a shared vision for economic transformation across the region, structured around three overarching ambitions:

1. Transition to Carbon Negative
2. Deliver Inclusive Economic Growth
3. Create Opportunities for All

These ambitions are supported by five thematic priorities, Healthy & Thriving Communities; Affordable & Sustainable Transport; Vibrant & Sustainable Places; Boosting Business & a Thriving Workforce; and Affordable & Sustainable Housing

Together the ambitions and thematic priorities guide programme design and investment decisions.

To monitor progress, the Framework sets out a suite of quantitative and qualitative measures of success, tailored to the region's rural, coastal, and urban contexts. These include:

#### 1. Transition to Carbon Negative

- Reduction in carbon emissions per capita
- Increase in renewable energy generation and usage
- Growth in green jobs and adoption of circular economy practices
- Uptake of sustainable land use and nature-based solutions

#### 2. Deliver Inclusive Economic Growth

- Growth in Gross Value Added (GVA) per hour worked
- Increase in business start-ups and scale-ups, particularly in high-value sectors
- Improved digital and physical infrastructure access, especially in rural areas
- Enhanced productivity and innovation metrics, including R&D investment

#### 3. Create Opportunities for All

- Reduction in economic inactivity and unemployment, especially among underrepresented groups
- Improved access to skills, training, and lifelong learning
- Increased availability of affordable housing and sustainable transport options
- Narrowing of health and income inequalities across communities

### **Interim Corporate Plan 2024/25**

YNYCA commenced its first full year of operation in 2024/25. Following the Election of the Mayor during the year, the Authority focused on initiating planning and delivering against devolution priorities, outlined in the Local Economic Framework

Acknowledging that measurable impact against local priorities would take time to manifest, an Interim Corporate Plan was approved in March 2024,. The plan incorporates a range of operational deliverables setting priorities to ensure alignment with strategic aims.

Key deliverables are considered below:

### ***Major programme developments and performance***

**Delivery of the £540M Mayoral Investment Fund** - The Mayoral Investment Fund, (spanning a 30-year investment period), has seen £27.5M in programmes developed and approved during the year. Key allocations include the High Streets Fund (£10M), Carbon Negative Challenge Fund (£10M), Business Innovation Fund (£5M), and Skills Innovation Fund (£2.5M).

A further £6.6m has been allocated to Local Authority partners to support priority projects and the development of future investment pipelines

Delivery of these programmes is now underway, with fund defrayment commencing in 2025/26.

Future planned developments include the production of a Local Investment Framework and development of a wider strategic pipeline of investments in order to prioritise and accelerate future fund commitments.

**Management of the York and North Yorkshire Shared Prosperity Funds** - YNYCA successfully delivered the 2024/25 Shared Prosperity Fund (SPF) on behalf of North Yorkshire Council as part of the transition from the Local Enterprise Partnership (LEP). From 2025/26 YNYCA becomes the accountable body for both SPF (£8.7M) and the Rural England Prosperity Fund (£1.7M). With partner allocations approved, implementation of the fund delivery plan will commence once the annual grant payment is received in early summer 2025.

**Delivery of the £12.7M Brownfield Housing Fund** - A total of £16.8M has been committed across 14 brownfield housing projects, with additional programme capacity (over and above the £12.7m government allocation) provided from the Mayoral Investment Fund. Supported developments are expected to unlock an overall investment value of approximately £330M, resulting in over 1,000 new homes, including 652 affordable units. Currently, five projects are under construction, with an additional five scheduled to begin in 2025/26, and the remaining four set to commence before the March 2027 deadline. The Authority is in discussion with government around the availability of further funding rounds in 2025/26 to extend the programme.

The Authority is also in the later stages of Establishing a Homes England Place Partnership to guide strategy on housing investment and urban development into the future.

**Delivery of the £2.5M Skills Bootcamps Programme** - Skills Bootcamps operates on an annual cycle. It is anticipated that in excess of 800 learners will receive training to develop new skills, supporting workforce progression from the 2024/25 allocation. The programme continues to track outcomes and finalise reporting.

**Support for Existing Internationally Owned Businesses to Secure New Investments**

– a range of programmes delivered in partnership with Department for Business & Trade includes York and North Yorkshire Growth Hub Business Support, Key Account Management of Foreign Owned Companies and Made Smarter Digital Adoption. These programmes have enabled support to be provided to a wide range of businesses across the area, increasing business growth, resilience, innovation and investment. This has been complemented by over £1m of UK Shared Prosperity Fund to enable targeted and bespoke Business Support Programmes, Specialist Business Development Support, and High Opportunity Sector Development, for delivery of priorities set out in the Local Economic Framework

**Delivery of Investments through the £7M Net Zero Fund** - This fund is fully committed with the majority of projects the implementation phase, contributing to measurable carbon reduction targets. Delivery is expected to complete during summer 2025

**Delivery of the £2M Energy Partnership Feasibility Pilot** - The City Leap Pilot, part of the Energy Partnership Feasibility Programme, has secured £2.3M in funding to accelerate local decarbonization efforts. Work is underway to assess the energy assets of YNYCA, City of York Council (CYC), and North Yorkshire Council (NYC), evaluating commercial viability for decarbonization projects. Early market engagement is planned to explore partnership models, with the next phase focusing on finalizing the partnership options appraisal.

**Delivery of the £1M Local Investment in Natural Capital** - The Local Investment in Natural Capital (LINC) Programme has secured £1M through Defra funding, supporting nature-based solutions such as tree planting, peatland restoration, and regenerative farming. Funding is being used in partnership with North Yorkshire Council to develop a Natural Capital Investment Plan which will identify high-impact projects that can attract further funding.

***Key strategic developments***

**Development of regional economic growth strategies** – YNYCA’s Interim Corporate Plan included targets to develop a number of local sector strategies and plans in areas such as Digital, Culture Housing and Net Zero. However, the focus on producing individual plans was superseded mid-year when Government announced the need to prepare overarching Local Growth Plans

A draft York and North Yorkshire Local Growth Plan has been developed through a process that has been closely coordinated with government and subject to public and stakeholder consultation. The draft plan outlines a 10-year strategy to drive economic development, ensuring that growth benefits businesses, communities, and the environment. The strategy identifies a number of priority growth sectors, including food

and farming, engineering biology and life sciences, clean energy, rail innovation and security, and creative industries and heritage.

Beyond sector-specific priorities, the plan also recognizes York and North Yorkshire's broader economic strengths, such as natural capital, the visitor economy, manufacturing, and SME development. These areas are expected to play a crucial role in maximizing regional growth potential while ensuring sustainable development.

The next steps involve final approval of the Growth Plan in summer 2025 followed by finalising sector-specific strategies, investment frameworks, and implementation roadmaps to ensure the plan delivers measurable economic impact.

**Development and Implementation of regional Skills Strategies** YNYCA has taken significant steps to developing its strategic skills offer. In particular, work undertaken in 2025/26 to develop the Authority Adult Skills strategy and delivery approach led to the transfer of adult education responsibilities following the York and North Yorkshire Combined Authority (Adult Education Functions) Order 2025, which was made on 19 May 2025. Procurements and funding allocations have been completed and the first year of delivery commences from August 2025,

Alongside adult education, YNYCA has developed a regional Skills Strategy that was approved in July 2024 which outlines key regional skills and workforce development priorities. Additionally, YNYCA's skills initiatives sit within the broader Local Skills Improvement Plan (LSIP) for North and West Yorkshire, led by the North and West Yorkshire Chambers of Commerce, ensuring consistency and collaboration with wider economic plans.

**Development of Transport strategies** – The Interim Corporate Plan included the requirements to publish a strategic transport strategy and deliver the integrated transport settlement anticipated on devolution. This included a £380m transport funding commitment as part of the Local Transport Fund announced by the previous Government in the wake of HS2.

YNYCA's Strategic Transport Framework was agreed in March 2025, setting out five key objectives: healthier travel, accessibility, safety, environmental protection, and economic growth. This framework will guide the development of the Local Transport Plan, scheduled for consultation in early 2026.

Following the change of government in 2024, the move to an integrated transport settlement has been deferred pending the outcomes of Governments Comprehensive Spending review in Summer 2025. Currently YNYCA is working alongside its partner local Authorities to deliver against the regions transport priorities, passporting existing funding streams to support existing regional delivery infrastructure

## YNYCA NARRATIVE STATEMENT 2024/25

YNYCA and the Mayor continue to push for further transport investment into the region, and the Local Transport Grant for 2025/26 has earmarked an additional £15.3M for the region, but further details on a longer-term transport settlement are expected in the upcoming Spending Review.

### **General budgets outturn**

	2024/25 Approved Budget £'000	2024/25 Provisional Outturn £'000	2024/25 Provisional Variance £'000
<b>Expenditure</b>			
Core	7,129	5,355	1,774
Transport	38,927	38,505	422
Workforce & Skills	2,880	3,962	(1,082)
Carbon Negative Region	7,844	3,808	4,036
Inclusive Economic Growth	1,180	2,178	(998)
Housing	12,719	768	11,951
Vibrant & Sustainable Place	-	251	(251)
Transfers to reserves	8,756	15,189	(6,433)
<b>Expenditure total</b>	<b>79,435</b>	<b>70,016</b>	<b>9,419</b>
<b>Income</b>			
Core (including unallocated investment fund)	(19,066)	(19,925)	859
Transport	(38,927)	(38,927)	-
Workforce & Skills	(3,318)	(4,062)	744
Carbon Negative Region	(7,844)	(3,808)	(4,036)
Inclusive Economic Growth	(1,122)	(2,145)	1,023
Housing	(8,986)	(898)	(8,088)
Vibrant & Sustainable Place	-	(251)	251
Programme	(172)	-	(172)
<b>Income Total</b>	<b>(79,435)</b>	<b>(70,016)</b>	<b>(9,419)</b>
<b>Net expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>

Key highlights in relation to general budgets are as follows:

**Core budgets** – Income exceeded expenditure in the year by £14.57m driven principally by receipts of Mayoral Investment fund allocations which are transferred into reserves to support future delivery. Net expenditure has remained within the budget envelope agreed for the year. The outturn position for the year shows a net underspend compared to budget of £2.6m driven by increased treasury management income (£0.8m), lower than budgeted staffing costs (£0.8m) and other non- staffing cost savings.

**Transport** - The budget presented above reflects a revision to include £38.4m of transport income allocated to the CA by DFT mid-year. The net underspend in transport funding reflects excess funding provided for capacity building which is carried forward into 2025/26 to support development of transport capacity within the CA.

**Housing** - Budgets assumed that a £12.2m Brownfield Housing programme allocation would be delivered entirely in 2024/25. Whilst funding has been allocated to programmes most of the expenditure will take place through 2025/26 with completion of some projects in the following year. This is due to a number of factors, including the inherent complexity of structuring and progressing major capital schemes in line with partner delivery timescales and the time taken to deliver major housing projects.

**Carbon negative region** – The majority of budgeted expenditure in the year related to a capital net zero programme which supports the installation of low carbon technologies across the region. Again the delivery timescales for these programmes has meant that a proportion of the budgeted income and expenditure is carried in to 2025/26

### **NYFRS (Mayors General Budget)**

North Yorkshire Fire and Rescue Service (NYFRS) covers over 3,200 square miles and operates 38 fire stations across a diverse urban and rural geography spanning York, Harrogate, Scarborough, as well as deeply rural areas.

In order to manage across this wide geography, NYFRS aligns its operations with a comprehensive Risk and Resource Model, using demographic, socio-economic, and incident data to allocate resources effectively. With a strong emphasis on fire prevention, community safety, and business fire protection, the Service continues to evolve within the Mayoral Combined Authority.

The Fire and Rescue Plan 2022–2025, inherited from the former Police, Fire and Crime Commissioner (PFCC), remained the strategic framework for 2024/25. It focused on four principles which are detailed below (alongside a summary of progress).

#### **1. Caring About the Vulnerable**

- Increased focus on targeted Home Fire Safety Visits (HFSVs), with 4,464 completed, showing a 9% rise from the previous year.
- A trial using data-driven proactive visits was initiated, ensuring support reaches the most vulnerable in the community.

#### **2. Ambitious Collaboration**

- Strengthened partnerships, including joint projects with North Yorkshire Police, such as the Ripon Fire Station project, which saw investment and collaborative space-sharing efforts.

### 3. Realising Our Potential

- The Service has stabilised its financial position, transitioning from a “save to survive” approach toward "save and invest to continue to improve.”
- Expansion of the Risk and Resource Model, ensuring data-driven allocation of resources across urban and rural areas.

### 4. Effective Engagement

- NYFRS enhanced transparency through financial reporting, focussing upon increasing reserves, strategic asset investment, and improved funding mechanisms.
- Community risk profiling has enabled more effective engagement strategies based on demographic and socio-economic data.

In April 2025, NYFRS produced a new Fire and Rescue Plan for 2025–2029 setting strategic priorities for the Service over the next four years which are:

- **Targeted Prevention** – Reducing risks from fires, road traffic collisions, and other emergencies.
- **Protected Built Environment** – Enhancing fire safety in buildings across the region.
- **Effective Emergency Response** – Ensuring rapid and efficient incident response.
- **Stronger Communities** – Supporting communities in preparing for and recovering from major disruptions.
- **Supported, Safe, and Skilled Staff** – Investing in training, safety, and workforce resilience.
- **Financial Stability** – Strengthening long-term financial sustainability and transparency.

In addition to key areas of strategic focus NYFRS monitors operational performance and other statistical information to support its Risk and Resource Model. Across the year NYFRS responded to 7,768 incidents, reflecting a 2% increase from the previous year (7,588 incidents in 2023/24). The rise in demand underscores the Service’s critical role in emergency response across urban and rural areas.

Incident Group	Apr-Mar 2023/24	Apr-Mar 2024/25	Difference +/-
<b>False Alarm</b>	3,290	3,383	+93
<b>Fire</b>	1,590	1,651	+61
<b>Special Service</b>	2,708	2,733	+25
<b>Total</b>	<b>7,588</b>	<b>7,768</b>	<b>+180</b>

In 2024/25 the Service managed **180 more incidents** compared to the previous year, with notable shifts across key categories:

- **False Alarms:** Increased to **3,383 incidents** (+93), continuing to be the most frequent category.
- **Fires:** Increased to **1,651 incidents** (+61), covering residential, commercial, and outdoor fires.
- **Special Service Calls:** Increased slightly to **2,733 incidents** (+25), encompassing rescues, road traffic collisions, and hazardous material incidents.

NYFRS also continues to maintain efficient emergency response times, exceeding expected performance standards:

Response Type	Standard Time	Actual Time
<b>Overall Incident Response Standard</b>	13:00 minutes	11 mins 49 secs
<b>Dwelling Fire Response Standard</b>	11:00 minutes	10 mins 34 secs

Quick deployment remains crucial for fire suppression, rescues, and public safety.

Fire Prevention & Community Safety is also a key focus for NYFRS and in 2024/25 the Service completed 4,464 Home Fire Safety Visits marking a 9% increase, with a trial of data-driven proactive visits introduced to better target vulnerable communities.

In addition, the Service conducted 4,836 fire safety interventions, reflecting a 32% increase, reinforcing its commitment to protecting commercial properties from fire risks.

NYFRS continues to refine its Risk and Resource Model, ensuring efficient allocation of resources while maintaining high service standards. The focus remains on enhancing operational resilience, minimizing false alarms, improving response times, and expanding prevention initiatives.

In addition, the financial outlook for NYFRS has significantly improved following the transition to the Mayoral Combined Authority. To address previous underinvestment and ensure long-term financial stability, the Mayor of York and North Yorkshire increased the Fire precept for 2025/26 by £24 for Band D properties a higher rise than in previous years. This decision was made following public consultation, where residents expressed support for enhanced funding to improve fire and rescue services

The Service will now be able to hold a higher level of reserves, supporting long-term sustainability, as well as making much-needed investment in fleet, equipment, and infrastructure.

NYFRS Outturn

The 2024/25 NYFRS budget, approved in February 2024, initially planned a £414k transfer from reserves to support specific project expenditures, alongside a £75k transfer to the General Fund, (a net transfer from reserves of £339k). However, due to additional spending throughout the year, the actual net transfers from reserves required totalled £827k by the end of the financial period.

<b>Category</b>	<b>2024/25 Approved Budget (£'000)</b>	<b>2024/25 Provisional Outturn (£'000)</b>	<b>2024/25 Provisional Variance (£'000)</b>
<b>Expenditure</b>			
Wholetime Firefighters	20,755	22,287	1,532
On Call Firefighters	4,487	3,906	(581)
Support Staff - Fire	2,615	2,611	(4)
Support Staff - Enable	2,458	2,663	205
Control Room Staff	946	944	(2)
<b>Total Direct Staff Costs</b>	<b>31,261</b>	<b>32,411</b>	<b>1,150</b>
Indirect Staff Costs	651	827	176
Authority Staff	83	104	21
Premises	2,563	2,488	(75)
Transport	1,108	1,113	5
Supplies and Services	4,033	3,610	(423)
Operating Leases	2	-	(2)
External Service Agreements	362	354	(8)
PFI	1,883	1,871	(12)
TLB Budget	50	-	(50)
<b>Total Indirect Staff and Non-Staff Costs</b>	<b>10,735</b>	<b>10,367</b>	<b>(368)</b>
Pensions	1,044	1,264	220
Provision For Debt Repayment	1,141	1,129	(12)
External Interest	713	738	25
Revenue Contribution to Capital	286	286	-
Transfer to Earmarked Reserve	75	75	-
<b>TOTAL EXPENDITURE</b>	<b>45,255</b>	<b>46,270</b>	<b>1,015</b>
<b>Funded by</b>			
Funding for Net Budget Requirement	(38,045)	(38,031)	14
Specific Grants	(5,599)	(5,611)	(12)
General Income	(1,197)	(1,726)	(529)
Transfer from Earmarked reserve	(414)	(902)	(488)
<b>TOTAL FUNDING</b>	<b>(45,255)</b>	<b>(46,270)</b>	<b>(1,015)</b>
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>

North Yorkshire Fire and Rescue Service (NYFRS) received £528k more income than budgeted, primarily due to additional pension funding from the Mayoral Combined Authority (£173k) to cover governance-related employer contributions. Unplanned officer secondment income (£143k) further offset salary costs, while higher-than-expected interest earnings (£171k) arose from pension-related grants boosting cash balances.

Staff salaries, making up around 80% of total expenditure, resulted in an overspend of £1.149m. Higher-than-budgeted firefighter pay awards (£430k) and pension contribution changes (£170k) contributed significantly to this. Compliance with holiday pay regulations (£318k) and delays in implementing staffing changes at Harrogate (£220k) further strained resources. Additional spending on firefighter vacancy cover (+£460k Wholetime, +£260k On Call) and increased reliance on Enable collaboration support services (£223k) added costs, while planned savings from the On Call Futures project (-£386k) were delayed.

Despite salary pressures, non-staff and indirect staff costs were £366k underspent, offsetting financial challenges. Employer liability claims (£129k) added unexpected costs, but premises and estates savings (-£98k) and refunds such as the Airwave System rebate (-£248k) helped stabilize the budget. Operational equipment (-£48k) and ICT mobilizing savings (-£100k) further reduced expenditure, ensuring NYFRS remained on track to maintain financial security while balancing investment needs.

Despite these financial challenges, NYFRS remains in a more stable position moving into 2025/26, supported by increased precept funding which enables investment in infrastructure, fleet renewal, operational resilience, and firefighter safety initiatives while maintaining financial security.

## **Police Fund**

North Yorkshire Police (NYP) serves a diverse geography across York and North Yorkshire, delivering policing services that reflect both urban and rural community needs. In 2024/25, NYP operated under the final year of the Police and Crime Plan 2022–2025 (developed by the former Commissioner for Police, Fire and Crime for North Yorkshire), while transitioning to the new Police and Crime Plan 2025–2029 (launched by the Mayor in March 2025). The Force's performance and strategic direction were guided by the five key priorities in the 2022-2025 plan, each of which is outlined below.

### **Priority 1: Actively Engage with All Communities to Identify Need and Risk and to Reassure**

This priority focuses on building trust and confidence in policing by engaging with communities, understanding their concerns, and delivering responsive services. NYP has made significant progress in improving public perception and responsiveness.

- NYP was rated highest nationally in four areas by the Crime Survey for England and Wales: public confidence, respectfulness, performance, and understanding of local concerns.
- 999 call response times improved, with nearly 90% answered within 10 seconds.
- Crime reductions included:
  - Anti-social behaviour down by 18.4%

- All crime down by 4.6%
- Serious violent crime down by 5.8%
- Personal robbery down by 26.5%
- Vehicle theft down by 14.8%
- NYP achieved a shoplifting detection rate of nearly 30%, among the highest in the country.
- The Force launched a new digital evidence portal, streamlining CCTV and evidence submission for over 460 businesses.

**Priority 2: Work Jointly as a Trusted Partner to Prevent Harm, Intervene Early and Solve Problems**

This priority emphasises collaborative working with partners to address root causes of crime and deliver early interventions. NYP has strengthened its multi-agency approach to tackling serious violence and organised crime.

- NYP launched Clear, Hold, Build projects in Clifton (York) and Barrowcliff (Scarborough) to tackle serious organised crime through multi-agency collaboration.
- The Force supported 11 prevention projects through the Serious Violence Duty Fund, including:
  - Knife Drop Bins (1,700 blades surrendered)
  - Inspire Youth (engaging over 2,800 young people)
- NYP led Operation Traffic, a summer campaign targeting road safety outside schools, with enforcement and education delivered jointly with local councils.
- A refreshed Strategic Needs Assessment and Serious Violence Strategy was developed with partners, focusing on youth violence, weapon possession, and violence against women and girls.

**Priority 3: Deliver the “Right People, Right Support” Every Time**

This priority ensures that victims and vulnerable individuals receive appropriate care and support tailored to their needs. NYP has invested in facilities and services to improve outcomes for those most at risk.

- The new Victims Centre (Acer House) opened in March 2025, offering forensic services and video-recorded interview suites for vulnerable victims.
- NYP supported Liberty Links, a mobile outreach service for women in rural communities, with a second van launched in Craven.
- The Youth Commission worked with NYP to improve mental health responses and contributed to training on victim-blaming language and barriers to engagement.

#### **Priority 4: Maximise Efficiency to Make the Most Effective Use of All Available Resources**

This priority focuses on using resources effectively and ethically to deliver high-quality policing services. NYP continues to improve infrastructure and operational efficiency.

- NYP and North Yorkshire Fire & Rescue jointly invested £926,000 in refurbishing Ripon Fire and Police Station, improving community access and operational facilities.
- NYP signed up to the Transparency in Supply Chains Statement, supporting ethical procurement and modern slavery prevention.
- The Force continues to engage with the National Referral Mechanism for victims of modern slavery and human trafficking.

#### **Priority 5: Enhance Positive Culture, Openness, Integrity, and Public Trust**

This priority aims to foster a culture of integrity, inclusivity, and transparency within the police force. NYP has taken steps to improve visibility, accountability, and representation.

- NYP delivered Project Hotspot, a £1m initiative increasing high-visibility patrols in crime hotspots, improving public confidence.
- The Independent Ethics Advisory Board was established to support ethical decision-making and monitor implementation of the new Code of Ethics.
- NYP launched a Police Race Action Plan (PRAP) team and immersive Cultural Awareness Programme, with pilot training delivered to 150 officers.
- The Force introduced four Scrutiny Panels (Community, Custody, RASSO, Domestic Abuse) to enhance transparency and accountability.

#### **Governance and Oversight**

Policing governance is delivered through a structured framework:

- Strategic Oversight Board: Monthly meetings between the Mayor, Deputy Mayor for Policing Fire and Crime (DMPFC), and Chief Constable.
- Online Public Meetings: Bi-monthly livestreamed sessions holding NYP to account.
- Scrutiny Panels and Ethics Board: Independent review mechanisms supporting continuous improvement.
- Independent Custody Visitors: Unannounced visits to ensure detainee welfare.

#### **Future Developments: Police and Crime Plan 2025–2029**

Following the election of the Mayor of York and North Yorkshire in May 2024, Jo Coles was appointed as the region's first Deputy Mayor for Policing, Fire and Crime. Together, the Mayor and Deputy Mayor led an extensive public consultation across York and North

Yorkshire to shape the future of policing in the region. Over 1,600 residents, businesses, and partner organisations contributed to the development of the new Police and Crime Plan 2025–2029, which was formally launched in March 2025.

