

Commissioner of Police of the Metropolis

Statement of Accounts 2023/24



How to Contact Us

We welcome your feedback. If you have any comments about this Statement of Accounts they should be sent to:

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Consultation Opportunities

The Mayor's Office for Policing and Crime (MOPAC) holds regular meetings about policing with people who live and work in London. Details of these can be found on MOPAC Internet site at www.london.gov.uk/what-we-do/mayors-office-policing-and-crime-mopac/governance-and-decision-making/our-public-scrutiny-meetings

Copies

The Statement of Accounts 2023/24 will be published as an internet document. Please consider the environment before printing the document.

Internet Addresses:

Mayor's Office for Policing and Crime <https://www.london.gov.uk/who-we-are/governance-and-spending/spending-money-wisely/mayors-budget>

Metropolitan Police Service: www.met.police.uk



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Narrative report

Introduction

These Accounts set out the overall financial position of the Commissioner of Police of the Metropolis (CPM), who is responsible for the Metropolitan Police Service (Met), for the year ended 31 March 2024.

Sir Mark Rowley was appointed as Commissioner and took up the post on 12 September 2022.

The Met is the largest police force in the UK and amongst the largest in the world. Headquartered in New Scotland Yard, the Met delivers policing services to 9 million Londoners across 620 square miles and to millions of commuters, tourists and visitors to the capital. The Met also co-ordinates Counter Terrorism policing nationally and is responsible for protecting the Royal Family and Parliament, and for Diplomatic Protection.

Since Sir Mark Rowley was appointed Commissioner, the Met has set a new mission to deliver More Trust, Less Crime and High Standards, and has recently launched a plan out to 2025 to create a New Met for London. The plan sets out three priorities:

Community crime-fighting is how we cut crime, rebuild trust and restore our bonds with communities.

We'll put more officers and Police Community Support Officers (PCSOs) into local neighbourhoods and make sure they're delivering against the priorities of Londoners. We'll work with them to fight crime and anti-social behaviour, bring all the specialist resources of the Met together to make a difference in the highest crime, lowest trust communities.



Sir Mark Rowley,
QPM, Commissioner
of the Metropolis

Culture change will be delivered across the Met to embed the values of policing by consent and build a strong culture focused on delivering for London, maintaining high standards and learning from others. We'll become a police service that does not discriminate - tackling racism, misogyny and homophobia - and better reflects the diversity of the city we serve.



Dame Lynne Owens,
QPM, Deputy
Commissioner of the
Metropolis

Fixing our foundations is how we we'll set up our people to succeed. We'll organise and deploy our people better, and give them the training, equipment and tools they need to cut crime. We'll equip them with the data and technology they need to use their powers precisely while maintaining trust and upholding high standards.

We are determined to achieve the fundamental, long-lasting reform that will make the Met a police service Londoners can be proud of. However, we are doing so in the face of significant immediate and longer term financial challenges.

Our budget for 2024/25 has been set in a wider context where the Met does not have enough money or people to meet all of our challenges and all of our operational demand. This challenge is particularly acute for us because our workforce is out of shape and we are underfunded.

Furthermore the budget has been set in the context of the need to deliver major reform through the New Met for London (NMfL) to address fundamental challenges evidenced by HMICFRS, Baroness Casey, the Angiolini inquiry, public and internal consultation. In particular: reforms to public protection and neighbourhoods, funding to stand up our culture and leadership reform and work to fix our foundations.

Meeting the challenge of reform needs to be balanced against the need to meet our immediate operational priorities - in particular, rising demand in areas like volume crime, ongoing pressures of public order and protest e.g. Israel/Gaza conflict and the continuing need to address caseloads on our public protection teams.

Following a significant amount of work by the Metropolitan Police Management Board the budget gap of circa £400 million for 2024/25 was closed. This work involved carefully balancing operational priorities against reform priorities, making difficult decisions, including making savings and reductions in core policing activity (totalling c. £183 million), as well prioritising and resequencing delivery of our reform ambition under NMfL. This budget gap included:

- £122 million of pressures, including from new legislation and capital financing.
- £231 million of inflation, some of which we have to fund since the Home Office grant only partially covers the cost. We assumed a £114 million additional cost to the Met.
- A cost of £79 million to deliver NMfL.

Nevertheless, we are facing significant challenges in future years. We are projected to see substantial budget gaps and are therefore approaching an extremely challenging period with serious financial and operational risks as a result. If we do not close the budget gap it will require additional cuts to frontline services or radically reduced spending on reform in future years.

As a result, in 2024, we will set out a revised reform agenda under the NMfL. However, we will continue to deliver reform in key areas, including:

- 238 additional Rape and Serious Sexual Offence (RASSO) investigators - to help address Baroness Casey's and HMICFRS's recommendation that caseloads need to be reduced; plus 70 volume crime investigators, surged from back office roles. However, this is only a fraction of the 1,000 we wanted to put back on the frontline in 2024/25.
- £5 million of continued funding for Operation Yamata - after funding was discontinued this year.
- The recruitment of 130 more Police Community Support Officer (PCSOs) next year, in line with our ambition to recruit 500 (for which we are already funded).

In the round, through this budget we are rebalancing the Met in three main ways, in line with the strategic priorities we set in NMfL. We are:

- Beginning to change the mix of our workforce so we have more officers on the frontline and more skilled police staff in the right roles.
- Putting more resources in local policing, where we see the most stretch and risk.
- Placing more emphasis on fixing our foundations, including the provision of the kit and equipment needed to succeed operationally.

Our Medium Term Financial Plan indicated that pre-mitigation, we faced a budget gap of £300m, rising to £345m in 2027/28. Work is underway to developing a new corporate business planning cycle and investing in strategic planning capability. The initial focus will be on a strategic framework that will help frame the major choices the organisation needs to make ahead of 2025/26.

The Statement of Accounts

The CPM was established as a separate body on the 16 January 2012 under the Police Reform and Social Responsibility Act 2011. The CPM is the head of the MPS. The primary function of the CPM is the exercise of operational policing duties under the Police Act 1996. A separate body called the Mayor's Office for Policing and Crime (MOPAC) function was established at the same time. MOPAC holds the CPM to account for the exercise of these duties, thereby securing the maintenance of an efficient and effective Metropolitan Police force in London.

For accounting purposes MOPAC and the CPM together are known as the MOPAC Group. In the MOPAC Group accounts, the financial activities of MOPAC and the CPM are consolidated.

This Narrative Report provides an overview of the accounting arrangements and outlines the financial performance of the CPM during 2023/24.

The 2023/24 Accounts are prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting 2023/24.

The Accounts reflect the current legislative framework as well as the local arrangements operating in practice. Key elements of this framework in 2023/24 include:

- The Police Reform and Social Responsibility Act 2011 (the Act);
- The Home Office Financial Management Code of Practice for the Police Forces of England and Wales 2013;
- MOPAC Scheme of Delegation and Consent;
- MOPAC Financial Regulations;
- MOPAC Contract Regulations;
- The MPS Chief Financial Officer's Instructions

Under the legislative framework and local arrangements, MOPAC is responsible for the finances of the whole Group and controls the assets, liabilities and reserves. MOPAC has responsibility for entering into contracts and establishing the contractual framework under which the Commissioner's officers and staff operate. MOPAC receives all income and funding and makes all the payments for the Group from the MOPAC Police Fund.

In turn the Commissioner fulfils their statutory responsibilities for delivering an efficient and effective police force within an annual budget, which is set by the Deputy Mayor for Policing and Crime (DMPC) in consultation with the Commissioner. The Commissioner ultimately has a statutory responsibility for maintaining the King's peace and to do this has direction and control over police officers and police staff. It is recognised that in exercising day-to-day direction and control the Commissioner will undertake activities, incur expenditure and generate income to allow the police service to operate effectively.



It is appropriate that a distinction is made between the financial impact of this day-to-day direction and control of the force and the overarching strategic oversight exercised by the DMPC. Therefore the expenditure in respect of operational policing, including police officer and staff costs, is shown in the CPM Accounts, with the main sources of funding (i.e. central government grants and council tax) and the vast majority of balances being recognised in the MOPAC Accounts. The MOPAC Group Accounts shows the overall cost of policing London and includes both the cost of administering MOPAC and MOPAC expenditure on community safety and crime prevention and the Commissioner's expenditure on policing related activities.

The accounting arrangements between MOPAC and the CPM are detailed more fully in Note 5 to the Accounts on page 14.

Financial statements

The financial statements for the CPM required under the 2023/24 Code consist of:

- A Comprehensive Income and Expenditure Statement (CIES) - this recognises the accounting cost in the year of providing policing services under the direction of the Commissioner for the 12 months to 31 March 2024. The CIES has been prepared by applying the accounting principles set out in the CIPFA Accounting Code of Practice. The headings used are based on the CPM directorates as defined for the purpose of reporting to management;
- Movement in Reserves Statement - this summarises movements to and from the reserves for the year 2023/24. It is analysed into usable reserves (i.e. those that can be applied to fund expenditure) and unusable reserves. Under the MOPAC/CPM Financial Regulations and the Scheme of Consent and Delegation, MOPAC holds all reserves and accordingly the reserve balances on the CPM Movement in Reserves Statement as at 31 March 2024 are nil;
- The Balance Sheet - this summarises the financial position of the CPM at 31 March 2024 and sets out any assets, liabilities and reserves. All liabilities are ultimately the responsibility of MOPAC, so at year-end the net worth (total assets minus liabilities) is nil. The liability for police pensions is offset by an intra-group debtor reflecting MOPAC's continuing responsibility to provide funds from the Police Fund to enable the CPM to administer pension payments;
- The Cash Flow Statement - as all of the Group's cash flows during the reporting period are presented in the MOPAC Accounts, this statement simply shows the net surplus on provision of services adjusted for non-cash movements.

In addition to the financial statements, the Accounts include a Statement of Responsibilities for the Accounts and information on the Police Officer Pension Fund (providing statements for pension fund income and expenditure, assets and liabilities). An Annual Governance Statement (AGS) accompanies the Statement of Accounts as a separate report.

Financial performance

Setting the budget

The Deputy Mayor for Policing and Crime recommends an annual budget to the Mayor, following consultation with the Commissioner. The approved budget for 2023/24 for the whole MOPAC Group provided for gross expenditure of £4,533.2 million. Within this amount, £141.4 million was attributable to MOPAC, and included £120.6 million relating to London initiatives such as London Crime Prevention Fund £17.6 million, VAWG £12.0 million, London Integrated Victim and Witness Service £7.4 million, Your Choice £4.5 million, Operation Soteria £4.1 million, Project ADDER £2.0 million, Talk Matters £2.0 million, Parent Carer Champion Network £2.0 million, rape crisis centres £2.2 million. The MOPAC Group net budget, after taking into account income, specific grant before reserve usage, was £3,475.2 million.

During the year the Deputy Mayor for Policing and Crime approved amendments to the budget to reflect known changes.

Performance against the Revenue Budget

Table 1 provides a summary of the final MPS outturn position for 2023/24 compared with the revised budget. Figures in brackets in the variance column represent reduced expenditure or increased income against the revised budget.

Prior to transfers to general reserves, there was an overall underspend of £12.8m against budget. Police officer pay was overspent by £9.3m, and police officer overtime overspent by £22.6m.

The year saw the MPS deliver policing for the King's coronation and protests relating to the on-going Israel/Hamas conflict for which the Home Office provided funding through Special Grant Receipts.

Within operating costs, capital financing was underspent by £18.2m relating to slippages across capital programmes. In addition, other income benefit for higher than expected investment returns of £15m.

Review of 2023/24 performance

The priorities of the Met over 2023/24 have continued to evolve in response to findings from internal and external assessments. The Met has now revised the Turnaround Plan - and launched A New Met for London. We have also introduced a new performance framework with a new team to drive progress. To track our progress in achieving More Trust, Less Crime and High Standards, we've agreed a set of headline measures with the Mayor that is outlined in A New Met for London. As we finalise our forward look set out below is an overview assessment of performance against the mission of More Trust, Less Crime, High Standards.

More Trust

Since MOPAC's Public Attitudes Survey began the proportion of respondents who felt the police do a good job in their local area has stood at around 67%. This fell significantly to 46% in Q3 2023/24. We have started to see a very small recovery in views towards the police of 1 percentage point, in particular for *police relied upon* question (+5pp) with *fair treatment* question seeing the most decline (-5pp) we have a long way to go to recover the trust and confidence lost over recent years.

	% agree at Q3 2023/24	% point Change from Q3 2022/23
Police do a good job in the local area	46%	-0
Agree the police are dealing with the things that matter to this community	57%	+1
Agree the police can be relied upon to be there when needed	59%	+5
Agree the police listen to the concerns of local people	57%	+1
Agree the police treat everyone fairly regardless of who they are	60%	-5

[Public Perceptions of the Police - London Datastore](#)

The findings of the Baroness Casey Review was a significant moment and created further impacts on trust by the nature of the difficult issues the Review covers. To rebuild the trust of London we have to root out those corrupting our integrity. But the more successful we are in this element of reform, the more horrific stories will emerge, the more worried the public will be. The harder we try to deliver the scale of reform required, the worse we will appear from the outside looking in.

We speak regularly about the tough measures we are taking against those who do not meet our high standards. But we cannot lose sight of the tens of thousands of officers and staff delivering one of the hardest jobs in the capital. They want the Met to rid itself of those who have no place in policing just as much as the public do. They are up for the fight. This is evident in the number of internal reports about wrongdoing doubling over the last year.

Less Crime

Through the NMfL we have reformed our performance framework and rolled out new performance and 'tasking and coordination' processes which we expect to be strongly embedded by July 2024. This is a reset of our approach to performance and tasking and we have already seen much improvement.

The data below compares recorded crime per 1,000 of the population for the financial year period of April 2023 to December 2023 compared with the same time of the previous year¹. The Met is seeing an increase for theft person, which is against the national trend. Every police force in England and

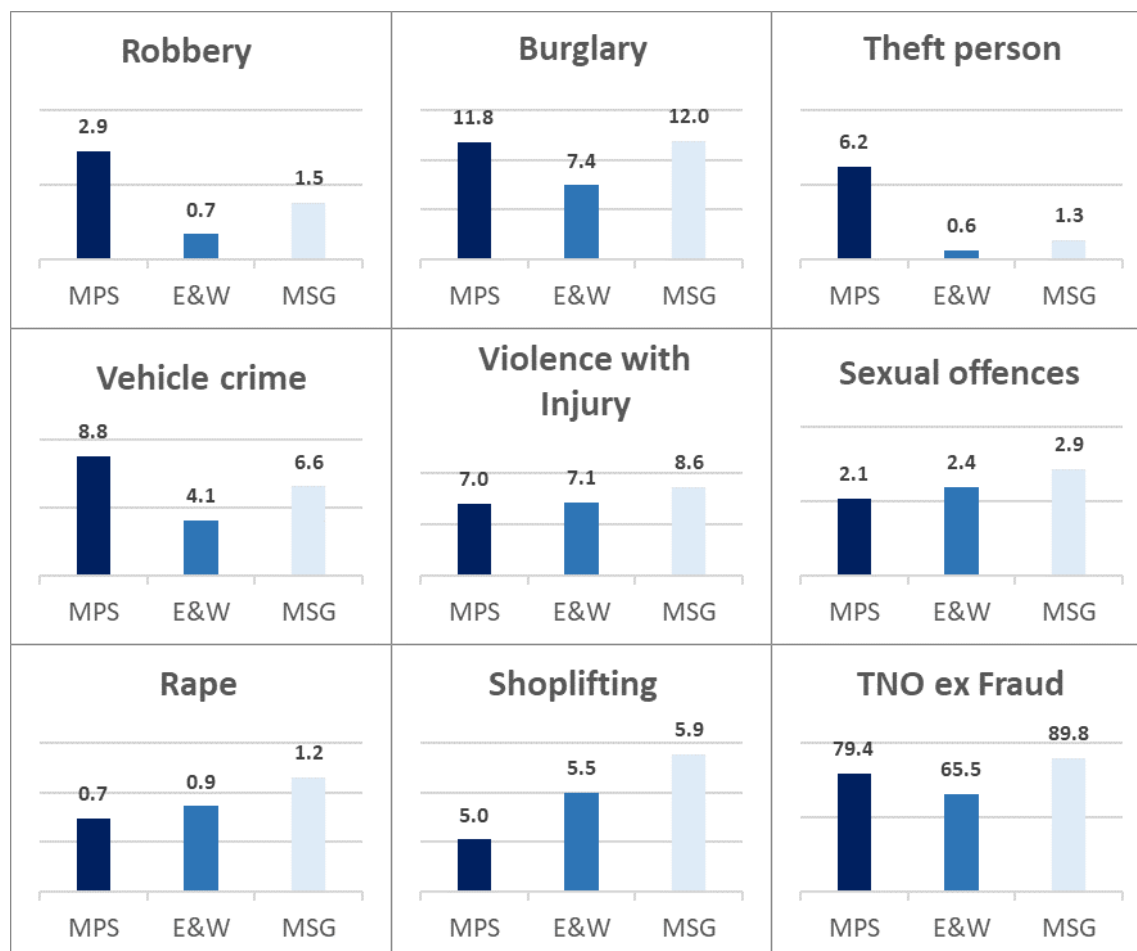
¹ Recorded crime figures for the whole of the financial year 2023/24 become available at the end of July 2024.

