



The Chief Constable of Cumbria Constabulary
STATEMENT OF ACCOUNTS
2023/24



www.cumbria.police.uk



The Chief Constable of Cumbria
Constabulary

Statement of Accounts 2023/24

About this Publication

This publication contains the single entity financial statements for the Chief Constable of Cumbria Constabulary. All funding for the Constabulary comes from the Police, Fire and Crime Commissioner for Cumbria (the Commissioner). For an overall (group) financial position please see the Commissioner's Statement of Accounts which incorporates those of the Chief Constable.



The Statement of Accounts for 2023/24 is available on the Constabulary's website at www.cumbria.police.uk

The corresponding accounts for the Police, Fire and Crime Commissioner can be found on the Commissioner's website at: www.cumbria-pfcc.gov.uk.



The Statement of Accounts is also available in printed format from the office of the Police, Fire and Crime Commissioner for a nominal fee of £10 per copy.

Alternative Formats



You can get a copy of this document in different formats such as large print, Braille, audio, or in a different language by calling 01768 217734

Bengali

আপনি 01768 217734 এই নম্বর ফোন করে, বিভিন্ন ফরম্যাট যেমন বড় প্রিন্ট, ব্রেইল, অডিও বা একটি ভিন্ন ভাষাতে এই নথিটির একটি কপি পেতে পারেন।

Cantonese

如果您想获取该文件的不同版本，如：大字体印刷、盲文、音频或不同语言版本，请致电：01768 217734。

Lithuanian

Paskambinę telefonu 01768 217734, galite užsisakyti šio dokumento kopiją įvairiais formatais, pavyzdžiui, atspausdintą dideliu šriftu, Brailio raštu, užsisakyti garso įrašą arba gauti dokumentą, išverstą į norimą kalbą.

Polish

Aby otrzymać kopię tego dokumentu w innych formatach, takich jak duży druk, druk Braille'm, audio, lub w innym języku proszę dzwonić pod numer 01768 217734.

Portuguese

Pode obter uma cópia deste documento em vários formatos, como por exemplo em Braille, áudio, ou numa outra língua. Para tal ligue para o 01768 217734.

Turkish

01768 217734' u arayarak, bu dokümanın bir kopyasını büyük puntolu, körler için kabartmalı, ses dosyası gibi değişik formatlarda veya farklı bir dilde edinebilirsiniz

The Chief Constable of Cumbria Constabulary

Statement of Accounts 2023/24

Contents	Page(s)	
Constabulary Chief Finance Officer Narrative Report	3-19	<p>The CFO Introduction. For a quick highly summarised version of this statement of accounts please read the next 17 pages. The full story starts on page 20, please read that too.</p>
Responsibilities for the Statement of Accounts	20	
Auditors Report to the Chief Constable	21-26	
Core Financial Statements		
• Comprehensive Income and Expenditure Statement	27	
• Movement in Reserves	28	
• Balance Sheet	29	<p>Please see page 31 for a full list of the notes to the accounts and cross references to page numbers.</p>
• Cash Flow Statement	30	
Notes to the Accounts	31-51	
Police Officer Pension Fund Account	52-53	
Glossary of Terms	54-56	<p>Throughout this publication wherever a word, phrase or acronym is shown in <u>teal coloured text and underlined</u> an explanation is provided in the Glossary of Terms.</p>
Annex A - Statement of Accounting Policies	57-60	
Annex B – Technical Annex - Financial Instruments	61-62	
Annex C – Technical Annex – Pension Disclosures	63-72	
Annex D – Annual Governance Statement	AGS 1-29	

Introduction

I am pleased to introduce the financial Statement of Accounts for the 2023/24 financial year. This financial 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 accounts are published in accordance with the Accounts and Audit Regulations 2015.

The 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 narrative report 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 narrative report is also available as a stand-alone document on the same website. 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.

Constabulary Chief Finance Officer Narrative Report

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.

Constabulary Chief Finance Officer Narrative Report

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

Constabulary Chief Finance Officer Narrative Report

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.

Constabulary Chief Finance Officer Narrative Report

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 of 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.

Constabulary Chief Finance Officer Narrative Report

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

Constabulary Chief Finance Officer Narrative Report

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.

Constabulary Chief Finance Officer Narrative Report

- 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 a decrease 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.

Constabulary Chief Finance Officer Narrative Report

- 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.

Constabulary Chief Finance Officer Narrative Report

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.

Constabulary Chief Finance Officer Narrative Report

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

Constabulary Chief Finance Officer Narrative Report

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.

Constabulary Chief Finance Officer Narrative Report

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 8 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 £1.858m has been transferred to the Commissioner’s earmarked reserves to support revenue and capital expenditure in future years.

The Balance Sheet

Summary Balance Sheet	Balance 31/03/2023 £000s	Balance 31/03/2024 £000s
Current Assets	17,754	15,471
Current Liabilities	(20,807)	(17,513)
Long Term Liabilities	(1,067,387)	(1,082,381)
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 (£15.471m) 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 (£1,082m) 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.

Constabulary Chief Finance Officer Narrative Report

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 £16.545m 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.

Constabulary Chief Finance Officer Narrative Report

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 originally authorised for issue by me as the Constabulary Chief Finance Officer, on 07 June 2024. Following completion of the audit, they were re-authorised by me on 26 February 2025 and were formally approved by the Chief Constable on the same day.

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 purposes of publication on website](#)

Michelle Bellis CPFA

Constabulary Chief Finance Officer

Date: 26 February 2025

Robert Carden

The Chief Constable of Cumbria Constabulary

Date: 26 February 2025

Responsibilities for the Statement of Accounts

1 The Chief Constable's Responsibilities

The Chief Constable is accountable to the Police, Fire and Crime Commissioner for the management of resources and expenditure by the police force. All funding for the Chief Constable comes from the Police, Fire and Crime Commissioner. The Chief Constable is required to:

- make arrangements for the proper administration of their financial affairs and to secure that one of his officers has the responsibility for the administration of those affairs. In this organisation, that officer is the Constabulary Chief Finance Officer (CFO).
- manage their affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- approve the Statement of Accounts including annexes to the Statement of Accounts.

2 The Constabulary Chief Finance Officer's Responsibilities

The CFO is responsible for the production of the Statement of Accounts for the Chief Constable, Commissioner and Group. The CFO is responsible for the preparation of the Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Account, the CFO has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- complied with the local authority code.

The CFO has also:

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

The CFO should sign and date the Statement of Accounts, stating that it presents a true and fair view of the financial position of the organisation at the reporting date and its income and expenditure for the year ended 31 March 2024.

Independent Auditor's Report

Independent auditor's report to the Chief Constable of Cumbria Constabulary

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of the Chief Constable of Cumbria Constabulary (the 'Chief Constable') for the year ended 31 March 2024, which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies, and include the police pension fund financial statements comprising the Police Officer Pension Fund Account, Net Assets Statement and notes to the financial statements. The notes to the financial statements include the Notes to the Accounts, Annex A – Statement of Accounting Policies, Annex B – Technical Annex – Financial Instruments and Annex C – Technical Annex – Pension Disclosures. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

In our evaluation of the Constabulary Chief Finance Officer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 that the Chief

Independent Auditor's Report

Constable's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Chief Constable. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Chief Constable and the Chief Constable's disclosures over the going concern period.

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Under the Code of Audit Practice published by the National Audit Office in November 2024 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24, or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls

We have nothing to report in this regard.

Independent Auditor's Report

Opinion on other matters required by the Code of Audit Practice

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of the Chief Constable and the Constabulary Chief Finance Officer

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Independent Auditor's Report

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

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

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

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

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

We assessed the susceptibility of the Chief Constable's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation management override of controls through inappropriate journal entry and management bias or error in estimating valuations of the defined benefit pension net asset or liability.

Our audit procedures involved:

- evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud,
- journal entry testing, with a focus on non-routine transactions and journals falling within identified risk criteria including: post year-end journals, material journals across the year, year-end journals, year-end accrual journals, journals posted by senior management and off ledger adjustments,
- challenging assumptions and judgements made by management in its significant accounting estimates in respect of the defined benefit pension net asset or liability, and
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

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

We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including risks relating to management override of controls and management bias or error in estimating the valuation of the defined benefit pension net asset or liability. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.

Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's.

Independent Auditor's Report

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

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

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

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

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

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

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

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

Responsibilities of the Chief Constable

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

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

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not

Independent Auditor's Report

required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

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

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

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

We cannot formally conclude the audit and issue an audit certificate for the Chief Constable of Cumbria Constabulary for the year ended 31 March 2024 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed the work necessary in relation to consolidation returns, including Whole of Government Accounts (WGA), and the National Audit Office has concluded their work in respect of WGA for the year ended 31 March 2024. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2024.

Use of our report

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

Signature removed for the purposes of publication on the website

Michael Green, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor
Manchester
26 February 2025

Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.

Comprehensive Income and Expenditure Statement (CC)		CC	CC	CC	CC	CC	CC	
		2022/23	2022/23	2022/23	2023/24	2023/24	2023/24	
		Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
Notes		£000s	£000s	£000s	£000s	£000s	£000s	
	Cost of Policing and Crime Services	#	133,715	(671)	133,044	120,545	(650)	119,895
	Funding Provided by PFCC to CC		0	(135,452)	(135,452)	0	(146,028)	(146,028)
	Cost of Policing and Crime Services		133,715	(136,123)	(2,408)	120,545	(146,678)	(26,133)
	Financing and Investment Income and Expenditure							
	Net Interest on the net defined benefit liability (asset)	Annex C	45,511	(5,305)	40,206	56,862	(8,972)	47,890
			45,511	(5,305)	40,206	56,862	(8,972)	47,890
	(Surplus) or Deficit on Provision of Services		179,226	(141,428)	37,798	177,407	(155,650)	21,757
	Remeasurement of the net defined pension benefit liability/asset	Annex C			(491,230)			(7,774)
	Other Comprehensive Income and Expenditure				(491,230)			(7,774)
	Total Comprehensive Income and Expenditure				(453,432)			13,983

A more detailed analysis of the figures that make up the “Cost of Policing and Crime Services” can be found in the Expenditure and Funding Analysis (Note 5) and in the Expenditure and Income Analysed by Nature note (Note 6).

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Chief Constable, analysed into 'Usable Reserves' (i.e. those that can be applied to fund expenditure) and other 'Unusable reserves'. The Surplus (or Deficit) on the Provision of Services line shows the true economic cost of providing the Chief Constable's services, more details of which are shown in the Comprehensive Income and Expenditure Statement.

The figures for the Chief Constable in 2023/24 are provided in the table below:

Movement in Reserves Statement (CC) Figures for 2023/24								
Note	Balance at 1 April 2023	Surplus/ (deficit) on the provision of services	Other comprehensive income and expenditure	Total comprehensive income and expenditure	Adjustment between accounting basis and funding basis under regulations (Note 7)	Increase/ (decrease) in 2023/24	Balance at 31 March 2024	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Usable Reserves								
Chief Constable's Constabulary Fund	-	0	(21,757)	0	(21,757)	21,757	0	0
Total Usable Reserves		0	(21,757)	0	(21,757)	21,757	0	0
Unusable Reserves								
Chief Constable's Police Pension Reserve	14a	(1,065,680)	0	9,890	9,890	(23,500)	(13,610)	(1,079,290)
Chief Constable's LGPS Pension Reserve	14a	0	0	(2,116)	(2,116)	1,397	(719)	(719)
Chief Constable's Accumulated Absences Account	14b	(4,760)	0	0	0	346	346	(4,414)
Total Unusable Reserves		(1,070,440)	0	7,774	7,774	(21,757)	(13,983)	(1,084,423)
Total Reserves		(1,070,440)	(21,757)	7,774	(13,983)	0	(13,983)	(1,084,423)

The comparative figures for 2022/23 are provided in the table below:

Movement in Reserves Statement (CC) Figures for 2022/23								
Note	Balance at 1 April 2022	Surplus/ (deficit) on the provision of services	Other comprehensive income and expenditure	Total comprehensive income and expenditure	Adjustment between accounting basis and funding basis under regulations (Note 7)	Increase/ (decrease) in 2022/23	Balance at 31 March 2023	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Usable Reserves								
Chief Constable's Constabulary Fund	-	0	(37,798)	0	(37,798)	37,798	0	0
Total Usable Reserves		0	(37,798)	0	(37,798)	37,798	0	0
Unusable Reserves								
Chief Constable's Police Pension Reserve	14a	(1,459,590)	0	425,510	425,510	(31,600)	393,910	(1,065,680)
Chief Constable's LGPS Pension Reserve	14a	(59,825)	0	65,720	65,720	(5,895)	59,825	0
Chief Constable's Accumulated Absences Account	14b	(4,457)	0	0	0	(303)	(303)	(4,760)
Total Unusable Reserves		(1,523,872)	0	491,230	491,230	(37,798)	453,432	(1,070,440)
Total Reserves		(1,523,872)	(37,798)	491,230	453,432	0	453,432	(1,070,440)

Balance Sheet

This statement shows the value as at the balance sheet date of the assets and liabilities recognised by the Chief Constable. The net assets (assets less liabilities) are matched by the reserves held by the Chief Constable.

Balance Sheet	Notes	CC	CC
		31 March 2023	31 March 2024
		£000s	£000s
Inventories		522	554
Short Term Debtors (amounts owed to CC by PFCC re CC share of external Debtors)	10	5,774	5,664
Short Term Debtors (amounts owed to CC by employees re accumulated absences)	10	216	328
Short Term Debtors (funding balance owed to CC by PFCC)	10	11,242	8,925
Current Assets		17,754	15,471
Short Term Creditors (amounts owed by CC to PFCC re share of external creditors)	11	(9,535)	(6,553)
Short Term Creditors (amounts owed by CC to employees re accumulated absences)	11	(4,976)	(4,742)
Short Term Creditors (funding balance due from CC to PFCC)	11	(6,296)	(6,218)
Current Liabilities		(20,807)	(17,513)
Provisions	12	(1,707)	(2,372)
Other Long Term Liabilities			
Pensions liability - Police	Annex C	(1,065,680)	(1,079,290)
Pensions liability - LGPS	Annex C	0	(719)
Long Term Liabilities		(1,067,387)	(1,082,381)
Net Liabilities		(1,070,440)	(1,084,423)
Unusable Reserves			
Pensions Reserve - Police	14a	(1,065,680)	(1,079,290)
Pensions Reserve - LGPS	14a	0	(719)
Accumulated Absences Account	14b	(4,760)	(4,414)
		(1,070,440)	(1,084,423)
Total Reserves		(1,070,440)	(1,084,423)

The unaudited accounts were authorised for issue on 07 June 2024 and the audited accounts were authorised for issue on 26 February 2025.

Signature removed for the purposes of publication on the website

Signed: _____

Michelle Bellis, Constabulary Chief Finance Officer.

Cash Flow Statement

The Cash Flow statement shows the changes in cash and cash equivalents of the Chief Constable during the reporting period. Under the funding arrangement between the Police and Crime Commissioner and the Chief Constable, the Chief Constable does not engage in investment and financing activities therefore all cash flows are classified as operating activities.