The Plan sets out a clear vision for “Safe Places for All”, underpinned by four strategic priorities that will guide policing, community safety, and criminal justice activity over the next four years:

- **Focus on Prevention and Early Intervention:** This priority aims to tackle the root causes of crime before they escalate, through education, youth programmes, and targeted support for at-risk individuals. It promotes a trauma-informed approach and increased investment in neighbourhood policing, with a focus on diverting individuals from the criminal justice system and addressing underlying issues such as substance misuse and mental health.
- **Protect the Public:** This priority focuses on improving trust and confidence in policing by addressing the crimes that matter most to the public, including domestic abuse, violence against women and girls, and cybercrime. It includes strengthening specialist teams, enhancing victim support services, and using technology and intelligence to target serious and organised crime more effectively.
- **Work with Partners:** Recognising the importance of collaboration, this priority seeks to build stronger partnerships with local authorities, health services, education providers, and the voluntary sector. It aims to deliver joined-up support for victims and vulnerable individuals, improve data sharing, and co-produce community-based solutions to complex issues such as youth violence, mental health, and road safety.
- **Build Stronger Communities:** This priority focuses on strengthening relationships between North Yorkshire Police and the communities they serve, particularly in rural and isolated areas. It includes expanding Community Safety Hubs, enhancing the Rural Crime Taskforce, and improving visibility and engagement through neighbourhood policing. The priority also targets anti-social behaviour and retail crime, with a commitment to proactive prevention and community reassurance.

### **Financial Position**

While detailed financial outturns are reported separately through the Chief Constable’s accounts, the overall policing budget for 2024/25 was managed effectively. A small underspend of £75k was achieved after absorbing a Force-level overspend of £313k, reflecting continued financial discipline and resilience.

## STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Combined Authority is required:

- a) 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 Authority, that officer is the Director of Resources of York and North Yorkshire Combined Authority.
- b) to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- c) to approve the Statement of Accounts.

The Director of Resources is responsible for the preparation of the Combined Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this statement of accounts, the Director of Resources has:

- a) selected suitable accounting policies and then applied them consistently;
- b) made judgements and estimates that were reasonable and prudent; and
- c) complied with the Code of Practice.
- d) kept proper accounting records which are up to date; and
- e) taken reasonable steps for the prevention and detection of fraud and other irregularities.

### Approval of the Statement of Accounts

I certify that the financial statements set out on pages 21 to 100 present a true and fair view of the financial position of York and North Yorkshire Combined Authority at 31st March 2025 and its income and expenditure for the year then ended.

Signed:  Date: 27 February 2026  
M Russell  
Director of Resources, York and North Yorkshire Combined Authority

## **Single Entity Financial Statements for York and North Yorkshire Combined Authority**

The functions of the Police, Fire and Crime Commissioner for North Yorkshire (PFCC) and the Police, Fire and Crime Commissioner for North Yorkshire Fire and Rescue Authority (PFCCFRA) transferred by Parliamentary Order to the elected Mayor of York and North Yorkshire from 7th May 2024. The transfer of these functions to the Mayor means that the legal entities known as the Police, Fire and Crime Commissioner for North Yorkshire and the Police, Fire and Crime Commissioner for North Yorkshire Fire and Rescue Authority ceased to exist as of 6th May 2024. Under the Order, all functions and decisions relating to staff, properties, rights and liabilities are to be exercised and made by the Mayor. As the functions of the PFCC and PFCCFRA will continue, the accounts have been prepared on a going concern basis.

### **Comprehensive Income and Expenditure Statement (CIES)**

The Comprehensive Income and Expenditure statement shows the accounting cost for the Combined Authority in the year of providing services with generally accepted accounting practices, rather than the amount to be funded from transport levy or taxation. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

For the in year transferred in services, the Comprehensive Income and Expenditure Statement for the year 2024/25 covers the period 7th May 2024 to 31st March 2025. The comparator year 2023/24 covers the period 20th December 2023 to 31st March 2024 including only the continued services, that is the services of the York and North Yorkshire Combined Authority established on 20th December 2023.

### **Movement in Reserves Statement**

The Movement in Reserves Statement shows the movement in the year on the different reserves held by the Combined Authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The surplus or deficit on the provision of services shows the true economic cost of providing services. This is different from the statutory amounts required to be charged to the General Fund Balance for council tax setting purposes.

Under the Parliamentary order which transferred the Police, Fire and Crime Commissioner for North Yorkshire's powers to the Mayor, the Mayor is required under S21 of the Police Reform and Social Responsibility Act 2011 to keep a fund known as the Police Fund. The Combined Authority is the legal entity which is responsible for administering the Police Fund and executing the Mayor's decisions in their role as Police and Crime Commissioner. The Police Fund balances, alongside other transferred in balances, in the Movement in Reserves Statement for the year 2024/25 covers the period 7th May 2024 to 31st March 2025. The comparator period including only the continued Combined Authority's balances covers the period 20th December 2023 to 31st March 2024.

Subsequent financial years for both statements will cover a conventional 12 month period of 1st April to 31st March.

The notes to the single entity statements are disclosed within the Group Statements. The single entity Balance Sheet and Cashflow Statement for the Combined Authority can be found within the Group Statements on pages 28 and 29.

**Movement in Reserves Statement 2024/25**  
**York & North Yorkshire Combined Authority - Single Entity**

2024-25	Note	Revenue Reserves				Capital Reserves			Total Usable Reserves	Unusable Reserves (Note 25)	Total Authority Reserves
		Combined Authority General Fund Balance	Combined Authority Earmarked Reserves	Police Fund General Reserve	Police Fund Earmarked Reserves	Combined Authority Usable Capital Receipts Reserve	Police Fund Usable Capital Receipts Reserve	Combined Authority Capital Grants Unapplied Reserve			
		£000	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Balance at 31st March 2024</b>		<b>1,000</b>	<b>4,307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,321</b>	<b>9,628</b>	<b>(28)</b>	<b>9,600</b>	
<b>Movements in Reserves during 2024/25</b>											
Transfer of Balances 7th May 2024		1,075	4,689	6,029	12,306	16	8,741	-	32,856	(243,890)	<b>(211,034)</b>
(Surplus)/Deficit on Provision of Services		8,392	-	(5,557)	-	-	-	-	2,835	21,312	<b>24,147</b>
Other Comprehensive Income and Expenditure		-	-	-	-	-	-	-	-	(574)	<b>(574)</b>
<b>Total Comprehensive Income and Expenditure</b>		<b>8,392</b>	<b>-</b>	<b>(5,557)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,835</b>	<b>20,738</b>	<b>23,573</b>
Adjustments between accounting basis & funding basis under regulations	5	(183)	-	7,281	-	-	(7,736)	5,697	5,059	(5,059)	<b>(0)</b>
<b>Net increase/(decrease) before Transfers to Earmarked reserves</b>		<b>8,209</b>	<b>-</b>	<b>1,724</b>	<b>-</b>	<b>-</b>	<b>(7,736)</b>	<b>5,697</b>	<b>7,894</b>	<b>15,679</b>	<b>23,573</b>
Transfers to / (from) Earmarked Reserves	23	(8,094)	7,622	(1,724)	1,724	-	-	-	(472)	472	-
<b>Increase / (Decrease) in 2024/25</b>		<b>115</b>	<b>7,622</b>	<b>-</b>	<b>1,724</b>	<b>-</b>	<b>(7,736)</b>	<b>5,697</b>	<b>7,422</b>	<b>16,151</b>	<b>23,573</b>
<b>Balance at 31st March 2025 carried forward</b>		<b>2,190</b>	<b>16,618</b>	<b>6,029</b>	<b>14,030</b>	<b>16</b>	<b>1,005</b>	<b>10,018</b>	<b>49,906</b>	<b>(227,767)</b>	<b>(177,861)</b>

**Movement in Reserves Statement**  
**York & North Yorkshire Combined Authority - Single Entity**

	Note	Revenue Reserves				Capital Reserves			Total Usable Reserves	Unusable Reserves (Note 25)	Total Authority Reserves
		Combined Authority General Fund Balance	Combined Authority Earmarked Reserves	Police Fund General Reserve	Police Fund Earmarked Reserves	Combined Authority Usable Capital Receipts Reserve	Police Fund Usable Capital Receipts Reserve	Combined Authority Capital Grants Unapplied Reserve			
Comparator Year 2023-24		£000	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Balance at 20th December 2023</b>		-	-	-	-	-	-	-	-	-	
<b>Movements in Reserves during 2023/24</b>											
(Surplus)/Deficit on Provision of Services		9,693	-	-	-	-	-	9,693	-	<b>9,693</b>	
Other Comprehensive Income and Expenditure		-	-	-	-	-	-	-	(93)	<b>(93)</b>	
<b>Total Comprehensive Income and Expenditure</b>		<b>9,693</b>	-	-	-	-	-	<b>9,693</b>	<b>(93)</b>	<b>9,600</b>	
Adjustments between accounting basis & funding basis under regulations		(4,386)	-	-	-	-	4,321	(65)	65	-	
<b>Net increase/(decrease) before Transfers to Earmarked reserves</b>	5	<b>5,307</b>	-	-	-	-	<b>4,321</b>	<b>9,628</b>	<b>(28)</b>	<b>9,600</b>	
Transfers to / (from) Earmarked Reserves		(4,307)	4,307	-	-	-	-	-	-	-	
<b>Increase / (Decrease) in 2023/24</b>	23	<b>1,000</b>	<b>4,307</b>	-	-	-	<b>4,321</b>	<b>9,628</b>	<b>(28)</b>	<b>9,600</b>	
<b>Balance at 31st March 2024 carried forward</b>		<b>1,000</b>	<b>4,307</b>	-	-	-	<b>4,321</b>	<b>9,628</b>	<b>(28)</b>	<b>9,600</b>	



## **Statements for the York and North Yorkshire Combined Authority Group**

The Chief Constable for North Yorkshire Police (CCNY) is to be included in the Combined Authority's group accounts from 7th May 2024. The Mayor is responsible for the formal oversight of CCNY, including provision of all funding, budget-setting, performance scrutiny and strategic policy development, and for ensuring CCNY is run efficiently and effectively.

Operational decision-making on day-to-day policing including the employment of police staff remains the responsibility of the Chief Constable. Under the legislative framework and local arrangements, the Combined Authority under sole instruction from the Mayor, is responsible for the finances of the Mayoral Police Fund including assets, liabilities and reserves. The Combined Authority has responsibility for entering into contracts under which the Chief Constable's officers and staff operate. The Combined Authority receives all income and funding and makes all the payments for the policing activity from the Mayoral Police Fund. Expenditure, income and reserve balances relating to the Police Fund included in the Group accounts are for the period 7th May 2024 to 31st March 2025. Subsequent financial years will be a conventional 12 month period of 1st April to 31st March.

### **Balance Sheet for York and North Yorkshire Combined Authority Single Entity and Group**

The balance sheet is the key statement of the Combined Authority's financial position at the year end. It shows its balances and reserves, and the values of its long term and current assets and liabilities. Under the legislative framework and local arrangements, the Combined Authority under sole instruction from the Mayor, is responsible for the finances of the Mayoral Police Fund including assets, liabilities and reserves, other than liabilities relating to staff within the employment of the Chief Constable.

As the functions of the Police, Fire and Crime Commissioner for North Yorkshire (PFCC) were transferred by Parliamentary Order to the Elected Mayor of York and North Yorkshire with effect from 7 May 2024, the assets and liabilities transferred in cover the period 7th May 2024 to 31st March 2025. The comparator year 2023/24 covers the period 20th December 2023 to 31st March 2024 including only the continued services, that is the services of the York and North Yorkshire Combined Authority established on 20th December 2023.

### **Cash Flow Statement York and North Yorkshire Combined Authority Single Entity and Group**

The Cash Flow statement shows the changes in cash and cash equivalents of the Combined Authority Group during the reporting period. The statement shows how the Group generates and uses cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from the operating activities is a key indicator of the extent to which the operations of the Combined Authority and Group are funded by way of precepts, grant income and income generated by services provided.

Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing).

**Movement in Reserves Statement 2024/25**  
**York & North Yorkshire Combined Authority - Group**

2024-25	Note	Revenue Reserves				Capital Reserves			Total Usable Reserves	Unusable Reserves (Note 25)	Total Authority Reserves
		Combined Authority General Fund Balance	Combined Authority Earmarked Reserves	Police Fund General Reserve	Police Fund Earmarked Reserves	Combined Authority Usable Capital Receipts Reserve	Police Fund Usable Capital Receipts Reserve	Combined Authority Capital Grants Unapplied Reserve			
		£000	£000	£000	£000	£000	£000	£000	£000	£000	
<b>Balance at 31st March 2024</b>		<b>1,000</b>	<b>4,307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,321</b>	<b>9,628</b>	<b>(28)</b>	<b>9,600</b>	
<b>Movements in Reserves during 2024/25</b>											
Transfer of Balances 7th May 2024		1,075	4,689	6,029	12,306	16	8,741	-	32,856	(1,614,370)	<b>(1,581,514)</b>
(Surplus)/Deficit on Provision of Services		8,392	-	(47,182)	-	-	-	-	(38,790)	21,312	<b>(17,478)</b>
Other Comprehensive Income and Expenditure		-	-	-	-	-	-	-	-	122,332	<b>122,332</b>
<b>Total Comprehensive Income and Expenditure</b>		<b>8,392</b>	<b>-</b>	<b>(47,182)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(38,790)</b>	<b>143,644</b>	<b>104,854</b>
Adjustments between accounting basis & funding basis under regulations	5	(183)	-	48,906	-	-	(7,736)	5,697	46,684	(46,684)	<b>(0)</b>
<b>Net increase/(decrease) before Transfers to Earmarked reserves</b>		<b>8,209</b>	<b>-</b>	<b>1,724</b>	<b>-</b>	<b>-</b>	<b>(7,736)</b>	<b>5,697</b>	<b>7,894</b>	<b>96,960</b>	<b>104,854</b>
Transfers to / (from) Earmarked Reserves	23	(8,094)	7,622	(1,724)	1,724	-	-	-	(472)	472	-
<b>Increase / (Decrease) in 2024/25</b>		<b>115</b>	<b>7,622</b>	<b>-</b>	<b>1,724</b>	<b>-</b>	<b>(7,736)</b>	<b>5,697</b>	<b>7,422</b>	<b>97,432</b>	<b>104,854</b>
<b>Balance at 31st March 2025 carried forward</b>		<b>2,190</b>	<b>16,618</b>	<b>6,029</b>	<b>14,030</b>	<b>16</b>	<b>1,005</b>	<b>10,018</b>	<b>49,906</b>	<b>(1,516,967)</b>	<b>(1,467,060)</b>

**Movement in Reserves Statement**  
**York & North Yorkshire Combined Authority - Group**

	Note	Revenue Reserves			Capital Reserves			Total Usable Reserves	Unusable Reserves (Note 25)	Total Authority Reserves
		Combined Authority General Fund Balance	Combined Authority Earmarked Reserves	Police Fund General Reserve	Police Fund Earmarked Reserves	Combined Authority Usable Capital Receipts Reserve	Police Fund Usable Capital Receipts Reserve			
Comparator Year 2023-24		£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Balance at 20th December 2023</b>		-	-	-	-	-	-	-	-	-
<b>Movements in Reserves during 2023/24</b>										
(Surplus)/Deficit on Provision of Services		9,693	-	-	-	-	-	9,693	-	9,693
Other Comprehensive Income and Expenditure		-	-	-	-	-	-	-	(93)	(93)
<b>Total Comprehensive Income and Expenditure</b>		<b>9,693</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,693</b>	<b>(93)</b>	<b>9,600</b>
Adjustments between accounting basis & funding basis under regulations		(4,386)	-	-	-	-	4,321	(65)	65	-
<b>Net increase/(decrease) before Transfers to Earmarked reserves</b>	5	<b>5,307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,321</b>	<b>9,628</b>	<b>(28)</b>	<b>9,600</b>
Transfers to / (from) Earmarked Reserves		(4,307)	4,307	-	-	-	-	-	-	-
<b>Increase / (Decrease) in 2023/24</b>	23	<b>1,000</b>	<b>4,307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,321</b>	<b>9,628</b>	<b>(28)</b>	<b>9,600</b>
<b>Balance at 31st March 2024 carried forward</b>		<b>1,000</b>	<b>4,307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,321</b>	<b>9,628</b>	<b>(28)</b>	<b>9,600</b>





**Cashflow Statement**  
**York & North Yorkshire Combined Authority Single Entity & Group**

YNYCA		YNYCA	Group
31 March 2024		31 March 2025	31 March 2025
£000	Note	£000	£000
<b>9,694</b>		<b>2,833</b>	<b>(38,792)</b>
<b>Net Surplus/(Deficit) on the provision of services</b>			
<b>Adjustments to the net (surplus)/deficit on the provision of services for non-cash movements:</b>			
13	Depreciation, impairments and revaluations	11,187	11,187
-	(Increase)/Decrease in Inventories	4	18
(2,569)	(Increase)/Decrease in Debtors	8,658	8,658
-	Increase/(Decrease) in Provisions	1,208	1,208
4,417	Increase/(Decrease) in Creditors	17,602	17,272
-	Movement in carrying amount of non-current assets and non current assets held for sale, sold or derecognised	929	929
-	Movement in pension liability	2,741	44,697
<b>1,861</b>		<b>42,329</b>	<b>83,969</b>
(4,400)	Adjustments for items included in the net (surplus)/deficit on the provision of services that are investing and financing activities	(47,961)	(47,961)
<b>7,155</b>	<b>Net cash flows from Operating Activities</b>	<b>(2,799)</b>	<b>(2,785)</b>
<b>4,321</b>	<b>Net cash flows from Investing Activities</b>	<b>31,352</b>	<b>31,352</b>
-	<b>Net cash flows from Financing Activities</b>	<b>(2,358)</b>	<b>(2,358)</b>
<b>11,476</b>	<b>Net Increase or (Decrease) in cash and cash equivalents</b>	<b>26,195</b>	<b>26,210</b>
-	Cash and cash equivalents at the beginning of the reporting period	11,476	11,476
-	Transfer of cash balances transferred at 7th May 2024	23,242	23,258
<b>11,476</b>	<b>Cash and cash equivalents at the end of the reporting period</b>	<b>60,913</b>	<b>60,944</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. Statement of Significant Accounting Policies**

#### **(a) Accounting Concepts**

The code requires local authorities to disclose its significant accounting policies in the notes to the financial statements. This is to have two elements:

- Disclosure of the measurement basis (or bases) used in the preparation of the financial statements. The Group uses the convention of historical cost modified by the use of current and fair value for particular categories of assets and liabilities as set out in the relevant policies below.
- Disclosure of the other accounting policies used that are relevant to an understanding of financial statements.

This statement of accounts summarises the Combined Authority and the Combined Authority Group's transactions and its position for the year ended 31st March 2025. They are in the format laid down in the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code). The Code is based upon International Financial Reporting Standards (IFRS).

#### Convention

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

#### Going Concern

The statement of accounts is prepared on a going concern basis as per the requirements of the Code. This means that the accounts are based on the assumption that the Combined Authority and Group will continue in operational existence for the foreseeable future.

#### Accruals of Income and Expenditure

The financial statements, other than the cash flow statement, are prepared on an accruals basis. This means that income and expenditure are recognised in the accounts in the period in which they are incurred or earned, not as the cash is paid or received. Similarly, assets and liabilities are recognised when they meet the relevant recognition criteria set out in the Code.

#### **The York and North Yorkshire Combined Authority Group**

The Combined Authority Group is required to produce group accounts where it has interests in subsidiaries, associates and/or joint ventures unless interest is considered not material. The group boundary is dependent upon the extent of the Combined Authority's control or significant influence over the entity, which is based on the requirements of IFRS10, IFRS11 and IAS 28.

Inclusion in the group is dependent upon the extent of the Combined Authority's interest and power to influence an entity. The Combined Authority is considered to control an entity if it has power over the entity, exposure or rights to variable returns from its interest with the entity and the ability to use its power to affect the level of returns. The determining factor for assessing the extent of interest and power to influence is either through ownership of an entity, or representation on an entity's board.

An assessment of the Combined Authority's interests has been carried out during the year, in accordance with the Code, to determine the relationships that exist and whether they should be within the Group accounts.

The functions of the Police, Fire and Crime Commissioner for North Yorkshire (PFCC) and the Police Fire and Crime Commissioner for North Yorkshire Fire and Rescue Authority (PFCCFRA) transferred by Parliamentary Order to the elected Mayor of York and North Yorkshire from 7th May 2024.

The transfer of the PFCC functions to the Mayor mean that all staff, properties, rights and liabilities transferred to the Combined Authority. Any payments and receipts from such are to be paid into the Mayoral Police Fund to be kept by the Mayor by virtue of section 21 of the Police reform and Social Responsibility Act 2011.

The closing balance sheet of the PFCC's Office will be brought into the Combined Authority's balance sheet in transfer using the absorption accounting policy. The Authority's prior year comparative figures will not be restated to include the PFCC's Office 2023/24 values.

The functions of the PFCCFRA transferred with effect from 7th May 2024 to the Combined Authority. Under the functions and decisions relating to properties, rights and liabilities are to be exercised and made by the Mayor. Any payments and receipts from such are to be paid from and into the Mayoral General Fund.

The closing balance sheet of the Fire and Rescue Authority will be brought into the Combined Authority's balance sheet as an in year transfer using the absorption accounting policy. The Authority's prior year comparative figures will not be restated to include the Fire and Rescue Authority's 2023/24 values.

Expenditure and income relating to Police and Crime functions within the Combined Authority's 2024/25 statements will be for an 11 month period 7th May 2024 to 31st March 2025.

Group Account considerations:

The identification of the Mayor of York and North Yorkshire as the holding organisation and the requirement to produce group accounts stems from powers and responsibilities given to him under the Police Reform and Social Responsibility Act 2011. The Mayor is responsible for the formal oversight of North Yorkshire Police including provision of all funding, budget setting, performance scrutiny and strategic policy development, and for ensuring it is run efficiently and effectively. Operational decision making on day to day policing including the employment of police staff remains the responsibility of the Chief Constable.

Under the legislative framework and local arrangements, the Combined Authority under sole instruction from the Mayor, is responsible for the finances of the Mayoral Police Fund including assets, liabilities and reserves. The Authority has responsibility for entering into contracts and establishing the contractual framework under which the Chief Constable's officers and staff operate. The Combined Authority receives all income and funding and makes all the payments for the policing activity from the Mayoral Police Fund.

As such, in 2024/25, group accounts have been prepared for the Combined Authority to include the Chief Constable of North Yorkshire Police. Both bodies are required to produce separate statements of accounts. Expenditure and income included in the Chief Constable's 2024/25 financial statements and Authority's group accounts will be for an 11 month period 7th May 2024 to 31st March 2025.

Within these statements of accounts, there are two sets of financial statements, representing the accounts of:

- a) The York and North Yorkshire Combined Authority Single Entity (the parent) including:
  - York and North Yorkshire Combined Authority
  - Mayoral Fire and Rescue services
  - Mayoral Policing and Crime services
  
- b) The York and North Yorkshire Combined Authority and Chief Constable for North Yorkshire Police Group

## **(b) Property, Plant and Equipment**

Assets that have physical substance and are held for use in the production or supply of goods or services for rental to others, or for administrative purposes that are expected to generate economic benefit during more than one financial period are classified as Property, Plant and Equipment.

### **(i) Recognition**

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the CA Group and the cost can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when incurred.

### **(ii) Measurement**

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Assets are then carried on the Balance Sheet using the following measurement bases:

- Assets under construction - historical cost
- Property, Plant and Equipment - current value, determined using the basis of existing use value (EUUV). Where there is no market-based evidence of fair value because of the specialist nature of an asset e.g. fire stations, depreciated replacement cost (DRC) is used as an estimate of fair value.

Where non property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Surplus assets are valued at fair value and assets reclassified as held for sale are valued at market value.

- (iii)** Assets included in the Balance Sheet at fair value are revalued annually to ensure that their carrying amount is not materially different from their current value at the period end. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Where decreases in value are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down in the Comprehensive Income and Expenditure Statement (CIES).

The Revaluation Reserve contains revaluation gains recognised since 1st April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

### **(iv) Impairment**

Assets are assessed at each period end as to whether there is a material reduction in the value of an asset due to impairment (e.g. physical damage or deterioration in the quality of the service provided by the asset). Where identified, the loss is recognised through an impairment charge to the net cost of services.

Impairment losses are accounted for as a decrease in valuation as set out above. Where an impairment loss is reversed subsequently, the reversal is credited to the net cost of services, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

#### **(v) Depreciation**

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land) and assets that are not yet available for use (e.g. assets under construction).

