

Introduction

I am pleased to introduce the Summary Statement of Accounts for the 2023/24 financial year. This summary statement sets out the single entity statements of the Chief Constable of Cumbria Constabulary. The Police, Fire and Crime Commissioner for Cumbria (the Commissioner) has also produced group accounts, which consolidate the single entity statements of the Chief Constable and the Commissioner. The financial information set out in the summary is taken from the full financial statements which are published in accordance with the Accounts and Audit Regulations 2015.

The summary statement provides a breakdown of net spending during the year and shows the overall financial position of the Chief Constable as at 31 March 2024. The reporting format is specifically designed to meet the requirements of the Code of Practice on Local Authority Accounting. A series of notes are provided to assist readers in their understanding of the statement, whilst the presentational format is designed to make for easier reading by those who access the document through the Chief Constable's website: www.cumbria.police.uk

The summary statement is taken from the Chief Finance Officer's narrative report to the full statements and provides a simplified summary of the financial statements with expanded information on the objectives, activities, performance and future financial prospects of the Constabulary. This aims to give the reader greater understanding of the context in which the financial statements are set. The Commissioner's consolidated financial statements showing the group position can be accessed from the Commissioner's website: <https://cumbria-pcc.gov.uk/>

Statutory Framework

The Chief Constable was established as a statutory entity under the Police Reform and Social Responsibility Act 2011 (PRSRA 2011). The PRSRA 2011 provides that there will be a Police and Crime Commissioner for each police area with responsibility for ensuring the maintenance of the police force for the area, securing that the police force is efficient and effective and holding the Chief Constable to account. The Commissioner has wider responsibilities than those solely relating to the police force. These include responsibility for the delivery of community safety and crime reduction, the enhancement of the delivery of criminal justice in their area and providing support to victims.

The PRSRA 2011 established the Chief Constable as a separate statutory entity, distinct from the Commissioner and with operational independence. The Chief Constable is responsible for maintaining the King's peace and the exercise of police powers. The Chief Constable is accountable to the Commissioner for leadership of the force, the delivery of efficient and effective policing and the management of resources and expenditure for the police force.

The PRSRA 2011 sets out the statutory financial framework for the Commissioner and Chief Constable. The legislation provides for the Secretary of State to issue a financial code of practice in relation to the proper administration of financial affairs. The Home Office, under the legislation, issues a Financial Management Code of Practice for the Police Forces of England and Wales.

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The Code supports the statutory framework further setting out the financial relationships and requirements for the Commissioner and Chief Constable.

This financial framework provides that the Commissioner receives all funding, including government grants, council tax income and other sources of income related to policing and crime reduction. All funding for the Chief Constable must come from the Commissioner. This, in addition to the powers of the Commissioner to set the strategic direction for policing and appoint and dismiss the Chief Constable, creates a subsidiary relationship between the Commissioner and the Chief Constable. As such, the Commissioner must publish a set of group consolidated accounts in addition to single entity accounts. The Chief Constable must publish single entity accounts and provide information to the Commissioner to support the publication of group accounts.

Organisational Structure

The Chief Constable is supported by a Deputy Chief Constable, and two Assistant Chief Constables who are responsible for a portfolio of functions within the organisation.

During 2022/23 a forcewide restructure was undertaken with the aim of more clearly establishing accountability for policing outcomes and to facilitate improved engagement and collaboration with partner public sector authorities following Local Government Reform in Cumbria. As a result of the restructure, the Constabulary has been split into five commands, each headed by a Chief Superintendent, reporting to an Assistant Chief Constable.

The **Standards, Insight and Command** performs a number of strategic functions including responsibility for management information, performance management, business change and benefits management.

The **Operations Command** is responsible for Command and Control, Civil Contingencies and Event Planning, and specialist functions such as Armed Policing, Public Order and Roads Policing.

The **Crime and Intel Command** is responsible for investigating crime and includes specialist units for gathering intelligence, major crime investigation, countering serious and organised crime, public protection, digital investigation, forensics, serious collision investigation, scientific support and the criminal justice unit. Specialist functions, provide support to Operations Command and BCUs.

There are two basic command units (BCUs), one for **Cumberland** and the other for **Westmorland & Furness**. These align to the unitary authority boundaries created under Local Government Reform in Cumbria. The BCUs are responsible for local policing, response and crime investigation.

There are also two support directorates, known as enabling services, both of which report to one of the Assistant Chief Constables.

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The Corporate Support Directorate includes finance, people, estates, fleet, learning & development, commercial and central services. In overall terms, the Corporate Support directorate aims to provide cohesive and integrated support for operational policing.