Wales is seeing an increase in shoplifting. However, the Met is seeing larger increases than most. Like most other forces, the Met is seeing declines in vehicle crime.

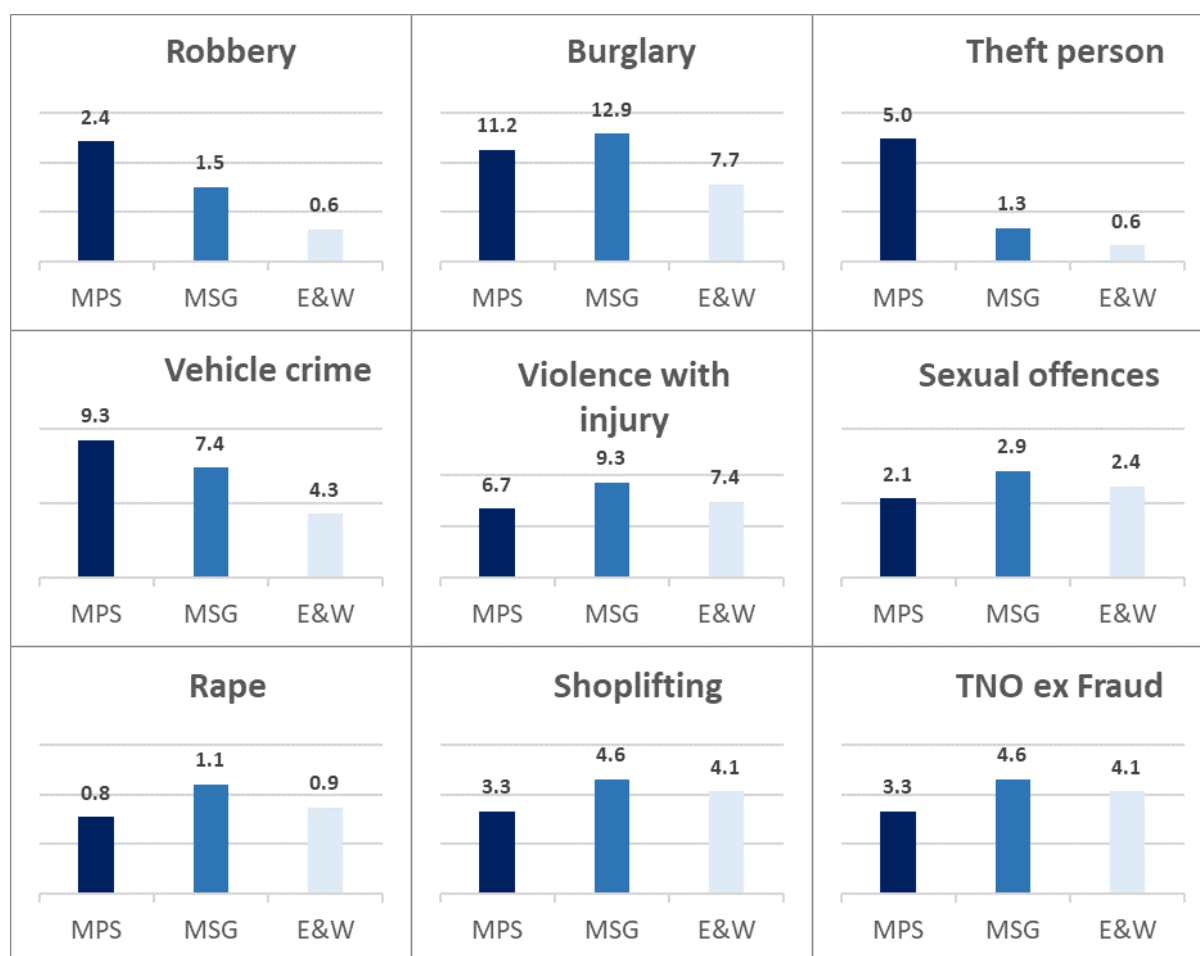
Nationally, violence with injury has seen reductions. For crimes by 1,000 population, the Met performs better against both Most Similar Group (MSG) and England and Wales (E&W) for violence with injury.

Compared to our MSG, the Met is seeing lower increases in homicides in addition the Met has had the largest reduction in rape offences when compared nationally. The Met (MPS) is also seeing a reduction in other sexual offences, however, this reduction is smaller than other forces.

FY 2023/24 (Apr 23-Dec 23)	MPS	MSG	E&W ex MPS	GMP	WMP	WYP
Robbery	2.9	1.5	0.7	1.2	2.2	1.0
Burglary	11.8	12.0	7.4	10.9	13.0	12.1
Theft Person	6.2	1.3	0.6	1.9	0.9	1.0
Vehicle crime	8.8	6.6	4.1	5.5	8.6	5.4
Violence with injury	7.0	8.6	7.1	7.7	9.5	8.7
Sexual offences	2.1	2.9	2.4	2.9	2.7	3.0
Rape	0.7	1.2	0.9	1.1	1.2	1.2
Shoplifting	5.0	5.9	5.5	4.7	6.2	7.0
TNO (ex Fraud)	79.4	89.8	65.5	90.9	85.5	93.8



FY2022/23 (Apr 22-Dec22)	MPS	MSG	E&W ex MPS	GMP	WMP	WYP
Robbery	2.4	1.5	0.6	1.3	2.1	1.0
Burglary	11.2	12.9	7.7	13.7	13.8	10.9
Theft Person	5.0	1.3	0.6	1.7	1.2	1.1
Vehicle crime	9.3	7.4	4.3	6.5	9.8	5.6
Violence with injury	6.7	9.3	7.4	8.2	10.3	9.4
Sexual offences	2.1	2.9	2.4	3.0	2.7	3.0
Rape	0.8	1.1	0.9	1.1	1.1	1.1
Shoplifting	3.3	4.6	4.1	4.1	4.2	5.7
TNO (ex Fraud)	74.4	96.5	68.2	96.6	94.1	99.5



Neighbourhood Crime - theft from person, personal robbery, residential burglary and vehicle crime are a key area of challenge due to the extremely high volumes in the capital relative to the number of people and resources we can spread across our priorities. Though the Met performs better than E&W and MSG for residential burglary rates per 1,000 population.

Vehicle crime is the only offence to record reductions, with theft from motor vehicle reducing and theft of motor vehicle remaining relatively stable.

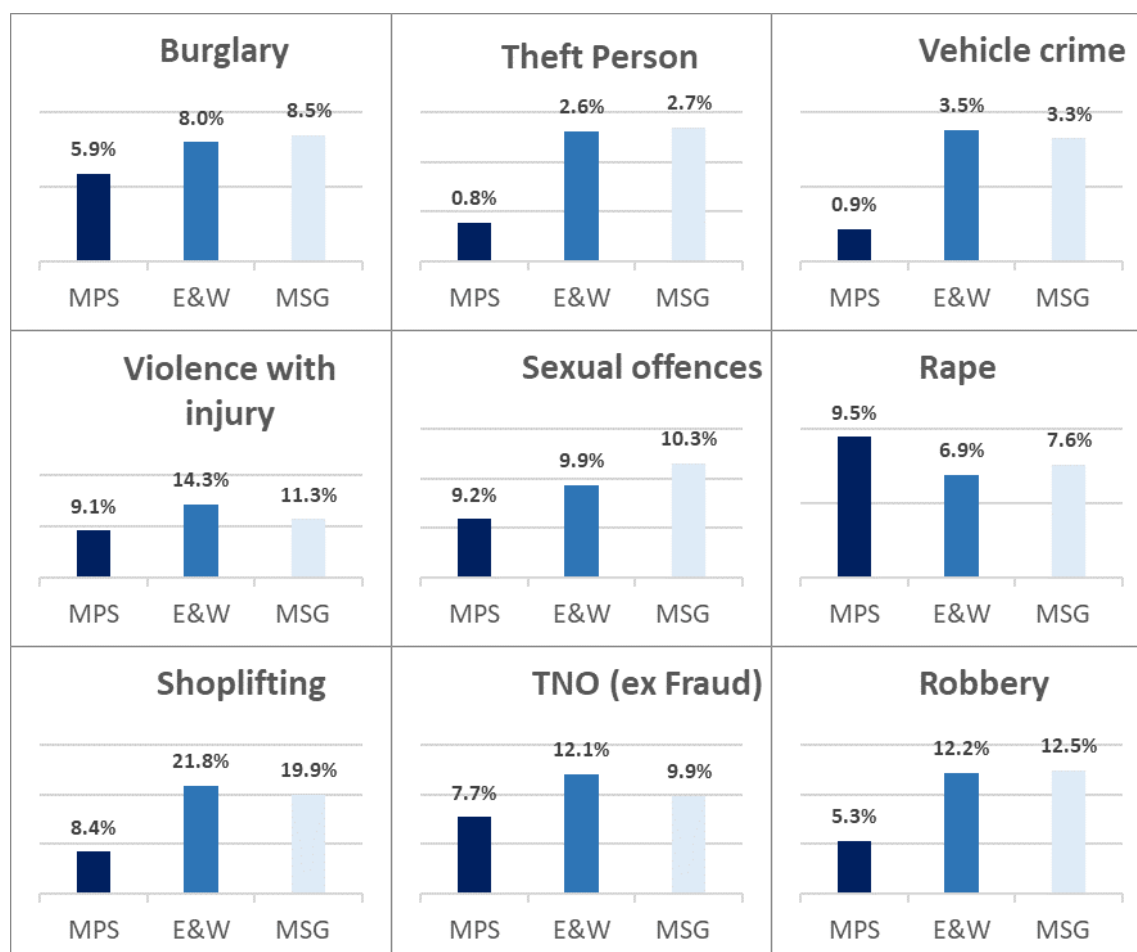
On public protection offences, we are improving, but challenges remain. We perform better against E&W and our MSG for rape positive outcomes at 9.5% (ranked 9th out of the 43 forces for

highest positive outcome rates). This is a +3.5pp improvement to the same period last year. We have done significant work through the NMfL to expand capacity within our public protection teams. Another notable positive improvement can be seen in our increase in positive outcomes for Total Notifiable Offences (TNOs) at 7.7% compared with the England & Wales average of 12.1% and our MSGs at 9.9%.

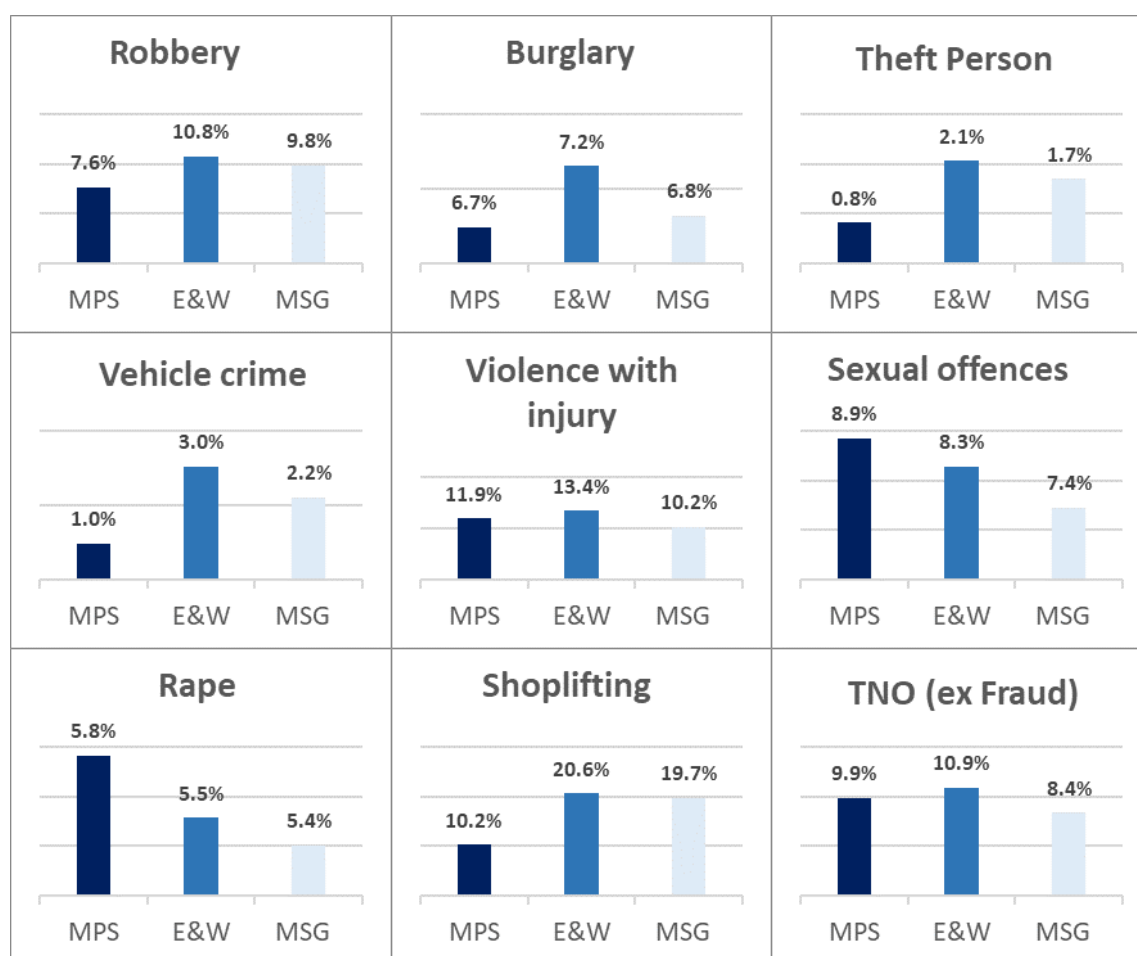
Serious Violence - Robbery, VWI and Homicide - FYTD to Dec 2023 - Our performance is holding up well compared to MSG - robbery is our key challenge and for VWI rates per 1,000 we perform better against E&W and MSG.

Crimes recorded with a charge/summons/caution/diversionary outcome (%)

MSG	PO rates FY2023/24 (Apr23 to Dec 23)	MPS	E&W ex MPS	GMP	WMP	WYP
12.5%	Robbery	5.3%	12.2%	11.0%	13.7%	11.2%
8.5%	Burglary	5.9%	8.0%	9.9%	8.5%	6.9%
2.7%	Theft Person	0.8%	2.6%	2.0%	5.4%	1.3%
3.3%	Vehicle crime	0.9%	3.5%	4.3%	2.8%	3.1%
11.3%	Violence with injury	9.1%	14.3%	12.7%	10.2%	11.5%
10.3%	Sexual offences	9.2%	9.9%	11.7%	8.6%	10.6%
7.6%	Rape	9.5%	6.9%	9.2%	5.6%	8.4%
19.9%	Shoplifting	8.4%	21.8%	19.2%	14.9%	26.0%
9.9%	TNO (ex Fraud)	7.7%	12.1%	10.6%	8.3%	10.8%



MSG	PO rate FY2022/23 (Apr22 to Dec 22)	MPS	E&W	GMP	WMP	WYP
9.8%	Robbery	7.6%	10.8%	9.6%	9.1%	12.1%
6.8%	Burglary	6.7%	7.2%	7.0%	6.3%	7.3%
1.7%	Theft Person	0.8%	2.1%	2.4%	0.7%	1.5%
2.2%	Vehicle crime	1.0%	3.0%	3.3%	1.2%	2.8%
10.2%	Violence with injury	11.9%	13.4%	11.2%	8.8%	10.9%
7.4%	Sexual offences	8.9%	8.3%	8.2%	5.4%	8.8%
5.4%	Rape	5.8%	5.5%	5.5%	3.4%	7.8%
19.7%	Shoplifting	10.2%	20.6%	18.3%	14.5%	25.6%
8.4%	TNO (ex Fraud)	9.9%	10.9%	9.1%	6.3%	9.8%



High Standards

More assertive investigations (100% increase in gross misconduct hearings) mean we will be removing more bad officers this year than in the history of the Met’s existence. Our aim is that we will regularly be holding approximately 30 gross misconduct hearings and 30 gross incompetence hearings a month for the foreseeable future. More reporting, better investigations, swifter decisions, as a result of recent regulation changes, is leading to a series of regular dismissals. These cases and their volume make uncomfortable reading for all, but the MPS will be stronger, and London will be safer as a result.

This has been a key area of focus in 2023/24 - both to tackle legacy cases and proactively identifying new corruption intelligence and acting robustly. Progress has been made in both areas, including: Legacy Cases

- Operation Assure - a new process for reviewing the vetting of serving officers and staff where we have identified adverse information.
- Op Dagnet - process to check every member of the Met against the Police National Computer (PNC) that records convictions.
- Operation Trawl - process of checking every member of the Met against the Police National database (PND), the national intelligence database for policing.
- Operation Onyx is a review of officers/staff subject to an allegation of sexual offending or domestic abuse made between April 2012 and January 2023.