Depreciation is calculated on the following bases:

- fire stations and other buildings - straight-line allocation over the useful life of the property as estimated by the valuer.
- vehicles, plant, furniture and equipment - straight-line allocation over the useful life of the assets.

In the period that an asset is either acquired or disposed of, half a period's depreciation is provided for. Where an item of Property, Plant and Equipment has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. This is to ensure that both the depreciation charge in the Net Cost of Services and also the asset carrying value in the Balance Sheet are materially correct. The Combined Authority undertakes an annual review to evaluate whether the componentisation of any of its assets would lead to a materially different depreciation charge and asset carrying value being reported. To date this review has identified no such assets.

#### **(vi) Disposals and Non Current Assets Held for Sale**

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held For Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non current assets.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale. When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the CIES as part of the gain or loss on disposal. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal are categorised as either capital receipts or revenue income dependent upon the amount received. The written off value of disposals is not a charge against council tax, as the cost of non current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

#### **(c) Intangible Assets**

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

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held can be determined by reference to an active market. In practice, no intangible asset by the

Combined Authority meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life and included in the net cost of services in the CIES. Where impairment occurs, any losses recognised are also posted to the net cost of services. Any gain or loss on the disposal or abandonment of an intangible asset is posted to Other Operating Expenditure in the CIES.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses on Intangible Assets are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds where applicable) the Capital Receipts reserve.

**(d) Charges to Revenue for Non Current Assets**

Operational and support services are debited with the following amounts to record the cost of holding non current assets during the period:

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

The Combined Authority is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement. Depreciation, revaluation and impairment losses and amortisation are therefore replaced by the contribution (the Minimum Revenue Provision) in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

**(e) Investment Properties**

Investment Properties are properties that are held to earn rentals, and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or for administrative purposes. Investment Properties are measured initially at cost and subsequently at fair value.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset takes place either:

- a) in the principal market for the asset, or
- b) in the absence of a principal market, in the most advantageous market for the asset.

The Combined Authority measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. When measuring the fair value, the Authority takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Combined Authority uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to the valuation techniques in respect of assets and liabilities for fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the

Combined Authority access at the measurement date

- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - unobservable inputs for the asset or liability

Gains or losses on revaluation are debited or credited to the Financing and Investment Income line in the CIES. The same treatment is applied to gains and losses on disposal, but disposals are otherwise accounted for in accordance with Accounting Policy (b).

Revaluation and disposal gains and losses are not permitted to have an impact on the General Fund Balance. Gains are credited and losses charged to the CIES are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account.

All lease agreements entered into in respect of investment properties let to third parties are operating leases. Rental income from investment property is recognised on a straight-line basis over the term of the lease and is credited to Financing and Investment income and expenditure in the CIES.

#### **(f) Assets Held for Sale**

Non-current assets are reclassified as an Asset Held for Sale when it becomes probable that the carrying amount will be recovered principally through a sale transaction rather than its continuing use. This condition is regarded as met when:

- a sale is highly probable;
- the asset is available for immediate sale in its present condition;
- management are committed to the sale;
- the asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and
- the sale is expected to qualify for recognition as a completed sale within one year from the date of classification.

Assets Held for Sale are carried at fair value. They are revalued immediately before reclassification and then annually, using the same basis as for investment properties as set out in Accounting Policy (e). Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the CIES. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on the Provision of Services. Assets Held for sale are not depreciated.

If an asset no longer meets the criteria to be classified as an Asset Held for Sale, it is classified back to non-current assets and valued at the lower of:

the carrying amount before it was classified as held for sale; adjusted for depreciation, amortisation and/or revaluations that would have been recognised had it not been classified as held for sale; and

- the recoverable amount at the date of the decision not to sell.
- Assets to be abandoned or scrapped are not reclassified as Assets Held for Sale.
- The eventual disposal of an Asset Held for Sale is accounted for in accordance with Accounting Policy (b).

Disposal gains and losses are not permitted to have an impact on the General Fund Balance. Gains and losses charged to the CIES are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account.

## **(g) Government Grants and Contributions**

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Combined Authority when there is reasonable assurance that:

- the Combined Authority will comply with conditions attached to the payments, and
- the grants or contributions will be received

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

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as receipts in advance within Creditors. When no conditions exist or, they have been satisfied, the grant or contribution is credited to the relevant service line or Taxation and Non Specific Grant Income (non ring fenced revenue grants and all capital grants) in the CIES.

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

## **(h) Cash and Cash Equivalents**

Cash and Cash Equivalents include cash-in-hand and deposits that are repayable on demand. Cash equivalents are defined as deposits which:

- are repayable on demand or maturing within three months of the date of acquisition;
- are readily convertible to known amounts of cash; and
- are not subject to a significant risk of change in value.

For the purpose of the cash flow statement, cash and cash equivalents are shown net of outstanding bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

### **Short Term Investments**

Short-Term Investments comprise interest-bearing deposits, held with banks and other financial institutions, maturing more than three months from the date of acquisition. They are carried at amortised cost using the effective interest method. Gains and losses are recognised in income when the deposits are derecognised or impaired, as well as through the amortisation process.

## **(j) Leases**

### **(i) The Combined Authority as Lessee:**

The Authority classifies contracts as leases based on their substance. Contracts and parts of contracts including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use. The Code expands the the scope of IFRS16 to include arrangements with nil consideration, peppercorn or nominal payments.

## **Initial measurement**

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date, if later). The leases are typically for fixed periods in excess of one year but may have extension options.

The Combined Authority initially recognises lease liabilities measured at the present value of lease payments discounting by applying its incremental borrowing rate whenever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include:

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured using the prevailing index or rate as at the adoption date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the Authority is reasonably certain to exercise.
- lease payments in an optional renewal period if the Authority is reasonably certain to exercise an extension option
- penalties for early termination of a lease, unless the Authority is reasonably certain not to terminate early.

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received.

However, for peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.

## **Subsequent measurement**

The right-of-use asset is subsequently measured using the fair value model. The Combined Authority considers the cost model to be a reasonable proxy except for:

- assets held under non-commercial leases
- leases where rent reviews do not necessarily reflect market conditions
- leases with terms of more than five years that do not have any provision for rent reviews
- leases where rent reviews will be at periods of more than five years

For these leases, the asset is carried at a revalued amount. In these financial statements, right-of-use assets held under index-linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or nil consideration leases have been valued using market prices or rentals for equivalent land and properties.

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption.

The lease liability is subsequently measured at amortised cost, using the effective interest method and is remeasured when:

- there is a change in future lease payments arising from a change in index or rate
- there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee
- the Combined Authority changes its assessment of whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the comprehensive income and expenditure statement.

### **Low value and short lease exemption**

As permitted by the Code, the Combined Authority excludes leases:

- for low-value items that cost less than £10,000 when new, provided they are not highly dependent on, or integrated with other items, and
- with a term shorter than 12 months (comprising the non-cancellable period plus any extension options that the Combined Authority is reasonably certain to exercise and any termination options that it is reasonably certain not to exercise).

### **Lease expenditure**

Expenditure in the CIES includes interest, straight-line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low-value items or shorter than 12 months are expensed.

Depreciation and impairments are not charges against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

## **(ii) The Combined Authority as Lessor:**

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

### **Finance leases**

Where the Authority grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether property, plant and equipment or assets held for sale) is written off to the other operating expenditure line in the CIES as part of the gain or loss on disposal. A gain representing the CA's net investment in the lease, is credited to the same line in the CIES also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long-term debtor) asset in the Balance Sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property - applied to write down the lease debtor (together with any premiums received), and
- finance income (credited to the financing and investment income and expenditure line in the CIES). The gain credited to the CIES on disposal is not permitted by statute to increase the General Fund balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund balance to the capital receipts reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund balance to the deferred capital receipts reserve.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore

appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

### **Operating Leases**

Where the Authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the other operating expenditure line in the CIES. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a premium paid on commencement). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

### **(k) Inventories**

Inventories are included in the Balance Sheet at lower of cost and net realisable value. The cost of inventories is assigned using the average basis costing formula.

### **(l) Provisions, Contingent Liabilities and Contingent Assets**

#### **(i) Provisions**

Provisions represent the best estimate, at the balance sheet date, of expenditure required to settle a present obligation. The outcome must be able to be estimated reliably and have a probable outcome. For example, the Combined Authority may be involved in a court case where it is probable a settlement payment will be made for a past obligation. Details of individual provisions are given in the notes to the financial statements.

#### **(ii) Contingent Liabilities**

A contingent liability arises where an event has taken place that gives the Combined Authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within its control. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Material contingent liabilities are not recognised in the Balance Sheet but disclosed in a note.

#### **(iii) Contingent Assets**

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

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

### **(m) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. They are recognised in the Balance Sheet only when the Combined Authority or Group is committed to the contractual provisions of a financial instrument. The only exceptions are trade debtors and creditors when the group recognises these transactions on delivery or receipt.

## **Loans and Receivables**

Loans (financial liabilities) and Receivables (financial assets) are measured at fair value and carried at their amortised cost. Annual charges or credits to the CIES in the period are based on the carrying amount of the loan or receivable multiplied by the effective rate of the instrument. This means that for all borrowing that the Combined Authority has, the amount presented in the Balance Sheet is the outstanding principal (plus accrued interest); and interest charged to the CIES is the amount payable for the period according to the loan agreement. For investments, the amount presented in the Balance Sheet is the outstanding principal receivable and interest credited to the CIES is the amount receivable for the period.

## **Expected Credit Loss Model**

The Combined Authority recognises expected credit losses on all of its financial assets held at amortised cost on a lifetime basis applying the simplified approach which measures the loss allowance at an amount equal to lifetime expected credit losses. This applies to non statutory receivables (Debtors) held.

### **(i) Fair Value**

The Combined Authority and Group measures its assets and liabilities at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell an asset to transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The Combined Authority and Group measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Combined Authority and Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant known data (observable outputs) and minimising the use of estimates or unknowns (unobservable inputs).

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Combined Authority can access at the measurement date
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - unobservable inputs for the asset or liability

### **(n) Exceptional and Extraordinary items and Prior Period Adjustments**

Exceptional and extraordinary items are disclosed on the face of the CIES and fully explained in the notes to the financial statements.

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and and future periods 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 Combined Authority's and Group's financial position performance. Where a change is made, it is accounted for retrospectively by adjusting the opening balances and comparative amounts for the prior period as if the new policy had had been applied.

**(o) Reserves**

The Combined Authority sets aside specific amounts as usable reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure is to be financed from a reserve, it is charged to the appropriate service in that period to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Certain unusable reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Combined Authority and Group. These reserves are explained in the relevant notes to the financial statements.

From 2024/25 onwards, the Combined Authority will keep memorandum accounts to hold the ring fenced reserves and balances relating to the new Mayoral General Fund and the Mayoral Police Fund.

Earmarked reserves and general fund balances from the Fire and Rescue Authority as at 7th May 2024 will be transferred into the Mayoral General Fund.

Earmarked reserves and general fund balances from the PFCC's Office as at 7th May 2024 will be transferred into the Mayoral Police Fund.

**(p) Employee Benefits**

**(i) Benefits Payable During Employment**

Short-term employee benefits are those due to be settled within 12 months of the period-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the period in which employees render service to the Combined Authority and Group.

**(ii) Termination Benefits**

Termination benefits are amounts payable as a result of a decision by the Combined Authority and Group to terminate an officer's employment before the normal retirement date, or, an officer's decision to accept redundancy and are charged on an accruals basis to the CIES at the earlier of when the Authority can no longer withdraw the offer of those benefits or when it recognises costs for a restructuring.

**(q) Pensions**

The Combined Authority and Group participates in three different pension schemes, two of which meet the needs of Operational staff and the third the needs of Support staff. Both schemes provide members with defined benefits related to pay and services. Employees' and employers' contribution levels are based on percentages of pay set nationally and are subject to Actuarial triennial review. The schemes are as follows:

## **Firefighter & Police Pension Schemes**

The Combined Authority and Group meets the pension payments by the payment of an employer's pension contributions based upon a percentage of pay into the Pension Fund. Employee contributions are also paid into the fund which is topped up as necessary by Government Grant if the contributions are insufficient to meet the pension payments due. In the event of a surplus, this will be recouped by Government.

Firefighter & Police Schemes are unfunded and do not take into account the liabilities to pay pensions and other benefits after the reporting period end.

**Local Government Pension Scheme** for Support staff is administered by North Yorkshire Pension Fund - this is a funded scheme, meaning that the employers and employees pay contributions into a fund calculated at a level intended to balance the pension liabilities with investment assets. The pension costs charged to the accounts equate to the employer's contributions paid to the fund on behalf of eligible employees.

Pension schemes are accounted for in accordance with IAS 19 Employee Benefits. IAS19 is based upon the principle that an organisation should account for all retirement benefits when it is committed to give them even if the actual giving will be many periods into the future. This includes the recognition of a net asset/liability and a pensions reserve in the Balance Sheet and entries in the CIES for movements in the asset/liability.

A net pensions asset indicates that an authority has effectively overpaid contributions relative to the future benefits earned by employees. A net liability shows an effective underpayment. The assets and liabilities are assessed by Scheme Actuaries being based upon the latest full valuation of Schemes as at 31st March 2022.

The change in the net pensions liability for all Pension Schemes is analysed into the following components:

- Current service cost - the increase in liabilities as a result of periods of service earned this period.
- Past service cost - the increase in liabilities arising from current period decisions whose effect relates to periods of service earned in earlier periods.
- Net interest on the defined benefit liability/asset, i.e. net interest expense for the Combined Authority and Group.
- Gains or Losses on settlements and curtailments - the result of actions to relieve the Combined Authority and Group of liabilities or events that reduce the expected future service or accrual of benefits of employees.

Remeasurements comprising:

- Expected return on plan assets - excluding amounts included in net interest on the net defined benefit
- Actuarial gains and losses - changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because actuaries have updated assumptions. These include movements due to applying an asset ceiling adjustment under IFRIC14 (International Financial Reporting Interpretations Committee) to adjust for the value of the LGPS asset that cannot be realised either through refunds or by reducing employer contributions.
- Contributions paid to the Pension Fund - cash paid as employer's contributions to the fund in settlement of liabilities.

The Code requires the following accounting policies to be applied to the various elements of the net asset/liability:

- Where a Combined Authority participates in more than one scheme, schemes with net assets should

be shown separately from those with net liabilities.

- The assets of each scheme should be measured at fair value, which is based on bid value.
- The liabilities of each scheme should be measured 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 and projections of projected earnings for current employees.
- Scheme liabilities should be discounted to their value at current prices using a discount rate reflecting the time value of money and the characteristics of the liability.
- The current service cost should be based on the most recent actuarial valuation at the beginning of the period, with the financial assumptions updated to reflect conditions at that date.
- The past service cost should be disclosed on a straight line basis over which the increases in benefit rest.
- The interest cost should be based upon the discount rate and the present value of the scheme liabilities at the beginning of the period.
- The expected rate of return on assets is based upon the long term expectations at the beginning of the period and is expected to be reasonably stable.
- Actuarial gains and losses arise from any new valuation and from updating the latest actuarial valuation to reflect conditions at the balance sheet date.
- Losses arising on settlement or curtailment not allowed for in the actuarial assumptions should be measured at the date on which the employer becomes demonstrably committed to the transaction and disclosed in the notes to the accounts covering that date. Gains arising from settlement/curtailments not allowed for in the actuarial assumptions should be measured at the date on which all parties are irrevocably committed to the transaction.

### **Pensions Grant - Firefighters Pension Schemes**

The Code of Practice identifies Pension top up grant as a separate asset, which is excluded from IAS 19 entries in the CIES. Top up grant is credited directly to the pension Fund account, not the CIES. The grant is taken through the Movement in Reserves Statement (and movement in reconciliation of scheme assets) as an actuarial gain.

### **Pensions Grant - Police Pension Schemes**

The top-up grant receivable in respect of the Police Pension Fund is credited to both the Police Pension Fund Accounts and the CIES. This treatment is in line with the requirements of the Police Pension Fund Regulations 2007 (SI 1932/2007) (updated by SI 1887/2008).

### **Change in Estimation Technique - Disclosure of effect of change in discount rate for liabilities**

In assessing liabilities for retirement benefits, Actuaries are required to use a discount rate appropriate to each authority's circumstances, with the rate potentially changing each period with fluctuations in market circumstances. The effect of this change on the Combined Authority's and Group 's pension schemes, liabilities are:

### **Local Government Pension Scheme**

In assessing liabilities for retirement benefits for the 2023/24 Statement of Accounts, the Actuary advised a discount rate of 5.1%, a rate based upon the current rate on a high quality corporate bond of equivalent currency and term to scheme liabilities. For the 2024/25 Accounts, the Actuary advised a rate of 5.8% is appropriate. Within the YNYCA LGPS, application of this rate has resulted in a decrease in liabilities at today's prices of £4.2m (9.2% of liabilities). Within the CCNY LGPS, application of this has resulted in a decrease in liabilities at today's prices of £23.8m (7.61% of liabilities). These are adjusted by a remeasurement gain recognised for the period in the Other Comprehensive Income and

Expenditure section of the CIES.

### **Firefighters Pension Schemes**

In assessing liabilities for retirement benefits for the 2023/24 Statement of Accounts, the Actuary assumed a discount rate of 5.1%, based upon the current rate on a high quality corporate bond of equivalent currency and term to scheme liabilities. For the 2024/25 Accounts, the Actuary has advised that a rate of 5.65% is appropriate. Application of this rate has resulted in a decrease in liabilities at today's prices of £20.9m (7.16% of liabilities), adjusted by a remeasurement gain recognised in the Other Comprehensive Income and Expenditure section of the CIES.

### **Police Pension Schemes**

In assessing liabilities for retirement benefits for the 2023/24 Statement of Accounts, the Actuary assumed a discount rate of 5.1%, based upon the current rate on a high quality corporate bond of equivalent currency and term to scheme liabilities. For the 2024/25 Accounts, the Actuary has advised that a rate of 5.65% is appropriate. Application of this rate has resulted in a decrease in liabilities at today's prices of £102.3m (7.95% of liabilities), adjusted by a remeasurement gain recognised in the Other Comprehensive Income and Expenditure section of the CIES.

### **Injury Awards**

Injury awards are payable to those Firefighters and Police Officers who have sustained a qualifying injury in the exercise of their duties. All injury awards are payable from the Income and Expenditure account, rather than the Pension Fund.

### **(r) Private Finance Initiative (PFI)**

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Combined Authority is deemed to control the services that are provided under its PFI schemes, and as ownership of the property, plant and equipment will pass to the Authority at the end of the contract for a nominal charge, the Authority carries the assets used under the contract on its Balance Sheet as property, plant and equipment.

The original recognition of these assets on the balance sheet at fair value (based on an external valuation of the buildings and land) was balanced by the recognition of a liability for amounts due to the scheme as part of operator to pay for the capital investment.

The amounts payable to the PFI operator each period are analysed into four elements:

- Fair value of the services received during the period - debited to net cost of services in the CIES.
- Finance cost - an interest charge on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure line in the CIES.
- Contingent rent - increases in the amount to be paid for the property arising during the contract are debited to the Financing and Investment Income and Expenditure line in CIES.
- Payment towards the liability - applied to write down the Balance Sheet liability towards the PFI operator (the profile of write-downs is calculated using the same principles as for a finance lease).

IFRS16 Leases also applies to the measurement of the lease liability for PFI arrangements. Under IFRS16, where indexation or changes in a rate affect future payments, the lease liability is remeasured. Instead of expensing the additional (or reduced) payment, the net present value of future payments that comprise the liability is recalculated.

(s) **VAT**

VAT is included in the accounts only if it is irrecoverable from His Majesty's Revenue and Customs (HMRC).

(t) **Revenue Expenditure Funded from Capital under Statute**

Expenditure incurred by the Combined Authority that may be capitalised under statutory provisions but does not result in the creation of a non current asset is charged to the CIES. The Combined Authority and Group meets this expenditure from existing capital resources with capital grants reversed against the expenditure charged to revenue so that there is no impact on the revenue account.

(u) **Post Balance Sheet Events**

Events after the Balance Sheet date are reflected by the Combined Authority up to the date when the accounts are authorised for issue: Two types of event can be identified:

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

**2. Critical Judgements in Applying Accounting Policies**

In applying the accounting policies set out in Note 1, the Combined Authority has had to make certain judgement about complex transactions or those involving uncertainty about future events. The following are the significant management judgements made:

(i) Transfer of Functions:

The functions of the Police, Fire and Crime Commissioner (PFCC) in North Yorkshire, were transferred by Parliamentary Order (The York and North Yorkshire Combined Authority Order 2023) to the Elected Mayor of York and North Yorkshire Combined Authority from 7th May 2024. The transfer of the PFCC functions to the Mayor mean that the legal entity known as the North Yorkshire Police, Fire and Crime Commissioner (Fire and Rescue Authority) ceased to exist as of 6th May 2024 and all staff, rights and liabilities transferred to the Combined Authority. As the functions of the PFCC will continue, the accounts have been prepared on a going concern basis.

- (ii) The Police Fund elements, and Fire elements of the Combined Authority's General Fund, within these accounts cover the period from 7th May 2024 to 31st March 2025, a period of 10 months and 25 days. Both the PFCC's and Fire and Rescue Authority's accounts for 2023/24 were based on an extended period of 1st April 2023 to 6th May 2024.

Transactions for the period 1st April 2024 to 6th May 2024 were examined and the following items deemed material and accrued into the 2023/24 statements for the extended 36 day period:

- Pay and associated employer costs are accrued on the basis of actual costs to 6th May 2024 where available, and expected costs where necessary.
- Non pay costs are accrued on the basis of 36 days expected costs
- Precept and Grant funding on the basis of actual receipts where available, and expected income where necessary.
- Pension income and expenditure is accrued in the Firefighters Pension Fund Account on the basis of actual costs/receipts where available, and expected costs/income where necessary.

In line with accounting guidance, the reversal of these estimated accruals are within the 2024/25 financial statements to produce these for the shortened period of 7th May 2024 to 31st March 2025.

- (iii) The Combined Authority is deemed to control the services provided under its PFI arrangement and is also able to control the residual value of these buildings at the end of the agreement. The accounting policies for PFI schemes and similar contracts have been applied to the arrangement and the assets (valued at £7.9m) are recognised as Land and Buildings on the Balance Sheet.
- (iv) A judgement is made on the expenditure allocated between the Mayor and the Chief Constable to reflect financial resources consumed at the request of the Chief Constable.

### **3. Assumptions Made About The Future and other Major Sources of Estimation Uncertainty**

The Statement of Accounts contains estimated figures that are based on assumptions made by the Combined Authority and Group about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because these balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the Authority's Balance Sheet at 6th May 2024 for which there is a significant risk of material adjustment in the forthcoming financial period are:

#### **(i) Pensions Liability - net carrying amount 31st March 2025 £(1,578,290,000)**

Estimation of the net liability to pay pensions depends on a number of complex judgements and projections advised by the Actuaries, which include; the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected future returns on pension fund assets where applicable. Note 29 to the financial statements provides more detail.

#### **(ii) Property Plant & Equipment - net carrying amount 31st March 2025 £100,359,000**

Assets are depreciated over the useful life that they will be operational. The useful life is dependent on assumptions about the level of repairs and maintenance expenditure in relation to individual assets. Should insufficient expenditure be incurred to properly maintain an asset, it may be the case that the useful economic life of that asset is reduced; this might give rise to an impairment or accelerated depreciation being required, and a resultant decrease in the carrying amount of the asset. It is estimated that the annual depreciation charge for non current assets would increase by £1.4m for every period that useful lives are reduced.

Valuation of assets and consideration of impairment depends on a number of complex judgements and a firm of Valuers is engaged to provide expert advice about the assumptions to be applied. The valuation (and any impairment review) is commissioned in accordance with the Royal Institution of Chartered Surveyors (RICS) valuation standards.

### **4. Events after the Balance Sheet Date**

The Statement of Accounts was authorised for issue by the Director of Resources on 11th August 2005. Events taking place after that date are not reflected in the financial statements. However, where events after this date provide information about conditions existing at 31st March 2025, the figures in the financial statements and notes have been adjusted in all material respects.