The Digital, Data and Technology Directorate is responsible for all aspects ICT development and data management.

Legal Services is a small specialist function, which operates independently from the main directorate structure and provides services to the Chief Constable and Commissioner.

Chief Constable's Report

It is a privilege to have been appointed as the Chief Constable of Cumbria Constabulary following the retirement of the former Chief, Michelle Skeer in July 2023. CC Skeer retired after 33 years' service and left the force in a very strong position. During my first 9 months in office, performance has continued to improve, and I am proud of the officers and staff who work tirelessly within the Constabulary. In autumn 2023, I launched an updated mission for the force. Our force mission is to **'deliver an outstanding policing service to keep Cumbria safe'**. This mission consists of four pillars known as the '4Cs'. They are:

- Contempt for criminality
- Compassion for victims
- Community focus
- Care for colleagues



In terms of crime and disorder, Cumbria remains one of the safest places to live, work and visit in England and Wales. Cumbria has some of the lowest reported levels of crime and anti-social behaviour incidents in the country and is delivering some of the highest outcome rates nationally for all crime investigations.

In relation to levels of crime, during 2023/24 we have seen an 8.5% reduction in overall recorded crime. Cumbria has seen reductions in a number of categories including victim-based crime, violence against the person, sexual offences, theft offences and public order offences. Cumbria has, however, seen increases in drugs offences following the highest increase in stop search activity recorded in the country. As with all forces, Cumbria has seen an increase in shoplifting influenced by increases in the cost of living. Crime continues to become more complex as society and technology evolve. Although, this increases the challenges faced by our front-line officers in protecting the public, we constantly review our demand to inform our resourcing options, making sure that we address changing criminality.

The other major challenge faced by the Constabulary during 2023/24 was to maintain impetus on the local implementation of the Government's Operation Uplift Programme, to recruit an additional 20,000 officers nationally. Cumbria's target over the three years was to recruit an additional 169 FTE police officers. The Constabulary was able

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to achieve each year's target ahead of schedule and in 2023/24 the Home Office asked us to recruit an additional 29 officers to support the overall national efforts. These additional officers were also successfully recruited in 2023/24 and as a result Cumbria received additional grant funding. Looking ahead to 2024/25 financial year, the Constabulary has been funded to maintain the original 169 uplift officers plus 25 of the additional officers and work is already underway to ensure the increased force establishment for police officers of 1,359 FTE police officers is maintained throughout 2024/25. Ringfenced Home Office grant is to be provided which is conditional on achieving the numbers on two checkpoint dates of 30/09/24 and 31/03/25.

As the Chair of the NPCC Digital, Data and Technology Coordination Committee, I am immensely proud of our representation as a leading force in rolling out mobile technology. Work has continued on developing the digital infrastructure and issuing further mobile devices to enable officers and staff to work flexibly. The force is also committed to an exciting programme of work to replace the main policing Records Management System with its partner Mark 43.

The Constabulary is inspected and graded as part of a regime known as PEEL (Police Efficiency, Effectiveness and Legitimacy) by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS). In March 2024, the evidence gathering phase of an extensive period of inspection came to an end and I anticipate that the finalised report will be published in July 2024. In the 2021 report, HMICFRS congratulated the Constabulary on its overall good performance, although it needed to improve in some areas. Performance for Cumbria Constabulary was at that time graded across eight areas of policing and found the force was 'outstanding' in one area, 'good' in three areas and 'adequate' in four areas. We have taken cognisance of the areas identified by the inspectorate where services could be improved and worked hard to make further improvements with the aim of delivering an outstanding police service to keep Cumbria safe.

The force strategy remains pivotal to the delivery of a policing service to meet the future needs of the county. It seeks to bring together business and change planning into a single cohesive plan, which is aligned to the national policing vision. During 2023/24, in addition to the continued development of operational ICT systems highlighted, we have:

- Launched the Chief Constable's vision in the form of the 4Cs
- Introduced the Chief's Promise
- Developed a Leadership Strategy supported by a reviewed PDR system and promotion process.
- Introduced a dedicated Roads Policing Team
- Introduced a new Firearms Team
- Introduced a dedicated Rural Crime Team
- Developed the Force's Futures Programme

The plan will continue to be developed during 2024/25 under the leadership of the Chief Officer team.

