Statement of Accounts

For the year ending 31 March 2026

West Yorkshire Combined Authority | Tracy Brabin Mayor of West Yorkshire

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Narrative Report

Welcome to the West Yorkshire Combined Authority's ('the Combined Authority') Annual Statement of Accounts for the financial year ended 31 March 2026. The accounts provide the reader with a view of the Combined Authority's financial performance and its effectiveness in the use of resources during the year. They are key elements in demonstrating sound financial stewardship of taxpayers' money as well as ensuing that key stakeholders, such as the public, elected members and partners, understand the financial position and results for 2025/26.

The Statement of Accounts for the year ended 31 March 2026 has been prepared in accordance with the requirements of the Accounts and Audit Regulations 2015. The format reflects the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, supported by International Financial Reporting Standards.

The Combined Authority is the legal entity which is responsible for administering the West Yorkshire Police Fund and executing the Mayor's decisions in her role as Police and Crime Commissioner. To fulfil these statutory requirements the Chief Constable's accounts are consolidated into the accounts of the Combined Authority and are presented within the Group Accounts.

This narrative report provides information about the Combined Authority (CA) activities over 2025/26 in delivering its organisational priorities and outcomes as well as providing a summary of the financial position. It also describes key challenges and risks for 2025/26 and beyond.

Introduction to West Yorkshire Combined Authority

West Yorkshire is home to more than 2.4 million people with a workforce of over 1 million and an economy worth over £74 billion.

Our vision is for a brighter West Yorkshire – a place that works for all. We bring together the local authorities of Bradford, Calderdale, Kirklees, Leeds and Wakefield; our constituent members. The City of York is a non-constituent member of the Combined Authority reflecting the longstanding link between the city and the region.

The Combined Authority was established in 2014 with the functions of the West Yorkshire Passenger Transport Executive and Local Enterprise Partnership transferring to the Combined Authority under the provisions of the 2014 Order. The subsequent 2021 Order established the Combined Authority as a Mayoral Combined Authority which gave it the power to elect a Mayor as well as additional functional powers. In 2026 the Combined Authority received its first integrated settlement, a landmark step in becoming an established mayoral strategic authority.

The West Yorkshire Combined Authority is the Local Transport Authority for West Yorkshire and carries out economic regeneration and development functions. It also

carries out the functions of the Police and Crime Commissioner (PCC) for the region. The Combined Authority employed 1,050 at 31 March 2026. The Group which includes West Yorkshire Police employed 12,011.

Our work is led by the Combined Authority Board, chaired by our Mayor, and the thematic committees of the Combined Authority which focus on achieving our corporate objectives. The Combined Authority Board comprises of the Leaders of the five constituent councils, the Leader of City of York Council as a non-constituent member, the Mayor's Business Advisor and political balance members. Assurance and governance functions are carried out by Scrutiny Committee, Governance and Audit Committee and Finance, Resources and Corporate Committee. Independent members sit on both Governance and Audit Committee, one of whom is the Chair, and Finance, Resource and Corporate Committee. In March 2026, a new external governance model was approved by the Combined Authority Board to be implemented for the 2026/27 municipal year. Further information on governance arrangements is provided in the Annual Governance Statements.

In May 2024, Tracy Brabin was re-elected as the Mayor of West Yorkshire for a second four-year term, representing the interests of people across the region. The Mayor is supported by an appointed Deputy Mayor for Policing and Crime, Alison Lowe OBE.

The Mayor is accountable to and represents the people of all five local authorities in West Yorkshire, steering the work of the Combined Authority, leading on issues such as the economy, transport, police and crime services, to ensure West Yorkshire is one of the best places in the world.

As the Chair of the Combined Authority, the Mayor works in partnership with the five leaders of the West Yorkshire local authorities to deliver their policies to help make West Yorkshire even better.

The Mayor is a strong champion for the region, making sure that the voice of the people of West Yorkshire is heard in Westminster. This makes West Yorkshire better able to influence Government policy on key matters such as the future of transport infrastructure and how to level up our communities.

The White Rose agreement was signed in 2025 between the elected Mayors of West, South and North Yorkshire. It outlines the priority issues the Mayors' will work on together as well as what they will champion and advocate for Yorkshire collectively at a national and international level.

Policing and Crime

The functions of the Police and Crime Commissioner (PCC) in West Yorkshire were transferred by Parliamentary Order to the Combined Authority in May 2021. The Mayor took on the functions of what was the Police and Crime Commissioner with all staff, properties, rights and liabilities transferring to the Combined Authority.

The Mayor is required under S21 of the Police Reform and Social Responsibility Act 2011 to keep a fund known as the Police Fund. The Combined Authority is the legal entity which is responsible for administering the Police Fund and executing the Mayor's decisions in her role as Police and Crime Commissioner. To fulfil these statutory requirements the Chief Constable's accounts are consolidated into the accounts of the Combined Authority, and a memorandum account is prepared for the Mayoral Police Fund.

The Mayor does not run the police, but is the voice of the people, sets strategic direction, and is required to secure the maintenance of an efficient and effective police force and to hold the Chief Constable to account for the exercise of their functions and those of persons under their direction and control. The Chief Constable for West Yorkshire Police is established as a separate legal entity. The Chief Constable has a statutory responsibility for the control, direction and delivery of operational policing services in the West Yorkshire Police area. This helps to make the police answerable to the communities they serve and to provide stronger and more transparent accountability.

The Mayor and the police work in partnership with a range of agencies at local and national level to ensure there is a unified approach to preventing and reducing crime.

Other functions of the Mayor include commissioning services to support those harmed by crime and reduce reoffending, consulting the public to ensure that their views and priorities are considered, and strengthening links across the criminal justice system to support community safety and cohesion.

Our Vision and Mission

Working in partnership, we develop and deliver policies, programmes and services which directly benefit the people of West Yorkshire. The West Yorkshire Plan sets out five key missions that drive delivery across the region to transform lives and communities.

- A prosperous West Yorkshire – an inclusive economy with well paid jobs
- A happy West Yorkshire – great places and healthy communities
- A well-connected West Yorkshire – a strong transport system
- A sustainable West Yorkshire – making lives greener
- A safe West Yorkshire – a region where everyone can flourish

The Combined Authority has a set of statutory duties for public transport including production of a Local Transport Plan and delivery of free national concessionary travel for older and disabled residents, provision of regional adult skills education and production of a regional economic strategy.

Our values guide us by providing core principles for how we operate and interact. They shape our path and keep us focused on our goals. They are:

- Championing our region
- Working intelligently
- Positive about change
- Easy to do business with
- Working together

The Organisation

The decisions of the Combined Authority Board are implemented by the Senior Leadership Team of the Combined Authority, led by the Chief Executive and the Directors team.

In 2025/26 the Combined Authority comprised of the following Directorates:

- Transport comprising of:
    - Transport Policy
    - Transport Capital
    - Transport Services
    - Bus Franchising
    - Mass Transit
- Inclusive Economy, Skills and Culture comprising of:
    - Business, Innovation and Inclusive Economy
    - Employment and Skills
    - Culture, Heritage and Sport
- Policing, Environment and Place comprising of:
    - Policing and Crime
    - Violence Reduction Partnership
    - Regeneration
    - Place and Environment Policy
    - Home Energy West Yorkshire
- Corporate Services comprising of:
    - Chief Executive office
    - Strategy, Communications and Intelligence
    - Finance and Commercial Services
    - People and Transformation
    - Legal, Governance and Compliance

The future state of the organisation has been discussed at the Combined Authority Board in 2025/26 which has set out a clear direction of travel for the organisation alongside a People Strategy that sets out our vision for our people. This will ensure that the Combined Authority has the right skills and resources in place to support delivery of our corporate objectives for the people of West Yorkshire.

Review of the year

Delivering a Brighter Future

In March 2026 we launched our ambitious future investment pipeline setting out the key projects that will be delivered across the region. This builds on the work of the past 12 years to drive change across the economy in areas including transport, housing, regeneration, investment and skills.

Everything we deliver involves working in partnership. Working together we share expertise, maximise the impact of our funding, and ensure our programmes and investments meet the needs of communities and the region.

Beyond this, we work with a wide range of partners across the region and nationally including transport operators, businesses, universities, housing associations, and government agencies.

This is achieved by:

- Partnering with local authorities, West Yorkshire Police, businesses and our network of suppliers and partners
- Knowing and understanding our customers, communities and places
- Putting ‘outcomes for West Yorkshire’ at the heart of everything we do
- Prioritising our work based on what’s best for the collective whole
- Using data to make sure our projects and programmes impact the things that matter

Devolution

Since its formation in 2014 the Combined Authority has driven change, with each successive deal with Her Majesty’s Government bringing further powers and devolved funding to the region.

We now take decisions in West Yorkshire that were previously taken in London. As well as a directly elected Mayor to champion our region, devolution has unlocked significant new funding and powers. People who know and understand our region make some decisions previously taken in London so that we are able to invest in better transport, skills, housing and regeneration.

Over 2025/26 the Authority has been ensuring that it is ready to receive its first integrated settlement from 1 April 2026. The Integrated Settlement consolidates over 25 individual funding streams into one single grant and provides multi-year funding certainty, providing greater flexibility and control over how we use resources to address local needs and drive growth. The Integrated Settlement Outcomes Framework sets out the outcomes and outputs that to be delivered for that funding. The Integrated Settlement represents a move to a simplified and more streamlined approach to funding, which we can tailor to the priorities of the people of West Yorkshire.

Our review of 2025/26

With our partners, we continue to deliver through a period of ongoing socio-economic change.

We work to implement West Yorkshire's £1.8 billion devolution deal and with partners to agree how we will invest this funding against the priorities of our West Yorkshire Investment Strategy.

Additionally, we have secured more funding, including £830 million through the City Region Sustainable Transport Settlement and an additional £22 million through the Brownfield Housing Fund.

Alongside this, we are making changes to our systems and processes so we can operate as effectively as possible.

Corporate objectives

We want our region to be recognised globally as a place with a strong, successful economy where everyone can build great businesses, careers and lives supported by a sustainable environment and world-class infrastructure. To deliver on this ambition, we will focus on the five missions as set out earlier.

- **A prosperous West Yorkshire – an inclusive economy with well paid jobs**

We support businesses to start up, scale up and invest in the region, in key sectors with growth and higher productivity potential. We promote resilience through leadership, innovation and digital transformation to drive sustainable economic growth and opportunities for all. We ensure that our learners have the skills, confidence and connections to reach their full potential. We facilitate access to a diverse, confident and capable workforce for the region's employers, to support strong and sustainable economic growth. In 2025/26 we have:

- Supported 606 businesses to create the conditions to generate the talent pipeline within their organisations.
- Enabled and supported 5,287 people to access employment.
- Supported 43,766 individuals to upskill and/or re-train.

- Enabled 370 apprentices to maximise on their potential.
- Enabled 109 businesses to decarbonise saving 613.7 tonnes of carbon.
- Supported 5,310 people to have healthy working lives.
- Secured 314 Fair Work Charter members.
- Supported 61,000 individuals and households through the Mayor's Cost of Living Fund.

- **A happy West Yorkshire – great places and healthy communities.**

Enabling resilient, well-designed, healthy, accessible and connected communities with good quality homes, in places where people want to live. Enhancing the sustainable vitality of cities and towns, accelerating delivery of flood risk management and protecting businesses. In 2025/26 we have:

- Enabled 5,000 new homes.
- Supported all 15 West Yorkshire housing provider members to adopt Dementia ready policies and are trained to deliver against the policy.
- Supported 725 creative organisations, businesses and freelancers to boost creative industries.
- Engaged 200 schools and 60,000 young people in poetry week.
- Provided Library books to 44 primary schools.
- Engaged 1,125 members in the Women of West Yorkshire network.
- Involved 200 organisations in the Local Visitor Economy Partnership.
- Engaged 3,139,198 people that attended Bradford 2025 in the Local Visitor Economy Partnership.

- **A well-connected West Yorkshire – a strong transport system.**

We are creating an accessible, clean and customer-focused transport system. In 2025/26 we have:

- Invested £4.26 million in bus services across the region.
- Invested £10.94m in under-19 travel, facilitating 27 million bus journeys.
- Delivered 3 super bus schemes.
- Installed 353 Bus stops with new Real Time Information displays.
- 102 new or improved Bus Shelters.
- Consulted 16,370 people on transport plans.

- **A sustainable West Yorkshire – making lives greener.**

Achieving net-zero carbon by 2038, promoting climate resilience and green recovery and ensuring that the transition to net zero carbon is fair and equitable. In 2025/26 we have:

- Retrofitted 1,670 social homes.

- Fitted 72 social homes with solar equipment.
- Delivered 193 zero emissions buses that are in operation.
- Delivered 20 new bus priority junctions.
- Improved or created a total of 62 pedestrian crossings.
- Delivered 60km of new or improved pedestrian and cycle routes.
- Installed 116 new pedestrian crossings.

- **A safe West Yorkshire – a region where everyone can flourish**

We provide strong and transparent accountability of the police by working with the police and partners to ensure people and communities feel safe and putting the safety of women and girls at the heart of the Police and Crime Plan. In 2025/26 we have:

- £4.4 million from criminals to fund 461 community projects since the Mayor was elected, with £1.4 million, 103 community projects funded in this financial year.
- Enabled support to 55,000 victims and survivors across West Yorkshire.
- Delivered 5 Reclaim the Night events supported across West Yorkshire.
- The Violence Reduction Partnership (VRP) has funded interventions that have reached 16,519 young people aged 24 and under, 969 people aged 25 and over and trained 1041 professionals.
  - Young Futures Panels were piloted by the VRP across 4 areas of West Yorkshire. These multiagency panels identify children aged 10-17 with unmet needs and increased vulnerability to being drawn into violence and bring partners together to intervene early and link children to tailored support before concerns escalate.
- 425 children were referred into the newly established Young Futures Panels since they began in October 2025.

Financial Performance - Revenue Outturn 2025/26

The revenue outturn for the Combined Authority is reported and managed in two sections, the Combined Authority General Fund and Mayoral Police Fund.

Combined Authority

The table below details the actuals against approved budget for the 2025/26 financial year:

	2025/26 Approved Budget £m	2025/26 Actuals £m	Variation to budget £m
Revenue Funding			
Income			
Grants	235.1	215.0	(20.0)
Transport Levy	97.9	98.4	0.5
Interest Received	27.0	36.8	9.8
Enterprise Zones	11.4	13.8	2.5
Operational Income	111.9	70.9	(40.9)
Total Revenue Funding	**483.2**	**435.0**	**(48.2)**
Revenue Expenditure			
Transport	213.0	225.6	(12.7)
Inclusive Economy, Skills and Culture	152.0	123.4	28.7
Policing. Environment and Place	32.1	26.0	6.2
Enabling Services	67.9	36.1	31.8
Corporate and Financing Costs	13.5	3.3	10.2
Total Revenue Expenditure	**478.6**	**414.4**	**64.2**
Transfers (from) / to Reserves	(2.4)	5.6	(7.9)
Surplus to Reserves Transfer	7.0	15.0	(8.0)
	483.2	**435.0**	**48.2**
Net Income / (Expenditure)	**(0.0)**	**-**	**0.0**

In order to strengthen financial resilience in future years, £15.0m of the 2025/26 surplus has been transferred to the earmarked reserves. From 2027/28 the authority will start to operate the bus network under a franchised model which transfers the revenue risk and reward to the Combined Authority. Building and maintaining an appropriate level of reserves is considered a prudent step to support financial resilience during transition and operation.

Combined Authority - Revenue Income

The Combined Authority's revenue income is a combination of central government grants, devolved funds, investment income, operational income and a local Transport Levy.

Overall, income was £48.2m below budget. The main variances arose from lower-than-anticipated operational income (£40.2m), grant income (£20.0m), and transport income (principally Bus Service Improvement Plan income of £0.5m). These income shortfalls are largely matched by corresponding reductions in project or operational expenditure and therefore have a broadly neutral impact on the Authority's overall financial position.

Enterprise Zone income exceeded budget by £2.5m. This was due to increased rates as a result of new businesses in Leeds.

Interest receivable income was recognised from the Authority's short-term investments. The actual income received exceeded budget by £9.8m mainly relating to Broadband gainshare investment income (£6.4m).

Combined Authority - Revenue Expenditure

The Combined Authority has focussed its spending on regional scale investment to boost transport, jobs, skills, housing and sustainability, with the aim to deliver long-term economic and social value, working in partnership with businesses, local authorities and central government.

Actual expenditure is less than the approved budget by £48.2m. This comprises Inclusive Economy, Skills & Culture (£28.7m); Policing Environment & Place (£6.2m); Enabling Services (£31.8m) and Corporate & Financing Costs (£10.2m). This is offset by Transport (£12.7m) largely made up by Transport Services and Mass Transit.

Police Fund - Revenue Funding and Expenditure

The Mayor is responsible for the formal oversight of West Yorkshire Police (WYP), including provision of all funding, budget-setting, performance scrutiny and strategic policy development, and for ensuring WYP is run efficiently and effectively. Operational decision-making on day-to-day policing including the employment of police staff remains the responsibility of the Chief Constable.

The following table provides a high-level comparison between the approved budget and actual expenditure for the Police Fund. The net outturn position has been contributed mainly from savings arising from staff vacancies and over recoveries in other areas of income.

2025/26	Budget	Actual	Variation
NET SERVICE EXPENDITURE	**£'000**	**£'000**	**£'000**
Net Cost of Police Services	574,615	568,765	5,850
OPCC Corporate and Democratic Core	2,135	2,135	0
OPCC Partnership Initiatives	5,182	5,707	(525)
Other Operating Costs	9,647	11,185	(1,538)
Net Cost of Police Services	**591,579**	**587,792**	**3,787**
Net Total Contributions to/(from) Earmarked Reserves	9,618	13,908	(4,290)
Transfer to/(from) General Reserve	300	300	0
TOTAL NET EXPENDITURE	**601,497**	**602,000**	**(503)**
FINANCING			
Police Grant	238,830	238,799	31
RSG	16,693	16,693	0
NNDR	165,270	165,270	0
Precept	180,704	181,238	(538)
TOTAL GROUP FINANCING	**601,497**	**602,000**	**(503)**

Capital Expenditure

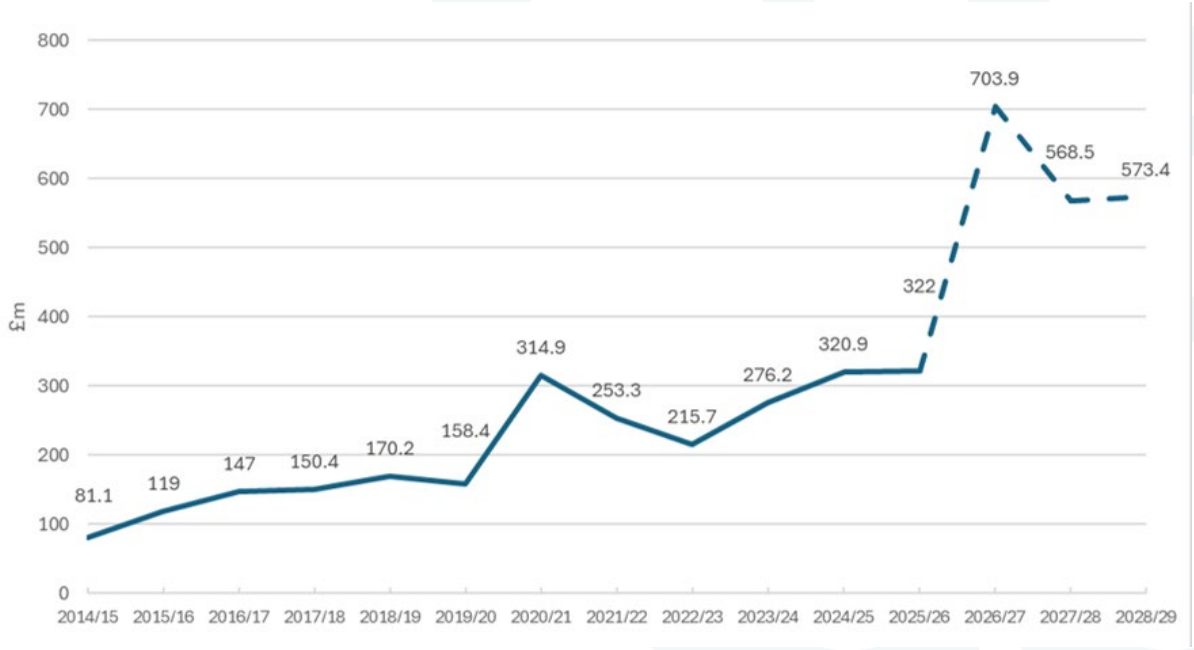
Total capital expenditure in 2025/26 amounted to £322.0m, funded through a mix of income streams, primarily grants from the Department for Transport and the Department for Levelling Up, Housing and Communities (via the Brownfield Housing Fund). The total expenditure of £322.0m included the City Region Sustainable Transport Settlement (CRSTS) spend totalling £155.1m, the West Yorkshire Transport Fund spend of £75.5m, Local Highway Maintenance Fund £13.2m, Brownfield Housing Fund spend totalling £12.7m, Active Travel Fund £12.3m and Integrated Rail Plan £10.9m.

The table below summarises the total expenditure on the Combined Authority's capital programme in 2025/26 against the budgets approved by Combined Authority in February 2025.

The Combined Authority 2025/26 Capital Programme

Capital Programme Expenditure £m's	Budget	Actual	% of budget
City Region Sustainable Transport Settlement	218.52	155.10	71%
West Yorkshire Transport Fund	64.34	75.54	117%
Transforming Cities Fund	36.12	7.58	21%
Zero Emissions Bus Regional Areas	7.45	3.14	42%
Integrated Transport Block	2.04	0.01	0%
Active Travel Fund	12.16	12.26	101%
Levelling Up Fund	10.87	5.85	54%
Local Electric Vehicle Infrastructure	6.36	0.03	0%
Traffic Signal Obsolescence Grant	0.00	0.25	0%
Local Highway Maintenance Fund	0.00	13.16	0%
Gainshare Capital	4.21	1.31	31%
Gainshare Capital (TCF match)	35.33	0.00	0%
Defra - Air Quality Grant Fund	0.00	0.00	0%
Leeds Public Transport Investment Programme	0.02	0.01	49%
Getting Building Fund	0.00	0.02	0%
Brownfield Housing Fund	0.00	12.65	0%
Social Housing Fund	0.00	7.34	0%
British Library North	4.39	0.06	1%
National Poetry Centre	0.00	0.00	0%
Mayoral Renewable Fund	0.00	1.45	0%
UK Shared Prosperity Fund	10.58	7.65	72%
Rural Fund	0.00	0.45	0%
Corporate Projects	4.18	1.56	37%
Investment Zones	14.72	0.68	5%
Langthwaite Enterprise Zone - Wakefield	1.43	1.61	113%
Integrated Rail Plan	0.00	10.88	0%
Joint Air Quality	0.00	0.92	0%
Business Accelerator Fund/Northern Gritstone	0.00	2.42	0%
Other	0.00	0.06	0%
Total Expenditure	**432.72**	**321.98**	**74%**

Total expenditure achieved by the Combined Authority's capital programme in 2025/26 is £322.0m representing 74% of the approved budget of £432.7m. In general, the programme continues to perform well with expenditure showing a 6% increase on 2024/25 expenditure. The graph below shows the annual capital spend of the Combined Authority since its inception.



The majority of Combined Authority's capital spend continues to be on the transport related activity, with 88% of the total on the transport funding programmes. Actual expenditure in 2025/26 is concentrated on four major programmes: City Region Sustainable Transport Settlement (CRSTS), the Transforming Cities Fund (TCF), the West Yorkshire plus Transport Fund and the Brownfield Housing Fund (BHF). The following summarises the performance of these programmes.

City Region Sustainable Transport Settlement

The total spend for the City Region Sustainable Transport Settlement (CRSTS) in the 2025/26 financial year was £155.1m, against an approved budget of £218.5m, representing 71% delivery. The underspend primarily reflects project delays and reprofiling across various schemes. Key variances include:

- £17.9m on the Mass Transit programme impacted by a revised delivery approach following the NISTA review.
- £9.6m on the Highways Asset Management programme due reprofiling.
- £5.8m on Beckett Street due to scheme review and approvals.
- £4.7m on Rail Accessibility schemes which experienced delays due to cost pressures and ongoing rescoping.
- £4.4m on Kings Road due to delays in approval of Full Business Case (FBC).

Active Travel Fund

The total capital spend for the Active Travel Fund in the 2025/26 financial year was £12.26m, against an approved budget of £12.16m, representing 101% delivery.

Transforming Cities Fund

Transforming Cities Fund (TCF) is a £463.1m funding programme. The funding is made up from a number of sources:

- TCF: £226.5m.
- Gainshare capital: £140.5m.
- CRSTS: £96.2m.

Total spend of £7.58m was achieved in 2025/26. Spend during the year was lower than anticipated due to some delays including the requirement for value engineering, project changes following consultation, and land requirements.

Cumulative Spend to date is £269.54m (58%) for TCF up to the end of quarter 4, 2025/26). To date, there has been £390.68m (84%) of funding approvals, which leaves £72.42m (16%) of funding still available for the remaining schemes. Overall, the TCF funded projects remain on track for completion by 2028 (Gainshare funded by 2028/29) with 74% of the programme fully committed to delivery.

West Yorkshire plus Transport Fund

Transport Fund is a £1.0bn funding programme for West Yorkshire and York made up from Government Grant and £217.0m local match funding which will be funded through borrowing, financed by the Transport Levy.

Actual spend against the Transport Fund for 2025/26 was £75.54m. The approved budget for 2025/26 included an allowance for risk of slippage across several large schemes that are in their construction phase in this financial year. These schemes have progressed well and the risk has not fully materialised. Therefore, this financial year's total outturn for the Transport Fund is £11.20m higher than the approved budget and future year's forecast have been reduced by the equivalent amount.

In its eleventh year of delivery, the Transport Fund continued to make progress and has now spent £582.38m of the £1.0bn of funding available. The spend deadline for Transport Fund is 2035.

Brownfield Housing Fund

Due to the approved spend profile associated with the funding programme ending in 2024/25, no expenditure was included in the January 2025 Combined Authority original budget for the additional funding received in 2025/26.

A re-profiling exercise took place during quarter 3 to align forecasts with the latest financial guidance and delivery plans. This resulted in a decrease in actual expenditure. Since then, one project could not complete its funding agreement with the Combined Authority prior to year end due to the senior funder being acquired by an international fund and new investments being put on hold through that process, which prevented the signing of legal agreements with the Combined Authority. The Brownfield Housing Fund programme is now fully allocated and 7 projects achieved practical completion in the 2025/26 financial year providing a total of 850 new homes of which 62% were affordable homes.

Devolution Gainshare

The total funding available for Gainshare is based on £38m per annum for 30 years (2020-50) split 75% revenue (£855m) and 25% capital (£285m) giving total funding of £1.14bn. The Gainshare fund has not yet been fully allocated and to date circa £426.7m (37%) of Gainshare funding has been approved for expenditure.

The total spend of revenue gainshare is £125.6m and £11.4m of capital gainshare as of the end of the financial year 2025/26 respectively.

Other Programmes

The Active Travel Fund is a £62.77m funding programme. This has been provided in 7 tranches of funding, including an allocation of £12.85m within the 2025/26 financial year. There have been £45.62m (72%) of funding approvals, which leaves £17.14m (28%) of funding still available for the remaining schemes that have been agreed with Active Travel England. Spend is £28.85m (45%) for the Active Travel Fund (end of quarter 4, 2025/26). The spend deadline for Active Travel funding is 31 March 2027.

Following the announcement of eight Investment Zones by the Government in 2023, West Yorkshire has progressed with the proposals for a Health Innovation and Digital Tech Investment Zone. The Investment Zone programme has been awarded £80m for delivery between 2024 and 2029 split £52.3m capital and £27.7m revenue. There have been £19.8m (25%) of funding approvals, which leaves £60.19m (75%) of funding still available for the remaining programme. Spend is £2.37m (3%) (end of quarter 4, 2025/26). The spend deadline for Investment Zone funding is March 2029.

Following the announcement of a six-month extension to the UKSPF programme to September 2026 delivery timelines for a number of projects were reviewed to ensure alignment with the revised programme period in order to maximise outputs. As a result, £2.9m has been carried forward into 2026/27 to support delivery in line with updated timescales.

The West Yorkshire Mayoral Renewable Fund achieved total expenditure of £1.45m in 2025/26, representing the full allocation awarded to the West Yorkshire Combined Authority. This was a new fund, introduced to support Mayoral Strategic Authorities in delivering priority renewable energy generation schemes across their own estates.

Future Financial Outlook

The Combined Authority's medium term financial planning currently takes a current year plus 2 view but it is intended to extend this out to a plus 4 over the course of 2026/27 as part of a refresh of the current plan. The medium-term financial plan includes all known and quantifiable financial pressures including:

- Demand pressures for transport services specifically where linked to patronage and there is a statutory or legal obligation to pay
- Inflation rises for both pay and non-pay expenditure
- Government grant income stream end dates and assessment of associated delivery costs
- Level of investment income generated which supports core running costs and statutory finance charges

The Combined Authority receives a transport levy from its constituent members to support costs of running the regional transport network. This has remained cash flat for a decade with a 2% increase agreed for financial year 2026/27 as part of the budget approval in January 2026.

What's in the Statements of Accounts?

The accounts have been prepared in accordance with The Code of Practice on Local Authority Accounting UK 2025/26 which is based on approved International Financial Reporting Standards ("IFRS"). The following gives a brief overview of each of the main statements and the relationship between them. Together these form the Authority's Statement of Accounts.

The Statement of Responsibilities for the Statement of Accounts, which sets out the responsibilities for the Combined Authority and the chief financial officer's (known as Director of Finance and Commercial Services) responsibilities.

The Comprehensive Income and Expenditure Statement which shows the net cost for the current year of all the services for which the Combined Authority is responsible and demonstrates how that cost has been financed. An adjustment is required to be made between the accounting basis and the funding basis due to the different accounting treatments for capital grants and pension costs, further details of which are shown in the Movement in Reserves Statement.

The Movement in Reserves Statement reconciles the outturn on the income and expenditure account to the balance on the General Fund and shows the movement in those reserves over the year. These are analysed between 'usable reserves' (those that can be applied to fund expenditure) and 'unusable reserves' (those allocated for specific purposes).

The Balance Sheet shows the Combined Authority and the Group's assets and liabilities at the balance sheet date. The net assets (assets less liabilities) are matched by the reserves held.

The Cash Flow Statement summarises the inflows and outflows of cash and cash equivalents in the year. It shows how the Combined Authority uses its cash for the purposes of operating, investing and financing activities.

The Accounting Policies explain the basis for the recognition, measurement and disclosure of transactions and other events in the accounts. This includes the basis of charges to revenue and the calculation of balance sheet items.

Expenditure and Funding Analysis

This analysis shows how annual expenditure is used and funded from resources (government grants and levy) by the Combined Authority in comparison with those resources consumed or earned in accordance with generally accepted accounting practices.

Notes to the Financial Statements

These include information required by the Code and additional material items of interest to assist the readers understanding of the reported figures.

Events after the reporting period and authorised for issue date

This summarises any major events that happened between the year end and the authorised for issue date. Events coming to light after the authorised for issue date will not be included in the financial statements.

Supplementary Statements:

Police Pension Fund Account

The Combined Authority Group's pension liabilities have significantly increased as a result of the transfer of the Police and Crime Commissioner functions to the Mayor. The Police Pensions scheme is unfunded and holds no assets, however, subject to parliamentary scrutiny and approval, up to 100% of this cost is met by central government pension top-up grant.

The purpose of this account is to demonstrate the cash-based transactions taking place over the year and to identify the arrangements needed to balance the account.

Further Information

The Combined Authority's accounts can also be supplied in large print, Braille or audiotape. Anyone wanting these options should contact the Combined Authority on 0113 251 7227.

Further information on the Combined Authority is available on its website

www.westyorks-ca.gov.uk

Address: Wellington House, 40/50 Wellington Street, Leeds LS1 2DE

Telephone for general enquiries: 0113 251 7272

Independent Auditors Report

Independent auditor's report to the members of West Yorkshire Combined Authority

Report on the audit of the financial statements

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Draft Annual Governance Statement 2025/26

Executive summary

This Annual Governance Statement reflects both the governance framework put in place for the West Yorkshire Combined Authority (Combined Authority) and the Combined Authority Group (the Group) for the year ended 31 March 2026.

Summary of Key Conclusions

The Combined Authority has a comprehensive governance framework in place, aligned to the CIPFA/SOLACE principles of good governance including the May 2025 addendum. This framework continues to support effective decision-making, delivery of strategic priorities, and appropriate management of risk.

During 2025–2026, the Combined Authority has operated within a context of continued organisational growth, increased programme delivery and crucially preparation for Integrated Settlement from April 2026.

During the year, the Combined Authority undertook external Integrated Settlement Readiness Check activity commissioned through MHCLG as part of the national readiness programme for Integrated Settlement implementation. The published readiness assessment recognised that the Combined Authority had in place;

- A clear long term strategic plan
- A mature core governance structure;
- A largely established financial arrangement; and
- Developing arrangements for integrated Governance arrangements for integrated government engagement

Alongside this work, the Combined Authority undertook a wider governance and constitutional review to ensure governance arrangements remain proportionate, strategically aligned and capable of supporting the increasing scale and complexity of devolved responsibilities.

In March 2026, the Combined Authority approved revised governance arrangements and constitutional amendments to take effect from the 2026 Annual Meeting. These reforms are intended to streamline governance structures, strengthen strategic

oversight and align decision making arrangement to the evolving role of Mayoral Combined Strategic Authorities.

Governance arrangements have continued to support organisational delivery effectively throughout this period of transition and reform.

Informed by internal audit work, director assurance statements and wider governance review activity, it is recognised that the effectiveness of control arrangements and consistency in their application require further strengthening. In particular, improvements are required in financial controls, assurance coordination, and governance clarity – these matters are addressed below as part of observations received in 24/25 but looking forward see Appendix 1 - Governance Maturity Action Plan.

Overall, governance arrangements are assessed as established and operating, but with areas requiring improvement to ensure consistent application and maturity.

1. Scope of Responsibility

The Combined Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. It also has a duty to secure continuous improvement in the way its functions are exercised.

In discharging this responsibility, the Combined Authority has established arrangements for governance, risk management and internal control in accordance with the Accounts and Audit Regulations 2015.

In March 2020, the West Yorkshire councils and the Combined Authority agreed a “minded to” devolution deal with Government. The deal detailed £1.8 billion of Government investment (including £1.14bn over 30 years), to be subject to local influence and decision-making, enabling spend on local priorities, together with a range of new devolved functions. Building on this, in December 2024, the Ministry of Housing, Communities and Local Government published the English Devolution White Paper setting out the Government’s revised approach to devolution in England, including a proposed new Devolution Framework expanding and standardising the devolved powers and functions available to Combined Authorities. These changes will be enacted when the English Devolution Bill received royal assent in April 2026. The English Devolution White Paper also confirmed that West Yorkshire will be amongst the next cohort of authorities to receive the Integrated Settlement from April 2026.

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

In discharging this overall responsibility, the Combined Authority is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions including arrangements for the management of risk. The Combined Authority annually approves a Code of Corporate Governance consistent with the principles of CIPFA Solace[1] framework "Delivering good governance in Local Government".

In accordance with the Accounts and Audit Regulations 2015 this Annual Governance Statement (AGS) considers compliance with the Corporate Governance Code and Framework and sets out how the Combined Authority “ensures that the financial management is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's functions, and which includes arrangements for the management of risk.”

The Mayor is the Chair of the Combined Authority and also holds the Policing and Crime functions for West Yorkshire. The Mayor has appointed the Deputy Mayor for Policing and Crime who has substantial delegated authority covering this area.