## 5. Adjustments between accounting basis & funding basis under regulations - YNYCA and Group

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Combined Authority and Group in the period in accordance with proper accounting practice to arrive at the amounts that are specified by statutory provisions as being available to the Group to meet future capital and revenue expenditure:

2024/25	Usable Reserves					
	Combined Authority General Fund Balance	Police General Fund Balance	Combined Authority Usable Capital Receipts reserve	Police Fund Usable Capital Receipts reserve	Combined Authority Capital Grants Unapplied	Movement in Usable Reserves
	£000	£000	£000	£000	£000	£000
<b>Amounts by which income and expenditure included in the CIES are different from revenue for the period calculated in accordance with statutory requirements</b>						
Pension costs transferred to/(from) the Pensions Reserve	4,181	(1,440)	-	-	-	2,741
Council Tax and NDR transferred to/(from) the Collection Fund Adjustment Account	(14)	(135)	-	-	-	(149)
Holiday Pay (transferred to/(from) the Accumulated Absences Adjustment Account	24	(10)	-	-	-	14
Reversal of entries included in the surplus or deficit on the provision of services in relation to capital expenditure (these items are charged to the Capital Adjustment Account	52,128	9,811	-	-	-	61,939
Capital grants and contributions credited to the CIES that have been applied to capital financing	(48,964)	(120)	-	-	-	(49,084)
<b>Total Adjustments to Revenue Resources YNYCA</b>	<b>7,355</b>	<b>8,106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,461</b>
Pension costs transferred to/(from) the Pensions Reserve	-	41,956	-	-	-	41,956
Holiday Pay (transferred to/(from) the Accumulated Absences Adjustment Account	-	(331)	-	-	-	(331)
<b>Total Adjustments to Revenue Resources Chief Constable</b>	<b>-</b>	<b>41,625</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,625</b>
<b>Total Adjustments to Revenue Resources GROUP</b>	<b>7,355</b>	<b>49,731</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57,086</b>
<b>Adjustments between Revenue and Capital Resources</b>						
Transfer of non current asset sale proceeds from revenue to the Capital Receipts Reserve	-	(343)	-	343	-	-
Statutory provision for the repayment of debt	(1,554)	(482)	-	-	-	(2,036)
Capital expenditure financed from revenue resources	(286)	-	-	-	-	(286)
Transfer of capital grants and contributions to capital grants unapplied	(5,697)	-	-	-	5,697	-
<b>Total Adjustments between Capital and Revenue Resources YNYCA</b>	<b>(7,537)</b>	<b>(825)</b>	<b>-</b>	<b>343</b>	<b>5,697</b>	<b>(2,322)</b>
<b>Total Adjustments between Capital and Revenue Resources Chief Constable</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Adjustments between Capital and Revenue Resources GROUP</b>	<b>(7,537)</b>	<b>(825)</b>	<b>-</b>	<b>343</b>	<b>5,697</b>	<b>(2,322)</b>

Continued overleaf

## Adjustments between accounting basis & funding basis under regulations - YNYCA and Group

Continued:

2024/25	Usable Reserves					
	Combined Authority General Fund Balance £000	Police General Fund Balance £000	Combined Authority Usable Capital Receipts reserve £000	Police Fund Usable Capital Receipts reserve £000	Combined Authority Capital Grants Unapplied £000	Movement in Usable Reserves £000
<b>Adjustments to Capital Resources</b>						
Use of capital receipts reserve to finance new capital expenditure	-	-	-	(8,079)	-	(8,079)
Application of capital grants to finance capital expenditure	-	-	-	-	-	-
<b>Total Adjustments to Capital Resources YNYCA</b>	-	-	-	(8,079)	-	(8,079)
<b>Total Adjustments to Capital Resources Chief Constable</b>	-	-	-	-	-	-
<b>Total Adjustments to Capital Resources GROUP</b>	-	-	-	(8,079)	-	(8,079)
<b>Total Adjustments YNYCA</b>	(182)	7,281	-	(7,736)	5,697	5,060
<b>Total Adjustments CCNY</b>	-	41,625	-	-	-	41,625
<b>Total Adjustments GROUP</b>	(182)	48,906	-	(7,736)	5,697	46,685

Comparative figures in 2023/24	Usable Reserves					
	Combined Authority General Fund Balance £000	Police General Fund Balance £000	Combined Authority Usable Capital Receipts reserve £000	Police Fund Usable Capital Receipts reserve £000	Combined Authority Capital Grants Unapplied £000	Movement in Usable Reserves £000
<b>Amounts by which income and expenditure included in the CIES are different from revenue for the period calculated in accordance with statutory requirements</b>						
Pension costs transferred to/(from) the Pensions Reserve	-	-	-	-	-	-
Reversal of entries included in the surplus or deficit on the provision of services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(47)	-	-	-	-	(47)
Capital grants and contributions credited to the CIES that have been applied to capital financing	112	-	-	-	-	112
<b>Total Adjustments to Revenue Resources YNYCA</b>	<b>65</b>	-	-	-	-	<b>65</b>
<b>Adjustments between Revenue and Capital Resources</b>						
Transfer of capital grants and contributions to capital grants unapplied	(4,321)	-	-	-	4,321	-
<b>Total Adjustments between Capital and Revenue Resources YNYCA</b>	<b>(4,321)</b>	-	-	-	<b>4,321</b>	-
<b>Total Adjustments YNYCA</b>	<b>(4,256)</b>	-	-	-	<b>4,321</b>	<b>65</b>

Descriptions of the reserves that the adjustments are made against:

- (a) **General Fund Balances** are the main revenue funds from which the costs of services are met. It represents the accumulated credit balances i.e. the excess of income over expenditure, which provides a working balance to help manage uneven cash flows and avoid unnecessary borrowing. The General Fund balances also include a contingency element to manage unexpected and consequently unbudgeted events and circumstances.
- (b) **Capital Receipts Reserves** record balances of receipts for capital disposals that can be retained for qualifying capital purposes, expenditure of a capital nature or repayment of borrowings.
- (c) **Capital Grants Unapplied Reserve** holds the grants and contributions received towards capital projects for which the Group has met the conditions that would otherwise require repayment of monies but which have yet to be applied to meet expenditure.

## 6. Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by the Combined Authority and Group in comparison with those resources consumed or earned in accordance with generally accepted accounting practices which is presented more fully in the Comprehensive Income and Expenditure Statement (CIES).

### Expenditure and Funding Analysis - Single Entity

2023/24			2024/25		
Net Expenditure Chargeable to the General Fund Balance	Adjustment between the Funding and Accounting Basis (Note 6a)	Net Expenditure in the CIES	Net Expenditure Chargeable to the General Fund Balance	Adjustment between the Funding and Accounting Basis (Note 6a)	Net Expenditure in the CIES
£000	£000	£000	£000	£000	£000
(5,306)	(65)	(5,371)	(7,641)	(329)	(7,970)
-	-	-	-	115	115
-	-	-	174,198	8,497	182,695
-	-	-	34,918	(7,851)	27,067
<b>(5,306)</b>	<b>(65)</b>	<b>(5,371)</b>	<b>201,475</b>	<b>432</b>	<b>201,907</b>
-	-	-	22,961	(1,045)	21,916
-	-	-	(2,032)	13,677	11,645
-	(4,322)	(4,322)	(232,336)	(5,966)	(238,302)
<b>(5,306)</b>	<b>(4,387)</b>	<b>(9,693)</b>	<b>(9,933)</b>	<b>7,099</b>	<b>(2,833)</b>

Combined Authority	Police Fund	Total
£000	£000	£000
-	-	5,307
-	18,335	24,099
1,000	1,724	9,933
4,307	-	(471)
<b>5,307</b>	<b>20,059</b>	<b>38,867</b>

## Expenditure and Funding Analysis - Group

2023/24			2024/25			
Net Expenditure Chargeable to the General Fund Balance	Adjustment between the Funding and Accounting Basis (Note 6a)	Net Expenditure in the CIES		Net Expenditure Chargeable to the General Fund Balance	Adjustment between the Funding and Accounting Basis (Note 6a)	Net Expenditure in the CIES
£000	£000	£000		£000	£000	£000
(5,306)	(65)	(5,371)	Combined Authority Programmes	(7,641)	(329)	(7,970)
-	-	-	Core Operating Costs	-	115	115
-	-	-	Mayoral Policing Services (OPFCC)	174,198	(8,224)	165,974
-	-	-	Fire & Rescue Services	34,918	(7,851)	27,067
<b>(5,306)</b>	<b>(65)</b>	<b>(5,371)</b>	<b>Net Cost of Services</b>	<b>201,475</b>	<b>(16,289)</b>	<b>185,186</b>
-	-	-	Other Income and Expenditure	22,961	(1,045)	21,916
-	-	-	Financing & Investment Income & Expenditure	(2,032)	72,024	69,992
-	(4,322)	(4,322)	Taxation and Non-Specific Grant Income	(232,336)	(5,966)	(238,302)
<b>(5,306)</b>	<b>(4,387)</b>	<b>(9,693)</b>	<b>(Surplus)/Deficit on Provision of Services</b>	<b>(9,933)</b>	<b>48,725</b>	<b>38,792</b>

Combined Authority		Combined Authority	Police Fund	Total
£000		£000	£000	£000
-	<b>Opening General Fund and Earmarked Reserves</b>	5,307	-	5,307
-	Transfer of Balances 7th May 2024	5,764	18,335	24,099
1,000	Plus/(Less) (Surplus)/Deficit on the General Fund	8,208	1,724	9,933
4,307	Transfers to/(from) Earmarked Reserves	(471)	-	(471)
<b>5,306</b>	<b>Closing General Fund and Earmarked Reserves</b>	<b>18,808</b>	<b>20,059</b>	<b>38,867</b>

**(a) Note to the Expenditure & Funding Analysis**

Adjustments from General Funds to arrive at the Comprehensive Income and Expenditure amounts:

**Note to the Expenditure and Funding Analysis - Single Entity**

2023/24				2024/25			
Adjustments for Capital Purposes (see (i) below)	Net change for the Pensions adjustment (see (ii) below)	Other Differences (see (iii) below)	Total Adjustments	Adjustments for Capital Purposes (see (i) below)	Net change for the Pensions adjustment (see (ii) below)	Other Differences (see (iii) below)	Total Adjustments
£000	£000	£000	£000	£000	£000	£000	£000
(65)	-	-	(65)	(141)	-	(188)	(329)
-	-	-	-	-	115	-	115
-	-	-	-	9,184	(1,389)	702	8,497
-	-	-	-	2,311	(9,662)	(500)	(7,851)
<b>(65)</b>	-	-	<b>(65)</b>	<b>11,354</b>	<b>(10,936)</b>	<b>14</b>	<b>432</b>
-	-	-	-	(1,045)	-	-	(1,045)
-	-	-	-	-	13,679	-	13,679
-	-	(4,322)	(4,322)	(120)	-	(5,846)	(5,966)
<b>(65)</b>	-	<b>(4,322)</b>	<b>(4,387)</b>	<b>10,189</b>	<b>2,743</b>	<b>(5,832)</b>	<b>7,099</b>

**Note to the Expenditure and Funding Analysis - Group**

2023/24				2024/25			
Adjustments for Capital Purposes (see (i) below)	Net change for the Pensions adjustment (see (ii) below)	Other Differences (see (iii) below)	Total Adjustments	Adjustments for Capital Purposes (see (i) below)	Net change for the Pensions adjustment (see (ii) below)	Other Differences (see (iii) below)	Total Adjustments
£000	£000	£000	£000	£000	£000	£000	£000
(65)	-	-	(65)	(141)	-	(188)	(329)
-	-	-	-	-	115	-	115
-	-	-	-	9,184	(17,785)	377	(8,224)
-	-	-	-	2,311	(9,662)	(500)	(7,851)
<b>(65)</b>	-	-	<b>(65)</b>	<b>11,354</b>	<b>(27,332)</b>	<b>(311)</b>	<b>(16,289)</b>
-	-	-	-	(1,045)	-	-	(1,045)
-	-	-	-	-	72,031	(5)	72,026
-	-	(4,322)	(4,322)	(120)	-	(5,846)	(5,966)
<b>(65)</b>	-	<b>(4,322)</b>	<b>(4,387)</b>	<b>10,189</b>	<b>44,699</b>	<b>(6,162)</b>	<b>48,725</b>

**(i) Adjustments for Capital Purposes**

Adjustments for capital purposes - this column adds in depreciation and impairment and revaluation gains and losses in the services line, and for:

**Other operating expenditure** - adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.

**Financing and investment income and expenditure** - the statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these amounts are not chargeable under generally accepted accounting practices.

**Taxation and non-specific grant income and expenditure** - capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the period to those receivable without conditions or for which conditions were satisfied throughout the period. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the period without conditions or for which conditions were satisfied in the period.

**(ii) Net Change for the Pensions Adjustments**

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

**For services** this represents the removal of the employer pension contributions made by the Authority as allowed by statute which are replaced with current and past service costs.

For **Financing and investment income and expenditure** - the net interest on the defined benefit liability is charged to the CIES.

**(iii) Other differences**

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

**For services**, this represents the adjustment for timing differences in relation to accumulated staff absences earned but not taken in the period e.g. annual leave entitlement carried forward at 31st March. The charge under **Taxation and non-specific grant income and expenditure** represents the difference between what is chargeable under statutory regulations for council tax and NNDR that was projected to be received at the start of the period and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future surpluses or deficits on the Collection Fund.

**(b) Expenditure & Income analysed by nature**

The Combined Authority and Group's expenditure and income is analysed as follows:

	Single Entity		Group	
	2024/25	2023/24	2024/25	2023/24
	£000	£000	£000	£000
<b>Expenditure:</b>				
Employee benefits expenses	39,844	2,505	184,923	2,505
Other service expenses	63,402	-	107,404	-
Depreciation, amortisation, revaluations and impairment	13,861	13	13,861	13
Interest Payments	1,222	-	59,573	-
(Gain) or Loss on Disposal of non current assets	(194)	-	(194)	-
Payments to ESMCP Transition central pool	167	-	167	-
<b>Total expenditure</b>	<b>118,303</b>	<b>2,518</b>	<b>365,735</b>	<b>2,518</b>
<b>Income:</b>				
Fees, charges & other service income	(3,045)	-	(11,984)	-
Interest and investment income	(3,304)	-	(3,309)	-
Income from council tax and non domestic rates	(115,139)	-	(115,139)	-
Government grants and contributions	353	(12,211)	(196,508)	(12,211)
<b>Total income</b>	<b>(121,135)</b>	<b>(12,211)</b>	<b>(326,940)</b>	<b>(12,211)</b>
<b>(Surplus) or Deficit on Provision of Services</b>	<b>(2,833)</b>	<b>(9,693)</b>	<b>38,792</b>	<b>(9,693)</b>

**7 Other Operating (Income) and Expenditure for YNYCA and Group**

	2024/25	2023/24
	£000	£000
(Gains)/Losses on the disposal of non current assets	(193)	-
Movement in fair value of Assets Held for Sale	-	-
Payments to ESMCP Transition central pool	167	-
Police Pension Top-up Grant paid to Pension Scheme	21,942	-
<b>TOTAL GROUP</b>	<b>21,915</b>	<b>-</b>

**8a Financing & Investment Operating / (Income) and Expenditure for YNYCA and Group**

	2024/25	2023/24
	£000	£000
Interest payable and similar charges	949	-
Interest receivable and similar income	(2,981)	-
Net Pensions interest cost	13,679	-
<b>Sub Total YNYCA</b>	<b>11,645</b>	<b>-</b>
Chief Constable - Net Pensions interest cost	58,352	-
Chief Constable - Investment Properties	(5)	-
<b>Sub Total CCNY</b>	<b>58,347</b>	<b>-</b>
<b>Total Group at 31st March 2025</b>	<b>69,992</b>	<b>-</b>

<b>8b Investment Property Rentals</b>	<b>2024/25</b>	<b>2023/24</b>
Gross and net rental income from Investment Properties:	£000	£000
<b>Properties let to tenants under operating leases:</b>		
Gross rent receivable	(14)	-
Property operating expenses	9	-
<b>Net rental (income) / expenditure</b>	<b>(5)</b>	<b>-</b>

## 9 Taxation and Non-Specific Grant Income for YNYCA and Group

	<b>2024/25</b>	<b>2023/24</b>
	£000	£000
<u>Combined Authority General Fund Services:</u>		
Capital Grants & Contributions	(5,882)	(4,400)
<b>Total Combined Authority General Services</b>	<b>(5,882)</b>	<b>(4,400)</b>
<u>Mayoral Crime &amp; Policing Services:</u>		
Precept Income	(88,825)	-
Police Grant	(79,159)	-
Capital Grants & Contributions	(120)	-
Home Office grant payable towards the cost of retirement benefits	(21,942)	-
Legacy Council Tax Grants	(7,119)	-
<b>Total Police Fund</b>	<b>(197,165)</b>	<b>-</b>
<u>Mayoral General Fund Services</u>		
Precept Income	(23,803)	-
Non Domestic Rates	(2,509)	-
Revenue Support Grant	(4,328)	-
Non Domestic Rates Top Up	(3,021)	-
Rural Services Delivery Grant	(630)	-
PFI Grant (to match interest charge)	(110)	-
Capital Grants & Contributions	(851)	-
<b>Total Mayoral General Fund Services</b>	<b>(35,252)</b>	<b>-</b>
<b>TOTAL GROUP</b>	<b>(238,299)</b>	<b>(4,400)</b>

## 10 Government Grant Income credited to the CIES against services for YNYCA and Group

	2024/25	2023/24
	£000	£000
<u>YNYCA Continuing Services</u>		
Gainshare Capital	27,306	-
Gainshare Revenue	11,700	5,850
Local Transport Capital Funding	6,300	-
AEB Implementation 23/24	1,000	500
LEP integration Plan 2024	451	-
Brownfield Funding / Housing Capacity Funding	355	-
Net Zero	234	-
Other (Grants under £200k individually)	494	-
<u>Mayoral Policing Services (OPFCC)</u>		
Operation Uplift Grant	5,026	-
Pension Grant	4,444	-
Commissioning of Victim Support Services	1,743	-
Home Office Pay Award Grant	1,593	-
Special Police Grant	1,423	-
Home Office PS Grant	1,278	-
Apprenticeship Levy Grant	1,231	-
Criminal Records Bureau	882	-
Counter-Terrorism	877	-
Hotspot Policing Grant	821	-
PPS Compensation Grant	381	-
Safer Streets Targeted Grant	274	-
Serious Violence Duty Grant	241	-
Incentivisation Grant	206	-
Other (Grants under £200k individually)	712	-
<u>Fire &amp; Rescue Services</u>		
Sec 31 NDR Grant	1,965	-
Pension Mitigation Grant	1,204	-
Funding Guarantee Grant	603	-
PFI Grant	475	-
Protection Uplift Grant	218	-
Other (Grants under £200k individually)	471	-
<b>TOTAL GROUP</b>	<b>73,909</b>	<b>6,350</b>

## 11. Property, Plant and Equipment for YNYCA and Group

	Other Land & Buildings £000	Vehicles £000	Plant & Equipment £000	Surplus Assets £000	Assets under Construction £000	Total £000	PFI Assets (Note 16) Included in Land & Buildings £000
<b>Cost or Valuation (GCA):</b>							
<b>As at 1st April 2024</b>	-	-	78	-	-	<b>78</b>	-
Transferred in on 7th May 2024	71,450	31,609	15,373	-	1,750	<b>120,182</b>	6,380
Additions	3,755	4,631	5,185	-	3,888	<b>17,459</b>	-
Accumulated Depreciation & Impairment written off to Gross Carrying Amount	(2,713)	(886)	-	-	-	<b>(3,599)</b>	(169)
Revaluation increases / (decreases) recognised in the Revaluation Reserve	1,273	60	-	-	-	<b>1,333</b>	725
Revaluation increases / (decreases) recognised in the Surplus/Deficit on the provision of Services	(5,566)	-	-	-	-	<b>(5,566)</b>	-
Derecognition - disposals	-	(2,653)	(99)	-	-	<b>(2,752)</b>	-
Derecognition - other	-	-	-	-	-	-	-
Assets reclassified (to)/from Held for Sale	(500)	-	-	-	-	<b>(500)</b>	-
Other movements in cost or valuation	4,709	99	-	-	(3,350)	<b>1,458</b>	962
Transfer of Assets between Group bodies	-	-	-	-	-	-	-
<b>As at 31st March 2025</b>	<b>72,408</b>	<b>32,860</b>	<b>20,537</b>	-	<b>2,288</b>	<b>128,093</b>	<b>7,898</b>
	£000	£000	£000	£000	£000	£000	£000
<b>Accumulated Depreciation &amp; Impairment:</b>							
<b>As at 1st April 2024</b>	-	-	(13)	-	-	<b>(13)</b>	-
Transferred in on 7th May 2024	(671)	(18,644)	(7,124)	-	-	<b>(26,439)</b>	(62)
Depreciation Charge	(2,042)	(3,042)	(2,400)	-	-	<b>(7,484)</b>	(107)
Accumulated Depreciation & Impairment written off to Gross Carrying Amount	2,713	886	-	-	-	<b>3,599</b>	169
Impairment losses / (reversals) recognised in the Revaluation Reserve	-	-	-	-	-	-	-
Impairment losses / (reversals) recognised in the Surplus/Deficit on the provision of services	-	-	-	-	-	-	-
Derecognition - disposals	-	1,815	8	-	-	<b>1,823</b>	-
Other Movements in Depreciation and Impairment	-	692	88	-	-	<b>780</b>	-
Transfers of Assets between Group bodies	-	-	-	-	-	-	-
<b>As at 31st March 2025</b>	-	<b>(18,293)</b>	<b>(9,441)</b>	-	-	<b>(27,734)</b>	-
<b>Net Book Value</b>							
<b>At 31st March 2025</b>	<b>72,408</b>	<b>14,567</b>	<b>11,096</b>	-	<b>2,288</b>	<b>100,359</b>	<b>7,898</b>
<b>At 31st March 2024</b>	-	-	<b>65</b>	-	-	<b>65</b>	-

## Property, Plant and Equipment for YNYCA and Group

Comparative Movements in 2023/24

	Other Land & Buildings £000	Vehicles £000	Plant & Equipment £000	Surplus Assets £000	Assets under Construction £000	Total £000	PFI Assets (Note 16) Included in Other Land & Buildings £000
<b>Cost or Valuation:</b>							
<b>As at 20th December 2023</b>	-	-	-	-	-	-	-
Additions	-	-	78	-	-	78	-
Accumulated Depreciation & Impairment written off to Gross Carrying Amount	-	-	-	-	-	-	-
Revaluation increases / (decreases) recognised in the Revaluation Reserve	-	-	-	-	-	-	-
Revaluation increases / (decreases) recognised in the Surplus/Deficit on the provision of services	-	-	-	-	-	-	-
Derecognition - disposals	-	-	-	-	-	-	-
Assets reclassified (to)/from Held for Sale	-	-	-	-	-	-	-
Other movements in cost or valuation	-	-	-	-	-	-	-
<b>At 31st March 2024</b>	-	-	78	-	-	78	-
	£000	£000	£000	£000	£000	£000	£000
<b>Accumulated Depreciation &amp; Impairment:</b>							
<b>As at 20th December 2023</b>	-	-	-	-	-	-	-
Depreciation Charge	-	-	(13)	-	-	(13)	-
Accumulated Depreciation & Impairment written off to Gross Carrying Amount	-	-	-	-	-	-	-
Depreciation written out to the Surplus / Deficit on the provision of services	-	-	-	-	-	-	-
Impairment losses/ (reversals) recognised in the Revaluation Reserve	-	-	-	-	-	-	-
Impairment losses/ (reversals) recognised in the Surplus/Deficit on the Provision of Services	-	-	-	-	-	-	-
Derecognition - Disposals	-	-	-	-	-	-	-
Other movements in Depreciation and Impairment	-	-	-	-	-	-	-
<b>At 31st March 2024</b>	-	-	(13)	-	-	(13)	-
<b>Net Book Value</b>							
<b>At 31st March 2023</b>	-	-	-	-	-	65	-

## Depreciation

The following useful lives have been used in the calculation of depreciation:

- Land - not depreciated
- Buildings 15 - 60 years
- Vehicles 2 - 15 years
- Plant & Equipment 5 - 15 years

## Capital Commitments

At 31st March 2025, the Group is within contracts for capital schemes for which the expenditure commitment in future years is estimated at £6,489k. Of this amount £1,315k relates to fire appliances ordered before March 2025, at various stages of the build process.