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Whilst the favourable grant funding for Operation Uplift and flexibility afforded to Commissioners to increase the precept in 2023/24 is appreciated and has allowed officer numbers to increase, this takes place in the context of uncertainty regarding the longer-term financial outlook. The continued high levels of inflation throughout 2023/24 have put a pressure on the budget. This when combined with constraints on national funding as the Government deals with the financial consequences of the pandemic will compound existing financial risks regarding the sustainability of funding, as will the financial burden of national policing initiatives, pensions costs and potential changes to the police funding formula. In the meantime, the Constabulary will continue to operate as efficiently as possible and deliver savings to balance the budget. The budget setting process for the 2024/25 financial year was concluded in February and a medium-term financial forecast (MTFF) covering 5 years to 31/03/29 was approved. The MTFF shows that the Police, Fire and Crime Commissioner and Constabulary collectively need to identify savings of up to £16m by 2028/29. During 2024/25 a programme of work will be developed to deliver the required savings under the leadership of the Deputy Chief Constable, this programme of work is known as the 'Futures Programme'.

2023/24 Grant Settlement and Budget

Under the provisions of the Police and Social Responsibility Act 2011, the Commissioner receives external funding, principally in the form of central government grants and council tax. The Commissioner is responsible for setting the budget and maintaining the force through the provision of funding to the Chief Constable. Details of the 2023/24 grant settlement, the Commissioner's overall budget and the level of Council Tax levied are provided in the Commissioner's combined financial statements.

In summary, the Government provided significant additional grant funding in 2023/24, which was directed towards the continued maintenance of the additional police officers as part of Operation Uplift; the Government's programme to recruit 20,000 officers nationally by 31/03/2023. The principal challenge presented from the grant settlement was the lack provision to meet the rising cost of providing existing services. To this end, Police and Crime Commissioners were afforded flexibility to increase council tax above inflation to make up the shortfall. Following public consultation, the Commissioner increased the precept by £14.94 for a band D property, which is equivalent to 5.3%. This enabled services to be maintained, offsetting the effect of pay and price increases and other unavoidable commitments, whilst the additional grant has allowed the Constabulary to proceed with the maintenance of the Uplift target of an additional 169 police officers for Cumbria. During 2023/24, the Home Office also provided specific grant funding for an initial further increase in officers numbers of 17 with an additional 12 granted for the second half of the year to help achievement of the national target of 20,000.

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Performance

Summary Budget and Outturn

Summary Budget & Outturn	Base Budget 2023/24 £000s	Revised Budget 2023/24 £000s	Outturn 2023/24 £000s	(Under)/ Overspend 2023/24 £000s
Police Officers	97,668	100,475	101,594	1,119
PCSOs	2,257	2,257	1,862	(395)
Police Staff	28,480	28,757	28,356	(401)
Other Employee	3,145	2,825	2,906	81
Transport	2,555	2,499	2,850	351
Supplies & Services	11,095	11,650	11,899	249
Third Party Related	4,112	4,048	3,956	(92)
Total Expenditure	149,312	152,511	153,423	912
Income	(5,255)	(7,384)	(7,805)	(421)
Total Constabulary	144,057	145,127	145,618	491

The Chief Constable's budget amounting to £144m is based upon the funding agreement with the Commissioner. The table shows the summary budget for 2023/24 as set on 16 February 2023, the revised budget (taking into account budget changes made during the year) and the outturn position.

The presentation is as the figures are reported throughout the year in the management accounts. At the year-end a number of technical accounting adjustments (required by proper accounting practice) are made. For this reason, the outturn in the table above will not reconcile directly to the

summary Comprehensive Income and Expenditure Statement.

The budget is predominantly made up of funding for employee costs, amounting in total to £131.550m, which is broken down into Police Officers £97.668m, PCSOs £2.257m, Police Staff £28.480m and other employee costs of £3.145m. The remainder of the budget relates to non-staff costs including, transport costs of £2.555m and supplies/other costs of £15.207m. Income of (£5.255m), which is generated through policing activities, is also shown within the Chief Constable's budget.

In-Year Financial Performance

Revenue Expenditure: The Chief Constable's final expenditure position for 2023/24, compared to the revised budget is an overspend of (£0.491m), which represents 0.34% of the budget.

Police Officer pay was overspent by £1.119m through a combination of changes to the workforce plan, a conscious decision to recruit early to ensure achievement of the additional Operation Uplift targets to ensure receipt of the additional grant and continued pressure on overtime budgets. This is partially offset by savings on police staff and PCSOs as a result of a higher than expected level of vacancies and additional income.