Cash Flow Statement (CC)		CC 2022/23 £000s	CC 2023/24 £000s
	Net (Surplus) or Deficit on the provision of services	37,798	21,757
	Adjustment to net surplus or deficit on the provision of services for non-cash movements	(37,798)	(21,757)
	Net cash (inflow)/ outflow from Operating Activities	0	0
	CF1 - The Adjustment to net surplus or deficit on the provision of services for non-cash movements are made up as follows:		
	Pension Liability (Contributions to/from Pensions Reserve)	(37,495)	(22,103)
	Debtors - Adjustment re CC Share of Debtors	308	2
	Debtors - Adjustment re Balance of Funding due from PFCC to CC	4,333	(2,317)
	Creditors - Adjustment re CC Share of Creditors	(4,525)	3,217
	Creditors - Adjustment re Balance of Funding due from CC to PFCC	(360)	78
	Stock - Change in Balance Sheet	52	32
	Provisions - Change in Balance Sheet	(111)	(666)
	Adjustment to net surplus or deficit on the provision of services for non-cash movements	(37,798)	(21,757)

Notes to the Accounts

Index of Notes to the Accounts

Note	Title	Page
1	Accounting Policies.....	32
2	Critical Judgements in Applying Accounting Policies	32
3	Events after the Balance Sheet Date	32
4	Assumptions made about the future and other Sources of Estimation Uncertainty.....	33
5	Expenditure and Funding Analysis.....	34
6	Expenditure and Income Analysed by Nature	36
7	Adjustments between Accounting Basis and Funding Basis under Regulations	37
8	Audit Fees	38
9	Financial Instruments	38
10	Short-term Debtors	39
11	Short-term Creditors	39
12	Provisions.....	40
13	Pensions.....	41
14	Unusable Reserves.....	42
15	Members Allowances and Expenses	44
16	Disclosure of Remuneration for Senior Employees.....	45
17	Employee Remuneration.....	47
18	Exit Packages/Termination Payments	48
19	Related Party Transactions.....	49
20	Pension Challenge	50
21	Accounting Standards that have been Issued but have not yet been Adopted.....	51

The notes to the accounts are provided to aid the understanding of material items within the core financial statements. As a general rule, the column showing the figures for 2023/24 will be highlighted, whilst the comparatives for 2022/23 (where provided) will not.

The notes sometimes include terms that may require further explanation. Where possible, explanations are provided within the note, otherwise explanations are provided within the “glossary of terms” in pages 54-56. Terms for which an explanation is provided will be depicted by text that is shown in teal coloured text and underlined.

Notes to the Accounts

1 Accounting Policies

There are a number of accounting policies that determine how items within the accounts are treated. Where these accounting policies relate to a particular note to the accounts, the accounting policy is shown alongside that note in a grey text box. Where an accounting policy is more generic and applicable across the statement accounts it will continue to be shown in a separate technical annex, **Annex A** (see pages 57-60).

2 Critical Judgements in Applying Accounting Policies

In applying the accounting policies as set out alongside the relevant note or in Annex A (pages 57 to 60), the [Chief Constable](#) has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- There is a high degree of uncertainty about future levels of funding for policing. However, the Chief Constable and Commissioner have determined that this uncertainty is not yet sufficient to provide an indication that the assets of the [Commissioner](#) might be impaired as a result of a need to close facilities and reduce levels of service [provision](#).

3 Events after the Balance Sheet Date

A post balance sheet event is an event, subsequent to the date of the financial statements, and for which International Financial Reporting Standards and the code require adjustment or disclosure. Consideration has been given as to whether any events meet the requirement to be disclosed as a post balance sheet event and it has been concluded that no such matters require disclosure.

The Statement of Accounts was authorised for issue by the Constabulary Chief Finance Officer on 26 February 2025. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2024, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

Accounting Policy - Events after the Balance Sheet Date

Events after the balance sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date the Statement of Accounts is authorised for issue which have an impact on the financial statements and are treated as follows. 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 such events.
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the event and their estimated financial effect.

Events taking place after the authorised for issue date are not reflected in the statement of accounts.

Notes to the Accounts

4 Assumptions made about the future and other Sources of Estimation Uncertainty

The statement of Accounts contains estimated figures that are based on assumptions made by the [Chief Constable](#) about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Chief Constable's balance sheet as at 31 March 2024 for which there is significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Pensions Liability	<p>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 expected returns on pension fund assets.</p> <p>Two firms of consulting actuaries are engaged to provide the Chief Constable with expert advice about the assumptions to be applied for both the Police Pension Scheme (Government Actuaries Department) and the Local Government Pension Scheme (Mercer Ltd).</p> <p>At the balance sheet date, the liability in respect of the police pension scheme was £1,079m.</p> <p>In relation to LGPS, the actuary calculated that the valuation resulted in a net asset of £34m, however under IAS 19 Employee Benefits requires that, where a pension plan asset exists, it is measured at the lower of:</p> <ul style="list-style-type: none"> • The surplus in the defined benefit plan; and • The asset ceiling. <p>The calculation has been completed by the actuary, and an adjustment has been made to reflect the asset ceiling which leaves a deficit of £719k in relation to unfunded benefits, with the funded benefits being reduced to Nil.</p>	<p>The effects on the net pension liability of changes in individual assumptions can be measured. Examples of the impact of changes in individual assumptions is included in the sensitivity analysis provided in the technical annex to the accounts Annex C, Pensions on pages 63-72.</p>

Notes to the Accounts

5 Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, council tax precepts) by the Chief Constable in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between subjective headings. Income and Expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

The figures for the Chief Constable in 2023/24 and comparatives for 2022/23 are provided in the table below:

Expenditure and Funding Analysis (CC)	Net Expenditure Chargeable to the Police Fund balance and as reported for resource management	CC 2022/23 Adjustments between Funding and Accounting Basis (Note 5 & 7)	Net Expenditure in the Comprehensive Income and Expenditure Statement	Net Expenditure Chargeable to the Police Fund balance and as reported for resource management	CC 2023/24 Adjustments between Funding and Accounting Basis (Note 5 & 7)	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£000s	£000s	£000s	£000s	£000s	£000s
Cost of Policing & Crime Services						
Police Officer Pay & Allowances	76,682	(6,990)	69,692	84,443	(25,470)	58,973
PCSO Pay & Allowances	2,204	277	2,481	1,833	(24)	1,809
Police Staff Pay & Allowances	26,423	3,908	30,331	28,463	(293)	28,170
Other Employee Budgets	4,162	0	4,162	4,090	0	4,090
Premises Related Expenditure	6,635	0	6,635	7,519	0	7,519
Transport Related Expenditure	4,222	0	4,222	2,260	0	2,260
Supplies & Services Expenditure	13,025	0	13,025	14,325	0	14,325
Third Party Related Expenditure	2,143	0	2,143	2,520	0	2,520
Technical Accounting Adjustments	(303)	303	0	346	(346)	0
Non distributed costs	94	94	188	0	0	0
Termination Payments	165	0	165	229	0	229
Funding Provided by PFCC to CC	(135,452)	0	(135,452)	(146,028)	0	(146,028)
Net Cost of Services	0	(2,408)	(2,408)	0	(26,133)	(26,133)
Other Income and Expenditure	0	40,206	40,206	0	47,890	47,890
(Surplus)/Deficit on the Provision of Services	0	37,798	37,798	0	21,757	21,757

Notes to the Accounts

5.a Note to the Expenditure Funding Analysis

This note provides a reconciliation of the main adjustments to net expenditure chargeable to the Police Fund to arrive at the amounts in the Comprehensive Income and Expenditure Statement (page 27). The relevant transfers between reserves are explained in the Movement in Reserves Statement (page 28).

The figures for 2023/24 and comparatives for 2022/23 are shown in the table below:

Note to the Expenditure and Funding Analysis (CC)	CC 2022/23	Other Differences (See below)	Total Adjustment Between funding and accounting basis	CC 2023/24	Other Differences (See below)	Total Adjustment Between funding and accounting basis
	Net change for the Pensions Adjustment (See below)			Net change for the Pensions Adjustment (See below)		
	£000s	£000s	£000s	£000s	£000s	£000s
Cost of Policing & Crime Services						
Police Officer Pay & Allowances	(6,990)	0	(6,990)	(25,470)	0	(25,470)
PCSO Pay & Allowances	277	0	277	(24)	0	(24)
Police Staff Pay & Allowances	3,908	0	3,908	(293)	0	(293)
Technical Accounting Adjustments	0	303	303	0	(346)	(346)
Non distributed costs	94	0	94	0	0	0
Net Cost of Services	(2,711)	303	(2,408)	(25,787)	(346)	(26,133)
Other Income and Expenditure	40,206	0	40,206	47,890	0	47,890
(Surplus)/Deficit on the Provision of Services	37,495	303	37,798	22,103	(346)	21,757
Further Analysis of Adjustments						
Police - Interest on Liabilities	38,590	0	38,590	48,970	0	48,970
Police - Reverse Employer Contributions	(35,380)	0	(35,380)	(34,720)	0	(34,720)
Police - Current Service Cost	28,390	0	28,390	9,250	0	9,250
LGPS - Interest on Liabilities	6,921	0	6,921	7,892	0	7,892
LGPS - Return on Plan Assets	(5,305)	0	(5,305)	(8,972)	0	(8,972)
LGPS - Reverse Employer Contributions	(4,152)	0	(4,152)	(4,404)	0	(4,404)
LGPS - Current Service Cost	8,337	0	8,337	4,087	0	4,087
LGPS - Non Distributed Costs	94	0	94	0	0	0
Accumulated Absences Account Adj	0	303	303	0	(346)	(346)
Total Adjustments	37,495	303	37,798	22,103	(346)	21,757

Notes to the Accounts

6 Expenditure and Income Analysed by Nature

This note provides an analysis of the expenditure and income by the nature of that spend/income.