The functions of the West Yorkshire Police and Crime Commissioner (PCC) transferred to the elected Mayor on 10 May 2021 and with regards to these functions, the Mayor is held to account by the West Yorkshire Police and Crime Panel.

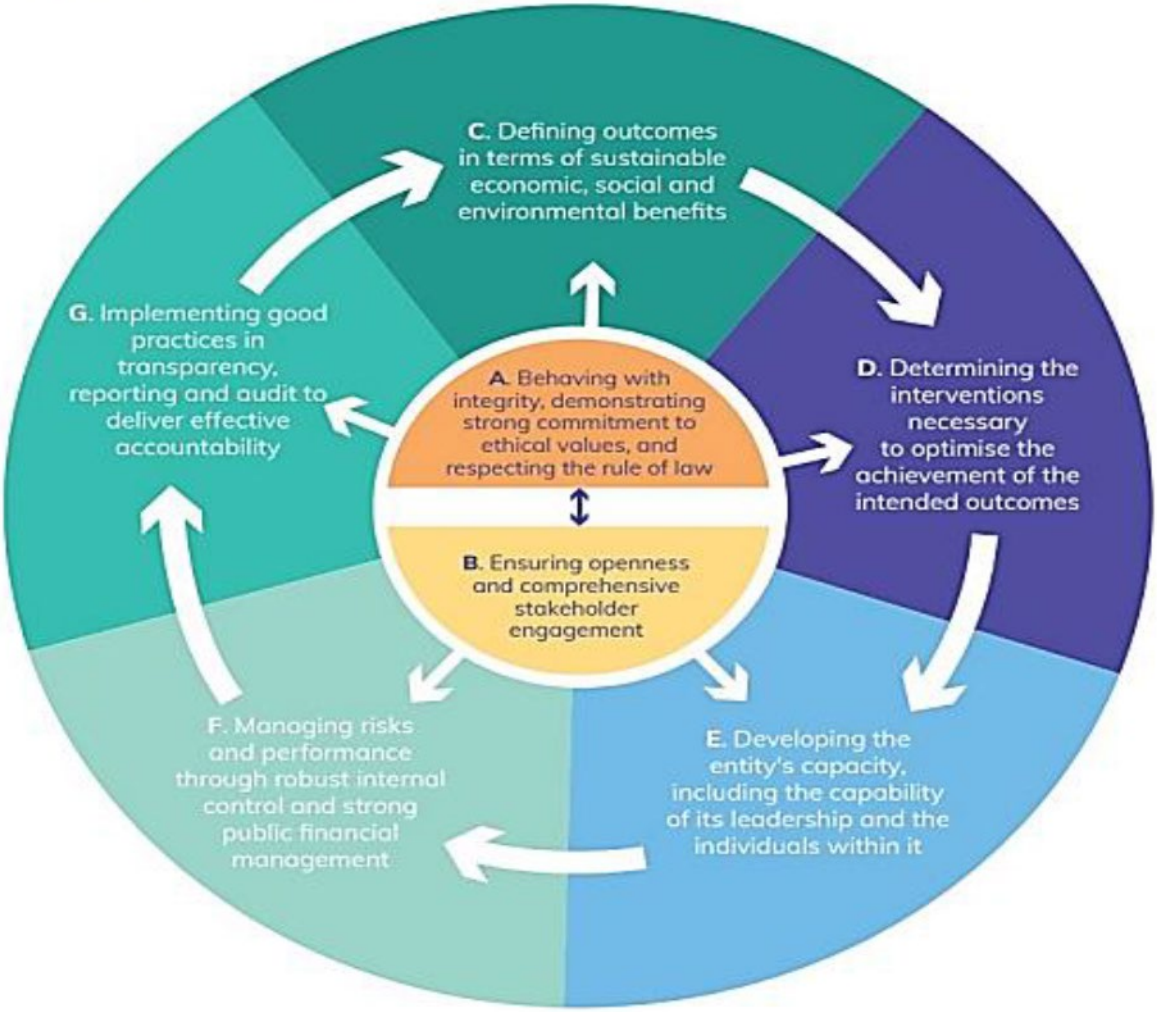
1. The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, by which the Combined Authority is directed and controlled and its activities through which it accounts to and engages with the community. The framework enables the Combined Authority to monitor the achievement of strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services for its customers.

[1] Chartered Institute of Public Finance and Accountancy / Society of Local Authority Chief Executives and Senior Managers

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. In order to achieve its policies, aims and objectives it cannot eliminate all risk of failure and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Combined Authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and their impact should they be realised, and to manage them efficiently, effectively and economically.

Figure 1: Establishing an effective assurance framework



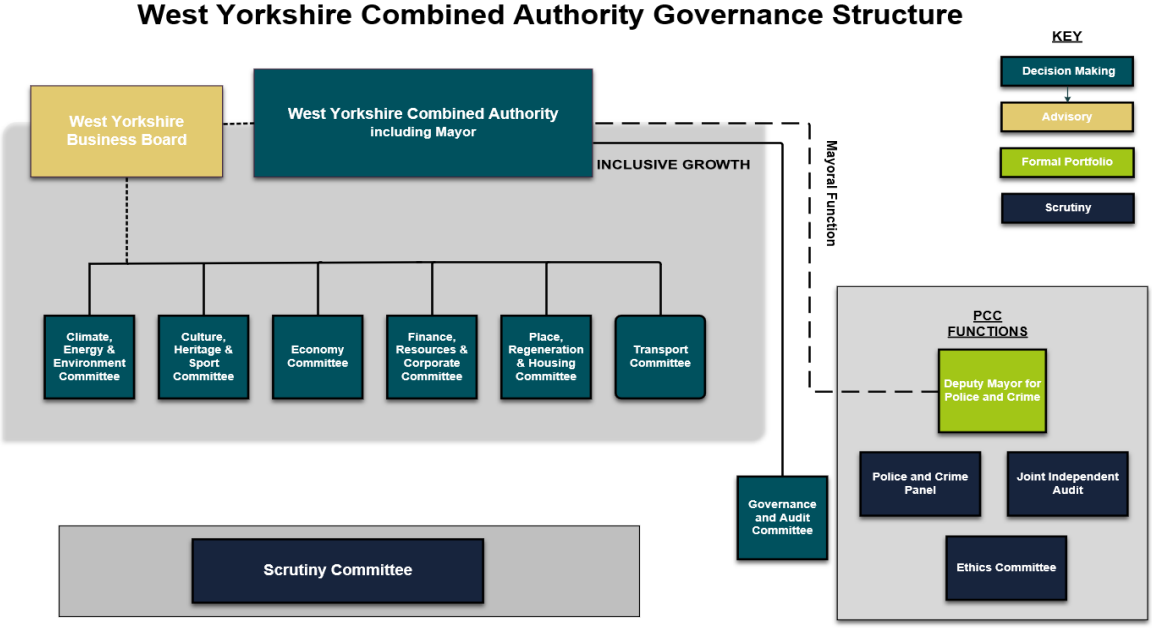
2. The governance framework

The Combined Authorities work is led by Corporate Policies and objectives that are brought together in our business plans. The West Yorkshire Plan sets out our ambitions for West Yorkshire, through our vision, missions and range of policies and strategies.

The Mayor holds the statutory functions of the PCC for West Yorkshire. Those functions can be delegated, with the exception of the duties to set a budget, prepare a Police and Crime Plan, and to appoint and remove a Chief Constable, which can only be exercised by the Mayor. The functions of determining police and crime objectives, attending the Police and Crime Panel and preparing annual reports can only be delegated to the Deputy Mayor for Policing and Crime. The Mayor is held to account in respect of her Police and Crime functions by the Police and Crime Panel which consists of representatives from each district and plus independent members.

The Mayor and Deputy Mayor for Policing and Crime foster close links with the Community Safety Partnership Forum, the Serious Violence Reduction Executive group, and the Local Criminal Justice Board (including its subgroups) which are important, well-established partnerships that support the development and delivery of the Mayor's Police and Crime Plan.

West Yorkshire Combined Authority Governance Structure



Corporate strategies and objectives are set and communicated by the Combined Authority. The Combined Authority has clearly defined its ambitions to work with its partners across the region; these ambitions are set out in the West Yorkshire Plan, which was launched in June 2023.

The West Yorkshire Plan sets out a shared vision, narrative, and ambitions for the region. The purpose of the West Yorkshire Plan is to:

- Explain who West Yorkshire is and what we want to achieve
- Set the trajectory for the longer-term up to 2040
- Ensure that government and wider local and national stakeholders are clear on the priorities and ambitions of the region
- Ensure that all regional partners speak with one strong voice

Other relevant strategies and plans

The Combined Authority has a range of other strategies and plans that inform activities across key areas of public policy and programmes. These strategies and plans may provide other considerations to inform the evaluation and prioritisation of funding decisions in these policy areas. Our core framework of existing and emerging anchor strategies is set out in the figure below. Our framework is led by the West Yorkshire Plan, Local Growth Plan, and West Yorkshire Investment Strategy (refresh underway), which set the overarching strategic vision for the region. Our anchor strategies then further set the specific direction for our ambitions for Transport, Climate and Environment, Policing and Crime, and Spatial Development, informing the development of specific detailed delivery strategies. Key priorities are reflected within these strategies and plans, including bus franchising, Mass Transit, and retrofitting facilities to achieve Net Zero targets. As programmes develop, they will progress through the established Assurance Framework to consider the merits of each in full and ability to achieve the Combined Authority's strategic objectives.

The West Yorkshire Plan strengthens our existing policy framework which includes a suite of policies and strategies aligned to areas of delivery.

The West Yorkshire Plan includes five missions, that are aspirational and represent long term ambitions for West Yorkshire. State of the Region reporting will continue to provide the monitoring framework underpinning the West Yorkshire Plan targets and wider policies and strategies of the Combined Authority.

The vision for region, as set out in the West Yorkshire Plan is:

A brighter West Yorkshire – a place that works for all. An engine room of ideas and creativity, where anyone can make a home.

Five missions have been set to achieve this.

- Mission One: A prosperous West Yorkshire – an inclusive economy with well paid jobs.
- Mission Two: A happy West Yorkshire – great places and healthy communities.
- Mission Three: A well-connected West Yorkshire – a strong transport system.

- Mission Four: A sustainable West Yorkshire – making lives greener.

- Mission Five: A safe West Yorkshire – a region where everyone can flourish.

All our policies and strategies work toward meeting at least one of these missions.

b) A suite of supporting plans and strategies do, and will set out, further detail on a range of priority areas, including police and crime, local growth plan, climate and environment, housing and place, local area energy planning, local nature recovery, digital infrastructure, green infrastructure, skills and trade and investment.

c) The Combined Authority publishes an annual State of the Region report, which provides information about the performance of West Yorkshire against key socio-economic and environmental indicators. The interim report is found here Item 10 - Appendix 1 - State of the Region Summary Report.pdf with the latest version being published in Summer 2026. The report provides a stock take of the region's relative strengths, using a basket of headline indicators. It highlights the trends in the local economy and flags key issues and challenges. These inform the Combined Authority's priorities for future action. The report aims to provide a balanced and objective view of economic performance in the region and gives some insight into the difference being made through the combined action of all partners in West Yorkshire.

d) The Combined Authority has a four-year Corporate Plan for 2025-2028. The plan establishes priorities to focus organisational delivery against the West Yorkshire Plan missions alongside achieving the corporate priority to be a mission driven, ambitious, high performing and value for money organisation. The Combined Authority's Performance Management Framework ensures that the outputs and outcomes are derived, and performance measured against the plan. The Corporate Plan priorities were also used to support directorate business planning.

f) Heads of Service and senior officers across the organisation report progress against Directorate business plan outcomes and output delivery. This reporting is fed into a central database and is analysed monthly. The performance is reviewed by the internal Performance

Management Board that can utilise performance management approaches to address under performance/delivery.

Through both officer boards and public committees, targets are reviewed routinely over the year. Where necessary, action is taken to mitigate risks to delivery and/or achievement of targets where these are off-track. Finance, Resources and Corporate Committee (FRCC) receive reports on progress against delivery of our annual outputs and outcomes. This ensures there are mechanisms to understand successes, progression and opportunities for improvement.

g) In early 2023, the Combined Authority approved proposals to fully integrate the LEP into the Combined Authority including necessary governance changes. The functions of the LEP have since been fully integrated into the Combined Authority. The Mayor has appointed a Business Adviser, and to there are continued strong partnerships this is facilitated through the West Yorkshire Business Board, chaired by the Mayor's Business Adviser, who is also a member of the Combined Authority.

h) The West Yorkshire Combined Authority Assurance Framework ensures that the necessary systems and processes are in place to manage funding effectively, and to ensure the successful delivery of the West Yorkshire Plan ambitions. Its focus is to ensure that necessary practices and standards are implemented to provide the Government, the Combined Authority, local partners and the public with assurance that decisions over funding (and the means by which these decisions are implemented) are proper, transparent and deliver value for money. It covers all projects and programmes funded (revenue and capital) from Government or local sources that flow through the Combined Authority.

The Assurance Framework was developed in 2015 as part of the Growth Deal with Government and complies with national best practice and the Local Growth National Assurance Framework guidance. In March 2023, the then Department for Levelling Up, Housing and Communities (now the Ministry for Housing, Communities & Local Government) published the English Devolution Accountability Framework. This first edition of the English Devolution Accountability Framework sets out how the mayoral combined authorities, and the Greater London Authority (GLA), will be

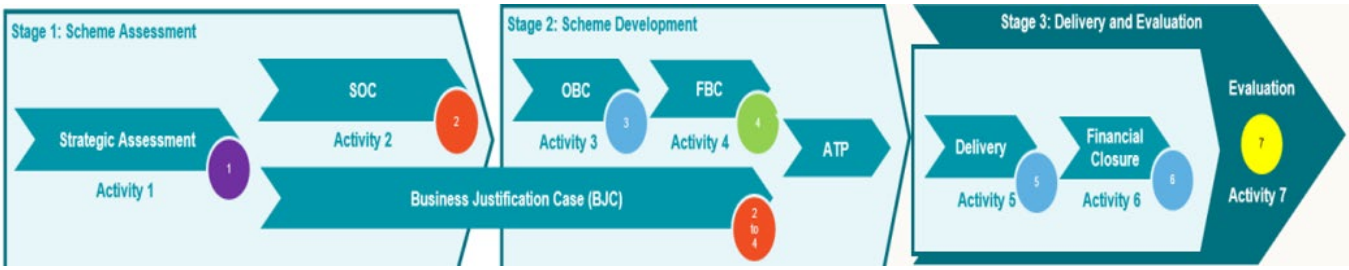
scrutinised and held to account by the UK Government, local politicians and business leaders, and by the residents and voters of their area.

The Assurance Framework was required as part of the English Devolution Accountability Framework to provide assurance to the Departmental Accounting Officer, Government and the public that there are robust systems in place so that resources are spent with regularity, propriety, and value for money.

The Assurance Framework is reviewed and updated on an annual basis, building on existing good practice and reflecting any changes in both government guidance and improvements to the Combined Authority's procedures. A comprehensive review was undertaken during 2021, as part of the required preparations for becoming a Mayoral Combined Authority. The latest version was published in 2025. All changes have been considered and approved through internal governance arrangements and submitted and acknowledged by Central Government.

The conclusions of the current review will be reported to the Combined Authority in later summer 2026.

i) All investment decisions are taken in accordance with the assurance process stages and activities, subject to agreed exceptions. subject to any scheme staying within the agreed assurance tolerances. The Combined Authority must approve all schemes at least once in their lifetime, usually at decision point 2, with subsequent decisions delegated thereafter to the Chief Executive. The Combined Authority sets a bespoke assurance pathway and approval route to be followed for each scheme.



In 2025/26, the recently established overarching scrutiny committee followed up on its inaugural year's workplan with less disruption than usual to its membership and leadership due to 2025 being a "fallow" election year in West Yorkshire. The rolling over of membership and leadership allowed the committee to progress its existing workplan the previous year scrutinising the climate and local growth plans and progress to the Mayor's statutory local transport plan in 2025/26 which they engaged in pre-scrutiny of before it went to the Transport Committee for recommendation to the Mayor. In addition, a more focused approach to work planning was taken including adopting a mission for the year focused on ensuring the Combined Authority was devolution ready.

The committee also advanced the number of reviews and formal recommendations it made and submitted to the Mayor and Combined Authority, submitting recommendations to the Mayor on how she exercises soft power with the Constituent Councils and other partners, and a series of recommendations arising from the Call In of a School Travel Policy approved by the Combined Authority in July 2025 on governance and consultation grounds. The recommendations related to improving Combined Authority governance including reviewing the call in process, the committee structure, how information is reported to members, how decisions are monitored for implementation and how consultation with ward members and advisory bodies is related to decision-makers.

The subsequent Governance Review was conducted in conjunction with a Member Review group made up of scrutiny and audit committee members. The Scrutiny Committee also continued to question the Mayor on performance and achievement, her personal activity, her budget proposals, the implementation of last year's local growth plan and how ready the organisation was for the upcoming Devolution Act.

The Committee engaged in scrutiny of confidential and commercially sensitive White Rose Station project, bus franchising programme (including depot, ticketing, procurement and lotting strategies) and the mass transit programme via private workshops and working groups providing vital check and challenge to complex and sensitive projects. The Devolution Act has established a new scrutiny system known as "Local Scrutiny Committees" for combined authorities with Established Mayoral Strategic Authority status, to be live from April 2027 significantly increasing the duties and powers conferred upon scrutiny at mayoral authorities. One of the priorities of the 2026/27 municipal year will be

to review the scrutiny system and ensure compliance with the new Local Scrutiny Committee system by the statutory deadline.

k) In addition to the above, the Combined Authority continues to assist and advise scrutiny enquiries in its constituent local councils where the topics affect its sphere of activity as required.

l) The Combined Authority's Governance and Audit Committee is responsible for overseeing the effective operation of the systems of governance, risk management, internal control (including internal audit) and treasury management. It has responsibility for the approval of the annual accounts. The Committee is chaired by an independent member and the committee includes a further two independent members in addition to members of the Combined Authority. The composition of the Committee changed in June 2025 to replace Combined Authority members with local authority co-optees to provide a more robust external check and challenge from members unconned to the Combined Authority's leadership. An officer Performance Board now provides an operational level management and review of internal control, risk, health and safety, information security and governance arrangements in place.

m) Staff roles are defined and documented through role profiles. These set out clear competencies and accountabilities for each role and are key to making successful recruitment decisions. Appointments have been made to all the posts required by statute, including Head of Paid Service (which forms part of the Chief Executive's role), s73 Officer (Director: Finance and Commercial Services), and the Monitoring Officer (Assistant Director Legal, Governance & Compliance).

n) Staff behaviours are guided by the Combined Authority's values and its Officer Code of Conduct and a similar Code exists for Members; both employees and Members are required to maintain a register of interests. Registers of interests of Members are available for inspection on the Combined Authority website. The employee's Code of Conduct has been comprehensively reviewed to update it in line with best practice and the capabilities of the Combined Authority's corporate system, CiAnywhere.

o) The Combined Authority conforms to the requirements of the CIPFA *Statement on the Role of the Chief Financial Officer in Local Government (2015).* The Chief Financial Officer is the Director: Finance and Commercial Services who is a key member of the leadership team and is responsible for the proper

administration of the Combined Authority's financial arrangements through a suitably qualified and resourced finance function.

p) An internal team provide the internal audit service to the Combined Authority. Global Internal Audit Standards require an internal audit charter to specify the purpose of internal auditing, commitment to adhering to the Global Internal Audit Standards, the mandate, including scope and the types of services to be provided and the board's responsibilities and expectations regarding management's support of the internal audit function consistent with the definition of Internal Auditing, the Code of Ethics and the Standards. The Internal Audit Charter establishes internal audit's position within the organisation, including the mandatory nature of the Chief Audit Executive's role; functional reporting relationship with the management team; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities.

q) Compliance with established procedures, laws and regulations is ensured by a system that requires all decisions to set out all legal and financial implications. Schemes of officer delegation ensure that decisions are made at the appropriate level within the Combined Authority. This includes the Mayor's PCC Scheme of Delegation and Scheme of Consent to the Chief Constable. Procedures and policies are in place to ensure compliance with the Freedom of Information Act, Data Protection Act and Health and Safety requirements. A whistleblowing policy and guidance notes are available on the website. Regular reviews and exception reporting are conducted through the officer Performance Board and through the Member Governance and Audit Committee, including arrangements for risk management. An Assurance Statement for Directors has been developed to ensure senior accountability for compliance in all areas of the organisation.

r) Risk management is embedded in the activities of the Combined Authority. A Corporate Risk Management Strategy, including a risk policy, risk appetite statement, and the RMS (Risk Management Strategy) Development Plan has been endorsed by the Governance and Audit Committee and sets out the way in which risks are identified, recorded and monitored**.** Reviews of the key strategic risks are undertaken by the Governance and Audit Committee and discussed in detail at internal officer board meetings.

s) The Combined Authority's governance arrangements are supported by a structured internal governance and assurance architecture. This includes:

- Strategic and operational officer boards, including Corporate Board, Investment Board, Performance Board and Directorate Outcome Boards, providing leadership oversight and performance management;
- Investment and assurance processes delivered through the Assurance Framework and Strategic Portfolio Office;
- Member-level oversight through the Combined Authority, Governance & Audit Committee and Scrutiny Committees;
- A requirement for legal, financial and commercial sign-off on decision-making, including a step for statutory officer review - overall ensuring value for money and compliance;
- External and internal assurance mechanisms including Internal Audit, External Audit and Integrated Settlement readiness assessment.

t) In respect of the Mayor's PCC functions, the Mayor currently utilises a Joint Independent Audit Committee (JIAC) which oversees the control environment of the Chief Constable and the Police and Crime functions, undertaking the functionalities of an Audit Committee in line with CIPFA guidance. The Committee receives regular reports from both internal and external audit. It provides independent assurance to both the Mayor and the Chief Constable on the adequacy of the corporate governance and risk management arrangements and the associated control environment.

u) A system of formal procedures, Contracts Standing Orders and Financial Regulations protect the organisation. These are reviewed and approved annually, with minor updates made as required during the year. A major review of Contracts Standing Orders took place during 2024/2025 to reflect the statutory changes brought in by the Procurement Act 2023, which went live in February 2025. A Procurement Strategy has also been approved by the Combined Authority as well as the West Yorkshire Investment Strategy.

v) The Mayor published her new Police and Crime Plan in February 2025, which reflects a shared vision with partners and has the overall aim of ensuring that communities in West Yorkshire are safe. Local priorities have been set in consultation with individuals, organisations and community safety partnerships that sit within the Plan.

3. Review of Effectiveness

Annually, the Combined Authority has responsibility to conduct review of the effectiveness of the system of internal control. This review is informed by the work of the Internal Audit section and that of management within the Combined Authority who have responsibility for the development and maintenance of the internal control environment, and also by comments made by external auditors. In several areas, key financial controls did not operate as consistently during the year. These included weaknesses in bank reconciliation processes, gaps in payroll controls following transition to the CiAnywhere system, and inconsistencies in month-end and year-end closure procedures. Whilst these matters do not impact the level of assurance provided overall, they are noteworthy that can be placed on the operation of core controls and have been acknowledged by management, with targeted improvement actions anticipated. Updates to the above are provided below in section 5.

Contract Standing Orders

The Combined Authority has in place a system based on a framework of contract standing orders, financial regulations and administrative controls including codes of conduct and administrative policies and procedures. All key administrative controls and financial instructions are reviewed on a regular basis by the Combined Authority's management, with internal audit undertaking reviews based on risk. Contract standing orders and financial regulations are updated as required and re-approved annually by the Combined Authority at its Annual Meeting. In terms of financial accounting, the Combined Authority utilises a core financial system which is tested and evaluated annually by internal and external audit. During the last year, the Chief Financial Officer has provided to the Governance and Audit Committee regular confirmation that key controls have been operating in the period. Regular reports are also provided to the Performance Board through a compliance dashboard that highlights any areas of concern.

Annual Budget Setting

In 2025/26, the Combined Authority continued to operate a strong and transparent financial planning framework to ensure public resources are aligned to regional priorities and used responsibly. The planning process integrates funding from Government sources (including Gainshare, City Region Sustainable Transport Settlement, Adult Education Budget and other devolved grants), local transport levies, and commercial income. It considers key financial risks such as inflation, interest rate pressures, and capital delivery slippage. The Authority's financial strategy remains

focused on ensuring affordability, resilience, and delivery of strategic priorities including inclusive growth, transport connectivity and skills.

Budget proposals are developed collaboratively between directorates and finance leads, supported by robust challenge sessions to test assumptions, cost drivers, and efficiency plans. These proposals were reviewed for consistency with delivery plans, capital programme commitments, and funding conditions.

As required under Section 73 of the Local Government Act 1985, the Combined Authority's Chief Finance Officer provided a formal opinion on the robustness of the estimates and the adequacy of reserves as part of the budget approval process.

The 2025/26 budget was subject to formal governance and assurance through:

- Review by the Senior Leadership Team
- Oversight and recommendations from the Finance, Resources and Corporate Committee
- Consideration by Scrutiny Committee, including pre-scrutiny of key funding allocations
- Final approval by the Combined Authority in February 2025.

The budget process ensured alignment between the revenue budget, the multi-year capital programme and the 2024/25 Treasury Management Strategy, with close monitoring of the Capital Financing Requirement (CFR) and adherence to the Authority's prudential borrowing limits.

Where appropriate, engagement with district partners and stakeholders took place, particularly in relation to transport levies, investment priorities and major capital schemes. The Authority's reserves strategy was reviewed to ensure that adequate resources are available to manage in-year risks and support longer-term investment flexibility.

The 2025/26 budget process meets the standards set out in the CIPFA Financial Management Code and forms a key part of the Combined Authority's assurance framework, supporting accountability, transparency, and financial sustainability.

From 2025/26, the Combined Authority has adopted a multi-year approach to business planning and the development of revenue and capital budgets, accompanied by a refreshed five-year Medium-Term Financial Plan (MTFP), which spans the five-year period from 2025/26 to 2029/30.

2025/26 saw the further significant development and enhancement of financial management arrangements in the Combined Authority, including robust in-year financial monitoring arrangements to ensure effective stewardship of public funds and early identification of risks to financial sustainability or delivery performance.

Budget holders and Controllers are responsible for monitoring, managing and controlling their budgets and are supported by dedicated finance business partners. Formal monitoring reviews are held regularly between services and finance to ensure accountability, monitor programme progress and update forecasts in a timely manner.

Forecasts are refreshed at key points in the year (typically at Q2 and Q3) to enable effective financial control and resource reallocation if required.

Where significant variances or emerging pressures are identified, these are escalated through appropriate governance channels, and management actions are agreed. Monitoring reports also provide assurance over compliance with prudential indicators and statutory obligations.

For 2025/26, the Combined Authority has implemented monthly and quarterly financial reporting, covering both revenue and capital budgets, providing clear analysis of actual performance against budget, forecast outturn projections, explanations for material variances and financial risks and opportunities.

Reports are subject to review by Directorates, with regular updates presented to those charged with governance. The reporting framework ensures clear visibility of:

- Expenditure and funding performance,
- Capital delivery progress and match funding risks,
- Treasury management activity and cash flow position,
- Use and replenishment of earmarked reserves,
- Emerging financial risks and mitigations.

The Authority's financial monitoring arrangements are designed to uphold the principles of transparency, accountability, and responsiveness, and are compliant with the CIPFA Financial Management Code and relevant legislation

Internal Audit

An internal team provides the internal audit resource for the Combined Authority. The work of Internal Audit is informed by an assessment of risk and a strategic audit plan is devised based on these assessments. This plan is submitted to the Combined

Authority's Governance and Audit Committee for consideration and approval. Regular update reports are provided to the Governance and Audit Committee by the Head of Internal Audit on the outcome of the agreed audits and any audit recommendations made. Internal Audit also maintain its own systems to monitor progress in implementing audit recommendations which is also reported regularly to the Governance and Audit Committee and the officer Boards including Corporate Board and Directorate Outcome Boards.

From the work undertaken during the financial year 2025/26, taking into account other sources of assurance, and considering the significant pace of organisational growth, leadership changes and further work on devolved responsibilities during this period, the Head of Internal Audit has reached the opinion that overall, the Combined Authority's framework of control and governance is less than adequate. This opinion reflects that while the framework of control, risk management and governance is generally adequate, the audits undertaken and the number of recommendations made that remain outstanding or overdue confirm that further improvements are required.

It is important to note that Internal Audit has not found evidence of systemic governance failure, unlawful decision making or inability to discharge statutory responsibilities. Rather the opinion reflects the need to strengthen consistency and maturity in the operation of control, risk management and governance arrangements across all areas of the organisation.

This assessment reflects not only the current state but also acknowledges the organisation's capacity for improvement. There is a reasonable expectation that, with continued focus and commitment, substantial progress can be achieved in strengthening these areas identified and their associated frameworks.

Strategic Portfolio Office

As part of the Strategy, Communications and Intelligence Directorate in Enabling Services, the Strategic Portfolio Office (SPO) manages the assurance and appraisal of all schemes funded by the Combined Authority, (known as the assurance process), as part of the Assurance Framework. SPO have responsibility for ensuring that only schemes which meet the strategic aims of the organisation and have a robust commercial, economic, financial and management case are developed and delivered. The assurance process has three stages; and seven potential activities / decision point gateways. Whilst there are seven possible activities, not all would apply to all schemes, and the requirements can be tailored for each scheme depending on its type, scale and complexity. The assurance process is transparent and proportionate

and offers a structured process for appraising, developing, planning, delivering and evaluation that is in line with HM Treasury guidance to deliver best public value. The Combined Authority and all partner authorities delivering schemes funded by the Combined Authority follow this assurance process. Close working with partner authorities is therefore key to successful delivery of the wide-ranging portfolio.

The SPO, with the Finance team, also provide regular reports to the Combined Authority and the Finance, Resources and Corporate Committee on progress and performance of the many funding programmes that the Combined Authority is responsible for.

Risk Management Arrangements

The Combined Authority has in place risk management arrangements that are continually reviewed and improved. Risk is embedded across the governance framework, with elements of risk routinely considered through the Pan-Strategic Boards (Senior Leadership Board, Performance Board and Corporate Board). The corporate risk register is maintained and reviewed regularly by the Governance and Audit Committee, with risk management included as a standing item.

Further work was undertaken during the year to consolidate risk register and strengthen consistency of approach, in line with the Risk Management Strategy development plan, led by the Risk and Compliance Manager and endorsed by the Governance and Audit Committee, and aligned to ISO 31000 and HM Treasury's Orange Book.

Quality Assurance and Improvement Programme

Internal Audit's Quality Assurance and Improvement Program ensures that activity is assessed against the requirements of professional standards, the definition of Internal Audit, and the Code of Ethics as specified by the Global Institute of Internal Auditors.

An independent External Quality Assessment (EQA) which assessed the Internal Audit function in relation to compliance with Public Sector Internal Auditing Standards (PSIAS – the standards in place at the time of the review) was undertaken in December 2024. The conclusion was that the Internal Audit activity **generally conforms** to the definition of internal auditing, the Code of Ethics and the PSIAS. This is the most positive rating that can be achieved. The QAIP has been updated as a result of the EQA and progress against implementing changes to audit

processes/activity as a result of recommendations from the EQA are in progress with reporting to Governance and Audit Committee on a regular basis.

Reviewing the effectiveness of the governance framework for Policing and Crime Functions

The Mayor has overall responsibility for the discharge of all the powers and duties placed upon her and has a statutory duty 'to maintain an efficient and effective police force'. The JIAC considers the adequacy of the governance framework, referring matters to the Mayor and/or Chief Constable as appropriate.

The Chief Constable has responsibility for conducting a review of the effectiveness of the governance framework within WYP at least annually. WYP's Internal Audit provided an independent opinion on the adequacy and effectiveness of the system of internal control and concluded that reasonable assurance can be given regarding the overall internal control environment in the last opinion provided.

In terms of the Mayor's Police and Crime Plan, governance arrangements to support the development and delivery of the Police and Crime Plan includes a range of partnership boards including the Local Criminal Justice Board, the Combatting Drugs Partnership, Vision Zero Board, Domestic and Sexual Abuse Board, Criminal Justice and Mental Health Forum and the West Yorkshire Anti-Slavery Partnership, all chaired by the Deputy Mayor for Policing and Crime. The Mayor held regular strategic meetings with the Chief Officer Team (COT) to look at how WYP could best deliver on the priorities in the Plan.

The Mayor maintains a risk register focused on key risks associated with delivery of the Police and Crime Plan, and the working of the Policing and Crime Team. The Mayor also maintains strategic oversight of risk management arrangements in WYP through reports to the JIAC. A structure of regular governance and accountability meetings with the Chief Constable (and Chief Officer Team) has been implemented by the Mayor with monthly and quarterly Governance meetings and quarterly Performance Scrutiny and public Community Outcomes meetings.

The Mayor and Chief Constable have established a Joint Independent Ethics Committee to provide independent expert advice to the Mayor and Chief Constable on significant ethical issues and considerations in current and planned work and a referral mechanism for ethical issues from other accountability or scrutiny boards.

4. Programme of Improvement

During 2025/26 the Combined Authority focused on maturing the organisation's corporate planning and performance approach to align to the changes made in the previous year to convert the organisation's operating model from process driven to outcome focussed. In 2025/26 focus was on embedding the operational approach into key processes that establish the strategic ambitions into corporate priorities and then strengthening the outputs that will evidence the outcomes delivered.

Key improvement activity focused on supporting outcome directorates to move into longer term planning processes to cover the mayoral term. Planning was aligned to the Missions in the West Yorkshire Plan allowing pan organisational approach to delivering key corporate priorities and ensuring that the resourcing plan was viewed holistically to include enabling services. This process was also done considering the changes to the Mayoral Combined Authority's powers and responsibilities expected next year along with the financial flexibilities that will follow as Integrated Settlement is implemented for March 2026.

There is now in place a new Performance Management Framework and reporting system for directorates to report against milestones and output targets. The Performance Board reports on organisational performance through management tools to increase internal accountability and track any underperformance. Alongside this work has progressed to create an outcomes framework that will support both the integrated settlement but also wider Combined Authority ambition.

In February 2026 A Change and Transformation Strategy and Deliver Framework was agreed at the Strategic Leadership Board. The framework set out a suite of enhancements in the form of programmes of work focused on delivering change and transformation that would ensure organisational readiness to deliver the ambitions of the large-scale change programmes such as Bus Reform, Mass Transit and Home Energy West Yorkshire over the coming years and aligned with our Integrated Settlement outcomes targets. The programmes are structured in four themes: Future Ways of Working, Digital Development and Enhancement, People and Culture Change, and Organisational Design. Workstreams within these themes will be mobilised to ensure the Corporate Centre is able to pivot to support delivery at pace.

As part of the Combined Authority's digital programme, a project of work is underway to implement and provide assurance against the Information Commissioner's Data Protection Accountability Framework in light of legislative changes in this area.

The Combined Authority's s.73 Officer works closely with the Assistant Chief Officer in West Yorkshire Police to retain an oversight of financial governance and the Combined Authority's s.73 Officer and Monitoring Officer are represented on Mayor's Quarterly Governance meeting with the Chief Constable.

5. Significant Governance Issues

This section considers any significant issues that have arisen during the year. This is by exception only.

Asset Management Approach

The planned asset condition survey as described in the prior year's update (24/25) has now been completed and an assessment of 49 individual property assets owned by the CA is now available in report format. Each asset has been reviewed on the basis of building fabric, mechanical and electrical condition, and a summary of costs estimated, in priority order, prepared. Costs for 2026/27 are within the approved budget envelope and future costs will be factored into future years financial planning.

This work will form the basis of an organisation-wide Corporate Asset Management Strategy and supporting Maintenance Strategy, both of which will be prepared for Q2 2026/7.