Capital Expenditure: Under the terms of the funding arrangement between the Commissioner and the Chief Constable, all non-current assets are under the control of the Commissioner. Details of capital expenditure and funding in relation to the acquisition and enhancement of assets, which amounted to £4.061m in 2023/24 are shown in the

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financial statements of the Commissioner. This figure was significantly less than capital budget of £9.176m. Expenditure on ICT amounted to £1.475m, which included upgrading the digital infrastructure, radio replacements, and upgrade of the county wide CCTV system. In relation to the Estate £0.134m, the majority related to replacements of boilers and plant. A further £2.141m was expended on the cyclical replacement of the vehicle fleet. Other expenditure amounted to £0.311m and included taser replacements, drones and mobile camera equipment. Whilst supply issues following Covid disruption have improved compared to 2022/23, some delivery delays for vehicles and ICT equipment are still being experienced and have contributed to the slippage in the Programme.

Organisational Performance

	Number of Crimes 2023/24	% Change from previous year
All Crime	35,586	-8%
Violence against the person	15,395	-9%
Homicide	3	200%
Death or Serious Injury - Unlawful Driving	49	81%
Stalking and Harassment	4,614	-21%
Violence with injury	4,603	-7%
Assault - cause serious harm	251	7%
Assault with injury	4,180	-7%
Other violence with Injury	172	-15%
Violence without injury	6,126	0%
Assault without injury	5,221	-1%
Assault without injury on a Constable	445	21%
Other violence without injury	460	-10%
Rape and sexual offences	1,591	-8%
Robbery	180	16%
Theft offences	5,346	0%
Burglary	1,315	-17%
Vehicle offences	975	0%
Criminal damage and arson offences	4,345	-13%
Drugs offences	1,664	44%
Public order offences	3,344	-29%
Miscellaneous Crimes Against Society	895	9%
Possession of weapons offences	536	16%

The Constabulary operates a comprehensive framework of performance measures to ensure it is meeting its objectives and support the Commissioner in delivering the Police and Crime Plan. The following section provides a summary of performance in relation to crime, incidents and other outcomes for 2023/24.

This table summarises the Constabulary's performance indicators.

Overall crime reduced by 8% (3,263 crimes) compared to the previous financial year.

- 'Violence against the person', experienced a reduction of 9% which equates to 1,528 crimes. However, within this broad category, certain crime types such as homicides and death and serious injury from unlawful driving increased.
- Acquisitive crimes such as robbery, theft and burglary reduced overall in 2023/24. The combined reduction was 4% (250 crimes).
- We encourage the reporting of rape and sex offences; however reported crimes reduced by 8% (129 offences) compared to the previous year.

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- Drug offences experienced an increase of 44% which equates to 510 crimes. This is an indication of increased levels of pro-activity, targeting those who cause significant harm in our communities whilst addressing the threat of County Lines and Serious Organised Crime.
- Reported antisocial behaviour (ASB) has reduced by 6% (314 incidents).
- Work has also targeted increased reporting for domestic violence. During 2023/24 domestic abuse safeguarding crimes increased by 5% which equates to 378 crimes.
- Cumbria generally has a low level of hate crime compared to other forces both nationally and in the North West, however, the latest figures for crimes with a hate indicator show an annual decrease of 250 crimes, which represents an increase of 27.3%.
- The Constabulary is consistently achieving some of the highest levels of call handling performance nationally, further improving our services to our communities.
- The latest figures for public confidence in the local police service remained high at 82.9% for the whole experience (an increase from 76.1% in 2022/23).

People

The Constabulary recognises that its workforce is its most important asset and that maintaining healthy, engaged and motivated officers and staff is critical to the delivery of effective services.

The Constabulary re-launched its People Strategy in 2021/22, which brings together the key themes of:

- health, safety and well-being
- workforce planning, recruitment and talent management
- employee relations
- reward and recognition
- managing workforce change
- learning and development

During 2023/24 there has again been particular focus on recruitment of officers to maintain the Government's Uplift programme.

Occupational Health has continued to play a significant role in maintaining the health and wellbeing of officers and staff. Key activities have included:

- Following successful completion of OH Foundation Standards, the Occupational Health Team is now focused on completion of the Enhanced Standards and the commitment to translate this across to the industry wide SEQOHS Standards.

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- OH is leading the tactical team who will deliver the next level of the Better Health at Work Award – Continuing Excellence. Evidence will be submitted in August prior to an on-site assessment on Sep 13th 2024.
- Occupational Health continues to provide input in training of recruits, leadership courses, specialist roles e.g., AFO, Dispatch, CID. Additional bespoke stress and resilience training in support of the Force Futures Plan has been developed and delivery is underway.
- The Wiser Mind programme has been adapted to provide input into response officer development days; focusing on practical techniques to process trauma and build resilience. This is backed up with fortnightly drop in practice sessions, available to all officers and staff. The drop in sessions are being revised to offer specific techniques for maintaining resilience through change.
- A new Trauma Informed Supervision Training Programme is being implemented with the support of Dr Noreen Tehrani; this aims to equip crime supervisors to have effective 1:1 and group sessions with their staff so they can successfully demobilise, diffuse, identify red flags and develop skills to mitigate accumulative trauma impact whilst cases are ongoing using an evidence-based model.