Expenditure and Income	CC	CC
	2022/23	2023/24
	£000s	£000s
Expenditure		
Police Pay & Allowances	76,682	84,443
PCSO Pay & Allowances	2,204	1,833
Police Staff Pay & Allowances	26,423	28,463
Other Employee Costs	4,162	4,090
Premises Related Costs	6,635	7,519
Transport Related Costs	4,222	2,260
Supplies & Services	13,025	14,325
Third Party Payments	2,143	2,520
Technical Accounting Adjustments	(303)	346
Non Distributed Costs	94	0
Termination Payments	165	229
Funding Between PFCC & CC	(135,452)	(146,028)
Total Expenditure	0	0
(Surplus)/Deficit on the Provision of Services	0	0

Notes to the Accounts

7 Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the [Chief Constable](#) in the year in accordance with proper accounting practice to the resources that are specified by statutory [provisions](#) as being available to the Chief Constable to meet future expenditure.

The figures for 2023/24 are set out in the table below:

Adjustments between Accounting Basis and Funding Basis Under Regulations	Note	CC Constabulary Fund Balance £000s	CC Police Pension Reserve £000s	CC LGPS Pension Reserve £000s	CC Accumulated Absences Account £000s
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)	Annex C	22,103	(23,500)	1,397	0
- Holiday Pay (transfers to or from Accumulated Absences Account)	14b	(346)	0	0	346
Total Adjustments		21,757	(23,500)	1,397	346

The comparative figures for 2022/23 are set out in the table below:

Adjustments between Accounting Basis and Funding Basis Under Regulations	Note	CC Constabulary Fund Balance £000s	CC Police Pension Reserve £000s	CC LGPS Pension Reserve £000s	CC Accumulated Absences Account £000s
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)	Annex C	37,495	(31,600)	(5,895)	0
- Holiday Pay (transfers to or from Accumulated Absences Account)	14b	303	0	0	(303)
Total Adjustments		37,798	(31,600)	(5,895)	(303)

Notes to the Accounts

8 Audit Fees

In 2023/24 the [Chief Constable](#) incurred the following fees relating to external audit services provided by Grant Thornton UK LLP.

External Audit Fees	CC	CC
	2022/23 £000s	2023/24 £000s
Amounts Relating to The Chief Constable		
Fees payable to Grant Thornton UK LLP with regard to external audit services carried out by the appointed auditor:		
- In relation to 2021/22 Audit	3	0
- In relation to 2022/23 Audit	22	3
- In relation to 2023/24 Audit	0	52
Total External Audit Fees for Year	25	55

The above table shows the gross fees payable to the external auditor during the year. The amounts in the table agree to the amounts recorded in the comprehensive income and expenditure statement. Subsequent to the closure of the accounts for 2021/22, the external auditors advised in June that their intended audit fee in relation to the 2021/22 audit was to increase to £20k, the difference of £3k has been reflected in the accounts for 2022/23. External audit fees are determined following a national procurement exercise with the annual scale charges increasing to take account of new audit requirements in areas such as pension scheme valuations and value for money arrangements.

9 Financial Instruments

*Financial Instruments are contracts that give rise to a financial asset in one entity and a financial liability in another. The term covers both **financial assets** such as loans and receivables and **financial liabilities** such as creditors and borrowings.*

Under International Financial Reporting Standards a full set of disclosure notes are required in respect of financial instruments. These notes for the Chief Constable are included in a separate technical appendix at Annex B on pages 61 to 62.

The disclosures include:

- The Categories of Financial Instrument
- Gains and Losses on Financial Instruments
- Fair value of Assets and Liabilities Carried at Amortised Cost
- Disclosure of the Nature and Extent of Risks Arising from Financial Instruments

Notes to the Accounts

10 Short-term Debtors

A breakdown of the amounts owing to the [Chief Constable](#) as at 31 March 2024 with comparative information for the previous year is set out in the table below:

Short-term Debtors	CC	
	As at 31 March	
	2023	2024
	£000s	£000s
Balance Owed from PFCC re CC Share of External Debtors		
- Trade Receivables	97	39
- Police pensions prepayment	2,881	3,132
- Prepayments/Payments in Advance	2,796	2,493
	5,774	5,664
Balance Owed from Employees (re accumulated Absences)	216	328
Balance Owed from PFCC re Balance of Funding	11,242	13,125
Total Debtors	17,232	19,117

11 Short-term Creditors

An analysis of the amounts owed by the [Chief Constable](#) as at 31 March 2024 with comparative information for the previous year is set out in the table below:

Short-term Creditors	CC	
	As at 31 March	
	2023	2024
	£000s	£000s
Balance Owed to PFCC re CC Share of External Creditors		
- Trade Payables	(6,954)	(3,743)
- HMRC PAYE Amounts Due	(2,581)	(2,810)
	(9,535)	(6,553)
Balance owed to Employees (re accumulated absences)	(4,976)	(4,742)
Balance owed to PFCC re balance of Funding	(6,296)	(6,218)
Total Creditors	(20,807)	(17,513)

12 Provisions

The [Chief Constable](#) is able to maintain [provisions](#) to meet expected future liabilities. The Code of Practice on Local Authority Accounting advises that the value of any provisions be charged to the appropriate part of the Comprehensive Income and Expenditure Statement in anticipation of the liability having to be met in the future. The classification of provisions is consistent with the Code of Practice.

A brief description of the purpose of the individual provisions as at 31 March 2024 is provided below:

Insurance liabilities – this provision has been established to meet a number of eventualities from ongoing claims which are not covered by external insurers. In particular, liability risks up to £250k per event (this figure was £25k until 1 November 2014 when the policy excess was increased to £100k, and increased again to £250k from 1 November 2021) are retained by the Chief Constable and met internally. The provision for insurance liabilities is subject to an actuarial review on a biennial basis to determine the most appropriate level for the provision based on the circumstances at the time of the review.

Legal Claims – this provision has been established to cover the potential costs relating to a number of legal claims that are currently ongoing.

DDAT National Portfolio – this provision has been established to cover the potential costs relating to a number of national initiatives as part of the Chief Constable’s national portfolio for DDAT.

Accounting Policy – Provisions

[Provisions](#) are made when an event has taken place that gives a legal or constructive obligation that probably requires settlement by transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, involvement in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate function line in the Comprehensive Income and Expenditure Statement in the year that awareness of the obligation arises, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account the relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried on the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will subsequently be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant function.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the obligation is settled.

Notes to the Accounts

The table below shows the movements during the year on each of the provisions and the position as at 31 March 2024.