	£000
Plant and Equipment	764
Fleet Vehicles	3,710
Estates Transformation Programme Improvements	612
Intangibles	1,403
<b>Total</b>	<b>6,489</b>

## Revaluations

Assets are carried in the Balance sheet using the asset management bases set out in Accounting Policy Note 1 (b). Valuations of the full estate were carried out in 2024/25 by NPS Property Consultants, an independent external valuer in accordance with the methodologies and bases for estimation set out in the professional standards of the Institution of Chartered Surveyors. The effective date of the valuation is 31st March 2025. The significant assumptions applied in estimating the current values are:

- That the properties and values are unaffected by any matters which would be revealed in a local search or inspection of any register, and remains useable for its intended purpose.
- That good title can be shown.
- That all sites are free of high alumina cement, concrete or calcium chloride additive, or asbestos, woodwool slabs or other potentially deleterious materials.
- All properties are free of radon gas.
- For the depreciated replacement cost method, the cost of constructing the property is calculated and then depreciated to reflect factors of age and obsolescence. An addition is then made for the value of the land on which the property is situated.
- Remaining useful lives are based upon the assumption that the Authority continues to undertake appropriate maintenance and repair, but that rebuilding or extension works will not be undertaken.

<b>Current Value of Assets</b>	Land & Buildings £000	Vehicles £000	Plant & Equipment £000	Surplus Assets £000	Assets under Construction £000	<b>Total £000</b>
Carried at historical cost	-	14,567	11,096	-	1,772	<b>27,435</b>
Valued at current value as at:						
31 March 2025	72,407	-	-	-	515	<b>72,922</b>
Total Cost or Valuation	<b>72,407</b>	<b>14,567</b>	<b>11,096</b>	-	<b>2,287</b>	<b>100,357</b>

The dates listed in the table above are the dates of the last formal valuation of assets by External Valuers under the rolling programme.

The Combined Authority recognised no impairment losses on non current assets in 2024/25, or 2023/24.

## 12. Intangible Assets for YNYCA and Group

The Group's Intangible assets consist wholly of software and licences for IT systems. The useful lives of assets are based on assessment of the period that they are expected to be of use to the Combined Authority. The useful lives assigned to the software licences range from 3 - 30 years. The carrying amount of intangible assets is amortised on a straight line basis. Amortisation of £375k in 2024/25 was charged to the relevant services line in the Comprehensive Income and Expenditure Statement.

The movement on Intangible Asset balances during the year is as follows:

	2024/25 £000	2023/24 £000
<b>Balance at 1st April 2024</b>		
Gross carrying amounts	-	-
Accumulated amortisation	-	-
<b>Net carrying amount at start of period</b>	<u>-</u>	<u>-</u>
Net carrying amount transferred in 7th May 2025	845	-
Additions	189	-
Disposals	-	-
Impairment losses/(reversals) recognised in the Revaluation Reserve	-	-
Impairment losses/(reversals) recognised in the Surplus/Deficit on the Provision of Services	-	-
Amortisation for the period	(375)	-
Derecognition - Disposals	-	-
Other movements in cost or valuation	-	-
<b>Net carrying amount at end of period</b>	<u><b>659</b></u>	<u>-</u>
Comprising:		
Gross carrying amount	5,479	-
Accumulated amortisation	(4,820)	-
	<u><b>659</b></u>	<u>-</u>

## 13. Investment Properties for YNYCA and Group

The movement on Investment Property during the year is as follows:

	2024/25 £000	2023/24 £000
<b>Balance at 1st April</b>	-	-
Transferred in on 7th May 2024	181	-
Reclassification from/(to) Assets Held For Sale	-	-
Disposals	-	-
Revaluations	-	-
<b>Balance as at 31st March</b>	<u><b>181</b></u>	<u>-</u>

All investment properties are freehold. Investment properties are those held to earn rentals or capital appreciation or both, rather than for use in the provision of services or for administrative purposes. Investment properties are either unlet or let to tenants under operating leases. At the balance sheet date, the Combined Authority held a total of 2 investment properties (2023/24, 2). Both of these properties, were previously operational properties but are no longer required for operational purposes.

100% (2023/24 100%) of investment properties have been measured at fair value at 31st March using significant unobservable inputs (Level 3 of the Fair Value Hierarchy) by an external valuer in accordance with the RICS Valuation Standards. The valuer has used a market approach to valuing the assets. There has been no change in valuation techniques used for investment properties during the year, and no investment properties have moved between valuation hierarchy levels during the year.

#### 14. Assets Held for Sale for YNYCA and Group

The movement on Assets Held for Sale during the year is as follows:

	2024/25 £000	2023/24 £000
<b>Balance at 1st April</b>	-	-
Transferred in on 7th May 2024	-	-
Reclassification from/(to) Property, Plant & Equipment	500	-
Reclassification from/(to) Investment Properties	-	-
Disposals	-	-
Revaluation increases / (decreases) recognised in the Revaluation Reserve	-	-
Revaluation increases / (decreases) recognised in the (Surplus)/Deficit on the provision of Services	-	-
<b>Balance as at 31st March</b>	<b>500</b>	<b>-</b>

#### 15. Capital Expenditure and Capital Financing for YNYCA and Group

The total amount of capital expenditure incurred in the period is shown in the table below (including the value of assets acquired under finance leases and PFI contracts), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Group, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Combined Authority that has yet to be financed.

The CFR can be analysed as follows:

	2024/25 £000	2023/24 £000
<b>Opening Capital Financing Requirement</b>	-	-
Transferred in at 7th May 2024	30,271	-
<b>Capital investment</b>		
Property, Plant and Equipment	16,649	78
Intangible Assets	189	-
Revenue expenditure funded from capital under statute	47,928	34
IFRS16 Remeasurements	2,267	-
<b>Sub total Capital investment</b>	<b>67,033</b>	<b>112</b>
<b>Sources of finance</b>		
Capital receipts	(8,079)	-
Government grants and other contributions	(48,113)	(112)
Sums set aside from revenue	-	-
Direct revenue contributions	(757)	-
Minimum Revenue Provision	(2,036)	-
IFRS16 Remeasurements	(550)	-
<b>Sub total Sources of Finance</b>	<b>(59,535)</b>	<b>(112)</b>
<b>Closing Capital Financing Requirement</b>	<b>37,769</b>	<b>-</b>
<b>Explanation of movements in period</b>		
Transferred in at 7th May 2024	30,271	-
Increase/(decrease) in underlying borrowing (supported by Government)	(187)	-
Increase/(decrease) in underlying borrowing (unsupported by Government)	6,627	-
Assets acquired under finance leases	(13)	-
Assets acquired under PFI contracts	426	-
IFRS16 Remeasurements	645	-
<b>Increase/(decrease) in Capital Financing Requirement</b>	<b>37,769</b>	<b>-</b>

## 16. Private Finance Initiatives and Similar Contracts for YNYCA and Group

The PFI Scheme is an arrangement under which a contractor designs, builds, finances and operates a Fire Station (at Huntington) and a Fire Training School and Fire Station (at Easingwold) for North Yorkshire Fire and Rescue Service. The contract was signed in July 2001 and the fire station and training centre opened in May 2002. The contract period is for 25 years and commenced in May 2002. During the contract period the Contractor is responsible for maintaining the assets and for the provision facilities, management services (cleaning, catering, janitorial, grounds maintenance, waste management and pest control). The contract specifies minimum standards for the services to be provided by the contractor with deductions from the fee payable being made if facilities are unavailable or below minimum if facilities are unavailable or below the minimum standards. The contract may be extended by mutual agreement between the two parties. Should the contract run to its natural close, the Service can purchase the land and buildings at a nominal cost of £10 per site. The element of the contract payable for Facilities Management Service is market tested at five yearly intervals throughout the contract period. The testing is based upon the basket of services being supplied by the contractor at the time.

### Right of Use Assets

The assets used to provide services at the sites are recognised on the Combined Authority's Balance Sheet. Movements in their value over the period are detailed in the analysis of the movement of Right of Use Asset balances in Note 11.

The table below shows the change in the value of right-of use assets held under the PFI contract by the Service:

	Land £000	Buildings £000	Total £000
<b>Balance at 1st April 2024</b>	-	-	-
Transferred in on 7th May 2024	1,312	5,006	<b>6,319</b>
Additions	-	-	-
Revaluations	274	451	<b>725</b>
Depreciation and Amortisation	-	(107)	<b>(107)</b>
Disposals	-	-	-
Other Movements	-	962	<b>962</b>
<b>Balance as at 31st March 2025</b>	<b>1,587</b>	<b>6,312</b>	<b>7,899</b>

### Payments

The Combined Authority makes an agreed payment each period which is increased annually by RPI and can be reduced if the contractor fails to meet availability and performance standards in any period but which otherwise is fixed unless the agreed maximum usage is exceeded. The total payment in the period to 31st March 2025 was £1,685k. Payments remaining to be made under the PFI contract at 6th May 2024 (excluding any estimation of inflation and availability/performance deductions) are set out in the following table:

	Reimbursement of capital expenditure £000	Interest Charge £000	Payment for Services £000	Total £000
Payable within one year (to 31st March 2025)	658	97	1,074	<b>1,828</b>
Payable in the 2nd to 3rd year (final)	764	58	1,222	<b>2,044</b>
	<b>1,422</b>	<b>154</b>	<b>2,296</b>	<b>3,871</b>

Mandatory implementation of IFRS16 Leases is required by all Local Authorities for the financial year 2024/25. The standard also applies to the measurement of the lease liability for PFI arrangements. Under the previous standard for PFI contracts (IAS17), liabilities were not remeasured when the value of payments changed in a way which is not predetermined in the lease contract, for example, payments are increased in line with an inflation index such as RPI. Under IFRS 16, where indexation or changes in a rate affect future payments, the lease liability is remeasured. Instead of expensing the additional (or reduced) payment, the net present value of future payments that comprise the liability is recalculated. The impact of the application of IFRS16 on the financial statements of 2024/25 is an increase in the opening liability as at 7/5/2024 by £962k to reflect the increase in payments due to RPI being applied and because the liability has been remeasured to reflect the increased unitary charge attributable to the assets both the finance costs and principal to be repaid have also increased.

The balance outstanding as at 31st March 2025 is disclosed as follows on the Balance Sheet:

	£000
Payable within one year - included with Short Term Creditors	658
PFI Obligations - long term liability	764
	<u>1,422</u>

## 17. Leases for YNYCA and Group

### (a) Group as Lessee

The Combined Authority's lease contracts as at 31st March 2025 comprise leases of operational land upon which two fire stations are built and Police buildings and masts are situated.

### Right of Use Assets

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

	2024/25		
	Land & Buildings £000	Vehicles, Plant & Equipment £000	Total £000
<b>Balance at 1st April 2024</b>	-	-	-
Transferred in on 7th May 2024	-	27	27
Additions	809	-	809
Revaluations	(698)	-	(698)
Depreciation and Amortisation	-	(27)	(27)
Disposals	-	-	-
Other movements	496	-	496
<b>Balance as at 31st March 2025</b>	<b>607</b>	-	<b>607</b>
	2023/24		
	Land & Buildings £000	Vehicles, Plant & Equipment £000	Total £000
<b>Balance at 1st April 2024</b>	-	-	-
Transferred in on 7th May 2024	-	-	-
Additions	-	-	-
Revaluations	-	-	-
Depreciation and Amortisation	-	-	-
Disposals	-	-	-
Other movements	-	-	-
<b>Balance as at 31st March 2025</b>	-	-	-

## Transactions under leases

	2024/25	2023/24
	£000	£000
<b>Comprehensive income and expenditure statement:</b>		
Interest expenses on lease liabilities	33	-
Expense relating to short-term leases	408	-
Expense relating to exempt leases of low value items	1,262	-
Income from subletting of right of use assets	-	-
Gains or losses arising from sale and lease back transactions	-	-
	<b>1,703</b>	<b>-</b>
<b>Cashflow statement</b>		
Minimum lease payments	<b>(77)</b>	<b>-</b>

### Maturity Analysis of lease liabilities

The lease liabilities are due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments):

	2024/25	2023/24
	£000	£000
No later than one year	-	-
Later than one year and not later than five years	(198)	-
Later than five years	(447)	-
	<b>(645)</b>	<b>-</b>

## 18. Inventories for YNYCA and Group

2024/25	Uniform	inc. Fuel	Operational Equipment	Other	Total
	£000	£000	£000	£000	£000
<b>Balance at 1st April 2024</b>	-	-	-	-	-
Transferred in on 7th May 2024	42	149	52	12	255
Purchases	61	550	438	93	1,142
Recognised as an expense in period	(69)	(561)	(431)	(85)	(1,146)
Written off balances	-	-	-	-	-
Reversal of write offs in prior years	-	-	-	-	-
<b>Sub Total YNYCA</b>	<b>34</b>	<b>138</b>	<b>59</b>	<b>20</b>	<b>251</b>
CCNY	831	263	-	-	1,093
<b>Total Group at 31st March 2025</b>	<b>865</b>	<b>401</b>	<b>59</b>	<b>20</b>	<b>1,344</b>

## Inventories for YNYCA and Group

2023/24	Uniform	inc. Fuel	Operational Equipment	Other	Total
	£000	£000	£000	£000	£000
<b>Balance at 20th December 2023</b>	-	-	-	-	-
Purchases	-	-	-	-	-
Recognised as an expense in period	-	-	-	-	-
Written off balances	-	-	-	-	-
Reversal of write offs in prior years	-	-	-	-	-
<b>Total YNYCA at 31st March 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 19. Debtors for YNYCA and Group

	<u>Long Term</u>		<u>Short Term</u>	
	31st March	31st March	31st March	31st March
	2025	2024	2025	2024
	£000	£000	£000	£000
Central Government bodies	-	-	15,615	273
Other Local Authorities	-	-	4,997	2,196
NHS Bodies	-	-	1	-
Other entities and individuals	-	-	10,712	100
<b>Total Group</b>	<b>-</b>	<b>-</b>	<b>31,325</b>	<b>2,569</b>

## 20. Cash and Cash Equivalents for YNYCA and Group

	31st March	31st March
	2025	2024
	£000	£000
The balance of Cash and Cash Equivalents is made up of the following elements:		
Cash held by the Authority	12	-
Bank current accounts	1,053	11,476
Short-term deposits with banks and financial institutions	59,848	-
<b>Sub Total YNYCA</b>	<b>60,913</b>	<b>11,476</b>
Cash held by CCNY	31	-
<b>Total Group at 31st March 2025</b>	<b>60,944</b>	<b>11,476</b>

## 21. Short-Term Creditors

	<u>Long Term</u>		<u>Short Term</u>	
	31st March	31st March	31st March	31st March
	2025	2024	2025	2024
	£000	£000	£000	£000
Central Government Bodies	-	-	(19,875)	(2,195)
Other Local Authorities	-	-	(9,813)	(1,583)
NHS Bodies	-	-	-	-
Other entities and individuals	-	-	(21,472)	(640)
<b>Sub Total YNYCA</b>	<b>-</b>	<b>-</b>	<b>(51,161)</b>	<b>(4,418)</b>
CCNY - Other Entities and Individuals	-	-	(3,984)	-
<b>Total Group at 31st March 2025</b>	<b>-</b>	<b>-</b>	<b>(55,145)</b>	<b>(4,418)</b>

## 22. Provisions for YNYCA and Group

	Salaries	Insurance Claims	Municipal Mutual Insurance (MMI)	Pensions	Total
	£000	£000	£000	£000	£000
<b>Balance as at 1 April 2024</b>	-	-	-	-	-
Transferred in on 7th May 2024	-	(3,393)	(56)	-	<b>(3,449)</b>
Provisions Made 2024/25	(141)	(683)	(118)	(1,262)	<b>(2,204)</b>
Amounts used in 2024/25	(26)	653	36	-	<b>663</b>
Unused amounts reversed in 2024/25	141	-	20	-	<b>161</b>
<b>Balance as at 31st March 2025</b>	<b>(26)</b>	<b>(3,423)</b>	<b>(118)</b>	<b>(1,262)</b>	<b>(4,829)</b>
Of which short term (less than 12 months)	(26)	(2,269)	-	(1,262)	(3,557)
Of which long term (over 12 months)	-	(1,154)	(118)	-	(1,272)

**Salaries:**

Following the ruling in 2017 of the Bear Scotland Limited v Fulton case, employers are required to take into account all remuneration (including non-guaranteed overtime) when calculating holiday pay. The definition of non-guaranteed overtime has been reviewed by the Service and its policy amended to comply with the legislation. As at 31st March 2025, it is estimated that £26k of backdated arrears are owed to former employees.

**Insurance Claims:**

Sums have been set aside to provide for the settlement of claims covered under insurance policies and cases not covered by insurance. These covered both employee and non employee related claims. The Insurers have advised that at 31st March 2025, there are claims requiring provision of £3.4m.

Municipal Mutual Insurance (MMI) was the predominant insurer of public sector bodies, including the Authority, until it stopped underwriting operations in 1992. The 1993 implementation of a 'Scheme of Arrangement' means that even today, these public sector bodies have exposure to MMI due mainly to subsequent and much higher than expected levels of industrial disease type claims. MMI's deteriorating solvency position has led to insolvent liquidation. As a result of the Scheme of Arrangement, following advice from the Insurers, a provision of £118k is considered sufficient at 31st March 2025.

**Pensions - Matthews:**

In November 2018, a ruling on the legal case involving part-time judges (O'Brien v MoJ) had a direct impact on the equivalent case for On Call Firefighters (Matthews). Home Office Ministers have agreed to extend the pension entitlement for On Call firefighters to cover service pre-July 2000. An options exercise to increase the pensions entitlement for some current special on call members and allow access to the scheme for additional historic on call members is underway. Where members have returned election forms to extend pension entitlement on or before 31st March 2025, provision for benefits has been made within the payment of benefits owed to, reduced by contributions due from members in respect of said benefits, has been made within the accounts. The net payment to members is estimated to be £1,262k.

### 23. Movements in Earmarked Reserves for YNYCA and Group

This note sets out the amounts set aside from the General Fund in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in 2024/25:

	Balance as at 1st April 2024	Transfers in 7th May 2024 £000	Transfers In 2024/25 £000	Transfers Out 2024/25 £000	Net Transfers 2024/25 £000	Balance as at 31st March 2025 £000
<b>2024/25</b>						
<u>Combined Authority General Fund Reserves</u>						
Additional Restrictions Grant	80	-	47	(80)	(33)	47
Boot Camps	74	-	-	-	-	74
Core Costs	3,488	-	8,605	-	8,605	12,093
Housing Challenge Fund	174	-	130	-	130	304
Transport Challenge Fund	491	-	422	-	422	913
<u>Transferred in Fire and Rescue Service Reserves</u>						
Risk & Resource Model		206	-	-	-	206
Capital Expenditure		2,230	286	(757)	(471)	1,759
Pensions, Pay & Price		878	-	(414)	(414)	464
Collection Fund		20	2	-	2	22
New Developments		457	31	(357)	(326)	131
Insurance		80	-	-	-	80
Recruitment		175	-	-	-	175
Hydrants Repair & Maintenance		100	-	-	-	100
HO ESMCP		129	94	(223)	(129)	-
HO Protection Funding		414	14	(176)	(162)	252
<u>Transferred in Police Fund Reserves</u>						
Capital Reserve		6,322	3,119	608	3,727	10,049
Insurance Reserve		638	6	(608)	(602)	36
Incentivisation Grant		451	219	(209)	10	461
Misuse of Drugs Act 1971 Reserve		19	63	(5)	58	77
Cost of Change Reserve		156	17	(173)	(156)	-
Commissioned Services Reserve		514	214	(348)	(134)	380
Major Incident Reserve		432	-	-	-	432
Payroll and Pensions Reserve		1,773	77	(781)	(704)	1,069
Firearms Reserve		437	3	(36)	(33)	404
Investments Reserve		87	-	(23)	(23)	64
Training Reserve		90	2	(29)	(27)	63
ESCMP Reserve		739	-	-	-	739
Tax Income Guarantee Reserve		173	8	(69)	(61)	112
PCC Technical		474	-	(331)	(331)	143
<b>Total</b>	<b>4,307</b>	<b>16,995</b>	<b>13,359</b>	<b>(4,011)</b>	<b>9,348</b>	<b>30,648</b>

The net transfers from Earmarked Reserves in period as shown in the Movements in Reserves is £9.3m.

## Movements in Earmarked Reserves for YNYCA and Group

	Balance as at 20th December 2023 £000	Transfers In 2023/24 £000	Transfers Out 2023/24 £000	Net Transfers Out 2023/24 £000	Balance as at 31st March 2024 £000
<b>2023/24</b>					
<u>Combined Authority General Fund Reserves</u>					
Additional Restrictions Grant	-	80	-	80	80
Boot Camps	-	74	-	74	74
Core Costs	-	4,488	(1,000)	3,488	3,488
Housing Challenge Fund	-	174	-	174	174
Transport Challenge Fund	-	491	-	491	491
<b>Total</b>	<b>-</b>	<b>5,307</b>	<b>(1,000)</b>	<b>4,307</b>	<b>4,307</b>

## 24. Usable Reserves YNYCA and Group

	2024/25 £000	2024/25 £000	2023/24 £000	2023/24 £000
Capital Receipts Reserve		1,021		-
General Fund Balance	2,189		1,000	
Police General Fund Balance	6,029			-
<b>Sub Total General Fund Balance</b>		<b>8,218</b>		<b>1,000</b>
<u>Earmarked Reserves for the CA and Group</u>				
Additional Restrictions Grant	47		80	
Boot Camp	74		74	
Core Costs and Mayoral Investment Fund	12,093		3,488	
Housing Challenge Fund	303		174	
Transport Challenge Fund	913		491	
Risk & Resource Model	206		-	
Fire Capital Expenditure	1,759		-	
Pensions, Pay & Prices	464		-	
Collection Fund	22		-	
New Developments	131		-	
Insurance	80		-	
Recruitment	175		-	
Hydrants Repair & Maintenance	100		-	
Home Office Protection Funding	252		-	
<u>Earmarked Police Fund Reserves</u>				
Insurance Reserve	36		-	
Incentivisation Grant	461		-	
Misuse of Drugs Act 1971 Reserve	77		-	
Commissioned Services Reserve	380		-	
Major Incident Reserve	432		-	
Payroll and Pensions Reserve	1,069		-	
Firearms Reserve	404		-	
Investments Reserve	64		-	
Training Reserve	63		-	
ESCMP Reserve	739		-	
Tax Income Guarantee Reserve	112		-	
PCC Technical	143		-	
Capital Reserve	10,049		-	
<b>Sub Total Earmarked Reserves</b>		<b>30,649</b>		<b>4,307</b>
Capital Grants Unapplied		10,018		4,321
<b>Total Usable Reserves YNYCA and Group</b>		<b>49,906</b>	<b>5,307</b>	<b>9,628</b>

Movement in the Combined Authority's usable reserves are detailed in the Movement in Reserves Statement.

## 25. Unusable Reserves for YNYCA and Group

	31st March 2025 £000	31st March 2024 £000
Revaluation Reserve	16,779	-
Capital Adjustment Account	46,733	65
Pensions Reserve	(291,950)	(93)
Collection Fund Adjustment Account	721	-
Accumulated Absences Adjustment Account	(48)	-
<b>Sub Total YNYCA</b>	<b>(227,766)</b>	<b>(28)</b>
CCNY - Pensions Reserve	(1,286,340)	-
CCNY - Accumulated Absences Adjustment Account	(2,860)	-
<b>Total Group at 31st March 2025</b>	<b>(1,516,966)</b>	<b>(28)</b>

The Movement in Reserves Statement provides details of the source of all transactions posted to the reserves above.

### (a) Revaluation Reserve for YNYCA and Group

The Revaluation Reserve contains the gains made by the Combined Authority arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

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

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

<b>Revaluation Reserve</b>	31st March 2025 £000	31st March 2024 £000
<b>Balance at 1st April</b>		
Transferred in on 7th May 2024	<b>15,810</b>	-
Upward revaluation of assets and impairment losses not charged to the (Surplus)/Deficit on the Provision of Services	4,067	-
Downward revaluation of assets and impairment losses not charged to the (Surplus)/Deficit on the Provision of Services	(2,735)	-
Surplus/Deficit on the Provision of Services	<b>1,333</b>	-
Surplus or deficit on revaluation/impairment of non-current assets not posted to the (Surplus)/Deficit on the Provision of Services	-	-
Difference between fair value depreciation and historical cost depreciation	(364)	-
Accumulated gains on assets sold or scrapped	-	-
Amounts written off to the Capital Adjustment Account	<b>(364)</b>	-
Amounts written off to the Capital Adjustment Account	<b>16,779</b>	-
<b>Balance at 31st March 2025</b>		

## (b) Capital Adjustment Account for YNYCA and Group

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisation are charged to the CIES with reconciling posting from the Revaluation Reserve to convert fair value figures to a historical cost basis. The account is credited with the amounts set aside as finance for the costs of acquisition, construction and enhancement. The account also contains revaluation gains accumulated on Property, Plant and Equipment before 1st April 2007, the date the Revaluation Reserve was created to hold such gains.