All Property/Asset Head of posts have been recruited to permanently in 2025/26 with two new posts being put in place (Head of Corporate Assets & Head of Facilities). Asset Management approach and plan over 2026/27 and 2027/28 has been developed which is going to SLB for review in Apr 2026.

On contracts, the Estate Management and Valuation Services contract has been awarded and work with the winning providing is underway, and the Security and Cleaning contract has been extended for two years to fully assess the requirements aligned to bus franchising implementation.

White Rose

Following the halting of construction of White Rose rail station and termination of the build contract in Spring 2024, extensive work has been undertaken to review the financial position of the project and consider options to complete delivery of the station. The matter was reported to the Combined Authority throughout 2025 and the legacy issues identified in regards ownership and resolution of build contract were concluded. Work to identify the full programme for project completion alongside costs and detailed timetable is due to commence in 2026.

Mass Transit Programme Reset

During the year, the Mass Transit Programme was subject to a formal reset in response to affordability, delivery and strategic risks. This process was informed by an independent NISTA Review, which identified the need to strengthen programme governance, clarify delivery approach and improve overall assurance.

In response, the Combined Authority undertook a comprehensive review of programme scope, phasing and funding assumptions. Governance and assurance arrangements have been enhanced, including clearer accountability, strengthened oversight, and more robust risk management and reporting to senior leadership and Members. The programme has been re-baselined to improve deliverability and financial sustainability, with a phased approach to progression. Work continues to implement NISTA recommendations and embed strengthened controls to ensure the programme is managed within an appropriate governance framework.

For noting only; Statement of Accounts 2024/25

The Authority's Financial Accounting Team performed a pre-audit proactive internal review of the draft Statement of Accounts for the period ending 31st March 2025, to identify any potential significant misstatements. A number of material misstatements were identified as a result of this work and have been rectified in the final statement of accounts. A revised improvement plan is being implemented for production of the 2025/26 statement of accounts.

Core Controls 2024/25

Whilst the Authority completed monthly bank reconciliations through 2024/25 it was identified, after the year-end, the reconciliations had not properly reconciled the bank balance to the Authority's general ledger core controls. This deficiency exposed the Authority to significant risk in relation to the proper operation of controls and assurance over its accounting records in the general ledger. To address this controls deficiency, the Authority.

- Has addressed the backlog of bank reconciliations that had not been properly completed in 2024/25.
- Is ensuring robust processes are in place for preparing and reviewing a monthly bank reconciliation.

- Is in the process of producing relevant system notes and is training relevant staff to ensure staff completing the bank reconciliations understand the process to be undertaken.

CIA Systems Implementation

The CiAnywhere management system was rolled out to deliver a single solution platform that delivers enhanced accessibility, security and more efficient ways of working across our organisation.

2025/26 saw the completion of the HR and Payroll modules, while 2026/27 is forecast to implement:

- Finance Reporting Module – linked to our project coding and resource accountability approach.
- Commercial Management Module – encompassing our centralised commercial register.

Acknowledging the risks associated with large systems and data led transformational projects similar to this, our programme of work is resourced and led by a dedicated Programme Manager and sponsored by the Assistant Director of People and Transformation. Progress, performance and risk is managed through our performance management regime. As with all new programmes, the implementation of the CiAnywhere system has highlighted gaps in workflow controls, closure processes and data assurance. These are being addressed through a structured improvement programme, which throughout 2025/26 has delivered improvements across:

- Financial modules
- Improvements to existing statutory financial reports
- Building of additional system generated reports (statutory and non-statutory), reducing manual intervention and strengthening statutory compliance
- System report building training: bringing skills in house to provide a sustainable model to amend and produce financial reports on an ongoing basis
- Financial module system configuration improvements that have automated key processes in relation to automatic payment processes and bank feeds and increased system control for period and year end.
- Reconfiguration of budgeting and forecasting functionality which supported a successful financial year end.
- Implementation of Construction Industry Scheme, further improving compliance and automatic reporting directly to HMRC.

Work is also underway separately to CiA to develop a time recording application that will be able to link with financial data from CiA to support better resource planning.

HR/Payroll

Throughout the year a HR and Payroll system health check was undertaken by the supplier that identified area for system process rationalistion and configuration improvement. This saw improvements to:

- System leave configuration improving employee experience and reducing manual workaround for Payroll
- Improvements to the Payroll configuration, further reducing identified manual workarounds
- Onboarding process- automating and improving the new starter experience
- Testing of new Payroll engine that will bring simplification to how contributions and pension scheme are managed, further reducing manual work by upgrading functionality to calculate complex calculations in system providing auditable and compliance processes.

Overarching system control

An Access Management Policy has been produced alongside improved processes to control access to the system across, defining the appropriate levels of accesses related to each role profile within the organisation and setting a clear processes for assigning the correct access swiftly for new starters or colleagues who move roles within the organisation.

Commercial Management module

UK 8 and UK 17 Payment Compliance reports have been identified and work is underway to develop automation of these reports within the current CiA configuration. Wider work in relation to a Commercial and Contract module to bring wider benefits is being led by the Commercial team who are testing the market to ensure we have the right contract management solution that support statutory reporting.

As a result work is planned to ensure compliance with the above UK notices within system, and wider contract management functionality is currently being scoped.

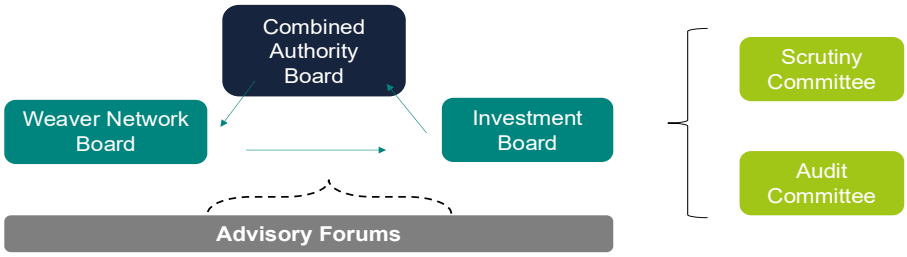
6. Governance Improvement Plan for 2025/26

Last year's assessment identified specific governance issues that required further attention. These matters are being actively managed through agreed improvement actions and the Combined Authority has been proactive to prioritise strengthening the governance systems and control. Action taken for the last AGS (24-25) and those identified for the period of 2025/2026 can be found in Appendix 1

It is also worth noting that a full Governance Review was undertaken during 2025/26 following recommendations of Scrutiny Committee. The new governance arrangements were approved by the Combined Authority in March 2026 and will be implemented at the Annual Meeting in June 2026. The new Governance structure is shown below and report found here;

https://westyorkshire.moderngov.co.uk/documents/s44106/Item%2016%20-%20Governance%20Review.pdf ;

Decision making boards



Conclusion

We consider the governance arrangements remain broadly effective and continue to support lawful decision-making, financial stewardship, risk management and delivery of strategic priorities across the organisation.

The governance framework has continued to mature during a period of significant organisational growth, increasing programme complexity and preparation for Integrated Settlement implementation.

During 2025/26 the governance framework was also subject to external readiness assessment activity linked to Integrated Settlement implementation. The published assessment recognised the Combined Authority's mature core governance structure,

clear strategic planning framework and largely established financial management arrangements.

The review of effectiveness undertaken for this AGS has identified areas where operational control arrangements and assurance processes require further strengthening and greater consistency of application. Improvement activity is already underway and will continue throughout 2026/27 under the oversight of the Governance & Audit Committee, statutory officers and senior leadership.

The governance reforms approved during 2025/26 represent a significant milestone in the continued evolution of the Combined Authority's governance arrangements and support the transition toward a leaner, strategically aligned and mature operating model appropriate to the Authority's expanding devolved responsibilities.

The Combined Authority remains committed to continuous improvement and strengthening governance maturity as devolved responsibilities continue to evolve.

Tracy Brabin

Mayor and Chair

Ben Still

Chief Executive

Appendix 1 - Governance Improvement Plan

Matters addressed for period 24/25

- To maintain and develop the support to the independent chair and the two independent members of the Governance & Audit Committee (all of whom bring substantial relevant experience to their roles) = **This was actioned. Pre briefings were implemented and there were closer working arrangements with scrutiny as part of understanding the statutory nature of the respective roles. This was actioned. Pre briefings were implemented and there were closer working arrangements with scrutiny as part of understanding the statutory nature of the respective roles.**

- That the Governance & Audit Committee will receive regular updates on outstanding internal audit recommendations = This was actioned with updates bought to meetings and these are now a standing item for 2026/27 municipal year also**. This was actioned with updates bought to meetings and these are now a standing item for 2026/27 municipal year also.**

- That the compliance dashboard and reporting considered by the Governance & Audit Committee, currently under revision, will enable clearer identification of compliance and governance issues, that the committee can more easily interrogate and challenge. This will be in place for the autumn cycle =This was launched and given content it was agreed they would be centrally held so Members could access this information instantly in between formal committees. **This was launched and given content it was agreed they would be centrally held so Members could access this information instantly in between formal committees.**

- That Officers will routinely attend Finance, Resources & Corporate and the Governance & Audit Committees to answer member challenge = **This was actioned. Reports from FRCC were presented to G&A with officers ready and available to present workplans and answer questions from Members. The relevant minutes evidencing officer attendance at FRCC and GAC. GAC were also able to request officer reports and attendance during the year which was facilitated e.g. attendance from the Director of Transport Services on outstanding IA actions in their area. Officers from P&T also attended to G&A for further questions on CiA and the DTSIE Programme of work.**

- That the Chair of Scrutiny attends all meetings of the Finance, Resources & Corporate and the Governance & Audit Committees = **This was actioned but under the new Governance arrangements, FRCC no longer exists however they will be invited to G&A committee as is the custom.**

- To ensure actions identified by senior leadership as part of the Directors Assurance Statement process are monitored = Monitoring **will take place via the internal officer Performance Board.**

- That a rolling programme of training will commence in the summer to support members of the Scrutiny, Finance, Resources & Corporate, and Governance & Audit Committees or such superseded governance arrangements that apply post Annual Meeting in June 2026. **This is being planned for 2026/27.**

- To materially reduce the number of overdue internal audit recommendations and publish quarterly progress updates to Governance & Audit Committee and thereby improve management responsiveness to internal audit through strengthened escalation routes and performance monitoring. **The number of overdue recommendations is trending downwards, there is no doubt that the strengthened monitoring and reporting both internally and to GAC has had a positive impact on this.**

- To publish the 2025/26 draft Statement of Accounts within statutory deadlines and free from material error. **This is ongoing and will be concluded by July 2026 GAC.**

- To strengthen financial controls relating to reconciliations, payroll, closure processes and system-generated postings. **This has been actioned through implementation of IA and External Audit actions as well as ongoing continuous improvement within the corporate finance team. To note that External Audit issues on reconciliation related to controls that had not been in place during 2024/25 but had since been actioned in Financial Year 2025/26 which was acknowledged in the auditor's report as a historic weakness that had already been rectified by the client team.**

- To progress and achieve Cyber Essentials and Cyber Essentials Plus accreditation **= Cyber Essentials has been achieved. Cyber Essentials Plus will be achieved by June 2026. Officers presented the Cyber Security strategy, action plan, KPIs and measures at a closed session with both G&A and Scrutiny members.**

Governance Improvement Plan 2026/27

This Governance Improvement Plan supports the Annual Governance Statement (AGS) 2025/26 and reflects the Combined Authority's continued organisational maturity, Integrated Settlement readiness, governance reform programme and transition toward a Strategic Authority operating model.

Theme	Governance Issue / Driver	Improvement Action	Expected Outcome	Lead Officer	Target Date	Success Measure
Governance Reform and Decision-Making	Implementation of revised governance arrangements approved in March 2026.	Implement revised committee structure, updated Terms of Reference and governance pathways aligned to Integrated Settlement and Strategic Authority readiness.	More streamlined, strategically aligned and transparent governance arrangements.	Monitoring Officer	Dec-26	New governance arrangements operational and reviewed after first cycle.
Governance Reform and Decision-Making	Need to strengthen alignment between decision-making, assurance and programme delivery.	Embed tri-executive governance model and review reporting pathways across committees and boards.	Improved clarity of accountability and reduced duplication in governance reporting.	Assistant Director Legal, Governance & Compliance	September 2026	Reduction in duplicate reporting and clearer escalation pathways.
Assurance and Internal Control Maturity	Need to strengthen consistency of operational control arrangements across the organisation.	Implement strengthened director assurance statement process and quarterly assurance escalation arrangements.	Improved organisational accountability and assurance visibility.	Director Finance & Commercial Services	Q2 2026/27	Quarterly assurance reporting embedded and reviewed by Governance & Audit Committee.
Assurance and Internal Control Maturity	Outstanding and overdue internal audit recommendations.	Introduce enhanced monitoring, escalation and reporting arrangements for overdue audit actions.	Reduction in overdue audit recommendations and improved control maturity.	Senior Leadership Team	March 2027	Reduction in overdue recommendations by agreed percentage.
Financial Governance and Integrated Settlement	Transition to Integrated Settlement and multi-year financial planning.	Implement Integrated Settlement reporting and assurance framework aligned to the CIPFA Financial Management Code.	Enhanced long-term financial governance and accountability.	Director Finance & Commercial Services	April 2026	Integrated Settlement reporting framework operational.
Financial Governance and Integrated Settlement	Need to strengthen integration between finance, performance and programme reporting.	Alignment of integrated financial and performance reporting dashboards for strategic programmes.	Improved strategic oversight and evidence-based decision-making.	Strategic Portfolio Office / Finance	Dec-26	Integrated reporting dashboards implemented.
Risk and Governance Capability	Need to continue embedding organisational risk maturity.	Implement RMS Development Plan and undertake Directorate risk maturity reviews.	More consistent and embedded risk management culture.	Risk & Compliance Manager	March 2027	Improved Directorate assurance and risk reporting.
Performance, Data and Intelligence	Readiness Check identified further opportunities around data maturity and integrated reporting.	Develop integrated outcomes and performance framework aligned to West Yorkshire Plan missions and Integrated Settlement outcomes.	Improved strategic performance monitoring and evaluation capability.	Strategy, Communications & Intelligence Directorate	December 2026	Integrated outcomes framework approved and implemented.
Performance, Data and Intelligence	Need to improve organisational visibility of programme delivery and outcomes.	Expand use of performance dashboards and automated governance reporting.	Enhanced transparency and management oversight.	Performance Board	March 2027	Improved timeliness and consistency of reporting.

Statement of Accounts

In line with Regulation 9(2) of the Accounts and Audit Regulations 2015, the Statement of Accounts was formally approved by the Authority's Governance and Audit Committee on, following consideration of the financial outturn and governance arrangements for the year ending 31st March 2026.

Debbie Simpson

Independent Chair

West Yorkshire Combined Authority Governance & Audit Committee

Date:

Statement of Responsibilities

The Combined Authority's Responsibilities

The Combined Authority is required:

- To make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In the Combined Authority, that officer was the Director of Finance and Commercial Services who is designated as Chief Financial Officer;
- To manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- To approve the Statement of Accounts.

The Chief Financial Officer's Responsibilities

The Chief Financial Officer is responsible for the preparation of the Combined Authority's Statement of Accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the UK ('the Code of Practice'), is required to present a true and fair view of the financial position of the Combined Authority at the accounting date and its income and expenditure for the period ended 31 March 2026.

In preparing this Statement of Accounts, I have selected suitable accounting policies and then applied them consistently, made judgements and estimates that were reasonable and prudent and complied with the Code of Practice.

I have also kept proper accounting records which were up to date and taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certification of the Accounts

I certify that the unaudited Statement of Accounts present a true and fair view of the financial position of the West Yorkshire Combined Authority at 31 March 2026 and its income and expenditure for the period ended 31 March 2026.

Signed: K L Taylor Dated: 30/06/2026

Kate Taylor

Director of Finance & Commercial Services (S73 Officer)

Financial Statements – West Yorkshire Combined Authority Single Entity & Group

Comprehensive Income and Expenditure Statement (CIES)

The Comprehensive Income and Expenditure Statement shows the accounting cost for the Combined Authority in the year of providing services under generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the expenditure and funding analysis and the Movement in Reserves Statement

The notes to the Single Entity Statements are disclosed within the Group Statements.

Comprehensive Income & Expenditure Statement

West Yorkshire Combined Authority Group

Comprehensive Income and Expenditure Statement
West Yorkshire Combined Authority Group

2024/25				2025/26		
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000		Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
340,908	(17,934)	322,975	Corporate Enabling Services	51,142	(16,758)	34,384
45,755	(40,783)	4,972	Strategy, Communications & Intelligence	8,827	(818)	8,009
7,870	(6,473)	1,398	Policing, Environment & Place	37,346	(7,200)	30,146
18,712	(16,806)	1,906	Transport Policy & Implementation	261,255	(8,576)	252,679
153,787	(62,804)	90,983	Transport Services	155,961	(63,562)	92,398
76,645	(74,349)	2,296	Inclusive Economy, Skills & Culture	121,002	(115,607)	5,394
7,252	(7,405)	(152)	Policing & Crime Team	5,463	(5,304)	160
650,930	**(226,553)**	**424,377**	**Total Costs of WYCA Continuing Services**	**640,996**	**(217,826)**	**423,170**
817,111	(256,264)	560,847	Crime and Policing Services	824,753	(284,145)	540,607
817,111	**(256,264)**	**560,847**	**Total Costs of Mayoral Police Fund Services**	**824,753**	**(284,145)**	**540,607**
1,468,041	**(482,817)**	**985,224**	**Total Costs of Services**	**1,465,748**	**(501,971)**	**963,777**
		157	Other Operating (Income) and Expenditure		***Note 9***	1,451
		175,071	Financing and Investment (Income) and Expenditure		***Note 10***	204,997
		(1,085,899)	Taxation and Non-Specific Grant (Income) and Expenditure		***Note 11***	(1,172,013)
		74,553	**(Surplus)/Deficit on Provision of Services**			**(1,788)**
		19,888	(Surplus)/Deficit on Revaluation of Property, Plant and Equipment			(896)
		(580,235)	(Surplus)/Deficit on Remeasurement of the Net Defined Benefit Liability/(Asset)			(35,383)
		434	(Surplus)/Deficit from Investments in Equity Instruments Designated at Fair Value through Other Comprehensive Income			445
		(559,913)	**Other Comprehensive (Income) and Expenditure**			**(35,834)**
		(485,360)	**Total Comprehensive (Income) and Expenditure**			**(37,622)**

West Yorkshire Combined Authority | Tracy Brabin Mayor of West Yorkshire

West Yorkshire Combined Authority Single Entity

Comprehensive Income and Expenditure Statement
West Yorkshire Combined Authority Single Entity

2024/25 Gross Expenditure £'000	2024/25 Gross Income £'000	2024/25 Net Expenditure £'000		2025/26 Gross Expenditure £'000	2025/26 Gross Income £'000	2025/26 Net Expenditure £'000
340,908	(17,934)	322,975	Corporate Enabling Services	51,142	(16,758)	34,384
45,755	(40,783)	4,972	Strategy, Communications & Intelligence	8,827	(818)	8,009
7,870	(6,473)	1,398	Policing, Environment & Place	37,346	(7,200)	30,146
18,712	(16,806)	1,906	Transport Policy & Implementation	261,255	(8,576)	252,679
155,121	(62,804)	92,317	Transport Services	155,961	(63,562)	92,398
76,645	(74,349)	2,296	Inclusive Economy, Skills & Culture	121,002	(115,607)	5,394
7,252	(7,405)	(152)	Policing & Crime Team	5,463	(5,304)	160
652,264	**(226,553)**	**425,711**	**Total Costs of WYCA Continuing Services**	**640,996**	**(217,826)**	**423,170**
7,316	(256,264)	(248,948)	Crime and Policing Services	7,842	(284,145)	(276,303)
901,776		901,776	Funding Provided by the Mayor to the Chief Constable to Fund Police and Crime Services	954,651		954,651
909,092	**(256,264)**	**652,828**	**Total Costs of Mayoral Police Fund Services**	**962,493**	**(284,145)**	**678,348**
1,561,356	**(482,817)**	**1,078,539**	**Total Costs of Services**	**1,603,489**	**(501,971)**	**1,101,518**
		157	Other Operating (Income) and Expenditure		***Note 9***	1,451
		(32,695)	Financing and Investment (Income) and Expenditure		***Note 10***	(16,529)
		(1,085,899)	Taxation and Non-Specific Grant (Income) and Expenditure		***Note 11***	(1,172,013)
		(39,898)	**(Surplus)/Deficit on Provision of Services**			**(85,573)**
		19,888	(Surplus)/Deficit on Revaluation of Property, Plant and Equipment			(896)
		10,941	(Surplus)/Deficit on Remeasurement of the Net Defined Benefit Liability/(Asset)			2,286
		434	(Surplus)/Deficit from Investments in Equity Instruments Designated at Fair Value through Other Comprehensive Income			445
		31,263	**Other Comprehensive (Income) and Expenditure**			**1,835**
		(8,635)	**Total Comprehensive (Income) and Expenditure**			**(83,738)**

Movement in Reserves Statement

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the authority, analysed into 'Usable Reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'Unusable Reserves'. The statement shows how the movements in year of the authority's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to taxation for the year. The net increase/decrease line shows the statutory General Fund balance movements in the year following those adjustments.

The usable and unusable reserves as at 31 March 2026 include those relating to the Police and Crime Commissioner for West Yorkshire which were transferred in to the Combined Authority as a consequence of the abolition of the Police and Crime Commissioner for West Yorkshire and transfer of their functions, assets and liabilities to the Mayor of West Yorkshire. The West Yorkshire Combined Authority Single Entity is the legal entity which is responsible for administering the Police Fund and executing the Mayor's decisions in her role as Police and Crime Commissioner.

West Yorkshire Combined Authority Group

Movement in Reserves Statement 2025/26
West Yorkshire Combined Authority Group

	Revenue Reserves				Capital Reserves				Totals		
	CA General Fund Reserve	Earmarked CA General Fund Reserves	Police Fund General Reserve	Earmarked Police Fund Reserves	Usable Capital Receipts Reserve CA	Capital Grants Unapplied CA	Usable Capital Receipts Reserve Police	Capital Grants Unapplied Police	Total Usable Reserves	Total Unusable Reserves	Total Group Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2025	**15,667**	**125,479**	**15,348**	**107,528**	**33,244**	**463,735**	**5,386**	**980**	**767,367**	**(3,638,899)**	**(2,871,531)**
Movement in Reserves During the Year									-	-	-
Surplus/(Deficit) on the Provision of Services	71,287		(69,499)						1,788	-	**1,788**
Other Comprehensive Income and (Expenditure)									-	35,834	**35,834**
Total Comprehensive Income and (Expenditure)	**71,287**	**-**	**(69,499)**	**-**	**-**	**-**	**-**	**-**	**1,788**	**35,834**	**37,622**
Adjustments between accounting basis & funding basis under regulations (Note 7)	(54,574)		78,574		(8,624)	52,804	(282)	191	68,089	(68,089)	-
Net Increase/(Decrease) before Transfers to Earmarked Reserves	**16,713**	**-**	**9,075**	**-**	**(8,624)**	**52,804**	**(282)**	**191**	**69,877**	**(32,255)**	**37,622**
Transfers (to)/from Earmarked Reserves (Note 8)	(15,363)	15,363	(8,775)	8,775					-	-	-
Increase/Decrease in Year	**1,350**	**15,363**	**300**	**8,775**	**(8,624)**	**52,804**	**(282)**	**191**	**69,877**	**(32,255)**	**37,622**
Balance at 31 March 2026	**17,017**	**140,842**	**15,648**	**116,303**	**24,620**	**516,540**	**5,104**	**1,171**	**837,244**	**(3,671,154)**	**(2,833,909)**

Movement in Reserves Statement 2024/25
West Yorkshire Combined Authority Group

	Revenue Reserves				Capital Reserves				Totals		
	CA General Fund Reserve	Earmarked CA General Fund Reserves	Police Fund General Reserve	Earmarked Police Fund Reserves	Usable Capital Receipts Reserve CA	Capital Grants Unapplied CA	Usable Capital Receipts Reserve Police	Capital Grants Unapplied Police	Total Usable Reserves	Total Unusable Reserves	Total Group Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2024	**38,992**	**112,462**	**14,549**	**108,101**	**29,415**	**470,900**	**6,579**	**980**	**781,978**	**(4,133,245)**	**(3,351,267)**
Movement in Reserves During the Year										-	
Surplus/(Deficit) on the Provision of Services	12,133	-	(92,311)	-	-	-	-	-	(80,178)	-	**(80,178)**
Other Comprehensive Income and (Expenditure)	-	-	-	-	-	-	-	-	-	559,914	**559,914**
Total Comprehensive Income and (Expenditure)	**12,133**	**-**	**(92,311)**	**-**	**-**	**-**	**-**	**-**	**(80,178)**	**559,914**	**479,736**
Adjustments between accounting basis & funding basis under regulations (Note 7)	(22,442)	-	92,537	-	3,829	(7,165)	(1,193)	-	65,566	(65,566)	**-**
Net Increase/(Decrease) before Transfers to Earmarked Reserves	**(10,309)**	**-**	**226**	**-**	**3,829**	**(7,165)**	**(1,193)**	**-**	**(14,612)**	**494,348**	**479,736**
Transfers (to)/from Earmarked Reserves (Note 8)	(13,016)	13,016	573	(573)	-	-	-	-	-	-	**-**
Increase/Decrease in Year	**(23,325)**	**13,016**	**799**	**(573)**	**3,829**	**(7,165)**	**(1,193)**	**-**	**(14,612)**	**494,348**	**479,736**
Balance at 31 March 2025	**15,667**	**125,478**	**15,348**	**107,528**	**33,244**	**463,735**	**5,386**	**980**	**767,366**	**(3,638,897)**	**(2,871,531)**

West Yorkshire Combined Authority Single Entity

Movement in Reserves Statement 2025/26
West Yorkshire Combined Authority Single Entity

	Revenue Reserves				Capital Reserves				Totals		
	CA General Fund Reserve	Earmarked CA General Fund Reserves	Police Fund General Reserve	Earmarked Police Fund Reserves	Usable Capital Receipts Reserve CA	Capital Grants Unapplied CA	Usable Capital Receipts Reserve Police	Capital Grants Unapplied Police	Total Usable Reserves	Total Unusable Reserves	Total Group Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2025	**15,667**	**125,479**	**15,348**	**107,528**	**33,244**	**463,735**	**5,386**	**980**	**767,367**	**236,250**	**1,003,618**
Movement in Reserves During the Year									-	-	-
Surplus/(Deficit) on the Provision of Services	71,287		14,286						85,573	-	**85,573**
Other Comprehensive Income and (Expenditure)									-	(1,835)	**(1,835)**
Total Comprehensive Income and (Expenditure)	**71,287**	**-**	**14,286**	**-**	**-**	**-**	**-**	**-**	**85,573**	**(1,835)**	**83,738**
Adjustments between accounting basis & funding basis under regulations (Note 7)	(54,574)		(5,211)		(8,624)	52,804	(282)	191	(15,696)	15,696	-
Net Increase/(Decrease) before Transfers to Earmarked Reserves	**16,713**	**-**	**9,075**	**-**	**(8,624)**	**52,804**	**(282)**	**191**	**69,877**	**13,861**	**83,738**
Transfers (to)/from Earmarked Reserves (Note 8)	(15,363)	15,363	(8,775)	8,775					-	-	-
Increase/Decrease in Year	**1,350**	**15,363**	**300**	**8,775**	**(8,624)**	**52,804**	**(282)**	**191**	**69,877**	**13,861**	**83,738**
Balance at 31 March 2026	**17,017**	**140,842**	**15,648**	**116,303**	**24,620**	**516,540**	**5,104**	**1,171**	**837,244**	**250,111**	**1,087,356**

Movement in Reserves Statement 2024/25
West Yorkshire Combined Authority Single Entity

	Revenue Reserves				Capital Reserves				Totals		
	CA General Fund Reserve	Earmarked CA General Fund Reserves	Police Fund General Reserve	Earmarked Police Fund Reserves	Usable Capital Receipts Reserve CA	Capital Grants Unapplied CA	Usable Capital Receipts Reserve Police	Capital Grants Unapplied Police	Total Usable Reserves	Total Unusable Reserves	Total Group Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2024	**38,992**	**112,462**	**14,549**	**108,101**	**29,415**	**470,900**	**6,579**	**980**	**781,978**	**217,295**	**999,273**
Movement in Reserves During the Year											
Surplus/(Deficit) on the Provision of Services	12,133	-	23,475	-	-	-	-	-	35,608	-	**35,608**
Other Comprehensive Income and (Expenditure)	-	-	-	-	-	-	-	-	-	(31,263)	**(31,263)**
Total Comprehensive Income and (Expenditure)	**12,133**	**-**	**23,475**	**-**	**-**	**-**	**-**	**-**	**35,608**	**(31,263)**	**4,345**
Adjustments between accounting basis & funding basis under regulations (Note 7)	(22,442)	-	(23,249)	-	3,829	(7,165)	(1,193)	-	(50,220)	50,220	**-**
Net Increase/(Decrease) before Transfers to Earmarked Reserves	**(10,309)**	**-**	**226**	**-**	**3,829**	**(7,165)**	**(1,193)**	**-**	**(14,612)**	**18,957**	**4,345**
Transfers (to)/from Earmarked Reserves (Note 8)	(13,016)	13,016	573	(573)	-	-	-	-	-	-	**-**
Increase/Decrease in Year	**(23,325)**	**13,016**	**799**	**(573)**	**3,829**	**(7,165)**	**(1,193)**	**-**	**(14,612)**	**18,957**	**4,345**
Balance at 31 March 2025	**15,667**	**125,478**	**15,348**	**107,528**	**33,244**	**463,735**	**5,386**	**980**	**767,366**	**236,252**	**1,003,618**

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority.

Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the capital receipts reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the revaluation reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line ‘adjustments between accounting basis and funding basis under regulations.

Under the legislative framework and local arrangements, the Combined Authority under sole instruction from the Mayor, is responsible for the finances of the Mayoral Police Fund including assets, liabilities and reserves, other than liabilities relating to staff within the employment of the Chief Constable.

The Combined Authority has responsibility for entering into contracts under which the Chief Constable’s officers and staff operate. The Combined Authority receives all income and funding and makes all the payments for the policing activity from the Mayoral Police Fund.

The Combined Authority also has a statutory responsibility for Treasury Management, and the management of cash and cash equivalents.

West Yorkshire Combined Authority Group & Single Entity

WYCA Single Entity	WYCA Group			WYCA Single Entity	WYCA Group
31 March 2025 £'000	31 March 2025 £'000		Notes	31 March 2026 £'000	31 March 2026 £'000
		Long Term Assets			
696,502	696,502	Property, Plant & Equipment	13	713,626	713,626
4,528	4,528	Intangible Assets	16	9,527	9,527
-	-	Investment Properties	15	4,900	4,900
5,904	5,904	Long Term Investments	17	6,348	6,348
13,388	13,388	Long Term Debtor	19	13,372	13,372
219,178	219,178	Asset related to Defined Benefit Pension Scheme		219,178	219,178
939,501	**939,501**	**Total Long Term Assets**		**966,951**	**966,951**
		Current Assets			
692,823	692,823	Short Term Investments	17	662,530	662,530
-	-	Assets Held for Sale	14	9,647	9,647
1,071	1,071	Inventories	18	895	895
157,384	157,384	Short Term Debtors	19	206,362	206,362
85,573	85,573	Cash and Cash Equivalents	20	70,881	70,881
936,851	**936,851**	**Total Current Assets**		**950,316**	**950,316**
		Current Liabilities			
(23,807)	(23,807)	Short Term Borrowing	17	(15,936)	(15,936)
(266,074)	(286,220)	Short Term Creditors	21	(247,937)	(262,750)
(4,738)	(4,738)	Provisions	22	(3,280)	(3,280)
(11,817)	(11,817)	Capital Grants Received In Advance	21	(3,141)	(3,141)
(84,291)	(84,291)	Deferred Income	21	(86,883)	(86,883)
(4,292)	(4,292)	Short Term PFI Finance Lease Liability	34/35	(4,849)	(4,849)
(395,019)	**(415,165)**	**Total Current Liabilities**		**(362,027)**	**(376,840)**
		Long Term Liabilities			
(7,574)	(7,574)	Long Term Provisions	22	(7,933)	(7,933)
(146,497)	(146,497)	Long Term Borrowing	17	(141,485)	(141,485)
(100,015)	(100,015)	Long Term PFI Finance Lease Liability	34/35	(95,287)	(95,287)
(223,631)	(4,078,634)	Liability related to Defined Benefit Pension Schem	36	(223,182)	(4,129,634)
(477,716)	**(4,332,719)**	**Total Long Term Liabilities**		**(467,887)**	**(4,374,339)**
1,003,616	**(2,871,533)**	**Net Assets**		**1,087,353**	**(2,833,912)**
767,369	767,369	Usable Reserves	23	837,240	837,240
236,247	(3,638,902)	Unusable Reserves	24	250,112	(3,671,153)
1,003,616	**(2,871,533)**	**Total Reserves**		**1,087,353**	**(2,833,912)**

Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Combined Authority Group during the reporting period. The statement shows how the Group generates and uses cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from the operating activities is a key indicator of the extent to which the operations of the Combined Authority and Combined Authority Group are funded by way of precepts, levies, contributions and grant income. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Combined Authority and Combined Authority Group.

West Yorkshire Combined Authority Group & Single Entity

WYCA Single 31 March 2025 £'000	WYCA Group 31 March 2025 £'000	Cash Flow Statement	WYCA Single 31 March 2026 £'000	WYCA Group 31 March 2026 £'000
39,898	(74,553)	Net surplus or (deficit) on the provision of services	85,573	1,788
93,888	209,673	Adjustments to net surplus or deficit on the provision of services for non cash movements (Note 25)	(11,786)	72,000
(33,135)	(34,469)	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities (Note 25)	(46,039)	(46,039)
100,651	**100,651**	**Net cash flows from operating activities**	**27,749**	**27,749**
(119,006)	(119,006)	Investing activities (Note 26)	(8,236)	(8,236)
8,554	8,554	Financing activities (Note 27)	(34,204)	(34,204)
(9,801)	**(9,801)**	**Net increase or decrease in cash and cash equivalents**	**(14,691)**	**(14,691)**
95,375	95,375	Cash and cash equivalents at the beginning of the reporting period	85,573	85,573
85,574	**85,574**	**Cash and cash equivalents at the end of the reporting period (Note 20)**	**70,881**	**70,881**

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1. ACCOUNTING POLICIES & CONCEPTS

i. General Principle and Accounting Concepts

The Statement of Accounts summarises the Combined Authority and the Combined Authority Group's transactions and its position for the year end of 31 March 2026. The Combined Authority and Combined Authority Group are required to prepare annual Statement of Accounts by the Accounts and Audit (England) Regulations 2015, following the appropriate accounting standards as required by the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (the Code). The Code constitutes a "proper accounting practice" under the terms of section 21(2) of the Local Government Act 2003. The Code is based on approved accounting standards, supported by International Financial Reporting Standards (IFRS).

a. Convention

These financial statements have been prepared on a going concern basis, under the historical cost convention modified to account for the revaluation of certain categories of non-current assets and financial instruments.

b. Going Concern

The accounts are prepared on the basis that the organisation will continue in existence for the foreseeable future. This is a requirement of the Code, which reflects the fact that since the management of a statutory local authority does not have the power to cease operations and wind up the entity, a statutory local authority will always be a going concern as defined by IAS 1 (Presentation of Financial Statements).

c. Accruals

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

d. The West Yorkshire Combined Authority Group

The Combined Authority is required to produce group accounts where it has interests in subsidiaries, associates and/or joint ventures unless interest is considered not material. The group boundary is dependent upon the extent of the Authority's control or significant influence over the entity, which is based on the requirements of IFRS 10, IFRS 11 and IAS 28.