Provisions	Balance as at 01/04/23	Additional Provisions Made 2023/24	Amounts Used in 2023/24	Unused Amounts Reversed in 2023/24	Balance as at 31/03/24
	£000s	£000s	£000s	£000s	£000s
Insurance Liabilities	(682)	(988)	200	0	(1,470)
Legal Claims	(1,025)	(330)	285	168	(902)
DDAT National Portfolio	0	(4,200)	0	0	(4,200)
Total Provisions	(1,707)	(5,518)	485	168	(6,572)

The comparative information for year ended 31 March 2023 is as follows:

Provisions	Balance as at 01/04/22	Additional Provisions Made 2022/23	Amounts Used in 2022/23	Unused Amounts Reversed in 2022/23	Balance as at 31/03/23
	£000s	£000s	£000s	£000s	£000s
Insurance Liabilities	(682)	(70)	70	0	(682)
Legal Claims	(914)	(516)	261	144	(1,025)
Total Provisions	(1,596)	(586)	331	144	(1,707)

13 Pensions

The Chief Constable participates in the Local Government Pension Scheme (LGPS) for Police Staff and three pensions schemes in respect of Police Officers. Under International Financial reporting Standards a full set of disclosure notes are required in respect of Pensions. These notes for the Chief Constable are included in a separate technical appendix at Annex C on pages 63 to 72.

The disclosures include:

- Details of the pension schemes
- A summary of accounting entries in respect of pensions
- Pensions assets and liabilities recognised in the balance sheet
- Reconciliation of the Fair Value of scheme assets
- Basis for estimating assets and liabilities
- A summary of principal assumptions used by scheme actuary
- Sensitivity analysis in relation to pensions
- Impact on the Chief Constable's Cash Flows

Notes to the Accounts

14 Unusable Reserves

Unusable reserves derive from accounting adjustments and are not available to be spent.

Certain [reserves](#) are kept to manage the accounting processes for retirement and employee benefits and do not represent usable resources for the [Chief Constable](#).

Accounting Policy – Reserves

Under the terms of the funding arrangement between the Commissioner and the Chief Constable, all usable reserves i.e. those reserves that may be used to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use, are controlled by the Commissioner and are recorded in the balance sheet of the Commissioner. However, the Chief Constable does hold certain unusable reserves in relation to pensions and accumulated employee absences, which arise from Constabulary activities and are not covered by the funding arrangement and are shown on the Chief Constable's balance sheet.

14.a Pensions Reserve

The Pensions Reserves (LGPS and Police) absorb the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding in accordance with statutory provisions. The [Chief Constable](#) accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Chief Constable makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pension Reserves therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Chief Constable has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

Pensions Reserve	CC LGPS Pensions		CC Police Pensions	
	2022/23	2023/24	2022/23	2023/24
	£000s	£000s	£000s	£000s
Balance at Start of Year	(59,825)	0	(1,459,590)	(1,065,680)
Remeasurement of the net defined pension benefit liability/asset	86,000	12,484	425,510	9,890
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(10,047)	(3,007)	(66,980)	(58,220)
Employer's pension contributions and direct payments to pensioners payable in the year.	4,152	4,404	35,380	34,720
Impact of Asset Ceiling	(20,280)	(14,600)	0	0
Balance at End of Year	0	(719)	(1,065,680)	(1,079,290)

Notes to the Accounts

14.b Accumulated Absences Account

The accumulated absences account absorbs the differences that would otherwise arise on the Police Fund balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave, flexi leave, time off in lieu and rest day entitlements carried forward at 31 March. Statutory arrangements require that the impact on the Police Fund Balance is neutralised by transfers to or from the Account.

Accumulated Absences Account	CC	CC
	2022/23 £000s	2023/24 £000s
Balance at Start of Year	(4,457)	(4,760)
Settlement or cancellation of accrual made at the end of the preceding year	4,457	4,760
Amounts accrued at the end of the current year	(4,760)	(4,414)
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(303)	346
Balance at End of Year	(4,760)	(4,414)

Accounting Policy - Employee Benefits Payable during Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for functions in the year in which employees render service. An [accrual](#) is made for the cost of holiday entitlements, time off in lieu, flexi leave and rest days in lieu earned by employees but not taken before the year-end, which employees can carry forward into the next financial year. The accrual is made at the salary rate applicable at the balance sheet date. The employee accrual is then reversed out through the movement in reserves statement so that it is not charged against council tax.

Notes to the Accounts

15 Members Allowances and Expenses

The Code of Practice on Local Authority Accounting requires the disclosure of the total amount of members allowances paid in the year. This is set out in the table below together with a comparative figure for the previous year.

Members Allowances	CC	CC
	2022/23	2023/24
	£000s	£000s
Basic Allowance	21	44
Travel and Subsistence	6	7
	27	51
Analysis by Type:		
Joint Audit Committee	10	14
Ethics and Integrity Panel	9	17
Independent Custody Visitors	4	3
Misconduct Panel	4	17
	27	51

The above table includes expenses for the appointed members of the Joint Audit Committee, the Ethics and Integrity Panel, misconduct panels together with travel allowances payable to independent custody visitors. The table above includes the total costs of members and these apply jointly between the Commissioner and Constabulary.

Please note that the figures shown in the table above in relation to the 2022/23 financial year are not the same as quoted in the 2022/23 financial statements. This is as a result of an error in pasting the table into the report. The above table provides the correct figures for 2022/23.

A full disclosure of allowances and expenses paid to individual members can be found on the Police, Fire and Crime Commissioners website at: <https://cumbria-pcc.gov.uk/finance-governance/allowances/>.

Notes to the Accounts

16 Disclosure of Remuneration for Senior Employees

The following table sets out the remuneration disclosures for Senior Officers and Relevant Police Officers whose salary is more than £50,000 per year.

The tables include members of the Extended Chief Officer Group which is the formal decision making body for the Constabulary.

The table below gives the information for 2023/24 in £000s.

Postholder Information Post Title	Note	Salary (including Fees & Allowances)	Expense Allowances	Salary Sacrifice	Termination Pay & Compensation for loss of office	Other Payments (Police Officers Only)	Total Remuneration Excluding pension Contributions	Pension Contributions	Total Remuneration Including pension Contributions
Chief Constable - Michelle Skeer	1	55	3	0	0	1	59	0	59
Chief Constable - Robert Carden	2	160	(2)	0	0	11	169	50	219
Deputy Chief Constable (a)	3	99	11	0	0	0	110	0	110
Deputy Chief Constable (b)	4	11	0	0	0	3	14	0	14
Assistant Chief Constable	5	126	2	0	0	0	128	37	165
Temporary Assistant Chief Constable	6	109	10	0	0	1	120	29	149
Assistant Chief Officer	7	46	4	0	62	0	112	8	120
Chief Superintendent (Cumberland) (a)	8	60	2	0	0	1	63	15	78
Temporary Chief Superintendent (Cumberland)	9	78	2	0	0	4	84	24	108
Chief Superintendent (Cumberland) (b)	10	94	1	0	0	1	96	26	122
Temporary Chief Superintendent (Westmorland & Furness)		99	1	(1)	0	1	100	31	131
Temporary Chief Superintendent (Westmorland & Furness)	11	90	1	0	0	1	92	27	119
Chief Superintendent (Operations)		96	4	0	0	1	101	27	128
Temporary Chief Superintendent (Crime & Intel Command)		93	4	0	0	1	98	27	125
Director of Performance & Change		78	1	0	0	0	79	15	94
Joint Chief Finance Officer	13	19	0	0	0	0	19	3	22
Constabulary Chief Finance Officer		78	0	(17)	0	0	61	14	75
Director of Corporate Support	14	83	0	0	140	0	223	15	238
Director of Legal Services		94	1	(1)	0	0	94	18	112
Total Chief Constable		1,568	45	(19)	202	26	1,822	366	2,188

Notes

- Chief Constable Michelle Skeer retired on 01/08/23.
- Chief Constable Robert Carden was promoted from Deputy CC in 01/08/23.
- Deputy Chief Constable (a) was appointed on 01/07/23.
- Deputy Chief Constable (b) was seconded to the Police Officer Uplift Programme and associated costs were reimbursed by other forces until her resignation on 30/04/23.
- Assistant Chief Constable was promoted from Temporary ACC to substantive on 16/06/23.
- Temporary Assistant ACC was promoted from Ch Supt Crime & Intel) to T ACC on 26/06/23.
- The Assistant Chief Officer left the organisation on 10/08/23.
- Chief Supt (Cumberland) (a) resigned on 08/10/23.
- Temp Ch Supt (Cumberland) held the post from 26/06/23 until he retired on 09/02/24.
- Ch Supt (Cumberland) (b) moved from Standards, Insight & Performance to Cumberland on 22/01/24.
- Temp Ch Supt (Westmorland & Furness) (b) was appointed to the role on 11/09/23.
- Temp Ch Supt (Crime & Intel) was appointed to the role on 26/06/23.
- The Joint Chief Finance Officer retired on 15/06/23.
- The Director of Corporate Support left the organisation on 29/02/24.