At the 31st March 2024 the Constabulary employed:

- 1,363 Police Officers
 - 40 PCSOs
 - 641 Police staff
- (all expressed in full time equivalents)

As part of the Commissioner’s council tax pledge in 2023/24 the police officer establishment was increased by 29 FTE, from 1,334 to 1,363, which represented the Constabulary’s additional uplift officers to help the achievement of the national Operation Uplift programme. The achievement of the Uplift target was made a high priority by the Constabulary, with the result that the increased officer numbers were achieved in advance of the deadline. Over 2023/24 the numbers of police staff and PCSOs operated below establishment due to an increase in the level of vacancies.

Actual Employees as at 31 March 2024	CC		Total FTE
	Male FTE	Female FTE	
Directors/Chief Officers	10.0	2.0	12.0
Senior Managers	7.0	6.0	13.0
All Other Employees	997.4	1,021.3	2,018.7
Total CC Employees	1,014.4	1,029.3	2,043.7

This table provides a breakdown of the Constabulary workforce (expressed in full time equivalents (FTE)) by gender.

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The 2023/24 average percentage of working time lost due to sickness decreased for officers and increased for staff compared with the previous year. The police officer rate decreased from 4.2% to 4.0%, whilst police staff rate increased from 4.5% to 4.7%. An attendance action plan is in place with a wide range of actions to pro-actively manage sickness.

The Constabulary is committed to promoting a workforce which reflects our communities and a culture that respects and celebrates all aspects of diversity. Achieving this aim will also lead to a working environment that is free from discrimination, harassment, bullying and victimisation. The Constabulary's diversity strategy covers the period 2020 to 2025 has three objectives:

- 1) Develop a more diverse and inclusive workforce, utilising positive action to reflect the communities of Cumbria Constabulary
- 2) Increase awareness of emerging crime types and effectively work with the public sector to understand vulnerabilities and work together to deliver confidence building projects
- 3) Enhance service delivery and accessibility to protected groups and communities where there is perception of inequality by involving them in our work

The Constabulary recognises the importance of developing the skills and knowledge of its workforce. The Constabulary's has an annual training plan, which aims to ensure that officers, PCSOs and staff are equipped with the requisite skills to perform their role, including mandatory accreditation for specialist responsibilities. During 2023/24 particular training resource was directed to:

- Training for new officer recruits through the Police Educational and Qualification Framework for new officers (developing apprenticeship and degree entry training courses in conjunction with the University of Central Lancashire) including innovative Professional Policing Degree and direct entry Detective programmes.
- Re-introduction of non-degree cohorts as a fourth entry route alongside other PEQF routes. This approach will be maintained for 2024/25.
- Leadership and skills courses for sergeants, inspectors and police staff.
- Specialist crime including an in house developed Investigative Manager course for detective supervisors and forensic interview training.
- Enhanced personal safety and Taser training.

Sustainability

Sustainability is at the heart of the Constabulary's approach to change and business improvement, with the focus on streamlining processes and emphasising quality by putting in systems to get things right first time. In addition, the Constabulary's Demand Strategy delivers sustainability by looking at how demand can be managed down through preventative and collaborative working with other public agencies.

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Within the Commissioner's estate sustainability is promoted both in day to day management of the assets and in new capital developments. The capital programme promotes sustainability within design and strives to better the requirements of the current building regulations by 10%. Specific holistic design targets are set, encouraging use of natural ventilation and sustainable renewable technology where possible. Previous projects have set specific BREEAM energy efficiency targets of a minimum of very good.

Procurement of sustainable goods and services is encouraged with targets set for local labour and supply of materials. Larger specifications of work include a percentage of 'green' and where possible recycled products. Tender evaluation considers whole life costing, including running costs for the life of the building and a sustainability / environmental assessment. These measures are consistent with the social value policy.

The estate is served by a force wide building management system which is used for:

- Regular monitoring and control of consumption.
- Controlling mechanical building services.
- Monitoring faults for timely repair.

Both new and refurbishment work include specific specifications for low energy technology. A move to LED lighting installations and low emission air conditioning across the estate is the standard.