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

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

The functions of the Police and Crime Commissioner (PCC), in West Yorkshire, were transferred by Parliamentary Order (The West Yorkshire Combined Authority (Election of Mayor and Functions) order 2021), to the Elected Mayor of West Yorkshire with effect from 10 May 2021. The transfer of the PCC functions to the Elected Mayor mean that all staff, properties, rights and liabilities transferred to the West Yorkshire Combined Authority (WYCA).

The identification of PCC, the Mayor of WYCA, as the holding organisation and the requirement to produce group accounts stems from the powers and responsibilities given to her under the Police Reform and Social Responsibility Act 2011.

As such, in 2025/26 the group accounts have been prepared for the Combined Authority to include the Chief Constable for West Yorkshire Police. Both bodies are required to prepare a separate Statement of Accounts. Within this report there are two sets of financial statements, representing the accounts of:

- The West Yorkshire Combined Authority (the parent).
- The West Yorkshire Combined Authority and Chief Constable for West Yorkshire Police group.

The financial statements cover West Yorkshire Combined Authority Single Entity:

- WYCA - from 1st April 2025 to 31st March 2026.
- The Mayoral Crime and Policing function – 1st April 2025 to 31st March 2026.

West Yorkshire Combined Authority Group accounts cover:

- WYCA - from 1st April 2025 to 31st March 2026.
- The Mayoral Crime and Policing function – from 1st April 2025 to 31st March 2026.
- The Chief Constable for West Yorkshire Police – from 1st April 2025 to 31st March 2026.

The term **'The Group'** is used to indicate the aggregated transactions and policies of the West Yorkshire Combined Authority (WYCA) and West Yorkshire Police (WYP).

ii. Accounting Principles

a. Balance Sheet

Statutory and local arrangements and practice determine that WYCA holds and maintains direct control of all the assets, liabilities and reserves at the balance sheet date. Therefore, all assets, liabilities and reserves are disclosed on WYCA's Balance Sheet except special arrangements in relation to the employee related liabilities (pension and accumulated absences) which are under the direction and control of the Chief Constable for WYP, which, in line with CIPFA guidance, are shown in the WYP's balance sheet although ultimate responsibility for the liability remains with the Combined Authority Group.

All payments for the Group are made by WYCA from the Police Fund and all income and funding is received by WYCA, who also has the responsibility for managing the financial relationships with third parties and has legal responsibility for discharging the contractual terms and conditions of suppliers. In addition, WYCA also has a statutory responsibility for Treasury Management, and the management of cash and cash equivalents. As a result, working capital balances are shown on the balance sheet of the WYCA.

b. Comprehensive Income and Expenditure Statement (CIES)

Under the Police Reform and Social Responsibility Act 2011, the Chief Constable is responsible for the day-to-day provision of the policing functions, including direction and control of police officers. To facilitate this, the Mayor has delegated certain powers over authorisation of revenue expenditure within the agreed budget.

Based on the statutory powers and responsibilities as designated by the Act, and the local agreements and practice in place, and taking account of the guidance included in the Code, it has been determined that expenditure related to the Cost of Police Services will be shown in the Chief Constable's comprehensive income and expenditure statement, funded by an equal and opposite credit from WYCA's Police Fund. All income and funding and expenditure directly controlled by the Mayor (which is largely that expenditure which occurs below Cost of Police Services in the Group CIES) will be shown in WYCA Single Entity CIES.

The Group CIES shows the consolidated income, funding, and expenditure of the whole Group.

c. Reserves

Specific amounts are set aside as reserves for future policy purposes or to cover contingencies. The Combined Authority General Fund Balance and Mayoral Police fund Reserve are accounted for separately for such purposes. Reserves are created by appropriating amounts from the General Fund or Police Fund in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred it is charged to revenue as part of the Cost of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the Movement in Reserves Statement, so that there is no net charge against transport levy or council tax for the expenditure. Certain reserves are kept to manage the accounting processes for tangible fixed assets and retirement benefits and do not represent usable resources – these reserves are explained elsewhere in the relevant Accounting Policies and notes to the financial statements.

d. Changes in accounting policies and prior period adjustments

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 authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

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.

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

e. Accounting Estimates and Judgements

In the application of the accounting policies, the Combined Authority has had to make certain judgements, estimates and assumptions about complex in year transactions or those involving uncertainty about future events, which may affect the reported amounts of assets, liabilities, income and expenses. These are based on historical experience and any other factors, including expectations of future events, that are considered appropriate and consistent. Subsequent actual results may however differ from these estimates and judgements. Where the effect of a change to an estimation technique is material, a description of the change and, if practical, the effect on the current period result is disclosed. Areas where assumptions, estimates and judgements may give rise to adjustments to the carrying values of assets and liabilities in the financial year are as follows:

- Property revaluation: The Combined Authority carries its non-infrastructure land and buildings at fair value. Revaluation exercise is at a minimum every five years cycle in accordance with the Practice statements in the Appraisal and Valuation Standards issued by the Royal Institution of Chartered Surveyors. Such valuations and any attached estimates are subject to professional judgement.

- Any material changes to asset valuations are adjusted in the interim period as they occur. Increases in valuation are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement to reverse any previous charges made for related impairment losses.

- Pension liabilities: the cost of defined benefit pension plans is determined using an independent actuarial valuation, involving the use of assumptions about discount rates, returns on assets, future salary increases, mortality rates, inflation and future pension increases. Such assumptions are reviewed at each period end, and determined jointly between the pension fund management and the actuaries in forming judgements in respect of the performance of the underlying assets which the LGPS pension scheme invests in (it should be noted that the Police Officer Pension Scheme does not hold any assets).

- Insurance Provision: The Combined Authority's former insurer's MMI ceased trading in 1992 where there was a Scheme of Arrangement in case of insolvency involving a claw back of claims paid. It is difficult to predict the outcome of claims until they are actually settled, however estimates are made subject to professional judgement and historical trend.

f. **Accrual of expenditure and income**

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

- Employee costs are charged to the accounts of the period within which the employees worked. Accruals have been made for wages earned but unpaid at the year-end.

- Interest payable on external borrowings and interest receivable on investments is accounted for respectively as expenditure and income on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.

- Expenditure on supplies and services is accrued and accounted for in the period during which they are consumed or received. Accruals have been made for all material sums unpaid at the year-end for goods or services received or work completed.

- Revenue from contracts is recognised when the Combined Authority and the Group satisfies a performance obligation under a contract, at the transaction price relating to that performance obligation. This means that revenue from the sale of goods is recognised when the purchaser obtains control of the goods from the Combined Authority and the Group. Revenue from on-going services provided over time is recognised over time by measuring the progress towards complete satisfaction of a performance obligation, to the extent that the Combined Authority and the Group can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Combined Authority and the Group.

- Revenue is recognised when the performance obligation is satisfied and the customer obtains control of that good.

- Revenue from the provision of services is recognised when the Combined Authority and the Group can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Combined Authority and the Group.

- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debtors, which are not financial instruments, the carrying amount has been adjusted by an impairment provision for doubtful debts, which should be provided for, and known uncollectable debts have been written off in full. For financial instrument debtors, the carrying amount is adjusted by an allowance for expected credit losses.

g. <u>Employee Benefits and Pension Costs</u>

i. The Combined Authority and the Group account for employee benefits in accordance with the requirement of IAS19. Accrual for short term employee benefits are those due to be settled within twelve months of the year end. This may include wages and salaries, paid annual leave and paid sick leave and non-monetary benefits for current employees and are recognised as an expensed for services in the year. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year end.

ii. <u>Pension Costs</u>

The Combined Authority Group participates in four pension schemes administered by:

- The West Yorkshire Pension Fund for Officers and Police Staff Pensions, and
    - XPS for Police Officer Pensions.

iii. The Local Government Pension Scheme

The Local Government Pension Scheme (LGPS) is accounted for as a defined benefits scheme. Both employer and employees pay pension contributions based on a percentage of pensionable pay into the scheme.

Contributions made to the fund for both current and past services are charged to the revenue account as they are paid. Contribution levels are determined by the Fund. The Fund is a statutorily established pension fund and the benefits are paid under the provisions of the Local Government Pension Scheme Regulations 2014.

The Combined Authority has a continuing responsibility for payments to the Fund in respect of all staff who were transferred to Yorkshire Rider Limited (now First West Yorkshire) because of the Transport Act 1985. The annual cost of this responsibility is to be charged to the revenue account.

The liabilities of the pension fund attributable to the Combined Authority are included in the Balance Sheet on an actuarial basis using the projected unit method, i.e., an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employees turnover rates, etc., and estimates of projected earnings for current employees. As unfunded schemes, the police pension schemes have no assets.

The assets of the pension fund attributable to the Combined Authority are included in the Balance Sheet at their fair value. The change in the net pension's liability is analysed into seven components:

Service costs:

Current service costs - the increase in liabilities as a result of years of service earned this year - allocated in the Comprehensive Income and Expenditure Statement to the services for which the employee worked;

Past service cost - the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years - debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of the service costs;

Net interest expense on the defined benefit obligation - the interest on the present value of liabilities and interest on the net changes in those liabilities during the year calculated using the discount rate at the start of the period debited to the Pensions interest expense/income on the net liability in the Comprehensive Income and Expenditure Statement.

Remeasurements:

Interest income on assets - the interest income applied to the asset and net changes in the asset during the year - credited to the Pensions interest expense/income on the net liability in the Comprehensive Income and Expenditure Statement;

Actuarial gains or losses on settlements and curtailments - the result of actions to relieve the Combined Authority of liabilities or events that reduce the expected future service or accrual of benefits of employees - debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of the service costs;

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 to the Pensions Reserve; and

Contributions paid to the pension fund - cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to the retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Combined Authority to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable that are unpaid at the year-end. The balance that arises on the Pensions Reserve thereby measures the adverse impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

iv. Police Officer Pension Schemes

There are three Pension Schemes for Police Officers:

- The 1987 Police Pension Scheme for Police Officers (PPS). This scheme was closed to new recruits from April 2006 when a new scheme was introduced with different contribution rates.
- The 2006 New Police Pension Scheme for Police Officers (NPPS). The 2006 scheme was closed to new recruits from April 2015 when a new scheme was introduced.
- The 2015 Police Pension Scheme for Police Officers.

All three Police Officer Pension Schemes are unfunded schemes meaning that there are no investment assets built up to meet the pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. Following funding changes introduced on 1 April 2006 the Combined Authority Group pays an employer's pension contribution into the Pension Fund Account in respect of all the three schemes above.

h. Leases

The Combined Authority has adopted IFRS16 (Leases) with effect from 1 April 2024. The adoption of the new standard resulted in the balance sheet recognition of a right-of-use asset and related lease liability in relation to all former operating leases. The Combined Authority has elected to apply recognition exemptions to low value assets (below £10,000 when new) and to short-term leases i.e. existing leases that expire on or before 31 March 2026, and new leases with a duration of less than 12 months. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. Investments

Investments are shown on the Balance Sheet at amortised cost less provision, where appropriate, for loss in value. Investment income is credited to the revenue account when it falls due.

j. Provisions

A provision is recognised in the Balance Sheet when the Combined Authority and the Group:

(i) Has a present legal or constructive obligation as a result of a past event

(ii) It is probable that an outflow of economic benefits will be required to settle the obligation

- A reliable estimate can be made of the amount of the obligation

Provisions are charges as an expense to the appropriate service line in the revenue account and are included in either long term or short-term liabilities on the Balance Sheet as appropriate. When expenditure is incurred to which the provision relates, it is charged directly to the provision.

Where a material contingent loss cannot be accurately estimated or an event is not considered sufficiently certain, or where a material contingent gain

is identified it is not accrued for within the accounting statements, these are disclosed in the explanatory notes.

k. Revenue Expenditure Funded from Capital under Statute

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

l. Government Grants and Contributions

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

1. The Combined Authority and the Group will comply with the conditions attached to the payments; and
2. The grants or contributions will be received.

Amounts recognised as due to the Combined Authority and the Group are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as deferred income. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or General government grants (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Grants to fund capital expenditure from government and other bodies are credited to the Comprehensive Income and Expenditure Statement (CIES) where the grant conditions have been met. In order to recognise that the capital grants are provided to finance capital expenditure, the grants are subsequently transferred from the General Fund or Police Fund to the Capital Adjustment Account. If expenditure has not been incurred at the balance sheet date the grant is transferred to the Capital Grants Unapplied Account.

The Comprehensive Income and Expenditure Statement will recognise capital grants to the extent that they offset capital expenditure charged directly to revenue.

m. Recognition of capital expenditure (de-minimis policy)

In accordance with International Accounting Standard 16 (IAS 16), the Combined Authority recognises non-current assets as:

3. Assets where it is expected that future economic benefit will flow to the Combined Authority.
4. Assets where the cost can be measured reliably and expected to be used for more than one financial period.

The de-minimis for recognition of capital expenditure is set at £10,000 (exclusive of VAT).

Expenditure below this level is deemed to be non-enhancing (unless funded by a capital grant) and is therefore charged to revenue as it is incurred. This includes initial recognition of assets and subsequent asset expenditure. Any expenditure above £10,000 will be treated as capital expenditure as the amount is significant enough to increase the useful life of an asset.

n. Property, Plant and Equipment

Tangible fixed assets are assets that have physical substance and are held for use in the provision of services, for rental to others or for administrative purposes that are expected to be used for more than one financial year.

i. Recognition of assets

All expenditure on the acquisition, construction or enhancement of property, plant and equipment, as defined by the Code is capitalised on an accrual basis, providing the asset brings benefit to the Combined Authority for a period of more than one year. This includes both economic benefit and benefits derived from service potential.

ii. Measurement

Assets are initially measured at cost, comprising the purchase price, any expenditure that is directly attributable to bringing the asset into working condition for its intended use. Assets are then carried in the Balance Sheet at current value. If there is no market-based evidence of current value, it is estimated using a depreciated replacement cost approach.

Land and buildings are re-valued at a minimum every five years in accordance with the Practice statements in the Appraisal and Valuation Standards issued by the Royal Institution of Chartered Surveyors and supported by indexation in intervening years. Any material changes to asset valuations are adjusted in the interim period as they occur. Increases in valuation are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement to reverse any previous charges made for related impairment losses.

Infrastructure Assets are measured at depreciated historical cost, net of accumulated impairment losses. Cost includes professional fees and for assets constructed by the Combined Authority, any related works to the extent that these are directly attributable to the acquisition or construction of the asset.

Vehicles, plant and equipment are held at historic cost less depreciation.

Capital spend on land and property assets is included in the carrying value of an asset until such time as it is revalued. Where material capital spend has occurred on an asset, a revaluation is carried out in the year in which work is completed. Where construction or major enhancement work to an asset spans more than one year, any financing costs incurred during the construction period are included in the capital cost of the acquisition or enhancement.

At revaluation, any gains are credited to the revaluation reserve. Any revaluation losses are firstly written down against any previous revaluation gains or where there are no previous revaluation gains, such losses are charged to the Comprehensive Income and Expenditure Account in accordance with the Accounting Code of Practice. Where revaluation losses which have been charged to the income and expenditure account are reversed by subsequent events, the reversing revaluation gains are credited to the Comprehensive Income and Expenditure Statement.

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

iii. Impairment

Assets are assessed at each year-end as to whether there are indications that an asset may be impaired. Where reliable indications exist and differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified on a re-valued asset, the loss shall be recognised in the Revaluation Reserve to the extent that the impairment does not exceed the amount in the Revaluation Reserve for the same asset (i.e., up to the historical cost of the asset) and thereafter in the Surplus or Deficit on the Provision of Services.

Where an impairment loss is charged to the Comprehensive Income and Expenditure Statement but there were accumulated revaluation gains in the Revaluation Reserve for that asset, an amount up to the value of the loss is transferred from the Revaluation Reserve to the Capital Adjustment Account.

iv. Depreciation

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

Depreciation is calculated on the following bases:

- Infrastructure assets – straight-line allocation over the useful life of the assets as estimated by the Combined Authority.
- Buildings – straight-line allocation over the useful life of the property as estimated by a suitably qualified officer.
- Vehicles, plant and equipment – straight-line allocation over the useful life of the asset as advised by a suitably qualified officer.

Freehold land, either at cost or valuation, is not depreciated. Management regularly considers whether there are any indications of impairment to carrying values of property, plant and equipment. The values of each category of assets and material individual assets are reviewed at the end of each financial year for evidence of reductions in value.

v. Asset Disposal

When an asset is disposed of or decommissioned, the gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement. Receipts from disposals are credited to the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Any revaluation gains in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Sale proceeds in excess of £10,000 are categorised as Capital Receipts and are treated in accordance with the provisions of the Local Government Act 2003. Receipts are reversed out of the General Fund and credited to the Capital Receipts Reserve through the Movement in Reserves Statement, and can then only be used for new capital investment or set aside to reduce the CA's underlying need to borrow (the Capital Financing Requirement). On application to capital expenditure from the Capital Receipts Reserve, the value of the asset is then transferred to the Capital Adjustment Account via the Movement in Reserves Statement. Sale proceeds of £10,000 and below are not credited to the Capital Receipts Reserve.

1. Assets under construction

Expenditure for capital assets or schemes not yet completed are held as Assets Under Construction. The assets are transferred to the appropriate category and are subject to depreciation when they become available for use. The Combined Authority writes out directly attributable costs on capital schemes where no tangible asset exists to reflect a true and fair view of the asset base.

2. Discontinued Operations and Non-current Assets Held for Sale

   Discontinued operations and non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell. Discontinued operations and current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This is the case when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and the sale is considered to be highly probable. A sale is considered to be highly probable if the appropriate level of management is committed to a plan to sell the asset and an active programme to locate a buyer and complete the plan has been initiated.

3. Donated Assets

   Donated assets are assets that have been transferred to the Combined Authority at nil value or acquired at less than fair value. Donated assets are initially recognised at fair value at the date of acquisition. After initial recognition the donated assets will be revalued and depreciated in accordance with the Combined Authority's revaluation and depreciation policy.

   Where conditions apply and are not yet met, the difference between the asset consideration and the fair value are held in the Donated Asset Account until such time as conditions are met. The balance held in the Donated Asset Account is then released to the Comprehensive Income and Expenditure Statement and reversed out of the General Fund via the Movement in Reserves Statement and transferred to the Capital Adjustment Account.

4. Intangible Fixed Assets

   Intangible Assets are identifiable non-monetary assets without physical substance. They must be controlled by the Combined Authority and the Group as a result of past events (e.g. software licences), and future economic or service benefits must be expected to flow from the intangible asset to the Combined Authority and the Group.

   Expenditure on intangible assets is capitalised when it brings benefits to the Group for more than one financial year.

   Internally generated assets are only recognised once it can be demonstrated that:

- The technical feasibility of completing the asset so it is available for sale;
- An intention to complete the asset;
- The ability to use or sell the asset;
- How the asset generates probable future economic benefit or service potential;
- The availability of adequate resources to complete the asset; and
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Intangible assets are measured initially at cost. Amounts are only revalued where the current value of the assets held can be determined by reference to an active market. In practice, no intangible asset held by the Group meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account.

5. Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the financing and investment income line and result in a gain for the General Fund balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund balance. The gains and losses are therefore reversed out of the General Fund balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the capital receipts.

6. Private Finance Initiatives (PFI) and Similar Contracts

PFI and similar contracts are agreements to receive the services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. The Combined Authority is deemed to control the services that are provided under PFI schemes, and ownership of the property, plant and equipment will pass to the CA at the end of the contract for no additional charge. The CA carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment.

The original recognition of these assets at fair value (based on the cost to purchase the property, plant and equipment), was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment.

Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Combined Authority.

The amounts payable to the PFI operators each year are analysed into five elements:

(i) Fair Value of the services received during the year: this is debited to the relevant service in the Comprehensive Income and Expenditure Statement

(ii) Finance Cost: an interest charge of 7.2% on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement

(iii) Contingent Rent: increases in the amount to be paid for the property arising during the contract, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement

(iv) Payment towards liability: applied to write down the Balance Sheet liability towards the PFI operator (the profile of write downs is calculated using the same principles as for a finance lease).

(v) Lifecycle replacement costs: The proportion of the amounts payable is posted to the Balance Sheet as a prepayment and then recognised as additions to Property, Plant and Equipment when the relevant works are eventually carried out.

7. Fair value measurement of non-financial assets

The Combined Authority and the Group's accounting policy for fair value measurement of financial assets is set out in section 17c**.** The CA and the Group also measures some of its non-financial assets such as surplus assets, investment properties and financial instruments at fair value at each reporting date. This is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measured date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market of asset or liability, or

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

Measurement of fair value is on the basis that a market participant's ability to generate economic benefits by using the asset in its highest and best use.

Appropriate valuation techniques are used for each circumstance, maximising the use of relevant known data and minimising the use of estimates or unknowns. This takes into account the three levels of hierarchy for inputs to valuations for fair value assets:

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

8. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The term 'financial instrument' covers both financial assets and financial liabilities, which can be straightforward financial instruments (e.g. trade payables and receivables) or more complex.

i. Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Group becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised

For most of the borrowings that the Group has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to Financing and Investment Income line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, when repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations require the impact to the appropriate General Fund to be spread over future years, meaning that they are transferred to the Financial Instruments Adjustment Account. Where a rescheduling exercise attracts premiums/discounts which are matched as part of a package, in order to be prudent, both premiums and discounts are written off to the Comprehensive Income and Expenditure Statement over the same period.

Where a rescheduling package attracts only premiums or only discounts, then they are written off over the longest period allowed, subject to a consideration of long-term affordability, sustainability and prudence in each case.

ii. Financial Assets

Financial assets can be classified as cash and cash equivalents (short term deposits) trade receivables and loans receivable. The Group does not hold instruments designated as held-for-sale assets. Financial assets are initially recognised at fair value and subsequent measurement depends on their classification as follows:

Cash and cash equivalents consist of funds placed with banks and other institutions with deposit terms of 3 months or less. For the purpose

of the cash flow statement, cash and cash equivalents are as defined above, net of outstanding bank overdrafts.

Loans and receivables are recognised in the Balance Sheet when the Group becomes a party to the contractual provisions of a financial instrument and are measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income line of the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. This means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest), with the exception of soft loans where a present value calculation of future cashflows discounted at the higher effective interest rate is undertaken. Interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement, with the difference between actual interest receivable and that under prevailing interest rate being released from the Financial Instruments Adjustment Account over the loan term.

Where assets are identified as impaired because of a likelihood arising from past events that payments due under the contract are not made, the asset is written down and a charge made to the Financing and Investment income line of the Comprehensive Income and Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.

Any gains and losses that arise on the de-recognition of the asset are credited/debited to the Financing and Investment income line of the Comprehensive Income and Expenditure Statement.

Trade and other receivables are recognised and carried at invoice or contract value less an allowance for any amounts which may not be collectable. Should an amount become uncollectable, it is written off to the income statement in the period in which it is recognised.

Impairment of financial assets: the Group assesses at each period end whether there is any evidence that a financial asset, or group of assets, is impaired. The Group recognises expected credit losses on all financial assets held at amortised cost and fair value. This does not apply where the counterparty is central government or another local authority.

Impairment losses are calculated to reflect the prospect that expected future cash flows might not take place due to default. If risk has increased significantly between initial recognition and the balance sheet date, impairment is based on expected credit losses from all possible

defaults over the expected life of the instrument, otherwise impairment is based on a 12-month expected loss (that is the lifetime expected credit loss multiplied by the probability of the default occurring within the next 12 months). A simplified approach is applied to trade receivables whereby the loss allowance is measured at an amount equal to lifetime expected credit losses thus avoiding the need to consider annually whether there has been an increase in credit risk. This is based on probability weighted outcomes and other supporting information.

iii. Fair Value measurements of financial assets

Fair value of an asset is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value measurements of the authority's financial assets are based on the following techniques:

1. instruments with quoted market prices – the market price.
2. other instruments with fixed and determinable payments – discounted cash flow analysis.

The inputs to the measurement techniques are categorised in accordance with the following three levels:

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

Any gains and losses that arise on the derecognition of the asset are credited or debited to the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement.

9. <u>Fair Value Through Other Comprehensive Income (FVOCI)</u>

These assets relate to financial instruments where the amounts received are solely principal and interest but they are held to collect cash and have the ability sell the assets (e.g. money market funds).

The interest received on these assets is measured using the Effective Interest Rate model.

All gains and losses due to changes in the fair value of these assets are accounted for through an unusable reserve (the Financial Instruments Revaluation Reserve) and charged to Other Comprehensive Income and Expenditure.

The cumulative gain or loss is debited or credited to the surplus/deficit on provision of services when an asset is disposed of.

10. Fair Value through Profit or Loss (FVTPL)

These assets relate to financial instruments where the amounts received are not principal and interest (e.g. equity investments). Changes in fair value are charged to the surplus / deficit on the net provision of services as they occur.

Under capital accounting regulations where these assets were treated as capital expenditure the gain or loss is reversed through the Movement in Reserves Statement and charged to the Capital Adjustment Account, which is an unusable reserve.

An equity instrument that has been classed as FVTPL can be designated as FVOCI if it is not held for trading (e.g. a strategic investment). Once this designation has been made it cannot be reversed. This designation would mean that any gains and losses would be held in the Financial Instruments Revaluation Reserve.

11. Cash and cash equivalents

The Combined Authority's Cash Flow Statement reflects the movements in cash and cash equivalents during the year. Cash is represented by cash in hand and the net balance on the CA's operational bank accounts, including any overdrawn balances. Cash equivalents include those investments that are held for treasury management purposes and are readily convertible to known amount of cash which insignificant risk of change in value. This includes any Call accounts.

12. Foreign Currency Transaction

All foreign currency income and expenses are translated at the rate ruling on the day of the transaction with the resultant profit or loss recognised immediately in the revenue account. All foreign currency assets and liabilities in the balance sheet are translated at the balance sheet date.

13. Value Added Tax (VAT)

Value Added Tax is included within the accounts only to the extent that it is irrecoverable and therefore charged to service expenditure or capital expenditure as appropriate.

ab. Interests in Companies and Other Entities

The Authority is required to produce group accounts where it has interests in subsidiaries, associates and/or joint ventures unless interest is considered not material. The group boundary is dependent upon the extent of the Authority's

control or significant influence over the entity, which is based on the requirements of IFRS 10, IFRS 11 and IAS 28.

An assessment of all the Combined Authority's interests has been carried out during the year, in accordance with the Code of Practice, to determine the relationships that exist and whether they should be included within the Authority's group accounts. As such, in 2025/26 group accounts have been prepared for the Combined Authority to include West Yorkshire Police.

The Combined Authority is a joint venturer in Yorcard Ltd, a trading company which was incorporated in England on the 2 March 2007. It is limited by guarantee with two subscribers, West Yorkshire Combined Authority and South Yorkshire Mayoral Combined Authority with control shared equally under a contractual arrangement. The concept of materiality has been considered and the Combined Authority have adopted a policy to exclude the Yorcard Ltd Joint Venture from full consolidation but to disclose its financial performance and position in accordance with IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities.

More detail on consideration of group entities is in Note 32.

ac. Contingent Assets and Liabilities

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

ad. Exceptional Items

Exceptional items are items, which in management's judgement, need to be disclosed by virtue of their size and incidence in order for the user to obtain a proper understanding of the financial information. The determination of which items are separately disclosed as exceptional items requires a significant degree of judgement.

ae. Events after the Balance Sheet Date

Events after the balance sheet date are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

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

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

- **ACCOUNTING STANDARDS ISSUED NOT YET ADOPTED ACCOUNTING POLICIES & CONCEPTS**

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard which has been issued but is yet to be adopted by the 2025/26 Code. The Code also requires that changes in accounting policy are to be applied retrospectively unless transitional arrangements are specified, this would, therefore result in an impact on disclosures spanning two financial years.

Accounting changes that are introduced by the 2025/26 Code are:

a) Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage assets) issued in March 2024

b) Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) issued in May 2024

c) Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024

d) Contracts Referencing Nature-dependent Electricity

These changes are not expected to have a material impact on the Combined Authority's Statement of Accounts.

- **CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

In applying the accounting policies, the Combined Authority has to make certain judgements about complex transactions or those involving uncertainty about future events. The following are significant management judgements made in applying the accounting policies in the Statement of Accounts.

In applying the accounting policies, the Combined Authority has to make certain judgements about complex transactions or those involving uncertainty about future

events. The following are significant management judgements made in applying the accounting policies in the Statement of Accounts.

In preparing the Balance Sheet as at 31 March 2026 the following critical judgements were adopted by management:

- Private finance initiative (PFI) schemes. The Group has evaluated its current PFI scheme under the requirements of the Code and concluded that all assets provided under the scheme are recognised on the balance sheet as its assets.
- A judgement has been made of the expenditure allocated between the Mayor and the Chief Constable to reflect the financial resources consumed at the request of the Chief Constable.

The Combined Authority is the lead local body for the National Police Air Service (NPAS) and regional collaborative working in partnership with the Yorkshire and Humber Forces to deliver a number of specific specialist services on a regional basis. The lead force arrangement has been reviewed against IFRS11 on joint arrangements, and it has been determined that they fall outside the scope of a joint operation.

Group Accounts Considerations

A review of the entities related to the Combined Authority in 2025/26 has taken place and the conclusions are provided below:

The functions of the Police and Crime Commissioner (PCC) in West Yorkshire were to the Elected Mayor of West Yorkshire with effect from 10 May 2021. All staff, properties, rights and liabilities transferred to West Yorkshire Combined Authority.

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

- **ASSUMPTIONS ABOUT FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the financial statements requires the Group to make judgements, estimates and assumptions that affect the application of policies and reporting amounts of assets and liabilities, income and expenditure. Estimates and associated assumptions are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

Items in the Balance Sheet at 31 March 2026 for which there is a small risk of material adjustment in the forthcoming financial year are as follows:

i. Property revaluation:

The Group has Property, Plant and Equipment of £713.6m as at 31 March 2026, of which £212.5m relates to land and buildings that is carried at fair value. Professional valuation of all land and property assets is obtained in accordance with Accounting and RICS Guidance. In practice, a full revaluation is carried out by an external surveyor at no more than a five years' period. In 2025/26, 20% of the group's land and building assets were revalued by external valuers. The remaining assets were reviewed using a desktop survey and upwards revaluations were applied. A further valuation will be conducted in 2026/27.

Consequences if actual results differ from assumptions

A reduction in the valuations would result in reductions to the revaluation reserve and/or a loss recorded as appropriate in the comprehensive income and expenditure statement. If the value of the Group's land and buildings were to reduce by 10%, this would result in a charge to the revaluation reserve and/or comprehensive income and expenditure statement of approximately £21.2m. Any such charges to the comprehensive income and expenditure statement would be subsequently reversed through the movement in reserves statement so there would be no impact on general fund balances.

An increase in the valuations would result in increases to the revaluation reserve and/or reversals of previous valuation losses recorded as appropriate in the comprehensive income and expenditure statement. Any such gains to the comprehensive income and expenditure statement would be subsequently reversed through the movement in reserves statement so there would be no impact on general fund balances.

ii. Retirement benefit obligations:

The cost of defined benefit pension plans is determined using an independent actuarial valuation, involving the use of assumptions about discount rates, returns on assets, future salary increases, mortality rates, inflation and future pension increases. Such assumptions are reviewed at each period end and determined jointly between the pension fund management and the actuaries. The CA checks the reasonableness of these and collaborates with other district partners to ensure satisfaction with the assumptions used.

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and judgements in respect of the performance of the underlying assets which the LGPS pension scheme invests in (it should be noted that the Police Officer Pension Scheme does

not hold any assets). A firm of consulting actuaries is engaged to provide the CA with expert advice in respect of the forecasts to be applied.

The effect on the net pension liability of changes in individual assumptions can be measured. Further details of the effect of accounting assumptions and associated sensitivity analysis can be found within Note 36.

The pension fund investments are spread over a number of asset classes within public and private financial markets. There is always an element of uncertainty inherent within the valuation of private assets

iii. Insurance provisions (£194k):

The CA and the Group's former insurer, MMI, ceased trading in 1992 where there was a Scheme of Arrangement in case of insolvency involving a claw back of claims paid. It is difficult to predict the final outcome of claims until they are settled however, no levies have been paid during 2025/26.

There is a risk that existing claims are settled at higher or lower figures than estimated. In addition, since insurance claims develop over time, the requirement to make provisions could increase in future years due to the identification of additional liabilities incurred but not yet reported. The position with regard to MMI Ltd is being kept under review by the administrators and there may be further levies announced in future.

- **EVENTS AFTER THE BALANCE SHEET DATE**

Events after the balance sheet date are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

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

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

No adjusting or non-adjusting events were identified between the end of the reporting period and the final Statement of Accounts being certified by the S 73 Officer.