Notes to the Accounts

The table below gives the comparative information for 2022/23 in £000s.

Postholder Information Post Title	Note	Salary (including Fees & Allowances)	Expense Allowances	Salary Sacrifice	Benefits in Kind	Other Payments (Police Officers Only)	Total Remuneration Excluding pension Contributions	Pension Contributions	Total Remuneration Including pension Contributions
Chief Constable - Michelle Skeer		164	9	0	0	3	176	0	176
Deputy Chief Constable (a)	1	1	0	0	0	0	1	0	1
Deputy Chief Constable (b)	2	137	0	0	0	4	141	0	141
Deputy Chief Constable (c)	3	91	(1)	0	0	9	99	28	127
Assistant Chief Officer	4	93	8	0	5	0	106	17	123
Temporary Assistant Chief Constable		113	9	0	0	0	122	29	151
Joint Chief Finance Officer		90	0	0	0	0	90	17	107
Director of Corporate Support		90	0	0	0	0	90	17	107
Chief Superintendent (Cumberland)	5	93	2	0	2	0	97	28	125
Chief Superintendent (Crime & Intel Command)	6	87	3	0	1	0	91	27	118
Temporary Chief Superintendent (Crime & Intel)	7	8	0	0	0	0	8	0	8
Chief Superintendent (Operations)	8	88	1	0	1	0	90	27	117
Temporary Chief Superintendent (Standard Insight & Performance Command)	9	90	1	0	2	0	93	27	120
Chief Superintendent (Westmorland & Furness)	10	93	2	0	0	0	95	28	123
Director of Legal Services		90	1	(1)	1	0	91	17	108
Total Chief Constable		1,328	35	(1)	12	16	1,390	262	1,652

Notes

- Deputy Chief Constable (a) resigned on 04/04/2022.
- Deputy Chief Constable (b) is seconded to the Police Officer Uplift Programme and associated costs are reimbursed by other forces.
- Deputy Chief Constable (c) joined the Constabulary on 08/07/2022.
- The Assistant Chief Officer joined the Constabulary on 25/06/2022.
- The Chief Superintendent (Cumberland) took up the post on 05/09/2022, prior to that she was the Chief Superintendent (Insight & Performance).
- The Chief Superintendent (Crime & Intel Command) was promoted to Chief Superintendent w.e.f. 23/05/2022.
- The Temporary Chief Superintendent (Crime Command) retired on 29/04/2022.
- The Chief Superintendent (Operations) was promoted to Chief Superintendent on 05/09/2022.
- The temporary Chief Superintendent (Insight and Performance) was promoted to Chief Superintendent 05/09/2022.
- The Chief Superintendent (Westmorland and Furness) was promoted to Chief Superintendent on 05/09/2022.

Notes to the Accounts

17 Employee Remuneration

The Code of Practice on Local Authority Accounting requires the disclosure of the number of employees whose remuneration, excluding pension's contributions, exceeded £50,000 and senior police officers (defined as those holding a rank above that of superintendent). This is set out in the table below in bands of £5,000:

Remuneration Band	2022/23			2023/24		
	CC Police Staff	CC Snr Police Officers	CC Total	CC Police Staff	CC Snr Police Officers	CC Total
£50,000 to £54,999	7	0	7	18	0	18
£55,000 to £59,999	5	0	5	3	1	4
£60,000 to £64,999	1	0	1	2	0	2
£65,000 to £69,999	7	0	7	1	0	1
£70,000 to £74,999	1	0	1	4	0	4
£75,000 to £79,999	1	0	1	3	0	3
£80,000 to £84,999	0	0	0	0	1	1
£85,000 to £89,999	0	2	2	0	0	0
£90,000 to £94,999	3	3	6	2	1	3
£95,000 to £99,999	1	1	2	0	3	3
£100,000 to £104,999	0	0	0	0	1	1
£105,000 to £109,999	0	0	0	0	1	1
£110,000 to £114,999	0	1	1	1	0	1
£115,000 to £119,999	0	0	0	0	1	1
£120,000 to £124,999	0	0	0	0	0	0
£125,000 to £129,999	0	0	0	0	1	1
£130,000 to £134,999	0	0	0	0	0	0
£135,000 to £139,999	0	0	0	0	0	0
£140,000 to £144,999	0	1	1	0	0	0
£145,000 to £149,999	0	0	0	0	0	0
£150,000 to £154,999	0	0	0	0	0	0
£155,000 to £159,999	0	0	0	0	0	0
£160,000 to £164,999	0	0	0	0	0	0
£165,000 to £169,999	0	1	1	0	1	1
£170,000 to £174,999	0	0	0	0	0	0
£175,000 to £179,999	0	0	0	0	0	0
£180,000 to £184,999	0	0	0	0	0	0
£185,000 to £189,999	0	0	0	0	0	0
£190,000 to £194,999	0	0	0	0	0	0
£195,000 to £199,999	0	0	0	0	0	0
£200,000+	0	0	0	1	0	1
Total	26	9	35	35	11	46

In 2023/24 the remuneration for 377 Police Officers (282 in 2022/23) superintendent rank and below (who are not required to be disclosed in the above note under regulations) exceeded £50,000. The large increase represents the full year impact of the September 2022 pay award and part year impact of the September 2023 pay award. The employee in the £200k+ line represents the impact of an exit payment.

The table above includes those employees and senior police officers that are also required to be disclosed on a more detailed individual basis. Please see note 16 for more information.

Notes to the Accounts

18 Exit Packages/Termination Payments

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

Exit package cost band (including special payments)	Number of Compulsory Redundancies		Number of other Departures Agreed		Total Number of Exit Packages by cost band		Total cost of exit packages in each band	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
	Headcount	Headcount	Headcount	Headcount	Headcount	Headcount	£000's	£000's
£0-£20,000	0	0	1	0	1	0	18	0
£20,001 - £40,000	0	0	2	1	2	1	65	26
£40,001 - £60,000	0	0	0	0	0	0	0	0
£60,001 - £80,000	0	0	0	1	0	1	0	62
£80,001 - £100,000	0	0	1	0	1	0	82	0
£100,001 - £150,000	0	0	0	1	0	1	0	141
£150,001 - £200,000	0	0	0	0	0	0	0	0
£200,001 - £250,000	0	0	0	0	0	0	0	0
Total	0	0	4	3	4	3	165	229

During 2023/24 the contracts of a small number of employees were terminated incurring termination payments amounting to £229k (£165k in 2022/23). This amount is made up of exit packages paid in 2023/24.

The exit packages paid in 2023/24 amount to £229k (£165k in 2022/23). The exit packages can be further split into compensation for loss of employment £229k (£101k in 2022/23) and enhanced pension benefits £0k (£64k in 2022/23). The Exit Packages table above provides details of the number and total cost of exit packages per band and include those exit packages paid in 2023/24.

Accounting Policy - Termination Benefits

Termination benefits are amounts payable as a result of a decision to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy. These are charged (on an accruals basis) to the relevant service line in the Comprehensive Income and Expenditure Statement at the earlier of when the organisation can no longer withdraw the offer of those benefits or when the organisation recognises the costs for restructuring.

Where termination benefits involve enhancement of pensions, statutory provisions require the Police Fund balance be charged with the amount payable to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the pensions reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and any such amounts payable but unpaid at the year-end.

19 Related Party Transactions

The [Chief Constable](#) is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Chief Constable or to be controlled or influenced by the Chief Constable. Disclosure of these transactions allows readers to assess the extent to which the Chief Constable might have been constrained in his ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Chief Constable.