Proactive Prevention and Enforcement

- In November 2022, the Met became the first police force in the UK to launch a public facing hotline asking for reports of Met officers abusing their position of trust. This was delivered in partnership with Crimestoppers. In the period November 2022 to February 2024, 2,878 people have contacted the Hotline. (1,988 Calls, 890 Online Reports). There have been 867 disseminations (413 Calls, 454 Online Reports) to the MPS Anti-Corruption and Abuse Command from Crimestoppers to the MPS since the launch. As a result, there have been 728 reports reviewed by the MPS of which 614 were deemed actionable.
- Following investment into the Directorate of Professional Standards (DPS), resulting in a 76% increase in gross misconduct investigations concluded in the last 6 months of the financial year. (408 cases October 2022 to March 2023 compared to 718 cases October 2023 to March 2024)
- In the last six months of the financial year, 92 officers appeared on gross misconduct hearings which is 18% higher than the same period for the last financial year (October 2023 to March 2024).
- There has been a 48% increase in the number of officers suspended compared between April 2023 and April 2024.
- All recruit training now includes a firm professional standards input; and, leadership programmes for new and existing leaders prioritise content relating to professionalism, and the standards the organisation expects of them as leaders.

New Met for London (NMfL) Highlights

The Met 2024/25 budget means we will have to review our ambition, and we will publish a revised reform agenda for the next two years, yet we have made significant progress in a number of key areas where reform was needed.

In Community crime-fighting, we will be launching our new Strongest Ever Neighbourhood Model in June 2024. This model restructures our Neighbourhood teams to improve capacity and capability, adding more inspectors and sergeants, constables and PCSOs, allocated by demand analysis. The design for our improved Borough Command Unit (BCU) operating model will be complete, with implementation of the design starting in October 2024. This design will ensure more effective tackling of crime, improved investigations and proactive policing and a more resilient emergency response.

Within our NMfL Culture change priority, we will launch our culture plan to drive our Met values and principles across the organisation. This will be delivered through dedicated values-based workshops, shifting our workforce's behaviour from awareness to advocacy. Our London Race Action Plan (LRAP) will launch this autumn, driving targeted action and clear measures of success.

Across Fixing our Foundations, our business planning and strategic workforce planning capabilities will commence, with a stronger workforce planning and deployment in place and recruitment underway for our new business planning function.

We continue to transform public protection, with a new operating model to be launched in 2024. We have now put an additional 225 officers (of the 465 planned) into priority areas including child abuse, domestic abuse and RASSO. We have already expanded the Stalking and Threat Assessment Centre, with our detection rates now higher. We will commence a pilot for Local Vulnerability Hubs, which will improve our response to missing persons' cases.

Since the HMICFRS child exploitation inspection we have almost doubled the number of children reported missing with exploitation concerns that are being graded as high-risk. We have also adopted National Best Practice, training more than 1,200 staff in identifying exploitation, resulting in a 50% increase in the volume of child exploitation concerns being identified by officers and then investigated by the child exploitation teams

We have taken steps towards significantly improving our service to victims of crime.

- We have seen a major and sustained improvement in our response to emergency, 999 calls. In April 2024, we answered 89.7% of 999 calls within 10 seconds. We launched a 101-triage desk in January 2024, which enables the needs of the caller to be assessed more quickly and removes non-policing calls and directs people to the correct lead agency. As a result of this we have seen further reductions in 101 abandonment rates, currently at 10.8%, and the average speed of answer.
- We have adopted the Right Care Right Person (RCRP) approach which ensures that Londoners receive the right support from the right agency, and means police officers are now spending more time on priority policing tasks and less time detaining people who would be better cared for by our partners. Since its launch, officers are attending fewer health calls, with deployment reducing from 41% to 29% compared to the same period last year. Each month, this equates to 6,000 fewer deployments and 34,000 officer hours that can be spent tackling crimes that are impacting Londoners instead. Six months on from the launch of Right Care, Right Person, officers are responding to 18% more urgent robbery calls and, despite the increase in volume, getting to victims faster. Officers are also spending 21% more time on scene with victims compared to the same period last year.
- Our Victim Focus Desk is now live and dealing with 30,000 calls a month, with a reduced wait time from 3.5 to 2 minutes.

We are improving the way we vet officers and staff, changing our approach so we are confident that only those who meet the highest standards will be granted clearance and able to join the Met. We have grown our vetting unit by 45% since 2021, meaning we have been able to undertake proactive vetting reviews and increased our vetting refusal rates through additional and more thorough checks. We are also seeking to exploit new technology for open-source social media checks.

We will go further and in 2024, we will implement a comprehensive new vetting policy, which will further raise standards. We will also make additional structural improvements to our vetting unit by Autumn 2024 and continue with our vetting transformation programme throughout the year, focusing on digitisation and the creation of a culture of continuous assurance across the Met.

We are continuing to make progress on transforming our leaders:

- 98% of all Met Sergeants and Band D staff received five days of face-to-face leadership development in the last 12 months through our First Line Leaders programme. Year 2 has been launched for new promotes on 15 April and is planned to launch for Substantives in May 2024.
- Our new leadership programmes for Mid-Level leaders was piloted in March 2024 and launched in April 2024 and our new leadership programmes for Senior Level leaders will launch in May 2024.
- We have introduced a new talent management structure for leaders, operationalised through Career Review Boards.

- We have also introduced new Performance Development Review processes across the Met, supported by a 9 box grid, with objectives focused on NMfL and our values and principles. This will draw a thread between the Met's priorities and what individuals are clear they are expected to deliver.

In the face of significant, continued workforce and recruitment challenges, we have launched a major programme to ensure the Met is resourced as effectively as possible. This includes the development of a long-term strategic workforce plan.

We have put in place new governance to support a more effective strategic business planning process. This will be supported by growth in our enabling functions, including Strategy, Transformation, HR and Finance. We have also procured a new transformation delivery partner to drive reform more quickly.

Demand Pressures from Protests

Since 7 October 2023 we are continuing to experience significant operational challenges due to the protests relating to the Israel/Hamas conflict. We estimate the total cost to the Met to the end of the financial year to be approximately £38 million:

- 44,722 Met officer shifts have been completed under Operation BROCKS.
- With 9,679 shifts by officers on mutual aid.
- More than 6,000 officer rest days have been worked, impacting on officer welfare.

Dame Elish Angiolini's Inquiry

Part 1 Report of the Angiolini Inquiry, published on 29 February 2024 is an urgent call to action for all of policing. It emphasises the need for all of policing to go further and faster, to earn back the trust of all those whose confidence in policing has been shaken by events of recent years.

Regardless of our significant progress highlighted above over the past year, the scale of the change that is needed inevitably means it will take time and it is not yet complete. The majority of the Met are determined to reform by both confronting the risk posed by predatory men in policing, and also, improving our protection of women and children across London.

The report set serious failings by the Met, Kent and CNC and exposes the fundamental flaws in the way we decide who is fit to be a police officer and how a corrupt and abusive police officer was able to transfer between forces. The report also sets out starkly how the policing response to non-contact sexual offences lets down victims and allows predators to become repeat offenders.

We need to make sure NMfL delivers the scale and ambition of reform we need, especially on vetting and non-contact sexual offences. We accept the findings in full and are working closely with the NPCC and College of Policing to consider the 16 recommendations.

Delivering the 2024/25 budget and addressing our financial challenges

This budget strikes a careful and difficult balance between the Met's strategic and operational priorities, but it does deliver a start of a rebalancing of the Met's budget and resources to meet some of the challenges Casey and HMICFRS have identified. The outcome shifts the focus of our budget in three main ways, in line with the strategic priorities we set out in NMfL:

- Beginning to change the mix of our workforce so we have more officers on the frontline and more skilled police staff in the right roles.
- Putting more resources in local policing, where we see the most stretch and risk - helping to address what Casey called 'imbalance [...] between well-resourced specialist units and a denuded frontline'.

- Placing more emphasis on fixing our foundations, including the provision of the kit and equipment needed to succeed operationally.

Delivering in the context of a limited budget requires effective governance, strong leadership and grip at all levels of the organisation. This is particularly true given our projections of future years - where we expect significant budget gaps, and where there is a need to rebuild our reserve position following a five year period of overuse to close the budget gap.

A spending control framework has been introduced to ensure delivery of operational performance and reform whilst taking steps to reduce unnecessary spending. It outlines the levels of delegation for different types of spend and is necessary to protect investment in performance priorities and reform.

A 2024/25 Business Plan is being developed and will be published, which will include performance targets and reform outcomes and the people plan required to deliver.

The Budget and Business Plan Implementation Group (BPIG), will be accountable for tracking delivery of the Business Plan. It will take a holistic view of reporting from business groups and ensure a corporate approach to addressing emerging pressures and new demand and adjusting priorities in a strategic way during the financial year.

It will assure itself that spending controls are being adhered to and effective i.e. not impeding operational priorities or reform, that budgets remained aligned and that any decisions to redirect under spends or control over spends are taken in a timely matter.

It will oversee the business planning and budget cycle giving consideration to both capital and revenue budget proposals ensuring there is a balanced draft budget proposal in the Autumn in accordance with the GLA budget guidance issued each year.

End of Financial Year Crime Figures -2023/24

Overall, total notifiable offences were higher (+6%) when compared to the previous financial year, Hate crime offences (excl. DA) also saw higher volumes compared to 2022/23, as a result of Israel/Hamas conflict.

The Met experienced increases in most neighbourhood crime types seeing the largest increases in: theft from a person (+31.4%), personal robbery (+11.4%) and residential burglary (+2.3%) with exception of vehicle crime which saw a decline (-4.5%). The Met did see reductions in some serious violence crime types, recording fewer homicide victims (-2 victims) and fewer gun lethal barrel discharges (-76 discharges). Although, like most other police forces the Met has seen an increase in knife crime offences (+13.5%) with smaller increases of violence with injury (+2.3%). Conversely, public protection crime types such as rape, other sexual offences and domestic abuse all saw reductions at 3.8%, 1.6% and -0.4% respectively.

Aside from the offences measured in the Performance Framework, acquisitive crime such as shoplifting and commercial robbery saw significant increases compared to 2022/2023 at 44.8% and 60.7% respectively.

The full set of crime statistics can be found at: <https://www.met.police.uk/sd/stats-and-data/>

Outlook for 2024/25

The 2024/25 gross revenue budget has been set at £4,443.8 million, an increase of £157 million from the revised 2023/24 budgeted figure of £4,286.8 million. The budget is funded by a general government grant of £2,401.6 million, retained business rates of £129.2 million, collection fund surplus £50.2 million, Local government settlement grant £5.2 million and council tax of £963.7 million. Additionally, MOPAC is budgeting to receive £738.4 million in specific grants, and is planning

to draw down £155.6 million from reserves. More detail can be found in the Mayor's budget for 2024/25:

[PCD 1557 Budget Submission 2024/25 | London City Hall](#)

The MOPAC five-year capital spending plan totals approximately £1.4 billion, across transformation and other activities such as property lifecycle works, vehicle fleet, Core IT infrastructure and National Counter Terrorism Policing Headquarters. Capital expenditure of £340.5 million is planned for 2024/25. This expenditure will continue to focus on transforming the Met's estate, IT core infrastructure and transforming investigation and prosecution. As well as improving operational effectiveness, this investment will be required to deliver planned future revenue savings and meet the needs of larger force given planned increase in officer numbers. Capital expenditure will be financed through a combination of receipts, grants and borrowing.

More detail can be found in the Mayor's Capital Spending Plan for 2024/25

[MD3242 GLA Group Capital Spending Plan for 2024-25 | London City Hall](#)

The Balance Sheet

Under MOPAC/CPM financial regulations the CPM is not responsible for the acquisition, disposal or maintenance of long-term assets which are instead the responsibility of the Deputy Mayor through the MOPAC Capital programme. All long-term assets are therefore recognised on the MOPAC Balance Sheet rather than on the CPM Balance Sheet. The CPM does, however, make use of these assets in the discharge of policing duties. Details of assets held by MOPAC as well as information on other categories of assets and liabilities can be found in the 2023/24 MOPAC and the MOPAC Group Statement of Accounts.

Reserves

The reserves of the Group are held by MOPAC and are available for the Commissioner to utilise in the performance of their duties subject to approval by the Deputy Mayor. These reserves and their purposes can be reviewed in the MOPAC Group Statement of Accounts.

Pensions

The Police Officer Pension Liability and Police Officer Pension Reserve reflect the application of International Financial Reporting Standard IAS 19. The pension liability shows the underlying commitments that the Group has in the long run to pay retirement benefits obligations as they fall due. The CPM Balance Sheet also recognises a long-term debtor with the MOPAC equivalent to the IAS 19 liability. This debtor reflects the commitment of the MOPAC to provide funding to the CPM to meet these obligations. The most recent Police Pension fund valuation by the scheme's actuary showed a decrease in liabilities due in the main to the change in actuarial assumptions used to calculate the pensions liability. Pension contributions of 31% of pensionable pay are made to finance the liability, with the actual pensions and commuted lump sums being met directly by the Police Pension Fund Revenue Account. The shortfall on the Pension Fund between contributions and other income receivable and benefits payable was met by the Home Office in 2023/24.

Accounting changes in 2023/24

There were no changes in the CIPFA Code 2023/24 that materially affected the CPM Statement of Accounts.

Annual Governance Statement

The Accounts and Audit Regulations 2015 require that the Annual Governance Statement (AGS) accompanies the Statement of Accounts. The CPM has elected to publish the AGS as a separate document to the Statement of Accounts. The AGS is a statutory document which explains the governance processes and procedures in place to enable the Met to carry out its functions effectively. The AGS highlights the CPM's internal control environment, comments on its effectiveness and identifies issues for future work. The CPM performs an annual assurance review appraising the governance arrangements currently in place.

Independent auditor's report to the Commissioner of Police of the Metropolis

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of the Commissioner of Police of the Metropolis (the Commissioner) for the year ended 31 March 2024, which comprise the CPM Comprehensive Income and Expenditure Statement, the CPM Movement in Reserves Statement, the CPM Balance Sheet, the CPM Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies, and include the police pension fund financial statements comprising the Police officer pension fund revenue account, Police officer pension fund asset statement and notes to the police officer pension fund account. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Commissioner as at 31 March 2024 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Chief Constable in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

In our evaluation of the Chief Financial Officer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 that the Chief Constable's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Chief Constable. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Commissioner and the Commissioner's disclosures over the going concern period.

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

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

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

Other information

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

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

We have nothing to report in this regard.

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

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24, or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

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

Matters on which we are required to report by exception

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

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

- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

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

Responsibilities of the Chief Constable and the Chief Financial Officer

As explained more fully in the Statement of Responsibilities [set out on page xxvi], the Commissioner is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Financial Officer. The Chief Financial Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24, for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Financial Officer is responsible for assessing the Chief Constable's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Chief Constable without the transfer of its services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Chief Constable and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24, the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the Local Government Act 2003). We also identified the following additional regulatory frameworks in respect of the police pension fund Public Service Pensions Act 2013, The Police Reform and Social Responsibility Act 2011, The Police Pensions Regulations 2006, and The Police Pensions Regulations 2015.

We enquired of management and the Commissioner concerning the Commissioner's policies and procedures relating to:

- the identification, evaluation and compliance with laws and regulations;
- the detection and response to the risks of fraud; and
- the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.

We enquired of management, internal audit and the Commissioner whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We assessed the susceptibility of the Commissioner's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls risk of judgements derived by management with high estimation uncertainty and other fraud risks including fraudulent recognition of revenue and incompleteness of expenditure and associated liabilities. We determined that the principal risks were in relation to

- Manual journal entries that may be prone to management override of controls; and
- Key estimates that are subject to management judgement and increased estimation uncertainty such as the valuation of the defined benefit pension liability.

Our audit procedures involved:

- evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud,
- journal entry testing, with a focus on manual journal entries which are at higher risk of manipulation in comparison to automated system generated journal entries;
- challenging assumptions and judgements made by management in its significant accounting estimates in respect of the valuation of the defined benefit pension liability; and
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

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

We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including the potential for fraud and error in revenue and expenditure recognition and significant accounting estimates related to accruals. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit. Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's.

- understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
- knowledge of the police sector
- understanding of the legal and regulatory requirements specific to the Chief Constable including:
 - the provisions of the applicable legislation
 - guidance issued by CIPFA/LASAAC and SOLACE
 - the applicable statutory provisions.

In assessing the potential risks of material misstatement, we obtained an understanding of:

- the Commissioner's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
- the Commissioner's control environment, including the policies and procedures implemented by the Commissioner to ensure compliance with the requirements of the financial reporting framework.