- ## EXPENDITURE AND FUNDING ANALYSIS (EFA)

The objective of the Expenditure and Funding Analysis (EFA) is to demonstrate how the funding available to the CA for the year has been used in providing services in comparison with those resources consumed in accordance with general accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the CA's Directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Note 6a. Expenditure and Funding Analysis
West Yorkshire Combined Authority Group

2024/25			Expenditure and Funding Analysis	2025/26		
Net Expenditure Chargeable to General Fund and Police Fund Balances	Adjustments between the Funding and Accounting Basis	Net Expenditure in the CIES		Net Expenditure Chargeable to General Fund and Police Fund Balances	Adjustments between the Funding and Accounting Basis	Net Expenditure in the CIES
£'000	£'000	£'000		£'000	£'000	£'000
292,562	30,412	322,975	Corporate Enabling Services	47,023	(12,639)	34,384
6,053	(1,081)	4,972	Strategy, Communications & Intelligence	8,369	(360)	8,009
2,977	(1,579)	1,398	Policing, Environment & Place	31,255	(1,110)	30,146
12,963	(11,058)	1,906	Transport Policy & Implementation	191,677	61,002	252,679
91,740	(757)	90,983	Transport Services	84,414	7,984	92,398
4,049	(1,752)	2,296	Inclusive Economy, Skills & Culture	7,976	(2,582)	5,394
701	(853)	(152)	Policing & Crime Team	-	160	160
565,866	(5,019)	560,847	Mayoral Crime and Policing Services	589,350	(48,743)	540,607
976,911	**8,314**	**985,224**	**Net Cost of Services**	**960,065**	**3,711**	**963,776**
(90,962)	91,119	157	Other operating (income) and expenditure	(117,091)	118,542	1,451
175,071	-	175,071	Financing and investment (income) and expenditure	205,242	(246)	204,997
(1,038,494)	(47,405)	(1,085,899)	Taxation and non-specific grant (income) and expenditure	(1,049,857)	(122,156)	(1,172,013)
22,526	**52,028**	**74,553**	**(Surplus) or Deficit on Provision of Services**	**(1,641)**	**(148)**	**(1,788)**
(53,541)			**Opening General Fund balance**	**(31,020)**		
22,526			Less/plus surplus or (deficit) on General Fund balance in Year	(1,641)		
(31,015)			**Closing General Fund balance at 31 March**	**(32,660)**		

Note 6b. Expenditure and Funding Analysis
West Yorkshire Combined Authority Group

2024/25							2025/26					
Adjustments for Capital Purposes	Net Change in the Pensions Adjustments	Other Statutory Differences	Total Statutory Adjustments	Other Non-Statutory Differences	Total Adjustments	Note to the Expenditure and Funding Analysis	Adjustments for Capital Purposes	Net Change in the Pensions Adjustments	Other Statutory Differences	Total Statutory Adjustments	Other Non-Statutory Differences	Total Adjustments
£'000	£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	£'000
(24,924)	(1,629)	283	(26,270)	514	(25,756)	Corporate Enabling Services	6,157	(563)	70	5,664	(18,303)	(12,639)
-	(836)	153	(683)	-	(683)	Strategy, Communications & Intelligence	-	(445)	84	(360)	-	(360)
-	(442)	52	(390)	-	(390)	Policing, Environment & Place	(749)	(375)	14	(1,110)	-	(1,110)
-	(991)	121	(870)	-	(870)	Transport Policy & Implementation	61,477	(515)	39	61,002	-	61,002
-	(1,118)	194	(924)	-	(924)	Transport Services	-	(416)	(84)	(500)	8,484	7,984
-	(1,001)	202	(799)	-	(799)	Inclusive Economy, Skills & Culture	3,511	(422)	32	3,121	(5,703)	(2,582)
-	(393)	257	(136)	-	(136)	Policing & Crime Team	-	-	-	-	159	160
127,999	-	-	127,999	-	127,999	Mayoral Crime and Policing Services	19,093	(53,728)	(5,333)	(39,968)	(8,775)	(48,743)
103,075	**(6,409)**	**1,261**	**97,927**	**514**	**98,441**	**Net Cost of Services**	**89,490**	**(56,463)**	**(5,177)**	**27,850**	**(24,138)**	**3,711**
-	-	-	-	20,616	20,616	Other operating (income) and expenditure	(24,061)	142,846	(243)	118,542	-	118,542
-	-	-	-	-	-	Financing and investment (income) and expenditure	-	-	(246)	(246)	-	(246)
-	-	-	-	-	-	Taxation and non-specific grant (income) and expenditure	(122,156)	-	-	(122,156)	-	(122,156)
103,075	**(6,409)**	**1,261**	**97,927**	**21,130**	**119,057**	**Difference Between General Fund and Police Fund Surplus or Deficit and Comprehensive Income and**	**(56,727)**	**86,383**	**(5,665)**	**23,991**	**(24,138)**	**(148)**

Note 6a. Expenditure and Funding Analysis
West Yorkshire Combined Authority Single Entity

2024/25				2025/26		
Net Expenditure Chargeable to General Fund and Police Fund Balances	Adjustments between the Funding and Accounting Basis	Net Expenditure in the CIES	Expenditure and Funding Analysis	Net Expenditure Chargeable to General Fund and Police Fund Balances	Adjustments between the Funding and Accounting Basis	Net Expenditure in the CIES
£'000	£'000	£'000		£'000	£'000	£'000
292,562	30,412	322,975	Corporate Enabling Services	47,023	(12,639)	34,384
6,053	(1,081)	4,972	Strategy, Communications & Intelligence	8,369	(360)	8,009
2,977	(1,579)	1,398	Policing, Environment & Place	31,255	(1,110)	30,146
12,963	(11,058)	1,906	Transport Policy & Implementation	191,677	61,002	252,679
93,074	(757)	92,317	Transport Services	84,414	7,984	92,398
4,049	(1,752)	2,296	Inclusive Economy, Skills & Culture	7,976	(2,582)	5,394
701	(853)	(152)	Policing & Crime Team	-	160	160
(334,767)	85,819	(248,948)	Mayoral Crime and Policing Services	(267,528)	(8,775)	(276,303)
901,776	-	901,776	Funding provided by the Mayor to the Chief Constable to fund Police and Crime Services	856,878	97,773	954,651
979,388	**99,151**	**1,078,539**	**Net Cost of Services**	**960,065**	**141,452**	**1,101,517**
114,327	(114,170)	157	Other operating (income) and expenditure	104,435	(102,984)	1,451
(32,695)	-	(32,695)	Financing and investment (income) and expenditure	(16,284)	(246)	(16,529)
(1,038,494)	(47,405)	(1,085,899)	Taxation and non-specific grant (income) and expenditure	(1,049,857)	(122,156)	(1,172,013)
22,526	**(62,424)**	**(39,898)**	**(Surplus) or Deficit on Provision of Services**	**(1,641)**	**(83,933)**	**(85,574)**
(53,541)			**Opening General Fund balance**	**(31,020)**		
22,526			Less/plus surplus or (deficit) on General Fund balance in Year	(1,641)		
(31,015)			**Closing General Fund balance at 31 March**	**(32,661)**		

Note 6b. Expenditure and Funding Analysis
West Yorkshire Combined Authority Single Entity

2024/25						Note to the Expenditure and Funding Analysis	2025/26					
Adjustments for Capital Purposes	Net Change in the Pensions Adjustments	Other Statutory Differences	Total Statutory Adjustments	Other Non-Statutory Differences	Total Adjustments		Adjustments for Capital Purposes	Net Change in the Pensions Adjustments	Other Statutory Differences	Total Statutory Adjustments	Other Non-Statutory Differences	Total Adjustments
£'000	£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	£'000
(9,632)	(1,544)	52	(11,124)	(806)	(11,930)	Corporate Enabling Services	6,157	(563)	70	5,664	(18,303)	(12,639)
-	(1,299)	28	(1,271)	-	(1,271)	Strategy, Communications & Intelligence	-	(445)	84	(360)	-	(360)
-	(891)	10	(881)	-	(881)	Policing, Environment & Place	(749)	(375)	14	(1,110)	-	(1,110)
-	(1,152)	22	(1,130)	-	(1,130)	Transport Policy & Implementation	61,477	(515)	39	61,002	-	61,002
377	(1,169)	36	(756)	-	(756)	Transport Services	-	(416)	(84)	(500)	8,484	7,984
-	(1,091)	37	(1,054)	-	(1,054)	Inclusive Economy, Skills & Culture	3,511	(422)	32	3,121	(5,703)	(2,582)
-	-	48	48	-	48	Policing & Crime Team	-	-	0	0	159	160
(23,249)	-	-	(23,249)	-	(23,249)	Mayoral Crime and Policing Services	19,093	84,013	(5,333)	97,773	(8,775)	88,998
(22,872)	**(5,602)**	**233**	**(39,417)**	**(806)**	**(40,223)**	**Net Cost of Services**	**89,490**	**81,278**	**(5,177)**	**165,591**	**(24,138)**	**141,452**
-	-	-	-	4,649	4,649	Other operating (income) and expenditure	(24,061)	(78,680)	(243)	(102,984)	-	(102,984)
-	-	-	-	152	152	Financing and investment (income) and expenditure	-	-	(246)	(246)	-	(246)
-	-	-	-	-	-	Taxation and non-specific grant (income) and expenditure	(122,156)	-	-	(122,156)	-	(122,156)
(22,872)	**(5,602)**	**233**	**(39,417)**	**3,995**	**(35,422)**	**Difference Between General Fund and Police Fund Surplus or Deficit and Comprehensive Income and**	**(56,727)**	**2,598**	**(5,665)**	**(59,794)**	**(24,138)**	**(83,933)**

Notes

Net Expenditure in the CIES – This column shows income and expenditure recognised in accordance with the IFRS, and can be seen in the Comprehensive Income and Expenditure Statement.

Adjustments for Capital Purposes – This column shows statutory adjustments relating to capital between generally accepted accounting practice under IFRS and statutory accounting requirements under the CIPFA Code of Practice, and can be seen in Note 7.

- **Other operating expenditure –** adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- **Financing and investment income and expenditure** – the statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.
- **Taxation and non-specific grant income and expenditure** – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in year and those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

Net Charge for the Pensions Adjustment – These adjustments relate to net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

- **For services -** the removal of the employer pension contributions made by the CA (for the CA general services) and the Mayor (for Policing and Crime services) as allowed by statute and the replacement with current service costs and past service costs.
- **For Financing and investment income and expenditure** – the net interest on the defined benefit liability is charged to the CIES.

Other Statutory Differences – These adjustments relate to amounts charged to the CIES and amounts payable/receivable under statute and include:

a. **For services** – adjustments relating to expenses charged in the CIES for accumulated absences accrued by employees of the CA.
   - **For Financing and investment income and expenditure –** adjustments relating to the timing of income and expenditure from financial instruments, transferred to/from the Financial Instruments Adjustment Account.

Other Non-Statutory Differences – These adjustments relate to transfers to/from Earmarked Reserves, and can be seen in Note 8.

7. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATION

The Comprehensive Income and Expenditure Statement (CIES) shows the CA's income and expenditure for the year on the basis of International Financial Reporting Standards. However, the amounts actually chargeable to the CA's General Fund Reserve and the Police Fund Reserve are controlled by legislation and include a number of statutory adjustments and transfers to specific reserves. The statutory adjustments which are required largely relate either to the arrangements for the funding of the CA's capital expenditure or to the timing with which some items are charged or credited to the General Fund and Police Fund.

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the authority in the year in accordance with proper accounting practice to arrive at the resources that are specified by statutory provisions as being available to the authority to meet future capital and revenue expenditure. The following sets out a description of the reserves that the adjustments are made against.

General Fund Reserve

The General Fund is the statutory fund into which all receipts received by the Group are required to be paid, and out of which all liabilities of the Group are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Group is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Group is required to recover) at the end of the financial year.

Police Fund

The Police Fund functions similarly to the General Fund, but is used exclusively to fund mayoral crime and policing services.

Usable Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. However, in the 2015 spending review these rules were relaxed, to allow Local Authorities to spend up to 100% of their non-current asset receipts on the revenue costs of reform projects to deliver more efficient and sustainable services. The balance on the reserve shows the resources that have yet to be applied for at the year-end.

Capital Grants Unapplied

The Capital Grants Unapplied Reserve holds the grants and contributions received towards capital projects for which the Group has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

Adjustments between Accounting Basis and Funding Basis under	Movement in Usable Reserves						
The following adjustments are for 2025/26	CA General Fund Reserve £'000	Police Fund General Reserve £'000	CA Capital Receipts Reserve £'000	CA Capital Grants Unapplied £'000	Police Fund Capital Receipts Reserve £'000	Police Fund Capital Grants Unapplied £'000	Movement in Usable Reserves £'000
Adjustments to the revenue resources							
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:							
Pensions costs (transferred to (or from) the pensions reserve)	(2,735)	89,118	-	-	-	-	(2,735)
Financial instruments (transferred to the financial instruments adjustments account)	(246)	(22)	-	-	-	-	(246)
Council tax and NDR (transfers to or from collection fund adjustment account)	-	(243)	-	-	-	-	-
Accumulated absences (transferred to the accumulated absences reserve)	156	(5,333)	-	-	-	-	156
Reversal of entries included in the surplus or deficit on the provision of services in relation to capital expenditure (these items are charged to the capital adjustment account)	55,206	16,869	-	-	-	-	55,206
Total adjustments to revenue resources	52,381	100,389	-	-	-	-	52,381
Adjustments between revenue and capital resources							
Transfer of non-current asset sale proceeds from revenue to capital grants and receipts unapplied	-	(114)	-	-	114	-	-
Transfer of capital grants and contributions to capital grants unapplied	(101,748)	(191)	-	101,748	-	191	-
Statutory provision for the repayment of debt (transfer from the capital adjustment account)	(5,207)	(6,907)	-	-	-	-	(5,207)
Capital expenditure financed from revenue balances (transfer to the capital adjustment account)	-	(14,603)	-	-	-	-	-
Total adjustments between revenue and capital resources	(106,955)	(21,815)	-	101,748	114	191	(26,717)
Adjustments to capital resources							
Transfer of cash repayments of loan principal from capital adjustment account	-	-	72	-	-	-	72
Use of the capital receipts reserve to finance capital expenditure	-	-	(8,696)	-	(396)	-	(8,696)
Application of capital grants to finance capital expenditure	-	-	-	(48,944)	-	-	(48,944)
Total adjustments to capital resources	-	-	(8,624)	(48,944)	(396)	-	(57,964)
Total adjustments	(54,574)	78,574	(8,624)	52,804	(282)	191	68,089

Adjustments between Accounting Basis and Funding Basis under Regulations WYCA Group	Movement in Usable Reserves						
The following adjustments are for 2024/25	CA General Fund Reserve £'000	Police Fund General Reserve £'000	CA Capital Receipts Reserve £'000	CA Capital Grants Unapplied £'000	Police Fund Capital Receipts Reserve £'000	Police Fund Capital Grants Unapplied £'000	Movement in Usable Reserves £'000
Adjustments to the revenue resources							
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:							
Pensions costs (transferred to (or from) the pensions reserve)	(11,598)	112,560	-	-	-	-	(11,598)
Financial instruments (transferred to the financial instruments adjustments account)	159	(22)	-	-	-	-	159
Council tax and NDR (transfers to or from collection fund adjustment account)	-	1,107	-	-	-	-	-
Accumulated absences (transferred to the accumulated absences reserve)	234	3,225	-	-	-	-	234
Reversal of entries included in the surplus or deficit on the provision of services in relation to capital expenditure (these items are charged to the capital adjustment account)	41,098	(1,308)	-	-	-	-	41,098
Total adjustments to revenue resources	29,893	115,562	-	-	-	-	29,893
Adjustments between revenue and capital resources							
Transfer of non-current asset sale proceeds from revenue to capital grants and receipts unapplied	(303)	(220)	303	-	220	-	-
Transfer of capital grants and contributions to capital grants unapplied	(47,405)	-	-	47,405	-	-	-
Statutory provision for the repayment of debt (transfer from the capital adjustment account)	(3,821)	(6,490)	-	-	-	-	(3,821)
Capital expenditure financed from revenue balances (transfer to the capital adjustment account)	(806)	(16,315)	-	-	-	-	(806)
Total adjustments between revenue and capital resources	(52,335)	(23,025)	303	47,405	220	-	(27,432)
Adjustments to capital resources							
Transfer of cash repayments of loan principal from capital adjustment account	-	-	3,526	-	-	-	3,526
Use of the capital receipts reserve to finance capital expenditure	-	-	-	-	(1,413)	-	-
Application of capital grants to finance capital expenditure	-	-	-	(54,570)	-	-	(54,570)
Total adjustments to capital resources	-	-	3,526	(54,570)	(1,413)	-	(52,457)
Total adjustments	(22,442)	92,537	3,829	(7,165)	(1,193)	-	65,566

8. MOVEMENTS IN EARMARKED RESERVES

This note sets out the amounts set aside by the WYCA and Group from the General Fund and Police Fund balances in Earmarked Reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund and Police Fund expenditure in 2025/26.

	Balance at 31-Mar 2024 £'000	Transfer Out 2024/25 £'000	Transfer In 2024/25 £'000	Net Transfer 2024/25 £'000	Balance at 31-Mar 2025 £'000	Balance at 31-Mar 2025 £'000	Transfer Out 2025/26 £'000	Transfer In 2025/26 £'000	Net Transfer 2025/26 £'000	Balance at 31-Mar 2026 £'000
CA General Fund Reserves:										
Rail Reserve	296	-	-	-	296	296	-	-	-	296
New Generation Transport Reserve	971	(971)	-	(971)	-	-	-	-	-	-
WY Transport Fund Reserve	8,606	(948)	5,702	4,754	13,360	13,360	-	6,177	6,177	19,537
Gainshare Reserve	60,914	(15,755)	4,119	(11,636)	49,278	49,278	(3,899)	-	(3,899)	45,380
Transport Reserve	4,556	(4,799)	8,971	4,172	8,728	8,728	(5,193)	-	(5,193)	3,535
Operational Risk Reserve	37,051	(8,000)	23,864	15,864	52,915	52,915	(3,291)	15,025	11,734	64,649
Policing & Crime Community Safety Reserve	-	-	901	901	901	901	(178)	19	(159)	742
Gainshare Election Costs Reserve	-	-	-	-	-	-	-	1,000	1,000	1,000
Broadband Grainshare Reserve	-	-	-	-	-	-	(312)	6,015	5,703	5,703
Total CA Earmarked Reserves	**112,394**	**(30,473)**	**43,557**	**13,084**	**125,478**	**125,479**	**(12,872)**	**28,236**	**15,363**	**140,842**
Police Fund Reserves:										
Capital Financing Reserve	11,488	(4,363)	2,366	(1,997)	9,491	9,491	(1,893)	2,485	592	10,083
Community Safety Fund	1,044	(518)	-	(518)	526	526	(526)	-	(526)	-
COVID Reserve	1,959	(1,959)	-	(1,959)	-	-	-	-	-	-
Cultural Awareness Reserve	712	(168)	-	(168)	544	544	(92)	-	(92)	452
Digital Policing Innovation Reserve	875	(402)	-	(402)	473	473	-	500	500	973
Dilapidation Reserve	-	-	-	-	-	-	-	-	-	-
Energy Reserve	1,682	(1,682)	-	(1,682)	-	-	-	-	-	-
ESN Reserve	2,486	-	-	-	2,486	2,486	-	2,993	2,993	5,479
Property Refurbishment Reserve	167	-	117	117	284	284	-	116	116	400
Income Loss Reserve	-	-	-	-	-	-	-	-	-	-
Local Council Tax Support Grant	34	-	-	-	34	34	(34)	-	(34)	-
NPAS	30,804	-	2,300	2,300	33,104	33,104	(1,240)	2,300	1,060	34,164
NPAS Operational Reserve	5,424	(567)	1,194	627	6,051	6,051	-	560	560	6,611
Operational Reserve	-	-	-	-	-	-	-	-	-	-
Organisational Change Fund	820	-	-	-	820	820	-	-	-	820
Partnership Executive Group	-	-	-	-	-	-	-	-	-	-
PFI Reserve	13,241	-	141	141	13,382	13,382	-	385	385	13,767
PNLD Reserve	203	-	60	60	263	263	-	69	69	332
Police Uplift Programme Reserve	4,982	-	-	-	4,982	4,982	(2,000)	-	(2,000)	2,982
Regional Working Reserve	4,082	(504)	443	(61)	4,021	4,021	(393)	3,970	3,577	7,598
Revenue Pressures Reserve	18,576	(3,735)	8,835	5,100	23,676	23,676	(11,831)	6,986	(4,845)	18,831
Safeguarding Reserve	1,781	(293)	-	(293)	1,488	1,488	(460)	1	(459)	1,029
Sustainability reserve	1,383	-	-	-	1,383	1,383	-	400	400	1,783
Viper Reserve	6,265	(1,836)	-	(1,836)	4,429	4,429	(46)	-	(46)	4,383
Wellbeing Reserve	88	-	-	-	88	88	-	-	-	88
Legal Reserve	-	-	-	-	-	-	-	1,000	1,000	1,000
Officer Cap Removal	-	-	-	-	-	-	-	5,525	5,525	5,525
Total Police Earmarked Reserves	**108,096**	**(16,027)**	**15,456**	**(571)**	**107,525**	**107,525**	**(18,515)**	**27,290**	**8,775**	**116,300**
Total Group Earmarked Reserves	**220,490**	**(46,500)**	**59,013**	**12,513**	**233,003**	**233,004**	**(31,387)**	**55,526**	**24,138**	**257,142**

9. OTHER OPERATING INCOME AND EXPENDITURE

The following table gives a breakdown of the figures for Other Operating Income and Expenditure shown within the Comprehensive Income and Expenditure Statement.

2024/25			2025/26	
WYCA Single Entity £'000	WYCA Group £'000		WYCA Single Entity £'000	WYCA Group £'000
157	157	(Gains) / losses on the disposal of non-current assets	1,451	1,451
157	**157**	**Total**	**1,451**	**1,451**

10. FINANCING AND INVESTMENT INCOME AND EXPENDITURE

The following table gives a breakdown of the figures for financing and investment income and expenditure shown within the Comprehensive Income and Expenditure Statement.

Restated	Restated			
2024/25			2025/26	
WYCA Single Entity £'000	WYCA Group £'000		WYCA Single Entity £'000	WYCA Group £'000
14,182	14,182	Interest payable and similar charges	14,216	14,216
(46,296)	(46,296)	Interest receivable and similar income	(41,218)	(41,218)
-	-	Income and expenditure in relation to investment properties and changes in their fair value	9,169	9,169
(165)	(165)	Impairment loss / (reversal) of impairment loss	1,267	1,267
(32,278)	**(32,278)**	**Sub-total WYCA**	**(16,566)**	**(16,566)**
(417)	207,349	Pensions net interest cost expense	37	221,563
(32,695)	**175,071**	**Total**	**(16,529)**	**204,997**

11. TAXATION & NON-SPECIFIC GRANT INCOME

The following table gives a breakdown of the figures for Taxation and Non-Specific Grant Income shown within the Comprehensive Income and Expenditure Statements.

2024/25			2025/26	
WYCA Single Entity £'000	WYCA Group £'000		WYCA Single Entity £'000	WYCA Group £'000
(169,145)	(169,145)	Council tax Income	(181,481)	(181,481)
(97,901)	(97,901)	Transport Levy	(98,375)	(98,375)
(159,366)	(159,366)	Non-domestic rates income	(165,270)	(165,270)
(346,197)	(346,197)	Non-ringfenced government grants	(367,573)	(367,573)
(313,290)	(313,290)	Capital grants and contributions	(359,314)	(359,314)
(1,085,899)	**(1,085,899)**	**Total**	**(1,172,012)**	**(1,172,012)**

12. EXPENDITURE AND INCOME ANALYSED BY NATURE

A disclosure on the nature of expenses is presented as recommended by the Code. The following tables give a breakdown by types of external income and expenditure within the CA's and the Group's overall results for the year.

Restated WYCA Single Entity 2024/25 £'000	Restated WYCA Group 2024/25 £'000	Expenditure and Income Analysed by Nature	WYCA Single Entity 2025/26 £'000	WYCA Group 2025/26 £'000
		Expenditure		
55,688	669,809	Employee benefits expenses	50,453	666,292
10,169	35,834	Premises related expenditure	8,403	35,078
8,380	83,378	Supplies and services	6,264	77,342
310,074	366,524	Other service expenses	304,165	366,059
4,779	37,084	Depreciation, amortisation, impairment	36,307	71,777
3,214	221,949	Interest payments	3,629	235,742
378	158	Gain on the disposal of assets	1,435	1,451
277,097	277,097	Revenue Expenditure Funded from Capital Under Statute	260,282	260,282
-	7,316	PCC Central Functions	-	7,842
901,776	-	Intra Group Funding	954,651	-
1,571,555	**1,699,149**	**Total Expenditure**	**1,625,590**	**1,721,866**
		Income		
(176,910)	(179,084)	Fees, charges and other service income	(178,759)	(180,663)
(35,327)	(46,296)	Interest and investment income	(30,631)	(41,218)
(443,104)	(443,104)	Income from levy, precepts, non-domestic rates	(461,819)	(461,819)
(956,112)	(956,112)	Government grants and contributions	(1,039,954)	(1,039,954)
(1,611,452)	(1,624,595)	**Total Income**	(1,711,163)	(1,723,654)
(39,897)	**74,554**	**Surplus or Deficit on the Provision of Services**	**(85,573)**	**(1,788)**

13. PROPERTY, PLANT AND EQUIPMENT

Movements In 2025/26	Land and Buildings	Vehicles	Plant, Furniture & Equipment	Donated Assets	Assets Under Construction	Surplus Assets	NPAS Airframes & Equipment	PFI Right of Use Assets	Other Right of Use Assets	Total Property, Plant and Equipment*
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COST OR VALUATION										
At 1 April 2025	**183,068**	**41,756**	**77,161**	**2,069**	**196,471**	**24,846**	**105,346**	**137,946**	**24,908**	**793,571**
Opening balance adjustments including IFRS 16	-	-	-	-	-	-	-	-	115	**115**
Additions	6,714	6,377	4,194	-	83,975	-	8,187	-	66	**109,513**
Revaluation increases/(decreases) in the Revaluation	(2,009)	-	-	-	-	-	(1,682)	(4,585)	(410)	**(8,686)**
Revaluation increases/(decreases) in the CIES	(16,741)	-	-	-	-	(110)	253	1	6	**(16,591)**
De-recognition - disposals	(7,669)	(2,818)	(1,213)	-	(10,668)	-	-	-	(156)	**(22,524)**
Assets reclassified to/from Assets Held for Sale	(7,476)	-	-	-	-	(5,784)	-	-	-	**(13,260)**
Assets reclassified to/from Investment Asset	-	-	-	-	(8,407)	(4,100)	-	-	-	**(12,507)**
Assets reclassified to/from Intangible Asset	-	-	-	-	(3,966)	-	-	-	-	**(3,966)**
Assets reclassified to/from Infrastructure Asset	55,424	-	1,921	-	-	-	-	-	-	**57,345**
Other assets reclassified	25,472	-	646	-	(26,118)	-	-	-	-	**-**
Other Movement	-	-	(1,614)	-	-	-	-	-	-	**(1,614)**
At 31 March 2026	**236,783**	**45,315**	**81,095**	**2,069**	**231,287**	**14,852**	**112,104**	**133,362**	**24,529**	**881,397**
ACCUMULATED DEPRECIATION AND IMPAIRMENT										
At 1 April 2025	**(1,356)**	**(24,387)**	**(55,464)**	**(233)**	**-**	**(22)**	**(50,626)**	**-**	**(55)**	**(132,143)**
Opening balance adjustments including IFRS 16	-	-	-	-	-	-	-	-	-	**-**
Depreciation charge in year	(7,339)	(4,783)	(7,290)	(5)	-	-	(12,312)	(2,811)	(1,042)	**(35,584)**
Depreciation written out to the Revaluation Reserve	4,500	-	-	-	-	-	3,290	2,811	1,071	**11,672**
Impairment (losses)/reversals recognised in the CIES	-	(69)	-	-	-	-	-	-	-	**(69)**
De-recognition - disposals	6,233	2,818	1,213	-	-	-	-	-	26	**10,290**
Assets reclassified to/from Assets Held for Sale	-	-	-	-	-	22	-	-	-	**22**
Assets reclassified to/from Investment Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Intangible Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Infrastructure Asset	(26,342)	-	(1,921)	-	-	-	-	-	-	**(28,263)**
Other assets reclassified	-	-	-	-	-	-	-	-	-	**-**
Other Movement	-	-	1,614	-	-	-	-	-	-	**1,614**
At 31 March 2026	**(24,305)**	**(26,421)**	**(61,848)**	**(238)**	**-**	**-**	**(59,648)**	**-**	**-**	**(172,461)**
NET BOOK VALUE										
At 31 March 2025	**181,712**	**17,369**	**21,697**	**1,836**	**196,471**	**24,824**	**54,720**	**137,946**	**24,853**	**661,428**
At 31 March 2026	**212,478**	**18,894**	**19,246**	**1,831**	**231,287**	**14,853**	**52,456**	**133,362**	**24,529**	**708,935**

Comparative Movements in 2024/25	Land and Buildings	Vehicles	Plant, Furniture & Equipment	Donated Assets	Assets Under Construction	Surplus Assets	NPAS Airframes & Equipment	PFI Right of Use Assets	Other Right of Use Assets	Total Property, Plant and Equipment*
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COST OR VALUATION										
At 1 April 2024	**198,642**	**38,789**	**73,524**	**2,278**	**130,813**	**-**	**99,082**	**139,355**	**18,114**	**700,597**
Opening balance adjustments including IFRS 16	(1,412)	(24)	(54)	(209)	(8,045)	-	-	22,744	6,337	**19,337**
Additions	4,562	7,209	7,505	-	91,314	-	8,798	-	87	**119,475**
Revaluation increases/(decreases) in the Revaluation	(5,476)	-	-	-	-	-	(2,197)	(24,103)	608	**(31,168)**
Revaluation increases/(decreases) in the CIES	(789)	-	-	-	-	-	(257)	(50)	(238)	**(1,334)**
De-recognition - disposals	-	(4,218)	-	-	-	(280)	(80)	-	-	**(4,578)**
Assets reclassified to/from Assets Held for Sale	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Investment Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Intangible Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Infrastructure Asset	-	-	-	-	-	-	-	-	-	**-**
Other assets reclassified	(12,459)	-	-	-	(17,611)	25,126	-	-	-	**(4,944)**
Other Movement	-	-	(3,814)	-	-	-	-	-	-	**(3,814)**
At 31 March 2025	**183,068**	**41,756**	**77,161**	**2,069**	**196,471**	**24,846**	**105,346**	**137,946**	**24,908**	**793,571**
ACCUMULATED DEPRECIATION AND IMPAIRMENT										
At 1 April 2024	**(475)**	**(24,529)**	**(52,154)**	**(436)**	**-**	**-**	**(42,192)**	**(1)**	**-**	**(119,787)**
Opening balance adjustments including IFRS 16	-	24	54	208	-	-	-	1	-	**287**
Depreciation charge in year	(5,533)	(3,664)	(7,181)	(5)	-	-	(10,799)	(3,233)	(977)	**(31,392)**
Depreciation written out to the Revaluation Reserve	4,652	-	-	-	-	-	2,285	3,233	922	**11,092**
Impairment (losses)/reversals recognised in the CIES	-	(35)	-	-	-	-	-	-	-	**(35)**
De-recognition - disposals	-	3,817	-	-	-	-	80	-	-	**3,897**
Assets reclassified to/from Assets Held for Sale	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Investment Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Intangible Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Infrastructure Asset	-	-	-	-	-	-	-	-	-	**-**
Other assets reclassified	-	-	-	-	-	(22)	-	-	-	**(22)**
Other Movement	-	-	3,817	-	-	-	-	-	-	**3,817**
At 31 March 2025	**(1,356)**	**(24,387)**	**(55,464)**	**(233)**	**-**	**(22)**	**(50,626)**	**-**	**(55)**	**(132,143)**
NET BOOK VALUE										
At 31 March 2024	**198,167**	**14,260**	**21,370**	**1,842**	**130,813**	**-**	**56,890**	**139,354**	**18,114**	**580,810**
At 31 March 2025	**181,712**	**17,369**	**21,697**	**1,836**	**196,471**	**24,824**	**54,720**	**137,946**	**24,853**	**661,428**

In accordance with the temporary relief offered by the Update to the Code on infrastructure assets this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements.

The Group has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

The authority has determined in accordance with Regulation 30M of the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2022 that the carrying amounts to be derecognised for infrastructure assets when there is replacement expenditure is nil.

Infrastructure Assets	**2024/25 £'000**	**2025/26 £'000**
Net Book Value At 1 April	**33,245**	**35,074**
Opening balance adjustments	(4)	-
Other assets reclassified	4,944	(57,345)
Depreciation charge in year	(3,133)	(1,302)
Other assets reclassified depreciation	22	28,263
Net Book Value At 31 March	**35,074**	**4,690**

The total for Property, Plant and Equipment as seen on the Balance Sheet is made up as follows:

Reconciliation to PPE per Balance Sheet	**2024/25 £'000**	**2025/26 £'000**
Infrastructure Assets	35,074	4,690
Other PPE Assets	661,428	708,935
PPE per Balance Sheet	**696,502**	**713,626**

In compliance with legislation the Police Fund is accounted for in the group accounts of the CA in the interests of transparency the statements below set out assets deployed for delivering policing services in 2025/26, and the comparative for 2024/25:

Movement In 2025/26	Land and Buildings	Vehicles	Plant, Furniture & Equipment	Donated Assets	Assets Under Construction	Surplus Assets	NPAS Airframes & Equipment	PFI Right of Use Assets	Other Right of Use Assets	Total Property, Plant and Equipment*
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COST OR VALUATION										
At 1 April 2025	**167,932**	**32,194**	**45,395**	**-**	**80,315**	**-**	**105,346**	**137,946**	**24,908**	**594,036**
Opening balance adjustments including IFRS 16	-	-	-	-	-	-	-	-	115	**115**
Additions	**4,444**	**6,377**	**4,194**	**-**	**22,002**	**-**	**8,187**	**-**	66	**45,270**
Revaluation increases/(decreases) in the Revaluation Reserve	(3,853)	-	-	-	-	-	(1,682)	(4,585)	(410)	**(10,530)**
Revaluation increases/(decreases) in the CIES	(1,907)	-	-	-	-	-	253	1	6	**(1,647)**
De-recognition - disposals	-	(2,818)	-	-	-	-	-	-	(156)	**(2,974)**
Assets reclassified to/from Assets Held for Sale	(7,476)	-	-	-	-	-	-	-	-	**(7,476)**
Assets reclassified to/from Investment Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Intangible Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Infrastructure Asset	-	-	-	-	-	-	-	-	-	**-**
Other assets reclassified	-	-	-	-	-	-	-	-	-	**-**
Other Movement	-	-	(1,614)	-	-	-	-	-	-	**(1,614)**
At 31 March 2026	**159,140**	**35,753**	**47,975**	**-**	**102,317**	**-**	**112,104**	**133,362**	**24,529**	**615,180**
ACCUMULATED DEPRECIATION AND IMPAIRMENT										
At 1 April 2025	**(959)**	**(15,383)**	**(24,902)**	**-**	**-**	**-**	**(50,626)**	**-**	**(55)**	**(91,925)**
Opening balance adjustments including IFRS 16	-			-	-	-				**-**
Depreciation charge in year	(5,042)	(4,618)	(6,605)	-	-	-	(12,312)	(2,811)	(1,042)	**(32,430)**
Depreciation written out to the Revaluation Reserve	4,500	-	-	-	-	-	3,290	2,811	1,071	**11,672**
Impairment (losses)/reversals recognised in the CIES	-	(69)	-	-	-	-	-	-	-	**(69)**
De-recognition - disposals	-	2,818	-	-	-	-	-	-	26	**2,844**
Assets reclassified to/from Assets Held for Sale	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Investment Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Intangible Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Infrastructure Asset	-	-	-	-	-	-	-	-	-	**-**
Other assets reclassified	-	-	-	-	-	-	-	-	-	**-**
Other Movement	-	-	1,614	-	-	-	-	-	-	**1,614**
At 31 March 2026	**(1,501)**	**(17,252)**	**(29,893)**	**-**	**-**	**-**	**(59,648)**	**-**	**-**	**(108,294)**
NET BOOK VALUE										
At 31 March 2025	**166,973**	**16,811**	**20,493**	**-**	**80,315**	**-**	**54,720**	**137,946**	**24,853**	**502,111**
At 31 March 2026	**157,639**	**18,501**	**18,082**	**-**	**102,317**	**-**	**52,456**	**133,362**	**24,529**	**506,887**

Comparative Movements in 2024/25	Land and Buildings	Vehicles	Plant, Furniture & Equipment	Donated Assets	Assets Under Construction	Surplus Assets	NPAS Airframes & Equipment	PFI Right of Use Assets	Other Right of Use Assets	Total Property, Plant and Equipment*
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COST OR VALUATION										
At 1 April 2024	**175,312**	**28,562**	**41,711**	**-**	**33,679**	**-**	**99,082**	**139,355**	**18,114**	**535,815**
Opening balance adjustments including IFRS 16	-	-	-	-	-	-	-	22,744	6,337	**29,081**
Additions	**4,562**	**7,209**	**7,505**	**-**	**46,636**	**-**	**8,798**	**-**	**87**	**74,797**
Revaluation increases/(decreases) in the Revaluation Reserve	(11,153)	-	-	-	-	-	(2,197)	(24,103)	608	**(36,845)**
Revaluation increases/(decreases) in the CIES	(789)	-	-	-	-	-	(257)	(50)	(238)	**(1,334)**
De-recognition - disposals	-	(3,577)	-	-	-	-	(80)	-	-	**(3,657)**
Assets reclassified to/from Assets Held for Sale	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Investment Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Intangible Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Infrastructure Asset	-	-	-	-	-	-	-	-	-	**-**
Other assets reclassified	-	-	-	-	-	-	-	-	-	**-**
Other Movement	-	-	(3,821)	-	-	-	-	-	-	**(3,821)**
At 31 March 2025	**167,932**	**32,194**	**45,395**	**-**	**80,315**	**-**	**105,346**	**137,946**	**24,908**	**594,036**
ACCUMULATED DEPRECIATION AND IMPAIRMENT										
At 1 April 2024	**(475)**	**(15,464)**	**(22,583)**	**-**	**-**	**-**	**(42,192)**	**(1)**	**-**	**(80,714)**
Opening balance adjustments including IFRS 16	-	-	-	-	-	-	-	1	-	**-**
Depreciation charge in year	(5,136)	(3,461)	(6,140)	-	-	-	(10,799)	(3,233)	(977)	**(29,746)**
Depreciation written out to the Revaluation Reserve	4,652	-	-	-	-	-	2,285	3,233	922	**11,092**
Impairment (losses)/reversals recognised in the CIES	-	(35)	-	-	-	-	-	-	-	**(35)**
De-recognition - disposals	-	3,577	-	-	-	-	80	-	-	**3,657**
Assets reclassified to/from Assets Held for Sale	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Investment Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Intangible Asset	-	-	-	-	-	-	-	-	-	**-**
Assets reclassified to/from Infrastructure Asset	-	-	-	-	-	-	-	-	-	**-**
Other assets reclassified	-	-	-	-	-	-	-	-	-	**-**
Other Movement	-	-	3,821	-	-	-	-	-	-	**3,821**
At 31 March 2026	**(959)**	**(15,383)**	**(24,902)**	**-**	**-**	**-**	**(50,626)**	**-**	**(55)**	**(91,925)**
NET BOOK VALUE										
At 31 March 2024	**174,837**	**13,098**	**19,128**	**-**	**33,679**	**-**	**56,890**	**139,354**	**18,114**	**455,101**
At 31 March 2025	**166,973**	**16,811**	**20,493**	**-**	**80,315**	**-**	**54,720**	**137,946**	**24,853**	**502,111**

Depreciation

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

Buildings – 5 to 50 years

- Vehicle, Plant, Furniture & Equipment – 4 to 15 years, 30 years for solar panels
- Infrastructure – 5 to 20 years

Donated – turning circles 5 to 10 years, bus station land leases 10 to 40 years

Capital Commitments

At 31 March 2026, the CA & Group has entered into a number of contracts for the construction or enhancement of property, plant and equipment in 2026/27 and future years.