19.a Police, Fire and Crime Commissioner

The Police, Fire and Crime Commissioner has direct control over the Chief Constable's finances, providing funding for all running costs. [The Commissioner](#) is responsible for setting the Police and Crime Plan. The Chief Constable retains operational independence and operates within the funding agreement set by the Commissioner, to deliver the aims and objectives set out in the Police and Crime Plan.

19.b Central Government

Central government has effective control over the general operations of the Chief Constable – it is responsible for providing the statutory framework within which the Chief Constable operates and provides the majority of its funding via [the Commissioner](#).

19.c Officers and Employees

Senior officers and staff of the Constabulary were asked to declare any direct financial relationship through outside bodies or companies with the Chief Constable. No material transactions have been reported in respect of the 2023/24 financial year.

19.d Other Public Bodies

The Chief Constable's transactions with the Cumbria Local Government Pension Scheme (administered by the former County Council) are shown in the pension related disclosure notes included within the Technical Annex (Annex C) pages 63-72.

The Chief Constable has included within the Comprehensive Income and Expenditure Statement his respective share of costs in relation to collaborative arrangements with other forces/councils. In particular these include:

- The PCC for Cheshire – North West Underwater Search Unit, Northwest Armed Policing Collaboration, Northwest Strategic Automatic Number Plate Recognition (ANPR) and Regional Emergency Services Network (ESN).
- The PCC for Merseyside – Regional Crime Unit, Regional Intelligence Unit, Prison Intelligence Unit, Technical Support Unit, Government Agency Intelligence Network (GAIN), Confiscation Unit, Regional Assets Recovery Team, Operational Security (OPSEY), Cyber Crime, Regional Fraud Team, Regional Insourced Forensic Science Services.
- The PCC for Lancashire – Regional Insourced Forensic Science Services.

20 Pension Challenge

The Chief Constable of Cumbria along with other Chief Constables and the Home Office currently has a number of claims in respect of unlawful discrimination arising from transitional provisions in the Police Pension Regulations 2015.

Legal Claims

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. Pecuniary loss claims have been stayed until the remedy is brought into force from 1 October 2023. 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. As at 31 March 2024, it is not possible to reliably estimate the extent or likelihood of Penningtons claims being successful, and therefore no liability in respect of compensation claims is recognised in these accounts.

Notes to the Accounts

21 Accounting Standards that have been Issued but have not yet been Adopted

For 2023/24 the following accounting policy changes that need to be reported relate to:

- a) **IFRS 16 Leases** issued in January 2016 (but only for those local authorities that have not decided to voluntarily implement IFRS 16 in the 2023/24 year). Note the OPFCC/Constabulary have chosen to delay the adoption until 2024/25.
- b) **Classification of Liabilities as Current or Non-current (Amendments to IAS 1)** issued in January 2020. The amendments:
 - specify that an entity's right to defer settlement must exist at the end of the reporting period
 - clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement
 - clarify how lending conditions affect classification, and
 - clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.
- c) **Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)** issued in September 2022. The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions.
- d) **Non-current Liabilities with Covenants (Amendments to IAS 1)** issued in October 2022. The amendments improved the information an entity provides when its right to defer settlement of a liability for at least 12 months is subject to compliance with covenants.
- e) **International Tax Reform: Pillar Two Model Rules (Amendments to IAS 12)** issued in May 2023. Pillar Two applies to multinational groups with a minimum level of turnover. The amendments introduced:
 - a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes, and
 - targeted disclosure requirements for affected entities.
- f) **Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)** issued in May 2023. The amendments require an entity to provide additional disclosures about its supplier finance arrangements. The IASB developed the new requirements to provide users of financial statements with information to enable them to:
 - assess how supplier finance arrangements affect an entity's liabilities and cash flows, and
 - understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

Note that a) will only be applicable to local authorities that have not voluntarily implemented IFRS 16 in 2023/24. It is likely that though they provide clarifications, items b), c) and d) will not have a significant impact on the amounts anticipated to be reported in the financial statements. There will be limited application of items e) and f).

In the Financial Statements for 2024/25, the effect of the changes will be assessed and where necessary, the comparative figures restated.

Police Officer Pension Fund Account

Police Officer Fund Account

This statement provides information on transactions on the Police Pension Fund Account for the 2023/24 financial year together with comparative information for 2022/23.

Police Officer Pension Fund Account	CC 2022/23 £000s	CC 2023/24 £000s
Contributions Receivable		
Employer		
- Contributions (31.0% of Pensionable Pay)	(14,714)	(16,588)
Officers' Contributions		
- 1987 Scheme Member Contributions (see narrative for rates)	(2)	(9)
- 2006 Scheme Member Contributions (see narrative for rates)	0	0
- 2015 Scheme Member Contributions (see narrative for rates)	(6,346)	(7,184)
	(21,062)	(23,781)
Transferees in from Other Schemes	(121)	(96)
Capital Equivalent charge for ill-health schemes	(255)	(172)
	(376)	(268)
Benefits Payable		
Recurrent Pensions	33,656	36,689
Commutations and Lump Sums	6,882	3,614
Other (Scheme Pays)	84	236
	40,622	40,539
Payments to and on Account of Leavers		
Refund of Contributions	57	45
Transfer out to other schemes	106	10
	163	55
Net Amount Payable for the Year	19,347	16,545
Additional Contribution from the Police, Fire & Crime Commissioner	(19,347)	(16,545)
Net Amount Payable (Receivable) for the Year	0	0

Net Assets Statement

This statement shows the net assets and liabilities of the scheme as at 31 March 2024.

Pension Fund Net Assets & liabilities	CC 2022/23 £000s	CC 2023/24 £000s
Current Assets		
Pensions Benefits paid in advance	2,810	3,051
Current Liabilities		
Amount due to the Police, Fire & Crime Commissioner	(2,810)	(3,051)

Notes to the Police Officer Pension Fund Account

Accounting Policies

The Police Pension Fund Accounts have been prepared in accordance with the requirements of the Police Pension Fund Regulations 2015 (SI 2015 No 445). The Pension Fund Accounts are administered by the Chief Constable and have been prepared on an accruals basis.

Operation of Police Pensions Schemes

Since 1 April 2015 the Chief Constable has operated three Pensions Schemes for Police Officers. These are unfunded schemes, meaning that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet actual pension payments as they fall due. The original Police Officer Pension scheme is known as the 1987 scheme. The second scheme was introduced in April 2006 with the intention that joint contributions of employers and employees would finance the full costs of pension liabilities. All Police Officers recruited from April 2006 onwards automatically become members of the 2006 scheme and the previous 1987 scheme was closed to new members. Officers who were members of the 1987 scheme were allowed by regulation to become members of the 2006 scheme if they wished.

From 1 April 2015, a new pension scheme was introduced for Police Officers, known as the 2015 Scheme. The 2015 scheme is based on career average revalued earnings (CARE). All Police Officers recruited from 1 April 2015 automatically become members of the new scheme and the two previous schemes (1987 and 2006) have been closed to new members from that date. Members of the two older police pension schemes received full protection to 31 March 2022, transferred to the new 2015 scheme on 1 April 2015, or transferred on different tapering dates in the future subject to individual circumstances around age and length of service remaining. All members transferred to the 2015 Scheme on 1 April 2022 when the legacy scheme 1987 and 2006 closed. The members' contribution rates for the new scheme ranged between 12.44% and 13.78% in 2023/24 and 2022/23.

The financial statements for the Police Officer pension fund account do not take account of liabilities to pay pensions and other benefits after the period end. Details of the Chief Constable's long term pensions obligations can be found in the main accounting statements (see Balance Sheet page 29). Detailed disclosure notes regarding the Police Pension schemes can be found in the Technical Annex to the Statement of Accounts (Annex C Pensions on pages 63-72).