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

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

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

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

We have nothing to report in respect of the above matter, except in our joint Auditor's Annual Report we identified:

1. A significant weakness in how the Commissioner plans and manages their resources to ensure services can continue to be delivered. This was in relation to the unsustainable use of reserves alongside insufficient identification and delivery of savings to support delivery of the budget resulting in challenges to the Commissioner's financial resilience. We recommended that the Commissioner should:
 - Continue work to set a balanced budget for 2025/26 and future years that enables the build back of reserves to ensure financial resilience alongside minimising the requirement to achieve a challenging savings programme; and
 - Ensure that the review of the capital programme is completed to ensure that planned levels of borrowing are sustainable.
2. A significant weakness in the Commissioner's governance arrangements in relation to the relationship between the CPM and the Mayor's Office for Policing and Crime (MOPAC). This arose from Baroness Casey's review into the standards of behaviour and internal culture of the CPM in March 2023. Effective partnership working between CPM and MOPAC is crucial to improving public confidence in policing alongside delivering the transformation needed. We recommended that the Commissioner should:
 - Work with MOPAC and be equally accountable to:
 - Better demonstrate accountability to improve public trust
 - Refresh 'New Met for London' and agree on delivery
 - Agree a clear set of delivery priorities within the available finance
3. A significant weakness in the Commissioner's arrangements for improving economy, efficiency and effectiveness. This is in relation to the Commissioner's workforce planning. During 2023/24 CPM has baselined where its resources are and set a clear operational priority framework that directs where officers are deployed to meet demand.

CPM has also fully aligned workforce data with financial plans that are based on realistic forecasts. It is acknowledged that work remains to be done. We recommended that the Commissioner should:

- Undertake a baseline assessment of resources and demand for Borough Command Units as a priority as part of the 'Resourcing the Met' programme to fully understand where resources are and where they are most needed (both geographically and operationally) before further modelling and movement of resources takes place.
 - The overall workforce plan should be aligned with financial planning so the financial risk around deliverability of the plan can be quantified
4. A significant weakness in the Commissioner's arrangements for improving economy, efficiency and effectiveness. The HM Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) placed the Metropolitan Police Service (MPS) into the 'Engage' phase in June 2022. A force is placed in Engage if it is not responding to a cause of concern or it is not succeeding in managing, mitigating or eradicating the cause of concern. Whilst some progress has been made, following HMICFRS's PEEL 2023-25 inspection report in August 2024, MPS are still in Engage which illustrates there are still weaknesses in arrangements, and change is still required to improve performance. We recommended that the Commissioner should:
- Prioritise resources to speed up the implementation of changes needed to address the issues identified by HMICFRS.
5. A significant weakness in the Commissioner's arrangements for improving economy, efficiency and effectiveness. This is in relation to the Commissioner's arrangements to scrutinise finances for a transformation project named 'Command and Control' (C&C). A review of the project was undertaken in February 2023, resulting in a full reset of the project, initiated in June 2023 and the project remains in reset phase in August 2024. A Full Business Case (FBC) is being drafted to inform total costs to completion of implementation and commencement of go live. We recommended that the Commissioner should:
- Present the programme FBC for approval at the earliest opportunity to facilitate a return to programme delivery; and
 - Lessons learned from the project reset phase and from other project should inform how the project can be managed better following reset.
6. A significant weakness in the Commissioner's arrangements for improving economy, efficiency and effectiveness. This is in relation to the Commissioner's arrangements to scrutinise finances for a transformation project named 'CONNECT'. In relation to CONNECT, which went live in February 2024 with formal closure of the project in August 2024. The final stages of the project required additional training requirements and additional costs that had not been anticipated. We recommended that the Commissioner should:
- Complete a post implementation review during 2024/25 to confirm the investment in CONNECT is justified and lessons learned are captured
 - Ensure any ongoing spend is closely monitored to facilitate mitigating action should potential overspends be identified.

Responsibilities of the Commissioner

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

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

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

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

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

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

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

We cannot formally conclude the audit and issue an audit certificate for Commissioner of Police of the Metropolis for the year ended 31 March 2024 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Authority for the year ended 31 March 2024. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2024.

Use of our report

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

M C Stocks

Mark Stocks, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor
30 Finsbury Square, London, EC2A 1AG
20 December 2024

Statement of responsibilities for the Accounts

Commissioner's Responsibilities

The Commissioner of Police of the Metropolis (CPM) is required to:

- Make arrangements for the proper administration of the Metropolitan Police Service financial affairs and to secure that one of its officers (Chief Financial Officer) has responsibility for the administration of those affairs;
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- Approve the Statement of Accounts.

I approve these Statement of Accounts.

Signed
Mark Rowley
Commissioner of Police of the Metropolis

Dated: 19 December 2024

Chief Financial Officer's Responsibilities

The Chief Financial Officer of the CPM is responsible for the preparation of the Statement of Accounts for the CPM in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

In preparing this Statement of Accounts, the CPM has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the Code;
- Kept proper accounting records which were up to date; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the Statement of Accounts gives a true and fair view of the financial position of the CPM at the accounting date and of the income and expenditure for the year ended 31 March 2024

Signed
Dan Worsley
Chief Finance Officer

Dated: 19 December 2024

CPM Comprehensive Income and Expenditure Statement for 2023/24

* MOPAC funding during the year for financial resources of MOPAC consumed at the request of the CPM

£000	Notes	Year ending	Year ending	Year ending	Year ending	Year ending	Year ending
		31 March 2024	31 March 2024	31 March 2024	31 March 2023	31 March 2023	31 March 2023
		Gross exp	Income	Net exp	Gross exp restated	Income restated	Net exp restated
Frontline Policing		1,487,568	(69,862)	1,417,706	1,277,439	(65,623)	1,211,816
Specialist Operations		586,453	(624,107)	(37,654)	526,841	(581,946)	(55,105)
Operations and Performance		1,095,527	(237,042)	858,485	948,991	(251,395)	697,596
People and Resources		406,962	(61,222)	345,740	460,831	(65,030)	395,801
Professionalism		113,430	(18,047)	95,383	97,512	(16,539)	80,973
Digital, Data and Technology		234,945	(16,048)	218,897	226,064	(9,089)	216,975
Strategy and Transformation		105,610	0	105,610	62,703	0	62,703
Comms and Engagement		24,136	(8,164)	15,972	26,446	(6,638)	19,808
Centrally Held		96,321	(183,005)	(86,684)	(22,145)	(126,748)	(148,893)
Financial resources of MOPAC consumed at the request of the CPM	1.1	4,150,952	(1,217,497)	2,933,455	3,604,682	(1,123,008)	2,481,674
Intra-group adjustment*		(4,150,952)	1,217,497	(2,933,455)	(3,604,682)	1,123,008	(2,481,674)
Net cost of policing services		0	0	0	0	0	0
Financing and investment							
Interest on police officer pension defined benefit liability	10.1			1,144,400			1,061,600
Intra-group adjustment (interest on police officer pension defined benefit liability)				(1,144,400)			(1,061,600)
Non-specific grant income and contributions							
Intra-group adjustment (re-measurement of the defined benefit liability)	10.1			751,100			15,294,500
Deficit on provision of services				751,100			15,294,500
Other comprehensive income and expenditure							
Re-measurements of the defined benefit liability	10.1			(751,100)			(15,294,500)
Total comprehensive income and expenditure				0			0

The Comprehensive Income and Expenditure Statement (CIES) above reflects MOPAC financial resources consumed at the request of the CPM for 2023/24 and 2022/23. In practice all the respective costs are paid for by MOPAC and the CIES includes the intra-group adjustment referred to in Note 5 to the Accounts, resulting in a nil balance for total comprehensive income and expenditure. The Expenditure and Funding Analysis provides a reconciliation between the "Net Cost of Policing Services" figures in the CIES above and the Revenue Outturn Statement in the Narrative Report (page vii) which is prepared using internal management reporting methodologies and which in some cases are different from the accounting policies in the financial statements.

The 2022/23 expenditure and income in the net cost of services has been restated in line with the Group's new operating structure which was in place at 31 March 2024, and had no financial impact. The changes are limited to presentation.

CPM Movement in Reserves Statement for 2023/24

This statement shows the movement in the year on the different reserves.

£000	General Reserves Balance	Earmarked revenue reserves	Total General and Earmarked reserves	Total usable reserves	Unusable reserves	Total reserves
At 31 March 2023	0	0	0	0	0	0
Deficit on provision of services	751,100	0	751,100	751,100	0	751,100
Other comprehensive income and expenditure	(751,100)	0	(751,100)	(751,100)	0	(751,100)
Total comprehensive income and expenditure	0	0	0	0	0	0
Adjustments between accounting basis and funding basis under regulations	0	0	0	0	0	0
Adjustments between accounting basis and intra-group adjustment	0	0	0	0	0	0
Net (increase) / decrease before transfers to earmarked reserves	0	0	0	0	0	0
Transfers (to) /from earmarked reserves	0	0	0	0	0	0
(Increase) / decrease in year	0	0	0	0	0	0
Balance at 31 March 2024	0	0	0	0	0	0

This statement shows only pension related transactions for the year ending 31 March 2024 as all reserves are managed by the Mayor's Office for Policing and Crime (MOPAC). The financial consequences of the operational activities undertaken by the CPM can be seen in the Comprehensive Income and Expenditure Statement.

CPM Movement in Reserves Statement for 2022/23

This statement shows the movement in the year on the different reserves.

£000	General Reserves Balance	Earmarked revenue reserves	Total General and Earmarked reserves	Total usable reserves	Unusable reserves	Total reserves
At 31 March 2022	0	0	0	0	0	0
Deficit on provision of services	15,294,500	0	15,294,500	15,294,500	0	15,294,500
Other comprehensive income and expenditure	(15,294,500)	0	(15,294,500)	(15,294,500)	0	(15,294,500)
Total comprehensive income and expenditure	0	0	0	0	0	0
Adjustments between accounting basis and funding basis under regulations	0	0	0	0	0	0
Adjustments between accounting basis and intra-group adjustment	0	0	0	0	0	0
Net (increase) / decrease before transfers to earmarked reserves	0	0	0	0	0	0
Transfers (to) / from earmarked reserves	0	0	0	0	0	0
(Increase) / decrease in year	0	0	0	0	0	0
Balance at 31 March 2023	0	0	0	0	0	0

This statement shows only pension related transactions for the year ending 31 March 2023 as all reserves are managed by the Mayor's Office for Policing and Crime (MOPAC). The financial consequences of the operational activities undertaken by the CPM can be seen in the Comprehensive Income and Expenditure Statement.

CPM Balance Sheet

The Balance Sheet sets out the assets, liabilities and reserves at the year end. As stated previously the CPM does not own any assets nor hold any reserves at year-end. It does include two accounting adjustments to show the reader its accounting for pension liabilities and accumulated absences on the Balance Sheet at 31 March 2024.

£000	Notes	31 March 2024	31 March 2023
Long term assets			
Police Officer pension - Intra-group debtor		24,198,200	24,342,500
Total long term assets		24,198,200	24,342,500
Current assets			
Accumulated absences - Intra-group debtor		224,806	197,705
Total current assets		224,806	197,705
Current liabilities			
Creditors	11	(224,806)	(197,705)
Total current liabilities		(224,806)	(197,705)
Long term liabilities			
Police officer pension liabilities	10.1	(24,198,200)	(24,342,500)
Total long term liabilities		(24,198,200)	(24,342,500)
Net assets		0	0
Financed by:			
Unusable reserves		0	0
Usable reserves		0	0
Total reserves		0	0

CPM Cash Flow Statement

This statement does not show any cash-flows for the year ending 31 March 2024, since all payments were made from the Police Fund which is held by the Mayor's Office for Policing and Crime (MOPAC). Similarly all income receipts and funding are received by MOPAC during the year. The financial consequences of the operational activities undertaken by the CPM can be seen in the Comprehensive Income and Expenditure Statement.

£000	Notes	Year ending 31 March 2024	Year ending 31 March 2023
Net (surplus) or deficit on the provision of services		751,100	15,294,500
Adjustments to net (surplus) or deficit on the provision of services for Non-Cash Movements	13.1	(751,100)	(15,294,500)
Adjustments for items in the net (surplus) or deficit on the provision of services that are investing or financing activities		0	0
Net cash flows from operating activities		0	0
Investing activities		0	0
Financing activities		0	0
Net (increase) or decrease in cash and cash equivalents		0	0
Cash and cash equivalents at the beginning of the period		0	0
Cash and cash equivalents at the end of the period		0	0

Notes to the Financial Statements for the Commissioner of Police of the Metropolis

The notes for the Statement of Accounts for 2023/24 are presented in the following pages (6 to 32).

1. Expenditure and Funding Analysis

1.1 CPM expenditure and funding analysis

	As reported for resource management	Adjustments to arrive at the net amount chargeable to the General Reserves balance	Net Expenditure chargeable to the General Reserves balance	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
Expenditure and funding analysis 2023/24		Note 1			
£000					
Frontline policing	1,635,028	(2,890)	1,632,138	(214,432)	1,417,706
Specialist operations	(2,865)	(448)	(3,313)	(34,341)	(37,654)
Operations and Performance	880,090	1,093	881,183	(22,698)	858,485
People and Resources	347,671	2,984	350,655	(4,915)	345,740
Professionalism	97,303	1,533	98,836	(3,453)	95,383
Digital, Data and Technology	214,962	2,481	217,443	1,454	218,897
Strategy and Transformation	79,069	28,780	107,849	(2,239)	105,610
Comms and Engagement	15,463	0	15,463	509	15,972
Centrally held	(70,807)	51,230	(19,577)	(67,107)	(86,684)
Financial resources of MOPAC consumed at the request of the CPM	3,195,914	84,763	3,280,677	(347,222)	2,933,455
Intra-group adjustment	(3,195,914)	(84,763)	(3,280,677)	347,222	(2,933,455)
Net cost of services	0	0	0	0	0
Other income and expenditure	0	0	0	0	0
Surplus or deficit on General Reserves			0		
Opening General Reserves balance at 31 March 2023			0		
Less deficit on General Reserves in year			0		
Closing General Reserves balance at 31 March 2024			0		

Notes to the Financial Statements

Adjustments between the funding and accounting basis 2023/24 £000	Adjustments for capital purposes	Net change for the pensions adjustments	Other differences	Total Adjustments
	Note 2	Note 3	Note 4	
Frontline Policing	124,523	(358,028)	19,073	(214,432)
Specialist Operations	24,466	(61,960)	3,153	(34,341)
Operations and Performance	64,427	(91,065)	3,940	(22,698)
People and Resources	5,365	(10,583)	303	(4,915)
Professionalism	7,489	(11,440)	498	(3,453)
Digital, Data and Technology	1,985	(492)	(39)	1,454
Strategy and Transformation	1,601	(4,032)	192	(2,239)
Comms and Engagement	528	0	(19)	509
Centrally held	(67,107)	0	0	(67,107)
Financial resources of MOPAC consumed at the request of the CPM	163,277	(537,600)	27,101	(347,222)
Intra-group adjustment	(163,277)	537,600	(27,101)	347,222
Net cost of service	0	0	0	0
Other income and expenditure	0	0	0	0
Differences between General Reserves surplus or deficit and Comprehensive Income and Expenditure Statement surplus or deficit on the provision of services	0	0	0	0

	As reported for resource management	Adjustments to arrive at the net amount chargeable to the General Reserves balance	Net Expenditure chargeable to the General Reserves balance	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
Expenditure and funding analysis 2022/23 restated		Note 1			
£000					
Frontline policing	1,527,594	(3,831)	1,523,763	(311,947)	1,211,816
Specialist operations	(2,853)	(3,464)	(6,317)	(48,788)	(55,105)
Operations and Performance	741,425	150	741,575	(43,979)	697,596
People and Resources	415,182	4,143	419,325	(23,524)	395,801
Professionalism	85,236	1,771	87,007	(6,034)	80,973
Digital, Data and Technology	232,455	(6,999)	225,456	(8,481)	216,975
Strategy and Transformation	56,422	10,003	66,425	(3,722)	62,703
Comms and Engagement	19,018	256	19,274	534	19,808
Centrally held	45,850	(85,771)	(39,921)	(108,972)	(148,893)
Financial resources of MOPAC consumed at the request of the CPM	3,120,329	(83,742)	3,036,587	(554,913)	2,481,674
Intra-group adjustment	(3,120,329)	83,742	(3,036,587)	554,913	(2,481,674)
Net cost of services	0	0	0	0	0
Other income and expenditure	0	0	0	0	0
Surplus or deficit on General Reserves			0		
Opening General Reserves balance at 31 March 2022			0		
Less deficit on General Reserves in year			0		
Closing General Reserves balance at 31 March 2023			0		

Notes to the Financial Statements

Adjustments between the funding and accounting basis 2022/23 restated £000	Adjustments for capital purposes	Net change for the pensions adjustments	Other differences	Total Adjustments
	Note 2	Note 3	Note 4	
Frontline policing	146,077	(447,551)	(10,473)	(311,947)
Specialist operations	31,044	(77,994)	(1,838)	(48,788)
Operations and Performance	74,089	(115,283)	(2,785)	(43,979)
People and Resources	(14,017)	(9,281)	(226)	(23,524)
Professionalism	8,511	(14,203)	(342)	(6,034)
Digital, Data and Technology	(7,889)	(573)	(19)	(8,481)
Strategy and Transformation	2,333	(5,915)	(140)	(3,722)
Comms and Engagement	536	0	(2)	534
Centrally held	(108,972)	0	0	(108,972)
Financial resources of MOPAC consumed at the request of the CPM	131,712	(670,800)	(15,825)	(554,913)
Intra-group adjustment	(131,712)	670,800	15,825	554,913
Net cost of service	0	0	0	0
Other income and expenditure	0	0	0	0
Differences between General Reserves surplus or deficit and Comprehensive Income and Expenditure Statement surplus or deficit on the provision of services	0	0	0	0

The expenditure and funding analysis shows how annual expenditure is used and funded from resources by the CPM in comparison with those resources consumed or earned by the CPM in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the CPMs departments. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Note 1 This column shows the adjustments required to arrive at the net amount chargeable to the General Reserves from the financial outturn reported as part of the CPM's internal financial reporting arrangements. This includes adjustments for movements to and from reserves which are included against the cost of service and the removal of interest income and expenses from the net cost of service and reflection in other income and expenditure in line with generally accepted accounting practices.