As a result of the measures put in place during the covid pandemic, a more agile approach to home working has developed with many police staff working partly from home and partly from the office. This agile approach delivers sustainability benefits reduced travel between sites, improve space efficiency, reduces estate footprint and drives down the energy and environmental footprint at a number of sites. The measures also improve wellbeing.

For many years the Constabulary has operated a recycling policy.

In line with the national fleet strategy, the Constabulary still operates a mostly diesel fleet, with the strategy being continually reviewed as technology advances. There are now a number of petrol vehicles in the fleet, reflecting the technological improvements in these engines. In addition, there is now a small electric fleet, a mix of both unmarked and marked operational vehicles.

In 2019 a web of electric chargers was fitted throughout the estate to provide infrastructure support to these and future electric vehicles.

The fleet includes vehicles of many different types, which are required to perform a number of roles. Each role has specific targets for emissions and the purchasing criteria for new vehicles dictates that they must be within these limits.

Where appropriate arrangements exist vehicles are purchased on a national framework, which includes sustainability and environmental criteria. The maintenance of vehicles is carried out at garages located strategically throughout the

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county, reducing downtime and transportation. Parts are bought locally and make use of the wider local supply chain where possible.

In a geographically large county, staff are encouraged to make use of virtual meetings as an alternative to physical meetings and the transport time and costs, which that entails. Where journeys are essential, public transport via travel plans, car sharing and cycle to work schemes are promoted.

The Financial Statements

This section of the financial summary provides an explanation of the various parts of the financial statements. The aim of the financial statements are to demonstrate to the reader the overall financial position of the Chief Constable at the end of the financial year, together with the cost of the services provided during the year and the financing of that expenditure.

The key financial statements are:

- The Comprehensive Income and Expenditure Statement (CIES)
- The Movement in Reserves Statement (MiRS)
- The Balance Sheet (BS)
- The Cash Flow Statement (CFS)
- The Police Officer Pension Fund Accounts

Comprehensive Income and Expenditure Statement

Summary CI&ES	Gross Expenditure 2023/24 £000s	Gross Income 2023/24 £000s	Net Expenditure 2023/24 £000s
Cost of Police Services	120,545	(650)	119,895
Funding Provided by PFCC to CC	0	(146,028)	(146,028)
Cost of Services	120,545	(146,678)	(26,133)
Financing Costs and Investment Income	56,862	(8,972)	47,890
(Surplus)/Deficit on the Provision of Services	177,407	(155,650)	21,757
Other Comprehensive Income and Expenditure			(7,774)
Total Comprehensive Income and Expenditure			13,983

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Chief Constable prepares this statement in accordance with the expenditure analysis as prescribed by Code of Practice on Local Authority Accounting issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The CIES is shown on page 27 of the full statement of accounts.

The statement shows that the gross cost of providing policing services amounted to £119.895m in 2023/24. This figure included the costs of neighbourhood policing, incident response, crime investigation, roads policing, communication with the public, criminal justice arrangements and a range of support services.

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In addition, the CIES also records a number of technical adjustments including 'financing costs & investment income' £47.890m and 'other comprehensive income & expenditure' net income of (£7.774m).

These adjustments principally relate to changes to future pensions obligations over the year based on proper accounting practices. The overall effect of the cost of providing services and the pensions adjustment is to produce an accounting deficit of (£13.983m) for the year, which largely impacts on unusable pensions reserves. The analysis on page 6 of this summary, based on the management accounts, shows an overspend of (£0.491m).

An Income and Expenditure analysis that sets out what those costs are (e.g. staffing, transport etc.) is provided in the note 6 to the statement of accounts on page 36.

Movement in Reserves Statement

Summary Movement in Reserves	Balance 31/03/2023 £000s	Movements 2023/24 £000s	Balance 31/03/2024 £000s
Police Pensions Reserve	(1,065,680)	(13,610)	(1,079,290)
LGPS Pensions Reserve	0	(719)	(719)
Accumulated Absences Reserve	(4,760)	346	(4,414)
Total Reserves	(1,070,440)	(13,983)	(1,084,423)

This statement shows the different reserves held by the Chief Constable analysed into 'Usable Reserves', which can be applied to fund expenditure and other 'Unusable Reserves', which are principally accounting adjustments. It shows the opening balance on each reserve at the start of the year, movements in year and

the closing balance. The Chief Constable's statement of movements in reserves is shown on page 28 in the full statement of accounts.

The reserves shown above on the Chief Constable's movement in reserves statement are all classed as 'unusable' and provide a mechanism through which accounting adjustments can be made to present the accounts in accordance with proper accounting practices, whilst allowing the statutory amounts required to be charged for council tax purposes.