<b>Capital Adjustment Account</b>	2024/25	2023/24
	£000	£000
<b>Balance at 1st April</b>	<b>65</b>	<b>0</b>
Transferred in on 7th May 2024	48,285	-
Reversal of items relating to capital expenditure debited or credited to the CIES:		
Charges for depreciation and impairment of non-current assets	(7,484)	(13)
Revaluation Gains/(Losses) on Property, Plant and Equipment	(5,565)	-
Amortisation of intangible assets	(375)	-
Revenue expenditure funded from capital under statute	(47,943)	(34)
Amounts of non-current assets written off on disposal or sale as part of gain/(loss) on disposal to the CIES	(149)	-
	<u>(61,516)</u>	<u>(47)</u>
Adjusting amounts written out of the Revaluation Reserve	364	-
Net written out amount of the cost of non current assets consumed in period	<u>(61,152)</u>	<u>(47)</u>
Capital financing applied in the period:		
Use of the Capital Receipts Reserve to finance new capital expenditure	-	-
Use of the Earmarked Capital Reserve to finance new capital expenditure	471	-
Capital grants and contributions credited to the CIES that have been applied to capital financing	48,113	112
Application of grants to capital financing from the Capital Grants Unapplied Account	-	-
Statutory provision for the financing of Capital investment charged against the General Fund balance	2,036	-
Capital expenditure charged against the General Fund	8,364	-
IFRS 16 - Recognition of Finance Leases	550	-
	<u>59,534</u>	<u>112</u>
<b>Balance at 31st March 2025</b>	<b><u>46,733</u></b>	<b><u>65</u></b>

### (c) Pensions Reserve for YNYCA and Group

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 Authority accounts for post employment benefits in the Comprehensive Income and Expenditure Statement (CIES) as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Combined Authority and Group makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has to meet them. However, the statutory arrangements ensure that the funding will have been set aside by the time the benefits come to be paid.

#### Pensions Reserve - YNYCA

	2024/25 £000	2023/24 £000
<b>Balance at 1st April</b>	<b>(93)</b>	<b>(92)</b>
Transferred in on 7th May 2024	(308,520)	-
Remeasurement of the net defined benefit liability	19,404	(52)
Pensions costs transferred to the Pensions Reserve:		
Reversal of items relating to retirement benefits debited or credited to the Surplus or (Deficit) on the Provision of Service in the CIES	(10,725)	-
Employer's pensions contributions and payments to pensioners in the period	7,984	51
	<u>(2,741)</u>	<u>51</u>
<b>Balance at 31st March 2025</b>	<b><u>(291,950)</u></b>	<b><u>(93)</u></b>

#### Pensions Reserve - Group

	2024/25 £000	2023/24 £000
<b>Balance at 1st April</b>	<b>(93)</b>	<b>(92)</b>
Transferred in on 7th May 2024	(1,675,810)	-
Remeasurement of the net defined benefit liability	142,310	(52)
Pensions costs transferred to the Pensions Reserve:		
Reversal of items relating to retirement benefits debited or credited to the Surplus or (Deficit) on the Provision of Service in the CIES	(81,618)	-
Employer's pensions contributions and payments to pensioners in the period	36,921	51
	<u>(44,697)</u>	<u>51</u>
<b>Balance at 31st March 2025</b>	<b><u>(1,578,290)</u></b>	<b><u>(93)</u></b>

#### (d) Collection Fund Adjustment Account for YNYCA and Group

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax income in the Comprehensive Income and Expenditure Statement (CIES) as it falls due from Council Tax and Non Domestic Rate (NDR) payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

	2024/25 £000	2024/25 £000	2024/25 £000
	Council Tax	NDR	Total
<b>Balance at 1st April</b>	-	-	-
Transferred in on 7th May 2024	730	-	730
Amount by which council tax and NDR income credited to the CIES is different from that calculated in accordance with statutory requirements	176	(184)	(8)
<b>Balance at 31st March 2025</b>	<b>906</b>	<b>(184)</b>	<b>722</b>

  

	2024/25 £000	2024/25 £000	2024/25 £000
	Council Tax	NDR	Total
<b>Balance at 20th December 2023</b>	-	-	-
Amount by which council tax and NDR income credited to the CIES is different from that calculated in accordance with statutory requirements	-	-	-
<b>Balance at 31st March 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### (e) Accumulated Absences Adjustment Account

The Accumulating Compensated Absences Adjustment Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in period e.g. annual leave entitlement carried forward at 31st March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from this account.

<b>Accumulated Absences Adjustment Account - YNYCA</b>	2024/25 £000	2023/24 £000
<b>Balance at 1st April</b>	-	-
Transferred in on 7th May 2024	(35)	-
Settlement/cancellation of accrual made at the end of the preceding year	35	-
Amounts accrued at the end of the current period	(48)	-
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in period in accordance with statutory requirements	(13)	-
<b>Balance at 31st March 2025</b>	<b>(48)</b>	<b>-</b>

  

<b>Accumulated Absences Adjustment Account - Group</b>	2024/25 £000	2023/24 £000
<b>Balance at 1st April</b>	-	-
Transferred in on 7th May 2024	(3,225)	-
Settlement/cancellation of accrual made at the end of the preceding year	3,225	-
Amounts accrued at the end of the current period	(2,908)	-
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in period in accordance with statutory requirements	-	-
<b>Balance at 31st March 2025</b>	<b>(2,908)</b>	<b>-</b>

## 26. Officers' Remuneration

### (a) Senior Employees

The Accounts and Audit Regulations 2015 requires the Combined Authority and Group to disclose information on the remuneration of senior officers, being those who have the power to direct or control the major activities of the Combined Authority and Group either solely or collectively with others. Those senior officers with a salary of £150,000 or more are required to be named. In addition, the remuneration of the Mayor and also the Deputy Mayor for Policing, Fire and Crime is disclosed.

The remuneration paid to senior officers in the table below includes remuneration for the financial year 2024/25. The remuneration paid to senior fire and police officers covers the period 7th May 2024 to 31st March 2025.

	2024/25					
	Date	Salary (including allowances) £000	Termination Benefits £000	Expenses Chargeable to Income Tax £000	Employer Pension Contributions £000	Total £000
Mayor of York and North Yorkshire	7/5/24 - 31/3/25	73	-	2	-	75
Deputy Mayor	8/7/24 - 31/3/25	52	-	-	-	52
Chief Executive	1/7/24 - 31/3/25	93	-	-	12	106
Director of Economy and Interim Head of Paid Service	1/4/24 - 30/6/24	30	-	-	4	34
Director of Economy	24/12/24 - 31/3/25	29	-	1	4	34
Head of Legal Monitoring Officer	3/10/24 - 31/3/25	38	-	-	6	44
Director of Resources	22/7/24 - 31/3/25	69	-	1	10	80
OPFCC Chief Executive Officer	7/5/24 - 31/3/25	83	54	-	6	143
Chief Fire Officer - J Dyson	7/5/24 - 31/3/25	142	-	-	53	196
Deputy Chief Fire Officer	7/5/24 - 31/3/25	116	-	-	43	159
<b>North Yorkshire Police:</b>	7/5/24 - 31/3/25					
Chief Constable - T Forber	7/5/24 - 31/3/25	171	-	-	60	231
Deputy Chief Constable	7/5/24 - 31/3/25	130	-	-	45	175
Assistant Chief Constable (Local Policing & Safeguarding)	7/5/24 - 31/3/25	88	-	-	31	119
Assistant Chief Constable (Local Policing & Safeguarding)	7/5/24 - 10/7/24	23	-	-	8	31
Assistant Chief Constable (Crime & Specialist Operations)	9/9/24 - 31/3/25	80	-	-	24	104
Assistant Chief Constable (Crime & Specialist Operations)	7/5/24 - 9/9/24 and Acting 24/2/25 - 31/3/25	71	-	-	24	95
Assistant Chief Constable (Support Services)	7/5/24 - 31/3/25	121	-	-	11	132
Chief Constable's Chief Finance /S151 Officer	7/5/24 - 31/3/25	95	-	-	9	104

Senior Employees - comparative figures:	2023/24					
	Date	Salary (including allowances) £000	Termination Benefits £000	Expenses Chargeable to Income Tax £000	Employer Pension Contributions £000	Total £000
Interim Head of Paid Service	20/12/23-31/3/24	24	-	-	-	24

(b) The following table sets out the number of employees whose total remuneration, excluding pension contributions, was more than £50,000 (excluding employees included in the table above).

	YNYCA			Group		
	11 month period ended 31/3/2025	12 month period ended 31/3/25	3 months and 11 days 20/12/23 to 31/3/24	11 month period ended 31/3/25	12 month period ended 31/3/25	3 months and 11 days 20/12/23 to 31/3/24
Band:						
£50,000 - £54,999	27	73	-	234	39	-
£55,000 - £59,999	17	35	-	137	25	-
£60,000 - £64,999	7	16	-	64	7	-
£65,000 - £69,999	8	6	-	25	8	-
£70,000 - £74,999	6	7	-	14	7	-
£75,000 - £79,999	3	10	-	11	3	-
£80,000 - £84,999	-	2	-	3	-	-
£85,000 - £89,999	3	2	-	6	3	-
£90,000 - £94,999	-	-	-	4	-	-
£95,000 - £99,999	1	3	-	1	1	-
£100,000 - £104,999	-	-	-	-	-	-
£105,000 - £109,999	-	1	-	1	-	-
£110,000 - £119,999	-	-	-	-	-	-
£120,000 - £129,999	-	-	-	-	-	-
	<b>72</b>	<b>155</b>	<b>-</b>	<b>500</b>	<b>93</b>	<b>-</b>

Remuneration is all amounts receivable by an employee, including expenses and allowances chargeable to tax and the estimated money value of any other benefits received.

**(c) Costs of redundancies and other leavers**

The Code requires authorities to disclose any costs it has incurred as a result of compulsory and voluntary redundancies. Termination benefits were paid by the Combined Authority from the termination of employment incurring liabilities of £54k in 2024/25 (nil in 2023/24).

Band:	2024/25		2023/24	
	Number	£000	Number	£000
£50,000 - £59,999	1	54	-	-

## 27. Audit Fees for the YNYCA and Group

The Combined Authority and Group has incurred the following costs in relation to fees payable to auditors appointed under the Local Audit and Accountability Act 2014 with regard to external audit services carried out under the Code of Audit Practice prepared by the Comptroller and Audit General in accordance with s18 of the 2014 Act.

	2024/25 £000	2023/24 £000
Fees payable to Forvis Mazars LLP appointed under the Local Audit and Accountability Act 2014 with regard to external audit services for YNYCA	313	74
Fees payable in respect of any other services provided by Forvis Mazars LLP during the year	-	-
<b>Sub Total YNYCA</b>	<b>313</b>	<b>74</b>
Fees payable to Forvis Mazars LLP appointed under the Local Audit and Accountability Act 2014 with regard to external audit services for CCNY	82	-
<b>Total Group</b>	<b>395</b>	<b>74</b>

The table above represents fees agreed between the Group and their external auditor. In 2024/25, costs of £53k for additional work relating to the 2023/24 audit, not confirmed as at 31st March 2024 were incurred.

## 28. Related Parties

The Combined Authority and Group is required to disclose material transactions with related parties - bodies or individuals have the potential to control or influence the Authority and Group or to be controlled or influenced by the Authority and Group. Disclosure of these transactions allows readers to assess the extent to which the Combined Authority and Group might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Combined Authority and Group.

In this context, related parties include Central Government, Members, the Chief Constable for North Yorkshire and key management and senior officers, including their close family members.

All intercompany balances have been removed upon consolidation of the Combined Authority Group which leaves none for disclosure within this note.

### Central Government

Central government has effective control over the general operations of the Combined Authority - it is responsible for providing the statutory framework within which the Combined Authority operates, providing the majority of funding in the form of grants to the Combined Authority and Mayor regarding the Policing function, and prescribes the terms of many of the transactions that the Combined Authority and Group has with other parties. Grants received from Government are set out in Note 10. Grant receipts outstanding at 31st March 2025 are included in Debtors (Note 19).

### The Chief Constable of North Yorkshire

Under the legislative framework and local arrangements, the Combined Authority under sole instruction from the Mayor, is responsible for the finances of the Mayoral Police Fund including assets, liabilities and reserves. The Authority has responsibility for entering into contracts and establishing the contractual framework under which the Chief Constable's officers and staff operate. The Authority receives all income and funding and makes all the payments for the policing activity from the Mayoral Police Fund.

## Key Management

Key management are also classed as related parties. Key management are considered to be the Mayor, Deputy Mayor and other Senior Officers (as defined in Note 22) having the authority for planning, directing and controlling the activities of the Authority either solely or collectively. No interests in related parties have been declared by key management.

The Combined Authority has sound arrangements for internal control and corporate governance including a scheme of delegations and purchase, contract and procurement regulations) which minimise minimise the potential for a single officer to constrain the actions of the Combined Authority, and which seek to ensure that the Group obtains value for money in all transactions. No interest in related parties have been declared by key management.

Jo Coles, Deputy Mayor for Policing, Fire and Crime, is also an elected member of City of York Council. As both bodies are constituent members of the York and North Yorkshire Combined Authority, this dual role is disclosed as a related party in accordance with the Code. Details of income and expenditure with City of York Council are presented below.

## Members

Members of the Combined Authority have direct control over the Combined Authority's financial and operating polices. The leaders of the two constituent Local Authorities serve as members of York and North Yorkshire Combined Authority. Details of income and expenditure (excluding statutory payments for example, council tax and business rates) with the two authorities are out in the table below:

	Income Received	Expenditure	Income Received	Expenditure
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
North Yorkshire Council	1,873	5,491	3,444	1,855
City of York Council	302	953	-	24
<b>Total</b>	<b>2,175</b>	<b>6,444</b>	<b>3,444</b>	<b>1,879</b>

As at 31st March 2025, the balances below were held within the Group Balance Sheet:

	Short term Debtors	Short Term Creditors	Short term Debtors	Short Term Creditors
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
North Yorkshire Council	740	681	2,188	1,856
City of York Council	1,186	37	-	-
<b>Total</b>	<b>1,926</b>	<b>718</b>	<b>2,188</b>	<b>1,856</b>

## 29. Defined Benefit Pension Schemes for YNYCA and Group

### (a) Participation in Pension Schemes

As part of the terms and conditions of employment of its officers, the Combined Authority and Group make contributions towards the cost of post employment benefits. Although these benefits will not be payable until employees retire, the Group 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 three pension schemes:

- (i) **Local Government Pension Scheme** for Support staff is administered by North Yorkshire Pension Fund - this is a funded scheme, meaning that the Group and employees pay contributions into a fund calculated at a level intended to balance the pension liabilities with investment assets. The pension costs which are charged to the accounts equate to the employers' contributions paid to the fund on behalf of eligible employees. Further costs arise in respect of certain pensions paid to retired employees on an unfunded basis, and cash has to be generated to meet these payments as they fall due.
- (ii) **Firefighters Pension Schemes** - these are unfunded schemes, meaning that there are no assets built up to meet pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. There are three schemes administered by the Group - the Firefighters Pension Scheme 1992 (FPS), the New Firefighters Pension Scheme 2006 (NFPS) and the Firefighters Pension Scheme 2015.

Under the Firefighters Pension Fund Regulations 2007, if the amounts receivable by the pension fund for the year is less than the amounts payable, the fund is topped up as necessary by central government grant to meet the pensions payments due. In the event of a surplus, this will be recouped by the Government.

- (iii) **Injury Allowances - Firefighters Compensation Scheme 2006** - injury awards payable on the retirement of a firefighter attributable to a qualifying injury are not part of the Firefighters Pension Fund because they are payable irrespective of whether an employee is a member of the scheme. All injury awards are paid from the Income and Expenditure account, rather than the Pension Fund.
- (iv) **Police Officer Pension Schemes** - these are unfunded schemes, meaning that there are no assets built up to meet pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. Two schemes (1987 & 2006) are final salary schemes and the third scheme (2015) is a Career Average Revalued Earnings Scheme.
- (v) **Injury Allowances - Police Officers** - injury awards payable on the retirement of a Police Officer are not part of the Police Pension Fund because they are payable irrespective of whether an employee is a member of the scheme. All injury awards are paid from the Income and Expenditure account, rather than the Pension Fund.

Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pension fund for the year is less than the amounts payable, CCNY must annually transfer to the pension fund an amount required to meet the deficit. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by a central government pension top-up grant which is paid to YNYCA (Police & Crime Function) and transferred to CCNY. If, however, the pension funds are in surplus for the year, the surplus is required to be transferred from the pension fund to CCNY which must then repay the amount to central government, via YNYCA (Police & Crime Function).

The principal risks to the Group of the Schemes are the longevity assumptions, statutory changes to the schemes, structural changes to the schemes (i.e. large scale withdrawals from the schemes), changes to inflation, bond yields and the performance of the equity investments held by the LGPS. The impact of the assumptions, and how they interact, is detailed within this note. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund with the amounts set out overleaf.

## Transactions relating to Retirement and Injury Benefits

The Combined Authority and Group recognises the cost of retirement and injury benefits in the Net Cost of Services when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge the Combined Authority Group is required to make against council tax is based on the cash payable in the period, so the real cost of benefits is reversed out of the General Fund via the Movement in Reserves Statement (MIRS). The transactions below have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the MIRS during the period:

	Local Government Pension Scheme	Firefighters Pension Schemes	Police Pension Schemes	Group Pension Schemes Total	YNYCA Pension Schemes
	2024/25	2024/25	2024/25	2024/25	2024/25
	£000	£000	£000	£000	£000
<b>Comprehensive Income &amp; Expenditure Statement</b>					
<b>Cost Of Services:</b>					
Service Cost comprising:					
Current Service Cost	(6,877)	(1,860)	(7,150)	<b>(15,887)</b>	(3,350)
Gain/(Loss) from Curtailments	6,302	-	-		6,302
Past Service (Cost)/Gain	(4)	-	-	<b>(4)</b>	-
<b>Financing and Investment Income and Expenditure:</b>					
Net Interest Expense	3,821	(13,970)	(61,880)	<b>(72,029)</b>	(13,677)
<b>Total Post Employment Benefits charged to the Surplus or (Deficit) on the Provision of Services</b>	<b>3,242</b>	<b>(15,830)</b>	<b>(69,030)</b>	<b>(87,920)</b>	<b>(10,725)</b>
<b>Other Post Employment Benefits Charged to the CIES</b>					
Remeasurement of the net defined benefit liability comprising:					
Return on plan assets (excluding the amount included within net interest expense)	(3,420)	-	-	<b>(3,420)</b>	(450)
Experience gains/(losses) arising on pension liabilities	721	(190)	(6,320)	<b>(5,789)</b>	(198)
Actuarial gains/(losses) arising on changes in financial and demographic assumptions	45,276	25,752	131,419	<b>202,447</b>	31,738
Changes in effect of the asset ceiling	(50,928)	-	-	<b>(50,928)</b>	(11,686)
asset ceiling					
<b>Total Post Employment Benefits charged to the CIES</b>	<b>(8,351)</b>	<b>25,562</b>	<b>125,099</b>	<b>142,310</b>	<b>19,404</b>
<b>Movement in Reserves Statement</b>					
Reversal of net charges to the Surplus or (Deficit) for the Provision of Services for post employment benefits in accordance with IAS19	(3,242)	15,830	69,030	<b>81,618</b>	10,725
<b>Actual Amount charged to the General Fund Balance for pensions in the period</b>					
Employers contributions and benefits payable to pensioners	(5,202)	(6,838)	(24,881)	<b>(36,921)</b>	(7,984)

	Local Government Pension Scheme
	2023/24
<b>2023/24 Comparative Figures:</b>	
<b>Comprehensive Income &amp; Expenditure Statement</b>	
<b>Cost Of Services:</b>	£000
Service Cost comprising:	
Current Service Cost	55
Past Service Cost	-
	-
<b>Financing and Investment Income and Expenditure:</b>	
Net Interest Expense	-
<b>Total Post Employment Benefits charged to the Surplus or (Deficit) on the Provision of Services</b>	<u>55</u>
<b>Other Post Employment Benefits Charged to the CIES</b>	
Remeasurement of the net defined benefit liability comprising:	
Return on plan assets (excluding the amount included within net interest expense)	-
Experience gains/(losses) arising on pension liabilities	-
Actuarial gains/(losses) arising on changes in financial and demographic assumptions	-
<b>Total Post Employment Benefits charged to the CIES</b>	<u>-</u>
<b>Movement in Reserves Statement</b>	
Reversal of net charges to the Surplus or (Deficit) for the Provision of Services for post employment benefits in accordance with IAS 19	<u>55</u>
<b>Actual Amount charged to the General Fund Balance for pensions in the period</b>	
Employers contributions and benefits payable to pensioners	<u>57</u>

The amount included in the Balance Sheet arising from the Combined Authority's and Group's obligation to meet its benefit schemes is as follows:

	Local Government Pension Scheme	Firefighters Pension Schemes	Police Pension Schemes	Group Pension Schemes Total	YNYCA Pension Schemes
	2024/25	2024/25	2024/25	2024/25	2024/25
	£000	£000	£000	£000	£000
Present value of the Defined Benefit Obligation	230,892	291,950	1,286,340	<b>1,809,182</b>	324,399
Fair value of plan assets	(356,730)	-	-	<b>(356,730)</b>	(44,135)
Changes in effect of asset ceiling	125,838	-	-	<b>125,838</b>	11,686
<b>Net liability - Defined Benefit Obligation</b>	<u>-</u>	<u>291,950</u>	<u>1,286,340</u>	<u>1,578,290</u>	<u>291,950</u>

**2023/24 Comparative Figures:**

Present value of the Defined Benefit Obligation

Fair value of plan assets

**Net liability - Defined Benefit Obligation****Reconciliation of the Movements in the Fair Value of the Scheme Assets**

	Local Government Pension Scheme	Firefighters Pension Schemes	Police Pension Schemes	Group Pension Schemes Total	YNYCA Pension Schemes
	2024/25	2024/25	2024/25	2024/25	2024/25
	£000	£000	£000	£000	£000
Opening Fair Value	3,778	-	-	<b>3,778</b>	3,778
Transferred in 7th May	340,573	-	-	<b>340,573</b>	38,659
Interest Income	15,697	-	-	<b>15,697</b>	1,852
Remeasurement loss - the return on plan assets, excluding the amount included in the interest expense	(3,420)	-	-	<b>(3,420)</b>	(450)
Other	-	4,252	25,939	<b>30,191</b>	4,252
Employer contributions	5,202	6,838	24,881	<b>36,921</b>	7,984
Employee contributions	3,147	1,880	7,530	<b>12,557</b>	2,420
Benefits paid	(8,247)	(12,970)	(58,350)	<b>(79,567)</b>	(14,361)
Closing Fair Value	<b>356,730</b>	-	-	<b>356,730</b>	44,135

**2023/24 Comparative Figures:**

Opening Fair Value

Interest Income

Remeasurement loss:

the return on plan assets, excluding the amount included in the interest expense

Other

Employer contributions

Employee contributions

Benefits paid

Closing Fair Value

Local Government Pension Scheme  
2023/24

£000

3,871

(3,778)

**93**Local Government Pension Scheme  
2023/24

£000

3,520

27

153

-

57

24

(3)

**3,778**

## Reconciliation of present value of scheme liabilities

	Local Government Pension Scheme	Firefighters Pension Schemes	Police Pension Schemes	Group Pension Schemes Total	YNYCA Pension Schemes
	2024/25	2024/25	2024/25	2024/25	2024/25
	£000	£000	£000	£000	£000
Opening Balance 1 April	3,871			<b>3,871</b>	3,871
Transferred in 7th May	265,663	308,520	1,367,290	<b>1,941,473</b>	347,179
Current Service Cost	6,877	1,860	7,150	<b>15,887</b>	3,350
Past Service Cost	4	-	-	<b>4</b>	0
Settlement (Gain)/Loss	(6,302)	-	-		(6,302)
Interest Cost	11,876	13,970	61,880	<b>87,726</b>	15,529
Contributions by members	3,147	1,880	7,530	<b>12,557</b>	2,420
Re-measurement (gains)/losses:					
Experience (gains)/losses on pension liabilities	(721)	190	6,320	<b>5,789</b>	198
Actuarial (gains)/losses arising on changes in financial and demographic assumptions	(45,276)	(21,500)	(105,480)	<b>(172,256)</b>	(27,486)
Benefits paid	(8,247)	(12,970)	(58,350)	<b>(79,567)</b>	(14,361)
Closing Balance 31st March	230,892	291,950	1,286,340	<b>1,815,484</b>	324,399

### 2023/24 Comparative Figures:

	Local Government Pension Scheme
	2023/24
	£000
Opening Balance 1 April	3,612
Current Service Cost	57
Past Service Cost	-
Interest Cost	27
Contributions by members	24
Re-measurement (gains)/losses:	
Experience (gains)/losses on pension liabilities	205
Actuarial (gains)/losses arising on changes in financial and demographic assumptions	(51)
Benefits paid	(3)
Closing Balance 31 March	<u>3,871</u>

### Asset Ceiling Adjustment

Following the LGPS valuation by the Actuary as at 31st March 2025, it was determined that the fair value of the LGPS scheme outweighed the present value of the plan obligations, resulting in a plan net asset of £125.8m. IAS19 requires that, where a pensions asset exists, it is measured at the lower of:

- a) the surplus in the defined benefit plan; and
- b) the asset ceiling

The asset ceiling is the present value of the maximum economic benefit available to the Combined Authority and Group in the form of refunds or reduced future employer contributions. The Actuary's calculation of the asset ceiling in accordance with IFRIC14 for 2024/25 is £0. Hence, the net asset of the LGPS is restricted to the lower of £125.8m and £0.