Note 2 Adjustments for capital purposes - this column adds non-cash asset costs in the services line and removes revenue contributions to capital which are not chargeable under generally accepted accounting practices

Note 3 Net change for the pensions adjustments - this is the net change for the removal of pensions contributions made by the CPM and the replacement with accounting entries under IAS 19.

Note 4 Other differences - this column adds back the estimate for untaken annual leave at the end of the financial year in line with generally accepted accounting practices.

2. Statement of accounting policies

2.1 General principles

These financial statements have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code), issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) 2023/24 and the Accounts and Audit [England] Regulations 2015. The accounting policies apply International Financial Reporting Standards (IFRS) as amended by International Public Sector Reporting Standards (IPSAS) for the public sector.

The Accounts have been prepared on a going concern basis using an historic cost convention, modified to account for the revaluation of the long term asset and the pension liabilities.

The accounting policies below also reflect the powers and responsibilities of the Commissioner of Police of the Metropolis (CPM) as designated by the Police Reform and Social Responsibility Act 2011 and the Home Office Financial Management Code of Practice for the Police Service, England and Wales 2013. The accounting policies defined here are consistent with local regulations, local agreement and practice as well as the MOPAC Group policies. The Accounts cover the 12 months to 31 March 2024.

2.2 Cost and intra-group income recognition

All external income is received by MOPAC, which holds the Police Fund for London and all related financial reserves and cash balances. MOPAC provides an annual budget to the CPM. All resources consumed at the request of the Commissioner are funded by MOPAC, including the wages of police staff, PCSOs and officers, and no actual cash transactions or events take place between the two entities. From an accounting perspective costs are recognised within the CPM Accounts to reflect the financial resources consumed at the request of the CPM and the economic benefit and service potential this brings about. For instance, an economic benefit is recognised to reflect the utilisation of MOPAC owned fixed assets which mirrors depreciation of property, plant and equipment (amortisation in respect of intangible assets), and impairment from obsolescence or physical damage. Income is recognised in the Comprehensive Income and Expenditure Statement of the CPM Accounts, to reflect the funding by MOPAC for expenditure incurred by the CPM.

2.3 Accruals of income and expenditure

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

- Intra-group income is recognised when it is probable that the associated economic benefit or service potential will flow to the CPM;
- Supplies are recorded as expenditure when they are consumed;
- Expenses relating to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made;
- Short term compensated absences - these are periods during which an employee does not provide services to the employer, but employee benefits continue to be earned (such as periods of annual leave and rest days). Short term accumulated absences are recognised in the Comprehensive Income and Expenditure Statement in the period in which officers or police staff render the service which entitles them to the benefit, not necessarily when they enjoy the benefit. An accrual to reflect the cost of leave earned, but not taken by police officers and staff at the end of the financial year recognised on the CPM Balance Sheet, is offset by an intra-group debtor to reflect the responsibility placed on MOPAC to provide funds from the Police Fund to meet this liability.

2.4 Provisions

Provisions are made where an event has taken place that gives an obligation where it is probable that settlement by a transfer of economic benefits will be required and where the amount of the obligation can be estimated reliably, but where the timing of the transfer is uncertain. Under the MOPAC/CPM Financial Regulations, the revenue charge for provisions recognised on the MOPAC Balance Sheet is recognised in the CIES of the CPM. Estimated provisions are reviewed at the end of each financial year. Where it is likely that a provision will not be required, the relevant amount is reversed in the CIES of CPM.

2.5 Employee benefits

Benefits payable during employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits for current employees. The financial consequences of these benefits are recognised in the CPM CIES in the year in which the employee renders service to the CPM. IAS 19 Employee Benefits requires CPM to account for short-term compensating absences (these are periods during which an employee benefits continue to be earned which include time owing for annual leave and rest days), by accruing for the benefits which have accumulated but are untaken by the Balance Sheet date.

Termination benefits

Termination benefits are amounts payable as a result of a decision to terminate a member of staff's employment before their normal retirement date or their decision to accept voluntary redundancy. These are recognised in the CIES of the CPM at the earlier of when the organisation can no longer withdraw the offer of those benefits or when the organisation recognises the costs for a restructuring.

Post-employment benefits

There are three pension schemes for police officers and a single scheme for police staff.

Police officers

The Police Pension Schemes are contributory occupational pension schemes which are guaranteed and backed by law. A new Career Average Revalued Earnings (CARE) Scheme was introduced on the 1 April 2015, which was a change from the previous Final Salary Schemes. Officers starting after the 1 April 2015 joined the new 2015 Scheme and some members of the 1987 and 2006 Final Salary Schemes moved into the new 2015 Scheme, unless they were covered by the transitional protection arrangements. On 1 April 2022, all remaining members in the 1987 and 2006 schemes moved to the 2015 scheme. Members of the new 2015 Scheme make contributions of between 12.44% and 13.78% of pensionable pay. The employees' contribution rate is set nationally by the Home Office and is subject to triennial revaluation. The employer contribution rate was increased to 31%, for all schemes from 1 April 2019. New financial arrangements were introduced on 1 April 2006 to administer the schemes.

The Police Pension schemes are defined benefit schemes paid from revenue (without managed pension assets). The liability for the Pension Schemes is recognised initially on the CPM Balance Sheet in accordance with IAS 19 Employee Benefits. All liabilities are ultimately the responsibility of MOPAC as MOPAC provides the sole source of funding to meet the CPM's costs, so at year end the pension liability for police pensions is offset by an intra-group debtor, reflecting MOPAC's continuing responsibility to provide funds from the Police Fund to enable the CPM to administer pension payments.

Recognition of the total liability has a substantial impact on the net worth of the CPM and by virtue of the funding arrangement the net worth of MOPAC. Accrued net pension liabilities are assessed on an actuarial basis. The change in net pension liability can be broken down into the following components:

Service cost comprising:

- Current service cost - the increase in liabilities as a result of years of service earned this year - allocated to the CPM Comprehensive Income and Expenditure Statement to the services for which the police officers worked;
- Past service cost - the increase in liabilities arising as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years - debited to the Net Cost of Services in the Comprehensive Income and Expenditure Statement;
- Interest on the defined benefit liability - the increase during the period in the defined benefit liability which arises because the benefits are one year closer to being paid - debited to the

Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Re-measurements comprising of actuarial gains and losses - changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions - debited or credited to the Pensions Reserve with the exception of actuarial gains and losses in relation to injury benefits, which are debited or credited to the Net Cost of Policing Services in the CIES.

Transfers into and out of the Scheme representing joining and leaving police officers, are recorded on a cash basis in the Pension Fund, because of the length of time taken to finalise the sums involved.

Police staff

The CPM joined the Principal Civil Service Pension Scheme (PCSPS) in 2002/03. The PCSPS is an unfunded defined benefit scheme which operates seven different sub schemes but only one is open to new staff joining MOPAC/CPM, the Alpha Scheme, which is a career average scheme. Additionally, there is a defined contribution alternative. The PCSPS is a multi-employer scheme whereby the underlying assets and liabilities within the Scheme are not broken down and attributed to individual employers, and therefore is defined as a multi-contribution scheme. The appropriate level of disclosure has been followed in accordance with IAS 19.

2.6 Value Added Tax (VAT)

The CPM does not submit a VAT return and MOPAC submits a single VAT return on behalf of the MOPAC Group. Expenditure in the CPM CIES excludes any amounts relating to VAT as all VAT is remitted to/from the HM Revenue & Customs.

2.7 Contingent assets and liabilities

The CPM recognises material contingent liabilities as either:

- Possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the organisation, or
- Present obligations that arise from past events but are not recognised because;
 - a) it is not probable that outflows of resources embodying economic benefits or service potential will be required to settle the obligations, or
 - b) the amount of the obligations cannot be measured with sufficient reliability.

A material contingent liability is not recognised within the accounts as an item of expenditure. It is, however, disclosed in a note unless the possibility of a transfer of economic benefits or service potential in settlement is remote (in which case no action is needed).

The CPM may also recognise contingent assets as 'a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the organisation'.

2.8 Events after the reporting period

When an event occurs after the Balance Sheet date which provides evidence of conditions that existed at the Balance Sheet date an adjusting event occurs and the amounts recognised in the Statement of Accounts will be adjusted to take into account any values that reflect the adjusting event. Where an event occurs after the Balance Sheet date that is indicative of conditions that arose after the date, the amounts recognised in the Statement of Accounts are not adjusted but disclosed as a separate note to the Accounts. Events after the Balance Sheet date are reflected up to the date when the Statement of Accounts is authorised for issue.

2.9 Overhead costs

The costs of overheads and support services are charged to service segments within the CPM CIES in accordance with the CPM's arrangements for accountability and financial performance. Support service costs identified as Corporate and Democratic Core costs are not charged to service segments within the CPM CIES.

2.10 Prior period adjustments, changes in accounting policies, estimates and errors

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

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

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

3. Accounting standards that have been issued, but not yet adopted

There are amendments to issued accounting standards which have not yet been adopted by the Code which will apply to the CPM in 2024/25:

- IFRS 16 Leases issued in 2016.

During the next financial year it is expected that lease payments under IFRS 16 will result in a reapportionment within operating expenses of £8.3m, into finance charges (of £2.5m) and Minimum Revenue Provision (of £5.8m).

- Lease Liability in a sale and Leaseback (Amendments to IFRS 16) issued in September 2022.
- Classification of Liabilities as Current or Non-current (Amendments to IAS1) issued in January 2020
- Non-current liabilities with Covenants (Amendments to IAS 1) issued in October 2022.

Although they provide clarifications, It is not expected that these three amendments above will have a significant impact on the CPM's statement of accounts.

- International Tax Reform: Pillar Two Model Rules (Amendments to IAS 12) issued in May 2023.
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) issued in May 2023.

There will be limited application of the two amendments above in the CPM's statement of accounts.

4. Significant estimates and judgements in applying the accounting policies

The preparation of the financial statements requires the CPM to make judgements, estimates and assumptions that affect the application of policies and reporting amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors, the results of which form the basis of making judgements about the values of expenditure amounts that are not readily apparent from other sources. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised. Material estimates and assumptions are made in the following cases:

Estimates

- The costs of a pension arrangement require estimates regarding MOPAC future cash flows that will arise under the scheme liabilities, see Note 10, as advised by the scheme actuaries. The financial assumptions are largely prescribed at any point and reflect market expectations at the reporting date. Assumptions are also made around the life expectancy of the UK population. The last valuation of the pension scheme undertaken using full membership data was conducted in 2022. Under IAS19, the actuaries have projected the results of this valuation using approximate methods. In particular, the roll-forward allows for:
 - Changes in financial and life expectancy assumptions;
 - Additional benefit accrual;
 - Actual cash flows over the period; and
 - Updated membership information.

Judgements

- 2.2 Cost and intra-group income recognition; judgement has been made of the net expenditure allocated between MOPAC and the CPM to reflect the financial resources of MOPAC consumed at the request of the CPM. In arriving at this approach various interested parties were consulted including senior management in both corporate bodies and careful consideration given to the Police Reform and Social Responsibility Act 2011 and Home Office guidance. More details are included in Note 5.
- 2.5 Employee Benefit; A debtor has been established on the CPM Balance Sheet equal to the employee benefit liability under IAS 19 to reflect the continuing requirement on an elected local policing body, as required under the Police Reform and Social Responsibility Act 2011, to provide funds to the chief constable or the CPM from the Police fund for the payment of employee benefits (as MOPAC provides the sole source of funding to meet the CPM's costs).

Assumptions made about the future and other major sources of estimation uncertainty

The Code contains a disclosure requirement for assumptions made about the future and other major sources of estimation uncertainty for which there is a significant risk of 'material' adjustment. At the date of publication of the Accounts, the key assumptions and sources of major uncertainty affecting the accounts are set out above. The most significant of these relates to assumptions made regarding the Police pension liability - namely the discount rate, inflation, life expectancy and salary growth. The value of the pension liability requires estimation of financial and non-financial assumptions over a long time period (30-50yrs), and hence represents a source of significant estimation uncertainty. For this reason, sensitivity analysis for movements in these key assumptions is included at Note 10.1.

5. The basis of operation of the Commissioner of Police of the Metropolis (CPM)

5.1 Introduction

Following the Police Reform and Social Responsibility Act 2011 (the Act), the Metropolitan Police Authority (MPA) was replaced on 16 January 2012 with two corporations sole - the Mayor's Office for Policing and Crime (MOPAC) and the Commissioner of Police of the Metropolis (CPM). These financial statements for 2023/24 show the financial position of the CPM with comparative year's figures.

5.2 Accounting principles

Recognition of the assets, liabilities and reserves in the Accounts of the CPM and MOPAC during 2023/24 reflects the powers and responsibilities of the CPM and MOPAC as designated by the Police Reform and Social Responsibility Act 2011 and the Home Office Financial Management Code of Practice for the Police Service, England and Wales 2013. This accounting treatment is also underpinned by the working relationship between the Deputy Mayor and the Commissioner as defined by local regulations (MOPAC Financial Regulations and Scheme of Delegation), local agreement and practice. Under these arrangements the assets, liabilities and reserves are under MOPAC's control.

MOPAC receives all government funding and income and the CPM, while fulfilling its functions under the 2011 Act, consumes the MOPAC's financial resources against an annual budget for the discharge of their operational policing responsibilities. The CPM does not hold any cash or reserves. MOPAC has the responsibility for managing the financial relationships with third parties. When MOPAC resources are consumed at the request of the CPM, all payments are made by MOPAC from the MOPAC Police Fund and no cash movements occur between the two bodies. The annual budget is set by MOPAC in consultation with the Commissioner. Similarly access is granted to MOPAC staff and assets and a Scheme of Consent and Delegation operates between the two bodies determining the local arrangements and respective responsibilities. All the assets, liabilities and reserves of the Group are recognised on the MOPAC Balance Sheet except for the liabilities for employee benefits. As a result there is a nil balance at year end on the CPM Movement of Reserves Statement and no cash transactions on the CPM Cashflow Statement for 2023/24. The financial consequences of MOPAC resources consumed at the request of the CPM during 2023/24, in pursuance of the Commissioner's operational responsibilities under the Act are shown in the Comprehensive Income and Expenditure Statement (CIES). As the CPM does not hold reserves, the financial consequences recognised in the CIES are offset by intra-group adjustments to reflect the funding of MOPAC resources consumed at the request of the CPM to give a nil balance on its General Reserves of the CPM at year end. These intra-group adjustments are mirrored in the MOPAC Accounts to reflect the funding of resources at the request of the CPM. Together with community safety and crime prevention initiatives funded by the Deputy Mayor and cost of administering MOPAC itself, the MOPAC CIES shows the overall financial cost of policing London in 2023/24 (see MOPAC Accounts).

Police pension costs are recognised in the CPM Accounts in accordance with IAS 19 (Employee Benefits). The liability for police pensions on the CPM Balance Sheet however is offset by an intra-group debtor reflecting MOPAC's responsibility to provide funds from the police fund each year to enable the CPM to administer police pension payments. Similarly within the CPM CIES the IAS 19 pension costs are offset by intra-group funding adjustments within the Net Cost of Policing Services and within 'Financing and Investment' and 'Non Specific Grant Income and Contributions' lines. The MOPAC Balance Sheet shows a matching liability and police pension reserve to reflect its responsibility to provide funds for the payment of police pensions. The same accounting treatment has been adopted in respect of accumulated absences due to employees, but not taken at the reporting date. The liabilities in the CPM Balance Sheet are offset by an intra-group transfer from MOPAC to reflect the fact that MOPAC ultimately funds the CPM's employee costs.

5.3 Accounting treatment

The table below shows the movement through an intra-group account within the respective CIES during 2023/24. Corresponding accounting entries in the MOPAC CIES and the CPM CIES can be seen in the financial statements on page 1.