The Chief Constable's movements in reserves statement principally records the net impact of the Chief Constable's negative reserve in relation to the Police Pension and the Local Government Pension Schemes, reflecting the requirement to record pension assets and liabilities as they are earned rather than when they become due for payment. During 2023/24, the overall negative balance on the police pension scheme and the local government pension scheme have increased, largely as a result of changes to actuarial assumptions.

All usable reserves are controlled by the Commissioner and are recorded in the balance sheet of the Commissioner, who formally recognises the need to provide contingencies to meet unplanned and planned expenditure in the future. The Commissioner's usable reserves include a general reserve of £4.000m to meet unplanned risks and earmarked reserves of £20.971m for specific revenue and capital purposes. During 2023/24, a total of £1.459m has been drawn down from the Commissioner's earmarked reserves to support the revenue and capital budget in the year.

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The Balance Sheet

Summary Balance Sheet	Balance 31/03/2023 £000s	Balance 31/03/2024 £000s
Current Assets	17,754	19,671
Current Liabilities	(20,807)	(17,513)
Long Term Liabilities	(1,067,387)	(1,086,581)
Net Liabilities	(1,070,440)	(1,084,423)
Unusable Reserves	(1,070,440)	(1,084,423)
Total Reserves	(1,070,440)	(1,084,423)

The balance sheet shows the value as at the balance sheet date (31 March 2024) of the Chief Constable's assets and liabilities.

The Chief Constable's current assets (£19.671m) are comprised of the Chief Constable's share of short-term debtors and the balance of funding between the Commissioner and the Chief Constable. Current liabilities (£17.513m) reflect amounts owed by the Chief Constable. They include the Chief Constable's share of short-term creditors and the balance of funding between the Chief Constable and the Commissioner. Long-term liabilities (£1,087m) represent the Chief Constable's share of the pensions deficit together with a small number of provisions to meet future liabilities. The net assets (assets less liabilities) are matched on the balance sheet by the Chief Constable's reserves. The balance sheet reserves reflect the position at year end and therefore match the final position shown in the movement in reserves statement. The balance sheet is shown on page 29 in the full statement of accounts.

The Chief Constable's 2023/24 balance sheet shows a combined pensions deficit of (£1,080m) ((£1,066m) in 2022/23) for the LGPS and the Police Pension Scheme to which its employees and former employees belong. However, statutory arrangements for funding the deficit, through increased contributions over a period designed to balance the pensions account and central government funding mean that the financial position of the Chief Constable remains healthy.

The Cash Flow Statement

Summary Cash Flow Statement	Cash flows 2022/23 £000s	Cash flows 2023/24 £000s
Cash & Cash Equivalents 1 April	0	0
Net (Surplus)/Deficit on the provision of services	37,798	21,757
Adjustments for Non-cash Movements	(37,798)	(21,757)
Net Cash Flows from Operating Activities	0	0
Cash & Cash Equivalents 31 March	0	0

The Cash Flow Statement shows the changes in cash and cash equivalents of the Chief Constable during the reporting period. Under the terms of the funding arrangement between the Commissioner and the Chief Constable, all cash and cash equivalents are held by the Commissioner and as such, the Chief Constables cash flow statement simply reflects the surplus or deficit from the provision of services less adjustments for non-cash movements. The statement is shown on page 30 of the full statement of accounts.

The Chief Constable of Cumbria Constabulary

Summary Statement of Accounts 2023/24

Police Officer Pension Fund Account

Summary Police Pension Fund	Pension Fund A/C 2022/23 £000s	Pension Fund A/C 2023/24 £000s
Contributions - Employer	(14,714)	(16,588)
Contributions - Officers	(6,348)	(7,193)
Contributions - Other	(376)	(268)
Benefits Payable	40,622	40,539
Other Payments	163	55
Net Amount Payable	19,347	16,545
Contribution from Home Office	(19,347)	(16,545)
Net Amount Payable	0	0

This statement sets out the transactions on the Police Officer pension fund account for the year. The statement records all of the contributions that have been made to the pension fund during the year. These are primarily contributions from employees and the Constabulary, as employer. Contribution rates are set nationally by the Home Office. There are also small amounts of other contributions, either from officers joining the scheme in the year and transferring in existing pensions benefits or additional contributions from the employer to cover the cost of ill-health retirements.

The fund also records the benefits paid out of the fund to its members. Any difference between the contributions received into the fund and amount paid out is met by government grant, paid through the Commissioner. This means that the police pension fund always balances to nil.