## Reconciliation of the LGPS funded status to the Balance Sheet:

	2024/25
	£000
Fair Value of Assets	356,730
Present value of funded defined benefit obligation	(230,892)
Funded status	125,838
Unrecognised asset (application of asset ceiling)	(125,838)
Asset/Liability recognised on the Balance Sheet	-

Asset ceiling -

Reconciliation from the opening to closing effect of the asset ceiling adjustment in the period:

	2024/25
	£000
Effect of the asset ceiling at 6 May 24	81,212
Interest on the effect of the asset ceiling	3,444
Changes in the effect of the asset ceiling	41,182
Effect of the asset ceiling at 31 March 2025	<b>125,838</b>

### Local Government Pension Scheme assets comprised:

The Firefighter & Police Pension Schemes have no assets to cover liabilities.

Assets in the Local Government Pension Scheme consist of the following categories:

Asset Category	Quoted	Unquoted	Quoted	Unquoted
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
Equities	181,933	34,246	1,811	-
Property	21,047	-	212	-
Government Bonds	52,796	-	468	-
Corporate Bonds	27,111	-	276	-
Mutli Asset Credit	18,907	-	196	-
Cash	5,351	-	162	-
Other	15,339	-	215	438
	<b>322,484</b>	<b>34,246</b>	<b>3,340</b>	<b>438</b>

\* Other unquoted is the Fund's investment in Private Debt and Insurance Linked Securities.

### Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in the future years dependent on assumptions about mortality rates, salary levels etc. The Local Government Pension Scheme liability has been assessed by Aon Limited, and the Firefighters and Police Pension Schemes' liabilities by the Government Actuary Department, both firms of Actuaries.

The estimates for the Local Government Pension Scheme are based upon the latest full valuation of the scheme as at 31st March 2022. For the Firefighters Pension Schemes, the estimates are based upon a detailed valuation by the Actuary of the most recent data (as at 31st March 2020) provided to them.

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table below. The sensitivity analyses below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumptions analysed remains constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme i.e. on an actuarial basis using the projected unit credit method. The methods and type of assumptions used in preparing the sensitivity analysis did not change from those used in the previous period.

The significant assumptions advised by the Actuaries are:

	Local Government Pension Scheme	Local Government Pension Scheme	Firefighters Pension Schemes	Police Pension Schemes
	2024/25	2023/24	2024/25	2024/25
Mortality Assumptions (years):				
Member aged 65 for current pensioners:				
Males	21.9	23.0	21.3	21.9
Females	24.5	25.6	21.3	23.9
Member aged 45 for future pensioners :				
Males	22.5	22.1	23	23.3
Females	25.2	24.6	22.7	25.2
Rate of CPI inflation %	2.50	2.60	2.70	2.70
Rate of increase in salaries %	3.75	3.90	3.50	3.45
Rate of increase in pensions %	2.50	2.60	2.70	2.70
Rate for discounting scheme liabilities %	5.80	4.80	5.70	5.65

**Impact on Defined Benefit Obligation:**

	Local Government Pension Scheme			
	YNYCA		CCNY	
	£m	£m	£m	£m
	increase	decrease	increase	decrease
Longevity (increase or decrease in one year)	0.7	(0.7)	4.6	(4.6)
Rate of inflation (increase or decrease by 0.1%)	0.6	(0.6)	3.2	(3.2)
Rate of increase in salaries (increase or decrease by 0.1%)	0.0	0.0	0.4	(0.4)
Rate of increase in pensions (increase or decrease by 0.1%)	0.6	(0.6)	3.2	(3.2)
Rate of discounting scheme liabilities (increase or decrease by 0.1%)	(0.6)	0.6	(3.4)	3.4

**Impact on Defined Benefit Obligation:**

	Firefighters Pension Schemes	
	increase	decrease
	£m	£m
Longevity (increase or decrease in one year)	7.0	(7.0)
Rate of inflation (increase or decrease by 0.1%)	3.6	(3.6)
Rate of increase in salaries (increase or decrease by 0.1%)	0.6	(0.6)
Rate of increase in pensions (increase or decrease by 0.1%)	3.6	(3.6)
Rate of discounting scheme liabilities (increase or decrease by 0.1%)	(3.8)	3.8

## Impact on Defined Benefit Obligation:

	Police Pension Schemes	
	increase	decrease
	£m	£m
Longevity (increase or decrease in one year)	(28.0)	28.0
Rate of inflation (increase or decrease by 0.1%)	18.4	(18.4)
Rate of increase in salaries (increase or decrease by 0.1%)	2.2	(2.2)
Rate of increase in pensions (increase or decrease by 0.1%)	18.4	(18.4)
Rate of discounting scheme liabilities (increase or decrease by 0.1%)	(18.6)	18.6

## Asset and Liability Matching (ALM Strategy):

### Local Government Pension Scheme

The pension committee of North Yorkshire Council has determined the investment strategy aimed at growing North Yorkshire Pension Fund's assets to meet obligations when they fall due. As required by the regulations, the suitability of various classes of investments have been considered including the benefit of asset class diversification. The fund is primarily invested in equities (50% of scheme assets) and fixed income (20%) with investments also in property and alternatives, the proportions being not materially dissimilar to last year. This strategy is reviewed periodically, dependent on changes to market conditions and the solvency of the fund.

## Impact on the Authority's Cash Flows:

### Local Government Pension Scheme

The objectives of the schemes are to keep employers' contributions at as constant a rate as possible. The Council has agreed a strategy with the Scheme's actuary to achieve a funding level of 100% over 19 years. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed on 31st March 2025.

The weighted average duration of the defined benefit obligation for LGPS scheme members is YNYCA - 20.1 years in 2024/25. (20.1 years 2023/24).  
CCNY - 17.4 years in 2024/25. (19.4 years 2023/24).

### Firefighter & Police Pension Schemes

The Firefighter & Police Pension Schemes have no assets to cover their liabilities. Finance is only required to be raised to cover payments when the pensions are actually due to be paid. The weighted average duration of the defined benefit obligation for scheme members is:

Firefighters Pension Schemes - 14 years in 2024/25.

Police Pension Schemes - 16 years in 2024/25.

The Combined Authority's Group's pension liability as at 31st March 2025 calculated by its Actuaries, in accordance with IAS19 of £1578.3m shows the underlying commitments that the Group has in the long term to pay retirement benefits. The liability has a substantial impact on the net worth of the Group reported in the Balance Sheet. The impact results in a negative net worth of £1,467.5m. However, statutory arrangements in place for funding the deficit mean that the financial position of the Combined Authority and Group remains healthy because:

- (i) finance is only required to be raised to cover Firefighter & Police pensions when the pensions are actually due to be paid. Regular monitoring of movements relating to retirements is carried out in order to reliability forecast when retirements and payments will occur.
- (ii) any deficit on the LGPS will be made good by increased contributions over the remaining working life of employees, as assessed by the Scheme Actuary.

The Group anticipates to pay the following contributions into the pension schemes in the 12 month period to 31st March 2026.

	Local Government Pension Scheme	Firefighters Pension Schemes	Police Pension Schemes
	£'000	£'000	£'000
Employer contributions expected to be paid in 2025/26	6,611	6,707	23,200

### 30. Financial Instruments for YNYCA and Group

(a) The Authority has adopted CIPFA's Treasury Management in the Public Services Code of Practice and has a set of treasury management indicators to control key financial instrument risks in accordance with CIPFA's Prudential Code.

#### Categories of Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet:

#### Financial Assets

	Non Current		Current		Total
	Investments	Debtors	Cash and Cash Equivalents	Debtors	
	2024/25	2024/25	2024/25	2024/25	2024/25
	£000	£000	£000	£000	£000
Amortised Cost	-	-	60,912	17,009	77,921
Non Financial Assets	-	-	-	-	-
<b>Sub Total YNYCA</b>	-	-	<b>60,913</b>	<b>17,009</b>	<b>77,921</b>
CCNY	-	-	31	-	31
<b>Total Group at 31st March 2025</b>	<b>0</b>	<b>0</b>	<b>60,944</b>	<b>17,009</b>	<b>77,952</b>

#### Financial Assets

	Non Current		Current		Total
	Investments	Debtors	Cash and Cash Equivalents	Debtors	
	2023/24	2023/24	2023/24	2023/24	2023/24
	£000	£000	£000	£000	£000
Amortised Cost	-	-	11,476	2,569	14,045
Non Financial Assets	-	-	-	-	-
<b>Total YNYCA</b>	-	-	<b>11,476</b>	<b>2,569</b>	<b>14,045</b>

**Financial Liabilities**

	Non Current		Current		Total
	Borrowings	Creditors	Borrowings	Creditors	
	2024/25	2024/25	2024/25	2024/25	2024/25
	£000	£000	£000	£000	£000
Amortised Cost	22,180	-	522	19,212	41,914
Non Financial Liabilities:					
PFI	-	764	-	658	1,422
Finance Leases	-	645	-	-	645
<b>Sub Total YNYCA</b>	<b>22,180</b>	<b>1,409</b>	<b>522</b>	<b>19,870</b>	<b>43,981</b>
CCNY	-	-	-	-	-
<b>Total Group at 31st March 2025</b>	<b>22,180</b>	<b>1,409</b>	<b>522</b>	<b>19,870</b>	<b>43,981</b>

**Financial Liabilities**

	Non Current		Current		Total
	Borrowings	Creditors	Borrowings	Creditors	
	2023/24	2023/24	2023/24	2023/24	2023/24
	£000	£000	£000	£000	£000
Amortised Cost	-	-	-	4,417	4,417
Non Financial Liabilities:					
PFI	-	-	-	-	-
Finance Leases	-	-	-	-	-
<b>Total YNYCA</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,417</b>	<b>4,417</b>

**(b) Income, Expense, Gains and Losses for YNYCA and Group**

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments are made up as follows:

	Surplus or Deficit on Provision of Services	Other Comprehensive Income & Expenditure	Surplus or Deficit on Provision of Services	Other Comprehensive Income & Expenditure
	£000	£000	£000	£000
	2024/25	2024/25	2023/24	2023/24
<b>Net gains/losses on:</b>				
Financial Assets measured at amortised cost	1,140	-	-	-
<b>Interest revenue:</b>				
Financial Assets measured at amortised cost	(2,028)	-	-	-
<b>Interest Expense</b>	<b>784</b>	<b>-</b>	<b>-</b>	<b>-</b>

## The Fair Value of Financial Assets and Financial Liabilities that are not measured at Fair Value (but for which Fair Value Disclosures are Required)

All financial assets and liabilities held by the Group are classified as loans and receivables and long term debtors and creditors and are carried in the Balance Sheet at amortised cost. The fair values calculated are as follows:

	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
<b>Financial Assets</b>				
Loans and Receivables	60,912	60,912	2,569	2,569
Debtors	17,009	17,009	2,569	2,569
<b>Sub Total YNYCA</b>	<b>77,921</b>	<b>77,921</b>	<b>5,138</b>	<b>5,138</b>
CCNY - Loans and Receivables	31	31	-	-
<b>Total Group at 31st March 2025</b>	<b>77,952</b>	<b>77,952</b>	<b>5,138</b>	<b>5,138</b>

Short term Loans and Receivables and Debtors are carried at cost as this is a fair approximation of their value.

	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
<b>Financial Liabilities</b>				
Financial Liabilities held at amortised cost:				
Public Works Loan Board (PWLB) Loans	22,702	20,146	-	-
Other liabilities:				
PFI	1,422	1,108	-	-
Finance Leases	645	645	-	-
Creditors	19,212	19,212	4,417	4,417
<b>Sub Total YNYCA</b>	<b>43,981</b>	<b>41,111</b>	<b>4,417</b>	<b>4,417</b>
CCNY - Loans and Receivables	-	-	-	-
<b>Total Group at 31st March 2025</b>	<b>43,981</b>	<b>41,111</b>	<b>4,417</b>	<b>4,417</b>

## Valuation Techniques used to Determine Level 2 Fair Values for the liabilities and assets

### PWLB Loans:

The Combined Authority assessed the fair value of PWLB loans by calculating the present value of the cash flows that will take place over the remaining life of the loans applying the following rates:

- For the fair value measured according to the requirements of the Code - new borrowing available from the PWLB, rates as at the balance sheet date of 31st March 2025; and
- for the value reflecting the amount that the Combined Authority would have to pay to repay the loans as at 31st March 2025 - PWLB premature repayment rates as at 31st March 2025.
- The fair value, as calculated in accordance with the Code, of £21.19m measures the economic effect of the past terms agreed with the PWLB compared with new borrowing rates from the PWLB as at 31st March. This is because the Combined Authority has the ability to borrow at concessionary rates from the PWLB rather than from the markets and therefore this provides a more useful figure for users of the financial statements as opposed to a value using prevailing market rates. The fair value of the liabilities is lower than the carrying amount because the Authority's portfolio of loans includes a number of fixed

rate loans where the interest rate payable is lower than PWLB rates as at 31st March 2025. This shows a notional future gain (based upon economic conditions as at the date) arising from a commitment to pay interest to the PWLB below its current rates.

- (d) However, it is important for users of the accounts to recognise that if the Combined Authority were to seek to receive the projected gain by repaying the loans early, the PWLB would charge a premium to reflect the additional interest that would not then be paid. The amount that would have to be paid to repay the loans early using premature repayment rates as at 31st March 2025 is £24.8m being the outstanding debt including accrued interest less a discount of £0.24m. The fact that this repayment amount is higher than both the carrying amount and also the fair value of the liability demonstrates why the Combined Authority has not undertaken any debt rescheduling exercise to date.

#### PFI Liabilities

The difference between the fair value and the carrying value of the PFI liability is due to the differing required accounting treatments of the corresponding asset and liability in the accounts of the PFI Provider and the Group. The carrying value in the Balance Sheet of the Group as at 31st March 2025 is reported in accordance with IFRS Interpretations Committee (IFRIC) 12 Service Concession Arrangements as required by the Code.

The fair value of PFI Liability represents the costs arising on the construction of the assets including initial tender costs. During asset construction, interest on income to be received is capitalised within the finance debtor receivable. Once the assets were accepted by the Fire Service, a constant proportion of the planned net revenue (the unitary charge paid by the Group) is allocated to fully repay the debtor over the life of the contract.

#### Other Non Financial Liabilities

Finance Leases are exempt from the IFRS13 Fair Value measurement requirements. The carrying amount calculated in accordance with the requirements of IFRS17 Leases is taken to be a reasonable approximation of fair value. Short Term Creditors are carried at cost as this is a fair approximation of their value.

	Quoted prices in active markets for identical assets Level 1 £000	Other significant observable inputs Level 2 £000	Significant unobservable inputs Level 3 £000	Fair Value as at 31st March 2025 £000
<b>Financial Assets</b>				
Loans and Receivables	60,913	-	-	60,913
Debtors	17,009	-	-	17,009
<b>Sub Total YNYCA</b>	<b>77,922</b>	<b>-</b>	<b>-</b>	<b>77,922</b>
CCNY - Loans and Receivables	31	-	-	31
<b>Total Group at 31st March 2025</b>	<b>77,953</b>	<b>-</b>	<b>-</b>	<b>77,953</b>
<b>Financial Liabilities</b>				
PWLB Loans	-	20,146	-	20,146
PFI Liabilities	-	1,108	-	1,108
Finance Leases	-	645	-	645
Creditors	19,212	-	-	19,212
<b>Sub Total YNYCA</b>	<b>19,212</b>	<b>21,899</b>	<b>-</b>	<b>41,111</b>
CCNY	-	-	-	-
<b>Total Group at 31st March 2025</b>	<b>19,212</b>	<b>21,899</b>	<b>-</b>	<b>41,111</b>

## Transfers between Levels of the Fair Value Hierarchy

There were no transfers between levels of the fair value hierarchy during the period.

## Changes in Liabilities arising from Financing Activities

To enable users of financial statements to evaluate changes in liabilities arising from financing changes arising from both cash flows and non-cash changes, below is a reconciliation of the opening and closing balances in the Balance Sheet:

	Opening Balance	Liabilities Introduced as at 06/05/24	Cashflows	Non Cashflows	Closing Balance
	2024/25	2024/25	2024/25	2024/25	2024/25
	£000	£000	£000	£000	£000
<b>Financial Liabilities:</b>					
Short and long term borrowing	-	23,473	(883)	113	22,703
Finance Lease Obligations	-	725	(88)	8	645
PFI Obligations	-	996	(536)	962	1,422
<b>Total YNYCA and Group</b>	<b>-</b>	<b>25,194</b>	<b>(1,507)</b>	<b>1,083</b>	<b>24,770</b>

## 31. Nature and Extent of Risks Arising from Financial Instruments

The Combined Authority's activities expose it to a variety of financial risks:

- (a) **Credit Risk** - the possibility that other parties might fail to pay amounts due to the Combined Authority Group.
- (b) **Liquidity Risk** - the possibility that it might not have funds available to meet its commitments to make payments.
- (c) **Market Risk** - the possibility that financial loss might arise as a result of changes in such measures as interest rates and stock market movements.

The Combined Authority's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. The procedures are set through a legal framework in the Local Government Act 2003 and the associated regulations. These require the Authority to comply with CIPFA's Prudential Code and Treasury Management in the Public Services Code of Practice (both revised in 2021). Overall, these procedures require the Combined Authority to manage risks in the following ways:

- Adopt the requirements of the Code of Practice
- Approve annually in advance, prudential indicator limits for the following three years regarding:
  - Affordability of the Authority's capital investment plans including its borrowing limits;
  - Treasury Management, for example, the maturity structure of borrowing; and
  - maximum annual exposures to investments maturing beyond a year.
- Approve an investment strategy for the forthcoming year setting out the criteria for both investing and selecting investment counterparties in compliance with Government guidance.
- Approve a capital strategy for the forthcoming year setting out the context of which capital expenditure and investment decisions are made alongside how capital financing and treasury management activity contribute to the provision of services.

The Annual Treasury Management Strategy includes these procedures in order to manage the risks of the Authority's financial instrument exposure. It is approved by those charged with governance before the beginning of the financial year. In addition, it is a primary requirement that, as a minimum, a mid year review and a performance outturn report on the Group's investment and borrowing activity is produced.

**(a) Credit Risk**

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures from customers. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined in the Treasury Management Strategies for 2024/25. North Yorkshire Council make short term investments of some of the Group's entity's daily balances under a Service Level Agreement, other balances are invested by North Yorkshire Police's finance team. All credit ratings of counterparties are monitored daily. The Group's investment priorities are security first, liquidity second and then yield (return).

**Loans and Receivables:**

Cash invested on 31st March 2025 has been classified within the Balance Sheet as cash and cash equivalents due to it being either callable on demand, or in a maximum of three months notice. Due to the default risk of the investments being extremely low, nil impairment under IFRS 9 is deemed appropriate.

**Debtors:**

The Combined Authority does not generally allow credit for Customers. Information disclosed by Company Liquidators is circulated within the Authority by the Finance Team to ensure that such companies are not granted a chargeable service. The Authority had the following exposure to credit risk at 31st March 2025 based upon experience of default and uncollectability over the last three years adjusted to reflect current and forecast market conditions (i.e. the simplified approach):

	Gross Value 2024/25 £000	Impairment Value 2024/25 £000	Net Value 2024/25 £000
Deposits with banks and financial institutions	60,912	-	60,912
Customers	14,783	(3,375)	11,408
<b>Sub Total YNYCA</b>	<b>75,695</b>	<b>(3,375)</b>	<b>72,320</b>
CCNY - Deposits with banks and financial institutions	31	-	31
<b>Total Group at 31st March 2025</b>	<b>75,726</b>	<b>(3,375)</b>	<b>72,351</b>

	Gross Value 2023/24 £000	Impairment Value 2023/24 £000	Net Value 2023/24 £000
Deposits with banks and financial institutions	-	-	-
Customers	-	-	-
<b>Sub Total YNYCA</b>	<b>-</b>	<b>-</b>	<b>-</b>
Chief Constable - Deposits with banks and financial institutions	-	-	-
<b>Total Group at 31st March 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>

## (b) Liquidity Risk

The Combined Authority has ready access to borrowings from the money markets to cover day to day cashflow needs whilst the PWLB provides access to longer term funds. There is, therefore, no significant risk that it will be unable to meet commitments under financial instruments. The approved prudential indicator 'Limits for the Maturity Structure of Debt' is the key parameter used to address risk and is used in planning when new loans are to be taken and, when it is economic to do so, making early loan repayments.

All long term borrowing as at the 31st March 2025 was with the Public Works Loan Board (PWLB) at fixed rates between 2.1% and 5.4%.

### Analysis of loans by maturity - YNYCA and Group:

	31st March 2025 £000	Maturity profile %	31st March 2024 £000	Maturity profile %
Less than 1 year	409	1.8%	-	-
Between 1-2 years	899	4.0%	-	-
Between 2-5 years	4,026	17.8%	-	-
Between 5-10 years	7,320	32.4%	-	-
Between 10-15 years	7,935	35.1%	-	-
Between 15-20 years	-	-	-	-
Between 15-20 years	2,000	8.9%	-	-
	<b>22,589</b>	<b>100.0%</b>	-	-

Borrowing due within 1 year is disclosed in the Balance Sheet as a current liability including interest due on borrowing within one year:

	£000
Borrowing due within 1 year	409
Interest on borrowing due within 1 year	<u>113</u>
	<u>522</u>

All trade and other payables are due to be paid in less than one year.

## (c) Market Risk

### (i) Market Risk - Interest Rate risk

The Combined Authority is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Group. For instance, a rise in interest rates would have the following effects:

- Borrowings at fixed rates - the fair value of the liabilities for borrowings will fall.
- Investments at variable rates - the interest income credited to the Surplus or Deficit on the Provision of Services will rise.

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund balance pound for pound.

The Combined Authority has a number of strategies for managing interest rate risk. The main strategy for borrowing over periods undertaking new borrowing is to take advantage of the lowest rates possible

whilst also focusing on periods where there is currently no concentration of debt so as to achieve a balanced spread over the debt maturity profile. The debt position is reviewed as part of the annual budget setting process. This review also considers whether internal borrowing using cash balances be used as an alternative to new external borrowing. The use of internal borrowing which runs down investments maximises short term savings and reduces exposure of low interest rates on investments, and the credit risk of counterparties.

If interest rates had been 1% higher with all other variables held constant, the financial effect would be:

	£000	£000
	+1%	-1%
Change in interest receivable on variable rate investments (impact on Surplus/Deficit on Provision of Services)	691	(691)

**(ii) Market Risk - Price risk**

The Combined Authority does not invest in equity shares and thus has no exposure to losses arising in movement in the price of shares.

**(iii) Market Risk - Foreign exchange risk**

The Authority has no financial assets or liabilities denominated in foreign currencies and thus has no exposure to loss arising from movements in exchange rates.

**(iv) PFI Contract - Management of Risks**

The PFI Contract allocates the majority of risks to the service provider. There are no significant risks arising from the contract. However, the affordability of the contract relies on an annual grant of £649k from Central Government. Any reduction in that provision would impact adversely on the Combined Authority's financial position.

**32. Contingent Liabilities**

**(a) Employee Claim:**

At the reporting date, the Combined Authority is subject to a legal claim brought by the Fire Brigades Union (FBU) regarding a failure to consult on a measure affecting pay dates. The claim relates to compensation for affected employees, with a wide exposure range from £0 to up to 13 weeks' pay per individual. Legal counsel has assessed the likelihood of the claim succeeding as being possible but not probable. As a result, no provision has been recognised in the financial statements.