Intra-group adjustments between MOPAC and CPM within the CIES

Intra-group - total transactions for 2023/24 £million	MOPAC	CPM	Group
IAS 19 pension costs within net cost of services		275	275
Accumulated absences	0	27	27
Other costs within net cost of services	0	2,631	2,631
Intra-group adjustment (MOPAC funding)	2,933	(2,933)	0
Pension interest cost	0	1,144	1,144
Intra-group adjustment (MOPAC funding)	1,144	(1,144)	0
Actuarial losses/(gain) on police fund	0	(751)	(751)
Intra-group adjustment (MOPAC funding)	(751)	751	0
Total transactions for the year	3,326	0	3,326

Intra-group - total transactions for 2022/23 £million	MOPAC	CPM	Group
IAS 19 pension costs within net cost of services	0	111	111
Accumulated absences	0	(16)	(16)
Other costs within net cost of services	0	2,387	2,387
Intra-group adjustment (MOPAC funding)	2,482	(2,482)	0
Pension interest cost	0	1,061	1,061
Intra-group adjustment (MOPAC funding)	1,061	(1,061)	0
Actuarial losses/(gain) on police fund	0	(15,294)	(15,294)
Intra-group adjustment (MOPAC funding)	(15,294)	15,294	0
Total transactions for the year	(11,751)	0	(11,751)

Accounting entries reflected in the respective Balance Sheet at year end

Intra-group - total transactions for 2023/24 £million	MOPAC	CPM	Group
CPM - Long term Intra-group Debtor	0	24,198	0
CPM - Short term Intra-group Debtor	0	225	0
CPM - Police Officer pension liability	0	(24,198)	(24,198)
CPM - Creditor - accumulated absences	0	(225)	(225)
MOPAC - Long term Intra-group Creditor	(24,198)	0	0
MOPAC - Short term Intra-group Creditor	(225)	0	0
MOPAC - Unusable Reserves	24,198	0	24,198
MOPAC - Unusable Reserves	225	0	225

Intra-group - total transactions for 2022/23 £million	MOPAC	CPM	Group
CPM - Long term Intra-group Debtor	0	24,343	0
CPM - Short term Intra-group Debtor	0	198	0
CPM - Police Officer pension liability	0	(24,343)	(24,343)
CPM - Creditor - accumulated absences	0	(198)	(198)
MOPAC - Long term Intra-group Creditor	(24,343)	0	0
MOPAC - Short term Intra-group Creditor	(198)	0	0
MOPAC - Unusable Reserves	24,343	0	24,343
MOPAC - Unusable Reserves	198	0	198

6. Analysis of surplus or deficit on the provision of service

6.1 Service expenditure analysis

The first half of the CPM CIES on page 1 shows the Net Cost of Policing Services (the operating cost in year of providing services for the CPM). The costs are also categorised between the divisions which represent the organisational structure headings under which the CPM operates and manages its services.

6.2 Income

Income recognised by CPM includes fees and charges, contributions, specific grants and other service income.

The ability to charge for police services is generally determined by statutory provisions.

- The provision of special police services at the request of any person under s25 of the Police Act 1996. Special police services generally relate to policing an event e.g. a live concert, or series of events such as football matches and for policing at the Palace of Westminster;
- S15 of the Police Reform and Social Responsibility Act 2011 extends to police bodies, the powers of the Local Authorities (Goods and Services) Act 1970 to supply goods and services to other bodies or persons. This may include services provided in competition with other providers, e.g. training, where charges will reflect market rates, or services provided as a by-product of core policing activity such as provision of collision reports;
- The Aviation Security Act 1982 for policing in relation to the operation of airports;
- The provision of police services to other agencies i.e. the Home Office Border Force or the prison service;
- The provision of mutual aid to other forces.

Income received also includes miscellaneous items such as loans of equipment to other forces, rents receivable, sales of equipment under £10,000 and prosecution costs recovered by way of illustration.

Specific Grants represent grants for specific operational activities (a breakdown is provided in Note 15 in the MOPAC Group Accounts). General grants not directly attributable to specific operational activities are recognised below the Net Cost of Service.

6.3 Expenditure and income analysed by nature

In the table below the operating income and expenditure for the period 1 April 2023 to 31 March 2024, is presented in a subjective analysis format. The subjective analysis format is used by management to make decisions about resource allocation in internal management reports.

Expenditure and income analysis by nature

£000	2023/24	2022/23
Expenditure		
Employee costs		
Police officer salaries	2,203,092	2,034,710
Police staff wages and salaries	681,179	589,758
Employee related expenditure	61,275	51,539
Net police officer pensions	(56,032)	(224,936)
Net police staff pensions	140,562	125,086
Premises-related	199,518	185,258
Transport-related	95,749	93,451
Supplies and services	639,762	605,686
Non-cash premises costs, amortisation, impairment	185,847	144,130
Actuarial losses on police pension funds - intra-group funding	751,100	15,294,500
Total expenditure	4,902,052	18,899,182
Income		
Fees, charges and other service income*	(364,455)	(326,650)
Government grants and contributions	(853,042)	(796,358)
Total income	(1,217,497)	(1,123,008)
Intra-group adjustment**	(2,933,455)	(2,481,674)
Deficit on the provision of services	751,100	15,294,500

*Includes revenue recognised of £212.9m from contracts with service recipients under IFRS15 (£195.8m 2022/23)

**MOPAC funding during the year for financial resources of MOPAC consumed at the request of the CPM

Within the Group's material contracts with service recipients, performance obligations are satisfied at the point of supply of police officers. Pricing within the contracts is typically based on agreed unit prices of manpower.

7. Police officers and police staff remuneration

7.1 Police officer and police staff remuneration

The numbers of police officers and staff whose taxable remuneration, excluding pension contributions, was £50,000 or more are:

Remuneration band £ CPM	2023/24		2022/23	
	Number of employees excl. exit packages	Number of employees incl. exit packages	Number of employees excl. exit packages	Number of employees incl. exit packages
50,000 - 54,999	6,062	6,063	6,538	6,537
55,000 - 59,999	6,050	6,051	5,260	5,260
60,000 - 64,999	4,191	4,193	3,402	3,404
65,000 - 69,999	2,850	2,850	2,707	2,707
70,000 - 74,999	2,335	2,335	1,389	1,389
75,000 - 79,999	1,211	1,209	725	725
80,000 - 84,999	687	688	570	570
85,000 - 89,999	542	542	381	383
90,000 - 94,999	361	360	230	230
95,000 - 99,999	264	264	159	159
100,000 - 104,999	141	141	125	125
105,000 - 109,999	123	123	57	57
110,000 - 114,999	50	51	19	19
115,000 - 119,999	26	27	13	14
120,000 - 124,999	13	13	7	7
125,000 - 129,999	7	7	5	5
130,000 - 134,999	10	11	6	6
135,000 - 139,999	9	9	6	7
140,000 - 144,999	7	7	2	3
145,000 - 149,999	5	5	1	2
150,000 - 154,999	4	5	1	2
155,000 - 159,999	2	2	1	1
160,000 - 164,999	2	2	1	1
165,000 - 169,999	1	2	0	0
170,000 - 174,999	0	0	0	1
175,000 - 179,999	0	0	0	0
180,000 - 184,999	0	0	0	0
185,000 - 189,999	0	0	0	0
190,000 - 194,999	0	0	0	0
195,000 - 199,999	0	0	0	1
200,000 - 204,999	0	0	0	0
205,000 - 209,999	0	0	0	0
210,000 - 214,999	0	2	0	0
215,000 - 224,999	0	0	0	0
225,000 +	0	4	0	0

The banding scale is based on all taxable remuneration, excluding pension costs, paid in the year rather than annual salary. Taxable remuneration includes overtime, compensation for loss of office and may also include back dated pay awards, which relate to previous years but were actually paid

in the years in question. In 2022/23 and in 2023/24 backdated pay awards were made to a number of officers following the ruling on overtime payable to CHIS handlers. The numbers in the table above exclude senior staff and relevant police officers as defined below in Note 7.2. In these particular cases, a detailed analysis of remuneration for 2023/24 and 2022/23 is shown on the following pages.

Exit packages

All early departures are reviewed based on individual circumstances. See table below for associated exit costs:

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band (£)	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
£0 - £20,000	0	0	1	2	1	2	19,290	31,783
£20,001 - £40,000	0	0	1	2	1	2	30,000	68,590
£40,001 - £60,000	0	0	4	4	4	4	195,403	216,607
£60,001 - £80,000	0	0	0	5	0	5	0	333,481
£80,001 - £100,000	0	0	5	5	5	5	460,767	460,826
£100,001 - £150,000	0	0	6	1	6	1	754,245	114,433
£150,001 - £200k+	0	0	5	0	5	0	1,006,642	0
	0	0	22	19	22	19	2,466,347	1,225,720

7.2 Relevant police officers and senior staff remuneration

A relevant police officer is defined as the Commissioner or any other senior police officer whose salary is £150,000 per year or more. Senior staff are defined as individuals whose salary is more than £150,000 per annum, or whose salary is at least £50,000 per annum (to be calculated pro-rata if they are part time) and are either the designated head of service, a statutory chief officer or a non-statutory chief officer, as defined under the Local Government and Housing Act 1989 or any person having responsibility for the management of the organisation.

7.3 Relevant police officers and senior staff remuneration* - year ended 31 March 2024

Post holder information (post title)	Name	Notes	Salary (including fees & allowances) (£)	Benefits (£)	Other Payments (£)	Total remuneration excluding pension contributions 2023/24 (£)	Pension contributions (£)	Total remuneration including pension contributions 2023/24 (£)
CPM								
Commissioner	M Rowley		314,025	2,900	0	316,925	0	316,925
Deputy Commissioner	L Owens		260,842	2,900	0	263,742	0	263,742
Assistant Commissioner	N Ephgrave	1	4,609	0	0	4,609	1,080	5,689
Assistant Commissioner	L Rolfe		241,463	2,900	0	244,363	67,426	311,789
Assistant Commissioner	M Jukes		239,842	2,900	0	242,742	67,426	310,168
Assistant Commissioner	B Gray		250,342	2,900	0	253,242	0	253,242
Assistant Commissioner	P Mills	2	107,440	0	40,000	147,440	30,558	177,998
Assistant Commissioner	M Twist		232,333	2,900	0	235,233	61,224	296,457
Deputy Assistant Commissioner	L Taylor		182,717	2,900	0	185,617	52,042	237,659
Deputy Assistant Commissioner	M Horne		186,311	2,900	0	189,211	0	189,211
Deputy Assistant Commissioner	S Cundy		186,311	2,900	0	189,211	52,042	241,253
Deputy Assistant Commissioner	B Javid	3	108,566	2,900	15,218	126,684	0	126,684
Deputy Assistant Commissioner	H Millichap		182,717	2,900	0	185,617	52,042	237,659
Deputy Assistant Commissioner	A Boon		182,717	2,900	0	185,617	52,042	237,659
Deputy Assistant Commissioner	A Adelekan		182,936	2,900	0	185,836	52,110	237,946
Deputy Assistant Commissioner	T Jacques	4	186,542	2,900	0	189,442	43,433	232,875
Deputy Assistant Commissioner	A Valentine	5	203,705	2,900	0	206,605	52,640	259,245
Deputy Assistant Commissioner	M Ward	6	192,089	2,900	0	194,989	49,820	244,809
Chief People and Resources Officer	C Davies		178,290	2,900	0	181,190	54,022	235,212
Chief Digital Data and Technology	D Scates		191,473	0	0	191,473	54,690	246,163
Director of Service Delivery	A Blatchford	7	158,597	0	105,845	264,442	37,426	301,868
Director of Solution Delivery	D Pitty		166,236	0	0	166,236	38,856	205,092
Interim Chief Finance Officer	A Scholes	8	0	0	0	0	0	0
Director of Finance	I Percival	9	143,798	0	262,721	406,519	42,056	448,575
Director of Operational Support Services	M Heracleous		160,436	2,900	0	163,336	44,302	207,638
Director of Communications and Engagement	P Stuart-Lacey	10	12,917	0	119,413	132,330	3,788	136,118
Chief Scientific Officer	L Sherman		145,161	2,900	0	148,061	38,119	186,180
Director of Transformation	M Thorp	11	153,270	0	0	153,270	39,169	192,439
Chief Strategy and Transformation Officer	A Scott	12	77,656	0	0	77,656	23,530	101,186
Chief Legal Officer	S Bramley	13	119,941	2,417	0	122,358	36,342	158,700
T/Chief Legal Officer	J Leonard	14	144,262	0	0	144,262	43,711	187,973
Director of Human Resources	K Graham		150,577	0	0	150,577	45,625	196,202
Director of Property Services	S Fihosy		150,487	0	0	150,487	45,598	196,085

7.3 Relevant police officers and senior staff remuneration* - year ended 31 March 2024

Post holder information (post title)	Name	Notes	Salary (including fees & allowances) (£)	Benefits (£)	Other Payments (£)	Total remuneration excluding pension contributions 2023/24 (£)	Pension contributions (£)	Total remuneration including pension contributions 2023/24 (£)
<u>NPCC and other secondees out of the Met</u>								
Assistant Commissioner	M Hewitt	15	3,790	0	32,047	35,837	1,080	36,917
Assistant Commissioner	G Stephens	16	236,987	2,900	0	239,887	67,426	307,313
Assistant Commissioner	S Kavanagh		214,697	0	0	214,697	0	214,697
T/Deputy Assistant Commissioner	A Heydari	17	168,610	2,900	0	171,510	39,951	211,461
Assistant Commissioner	A Marsh		178,919	0	0	178,919	0	178,919
T/Deputy Assistant Commissioner	N Jerome	18	59,425	2,900	0	62,325	0	62,325
Assistant Commissioner	S Jupp	19	122,305	2,900	0	125,205	0	125,205
Assistant Commissioner	C Haward	20	14,809	0	0	14,809	4,244	19,053
Programme Director, Productivity Review	S House	21	115,941	2,900	0	118,841	2,230	121,071

7.3 Relevant police officers and senior staff remuneration - year ended 31 March 2024 Notes

1. N Ephgrave left on 6 April 2023
2. P Mills was appointed AC on 23 October 2023 with an annualised salary of £220,713
3. B Javid left on 5 November 2023
4. T Jacques left on 2 February 2024
5. A Valentine joined the Met on 20 March 2023 and they were temporarily promoted to DAC on 16 April 2023 with an annualised salary of £158,595
6. M Ward was appointed DAC on 17 April 2023 with an annualised salary of £158,595
7. A Blatchford left on 31 March 2024
8. A Scholes was appointed as interim Chief Finance Officer from 24/07/2023. They were not salaried and a total payment of £192,218 was made for this period. Unlike remuneration payments made to employees in the table, interims do not receive pensions, benefits, holiday pay and are liable to pay their own employer taxes. They left on 3 May 2024
9. I Percival was acting CFO until 23/7/2023. They held the post of Director of Finance until their departure on 30 April 2024
10. P Stuart-Lacey left on 30 April 2023
11. M Thorp was appointed T/Director of Strategy and Data on 1/11/2022 until 7/11/2023 and had an annualized salary of £150,000
12. A Scott joined on 3 October 2023 with an annualised salary of £157,000
13. S Bramley left on 31 December 2023
14. J Leonard was appointed Temporary Chief Legal Officer on 27 November 2023 with an annualised salary of £153,403
15. M Hewitt left on 6 April 2023
16. G Stephens was appointed Assistant Commissioner on 1 April 2023
17. A Heydari held the post of Commander until their appointment to T/DAC on 21 August 2023
18. N Jerome left on 30 July 2023
19. S Jupp left on 3 December 2023
20. C Haward was appointed Assistant Commissioner on 4 March 2024.
21. S House left on 3 October 2023

Additional information

Benefits includes the annual membership of the Chief Police Officers' Staff Association.