For the CA capital commitments, as at 31 March 2026 were £21.07m.
The major commitments were:
• West Yorkshire Mass Transit – £9.75m
• Dewsbury Bus Station – £5.99m
• Heckmondwike Bus Station – £1.54m
• Huddersfield Bus Station (Kirklees) – £3.79m

For the Police Fund as at 31 March 2026 capital commitments were £68.3m (including NPAS at 43.6m).
The major commitments were:
• Operational Helicopters – £42.8m
• New Kirklees DHQ – £14.3m.
• New Huddersfield South PS – £3.5m
• Divisional Vehicles (Plain & Marked) – £1.5m.

Revaluations

The Group undertakes an annual revaluation assessment of selected classes of Property, Plant and Equipment to ensure that valuations remain appropriate and materially accurate within the financial statements.

From 1 April 2025, the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requirements changed in respect of revaluations of property, plant and equipment. Where authorities do not have a rolling programme of revaluations in place and/or the assets are not non-property assets subject to indexation, authorities revalue their assets every five years, with annual indexation applied to assets during the four intervening years. Where authorities cannot obtain indices without undue cost or effort, authorities revalue those assets using a quinquennial revaluation with a desktop revaluation in year three.

The valuations of CA's assets were undertaken by independent external valuers, Carter Jonas LLP, in accordance with the methodologies and bases of valuation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS). The effective date of the valuations is 31 March 2026.

Valuations of Police Fund assets were undertaken by external chartered valuers, NPS Property Consultants Ltd, in accordance with the methodologies and bases of valuation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS).

Assets are valued on a quinquennial cycle, with interim valuations updated using appropriate indices in intervening years. Where suitable indices cannot be obtained without undue cost or effort, assets are revalued on a quinquennial basis with a desktop revaluation performed in the third year.

Helicopters are valued at current prices where an active second-hand market exists, or at the latest list price adjusted for the condition of the asset. Other classes of vehicles, plant and equipment are measured at depreciated historical cost, which is considered to be a reasonable proxy for current value.

The tables below detail the indexation adjustments recognised in 2025/26 and the values on which these have been applied:

Index	Average change (%)	Valuation change (£'000)
Specialised buidlings	-2.3	(3,005)
Commercial	-0.32	(182)
Residential	3.26	16
Land	1.79	222
Total Indexation applied in year	**2.43**	**(2,949)**

	Land and Buildings	Vehicles	Plant, Furniture & Equipment	Donated Assets	Assets Under Construction	Surplus Assets	NPAS Airframes & Equipment	PFI Right of Use Assets	Other Right of Use Assets	Total Property, Plant and Equipment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Carried at historical cost	45,293	18,894	19,246	0	231,287	12,362	27,321	-	1,977	356,381
Indexed asset value	104,211	-	-	1,831	-	-	-	80,294	22,422	208,758
Revalued amount	-	-	-	-	-	-	-	-	-	-
Valued at current value as at:	-	-	-	-	-	-	-	-	-	-
31 March 2026	70,450	-	-	-	-	2,490	25,135	53,068	130	151,273
Total Cost or Valuation	**219,954**	**18,894**	**19,246**	**1,831**	**231,287**	**14,852**	**52,456**	**133,362**	**24,529**	**716,412**

Non-Operational Property, Plant and Equipment (Surplus Assets)

The fair value of surplus assets has been determined by reference to market-based evidence. The valuations performed by the external valuer have been based on active market prices adjusted for any difference in the nature, location or condition of the asset.

14. ASSETS HELD FOR SALE

2024/25 £'000	Assets Held for Sale WYCA Group	2025/26 £'000
-	**Balance at 1 April**	-
-	Property, plant and equipment newly classified as held for sale	13,238
-	Revaluation losses	(3,590)
-	**Balance at 31 March**	**9,648**

15. INVESTMENT PROPERTIES

There are no restrictions on CA's ability to realise the value inherent in its investment property or on the authority's right to the remittance of income and the proceeds of disposal. The authority has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement.

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

i. Fair Value measurement of Investment Property

Investment Property	2024/25 £'000	2025/26 £'000
Balance at 1 April	**0**	**0**
Addition	0	1,562
Disposals	0	0
Net gains/losses from fair value	0	(9,169)
Other assets reclassified	0	12,507
Balance at 31 March	**0**	**4,900**

The fair value of Investment Properties as at 31 March 2026 is £4.9m. There were no transfers between levels of the fair value hierarchy during the year. The Combined Authority's Investment Properties are classified as Level 2 within the fair value hierarchy.

The fair value of the assets has been determined using a market approach, primarily based on comparable sales evidence for similar properties within the local area. The comparable method has been adopted as the most appropriate valuation technique, reflecting the availability of observable market data. This includes recent sales prices and other relevant information for comparable assets, with appropriate adjustments made to reflect site-specific factors such as density, abnormal costs, external works, and planning obligations.

ii. Highest and Best use of Investment Properties

In estimating the fair value of the authority's investment properties, the highest and best use of the properties is their current use.

iii. Valuation Techniques

There has been no change in the valuation techniques used during the year for investment properties.

Gains or losses arising from changes in the fair value of the investment property are recognised in the surplus or deficit on the provision of services – financing and investment income and expenditure line.

iv. Valuation Process for Investment Properties

The fair value of the authority's investment property is measured annually at each reporting date. The 2025/26 valuations were performed by external chartered valuers in accordance with the professional standards and methodologies prescribed by the Royal Institution of Chartered Surveyors (RICS).

16. INTANGIBLE ASSETS

The CA and Group account for its software and intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. The intangible assets may include both purchased licenses and internally generated software.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the CA and Group. The useful life assigned to the major software suites used by the CA and the Group is five years. The carrying amount of intangible assets is amortised on a straight-line basis.

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

	2024/25			2025/26		
	Internally generated assets £'000	Other assets £'000	Total £'000	Internally generated assets £'000	Other assets £'000	Total £'000
Balance at start of the year						
- Gross carrying amounts	-	11,811	**11,811**	-	11,881	**11,881**
- Accumulated amortisation	-	(8,812)	**(8,812)**	-	(7,353)	**(7,353)**
Net carrying amount at start of year	**-**	**2,999**	**2,999**	**-**	**4,528**	**4,528**
Additions:						
- Purchases	-	2,718	**2,718**	-	2,423	**2,423**
- Internal Development	-	-	**-**	888	-	**888**
- Reclassification from AUC	-	-	**-**	3,966	-	**3,966**
- Derecognition - Disposals	-	(2,648)	**(2,648)**	-	-	**-**
- Impairment losses recognised in the CIES	-	-	**-**	-	-	**-**
Amortisation for the Period	-	(1,189)	**(1,189)**	(954)	(1,324)	**(2,278)**
- Amortisation Derecognition - Disposals	-	2,648	**2,648**	-	-	**-**
Net carrying amount at the end of year	**-**	**4,528**	**4,528**	**3,900**	**5,627**	**9,527**
Comprising:						
- Gross Carrying amounts	-	**11,881**	**11,881**	**4,854**	**14,304**	**19,158**
- Accumulated amortisation & impairment	-	**(7,353)**	**(7,353)**	**(954)**	**(8,677)**	**(9,631)**
Total	**-**	**4,528**	**4,528**	**3,900**	**5,627**	**9,527**

In compliance with legislation the Police Fund is accounted for in the group accounts of the CA in the interests of transparency, the table below set out the intangible assets utilised in supporting the delivery of policing services.

	2024/25			2025/26		
	Internally generated assets £'000	Other assets £'000	Total £'000	Internally generated assets £'000	Other assets £'000	Total £'000
Balance at start of the year						
- Gross carrying amounts	-	11,811	**11,811**	-	11,881	**11,881**
- Accumulated amortisation	-	(8,812)	**(8,812)**	-	(7,353)	**(7,353)**
Net carrying amount at start of year	**-**	**-**	**2,999**	**-**	**4,528**	**4,528**
Additions:						
- Purchases	-	2,718	**2,718**	-	2,423	**2,423**
- Internal Development	-	-	**-**	-	-	**-**
- Reclassification from AUC	-	-	**-**	-	-	**-**
- Derecognition - Disposals	-	(2,648)	**(2,648)**	-	-	**-**
- Impairment losses recognised in the CIES	-		**-**	-	-	**-**
Amortisation for the Period	-	(1,189)	**(1,189)**	-	(1,324)	**(1,324)**
- Amortisation Derecognition - Disposals	-	2,648	**2,648**	-	-	**-**
Net carrying amount at the end of year	**-**	**4,528**	**4,528**	**-**	**5,627**	**5,627**
Comprising:						
- Gross Carrying amounts	-	**11,881**	**11,881**	-	**14,304**	**14,304**
- Accumulated amortisation & impairment	-	**(7,353)**	**(7,353)**	-	**(8,677)**	**(8,677)**
Total	**-**	**4,528**	**4,528**	**-**	**5,627**	**5,627**

17. FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity. Non-exchange transactions, such as those relating to local taxation and government grants, do not give rise to financial instruments.

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

	Long-Term		Current		Total	
	2024/25 £'000	2025/26 £'000	2024/25 £'000	2025/26 £'000	2024/25 £'000	2025/26 £'000
Financial Assets at Fair Value						
Long Term Investment	5,904	6,348		-	5,904	6,348
					-	-
Financial Assets at Amortised Cost					-	-
Short term Investments		-	692,823	662,530	692,823	662,530
Cash held by the Group		-	85,582	70,881	85,582	70,881
Cash equivalents		-	-	-	-	-
Total Investments	**5,904**	**6,348**	**778,405**	**733,411**	**784,309**	**739,759**
Debtors			44,245		44,245	-
Long term Debtors- Soft Loans Advanced	10,574	10,743		-	10,574	10,743
Long term Debtors- Commercial Loans Advanced		-		-	-	-
Long term Debtors- Other	2,814	2,630		-	2,814	2,630
Total Debtors	**13,388**	**13,372**	**44,245**	**-**	**57,633**	**13,372**
Total Financial Assets	**19,292**	**19,720**	**822,650**	**733,411**	**841,943**	**753,131**
Financial Liabilities at Amortised Cost						
Borrowings					-	-
Borrowings repayable within one year		-	(23,807)	(15,936)	(23,807)	(15,936)
Bank Overdraft		-		-	-	-
Long term Borrowing	(146,497)	(75,000)		-	(146,497)	(141,485)
Total Borrowings	**(146,497)**	**(75,000)**	**(23,807)**	**(15,936)**	**(170,304)**	**(157,421)**
Other Long Term Liabilities						
Private Finance Initiative	(95,240)	(91,137)	(3,624)	(4,104)	(98,864)	(95,241)
Right of use assets	(4,775)	(4,151)	(668)	(745)	(5,443)	(4,896)
Total Other Long Term Liabilities	**(100,015)**	**(95,288)**	**(4,292)**	**(4,849)**	**(104,307)**	**(100,137)**
Creditors			(91,018)	(104,350)	(91,018)	(104,350)
Total Creditors	**-**	**-**	**(91,018)**	**(104,350)**	**(91,018)**	**(104,350)**
Total Financial Liabilities	**(246,512)**	**(170,288)**	**(119,117)**	**(125,135)**	**(365,629)**	**(361,908)**

Note: The short-term debtors and creditors lines on the Balance Sheet do not include short term debtors and creditors that do not meet the definition of a financial asset as they relate to non-exchange transactions.

a. Long Term Investments

The CA holds £6.3m of equity investments as set out in the following table. The Authority has made the irrevocable election to designate these assets as Fair Value through Other Comprehensive Income in accordance with IFRS 9 Financial Instruments. They meet the requirements of the CIPFA Code to be designated this way as they are all strategic investments and not held for trading purposes.

2024/25 **£000's**	Long Term Investments	2025/26 **£000's**
5,405	Foresight West Yorkshire Business Accelerator General Partner LLP	5,658
499	Northern Gritstone	690
5,904	**Total Long Term Investments**	**6,348**

The shares or limited partnership interests held are not traded in active markets and are valued based on level 2 - observable input data from the companies, such as latest filed accounts and management accounting reports.

These equity investments have been made to further the CA's five key missions, and more specifically to contribute towards delivering 'a prosperous West Yorkshire'. These investments specifically relate to:

- **Foresight West Yorkshire Business Accelerator Fund (£5.7m) –** this is an investment into a fund dedicated to West Yorkshire Combined Authority that provides early-stage and growth funding to SME businesses in West Yorkshire. Investments are made in line with the investment strategy to maximise the growth opportunities of the designated businesses and companies in the region. Investments are valued by the Fund Manager in line with the requirements of FRS 102 and according to the International Private Equity and Venture Capital Valuation Guidelines.

- **Northern Gritstone (£0.7m) –** this is a minority investment (0.5% equity share) in a fund that provides seed and early-stage funding to science and technology businesses in the North of England. Northern Gritstone was established with the assistance of the Universities of Manchester, Leeds and Sheffield with the dual purpose of supporting the commercialisation of science and IP-rich businesses originating from these institutions alongside funding the development of similar businesses based across the North of England. Investments are valued by the Fund Manager in line with the requirements of FRS 102 and according to the International Private Equity and Venture Capital Valuation Guidelines.

b. Soft Loans

At the start of 2025/26 the CA had £9.5m of Soft Loans outstanding which related to loans provided under the Governments Growing Places Fund initiative which was set up in 2015 to support key infrastructure projects 105 designed to unlock wider economic growth, create jobs and build houses in England. The fund is an important boost for local economies and provides a major opportunity for local enterprise partnerships and local authorities to identify and prioritise the infrastructure they need for growth. The range of projects being supported include site access/site clearance, transport infrastructure and refurbishment of buildings. Additionally, £1.5m of funding was allocated to a pilot initiative offering Energy Efficiency loans to West Yorkshire

residents of between £5k and £25k at a preferential rate of 3.26% and loan terms of up to 10 years.

A fair value adjustment has been made in the CIES of £55k which recognises the loss on interest receivable on loans outstanding. Also see Note 20 (ii). Long Term Debtors.

c. Income, Expenses, Gains and Losses

The following table summarises gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments.

	2024/25				2025/26			
	Financial Liabilities measured at amortised cost	Financial Assets measured at FVPL	Financial Assets: OCI	Total	Financial Liabilities measured at amortised cost	Financial Assets measured at FVTPL	Financial Assets: OCI	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net (gain)/loss on financial assets at FVTPL	-	-	-	-	-	-	-	-
Interest expense	13,771	-	-	13,771	14,121	-	-	14,121
Impairment losses/(gains)	-	-	-	-	-	-	-	-
Exchange rate loss on investment	-	-	-	-	-	-	-	-
Fee expense	-	-	-	-	-	-	-	-
Total expense in Surplus or Deficit on the	**13,771**	**-**	**-**	**13,771**	**14,121**	**-**	**-**	**14,121**
Interest income	(46,296)	-	-	(46,296)	(41,218)	-	-	(41,218)
Increases in fair value	-	-	-	-	-	-	-	-
Gains on derecognition	-	-	-	-	-	-	-	-
Fee income	-	-	-	-	-	-	-	-
Total income in Surplus or Deficit on the	**(46,296)**	**-**	**-**	**(46,296)**	**(41,218)**	**-**	**-**	**(41,218)**
Gains on revaluation	-	-	-	-	-	-	-	-
Losses on revaluation	-	-	-	-	-	-	-	-
Amounts recycled to the Surplus or Deficit on the Provision of Services after impairment	-	-	-	-	-	-	-	-
Net (gain)/loss for the year	**(32,525)**	**-**	**-**	**(32,525)**	**(27,097)**	**-**	**-**	**(27,097)**

d. Fair Values of Assets and Liabilities Carried at Amortised Cost

Financial liabilities and financial assets represented by loans, creditors and trade receivables and short-term debtors are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments.

The CA is required to disclose the fair value and carrying value for those financial instruments whose carrying value is not a reasonable approximation 106 for fair value. Only the CA's loan portfolio and short-term investment fall into this category.

The purpose of the fair value disclosure is primarily to provide a comparison with the carrying value, which includes accrued interest as at the balance sheet date, therefore we have included accrued interest in the fair value calculation.

Fair value is determined by calculating the Net Present Value of future cash flows, thus estimating the value of future payments in today's terms. This is a widely accepted and commonly used valuation technique. The discount rates used for the evaluation were obtained by the CA from our Advisors MUFG Corporate Markets, a leading and independent provider of capital financing, treasury advisory and strategic advisory consulting services to the public sector.

The fair value of borrowing from the PWLB and other loans payable has been estimated on the basis of PWLB new borrowing rates matching the remaining duration of the loans.

The fair value for long term debtors has been estimated using the PWLB's interest rates for new fixed rate loans with the most appropriate maturity and repayment profile as at 31st March 2026.

Trade and other receivables are non-interest-bearing financial instruments. The short-term nature of these instruments means there is no material difference between the carrying value and fair value.

The fair values calculated are as follows:

	2024/25		2025/26	
	Carrying Amount £'000	Fair Value £'000	Carrying Amount £'000	Fair Value £'000
Financial Assets				
Fixed term Investments	691,546	673,530	662,530	647,530
Long term Debtors- Soft Loans Advanced	10,574	10,529	10,743	10,474
Total Financial Assets	**702,120**	**684,059**	**673,273**	**658,004**
Financial Liabilities at Amortised Cost				
PWLB Long term Borrowing	(112,497)	(91,365)	(111,485)	(86,836)
Non - PWLB Long term Borrowing	(34,000)	(24,463)	(30,000)	(20,472)
PWLB Short term Borrowing	(778)	(778)	(936)	(936)
Non - PWLB Short term Borrowing	(23,029)	(23,029)	(15,030)	(15,030)
Private Finance Initiative	(98,864)	(98,864)	(95,241)	(95,241)
Right of Use Assets	(5,443)	(5,443)	(4,896)	(4,896)
Total Financial Liabilities	**(274,611)**	**(243,941)**	**(257,588)**	**(223,411)**

The CA has determined that for PFI scheme liabilities, the carrying value represents the best estimate of fair value, as the carrying value is based on the effective interest rate of the contract, which reflects the unique risks associated with that contract. For the remaining financial instruments in the above table, fair value has been estimated using observable data on market rates for similar instruments, and the fair values disclosed therefore fall within Level 2 of the fair value hierarchy.

The fair value is greater than the carrying amount because the CA and Group's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans in the market at the balance sheet date.

e. Nature & Extent of Risk Arising from Financial Instruments

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

- Credit risk - the possibility that other parties might fail to pay amounts due to the CA;

- Liquidity risk - the possibility that the CA might not have funds available to meet its commitments to make payments;

- Re-financing risk - the possibility that the CA might be requiring to renew a financial instrument on maturity at disadvantageous interest rates or terms.

- Market risk - the possibility that financial loss might arise for the CA as a result of changes in such measures as interest rates or stock market movements.

The CA's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by a central treasury team, under policies approved by CA in the annual Treasury Management Strategy. The CA provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and the investment of surplus cash.

a. Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the authority's customers. This risk is minimised through the annual investment strategy.

Credit Risk Management Practices

Almost all of the CA's loans and investments are made for treasury management purposes, to generate income from available balances. The parameters within which these investments are made are set out within the approved Treasury Management Policy. The effect of this policy is to restrict as far as is practicable the CA's exposure to risk from the failure of a financial institution. It ensures that deposits are placed only with limited numbers of financial institutions whose credit rating is independently assessed as being sufficiently secure. The term and maximum deposit are also restricted to reduce risk exposure.

The Code requires that no impairment allowance is recognised for deposits with the government or with other local authorities. The CA's remaining financial assets held for treasury management purposes have been reviewed for impairment, using available market data on default rates for similar instruments. As a result, the CA has concluded that the level of impairment allowance

required would be immaterial and so no impairment allowance has been recognised. Historically, the CA has not experienced any defaults on its treasury investments. The CA has considered the expected credit loss allowance under IFRS 9 and concluded that the impact will not be material.

Credit Risk Exposure

The CA has exposure to credit risk on the Debtor Loans advanced to third parties. During the year the two Growing Places Fund Loans were repaid.

The Local Growth Fund loans are to Local Authorities who are deemed to be low risk on the basis they are backed by government and required by law to make provision for loan repayments.

The table below shows the gross amounts due to the CA and Group from its financial assets, and the amounts which have been impaired due to expected level of un-collectability. The net carrying value which is shown on the balance sheet represents the maximum credit risk to which the CA and Group is exposed.

	2024/25			2025/26		
	Gross Value £'000	Impairment Value £'000	Net Value £'000	Gross Value £'000	Impairment Value £'000	Net Value £'000
Deposit with Financial Institutions	85,582	-	85,582		-	-
Long Term Debtors	13,388	-	13,388	13,372	-	13,372
Long Term Loans	11,888	-	11,888	10,743	-	10,743
Short Term Debtors	70,840	(253)	70,587	51,669	(747)	50,922
Total	**181,697**	**(253)**	**181,444**	**75,783**	**(747)**	**75,036**

The following table analyses the movement in the impairment provision for trade debtors:

	2024/25	2025/26
	£'000	£'000
Opening	324	253
Impairment Allowance Raised	-	-
Impairment Allowance Applied	-	-
Other Movements	(71)	494
Total	**253**	**747**

b. Liquidity Risk

Liquidity risk is the risk that the CA may not have sufficient cash available to meet its day-to-day obligations to meet payments.

The CA has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. If unexpected movements happen, the CA has ready access to borrowings from the money markets and the Public

Works Loans Board (PWLB). Given the ongoing availability of PWLB funding as a lender of last resort, the CA considers that it has limited liquidity risk, so far as it can see. However, there is a consequent risk that the Authority may be forced to borrow at a time of unfavourable interest rates (see (d.i.) below).

c. Refinancing and Maturity risk

The CA and Group maintain a significant debt and investment portfolio. Whilst the cash flow procedures above are considered against the refinancing risk procedures, longer-term risk to the CA and Group relates to managing the exposure to replacing financial instruments as they mature. This risk relates to both the maturing of longer-term financial liabilities and longer-term financial assets.

The maturity analysis of financial liabilities is as follows:

	Actual 31 March 2025 £'000	Actual 31 March 2025	Actual 31 March 2026 £'000	Actual 31 March 2026
Less than one year	23,807	14%	15,966	10%
Between one and two years	853	1%	1,964	1%
Between two and five years	1,964	1%	-	0%
Between five and ten years	558	0%	558	0%
More than ten years	143,122	84%	138,964	88%
Total	**170,304**	**100%**	**157,451**	**100%**

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

d. Market Risk

i) Interest Rate Risk

Interest rate risk is the risk that future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The CA is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the authority. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the surplus or deficit on the provision of services will rise.
- borrowings at fixed rates – the fair value of the liabilities borrowings will fall.
- investments at variable rates – the interest income credited to the surplus or deficit on the provision of services will rise.
- investments at fixed rates – the fair value of the assets will fall.

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the surplus or deficit on the provision of services or other comprehensive income and expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the surplus or deficit on the provision of services and affect the General Fund balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in other comprehensive income and expenditure.

The majority of the CA's long-term lending is at fixed interest rates, but it also borrows some of its money in the form of fixed rate loans. This mix of lending assists the Authority in taking advantage of changes to interest rates and it constantly reviews the potential for refinancing debt at more favourable rates.

The CA is also affected by fluctuations in shorter term interest rates as this impacts on the interest that can be earned in the year on deposits.

This is particularly true after the variability of the base rate over recent years. The short-term interest rate is carefully monitored and opportunities to secure advantageous interest rates are considered.

The treasury management function has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget and which is used to update the budget quarterly during the year. This allows any adverse changes to be accommodated. The analysis will also advise whether new borrowing taken out is fixed or variable.

The CA is required to disclose the impact that a hypothetical change in market interest rates during the year would have had on its recognised gains and losses. It should be noted that had interest rates been different then in practice different decisions would have been taken in relation to rescheduling of debt and new borrowing and investments undertaken. It is not possible to quantify the likely impact of such different decisions. The CA's interest payable and receivable would have varied by a net £7,136k if interest rates varied by 1% in the year to 31 March 2026 (£5,938k to 31 March 2025).

ii) Price Risk

In furtherance to the CA's mission of delivering 'A prosperous West Yorkshire', the CA holds investments in 2 investment funds, Foresight West Yorkshire Business Accelerator General Partner LLP and Northern Gritstone. These funds make equity investments in companies in West Yorkshire, and as such the CA is exposed to losses arising from movements in the value of the shares in the companies invested in.

The total equity investment in these Funds is £6.04m, and both are classified at fair value through other comprehensive income, meaning that all movements

in price will impact on gains and losses recognised in the surplus or deficit on other comprehensive income. A general shift of 5% in the general price of shares (positive or negative) would thus have resulted in a £0.32m gain or loss being recognised in the surplus or deficit on other comprehensive income for 2025/26.

iii) Foreign Exchange Risk

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

18. INVENTORIES

	Opening Balance 1 April 2024 £'000	Purchases 24/25 £'000	Expense in Year 24/25 £'000	Closing Balance 31 March 2025 £'000	Purchases 25/26 £'000	Expense in Year 25/26 £'000	Closing Balance 31 March 2026 £'000
Fuel	185	2,367	(2,389)	163	2,545	(2,601)	107
IT	440	338	(486)	292	189	(358)	123
Other	404	3,056	(3,041)	419	2,748	(2,695)	472
NPAS Fuel	183	2,325	(2,311)	197	1,903	(1,907)	193
Totals	**1,212**	**8,086**	**(8,227)**	**1,071**	**7,385**	**(7,561)**	**895**

19. DEBTORS

As the balance sheet represents the position at the end of the financial year, there are monies owed to the CA and Group at that date which are yet to be received as cash. The following analysis shows the amounts owed to the CA and group which had not been received at 31st March 2026.

The CA and Group also make loss allowance for outstanding monies which it is anticipated may not be recovered. These amounts are then deducted from the total value of debtors shown in the balance sheet. The loss allowance is included in the Short-Term Debtors analysis below.

Trade and other receivables are non-interest-bearing financial instruments. There is no material difference between the carrying value and the fair value of trade and other receivables.

i. Short Term Debtors

2024/25			2025/26	
WYCA Single Entity	WYCA Group		WYCA Single Entity	WYCA Group
£'000	£'000		£'000	£'000
42,437	42,437	Central Government bodies	57,366	57,366
57,187	57,187	Local Authorities	81,865	81,865
18,560	18,560	Police Forces	8,010	8,010
39,453	39,453	Other Entities and Individuals	59,868	59,868
157,637	**157,637**	**Total current debtors**	**207,109**	**207,109**
(253)	(253)	Loss Allowance for Doubtful Debt	(747)	(747)
157,384	**157,384**	**Total debts**	**206,362**	**206,362**

ii. Long Term Debtors

The CA's Long-Term Debtors is made up of the following elements:

2024/25			2025/26	
WYCA Single Entity	WYCA Group		WYCA Single Entity	WYCA Group
£'000	£'000		£'000	£'000
		Soft Loans		
9,541	9,541	Balance At 1 April	10,574	10,574
1,500	1,500	Loans Advanced During The Year	-	-
		Loans Repaid	(72)	(72)
(309)	(309)	Change In Category	-	-
(215)	(215)	Fair Value Adjustment On Initial Recognition	-	-
57	57	Effective Interest To Write Back To Carrying Valu	241	241
10,574	**10,574**	**Soft Loans Balance At 31 March**	**10,742**	**10,742**
		Other Loans Advanced		
2,347	2,347	Balance At 1 April	-	-
309	309	Change In Category	-	-
(2,656)	(2,656)	Loans Repaid	-	-
-	**-**	**Other Loans Balance At 31 March**	**-**	**-**
		Other Long Term Debtor		
2,757	2,757	Balance At 1 April	2,814	2,814
57	57	Loans Advanced During The Year	-	-
-	-	Loans Repaid	(185)	(185)
2,814	**2,814**	**Total Other Long Term Debtor**	**2,629**	**2,629**
13,388	**13,388**	**Total Long Term Debtor**	**13,372**	**13,372**

As mentioned in note 17b, the majority of loans were made under the Governments Growing Places Fund initiative which was set up in 2015 to support key infrastructure projects designed to unlock wider economic growth, create jobs and build houses in England.

20. CASH AND CASH EQUIVALENTS

The balance of Cash and Cash Equivalents is made up of the following elements:

WYCA Single Entity 31 March 2025 £'000	WYCA Group 31 March 2025 £'000		WYCA Single Entity 31 March 2026 £'000	WYCA Group 31 March 2026 £'000
70	70	Cash Held By The Group	75	75
14,795	14,795	Short-Term Deposits With Banks	14,804	14,804
70,709	70,709	Bank Current Accounts	56,002	56,002
85,573	**85,573**	**Total Cash And Cash Equivalents**	**70,881**	**70,881**

21. CREDITORS

The Group's Balance Sheet reflects its financial position at the end of the financial year and therefore includes amounts owed by both the CA and Group that remain unpaid at that date. It also includes income received before year-end relating to services not yet delivered or revenue schemes that have not yet taken place (Deferred Income), as well as contributions towards capital projects that are still incomplete and for which the associated conditions have not yet been met (Capital Grants Received in Advance). In addition, the Balance Sheet includes a small amount relating to accrued employee leave within the CA.

Trade and other payables are non-interest-bearing financial instruments. There is no material difference between the carrying value and the fair value of trade and other payables.

i. Short and Long Term Creditors

Restated	Restated			
2024/25			2025/26	
WYCA Single Entity	WYCA Group		WYCA Single Entity	WYCA Group
£'000	£'000		£'000	£'000
(21,687)	(21,687)	Central government bodies	(19,829)	(19,829)
(137,526)	(137,526)	Local authorities	(114,877)	(114,877)
(5,944)	(5,944)	Police Forces	(5,473)	(5,473)
(100,917)	(121,063)	Other entities and individuals	(107,759)	(122,572)
(266,074)	**(286,220)**	**Total current creditors**	**(247,937)**	**(262,750)**
-	-	Long term creditors	-	-
(266,074)	**(286,220)**	**Total creditors**	**(247,937)**	**(262,750)**

ii. Deferred Income

Restated	Restated			
2024/25			2025/26	
WYCA Single Entity (Restated)	WYCA Group		WYCA Single Entity	WYCA Group
£'000	£'000		£'000	£'000
(76,529)	(76,529)	Central Government Bodies	(54,898)	(54,898)
(4,320)	(4,320)	Local Authorities	(4,705)	(4,705)
(3,441)	(3,441)	Bodies External to Government	(27,280)	(27,280)
(84,291)	**(84,291)**	**Deferred Income WYCA and GROUP**	**(86,883)**	**(86,883)**
-	-	Bodies External to Government WYP	-	-
(84,291)	**(84,291)**	**Total Deferred Income GROUP**	**(86,883)**	**(86,883)**

iii. Capital Grants Received in Advance

Restated	Restated			
2024/25			2025/26	
WYCA Single Entity (Restated)	WYCA Group		WYCA Single Entity	WYCA Group
£'000	£'000		£'000	£'000
(9,170)	(9,170)	Central Government Bodies	(2,843)	(2,843)
(2,647)	(2,647)	Bodies External to Government	(299)	(299)
(11,817)	**(11,817)**	**Total Capital Grant Receipt in Advance GROUP**	**(3,141)**	**(3,141)**

22. PROVISIONS

Provisions are established to meet liabilities or losses which are likely or certain to be incurred, but the amounts or timings are uncertain. Provisions during the year are analysed as follows:

	Police Fund Provision				General Fund Provision	
	Outstanding Legal Cases £'000	**Injury and Damage Compensation Claims £'000**	**Insurance £'000**	**Other Provisions £'000**	**Other Provisions £'000**	**Total £'000**
Balance at 31 March 2024	**3,907**	**492**	**4,415**	**451**	**1,883**	**11,148**
Opening balance adjustments	(60)	-	-	60	-	-
Additional provisions made in 2024/25	778	152	3,184	1,676	-	5,790
Amounts used in 2024/25	(2,121)	(995)	(1,367)	-	(143)	(4,626)
Balance at 31 March 2025	**2,504**	**(351)**	**6,232**	**2,187**	**1,740**	**12,312**
Opening balance adjustments	-	-	-	-	(2)	(2)
Additional provisions made in 2025/26	4,024	587	512	(1,472)		3,651
Amounts used in 2025/26	(2,756)	(1,040)	(763)		(189)	(4,748)
Balance at 31 March 2026	**3,772**	**(804)**	**5,981**	**715**	**1,549**	**11,213**

The Combined Authority as at 31 March 2026 has provided £194k for liabilities relating to the now insolvent company Mutual Municipal Insurance Ltd, representing the potential clawback of claims made by the former West Yorkshire Passenger Transport Executive in previous years. Provision is also made Under Part I of the Land Compensation Act 1973 relating to one of the highway capital schemes.

Outstanding Legal Cases

The amount provided of £3.772m in respect of outstanding legal claims is made up of £0.12m for employment tribunals and £1.632m for litigated insurance claims, and £2.02m for other legal cases.

Injury Compensation Claims

All of the injury compensation claims are individually insignificant. They relate to personal injury sustained where the CA and Group is alleged to be at fault. Provision is made for those claims where it is deemed probable that the CA and Group will have to make a settlement, based on past experience of court decisions about liability and the amount of damages payable. The CA and Group may be reimbursed by its insurers, but until claims are settled no income is recognised.

Insurance Provision

The CA and Group has a provision to meet certain claims made against it. The provision currently bears the first £750,000 of any claim arising from the following policies:

i. Public/Products Liability.

ii. Liability to Employees.

iii. Motor Vehicles (Third Party Liability, £750,000 excess).

iv. Libel and Slander.

v. Officials Indemnity.

All other provisions are individually insignificant.

23. USABLE RESERVES

The CA's reserves have been split between Usable Reserves and Unusable Reserves, and between the CA General Fund Reserve, the Police Fund Reserve and Capital Reserves. Usable Revenue Reserves and Usable Capital Reserves are the only amounts within total reserves which are available to fund future expenditure. Usable Capital Reserves can only be used to fund capital expenditure, but Revenue Reserves can be used to fund either revenue or capital expenditure. Movements in Usable Reserves are detailed in the Movement in Reserves Statement and in Note 7.