The statement identifies contributions made in 2023/24 totaling (£24.049m). The pension benefits that are payable from the fund, together with other payments amounted to £40.594m. The balance between contributions and pensions' benefits paid of £16.545 has been funded by the Home Office via the Police, Fire and Crime Commissioner. The full pensions fund accounts and note can be found on pages 52-53 of the full statement of accounts.

Supporting Information to the Financial Statements

The key financial statements are supplemented by an explanation of the accounting policies used in preparing the statements which are shown alongside the relevant note in the accounts or in Annex A where they are generic to the accounts as a whole. They also contain a comprehensive set of notes that explain in more detail a number of entries in the primary financial statements. A glossary of terms provides an explanation of the various technical accounting terms and abbreviations. The statements are published alongside the Annual Governance Statement for the Chief Constable in accordance with the 2015 Accounts and Audit (England) Regulations. The Annual Governance Statement (AGS) of the Chief Constable can be found in Annex D of this Statement of Accounts or on the Constabulary website at www.cumbria.police.uk.

The Financial Outlook

The financial statements provide a breakdown of net spending during the year with the balance sheet showing the strong overall financial position of the Commissioner and Chief Constable as at 31 March 2024. This has primarily arisen as a result of positive action on behalf of the Constabulary to manage costs in the context of increasing demand for services and real terms reductions in funding over the last decade.

Looking forward, the Government has continued to provide funding in respect of the Uplift Programme (the scheme to recruit an additional 20,000 officers nationally by 31/03/2023). In Cumbria's case, further additional ringfenced grant of £3.6m has been provided for 2024/25 (conditional on maintaining the Uplift numbers), which, in combination with continued flexibility afforded to Police and Crime Commissioners to levy increased council tax has enabled the budget for 2024/25 to be balanced.

Whilst the position is financially resilient in the short term, there are uncertainties which have the potential to impact negatively on the budget in the medium term. Based on the MTFF assumptions, savings will need to be delivered from 2025/26 to balance the budget. The cumulative budget gap by 2028/29 is forecast as £16.1m. The uncertain impact of inflation on future budget prospects compounds existing financial risks in relation to the adequacy and sustainability of funding beyond Operation Uplift, the cost of national policing programmes, particularly the Emergency Services Network, pensions issues and the review of the police funding formula. The required savings are considered to be challenging, and will need diligence to ensure they are achievable and manageable.

The Commissioner and Chief Constable recognise that, having already delivered £27m of savings since 2010, future savings will be hard won. They continue to work towards developing and implementing organisational changes that will improve the efficiency of the Constabulary and seek to address the future gap between expenditure and income.

Within the Constabulary a programme of work, known as the 'Futures Programme' is underway to better understand demand and seek efficiencies. In 2024/25 this programme consists of 16 individual projects. Against this background, the level of required savings highlighted in the MTFF are considered to be achievable.

A reserves policy has also been developed, which seeks to balance pro-actively utilising reserves to support current policing services with maintaining reserves at a level that provides some financial resilience.

In light of the financial outlook presented above and in the context of the MTFF and savings plans, the Chief Constable and the Chief Finance Officer have reviewed the going concern position of the Constabulary and have concluded that it is appropriate to produce the Chief Constable's accounts on a going concern basis.

Risks

The focus of the Constabulary's strategic risk register is closely aligned with the financial challenges faced by the Constabulary outlined above and the consequential impact of implementing change across the organisation.

There are currently nine risks on Constabulary strategic risk register. The four highest scoring risks are as follows:

- Financial risk that there may be a detrimental and significant impact on the available budget and a requirement for substantially increased savings as a result of; inflationary pressures, reduced government funding, increased pension contributions and potential changes to the police funding formula.
- Operational analytics and research capability and capacity.
- Operation Equate – additional demand relating to the potential coal mine in West Cumbria.
- Emergency Services Network (ESN) & Airwave – the continued use of Airwave as a result of national delays in the delivery of ESN.

Wherever possible the Constabulary actively mitigates and manages its strategic risks.

Acknowledgements

The financial statements were authorised for issue by me as the Constabulary Chief Finance Officer, on 07 June 2024.

In closing, it is appropriate to acknowledge the dedication and professionalism of Lorraine Holme and the wider finance team in again achieving the closure of accounts and the publication of these statements against tight deadlines.

Michelle Bellis

Constabulary Chief Finance Officer

The accounts present a true and fair view of the position of the Chief Constable of Cumbria Constabulary as at 31 March 2024 and its income and expenditure for the year there ended.

Signatures removed for the purpose of publication on the website

Michelle Bellis CPFA

Constabulary Chief Finance Officer

Date: 07 June 2024