7.4 Relevant police officers and senior staff remuneration - year ended 31 March 2023

Post holder information (post title)	Name	Notes	Salary (including fees & allowances) (£)	Benefits (£)	Other Payments (£)	Total remuneration excluding pension contributions 2022/23 (£)	Pension contributions (£)	Total remuneration including pension contributions 2022/23 (£)
CPM								
Commissioner	C Dick	1	17,008	3,075	165,727	185,810	0	185,810
Commissioner	M Rowley	2	166,870	1,794	0	168,664	0	168,664
Deputy Commissioner	S House	3	123,462	3,075	0	126,537	0	126,537
Deputy Commissioner	L Owens	4	138,624	1,794	0	140,418	0	140,418
Assistant Commissioner	H Ball	5	136,296	3,075	0	139,371	0	139,371
Assistant Commissioner	N Ephgrave	6	227,633	3,075	0	230,708	53,827	284,535
Assistant Commissioner	L Rolfe		245,772	3,075	0	248,847	64,519	313,366
Assistant Commissioner	M Jukes		240,963	3,075	0	244,038	64,519	308,557
Assistant Commissioner	B Gray	7	215,970	3,075	0	219,045	0	219,045
T/Assistant Commissioner	M Twist	8	194,355	3,075	0	197,430	49,738	247,168
Deputy Assistant Commissioner	G McNulty	9	141,677	3,075	0	144,752	39,389	184,141
Deputy Assistant Commissioner	L Taylor		175,284	3,075	0	178,359	49,738	228,097
Deputy Assistant Commissioner	D Haydon	10	61,875	3,075	0	64,950	0	64,950
Deputy Assistant Commissioner	M Horne		178,878	3,075	0	181,953	0	181,953
Deputy Assistant Commissioner	A Pearson	11	191,889	3,075	0	194,964	45,571	240,535
Deputy Assistant Commissioner	S Cundy		178,878	3,075	0	181,953	49,738	231,691
Deputy Assistant Commissioner	B Javid	12	179,745	3,075	0	182,820	0	182,820
T/Deputy Assistant Commissioner	J Connors	13	154,359	3,075	0	157,434	43,637	201,071
Deputy Assistant Commissioner	H Millichap	14	152,696	3,075	0	155,771	39,401	195,172
Deputy Assistant Commissioner	A Boon	15	134,080	3,075	0	137,155	36,965	174,120
Deputy Assistant Commissioner	A Adelekan	16	141,824	3,075	0	144,899	39,366	184,265
Deputy Assistant Commissioner	T Jacques	17	51,023	3,075	0	54,098	12,500	66,598
T/Deputy Assistant Commissioner	N John	18	141,629	3,075	0	144,704	35,323	180,027
T/Deputy Assistant Commissioner	C Roper	19	139,464	3,075	0	142,539	33,895	176,434
Commander	A Heydari		154,542	3,075	0	157,617	37,728	195,345
Chief of Corporate Services	R Wilkinson	20	69,873	3,075	0	72,948	21,172	94,120
Chief People and Resources Officer	C Davies	21	171,854	3,075	0	174,929	49,243	224,172
A/Chief of Corporate Services	R Hughes	22	109,773	0		109,773	28,786	138,559
Chief Digital Data and Technology Officer	J Clarke	23	140,001	0	78,145	218,146	0	218,146
Interim Chief Digital Data and Technology	D Scates	24	172,226	0	0	172,226	37,409	209,635
Director of Service Delivery	A Blatchford		156,693	0	0	156,693	35,964	192,657
Director of Solution Delivery	D Pitty		159,805	0	0	159,805	36,907	196,712
Director of Finance	I Percival		142,941	0	0	142,941	39,675	182,616
Director of Operational Support Services	M Heracleous		150,000	3,075	0	153,075	34,997	188,072
Director of Communications and Engagement	P Stuart-Lacey		155,000	0	0	155,000	45,450	200,450
Chief Scientific Officer	L Sherman	25	75,000	1,537	0	76,537	19,695	96,232
Interim Director of Strategy and Transformation Officer	M Thorp	26	141,250	0	0	141,250	36,360	177,610
Chief Legal Officer	S Bramley		149,459	0	0	149,459	45,286	194,745

Notes to the Financial Statements

<u>NPCC and other secondees out of the Met</u>								
Assistant Commissioner	M Hewitt	27	226,557	3,075	0	229,632	64,519	294,151
Assistant Commissioner	A Basu	28	150,124	3,075	0	153,199	42,745	195,944
Assistant Commissioner	S Kavanagh		205,482	0	0	205,482	0	205,482
Assistant Commissioner	R Beckley		69,945	3,075	0	73,020	0	73,020
Assistant Commissioner	A Marsh		171,108	0	0	171,108	0	171,108
T/Deputy Assistant Commissioner	N Jerome		178,878	3,075	0	181,953	0	181,953
Assistant Commissioner	S Jupp	29	87,511	0	0	87,511	0	87,511
NPCC Programme Director, Programme Productivity Review	S House	30	143,307	0	0	143,307	0	143,307

7.4 Relevant police officers and senior staff remuneration - year ended 31 March 2023

Notes

1. C Dick left on 24/4/22 and received a payment in relation to her resignation
2. M Rowley was appointed on 12/9/22 with an annualized salary of £294,840
3. S House was acting Commissioner from 11/4/22 to 11/9/22 and then they took a position with the NPCC see note 30
4. L Owens joined on 12/9/22 as acting Deputy Commissioner and appointed Deputy Commissioner on 20/2/23 with an annualized salary of £243,744
5. H Ball was Acting Deputy Commissioner from 9/5/22 to 11/9/22 and retired on 31/10/22
6. N Ephgrave retired on 6/4/23
7. B Gray previously DAC was appointed Assistant Commissioner on 10/10/22
8. M Twist previously DAC was temporarily appointed Assistant Commissioner on 10/10/22
9. G McNulty left on 16/1/23
10. D Haydon left on 21/7/22
11. A Pearson left on 28/2/23
12. B Javid was T/DAC and was appointed DAC on 27/6/22
13. J Connors was T/DAC until 15/2/23 when they left

Notes to the Financial Statements

14. H Millichap held the post of Commander until their appointment to T/DAC on 11/10/22 and was appointed DAC on 20/2/23
15. A Boon held the post of Commander until their appointment to DAC on 20/2/23
16. A Adelekan held the post of Commander until their appointment to DAC on 20/2/23
17. T Jacques joined the MPS as DAC on 1/1/23 and they also old the position of Senior National Coordinator with an annualized salary of £158,595
18. N John held the position of Commander until their appointment to T/DAC on 11/10/22 until 20/2/23
19. C Roper held the post of Commander until their appointment to T/DAC on 21/12/22. They left on 20/2/23
20. R Wilkinson left on 12/8/22
21. C Davies held the post of Director of Human Resources until their appointment as Interim Deputy Chief of Corporate Services from 21/2/22 to 4/1/23 when they were appointed Chief People and Resources Officer
22. R Hughes was appointed Acting Chief of Corporate Services on 13/6/22 until 28/10/22
23. J Clarke left on 31/10/22
24. D Scates held the post of Director of Technology until their appointment on 1/8/22 to Interim Chief Digital Data and Technology Officer
25. L Sherman joined on 1/10/22 as Chief Scientific Officer with an annualized salary of £150,000
26. M Thorp was appointed T/Director of Strategy and Data on 1/11/22 with an annualised salary of £150,000
27. M Hewitt retired on 6/4/23
28. A Basu retired on 29/11/22
29. S Jupp joined on 3/10/22
30. S House left the MPS on 11/9/22 and took up a role with the NPCC

Additional information

Benefits includes the annual membership of the Chief Police Officers' Staff Association.

8. Related party transactions

IAS 24 (Related Party transactions) requires the CPM to disclose all material transactions with related parties, that is bodies or individuals that have the potential to influence the Commissioner or Members of MPS Management Board or to be controlled or influenced by the Commissioner or Members of MPS Management Board. Disclosure of these transactions allows readers to assess the extent to which the office of the CPM 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 CPM. This disclosure note has been prepared on the basis of specific declarations obtained for the year ended 31 March 2024 in respect of related party transactions.

MOPAC

The primary function of MOPAC is to secure the maintenance of an efficient and effective Metropolitan Police Service in London and to hold the CPM to account for the exercise of operational policing duties under the Police Act 1996. MOPAC is responsible for setting the Police and Crime Plan. Whilst the Commissioner is operationally independent and receives an annual budget, MOPAC is responsible for financial administration within the Group. The CPM holds no reserves or cash balances or assets. All payments on behalf of the CPM are made by MOPAC from the MOPAC Police Fund and all funding and income is received by MOPAC. The CPM is therefore dependant on MOPAC to discharge any liabilities, for instance to administer police pensions or settle future obligations. More information can be found on this relationship in Note 5.

Central Government and other public bodies

Central Government has significant influence over the general operations of the CPM. It is responsible for providing the statutory framework within which the CPM operates, as well as providing substantial resources in the form of grants which are paid to MOPAC which enables it to fund policing activities. It also prescribes the terms of many of the transactions that the MOPAC Group has with other parties. Grants received from Central Government to MOPAC are set out in the MOPAC Group Accounts 2023/24.

Functional bodies of the Greater London Authority

The MPS and MOPAC are functional bodies of the Greater London Authority (GLA). The other main bodies are the London Fire Commissioner, which replaced the London Fire and Emergency Planning Authority on 1 April 2018, Transport for London, Old Oak and Park Royal Development Corporation and the London Legacy Development Corporation. Whilst the GLA provides funding directly to MOPAC, it is considered that the GLA has potential to indirectly influence the CPM priorities via the Police and Crime Plan and associated funding.

The Mayor sets MOPAC's budget, including the precept for the GLA. The London Assembly approves MOPAC's budget for the MPS and may amend the precept for the GLA. In addition, Section 32 of the Police Reform and Social Responsibility Act 2011 requires the GLA London Assembly to establish a committee called the 'Police and Crime Committee' to exercise functions in relation to scrutiny of MOPAC. The Committee's responsibilities include reviewing the draft Police and Crime Plan and scrutiny of particular decisions made or actions taken by the Mayor in the discharge of his duties. In 2023/24 monies received by MOPAC from the GLA in the form of Home Office non-specific grants and precepts to fund policing and community safety in London were £3,282 million. Further information on the GLA can be found in the MOPAC Group Accounts 2023/24.

Officers work under the direction of the Commissioner on behalf of MOPAC with Transport for London (TfL). The net receipts from Transport for London were £127.363 million in 2023/24 (£120.238 million in 2022/23).

The net expenditure with the London Fire Commissioner was £0.48 million in 2023/24 (£0.235 million in 2022/23).

The net receipts from Old Oak and Park Royal Development were £0.035 million in 2023/24 (£0.044 million in 2022/23).

The net receipts from London Legacy Development Corporation were £0.058 million in 2023/24 (£0.058 million in 2022/23).

Other bodies

Police Now was established in January 2016 to run the National Graduate Leadership Development Programme. MOPAC spent £4.890 million in 2023/24 (£0.586 million in 2022/23). The Assistant Commissioner of Professionalism and Assistant Commissioner of Met Operations are Board members.

MOPAC is the member of, and the sole owner of, the Police Crime Prevention Initiatives' Ltd (PCPI) which is a company limited by guarantee without share capital. The MOPAC Head of Operational Oversight is director of the Company, and has influence over the operation and running of the company. Police Crime Prevention Initiative's main operation is through 'secure by design' which supports the principles of 'designing out crime' through physical security and processes. MOPAC spent £0.332 million, and owes £0.002 million, with Police Crime Prevention Initiatives Ltd in 2023/24. Police Crime Prevention Initiatives is not for profit company, run for the national good with all money made supporting crime prevention. MOPAC does not receive any financial benefit from this company.

The MOPAC Group administers a number of charities on behalf of third parties. Full details of the charities and their purpose are disclosed in Note 22. The Assistant Commissioner of Frontline Policing is a Trustee of the Metropolitan Police Sports Fund. In 2023/24 the MOPAC Group paid £36k (£35k in 2022/23) to the MPS Sports Fund. The Chief People and Resources Officer and the Chief Legal Officer (to December 2023) are Trustees of the Metropolitan Police Staff Welfare Fund. In 2023/24 the MOPAC Group paid £12k (£11k in 2022/23) to the MPS Staff Welfare Fund.

9. Auditors' remuneration

The audit fee payable to Grant Thornton UK LLP during the year for the CPM is £289,654 (£136,700 in 2022/23).

10. Pension costs

As part of the terms and conditions of employment, MOPAC offers retirement benefits for Police Officers and Police Staff.

10.1 Police officers'

The pension scheme for police officers, the Police Pension Scheme 2015, is an unfunded, defined benefit scheme. An unfunded, defined benefit scheme has no investment assets to meet its pension liability and must generate cash to meet the actual pension payments as they fall due. These benefits payable are funded by contributions from employers and police officers and as a rule any shortfall is met by a top up grant from the Home Office, as was the case in 2023/24. The Group pays employer contributions at a rate of 31% of pensionable salary into the Fund. Further details of the schemes can be found in the Police Officer Pension Fund Accounts.

The Police Officer Pension Fund is administered by the Commissioner in accordance with the Police Reform and Social Responsibility Act 2011. The Police Officer Pension Fund's Financial Statements and notes are included on Pages 34-36 of this document.

The principal risks of the schemes are the longevity assumptions, statutory changes to the schemes and changes to inflation and to bond yields. These are mitigated by the requirement to ultimately charge to the MOPAC General Reserves the amounts required by statute, as described in MOPAC's accounting policy on post-employment benefits in Note 2.7 in MOPAC's Statement of Accounts.

Due to the accounting for the top up grant from the Home Office as a credit against the gross current service cost debited to the Comprehensive Income and Expenditure statement, and timing differences regarding the data used by the actuary in the IAS 19 actuarial calculations of service cost, the service cost in the table below does not reconcile to the net police officer pensions line in note 6.3.

Income and expenditure

MOPAC pays employer contributions for the police officers under the direction of the Commissioner at a rate of 31% of pensionable salary into the Fund. To reflect the full financial consequences of utilising the services of police officers during the year, the accounting cost of police officer pensions is recognised in the CIES in accordance with IAS 19 Employee Benefits.

The cost of retirement benefits is recognised in the CIES when they are earned by the employees rather than when they are eventually paid as pensions. The following transactions have been made in the Comprehensive Income and Expenditure Statement.

£000	2023/24	2022/23
<i>Comprehensive Income and Expenditure Statement</i>		
Cost of Services:		
Service cost comprising:		
Current Service Cost	310,000	925,600
Past service cost	1,100	2,700
Transfers in/(out)	1,900	3,800
Actuarial loss/(gain) - injury pensions	(38,200)	(821,400)
Intra Group Adjustment Service Cost	(274,800)	(110,700)
Financing and Investment Income and Expenditure		
Interest Expense	1,144,400	1,061,600
Intra Group Adjustment Interest Expense	(1,144,400)	(1,061,600)
Non Specific Grant Income and Contributions		
Intra Group Adjustment Re-measurement of defined benefit liability	751,100	15,294,500
Total Post Employment Benefits charged to the Surplus or Deficit on the Provision of Services	751,100	15,294,500
Re-measurement of the defined benefit liability comprising:		
Actuarial loss/(gain) arising on changes in demographic assumptions - excluding injury pensions	(120,600)	(418,300)
Actuarial loss/ (gain) arising on changes in financial and other assumptions - excluding injury pensions	(630,500)	(14,876,200)
Total Post Employment Benefits charged to the Comprehensive Income and Expenditure Statement	(751,100)	(15,294,500)

- Current/past service costs, past service gains and the actuarial loss/(gain) have been produced by actuaries.
- Transfers in/(out) are in respect of monies received/paid from/to other authorities in respect of officers who have either joined or left the CPM.

- Interest on pension liability represents the expected increase during the year in the present value of the scheme liabilities because the benefits are one year closer to settlement.

Police injury pensions are considered to be a cost to the service and as such the gains/loss on this type of pension has been incorporated in the Net Cost of Policing Services together with other related charges (see below for analysis of movements on liabilities for the funds).

Police officers contributions to the schemes amounted to £187.3 million in the year ended 31 March 2024. In the year ended 31 March 2024, employer pension contributions have been charged to the revenue account on the basis of pensions payable in the year and totalled £770.4 million. In the year to 31 March 2024 the net costs of pensions and other benefits amounted to £819.6 million, representing 52.4% of pensionable pay.

Assets and liabilities in relation to retirement benefits

In accordance with IAS 19 requirements, the total liability of the Police Officer Pension Fund is included in the Balance Sheet. Although these will not actually be payable until officers retire, IAS 19 requires this liability is recognised at the time that officers earn their future entitlement. The Group had the following overall liabilities for pensions at 31 March 2024 that have been included in the Balance Sheet:

£million	2023/24	2022/23
Active members	(7,935)	(7,794)
Deferred pensioners	(1,291)	(1,291)
Pensioners	(13,956)	(14,242)
Injury pensions	(1,016)	(1,016)
Total value of scheme liabilities	(24,198)	(24,343)

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. Hymans Robertson LLP, an independent firm of actuaries, has assessed the scheme liabilities as at 31 March 2024. The movement in the present value of the scheme liabilities for the year to 31 March 2024 can be reconciled as follows:

£million	Excluding injury benefits 2023/24	Excluding injury benefits 2022/23	Injury benefits only 2023/24	Injury benefits only 2022/23
Scheme liabilities at 1 April	(23,327)	(37,477)	(1,016)	(1,769)
Current service cost including Home Office contribution.	(286)	(873)	(24)	(53)
Officer contributions	(185)	(176)	0	0
Benefits paid	964	925	0	0
Injury award expenditure			34	32
Transfers from / to other authorities	(2)	(4)	0	0
Past service cost (injury benefits)	(1)	(3)	0	0
Interest cost on pension liabilities	(1,097)	(1,014)	(48)	(48)
Re-measurement gains and losses:				
Actuarial (loss)/gain arising on changes in demographic assumptions	121	418	5	20
Actuarial (loss)/gain arising on changes in financial assumptions	1,283	14,042	61	703
Other experience	(652)	835	(28)	99
Scheme liabilities at 31 March	(23,182)	(23,327)	(1,016)	(1,016)

Actuarial assumptions

The value of the liabilities for IAS 19 purposes is dependent on assumptions made by the Scheme's actuaries, Hymans Robertson LLP. The financial assumptions reflect market expectations at the reporting date. Changes in market conditions that result in changes in the net discount rate (essentially the difference between the discount rate and the assumed rates of increase of salaries, deferred pension revaluation or pension-in-payment) can have a significant effect on the value of the liabilities reported. A reduction in the net discount rate will increase the assessed value of liabilities as a higher value is placed on benefits paid in the future. A rise in the net discount rate will have an opposite effect of similar magnitude. The effect of a change in the net discount rate on the value placed on the liabilities of each scheme is shown in the sensitivity analysis schedule below.