The claim remains unresolved, and a tribunal hearing scheduled for early August 2025 has been deferred and confirmation of a revised date is pending. Due to the uncertainty surrounding the final outcome and financial impact, the Combined Authority is disclosing this matter as a contingent liability, without quantifying the potential cost.

**(b) Defined Benefit Pension Schemes:**

**(i) Special On Call Members (Matthews)**

In November 2018 a ruling on the legal case involving part-time judges (O'Brien v MoJ) had a direct impact on the equivalent case for On Call Firefighters (Matthews). Home Office Ministers have agreed to extend the pension entitlement for on call firefighters to cover service pre-July 2000. A Memorandum of Understanding signed in March 2022 set out the intended scope and operation of the options exercise required to enact remedy in this case.

The options exercise will increase the pensions entitlement for some current special on call members and also allow access to the scheme for additional historic on call members. Although the options exercise is underway, there is very significant data uncertainty in the calculation of this liability and

significant assumptions have had to be made. Additionally, the options exercise has been extended by 12 months to 31st March 2026.

Based on the data available and an assumed uptake rate of 60%, the Actuary estimates a potential liability from the second Matthew's exercise to be £26m, however, at the same time, it recognises there is significant uncertainty in this estimate and it is very likely that actual experience will be different to the assumptions that have been made.

### (ii) Court of Appeal judgement - Virgin Media v NTL Pension Trustees II Limited

In June 2023 the High Court ruled in the case of Virgin Media Limited v NTL Pension Trustees II Ltd. The ruling was that certain pension scheme rule amendments were invalid if they were not accompanied by the correct actuarial confirmation. The High Court ruling has since been appealed. In a judgement delivered on 25th July 2024, the Court of Appeal unanimously upheld the decision of the High Court.

On 5th June 2025, the Government announced that it will “introduce legislation to give affected pension met the necessary standards.” Once the legislation has been passed, this will mean that pension schemes will be able to obtain written confirmation from an actuary about the benefit changes that were previously made and apply that confirmation retrospectively without making the plan amendments void, if the changes met the necessary standards.

Until the legislation is passed, uncertainty will remain as to whether any additional liabilities might arise, and if they were, how they would be reliably measured.

### 33. Net cash flows from Investing Activities - YNYCA and Group

	<b>2024/25</b>	<b>2023/24</b>
	£000	£000
Purchase of non current assets	(19,452)	(79)
Proceeds from sale of PPE and AHFS	343	-
Proceeds of Investments (Incl Interest Received)	2,533	-
Capital grants received	47,928	4,400
	<b><u>31,352</u></b>	<b><u>4,321</u></b>

### 34. Net cash flows from Financing Activities - YNYCA and Group

	<b>2024/25</b>	<b>2023/24</b>
	£000	£000
Repayment of Finance Leases & PFI	(649)	-
Repayments of borrowing (inc. Interest Paid)	(1,742)	-
	<b><u>(2,391)</u></b>	<b><u>-</u></b>

**FIREFIGHTERS PENSION FUND ACCOUNT FOR PERIOD ENDED 31st MARCH 2025**

<u>2023/24</u>	Note	<u>2024/25</u>
£000		£000
<b>CONTRIBUTIONS AND BENEFITS</b>		
<b>Contributions receivable</b>		
(4,988) Contributions in relation to pensionable pay		(5,641)
(234) Early Retirements		(296)
(2,236) Firefighters contributions		(2,307)
(24) Other Firefighters contributions		(371)
<b>(7,482)</b>		<b>(8,615)</b>
<b>Transfers in</b>		
(189) Individual transfers in from other schemes		(162)
<b>Benefits payable</b>		
11,934 Pensions		11,724
1,585 Commutations & lump sum retirement benefits		2,485
- Lump sum death benefits		-
<b>13,519</b>		<b>14,209</b>
<b>Payments to and an account of leavers</b>		
- Individual transfers out to other schemes		-
<b>Other payments</b>		
79 Scheme tax charges		4
<b>Deficit / (Surplus) for the period before top up grant receivable from/payable to Central Government</b>		
<b>5,927</b>		<b>5,436</b>
(5,927) Top up grant receivable from Government		(5,436)
<b>-</b>		<b>-</b>
<b>Net amount payable / (receivable) for the period</b>		<b>-</b>

**FIREFIGHTERS PENSION FUND**  
**NET ASSETS STATEMENT FOR PERIOD ENDED 31st MARCH 2025**

<u>2023/24</u>	Note	<u>2024/25</u>
£000		£000
<b>Current Assets</b>		
95 Contributions due from Authority	5a	75
30 Contributions due from Firefighters		535
1,594 Pension top up grant receivable from Government		162
- General Fund		7,655
<b>1,719</b>		<b>8,428</b>
<b>Current Liabilities</b>		
- Government Grant paid in advance	5b	(6,392)
- Unpaid pension benefits		(2,035)
(1,719) General Fund		-
<b>(1,719)</b>		<b>(8,428)</b>
<b>-</b>		<b>-</b>
<b>Total Net Assets</b>		<b>-</b>

## NOTES TO THE PENSION FUND ACCOUNTS

### 1. General Description of the Fund

There are three Pension Schemes currently administered by the Service:

- (a) Firefighters Pension Scheme 1992 (FPS) operated under the Firefighters Pension Scheme (Amendment) (No. 2) (England) Order 2006
- (b) New Firefighters Pension Scheme 2006 (NFPS) operated under the Firefighters' Pension Scheme (England) Order 2006
- (c) The Firefighters Pension Scheme 2015 as set out in the Firefighters' Pension Scheme (England) Regulations 2014 (SI 2014/2848)

All three Schemes are unfunded meaning that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet actual payments as they fall due.

Entrants to the Service since 1st April 2015 are eligible to join the 2015 Scheme, a career average scheme with a normal retirement age of 60. Other members have either transitioned to the 2015 Scheme, or in the case of firefighters who were within 10 years of retirement on 1st April 2012, remained in either the 1992 (FPS) or the 2006 (NFPS), both of which are final salary schemes.

The Service pays firefighters' pensions via a separate Firefighters Pension Fund Account. An employer's contribution based on a percentage of pay is paid into the fund. The Service is also required to make lump sum payments in respect of ill health retirements to meet locally, at least, some of the cost of retiring an employee on the grounds of ill health. Employee contributions are also paid into the fund. The fund is topped up as necessary by Government Grant if the contributions are insufficient to meet the pension payments due. In the event of a surplus, this will be recouped by the Government.

The Fund's transactions during the year include those made in respect of the McCloud Remedy and the Matthews Options Exercise where payments and receipts were due on or before 31st March 2025. Separate grant funding was received in advance in July 2024 and is being brought into the Fund to match net expenditure as it is incurred.

Each Fire and Rescue Service in England is required by legislation to operate a Pension Fund and the amounts that must be paid into and out of the fund are specified by regulations under statute. The fund is administered and managed for the Service by West Yorkshire Pension Fund via a service level agreement for Pensions Administration.

The contributions payable by Employees and Employers prescribed by the regulations above are:

Scheme	31/03/2025	06/05/2024	31/03/2025	06/05/2024
	Employer		Employee *	
1992 (FPS)	-	-	-	-
2006 (NFPS)	-	-	-	-
2015 Scheme	37.6%	37.6%	11.0%-14.5%	11.0%-14.5%

\* Employee rates vary which are dependent upon pensionable pay bandings. From 1st April 2022 all active members were in the 2015 Scheme.

## 2. Membership

The following summarises the membership of the Pension Fund at 31st March 2025:

Scheme	31/03/2025		
	Contributors	Pensioners	Deferred Pensioners
1992 (FPS)	0	508	25
2006 (NFPS)	0	95	175
2015 Scheme	607	59	395

Scheme	06/05/2024		
	Contributors	Pensioners	Deferred Pensioners
1992 (FPS)	0	513	34
2006 (NFPS)	0	91	167
2015 Scheme	632	61	308

## 3. Accounting Policies

The Pension Fund Accounts for the period ended 31st March 2025 are presented in the format laid down in the Code of Practice on Local Service Accounting in the United Kingdom 2024/25 issued by the Chartered Institute of Public Finance and Accountancy, known as 'the Code'.

## 4. Basis of Preparation

Except where otherwise stated below, the accounts have been prepared on an accruals basis.

## 5. Fund Account Transactions

Benefits payable and withdrawal of contributions have been brought into the Accounts on the basis of all valid payments due in the period. Transfer values are those sums receivable from, or payable to, other pension schemes for individuals and relate to periods of previous pensionable employment. Where possible, transfer values within the financial year are brought into the accounts at the net assets statement date. In a small number of cases it is not possible to obtain sufficient information from other pension schemes and these transfers are accounted for on a cash basis.

### (a) Current Assets

Debtors are raised for known contributions due to the Pension Fund at 31st March 2025:

	31st March 2025	6th May 2024
	£000	£000
Central Government Bodies	162	1,594
Other Local Authorities	-	125
Other entities and individuals	611	-
General Fund	7,655	-
<b>Total</b>	<b>8,428</b>	<b>1,719</b>

**(b) Current Liabilities**

Creditors are raised for known contributions owing by the Pension Fund at 31st March 2025:

	31st March 2025	6th May 2024
	£000	£000
Central Government Bodies	(6,392)	-
Other entities and individuals	(2,035)	(1,719)
<b>Total</b>	<b>(8,428)</b>	<b>(1,719)</b>

No allowance has been made for liabilities to pay pensions and other benefits after the 31st March 2025.

**6. Long Term Pension Obligations**

Details of the Service's long term pension obligations in respects of the Firefighters' Pension Schemes can be found in Note 29 to the Group Accounts.

**POLICE PENSION FUND ACCOUNT FOR PERIOD ENDED 31st MARCH 2025**

<b><u>RESTATED</u></b>				
<b><u>2023/24</u></b>				<b><u>2024/25</u></b>
£000		Note	£000	£000
<b>CONTRIBUTIONS AND BENEFITS</b>				
<b>Contributions receivable</b>				
From Employer:				
(22,800)	Normal		(23,304)	
-	Early Retirement		-	
(9,551)	From Members		(8,439)	
(21)	Remedy Adjustments		(191)	
-	Reimbursement for Unabated Pensions		(954)	
<b>(32,372)</b>			<b>(954)</b>	<b>(32,888)</b>
<b>Transfers in</b>				
(65)	Individual transfers in from other schemes			(16)
<b>Benefits payable</b>				
52,806	Pensions		46,171	
6,303	Commutations & lump sum retirement benefits		8,307	
182	Death grants & dependants gratuities		328	
<b>59,291</b>			<b>328</b>	<b>54,806</b>
<b>Payments to and an account of leavers</b>				
52	Refund of contributions			40
-	Individual transfers out to other schemes			-
<b>Deficit / (Surplus) for the period before top up grant receivable from/payable to Central Government</b>				
<b>26,907</b>				<b>21,942</b>
(26,907)	Top up grant receivable from Government			(21,942)
<b>-</b>	<b>Net amount payable / (receivable) for the period</b>			<b>-</b>

**POLICE PENSION FUND**  
**NET ASSETS STATEMENT FOR PERIOD ENDED 31st MARCH 2025**

<b><u>2023/24</u></b>				<b><u>2024/25</u></b>
£000		Note	£000	£000
-	Current Debtors	5	-	
<b>-</b>	<b>Total Assets</b>		<b>-</b>	<b>-</b>
-	Current Creditors	6	-	
<b>-</b>	<b>Net Assets</b>		<b>-</b>	<b>-</b>

## **NOTES TO THE PENSION FUND ACCOUNTS**

### **1. Accounting Policies**

The Pension Fund Accounts have been prepared in accordance with the IFRS Code and on an accruals basis. This means that sums due to or from the Pension Fund are included as they fall due, whether or not the cash has been received or paid. The accounting convention adopted is historical cost.

### **2. Operation of Police Pension Schemes**

The Chief Constable for North Yorkshire (CCNY) operates three Pension Schemes for police officers. These are unfunded defined benefit schemes, meaning that there are no investment assets built up to meet the pension liabilities and cash has to be generated to meet actual pension payments as they eventually fall due. The second scheme was introduced in April 2006, with the intention that joint contributions of employers and employees would finance the full costs of pension liabilities. All police officers recruited from April 2006 to April 2015 became members of the 2006 scheme. The third scheme came into effect for officers recruited on or after April 2015. A number of officers have been transferred from the previous schemes in the year and will continue to do so moving forward based on calculated taper dates.

The charge in the CCNY accounts represents net cost of pensions and other benefits paid, after deducting contributions receivable from members. Members contribution rates vary between 11% and 15.05% of pensionable pay.

### **3. Funding of Police Pension Schemes**

The funding arrangements for Police Pension Schemes changed on 1st April 2006 and again on 1st April 2015. Before 1 April 2006 the schemes did not have a percentage of pensionable pay type of contribution, rather the Police Authority was responsible for paying pensions of employees on a pay-as-you-go basis. Under the new funding arrangements, the schemes remain unfunded but CCNY no longer meets the pension outgoings directly, instead it pays an employer's contribution, based on a percentage of pay, into the Pension Fund. Each individual Police and Crime Commissioner in England and Wales is required by legislation to operate a Pension Fund for police officers and the amounts that must be paid into and out of the Pension Fund are specified by regulation.

Under the new arrangements, the Pension Fund will be balanced to nil at the end of the year by either a payment to or from the OPFCC. With effect from 1st April 2015, the Home Office does not fund the whole of difference between payments and receipts' and CCNY is required to make an additional contribution calculated according to regulations. OPFCC will either pay an amount equal to the amount received from the Pension Fund to the Home Office or receive a pension top-up grant from the Home Office equal to the amount paid to the Pension Fund.

The Pension Fund Accounts do not take account of liabilities to pay pensions and other benefits after the period end. Details of the liabilities for retirement benefits attributable to CCNY at 31st March 2025, and of the basis for assessing those liabilities, are included in note 29 to the Group Accounts. The present value of the Police Pension Scheme liabilities, based on the most recent full valuation of the scheme (as at 31st March 2022) and updated to the balance sheet date are disclosed overleaf:

	31st March 2025	6th May 2024
	£000	£000
Police Pension Scheme 1987	(1,118,870)	(1,196,540)
Police Pension Scheme 2006	(34,120)	(38,160)
Police Pension Scheme 2015	(133,350)	(132,590)
Total present value of liabilities	<u>(1,286,340)</u>	<u>(1,367,290)</u>

## 5. Debtors

	31st March 2025	6th May 2024
	£000	£000
Short Term - Other Local Authorities	<u>-</u>	<u>-</u>

## 6. Creditors

Short Term - General	<u>-</u>	<u>-</u>
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## 7. Prior Period Adjustment

A significant matter was highlighted in the 2023/24 Auditor's Annual Report leading to a Disclaimer Opinion. This was in relation to the extended trial balance and the use of estimated income and expenditure resulting in estimated debtors, creditors and cash position. This has been addressed by extracting actual data from the financial ledger for the period 1st April to 6th May 2024 and using this to reconcile the cash and bank position as at the 6th May 2024. This work has resulted in a prior period adjustment to the Police Pension Fund Account due to a variance in the April and May (36 days) pension payroll transactions when compared to those estimated:

### POLICE PENSION FUND ACCOUNT FOR PERIOD ENDED 6th MAY 2024

	As previously stated 2023/24	Restated 2023/24	Adjustments made
	£000	£000	£000
<b>CONTRIBUTIONS AND BENEFITS</b>			
<b>Contributions receivable</b>			
From Employer:			
Normal	(23,315)	(22,800)	515
From Members	(9,703)	(9,551)	152
Remedy Adjustments	(10)	(21)	(11)
	<u>(33,028)</u>	<u>(32,372)</u>	<u>656</u>
<b>Transfers in</b>			
Individual transfers in from other schemes	(65)	(65)	-
<b>Benefits payable</b>			
Pensions	52,699	52,806	107
Commutations & lump sum retirement benefits	6,840	6,303	(537)
Death grants & dependants gratuities	182	182	-
	<u>59,721</u>	<u>59,291</u>	<u>(430)</u>
<b>Payments to and an account of leavers</b>			
Refund of contributions	52	52	-
<b>Deficit / (Surplus) for the period before top up grant receivable from/payable to Central Government</b>	<b>86,401</b>	<b>86,197</b>	<b>(204)</b>
Top up grant receivable from Government	(26,680)	(26,907)	(1,064)
<b>Net amount payable / (receivable) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>

## GLOSSARY OF TERMS

### **ACCOUNTING PERIOD**

The period of time covered by the accounts, normally a period of twelve months commencing on 1st April and ending as at the balance sheet date, 31st March.

### **ACCRUALS**

The concept that income and expenditure is accounted for as it is earned or incurred, not as money is received or paid.

### **AMORTISATION**

Written off over a suitable period of time, usually in line with the useful life of an asset.

### **ASSET**

An item owned by the Authority, which has a monetary value. Assets are defined as **current or non current** :

- **Current assets** will be consumed or cease to have value within the next financial year, e.g. inventories and debtors
- **Non current assets** provide benefits to the Authority and to services it provides for a period of more than one year, for example, land, buildings, vehicles and equipment.

### **AUDIT**

An independent examination of the Authority's activities, either by internal audit or the Authority's external auditors.

### **BALANCE SHEET**

A statement of the recorded assets, liabilities and other balances at the end of an accounting period.

### **CAPITAL EXPENDITURE**

Expenditure on the acquisition of a non current asset, which will be used in providing services beyond the current accounting period or, expenditure which adds to an existing non current asset.

### **CAPITAL FINANCING**

The raising of money to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, capital contribution, revenue reserves and earmarked reserves.

### **CAPITAL RECEIPTS**

The proceeds from the disposal of land or other assets. Proportions of capital receipts can be used to finance new capital expenditure, within rules set down by the Government, but they cannot be used for general revenue purposes.

### **CIPFA**

The Chartered Institute of Public Finance and Accountancy. This is the professional institute that develops and promotes proper accounting practice for Local Government in England and Wales.

### **CONSISTENCY**

The concept that the accounting treatment of like items is the same from one accounting period to the next.

## **CONTINGENT LIABILITY**

A contingent liability is either:

- a possible obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Authority's control, or
- a present obligation arising from past events where it is not probable that a transfer of economic benefits will be required or the amount of the obligation cannot be measured with sufficient reliability.

## **CONSUMER PRICE INDEX (CPI)**

CPI is the official measure of inflation of consumer prices of the United Kingdom. It is a statistical estimate constructed using the prices of a sample of consumer goods, purchased by households whose prices are collected periodically

## **COUNCIL TAX**

This is a banded property tax which is levied on domestic properties. The banding is based on estimated property values as at 1st April 1991.

## **CREDITOR**

Amounts owed by the Authority for works done, goods received or services rendered before the end of the accounting period but for which payments have not been made by the end of that accounting period.

## **DEBTOR**

Amounts due to the Authority for works done, goods received or services rendered before the end of the accounting period but for which payments have not been received by the end of that period.

## **DEFINED BENEFIT OBLIGATION**

Future pension liabilities payable by the Authority that have been promised under the formal terms of the defined benefit pension schemes provided to employees.

## **DEPRECIATION**

The amount charged to revenue accounts to represent the reducing value of non current assets through consumption.

## **DEPRECIATED REPLACEMENT COST**

A method of valuation based on the gross cost of replacing the asset/building less an allowance for depreciation.

## **EXISTING USE VALUE**

A method of valuation based on the amount that would be paid for an asset/building based on its existing use.

## **FAIR VALUE**

The fair value of an asset is the price at which it could be exchanged in an arms length transaction less, where applicable, any grants receivable towards the purchase or use of the asset.

## **GOVERNMENT GRANTS**

Grants made by the Government towards either revenue or capital expenditure to support the cost of the provision of the Authority's services. These grants may be given specifically towards the cost of particular defined schemes, or to support the revenue spend of the Authority (known as

Revenue Support Grant).

## **GROUP**

The term Group refers to the York and North Yorkshire Mayoral Combined Authority.

## **GROSS CARRYING AMOUNT (GCA)**

The cost of a non current asset before the deduction of accumulated depreciation and/or impairment.

## **IMPAIRMENT**

A reduction in the value of a non current asset, below it's carrying amount on the balance sheet.

## **INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS)**

Standards for the presentation and preparation of financial statements set by the International Accounting Standards Board (IASB) that organisations must follow. These standards were previously called **International Accounting Standards (IAS)**.

## **IFRS INTERPRETATIONS COMMITTEE (IFRIC)**

The Interpretations Committee are responsible for the maintenance of IFRS. Its objective is to interpret the application of IFRS and provide guidance on financial reporting issues that are not specifically addressed, or where concerns are expressed about poorly specified disclosure requirements.

## **INVENTORIES**

The amount of unused or unconsumed stocks held in expectation of future use. When use will not arise until a later accounting period, it is appropriate to carry forward the amount to be matched to the use or consumption when it arises.

## **LIABILITY**

A liability is where an authority owes payment to an individual or another organisation:

- A current liability is an amount which will become payable or could be called in within the next accounting period, e.g. creditors or cash overdrawn.
- A deferred liability is an amount which, by arrangement is payable beyond the next year at some point in the future, or to be paid off by an annual sum over a period of time.

## **LONG TERM BORROWING**

The main element of long term borrowing is comprised of loans that have been raised to finance capital investment projects.

## **MARKET VALUE**

The monetary value of an asset as determined by current market conditions.

## **MATERIALITY**

The concept that the Statement of Accounts should include all amounts which, if omitted, or mis-stated, could be expected to lead to distortion of the financial statements to a reader of the statements.

## **MINIMUM REVENUE PROVISION (MRP)**

Represents the statutory minimum amount that must be charged to a revenue account in each financial year to repay external borrowings.

**NET BOOK VALUE**

The amount at which non current assets are included in the balance sheet, i.e. their historical cost or current value less the cumulative amount provided for depreciation.

**NET REALISABLE VALUE**

The open market value of the asset in its existing use, less the expenses to be incurred in realising the asset.

**NON DOMESTIC RATES**

National non domestic rates (also known as Business Rates) are a tax on properties which are not used for domestic purposes such as shops, factories, offices and fire stations. Business rates collected by Local Authorities are the way that those who occupy non-domestic properties contribute to the cost of local services.

**OPERATIONAL ASSETS**

Non current assets held and occupied, used or consumed by the Authority in the direct delivery of those services for which it has a statutory or discretionary responsibility.

**PEPPERCORN RENT**

A very low or nominal rent payable for the use of an asset.

**PRECEPT**

The order made by Precepting Authorities on Billing Authorities, requiring the latter to collect income from council taxpayers on their behalf.

**PRIVATE FINANCE INITIATIVE (PFI)**

A means of securing new assets and associated services in partnership with the private sector.

**PROVISION**

An amount put aside in the accounts for liabilities or losses which have occurred but uncertainty surrounds the exact amounts involved or the dates on which they will arise.

**PRUDENCE**

The concept that revenue is not anticipated but is recognised only when realised in the form of either cash or other assets, the ultimate cash realisation of which can be assessed with reasonable certainty.

**PUBLIC WORKS LOAN BOARD (PWL B)**

This is a Central Government Agency which provides loans for one year and above to Authorities at interest rates only slightly higher than those at which the Government itself can borrow.

**RELATED PARTIES**

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

- one party has direct or indirect control of the other party; or
- the parties are subject to common control from the same source; or
- one party has influence over the financial and operational policies of the other party to an extent that the other party might be inhibited from pursuing at all times its own separate interests; or
- the parties, in entering a transaction, are subject to influence from the same source to such an extent that one of the parties to the transaction has subordinated its own separate interests.

**RESERVES**

The accumulation of surpluses, deficits and appropriations over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the Authority. Some capital reserves are kept to manage the accounting processes for non current assets and retirement benefits and do not represent usable resources for the Authority.

**RETAIL PRICE INDEX (RPI)**

RPI is a measure of inflation published monthly by the Office for National Statistics. It measures the change in the cost of a representative sample of retail goods and services.

**REVENUE EXPENDITURE**

The day-to-day expenses of providing services. It is usually of a constantly recurring nature and produces no permanent asset, e.g. salaries, wages, supplies and services, and debt charges.

**REVENUE SUPPORT GRANT**

This is a Central Government grant to authorities, contributing towards the cost of their services. It is based on the Government's assessment of how much an authority needs to spend to provide a standard level of service.

**SHORT TERM INVESTMENT**

Short term investments are deposits of temporary surplus funds with banks or similar institutions.

**USEFUL LIFE**

The period over which the Authority will derive benefits from the use of a non current asset.