WYCA Single Entity Restated 2024/25 £'000	WYCA Group Restated 2024/25 £'000	Usable Reserves	WYCA Single Entity 2025/26 £'000	WYCA Group 2025/26 £'000
15,667	15,667	CA General Fund Reserve	17,017	17,017
125,478	125,478	Earmarked CA General Fund Reserves	140,842	140,842
15,348	15,348	Police Fund General Reserve	15,648	15,648
107,528	107,528	Earmarked Police Fund Reserves	116,303	116,303
33,244	33,244	Usable Capital Receipts Reserve CA	24,620	24,620
463,735	463,735	Capital Grants Unapplied CA	516,540	516,540
5,386	5,386	Usable Capital Receipts Reserve Police	5,104	5,104
980	980	Capital Grants Unapplied Police	1,171	1,171
767,366	**767,366**	**Total Usable Reserves**	**837,244**	**837,244**

24. UNUSABLE RESERVES

Unusable Revenue Reserves are those established by statute in order to adjust the timing with which certain items affect the taxpayers. For example, the largest statutory Revenue Reserve relates to pensions liabilities measured under IAS 19. The government has determined that taxpayers should only be charged with the actual level of pension fund contributions payable by the CA, and thus the level of the Pensions Reserve reflects the extent to which pension liabilities already earned at the balance sheet date will be paid for through future pension fund contributions and income earned from pension fund assets.

The reserves of the CA and Group have been presented to show a clear distinction between accounting reserves that are unusable and cannot be used to support expenditure and usable reserves.

WYCA Single Entity Restated 2024/25 £'000	WYCA Group Restated 2024/25 £'000	Unusable Reserves	WYCA Single Entity 2025/26 £'000	WYCA Group 2025/26 £'000
197,601	197,601	Revaluation Reserve	192,538	192,538
48,641	48,641	Capital Adjustment Account	67,206	67,206
(1,507)	(1,507)	Financial Instruments Adjustment Account	(1,239)	(1,239)
(2,102)	(2,102)	Collection Fund Adjustment Account	(1,859)	(1,859)
(4,453)	(3,859,456)	Pension Reserve	(4,004)	(3,910,456)
(1,494)	(21,640)	Accumulated Absences Adjustment Account	(1,651)	(16,464)
(434)	(434)	Financial Instruments Revaluation Reserve	(880)	(880)
236,252	(3,638,897)	**Total Unusable Reserves**	250,111	(3,671,154)

a. Revaluation Reserve

The revaluation reserve contains the gains made by the authority arising from increases in the value of its property, plant and equipment and intangible assets. The balance is reduced when assets with accumulated gains are:

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

The reserve contains only revaluation gains accumulated since 1 April 2007, the date that the reserve was created. Accumulated gains arising before that date are consolidated into the balance on the capital adjustment account.

2024/25 £'000	Revaluation Reserve WYCA Group	2025/26 £'000
223,376	**Balance at 1 April**	**197,600**
-	Opening balance adjustment	**47**
5,865	Upward revaluation of assets	2,986
(25,753)	Downward revaluation of assets and impairment losses not charged to the surplus/deficit on the provision of services	(2,090)
(19,888)	Surplus or deficit on revaluation of non-current assets not posted to the surplus or deficit on the provision of services	943
(5,888)	Difference between fair value depreciation and historical cost depreciation	(6,007)
-	Accumulated gains on assets sold or scrapped	-
(5,888)	Amount written off to the capital adjustment account	(6,007)
197,600	**Balance at 31 March**	**192,537**

b. Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve contains the gains and losses incurred by the CA arising from increases and decreases in the fair value of its investments that are measured at fair value through other comprehensive income.

The movement in the year of £445k represents a reduction in the fair value of the underlying investments.

2024/25 Restated £'000	Financial Instruments Revaluation Reserve WYCA Group	2025/26 £'000
-	**Balance at 1 April**	**(434)**
	Movement during the year:	
-	Upward revaluation of investments	-
(434)	Downward revaluation of investments	(445)
(434)	**Balance at 31 March**	**(880)**

c. Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account is debited with the cost of capital investment, the depreciation charge and impairment losses, and credited with capital grants and contributions receivable and amounts set aside by the CA as finance for the costs of acquisition, construction and enhancement.

Note 8 provides details of the source of all transactions posted to the Account, apart from those involving the Revaluation Reserve, which are detailed in Note 25(i).

2024/25 £'000	Capital Adjustment Account	2025/26 £'000
2,661	**Balance at 1 April**	**48,635**
	Reversal of items relating to capital expenditure debited or credited to the CIES:	
-	Opening balance adjustment	(47)
(34,521)	Charges for depreciation of non-current assets	(36,886)
-	Revaluation losses on Property, Plant and Equipment	(25,613)
(1,369)	Charges for impairment of non-current assets	(3,132)
(1,189)	Amortisation of intangible assets	(2,278)
(681)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(1,565)
(37,760)	**Subtotal**	**(69,521)**
5,888	Adjusting amounts written out of the Revaluation Reserve	6,007
(31,872)	**Net written out amount of the cost of non-current assets consumed in the year**	**(63,514)**
	Capital financing applied in the year:	
1,413	Use of the Capital Receipts Reserve to finance new capital expenditure	9,092
259	Donated Assets	-
281,260	Capital grants and contributions credited to the CIES that have been applied to capital financing	289,648
32,030	Capital grants and contributions credited to the CIES that have been applied to capital financing NPAS	17,173
7,165	Application of grants to capital financing from the Capital Grants Unapplied Account	(191)
10,310	Statutory provision for the financing of capital investment charged against the General Fund	12,114
(241,730)	Revenue Expenditure Funded from Capital under Statute	(260,282)
(2,656)	Adjusting repayments of capital loan	(72)
(27,322)	Capital Expenditure financed from borrowing	-
17,121	Capital expenditure charged against the General Fund Balance	14,603
77,850	**Total Capital Financing Applied in Year**	**82,085**
48,639	**Balance at 31 March**	**67,206**

d. Financial Instruments Adjustment Account

The financial instruments adjustment account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions.

The authority uses the account to manage premiums paid on the early redemption of loans. Premiums are debited to the Comprehensive Income and Expenditure Statement when they are incurred, but reversed out of the General Fund balance to the account in the Movement in Reserves Statement. Over time, the expense is posted back to the General Fund balance in accordance with statutory arrangements for spreading the burden on council tax. In the authority's case, this period is the number of financial years outstanding on the loans when they were redeemed. This is measured from the year of redemption through to and including the year in which the loans would have matured.

The authority also uses the account to manage fair value adjustments relating to soft loan advanced to other entities, as well as the difference between nil/concessionary interest charged on these soft loans and the interest which would have been charged if at the prevailing interest rate plus an allowance for credit risk.

2024/25 £'000	Financial Instruments Adjustment Account WYCA Group	2025/26 £'000
(1,377)	**Balance at 1 April**	**(1,507)**
	Movement during the year:	
(215)	Fair Value Adjustment - Soft Loans	-
57	Effective Interest rate adjustment - Soft Loans	239
39	Premium & Discounts amortised to General Fund during year	6
(11)	Premium & Discounts amortised to Police Fund during year	22
(130)	**Amount by which finance costs charged to the CIES different from finance costs chargeable in the year in accordance with statutory requirements**	**268**
(1,507)	**Balance at 31 March**	**(1,239)**

e. Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax income in the Comprehensive Income and Expenditure Statement as it falls due from council taxpayers compared with the statutory requirements for paying across amounts to the Police Fund from the Collection Funds of the Billing Authorities.

2024/25 £'000	Collection Fund Adjustment Account	2025/26 £'000
(993)	**Balance at 1 April**	**(2,100)**
(1,107)	Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	243
(2,100)	**Balance at 31 March**	**(1,857)**

f. Pensions Reserve

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for employment benefits as per IAS 19 and for funding such benefits in accordance with statutory requirements. The debit balance on the pension reserve recognises the shortfall in resources set aside to meet the benefits earned by past and current employees. The statutory arrangements will ensure that sufficient funding will be set aside to meet these benefits by the time they are due to be paid.

WYCA Single Entity 2024/25 £000	WYCA Group 2024/25 £000	LGPS Pensions Reserve	WYCA Single Entity 2025/26 £000	WYCA Group 2025/26 £000
5,154	**59,215**	**Balance at 1 April**	**(4,453)**	**(5,865)**
30,930	214,659	Actuarial gains or losses on pensions assets and liabilities	21,586	90,274
(5,812)	(29,885)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CIES	(5,021)	(24,123)
-	-	Net increase in liability on disposal/acquisition	-	-
7,146	32,435	Employer's pensions contributions	7,756	33,848
-	-	Unrecognised asset	-	-
(41,871)	(282,289)	Adjustment loss (gain) due to restriction of surplus	(23,872)	(99,529)
(4,453)	**(5,865)**	**Balance at 31 March**	**(4,004)**	**(5,395)**

Restated WYCA Group 2024/25 £000	Police PS Pensions Reserve	WYCA Group 2025/26 £000
(4,387,680)	**Balance at 1 April**	**(3,853,591)**
647,865	Actuarial gains or losses on pensions assets and liabilities	44,638
(279,512)	credited to the Surplus or Deficit on the Provision of Services in the CIES	(272,137)
118,727	Employer's pensions contributions	97,348
47,009	Additional Employers contributions To Police Pension Fund Accou	78,681
(240,418)	Adjustment for Unrecognised Asset (Asset Ceiling)	-
(3,853,591)	**Balance at 31 March**	**(3,905,061)**

g. Accumulated Absences Adjustment Account

The Accumulated Absences Adjustment Account represents the value of the future obligation of the CA and Group to pay officers and staff for unused accumulated absences not taken in the year, e.g. annual leave entitlement and flexi-time carried forward at 31 March 2026. Statutory arrangements require that the impact on the General Fund Balance and Police Fund Balance is neutralised by transfers to or from the Account.

2024/25 £'000	Accumulated Absences Account WYCA Group	2025/26 £'000
(18,182)	**Balance at 1 April**	**(21,641)**
3,142	Settlement or cancellation of accrual made at the end of the preceding year	**6,601**
(6,601)	Amounts accrued at the end of the current year	**1,801**
(3,458)	Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	5,177
(21,641)	**Balance at 31 March**	**(16,464)**

25. CASH FLOW STATEMENT- OPERATING ACTIVITES

The cash flows for operating activities include the following items:

2024/25 £'000			2025/26 £'000	
WYCA Single Entity	WYCA Group		WYCA Single Entity	WYCA Group
46,296	46,296	Interest Received	37,058	37,058
(14,182)	(14,182)	Interest Paid	(3,629)	(3,629)

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

2024/25 £'000			2025/26 £'000	
WYCA Single Entity	WYCA Group		WYCA Single Entity	WYCA Group
37,075	37,075	Depreciation	38,624	38,624
-	-	Impairment And Downward Valuations	9,667	9,667
-	-	Amortisation	954	954
70	70	(Increase)/Decrease In Provisions	(413)	(413)
69,584	69,584	Increase/(Decrease) In Creditors	(17,716)	(17,716)
(14,813)	(14,813)	(Increase)/Decrease In Debtors	(53,874)	(53,874)
140	140	(Increase)/Decrease In Inventories	176	176
(3,366)	112,419	Movement In Pension Liability	4,004	93,122
5,198	5,198	Other Non-Cash Items Charged To The Net Surplus Or Deficit On The Provision Of Services	6,793	1,460
93,888	**209,673**	**Adjustments To Net Surplus Or Deficit On The Provision Of Services For Non Cash Movements**	**(11,786)**	**72,000**

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

2024/25 £'000			2025/26 £'000	
WYCA Single Entity	WYCA Group		WYCA Single Entity	WYCA Group
-	-	Proceeds from short-term and long-term investments	-	-
-	-	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	-	-
(33,135)	(34,469)	Any other items for which the cash effects are investing or financing cash flows	(46,039)	(46,039)
(33,135)	**(34,469)**	**Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities**	**(46,039)**	**(46,039)**

26. CASH FLOW STATEMENT- INVESTING ACTIVITES

2024/25 £'000			2025/26 £'000	
WYCA Single Entity	WYCA Group		WYCA Single Entity	WYCA Group
(122,192)	(122,192)	Purchase of property, plant and equipment, investment property and intangible assets	(111,936)	(111,936)
(2,018,489)	(2,018,489)	Purchase of short-term and long-term investments	(1,166,450)	(1,166,450)
(1,500)	(1,500)	Other payments for investing activities	-	-
669	669	equipment, investment property and intangible assets	114	114
1,980,188	1,980,188	Proceeds from short-term and long-term investments	1,210,854	1,210,854
42,318	42,318	Other receipts from investing activities	59,182	59,182
(119,006)	**(119,006)**	**Net cash flows from investing activities**	**(8,236)**	**(8,236)**

27. CASH FLOW STATEMENT- FINANCING ACTIVITES

2024/25 £'000			2025/26 £'000	
WYCA Single Entity	WYCA Group		WYCA Single Entity	WYCA Group
25,656	25,656	Cash receipts of short- and long-term borrowing	12,408	12,408
(10,939)	(10,939)	Other receipts from financing activities	-	-
(6,163)	(6,163)	Repayments of short- and long-term borrowing	(32,425)	(32,425)
-	-	Other payments for financing activities	(14,187)	(14,187)
8,554	**8,554**	**Net cash flows from financing activities**	**(34,204)**	**(34,204)**

28. MEMBERS ALLOWANCES

The CA and Group paid the following amounts to their members during the year.

2024/25 £'000			2025/26 £'000	
Single Entity	**WYCA Group**		**WYCA Single Entity**	**WYCA Group**
308	308	Members allowances	357	357
2	2	Members expenses	2	2
309	**309**	**Total Allowances and Expenses**	**359**	**359**

29. OFFICERS REMUNERATION

The Accounts and Audit Regulations 2015 require the CA and Group to disclose Information on their employees' remuneration in three sections. Full details are required for senior employees who have a role in the overall management of the CA or who occupy certain statutory posts, and whose annual salary is above £50,000. Those senior officers whose salary is above £150,000 are required to be named. In addition, the remuneration for the Mayor and Deputy Mayor for Police and Crime are disclosed.

Authorities are also required to include, within their Statement of Accounts, a note detailing the number of other employees whose remuneration falls within specified salary brackets. These bands are set in increments of £5,000, starting from £50,000, and relate to the financial year covered by the accounts.

The remuneration paid to the CA senior employees and senior officers in 2025/26 was (officers have been consolidated onto one line showing final role if covered more than one role):

		Salary, Fees and Allowances £	Expenses Allowances £	Pension Contribution £	**Total £**
Mayor of West Yorkshire	01.04.25 - 31.03.26	118,051	0	0	**118,051**
Deputy Mayor for Police and Crime	01.04.25 - 31.03.26	84,984	0	13,598	**98,582**
Chief Executive - (Ben Still)	01.04.25 - 31.03.26	200,612	0	32,665	**233,277**
Executive Director Transport - (Simon Warburton)	01.04.25 - 31.03.26	165,365	0	26,458	**191,823**
Executive Director Transport & Director of Policing (Person A)	01.04.25 - 31.03.26	140,244	0	22,439	**162,683**
Director of Mass Transit (Mike Birch)	01.04.25 - 31.03.26	159,422	0	26,466	**185,888**
Director of Transport Services	01.04.25 - 31.03.26	126,571	0	20,251	**146,822**
Director of Finance & Commercial Services	19.05.25 - 31.03.26	105,446	0	16,871	**122,317**
Interim, Director of Finance & Commercial Services	01.04.25 - 29.08.25	100,668	0	0	**100,668**
Director of Strategy (Person C)	01.04.25 - 31.03.26	133,127	0	21,300	**154,427**
Director of Inclusive Economy, Skills & Culture	01.04.25 - 31.03.26	133,127	0	21,300	**154,427**
Director of Environment & Place	09.02.26 - 31.03.26	19,798	0	3,168	**22,966**
Assistant Director of Legal, Governance & Compliance (Person B)	01.04.25 - 31.05.25	18,702	0	2,992	**21,694**
Assistant Director of Legal, Governance & Compliance	22.09.25 - 31.03.26	57,434	0	8,869	**66,304**
Interim Assistant Director of Legal, Governance & Compliance	22.04.25-16.10.25	107,303	0	-	**107,303**
Assistant Director, People & Transformation	01.04.25 - 31.03.26	110,534	0	17,685	**128,220**
Transport Capital Programme Director	01.04.25 - 31.03.26	125,058	0	20,009	**145,067**
Director of Bus Franchising	02.06.25 - 31.03.26	105,896	0	16,943	**122,839**

The remuneration paid to the CA senior employees and senior officers in 2024/25 was:

		Salary, Fees and Allowances £	Expenses Allowances £	Pension Contribution £	**Total £**
Mayor of West Yorkshire	01.04.24 - 31.03.25	115,035	0	0	**115,035**
Deputy Mayor for Police and Crime	01.04.24 - 31.03.25	81,544	0	13,618	**95,162**
Chief Executive - (Ben Still)	01.04.24 - 31.03.25	197,467	0	33,037	**230,504**
Executive Director Transport - (Simon Warburton)	01.04.24 - 31.03.25	160,373	0	26,782	**187,156**
Director of Mass Transit	17.03.25 - 31.03.25	5,890	0	984	**6,874**
Director of Transport Services	21.10.24 - 31.03.25	52,703	0	8,801	**61,505**
Interim, Director of Finance & Commercial Services	24.11.24 - 31.03.25	87,309	0	0	**87,309**
Director of Strategy, Communications & Intelligence (Person C)	01.04.24 - 31.03.25	121,669	0	20,319	**141,988**
Director of Inclusive Economy, Skills & Culture	01.04.24 - 31.03.25	123,135	0	20,564	**143,699**
Director of Policing, Environment & Place (Person A)	01.04.24 - 31.03.25	134,862	0	22,522	**157,384**
Assistant Director of Legal, Governance & Compliance (Person B)	01.04.24 - 31.03.25	107,107	0	17,887	**124,994**
Assistant Director, People & Transformation	04.09.24- 31.03.25	58,684	0	9,800	**68,484**
Transport Capital Programme Director	06.01.25 - 31.03.25	28,053	0	4,685	**32,738**

The remuneration paid to senior police staff and senior police officers in 2025/26 was:

		Salary, Fees and Allowances £	Expenses Allowances £	Pension Contribution £	**Total £**
Chief Constable (J Robins)	01.04.25 - 31.03.26	267,241	0	91,323	**358,564**
Deputy Chief Constable (Retired)	01.04.25 - 14.08.25	72,014	0	24,461	**96,474**
Deputy Chief Constable (M Khan)	01.04.25 - 31.03.26	180,647	0	61,871	**242,518**
Assistant Chief Constable (Local Policing)	01.04.25 - 31.03.26	144,411	0	49,012	**193,423**
Assistant Chief Constable (Specialist Ops)	01.04.25 - 31.03.26	136,819	0	46,465	**183,285**
Assistant Chief Constable (People)	01.04.25 - 31.03.26	127,844	0	46,484	**174,328**
Assistant Chief Constable (Specialist Crime) (Retired)	01.04.25 - 05.06.25	25,376	0	8,653	**34,028**
Assistant Chief Constable (Specialist Crime) (Retired)	02.06.25 - 31.03.26	106,378	0	33,430	**139,808**
Assistant Chief Constable (Regional Crime) (Left)	01.04.25 - 02.11.25	80,200	0	26,625	**106,825**
Assistant Chief Constable (Regional Crime)	03.11.25 - 31.03.26	52,710	0	18,143	**70,853**
Assistant Chief Constable (NPAS)	11.08.25 - 31.03.26	81,781	0	28,134	**109,915**
Assistant Chief Constable (Business Operations) (K Johnson)	01.04.25 - 31.03.26	150,618	0	21,932	**172,549**
Force Medical Advisor (Dr Dayani)	01.04.25 - 31.03.26	224,534	0	33,905	**258,439**
NPAS Head of Flight Operations	01.04.25 - 31.03.26	139,867	0	21,060	**160,927**

The remuneration paid to senior police staff and senior police officers in 2024/25 was:

		Salary, Fees and Allowances £	Expenses Allowances £	Pension Contribution £	**Total £**
Chief Constable (John Robins)	01.04.24 - 31.03.25	247,966	0	84,724	**332,690**
Deputy Chief Constable (C Hankinson)	01.04.24 - 31.03.25	181,909	0	62,523	**244,432**
Assistant Chief Constable (Local Policing)	01.04.24 - 31.03.25	140,286	0	46,401	**186,688**
Assistant Chief Constable (People)	01.04.24 - 31.03.25	137,982	0	47,016	**184,998**
Assistant Chief Constable (Specialist Crime)	01.04.24 - 31.03.25	137,198	0	47,016	**184,215**
Assistant Chief Constable (Regional Crime)	01.04.24 - 31.03.25	121,962	0	41,248	**163,211**
Assistant Chief Constable (Specialist Ops)	01.04.24 -13.04.24, 13.05.24 - 31.03.25	117,251	0	40,011	**157,262**
Assistant Chief Constable (NPAS) (Temporary)	01.04.24 - 02.06.24, 12.08.24 - 29.12.24	71,013	0	24,170	**95,183**
Assistant Chief Constable (Specialist Ops) (Temporary)	01.04.24 - 11.08.24	45,943	0	14,432	**60,376**
Assistant Chief Constable (District Policing) (Temporary)	01.04.24 -07.04.24, 30.09.24 - 20.10.24, 16.12.24 - 22.12.24, 21.01.25 - 31.03.25	34,619	0	12,082	**46,701**
Assistant Chief Constable (District Policing) (Temporary)	17.02.25 - 16.03.25	9,128	0	3,222	**12,351**
Assistant Chief Constable (Business Operations)	01.04.24 - 31.03.25	137,982	0	20,112	**158,094**
Force Medical Advisor (Dr Dayani)	01.04.24 - 31.03.25	215,023	0	32,468	**247,491**
NPAS Head of Flight Operations	01.04.24 - 31.03.25	133,345	0	20,168	**153,513**

Other Officers' Remuneration

The Authority's other employees receiving remuneration of more than £50,000 for the year (excluding employer's pension contributions) were paid the following amounts:

GROUP	Number of Employees	
Remuneration Band	2025/26	2024/25
£50,000 - £54,999	285	230
£55,000 - £59,999	185	122
£60,000 - £64,999	94	70
£65,000 - £69,999	50	37
£70,000 - £74,999	39	35
£75,000 - £79,999	24	13
£80,000 - £84,999	16	26
£85,000 - £89,999	36	34
£90,000 - £94,999	33	19

GROUP	Number of Employees	
Remuneration Band	2025/26	2024/25
£95,000 - £99,999	18	15
£100,000 - £104,999	14	7
£105,000 - £109,999	3	6
£110,000 - £114,999	9	5
£115,000 - £119,999	5	3
£120,000 - £124,999	2	0
£125,000 - £129,999	0	0
£130,000 - £134,999	0	0
£135,000 - £139,999	0	0

Exit packages

The numbers of exit packages with total cost per band and total cost of the compulsory and other departures are set out in the tables below:

2025/26

Exit Packages GROUP	Compulsory Redundancies	Other Departures	Total
2025/26	£	£	£
£0-£20,000	0	50	50
£20,001-£40,000	0	0	0
£40,001-£60,000	0	0	0
£60,001-£80,000	0	0	0
£80,001-£100,000	0	0	0
£100,001-£150,000	0	0	0
£150,001-£200,000	0	0	0
	0	50	50

Exit Packages GROUP	Compulsory Redundancies	Other Departures	Total
2025/26	No.	No.	No.
£0-£20,000	0	1	1
£20,001-£40,000	0	0	0
£40,001-£60,000	0	0	0
£60,001-£80,000	0	0	0
£80,001-£100,000	0	0	0
£100,001-£150,000	0	0	0
£150,001-£200,000	0	0	0
	0	1	1

2024/25

Exit Packages GROUP	Compulsory Redundancies	Other Departures	Total
2024/25	£	£	£
£0-£20,000	2,576	12,000	14,576
£20,001-£40,000	0	0	0
£40,001-£60,000	0	0	0
£60,001-£80,000	0	0	0
£80,001-£100,000	0	0	0
£100,001-£150,000	0	0	0
£150,001-£200,000	0	0	0
	2,576	12,000	14,576

Exit Packages GROUP	Compulsory Redundancies	Other Departures	Total
2024/25	No.	No.	No.
£0-£20,000	1	1	2
£20,001-£40,000	0	0	0
£40,001-£60,000	0	0	0
£60,001-£80,000	0	0	0
£80,001-£100,000	0	0	0
£100,001-£150,000	0	0	0
£150,001-£200,000	0	0	0
	1	1	2

The Code requires the CA and Group to disclose any costs it has incurred as a result of compulsory and voluntary redundancies. Termination benefits were paid by the CA and Group arising from the termination of employment incurring liabilities of £50 in 2025/26 (£14,576 in 2024/25).

There were no severance payments identified as being due for the Group.

There were no costs to the Group in relation to pension strain. Pension strain is a payment made to the pension fund to reflect the additional cost to the fund of the employees retiring early. It is not a payment to the individual.

30. EXTERNAL AUDIT COSTS

The Group has incurred the following costs in relation to the audit of the Statement of Accounts.

2024/25 £'000			2025/26 £'000	
WYCA Single Entity	**WYCA Group**		**WYCA Single Entity**	**WYCA Group**
239	239	Fees payable to Mazars with regard to external audit services	243	243
-	-	Fees payable in respect of other services provided by Mazars during the year	-	-
239	**239**	**Total**	**243**	**243**

31. GRANT INCOME

The authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2025/26:

2024/25 £'000	Credited to Taxation and Non Specific Grant Income	2025/26 £'000
	Combined Authority General Fund Services:	
97,901	Transport Levy	98,375
28,500	Devolution Gainshare Funding Revenue	28,500
9,500	Devolution Gainshare Funding Capital	9,500
29,085	Transforming City Fund	-
-	Brownfield Housing Fund	46,304
30,000	Transport Fund	30,000
-	British Library North	10,000
3,732	Emergency Active Travel Fund	7,414
-	Zero Emissions Bus Regional Areas	-
167,168	City Region Sustainable Transport Settlements - Capital	167,168
-	City Region Sustainable Transport Settlements - Revenue	3,636
8,649	UK Shared Prosperity Fund - Capital	10,577
1,556	Levelling up	12,899
157	City Cycle Ambition Grant	51
1,433	Local Electric Vehicle Infrastructure - Capital	-
-	Transforming City Regions (Integrated Settlement)	8,590
-	Local Highways Maintenance Fund	14,823
-	Mayoral Renewable Fund	1,450
-	Social Housing Decarbonisation Fund	7,448
-	Joint Air Quality Unit	8,000
19,505	Other Capital grants and Contributions (under £10m)	6,168
185	Other Revenue Grants and Contributions	1,265
397,369	**Total Grants - Combined Authority Services**	**472,168**
	Mayoral Crime and Policing Services:	
	Council tax income:	
36,249	Bradford Metropolitan District Council	39,059
15,816	Calderdale Council	17,011
31,250	Kirklees Council	33,606
59,622	Leeds City Council	63,995
26,208	Wakefield Council	27,809
159,366	Non domestic rates	165,270
230,263	Police Grant	238,799
16,693	Revenue Support Grant	16,693
72,298	Police Pension Top Up	78,680
259	Donated Assets	-
1,323	Capital grants and contributions	1,749
32,030	Capital grants and contributions NPAS	17,173
681,376	**Total Grants - Police Fund**	**699,845**
1,078,746	**Grand Total**	**1,172,012**

2024/25 £'000	Grant Income Credited to Services	2025/26 £'000
	Strategy, Communication & Intelligence	
1,000	Mayoral Capacity Funding	2,275
234	LEP Core Funding	-
-	SCI Other	113
	Transport Services:	
895	Special Rail Grant (SRG)	-
2,064	Bus Service Operator Grant	2,064
30	Air Quality Grant	-
40,080	Bus Service Improvement Programme Grant	38,841
4,272	Emergency Active Travel Revenue Fund/Travel Capacity revenu	2,764
2,867	Other Grants	535
	Inclusive, Economy, Skills & Culture	
64,154	Adult Skills Fund	67,722
2,573	Business Support and Skills Grants	-
3,140	S31 Skills grant & Skills Bootcamp Grant	5,019
118	ESIF & ERDF	-
1,870	Rural Fund	770
37,231	UK Shared Prosperity Fund	23,979
-	Economic Activity Trailblazer	8,695
-	Connect to Work	1,681
-	Employment West Yorkshire	1,000
-	Free Courses for Jobs	4,975
4,997	Other specific grants	2,857
	Policing, Environment and Place	
53	Housing Revenue Fund	-
431	Local Advice Energy Demostrator	-
81	LNRS Seed Funding	145
209	Net Zero Hub	-
7,283	Sustainable Housing Development Fund	-
4	Heat Network Zoning Lead	-
-	Investment Zones	1,028
-	Other specific grants	585
	Crime and Policing Services:	
48,960	Counter Terrorist Unit Grant	54,553
2,156	Disclosure Bureau Services	2,195
12,339	PFI Grant	12,351
2,419	Home Office Special Grant	4,134
16,794	Pension Grant	15,019
8,956	Regional Crime Grant	10,477
7,031	Violence Reduction Grant	7,490
4,870	Ministry or Justice Grant	4,765
1,582	Other specific grants	895
		5,110
6,975	Pay Award	10,300
-	National Police Air Service	
24,972	Recruitment Uplift Grant	30,967
1,034	Other Small Grants	102
311,672	**Total**	**323,406**

32. RELATED PARTIES

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

Central Government

Central Government has significant influence over the general operations of the CA and Group – it is responsible for providing the statutory framework within which the Group operates, providing the majority of funding in the form of grants to the CA and to the Mayor regarding Policing functions, and prescribes the terms of many of the transactions with other parties. Debtor and creditor balances outstanding with Central Government bodies as at 31 March 2025 are shown in Notes 19 and 21 respectively.

The Chief Constable for West Yorkshire

Under the legislative framework and local arrangements, the CA, under sole instruction from the Mayor, is responsible for the finances of the Mayoral Police Fund including assets, liabilities and reserves. The CA receives all income and funding and makes all the payments for the Policing activity from the Mayoral Police Fund. The CA also has responsibility for entering into contracts under which the Chief Constables officers and staff operate. Operational decision-making on day-to-day policing including the employment of police staff remains the responsibility of the Chief Constable.

Members

Members of the CA - the Mayor and members of the West Yorkshire local Councils - have direct control over the CA's financial and operating policies.

The CA requires Members to complete a declaration of members' disclosable pecuniary interests, and a financial year end related party transaction declaration covering their close family. Information from both declarations is used to prepare this note.

All members, except the Mayor, have at least two roles under the Local Government Act 1985, in that they are members of one of the five constituent levying local authorities or City of York Council and are appointed to the CA or co-opted to one or more of its committees.

The total of members' allowances paid in 2025/26 is shown in Note 28.

The total transactions with the five constituent local authorities during 2025/26 are detailed below. Transport Levy income is individually material and therefore has been disclosed separately to other relevant income sources.

	2024/25				2025/26			
Constituent Council	**Transport Levy**	**Other income**	**Total income**	**Total expenditure**	**Transport Levy**	**Other income**	**Total income**	**Total expenditure**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Bradford Metropolitan City Council	(22,988)	(2,958)	(25,946)	68,827	(22,988)	(19,555)	(42,543)	63,927
Calderdale Metropolitan Borough Counci	(8,531)	(1,555)	(10,086)	32,447	(8,531)	(6,097)	(14,627)	42,358
Kirklees Metropolitan Borough Council	(17,610)	(3,158)	(20,768)	50,172	(17,610)	(13,200)	(30,810)	53,471
Leeds City Council	(33,484)	(8,540)	(42,024)	96,237	(33,484)	(27,283)	(60,767)	94,490
Wakefield Metropolitan District Council	(15,288)	(7,865)	(23,153)	26,109	(15,288)	(5,937)	(21,225)	30,846
Total	**(97,901)**	**(24,076)**	**(121,977)**	**273,792**	**(97,901)**	**(72,072)**	**(169,972)**	**285,092**

In addition to the constituent councils listed in the table above, the CA also includes City of York Council as a non-constituent member. In 2025/26, there was a total of £32k of income (£0.5m in 2024/25) and £33k of expenditure (£5.3m in 2024/25) with the City of York Council. The City of York's transport levy contribution in 2025/26 was £474k.

During 2025/26, there were expenditure transactions totaling £1.4m (£2.9m in 2024/25) with the University of Huddersfield where a CA member acts as a council representative on the Huddersfield Health Innovation Partnership Board.

£122k in expenditure was incurred with Bradford Teaching Hospital NHS Trust in 2025/26 (£116k in 2024/25), for which a member is a non-executive director.

Four members of the CA are also members of Transport for the North. In 2025/26 there was £69k of income (£15k in 2024/25) and £279k of expenditure (£275k in 2024/25) with Transport for the North.

Contracts were entered into in full compliance with the CA's policies and with proper consideration of declarations of interest.

Officers and Key Management Personnel

As in the case of members, there is a code of conduct governing the disclosure of interests held by officers. Under s117 of the Local Government Act 1972, senior officers are required to disclose any pecuniary interests they hold, in addition to the financial year end related party transaction declaration covering their close family.

During the financial year, the Executive Director for Transport was director of Urban Transport Group, from which the CA earned £28k of income during 2025/26 (£27k in 2024/25) in relation to services provided by the CA.

A senior officer of the CA also holds a senior role with West Yorkshire Integrated Care Board, from which £1.0m income was received in 2025/26 (£nil in 2024/25).

The Director for Transport Services is a director of Yorcard Limited, and both the Director for Transport Services and the Head of Passenger Experience are

directors of West Yorkshire Ticketing Company Limited (WYTCL). As each of these companies are related entities in which the CA has significant influence, further details on relevant related party transactions are disclosed in the final section of the note.

Key management personnel for the Chief Constable including the Chief Officer Team, Directors and Heads of Departments might be in a position to significantly influence the policies of the Chief Constable, however no material related party transactions have been identified following consultation with relevant key management.

Other public bodies subject to common control by central government

The CA's related parties subject to common control by central government are the five constituent councils and the City of York Council, details of which have already been disclosed above.

Entities controlled or significantly influenced by WYCA Group

Yorcard Limited

Yorcard Limited is a joint venture trading company operated in conjunction with South Yorkshire Mayoral Combined Authority (SYMCA). Yorcard principal activities relate to a smart ticketing scheme for public transport, which includes areas covered by both the CA and SYMCA. Transactions with Yorcard during the year totalled expenditure of £875k (£1.3m in 2024/25) and £69.5k income (nil in 2024/25). After considering the materiality of the joint venture, management have agreed not to consolidate Yorcard Ltd into the CA's accounts.

West Yorkshire Ticketing Company Limited

West Yorkshire Ticketing Company Limited (WYTCL) is a collaborative arrangement between the bus and rail operators of West Yorkshire and the CA, which operates the MCard prepaid scheme offering a range of multi-operator, multi-modal tickets for use throughout West Yorkshire. The CA administers the scheme on behalf of WYTCL and has authority to claim relevant administrative costs from funds collected, which in 2025/26 was £1.7m (£1.7m in 2024/25). During the year, there was a total of £150k (£191k in 2024/25) of other expenditure transactions with WYTCL, primarily in relation to reimbursement of WYTCL's overheads out of funds collected.

MCard prepaid ticket sales are pooled and distributed to operators based on ticket usage data collected by the CA. Bus operators also pay the CA a contribution to costs such as bus shelter cleaning and real time information, which is taken as a deduction from payments owed to them as distributions from pooled ticket sales. The total payments made to bus and rail operators in 2025/26 through the MCard scheme was £41.5m (£30.3m in 2024/25).

WYTCL is considered to be an associate of the CA, therefore WYTCL is not required to be consolidated into the CA's accounts using the line-by-line method and is instead consolidated using the equity method at nil value.