There is also uncertainty around the life expectancy of the UK population. The value of current and future pension benefits will also depend on the life expectancy of the officers and dependents. The disclosures have been prepared using mortality assumptions of 105% of the S3NFA and S3NMA "year of birth" tables with future improvements based on the CMI 2022 model with a long term rate of improvement of 1.5% per annum.

The significant actuarial assumptions used in their calculations are:

Assumptions	All schemes 2023/24	All schemes 2022/23
CARE revaluation rate	4.00%	4.20%
Rate of increase of salary (note 1)	3.10%	3.20%
Rate of increase in pensions	2.75%	2.95%
Rate for discounting scheme liabilities (note 2)	4.85%	4.75%

1. Future salary increases are assumed to be within an acceptable range.

2. The current discount rate is based on current rate of return available on high quality corporate bonds of equivalent currency and term to the scheme liabilities.

Mortality

Life expectancy is based on actuarial tables with future improvement in line with the CMI 2022 model with a long-term rate of improvement of 1.5% per annum. The actuarial mortality rate assumptions used in their calculations are:

Mortality rate	Males 2023/24	Males 2022/23	Females 2023/24	Females 2022/23
Current pensioners	26.5 years	26.7 years	29.4 years	29.2 years
Future pensioners*	27.9 years	28.1 years	30.7 years	30.6 years

*Future pensioners are assumed to be aged 45 at 31 March 2024.

Sensitivity analysis

The estimation of the defined benefit obligation is sensitive to the actuarial assumptions set out above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The estimations in the sensitivity analysis have followed the accounting policies for the scheme i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis are consistent with those used in the previous period.

The sensitivities regarding the significant assumptions used to measure the scheme liabilities are set out below:

Financial assumptions	Approximate % increase to employer liability		Approximate monetary amount (£000)	
	2023/24	2022/23	2023/24	2022/23
0.5% decrease in real discount rate	10%	10%	2,431,220	2,416,096
1 year increase in member life expectancy	3%	3%	725,950	730,274
0.5% increase in the salary increase rate	1%	1%	114,820	118,272
0.5% increase in the pension increase rate (CPI)	8%	8%	1,902,340	1,913,659

An estimate of contributions expected to be paid to the scheme for the future financial year:

£million	2023/24	2022/23
Projected current service cost	268	310
Interest on obligation	1,161	1,146
Total	1,429	1,456

The weighted average duration of the defined benefit obligation is

Weighted Average Duration	2023/24	2022/23
Officer members	28.2 Years	27.9 Years
Deferred pensioners	25.8 Years	25.8 Years
Pensioners	13.2 Years	13.2 Years
Injury pensions	19.0 Years	18.8 Years

Guaranteed Minimum Pension

In respect of Guaranteed Minimum Pension, the actuary has only allowed for Guaranteed Minimum Pension full indexation for active members. No adjustment has been made for pensioners and deferred members. Given the inherent uncertainty surrounding the calculations, we have deemed that this is a reasonable approach and would not lead to a material adjustment to the pension liability.

10.2 Police staff

The Civil Service pension scheme is an unfunded multi-employer defined benefit scheme. The CPM are unable to identify their share of the underlying assets and liabilities and therefore account for this as a defined contribution scheme as allowed under IAS 19.

A full actuarial valuation was carried out as at 31 March 2020. More information can be found in the Cabinet Office: Civil Superannuation Accounts:

<https://www.civilservicepensionscheme.org.uk/about-us/resource-accounts/>

For the year ended 31 March 2024, employer's contributions of £143.4 million were payable to the Cabinet Office at one of four rates in the range 26.6 to 30.3 percent of pensionable pay, based on salary bands. In the year to 31 March 2024, the net cost of pensions amounted to £146.6 million, representing 27.2% of pensionable pay. The CPM is not liable for any other entities' obligations under the plan.

11. Creditors (Accumulated Absences)

£000	Accumulated absences
Balance at 1 April 2022	(213,530)
Additional accrual	(197,705)
Amounts used	213,530
Balance at 31 March 2023	(197,705)
Additional accrual in 2023/24	(224,806)
Amounts used in 2023/24	197,705
Balance at 31 March 2024	(224,806)

In accordance with IAS 19 the Group has created an accrual for accumulated compensated absences representing the cost of police officers and staff who have not taken their full leave entitlement before the financial year-end. Other absences such as flexi-leave are not considered material. Police officers and staff are entitled to carry forward untaken annual leave and officers are entitled to carry forward untaken rest days outstanding. The CIPFA Code permits the creation and use of an Accumulated Absences Account, included in reserves, to offset the charge to revenue created by the accumulated absences accrual. These short-term accumulated absences are initially recognised in the CPM Accounts for police staff and officers under the direction of the Commissioner. Equivalent liabilities are however recognised in the MOPAC Balance Sheet offsetting the liabilities in the CPM accounts, to reflect the continuing requirement of MOPAC to provide funds from the Police Fund to meet these liabilities as they fall due.

12. Third party monies

Fund Name £000 2023/24	Income	Expenditure	Assets	Liabilities
Metropolitan Police Benevolent Fund	2,251	2,605	3,696	335
Metropolitan Police Commissioner's Fund	61	25	710	5
Metropolitan Police Sports Fund	258	236	353	49
Metropolitan Police Staff Welfare Fund	24	24	225	1
Metropolitan Police Athletic Association	1,626	1,372	2,033	129
COMETS	109	115	207	10
Total	4,329	4,377	7,224	529

Fund Name £000 2022/23	Income	Expenditure	Assets	Liabilities
Metropolitan Police Benevolent Fund	2,431	2,605	4,345	352
Metropolitan Police Commissioner's Fund	18	15	738	7
Metropolitan Police Sports Fund	283	254	343	61
Metropolitan Police Staff Welfare Fund	20	27	226	1
Metropolitan Police Athletic Association	2,186	1,409	2,233	156
COMETS	109	115	207	10
Total	5,047	4,425	8,092	587

The MOPAC Group administers funds on behalf of third parties. Money held by the funds is not owned by the Group and is not included in the Balance Sheet. Details of the principal funds administered by CPM staff are given above, together with their income and expenditure for their respective financial years which ended during the 12 months to 31 March 2024 (or, in the case of the Charities, the most recently audited set of accounts) and values at their financial year-end dates.

Metropolitan Police Benevolent Fund (MPBF)

The following four charities amalgamated on 29 May 2009, with the agreement of the Charity Commission, to become the Metropolitan Police Benevolent Fund:-

- Metropolitan Police Combined Benevolent Fund (MPCBF)
- Metropolitan and City Police Relief Fund (MCPRF)
- Metropolitan Police Widows' and Widowers' Fund (MPWWF)
- Metropolitan Police Convalescent Home Fund (MPCHF)

This registered charity receives monthly contributions from police officers and donations and bequests from members of the public. Financial assistance may be provided by grant or interest-free loan to serving police officers, retired police officers or their dependents considered to be deserving of assistance on account of sickness (whether of themselves or their families) or of injuries received in the discharge of their duties or for other reasons.

Grants to deserving cases among widows and widowers of former police officers are also provided. The cost of a widow's or widower's funeral may be made if the deceased's relatives are unable to afford it.

Part of the contributions deducted from Metropolitan Police Officers' pay who support the Metropolitan Police Benevolent Fund are sent to The Police Rehabilitation Centre at Goring-on-Thames which provides residential convalescence facilities to Metropolitan Police officers and to officers from other police forces to help promote a speedy recovery from illness or injury.

Metropolitan Police Commissioner's Fund (MPCF)

This registered charity was established to help promote the efficiency and wellbeing of Metropolitan Police officers and staff. Although this may be achieved in a variety of ways as defined in the governing document, assistance is invariably in the form of a monetary grant to members of the Metropolitan Police or to Metropolitan Police organisations.

Metropolitan Police Sports Fund (MPSF)

This registered charity receives monthly contributions from police officers for sporting, athletic and other recreational activities. The major part of the income is distributed to the four principal sports clubs. Financial assistance is also given to various sports and social clubs.

Metropolitan Police Staff Welfare Fund (MPSWF)

This registered charity provides financial assistance to members and past members of police staff, their families and dependents who are in need. Financial assistance may be provided by grant or interest-free loan.

Metropolitan Police Athletic Association (MPAA)

The MPAA is the umbrella organisation for nearly 40 sporting sections of the Metropolitan Police. Each section is individually run but may receive assistance from the Association for its activities.

Metropolitan Police Sports and Social Association (COMETS)

The Comets (Metropolitan Police Sports and Social Association) has several sporting and social sections. All funds for the Comets are generated from membership subscriptions and a lottery. Membership is open to all Metropolitan Police employees.

Operational responsibilities

The MOPAC Group also holds monies on behalf of third parties arising from its operational responsibilities. The cash amounts, not included in the Balance Sheet, are as follows:

£000	2023/24	2022/23
Proceeds Of Crime Act monies	51,902	54,505
Prisoners' property and lost cash	1,378	3,495
Other	578	851
Total	53,858	58,851

13. Notes to the cash flow statement

13.1 Adjustments to the net surplus or deficit on the provision of services of non-cash movements

£000	31 March 2024	31 March 2023
Movement in police officer pension liability (non cash)	144,300	14,903,700
Increase/(decrease) in debtors (non cash)	(117,199)	(14,919,525)
Other non-cash items	(778,201)	(15,278,675)
	(751,100)	(15,294,500)

14. Contingent liabilities

There are no material contingent liabilities to disclose.

Police officer pension fund

1. Police officer pension fund revenue account

The Commissioner is responsible for administering the Police Pension Fund in accordance with the Police Reform and Social Responsibility Act 2011. This statement shows income and expenditure for the three Police Pension Schemes for 2023/24 and 2022/23. The statement does not form part of the CPM or the MOPAC Group Statement of Accounts.

£000	Notes	2023/24	2022/23
Contributions receivable			
• Employer contributions	4.1	(432,252)	(405,778)
• Additional income	4.3	(12,516)	(7,626)
Transfers in from other schemes	4.2	(3,383)	(4,477)
Officers' contributions	4.4	(187,343)	(176,055)
Net Income		(635,494)	(593,936)
Benefits payable			
Pensions paid		841,122	759,918
Lump sum payments		125,506	158,582
Lump sum death payments		3,770	2,471
Other payments	4.6	3,064	1,854
Transfers out to other schemes	4.2	146	702
Net expenditure		973,608	923,527
Net amount payable for the year		338,114	329,591
Employer additional funding	4.5	(338,114)	(329,591)
(Surplus)/deficit on fund		0	0

2. Police officer pension fund asset statement

This statement shows the assets and liabilities of the three Police Pension Schemes which does not form part of the CPM or Group Statement of Accounts.

£000	2023/24	2022/23
Current Assets		
Funding to Meet Deficit due from the CPM	0	0
Net Current Assets	0	0
Current Liabilities		
Unpaid Pensions Benefits	0	0
Net Current Liabilities	0	0
Total	0	0

3. Notes to the police officer pension fund account

The Police Officer Pension Fund includes the accounting transactions of the Police Pension Scheme 2015 which, came into effect on 1 April 2015 under the Police Pensions Regulations 2015.

Prior to 1 April 2023, it also combined the accounting transactions of the following two earlier schemes. On 1 April 2022, all existing member in these two schemes moved to the 2015 scheme:

- The New Police Pension Scheme, which was created by the Home Office under the Police Pensions Regulations 2007;
- The Police Pension Scheme, which was set up in 1987.

The Police Officer Pension Fund which is managed by the MOPAC Group has been set up for the specific purpose of administering the collection of contributions, the payment of pensions and payment or refund to central government for the balance outstanding for each year. The fund does not hold any investment assets, nor does it reflect the liabilities of the Schemes to pay present and future pensioners. The fund will be paid sufficient monies from the Home Office to cover the deficit in year.

These Accounts have been prepared using Pension SORP and the Code principles adopted for the MOPAC statements.

These Accounts have been prepared using Pension SORP and the Code principles adopted for the statements of the CPM.

Details of the accounting policies can be seen on page 8 to 11. MOPAC provides the accounting and banking systems through which the CPM administers the Fund. Details of the three schemes' actuarial report and the cost of pensions can be seen in Note 10.

These Accounts are audited by Grant Thornton UK LLP and their opinion is included in page xix.

4. Police Pension Fund - Revenue account notes

4.1 Employer contributions

Employer contributions are calculated at 31% of police officer pensionable pay from 1 April 2019, an increase from 21.3% previously. This increase was a result of an actuarial valuation of the police pension scheme. The employer contribution is set nationally by the Home Office and the scheme is subject to actuarial valuation every four years.

4.2 Transfers

These represent lump sums transferred to and from other pension schemes depending on whether the police officer was transferring in or transferring out their pension.

4.3 Additional income

These consist of CPM contributions for ill health retirements, 30 years plus scheme contributions and refund of former commissioners' and widows' pensions.

4.4 Officers' contributions

Members of the new 2015 police pension scheme make contributions of between 12.44% and 13.78% of pensionable pay.

4.5 Employer additional funding

This sum represents additional funding required to provide for payment to pensioners. Including the funds received by the Group as part of the settlement of the additional commutation liability, the actual shortfall receipts for the year 2023/24 amounted to £338.1 million. The cash funding received by the group in 2023/24 was £359.4 million. This consists of the additional funding of £89.6 million in respect of 2022/23 and a statutory transfer from the police fund of a further £269.8 million in respect of 2023/24. The remaining 2023/24 shortfall of £68.4 million is to be received from the Home Office in 2024/25.

4.6 Other payments

These consist of contribution refunds and lump sum death benefits.

5. Related party transactions

As previously stated the Commissioner is responsible for administering the Police Pension Fund in accordance with the Police Reform and Social Responsibility Act 2011. During the year all payments and receipts are made to and from MOPAC Police Fund. As such the CPM and MOPAC are the only related parties to the fund, thus all the transactions shown on the revenue statement have been processed through MOPAC.

6. Additional voluntary pension contributions

Additional pension contributions (e.g. added pension/years) made by police officers amounted to £22,894 for the PPS scheme, £34,290 for the NPPS scheme and £182,204 for the 2015 scheme.

7. Members of the scheme

The MPS also administers the Pension Fund on behalf of members of Her Majesty's Inspectorate of Constabulary (HMIC). There are no active HMIC members currently contributing to the Police Pension scheme, there are 22 HMIC pensioners and 4 dependent pensioners.

Glossary of terms

Accruals

The accounting treatment where income and expenditure is recorded when it is earned or incurred not when the money is paid or received.

Budget

An estimate of costs, revenues and resources over a specified period, reflecting a reading of future financial conditions and priorities.

Capital expenditure

Expenditure on the acquisition, creation or enhancement of fixed assets.

Cash equivalent

A financial deposit placed with a bank, building society or other local authority for a term of no longer than three months.

Corporate costs

This consists of those activities and costs that provide the infrastructure that allows services to be provided, whether by the CPM or MOPAC, and the information that is required for public accountability. Activities that relate to the provision of services, even indirectly, are overheads on those services and include bank charges, auditors' fees and the cost of the Group as well as the corporate activities of Head Office departments.

The Commissioner of Police of the Metropolis (CPM)

The CPM is a separate corporation sole which was established on 16 January 2012 under the Police Reform and Social Responsibility Act 2011.

Comprehensive Income and Expenditure Statement

A primary financial statement showing the financial resources of MOPAC consumed at the request of CPM for the financial years and corresponding funding of MOPAC resources.

Credit arrangements

An arrangement other than borrowing where the use of a capital asset is acquired and paid for over a period of more than one year. The main types of credit arrangements are leases of buildings, land and equipment.

Employee costs

The salaries and wages of police officers and police staff together with national insurance, pension and all other pay-related allowances. Training expenses and professional fees are also included.

Government grants

Part of the cost of the service is paid for by central government from its own tax income. Grant income is partly received through the S102 payments made by the GLA. In addition, the Home Office pays specific grants direct to the Group towards both revenue and capital expenditure.

Group

The term Group refers to Mayor's Office for Policing and Crime (MOPAC) and Commissioner of Police of the Metropolis (CPM)

The Mayor's Office for Policing and Crime (MOPAC)

MOPAC is a separate corporation sole, which was established on 16 January 2012 under the Police Reform and Social Responsibility Act 2011.

PCSPS

The Principal Civil Service Pension Scheme is the scheme used to provide pension benefits to police staff.

Provision

An amount set aside to provide for a liability which is likely to be incurred but the exact amount and the date on which it will be needed is uncertain.

Revenue expenditure

The operating costs incurred by the organisation during the financial year in providing its day-to-day services. Distinct from *capital expenditure* on projects which benefit the organisation over a period of more than one financial year.

Revenue reserves

Accumulated sums that are maintained either earmarked for specific future costs (e.g. pensions) or generally held to meet unforeseen or emergency expenditure (e.g. General Reserve).

Special service agreements

Policing the Airports, House of Lords/Commons, Palace of Westminster are the main items included under this heading.