Yorkshire and the Humber Lead Force Collaboration

The Group engages in collaborative working in partnership with the Mayor for West Yorkshire and Yorkshire and Humber Commissioners and Force to deliver a number of specific services on a regional basis. The Regional Collaborative programme was developed to bring opportunities across many policing activities whilst retaining local identity and accountability.

The governance of this regional programme of activity is via the Regional Collaboration Board. Regional collaboration is funded from contributions made by the four regional Police Forces with the level of contribution being dependent upon the assessment of the benefit to be derived from each specific project or initiative.

- Where benefit is considered equal, contributions are equal with a 25% contribution from each Region.
- Where benefit is proportionate to size, contributions are made in line with each Region's Net Revenue Expenditure (NRE).
- Where benefit is driven by the demand for the service, contributions are made in accordance with the level of demand each Force places on the specific service.

In accordance with proper accounting practice, the Group has accounted for the regional collaboration arrangement by accounting for all the income and expenditure for the activity and has responsibility for all assets used and liabilities generated.

Those receiving a service have secured neither joint control of the overall activity nor rights to particular assets or obligations for particular liabilities – i.e. the other parties are only interested in the lead authority delivering the outcomes it has agreed to provide.

The lead force arrangement has been reviewed against IFRS 11 on Joint Arrangements and it has been determined that they fall outside the scope of a joint operation.

Yorkshire and Humber Lead Force Collaboration Financial Performance:

2024/25 £'000		2025/26 £'000
	EXPENDITURE	
46,410	Staff Costs	50,226
1,817	Property Related Expenses	1,906
13,938	Supplies and Services	14,423
1,736	Transport Related Expenses	1,401
-	Capital Financing and Contributions	476
63,901	**Total Expenditure**	**68,432**
	INCOME	
(18,011)	Other Income	(13,258)
(46,054)	Contributions	(58,704)
(64,065)	**Total Income**	**(71,962)**
(164)	**DEFICIT/(SURPLUS) IN YEAR**	(3,530)
164	Transfer to/from Reserves	3,530
-	Balance carried forward	-

National Police Air Service (NPAS)

The primary objective of NPAS is to deliver a national service that provides the police service with capability from the air that maximises the benefits of air support to the delivery of frontline services. It is an integrated part of the wider policing strategy and harnesses innovation in the aviation sector for the benefits of policing.

The governance of NPAS is via the NPAS Strategic Board.

The NPAS service is funded from contributions made by each Policing Body receiving a service. The contributions are based on a direct cost charging model that was developed by the National Police Chiefs Council, independent of NPAS.

In accordance with proper accounting practice, the Group has accounted for the NPAS arrangement by accounting for all the income and expenditure for the activity and has responsibility for all assets used and liabilities generated.

Those receiving a service have secured neither joint control of the overall activity nor rights to particular assets or obligations for particular liabilities – i.e. the other parties are only interested in the lead authority delivering the outcomes it has agreed to provide.

The lead force arrangement has been reviewed against IFRS 11 on Joint Arrangements, and it has been determined that they fall outside the scope of a joint operation.

National Police Air Service (NPAS) Financial Performance:

2024/25 £'000		2025/26 £'000
	EXPENDITURE	
21,437	Staff Costs	23,421
2,157	Property Related Expenses	2,074
2,705	Supplies and Services	2,533
20,343	Transport Related Expenses	21,624
-	Direct Revenue Financing	120
46,642	**Total Expenditure**	**49,772**
	INCOME	
(49,122)	Contributions	(52,146)
(507)	Other Income	(486)
(49,629)	**Total Income**	**(52,632)**
(2,987)	**DEFICIT/(SURPLUS) IN YEAR**	(2,860)
2,987	Transfer to Reserves	2,860
-	Balance carried forward	-

33. CAPITAL EXPENDITURE AND CAPITAL FINANCING

The CA has a statutory obligation to make adequate provision to meet its liabilities in respect of capital expenditure financed by external borrowing. For 2025/26 the amount is £5.2m for the CA (2024/25 £3.8m) and £6.9m for the Police Fund (2024/25 £6.5m).

The provision has been charged to service revenue accounts as a depreciation charge for non-current assets related to that service. The balance has been transferred from the Capital Adjustment Account to the General Fund and Police Fund Balance respectively to ensure that the charge to the amount met from funding equates to the Minimum Revenue Provision (MRP).

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

The capital financing requirement increased in 2025/26 by the level of provision for the repayment of debt as there was an increase in the requirement to borrow to fund capital expenditure.

	Restated Total	CA	Police Fund	Total
	2024/25	2025/26	2025/26	2025/26
	£'000	£'000	£'000	£'000
Opening Capital Financing Requirement	**392,818**	**211,800**	**253,286**	**465,086**
Capital investment				
Property, Plant and Equipment	119,474	53,727	45,270	98,997
Loans/Investments	1,500	7,161	-	7,161
Revenue Funded from Capital under Statute	269,052	260,282	-	260,282
Right of Use Assets	29,081	-	115	115
Intangible Assets	2,718	2,296	2,423	4,719
Sources of finance				
Capital Receipts	(1,413)	-	(396)	(9,092)
Donated Assets	(259)	-	-	-
Government grants and other contributions	(288,425)	(287,899)	(1,558)	(289,457)
Government grants and other contributions NPAS	(32,030)	-	(17,173)	(17,173)
Sums set aside from revenue:				
Financing from Reserves	(4,591)	(8,696)	(5,133)	(13,829)
Direct revenue contributions	(12,530)	-	(9,470)	(9,470)
Minimum revenue provision	(10,310)	(5,207)	(6,907)	(12,114)
Closing Capital Financing Requirement (CFR)	**465,085**	**233,463**	**260,457**	**485,224**
Explanation of movements in year				
Increase in underlying need to borrowing (supported)	82,578	26,871	14,078	32,252
Provision for Debt Repayment (MRP)	(10,310)	(5,207)	(6,907)	(12,114)
Assets acquired under PFI contract	-	-	-	-
Increase in underlying need to borrowing (unsupported)	-	-	-	-
Increase/(decrease) in Capital Financing Requirement (CFR)	**72,268**	**21,664**	**7,171**	**20,138**

Capital Programme

The CA plans to spend over £2.04 billion in its capital programme over the next 3 financial years. Outstanding approved spend at the balance sheet date for the CA's capital programme totaled £558.6m. This includes the Transport Fund Programme which has been ongoing since 2015 with spend up to the end of 2025/26 of £581.5m and outstanding approved spend of £152.8m. Other programmes with significant approved spend are the Transforming Cities Fund with £121.1m approved and City Region Sustainable Transport Settlement (CRSTS) with approved spend of £156.3m.

34. LEASES

Group as Lessee

The group has adopted IFRS16 (Leases) with effect from 1 April 2024. The adoption of the new standard resulted in the balance sheet recognition of a right-of-use asset and related lease liability in relation to all former operating leases.

The group has elected to apply recognition exemptions to low value assets (below £10,000 when new) and to short-term leases i.e. existing leases that expire on or before 31 March 2026, and new leases with a duration of less than 12 months.

A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For leases that were classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at 1 April 2025 are determined at the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

Right-of-use assets

The Group has acquired a number of properties under finance leases. The assets acquired under these leases are carried as Property, Plant and Equipment. This table shows the change in the value of right-of-use assets held under leases by the group:

Right of Use Assets	Land and Buildings £'000	PFI Infrastructure £'000	Total £'000
Balance as at 1 April 2025	24,854	137,946	162,800
Additions	180	-	180
Revaluations	667	(1,774)	(1,107)
Depreciation and amortisation	(1,042)	(2,810)	(3,852)
Disposals	(130)	-	(130)
Balance as at 31 March 2026	**24,529**	**133,362**	**157,891**

The Group is committed to making minimum lease payments under the PFI Lease comprising settlement of the long-term liability for the interest in the assets acquired by the Group and finance costs that will be payable in future years while the liability remains outstanding.

In relation to the non PFI lease, a premium was paid at the inception of the lease and there is therefore no outstanding commitment to make future payments in respect of those leases.

Further information on PFI can be found in Note 35.

Transactions Under Leases

The group incurred the following expenses and cash flows in relation to leases:

	2024/25 £'000	2025/26 £'000
Comprehensive Income and Expenditure Statement		
Interest expense on lease liabilites	7,590	7,328
Expense relating to short-term leases	9	9
Expense relating to exempt leases of low-value items	3	3
Variable lease payments not included in the measure of lease liabilities		
Income from subletting right-of-use assets	-	-
Gains or losses arising from sale and leaseback transactions	-	-
Cash Flow Statement		
Minimum lease payments	3,841	4,287

Maturity Analysis of Lease Liabilities

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

Maturity Analysis of Lease Liabilities	31 March 2025 £'000	31 March 2026 £'000
Less than one year	4,292	4,849
One to five years	19,932	21,383
More than five years	80,083	73,904
Total undiscounted liabilities	104,307	100,136

Group as Lessor

The group leases out property and equipment (radio masts) under operating leases for the purposes of collaboration.

The Authority has leased out 11 in 2025/26 for £753k on operating leases with lease terms ranging from 1 year to 7 years.

Transactions under Leases

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

Lease Income	2024/25 £'000	2025/26 £'000
Operating leases	718	753
Total Lease Income	**718**	**753**

Maturity Analysis of Lease Receivables

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

	2024/25 £'000	2025/26 £'000
No later than one year	724	753
Later than one year and not later than five years	2,031	2,149
Later than five years	201	291
Total	**2,956**	**3,193**

The minimum lease payments receivable do not include rents that are contingent on events taking place after the lease was entered into.

35. PRIVATE FINANCE INTIATIVES (PFI)

PFI and similar contracts

In May 2012 the former Police Authority entered into a Private Finance initiative (PFI) scheme to provide 3 new police facilities. Payments to the contractor, the unitary charge, began with opening the first 2 buildings and commencement of the service in 2013/14 with the 3rd building being occupied in early 2014/15. The contractor will operate and service the stations for 25 years from the opening of the building, after which the ownership will revert to the Police and Crime Commissioner at nil cost. The unitary charge will be met from revenue and PFI credits (i.e. grant) awarded by the Home Office.

Property Plant and Equipment

The buildings are recognised on the Groups Balance Sheet. Movements in their value over the year are detailed in the analysis of the movements in Property Plant and Equipment in Note 13.

Payments

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

Payments	Service Charge £'000	Lifecycle Costs £'000	Interest Costs £'000	Finance Liability £'000	Total Unitary Payment £'000
Future payments:					
Payable in 26/27	2,259	240	6,834	4,104	13,437
Between 2 to 5 years	9,064	1,972	24,195	20,068	55,299
Between 6 to 10 years	11,323	3,162	20,576	37,860	72,921
Between 11 to 15 years	6,939	960	4,879	33,208	45,986
Total	**29,585**	**6,334**	**56,484**	**95,240**	**187,643**

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the service they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed. The liability outstanding to be paid to the contractor for capital expenditure incurred is as follows:

PFI Lease Liability	2024/25 £'000	2025/26 £'000
Balance outstanding at start of year	79,326	98,864
IFRS 16 Remeasurement	22,744	-
Payments during the year	(3,206)	(3,634)
Balance Outstanding at year-end	**98,864**	**95,230**
Current Liabilities	3,624	4,104
Long Term Liabilities	95,240	91,137
Total Liability	**98,864**	**95,241**

36. DEFINED BENEFIT PENSION SCHEMES

Participation in Pension Schemes

The CA and Group participates in four pension schemes administered by the West Yorkshire Pension Fund for staff employee pensions and XPS for Police Officer Pensions.

- The Local Government Pension Scheme (LGPS) for Group Staff employees is a funded scheme, meaning that the Group and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

There are three Pension Schemes for Police Officers:

- The 1987 Police Pension Scheme for Police Officers (PPS). This scheme was closed to new recruits from April 2006 when a new scheme was introduced with different contribution rates.
- The 2006 New Police Pension Scheme for Police Officers (NPPS). The 2006 scheme was closed to new recruits from April 2015 when a new scheme was introduced.
- The 2015 Police Pension Scheme for Police Officers.

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

Following funding changes introduced on 1 April 2006 the Group now pays an employer's pension contribution into the Pension Fund Account in respect of both schemes. The schemes provide defined benefits to members (retirement lump sums and pensions) related to pay and service.

At the time of the PCC function, the transfer to the CA was at 10 May 2021. The former OPCC was the subsumed employer whose pension assets and liabilities were reallocated. Its assumed share of the Police Authority's assets and liabilities were from the police pool. The CA was on a share of fund basis, so any deficit or surplus would notionally transfer to them. As at 31 March 2026 the share for the former police authority's assets and liabilities within the CA Police Fund are based on an estimate within the accounts and are subject to change upon the pending actuarial calculation. The change is not expected to be material and will have an overall nil impact for the Group.

Note:

- LGPS = Local Government Pension Scheme
- POLICE PS = Police Pension Scheme

Transactions Relating to Post Employment Benefits

36 a (i) Transactions Relating to Post-Employment Benefits in the Comprehensive Income and Expenditure Statement	Group LGPS £'000 2025/26	Group Police PS £'000 2025/26	Group LGPS £'000 2024/25	Group Police PS £'000 2024/25
Cost of Services				
Service cost comprising:				
Current service costs	23,307	49,947	33,989	68,055
Past service costs	1,443	-	4	-
Finance and Investment Income and Expenditure:	-	-	-	-
Interest on net defined benefit liability / (asset), before asset	(3,056)	222,190	(4,108)	211,457
Interest on unrecognised asset				
Pension Costs Recognised in the Provision of Services	**21,694**	**272,137**	**29,885**	**279,512**
Other Post-employment Benefits charged to the CIES				
Remeasurement of the net defined benefit liability comprising:				
Return on plan assets Actuarial gain/(loss)	(110,390)	-	8,846	-
Experience (gain)/loss on assets	-	-	-	-
Experience (gain)/loss on liabilities	31,165	14,115	3,525	(767)
Actuarial (gain)/loss on changes in demographic assumptions	3,750	3,491	(7,956)	(7,199)
Actuarial (gain)/loss on changes in financial assumptions	(14,799)	(62,244)	(208,810)	(650,163)
Adjustment loss (gain) due to restriction of surplus	99,529	-	282,289	-
Pension Costs Recognised in Other Comprehensive Income	**9,255**	**(44,638)**	**77,894**	**(658,129)**
Net increase in liabilities from disposals/acquisitions	-	-	-	-
Total Pension Costs Recognised in the CIES	**30,949**	**227,499**	**107,779**	**(378,617)**

Movement in Reserves Statement

This is an estimate of the charges to the surplus and deficit on the income and expenditure account in future periods for the Group, based on the assumptions as at 31 March 2026.

36 a (ii) Movement in Reserves Statement	Group LGPS £'000 2024/25	Group Police PS £'000 2024/25	Group LGPS £'000 2025/26	Group Police PS £'000 2025/26
Movement in Reserves Statement				
Reversal of net charges made to the Surplus or Deficit on the Provision of Services for post-employment benefits in accordance with the Code	(29,885)	(279,512)	(24,123)	(272,137)
Actual amount charged against the General Fund Balance or Police				
Employers contributions payable to schemes	32,435	86,606	33,848	90,544
Additional Employers Contributions To Police Pension Fund Account	-	72,298	-	78,681
Retirement benefits payable to pensioners	-	6,832	-	6,804
Total	**32,435**	**165,736**	**33,848**	**176,029**

Pension Assets and Liabilities Recognised in the Balance Sheet

The attributable assets of the LGPS are measured at fair value. As unfunded schemes, the police pension schemes have no assets.

36 b (i) Pensions Assets and Liabilities Recognised in the Balance Sheet	Group LGPS £'000 2024/25	Group Police PS £'000 2024/25	Group LGPS £'000 2025/26	Group Police PS £'000 2025/26
Fair value of plan assets	1,222,649	-	1,411,065	-
Present value of the defined benefit obligation	(922,915)	-	(993,607)	-
Unrecognised asset	(41,871)	-	(68,172)	-
Pension asset/(liability) recognised on the Balance Sheet	**257,863**	**-**	**349,286**	**-**

36 b (ii) Changes to the Present Value of the Defined Benefit Obligation and to the Fair Value of Assets	Group LGPS £'000 2024/25	Group Police PS £'000 2024/25	Group LGPS £'000 2025/26	Group Police PS £'000 2025/26
Closing fair value of scheme assets	1,222,649	947,016	1,362,026	996,055
Closing present value of scheme liabilities	(922,915)	(3,853,591)	(993,607)	(3,905,061)
Adjustment for Unrecognised Asset (Asset Ceiling)	(305,599)	-	(422,853)	-
Net Present Value of scheme assets and liabilities	**(5,865)**	**(2,906,575)**	**(54,434)**	**(2,909,006)**

Reconciliation of the Movements in the Fair Value of Scheme Assets

Assets in the West Yorkshire Pension Fund are valued at fair value, principally market value for investments, and consist of the following categories set out below. The latest valuation of the pension scheme proportion as applied to the CA is rolled forward for 31 March 2026 (showing the proportion of assets between the classes of investment) and are as follows:

36 c (i) Reconciliations of Movements in the Fair Value of Scheme (Plan) Assets	Group LGPS £'000 2024/25	Group Police PS £'000 2024/25	Group LGPS £'000 2025/26	Group Police PS £'000 2025/26
Opening fair value of assets	**1,166,194**	**869,430**	**1,173,610**	**947,016**
Interest income	56,216	40,133	71,142	45,667
Remeasurements gain / (loss)	(4,125)	-	20,582	-
Return on plan assets, excluding the amount included in the net	(4,721)	31,928	89,808	(4,721)
Contributions by the employer	32,435	23,236	33,848	25,289
Contributions from participants/employees into the scheme	13,838	10,096	14,623	11,180
Net increase in liabilities from disposals/acquisitions	-	-	-	-
Net benefits paid out	(37,188)	(27,807)	(41,587)	(28,376)
Settlements	-	-	-	-
Closing fair value of scheme assets	**1,222,649**	**947,016**	**1,362,026**	**996,055**

Reconciliation of the Movements in the Net Defined Benefit Obligation

36 c (ii) Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligations)	Group LGPS £'000 2024/25	Group Police PS £'000 2024/25	Group LGPS £'000 2025/26	Group Police PS £'000 2025/26
Opening present value of scheme liabilities	**(1,074,473)**	**(4,397,944)**	**(922,915)**	**(3,853,591)**
Current service cost	(33,989)	(68,055)	(23,307)	(49,947)
Interest cost	(51,040)	(211,457)	(52,790)	(222,190)
Contribution from scheme participants	(13,838)	(32,066)	(14,623)	(34,770)
Remeasurement (gain) and loss:	-	-	-	-
Actuarial gain/(loss) arising from changes in demographic	7,956	7,199	(3,750)	(3,491)
Actuarial gain/(loss) arising from changes in financial	208,810	650,163	14,799	62,244
Actuarial gain/(loss) on liabilities - experience	(3,525)	767	(31,165)	(14,115)
Past service cost (including curtailments)	(4)	-	(1,443)	-
Net increase in liabilities from disposals/acquisitions	-	-	-	-
Net benefits paid out	37,188	197,802	41,587	210,799
Closing present value of scheme liabilities	**(922,915)**	**(3,853,591)**	**(993,607)**	**(3,905,061)**

The amount included in the Balance Sheet arising from the Group's obligation in respect of funded and unfunded status to Balance Sheet is as follows:

Actuarial Assumptions

The CA's West Yorkshire Pension Fund assets and liabilities have been assessed by AON Hewitt Ltd, and the Police Pension scheme by Mercers, both independent firms of actuaries. In calculating the assets and liabilities, the funds' actuaries had to make a number of assumptions about events and circumstances in the future, meaning that the results of actuarial calculations are subject to uncertainties within a range of possible values.

Expected amounts charged to Surplus or Deficit on the Provision of Services for the Group

36 d Expected amounts charged to Surplus or Deficit on the Provision of Services - Group	WYCA Single Entity 2024/25 £'000	WYCA Group 2024/25 £'000	WYCA Single Entity 2025/26 £'000	WYCA Group 2025/26 £'000
Funded LGPS benefits				
Projected service cost	3,802	21,064	4,346	21,608
Past Service cost	-		-	
Interest on the net defined benefit liability/(asset)	(185)	(935)	(186)	(936)
Total estimated costs for Funded Scheme	**3,617**	**20,129**	**4,160**	**20,672**
Unfunded LGPS benefits				
Interest on the net defined benefit liability/(asset)	237	313	228	304
Total estimated costs for Unfunded Scheme	**237**	**313**	**228**	**304**

Local Government Pension Scheme (LGPS) Assets Comprised

36 e (i) Local Government Pension Scheme Assets	WYCA Single Entity				WYCA Group			
	2024/25		2025/26		2024/25		2025/26	
	£'000	%	£'000	%	£'000	%	£'000	%
Equities	180,369	79.6%	205,750	78.6%	970,240	79.4%	1,086,111	77.0%
Property	6,345	2.8%	8,638	3.3%	34,234	2.8%	48,864	3.5%
Government Bonds	18,807	8.3%	29,842	11.4%	108,452	8.9%	171,205	12.1%
Corporate and Other Bonds	8,837	3.9%	2,618	1.0%	48,679	4.0%	34,798	2.5%
Cash	6,571	2.9%	8,377	3.2%	32,469	2.7%	39,408	2.8%
Other	5,665	2.5%	6,544	2.5%	28,574	2.3%	30,679	2.2%
Total Assets	226,594	100.0%	261,769	100.0%	1,222,649	100.0%	1,411,065	100.0%

The principal assumptions used by the actuaries have been:

Basis for Estimating Assets and Liabilities & Sensitivity Analysis

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table below. The sensitivity analysis below has 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 assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in previous periods.

36 e (ii) Significant Assumptions Used by Actuaries	WYCA Group			
	LGPS		POLICE PS	
	2024/25	2025/26	2025/26	2024/25
Mortality assumptions:				
Longevity at 65 (staff) 60 (officers) for current pensioners:				
Men	20.9	21.9	23.8	26.1
Women	24.1	24.8	26.5	28.5
Longevity at 65 (staff) 60 (officers) for future pensioners:				
Men	21.8	22	22.0	21.8
Women	24.1	25.1	25.1	24.8
Rate of Inflation CPI	2.50%	2.80%	2.80%	2.50%
Rate of increase in salaries	3.75%	4.05%	4.05%	3.75%
Rate of increase in pensions	2.50%	2.80%	2.80%	2.50%
Rate for discount rate	5.80%	6.20%	6.20%	5.80%

Impact on the Defined Benefit Obligation in the Scheme

36 e (iii) Value of Funded Liabilities WYCA LGPS	Increase/Decrease in Assumption		Increase/Decrease in Assumption	
	2024/25		2025/26	
	£'000	£'000	£'000	£'000
Base figure	(184,723)	(184,723)	(193,597)	(193,597)
	+0.1%	-0.1%	+0.1%	-0.1%
Rate for discounting scheme liabilities (+/- 0.1%)	(181,952)	(187,679)	(190,693)	(196,695)
Rate for increase in salaries (+/- 0.1%)	(184,908)	(184,538)	(193,791)	(193,403)
Rate for increase in pensions (+/- 0.1%)	(187,309)	(182,137)	(196,307)	(190,887)
	+1 year	-1 year	+1 year	-1 year
Adjustment to mortality age (+/- 1 year)	(180,659)	(188,787)	(189,338)	(197,856)

36 e (iv) Value of Funded Liabilities Police LGPS	Increase/Decrease in Assumption		Increase/Decrease in Assumption	
	2024/25		2025/26	
	£'000	£'000	£'000	£'000
Base figure	(732,327)	(732,327)	(796,006)	(796,006)
	+0.1%	-0.1%	+0.1%	-0.1%
Rate for discounting scheme liabilities (+/- 0.1%)	(718,413)	(746,241)	(781,107)	(808,123)
Rate for increase in salaries (+/- 0.1%)	(734,524)	(730,130)	(796,204)	(793,026)
Rate for increase in inflation (+/- 0.1%)	(744,044)	(732,327)	(806,534)	(782,696)
	+1 year	-1 year	+1 year	-1 year
Adjustment to mortality age (+/- 1 year)	(748,438)	(716,216)	(777,133)	(812,097)

36 e (iv) Value of Funded Liabilities Police PS	Increase/Decrease in Assumption		Increase/Decrease in Assumption	
	2024/25		2025/26	
	£'000	£'000	£'000	£'000
Base figure	(3,853,591)	(3,853,591)	(4,511,177)	(4,511,177)
	+0.5/0.25%	-0.5/0.25%	+0.5/0.25%	-0.5/0.25%
Rate for discounting scheme liabilities (+/- 0.5%: /+/- 0.1%))	(3,568,158)	(4,139,024)	(3,609,825)	(4,200,297)
Rate for increase in salaries (+/- 0.25%: /+/-	(4,017,220)	(3,689,962)	(3,948,118)	(3,862,004)
Rate for increase in pensions (+/- 0.25%/+/-	0	0	0	0
Rate for increase in inflation (+/- 0.25%/+/- 0.1%)	(3,895,936)	(3,811,246)	(4,074,554)	(3,735,568)
	+1 year	-1 year	+1 year	-1 year
Adjustment to mortality age (+/- 1 year)	(3,923,256)	(3,783,926)	(3,972,084)	(3,838,038)

The Group LGPS had an initial net pension liability of £368.4m (£299.7m in 2024/25), which has been diminished by an adjustment for the unrecognised asset ceiling of £422.8m (£305.6m in 2024/25), reducing the asset balance of £1,362.0m to the net present value of scheme liability of £993.6m for the year 31 March 2026 (£1,222.6m reduced to NPV of £922.9m in 2024/25).

The funded asset valuation is based on the maximum benefit the employer can recognise in the accounts; this is referred to as the asset ceiling and is calculated in accordance with IFRIC 14 (International Financial Reporting Interpretation Committee). If the asset ceiling is below the net pension asset, the net pension asset is restricted to the value of the asset ceiling which is what is reflected within these statements.

Impact on the Authority's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed on 31 March 2028.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main existing public service schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The authority anticipated to pay £6.013m expected contributions to the scheme in 2026/2027.

The weighted average duration of the defined benefit obligation for scheme members is 15.4 years in 2025/26.

McCloud Judgement and other national developments

All employers accounted for the McCloud judgement in previous years and so there will be no requirement to recognise an additional past service cost in relation to this. The McCloud judgement is now incorporated within the Scheme regulations and was valued as part of the 2025 valuation. Any change in the McCloud liabilities as a result of the new valuation will be included within the experience on liabilities line in Other Comprehensive Income as part of the impact of updating to the 2025 valuation. Further information on this matter is disclosed in Note 37 Contingent Liabilities.

Virgin Media judgement

We have not made any allowance for the possible impact of the June 2023 Virgin Media ruling (Virgin Media Limited v NTL Pension Trustees II Limited and others) as it is currently unclear whether any additional liabilities might arise, and if they were to arise, how they would be reliably measured. Government is proposing to legislate to allow retrospective validation of certain scheme changes through the 2024 Pension Schemes Bill, which we understand would be a significant step forward in addressing issues potentially arising from the ruling.

37. CONTINGENT LIABILITIES

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

The Group has recognised the following contingent liabilities as at 31 March 2026:

- NGT Scheme: The Combined Authority has a contingent liability arising from possible claims relating to land and property acquisitions under the New Generation Transport scheme that was cancelled in 2016. The liability continues at 31 March 2026, but it is not possible or practical to disclose an estimate of the financial effect, amount and timing due to the ongoing uncertainty.

- MMI Provision: The Group has taken professional advice on the amount to provide for the claw back from MMI, but there is potential for the eventual liability to exceed the amount provided for in the accounts. Note 22 Provisions provides further information.

- Mass Transit: The West Yorkshire Mass Transit programme was operating a twin track approach for most of the financial year until a programme reset was announced in December 2025. This approach was agreed by the Combined Authority Board and in practical terms meant that work was undertaken in relation to Outline Business Case activity and Transport Works Act Order development ahead of Strategic Outline Business Case approval (SOBC). SOBC submission is the next key milestone currently scheduled for Autumn 2026. In the event the SOBC is not approved, the Combined Authority recognise the risk that the asset under construction totalling £86.0m would need to be impaired.

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

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

West Yorkshire Police Pension Fund Statement of Accounts

Accounts Statement

2024/25 £'000	ACCOUNTS STATEMENT	2025/26 £'000
	CONTRIBUTIONS RECEIVABLE	
(86,606)	Employer's Contributions	(90,544)
(2,137)	Early Retirements (Ill Health)	(2,597)
(32,064)	Officers' Contributions	(34,770)
	TRANSFERS IN	
(244)	Individual Transfers In from Other Schemes	(660)
(121,051)	**TOTAL INCOME RECEIVABLE**	**(128,571)**
	BENEFITS PAYABLE	
166,588	Pensions	172,880
25,378	Commutations and Lump Sum Retirement Benefits	33,067
778	Lump Sum Death Benefits	234
	PAYMENTS TO AND ON ACCOUNT OF LEAVERS	
466	Refunds of Contributions	281
139	Individual Transfers Out to Other Schemes	789
193,349	**TOTAL EXPENDITURE PAYABLE**	**207,251**
72,298	NET AMOUNT PAYABLE FOR THE YEAR	78,680
(72,298)	ADDITIONAL CONTRIBUTION FROM THE LOCAL POLICING BODY	(78,680)
0	**TOTAL**	**0**

Net Assets Statement

2024/25 £'000	NET ASSETS STATEMENT	2025/26 £'000
	Current Assets	
1,655	Amount Owing from the Police Fund	1,833
	Current Liabilities	
(1,655)	Unpaid Pension Benefits	(1,833)
(0)	Surplus for year payable to local policing body	(0)
(0)	**Net Assets**	0

Glossary

Accounting Policies

Those principles, bases, conventions, rules and practices applied by an entity that specify how the effects of transactions and other events are to be reflected in its financial statements through:

- Recognising
- Selecting measurement bases for and
- Presenting

Assets, liabilities, gains, losses and changes to reserves.

Accounting policies do not include estimation techniques.

Accounting policies define the process whereby transactions and other events are reflected in the Statement of Accounts. For example, an accounting policy for a particular type of expenditure may specify whether an asset or a loss is to be recognised; the basis on which it is to be measured; and where in the revenue account or Balance Sheet it is to be presented.

Actuarial Gains and Losses

For a defined benefit pension scheme, the changes in actuarial deficits or surpluses that arise because:

- events have not coincided with the actuarial assumptions made for the last valuation (experience gains or losses), or

- the actuarial assumptions have changed.

Appropriations

Amounts transferred to or from Revenue or Capital Reserves.

Budget

A statement of the Combined Authority's plans in financial terms. A budget is prepared and approved by the Combined Authority prior to the start of each financial year. For the Police budget, this is approved by the West Yorkshire Crime Panel.

Capital Expenditure

Expenditure on the acquisition of a non-current asset or expenditure which adds to and not merely maintains the value of an existing non-current asset.

Capital Receipts

Proceeds from the sale of an asset, which may be used to finance new capital expenditure or to repay outstanding loan debts as laid down within rules set by Central Government.

Chief Constable (CC)

The Chief Constable is a separate corporation sole, which was established on 22 November 2012 under the Police Reform and Social Responsibility Act 2011.

CIPFA

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

Commuted Lump Sums

These are the amounts paid to officers when they retire, if they choose to have a lower pension.

Contingent Liabilities

A contingent liability is either:

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

Corporate and Democratic Core

This represents the cost of delivering public accountability and representation in policy making and meeting our legal responsibilities.

Creditors

Amounts owed by the Combined Authority Group for work done, goods received or services rendered which have not been paid for by the end of the financial year.

Current Service Cost (Pensions)

The increase in the present value of a defined benefits scheme's liabilities expected to arise from the employee service in the current period.

Debtors

Sums of money due to the Combined Authority Group for work done or services supplied but not received at the end of the financial year.

Deferred Liabilities

Liabilities which by arrangement are payable beyond the next financial year at some point in the future or paid off by an annual sum over a period of time.

Defined Benefits Scheme

A pension or other retirement benefit scheme, other than a defined contribution scheme, with rules that usual define the benefit independently of the contributions payable and where the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded.

Depreciation

The measure of the cost or revalued amount of the benefits of the non-current asset that have been consumed during the period.

Consumption includes the wearing out, using up or other reduction on the useful life of a non-current asset whether arising from use, passage of time or obsolescence through either changes in technology or the demand for the service produced by the asset.

Financial Year

The 12 months commencing on 1 April covered by the accounts.

IAS 19

The objective of International Accounting Standard (IAS) 19, *Accounting for Retirement Benefits in Financial Statements of Employers* is to prescribe the accounting and disclosure for employee benefits (that is, all forms of consideration given by an entity in exchange for service rendered by employees). The principle underlying all of the detailed requirements of the Standard is that the cost of providing employee benefits should be recognised in the period in which the benefit is earned by the employee, rather than when it is paid or payable.

IFRS

International Financial Reporting Standards, as agreed by the UK accountancy profession and the Accounting Standards Board.

Going Concern

The concept that the Combined Authority Group will remain in operation existence for the foreseeable future, in particular that the revenue accounts and Balance Sheet assume no intention to curtail significantly the scale of operations.

Group

The term Group refers to the West Yorkshire Combined Authority Single Entity and the Chief Constable for West Yorkshire (CC).

Impairment

A reduction in the value of a non-current asset below the amount shown on the balance sheet.

Leasing

The Combined Authority has adopted IFRS16 (Leases) with effect from 1 April 2024. The adoption of the new standard resulted in the balance sheet recognition of a right-of-use asset and related lease liability in relation to all former operating leases. The Authority has elected to apply recognition exemptions to low value assets (below £10,000 when new) and to short-term leases i.e. existing leases that expire on or before 31 March 2026, and new leases with a duration of less than 12 months. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Liquid resources

Current asset investments that are readily disposable by the Combined Authority without disrupting its business and are either readily convertible to known amounts of cash at or close to the carrying amount or traded in an active market.

Local Policing Body

The collective term describing elected Police and Crime Commissioners for each police area outside of London and the Mayor's Office for Policing and Crime for the metropolitan police district.

Minimum Revenue Provision (MRP)

The minimum amount that the Combined Authority (CA) is statutorily required to set aside from revenue each year as a provision to meet credit liabilities. For the CA, this relates to a principal sum based on a prudent assessment of the useful life of the asset, which is used for the redemption of external debt.

Medium Term Financial Strategy (MTFS)

A statement setting out a forecast of possible spending and government support for a forward three-year period and used as a basis for planning.

Net Book Value

The amount at which non-current assets are included in the Balance Sheet and being their historical cost or current value, less the cumulative amounts provided for depreciation.

Non-Current Assets

Tangible and intangible assets that yield benefits to the Combined Authority for a period of more than one year.

Non-Distributed Costs

This is where overheads are not charged or apportioned to activities within the service expenditure analysis in the Income and Expenditure Account.

Precept

The method by which the Combined Authority Group obtains the income it requires from Council Tax via the appropriate authorities.

Remuneration

All amounts paid to or receivable by a person, and includes sums due by way of expenses allowance (so far as those sums are chargeable to United Kingdom income tax), and the estimated money value of any other benefits received by an employee otherwise than in cash (e.g. benefits in kind).

Senior Employee

A senior employee is an employee whose salary is more that £150,000 per year, or one whose salary is at least £50,000 per year (to be calculated pro rata for a part-time employee) and who is:

a. the designated head of paid service, a statutory chief officer or a non-statutory chief officer of a relevant body, as defined under the Local Government and Housing Act 1989

a. the head of staff for a relevant body which does not have a designated head of paid services, or

b. any person having responsibility for the management of the relevant body, to the extent that the person has power to direct or control the major activities of the body, in particular activities involving the expenditure of money, whether solely or collectively with other person.

Find out more
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