Funding of Police Pension Schemes

In 2006/07 a new arrangement was established to fund Police Pensions. This revised arrangement is for both new and existing police officer schemes, but has no effect on the benefit structures of either scheme. The purpose of the change is to smooth fluctuations in costs, that would previously have been charged to the Chief Constable's Comprehensive Income and Expenditure Statement on a 'pay as you go basis', and to more clearly show the effect of the liability as opposed to current pension payments. Under the revised arrangements the liability for payment of police pensions is removed from the Chief Constable and replaced with an employers' contribution, currently set at 31% of pensionable pay, which, along with the employee contributions and any transfer values, is paid into the pensions account. The employees' and employer's contribution levels are based on percentages of pensionable pay set nationally by the Home Office and are subject to periodic revaluation by the Government Actuary's Department. Pensions are then paid from this account. The pensions account is balanced to nil annually, with any shortfall met by a top up from the Commissioner, or vice versa. However, the Home Office indemnify the Commissioner against any financial liability arising from a deficit on the Pension Account by providing a grant to the Commissioner equal to the Commissioner's top up. Similarly, any surplus on the Pension Account is ultimately repayable to the Home Office.

Glossary of Terms

Accruals

The concept that income and expenditure are recognised as they are earned or incurred, not when money is paid or received.

Actuarial Valuation

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

Agency Costs

Services which are performed by or for another authority or public body, where the agent is reimbursed for the cost of the work done.

Amortisation/Amortised Cost

The practice of reducing the value of assets to reflect their reduced worth over time. The term means the same as depreciation, though in practice amortisation tends to be used for the write-off of intangible assets, such as computer software.

BCU

Basic Command Unit.

Budget

A statement of the Police, Fire and Crime Commissioner's plans in financial terms. A budget is prepared and approved by the Police, Fire and Crime Commissioner before the start of each financial year and is used to monitor actual expenditure throughout the year.

Capital Adjustment Account

The CAA records the balance of resources set aside to finance capital expenditure (i.e. Capital Receipts, Minimum Revenue Provision (MRP), Direct Revenue Contributions (DRC) and Deferred Grants Account (DGA)) and also the consumption of resources associated with the historical cost of acquiring, creating or enhancing non-current assets over the life of those assets (i.e. depreciation/impairment).

Capital Expenditure

As defined in section 16 of the Local Government Act 2003 and regulation 25 of the Capital Finance and Accounting Regulations 2003, but broadly 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 Financing Requirement (CFR)

The CFR is a measure of the extent to which the Commissioner needs to borrow to support capital expenditure. It does not necessarily relate to the actual amount of borrowing at any point in time.

Capital Receipt

Monies received from the sale of capital assets, which may be used to finance new capital expenditure or to repay outstanding loan debt as laid down within rules prescribed by Central Government. Capital Receipts cannot be used to finance revenue expenditure, with the exception that up to 4% of sale proceeds may be transferred to the General Fund to finance costs directly associated with the disposal of the asset.

Cash and Cash Equivalents

Cash is represented by cash in hand and in bank accounts. Cash Equivalents include demand deposits with financial institutions which are highly liquid in that they are repayable without penalty on notice of not more than 24 hours.

CC or Chief Constable

The Chief Constable of Cumbria Constabulary.

CFO

The Constabulary Chief Finance Officer.

CIPFA

The Chartered Institute of Public Finance and Accountancy. The main professional body for accountants working in the public services.

Commissioner

The Police, Fire and Crime Commissioner for Cumbria.

Componentisation

Identifying and depreciating the components of an asset separately if they have differing patterns of benefits relative to the total cost of the asset.

Contingency

A sum set aside to meet unforeseen expenditure.

Creditors

Amounts owed by the Police, Fire and Crime Commissioner for goods and services provided which had not been paid for at the end of the financial year.

Glossary of Terms

Debtors

Amounts owing to the Police, Fire and Crime Commissioner but not received at the end of the financial year.

Depreciation

The measure of the wearing out, consumption, or other reduction in the useful economic life of a non-current asset, whether arising from use, passage of time or obsolescence through technological or other changes.

De-minimis

In general the term means lacking in significance or importance. In terms of the accounts, a de-minimis limit is set for inclusion of projects in the capital programme, below this limit projects would be charged to revenue budgets.

Direct Revenue Contributions (DRC)

Resources provided from the Police, Fire and Crime Commissioner's revenue budget to finance the cost of capital projects.

DLUHC

Department for Levelling Up, Housing and Communities (formerly MHCLG and DCLG).

Earmarked Reserves

Those elements of the Police Fund that have been set aside, "earmarked", for specific purposes.

Fair Value

In accounting and economics, fair value is a rational and unbiased estimate of the potential market price of a good, service, or asset.

Hedge Funds

A hedge fund is a pooled investment vehicle administered by a professional management firm, and often structured as a limited partnership/ limited liability company. Hedge funds invest in a diverse range of markets and use a wide variety of investment styles and financial instruments.

Heritage Assets

A tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge or culture.

HMICFRS

His Majesty's Inspectorate of Constabulary and Fire & Rescue Services who are a government agency responsible for monitoring the standards and performance of Constabularies and Fire and Rescue Services.

Impairment/Impaired

A reduction in the value of a non-current asset below its carrying amount on the balance sheet.

Investment Property

Property (land or building) held solely to earn rentals or for capital appreciation or both, rather than for operational reasons such as the provision of services.

Leasing

A method of financing expenditure over a period of time. There are two main types of lease:

- Finance Lease - where the risks of ownership are transferred to the lessee and where the assets are recorded in the Police, Fire and Crime Commissioner's balance sheet at a current valuation.
- Operating Lease - where the risks of ownership stay with the leasing company and the annual rental charges are made via the Revenue Account.

Minimum Revenue Provision (MRP)

The minimum amount which must be set aside in the Revenue Account each year as a provision for credit liabilities.

Non-current Assets

An asset, which will yield a benefit to the Police, Fire and Crime Commissioner for a period of more than one year.

NPCC

The National Police Chiefs Council.

PFCC

The Police, Fire and Crime Commissioner for Cumbria.

Pension actuarial gains and losses

For a defined benefit scheme, the changes in actuarial deficits or surpluses that arise because:

- events have not coincided with actuarial assumptions made for the last valuation (experience gains and losses) or
- the actuarial assumptions have changed.

Glossary of Terms

Pension – current service costs

The increase in the present value of a defined benefit's liabilities expected to arise from employee service in the current period.

Pension – defined benefit scheme

A pension or other retirement benefit scheme other than a defined contribution scheme. The scheme rules define the benefits independently of the contribution payable, and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded.

Pension assets – expected rate of return

For a funded defined benefits scheme, the average rate of return, including both income and changes in fair value but net of scheme expenses, expected over the remaining life of the related obligation on the actual assets held by the scheme.

Pension – interest costs

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

Pension - past service costs

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

Police Objective Analysis (POA)

The Police Objective Analysis (POA) is a model developed by the Home Office for analysing individual policing areas expenditure. It has been developed to support the need for understandable, accurate and consistent costing information to allow internal and inter-force comparisons.

Precept

The demands made by the Police, Fire and Crime Commissioner on the district councils who are the billing authority in relation to the collection of council tax.

Private Equity Funds

A private equity fund is a collective investment scheme used for making investments in various equity (and to a lesser extent debt) securities according to one of the investment strategies associated with private equity.

Provision

An amount set aside to provide for a liability which is likely to be incurred, although the amount and date of that liability are uncertain.

Public Works Loan Board (PWLB)

A Government agency which provides longer term loans to Local Authorities at interest rates which are only slightly higher than those at which the government itself can borrow.

Reserves

An amount set aside for a specific purpose and carried forward to meet expenditure in future years. The Police Fund represents accumulated balances which may be used to support future spending.

Revaluation Reserve

The revaluation reserve records the unrealised net gain from revaluation of non-current assets made after 1 April 2007. The balance is made up of individual credit balances associated with specific assets and will be equal to the difference between the current value net book value (NBV) and the historic cost NBV for all assets.

SERCOP

The CIPFA Service Reporting Code of Practice. It was introduced as part of the Best Value Regime to bring about more consistent accounting treatment of costs and to facilitate more meaningful financial comparisons between Authorities.

The Commissioner

The Police, Fire and Crime Commissioner for Cumbria.

Annex A - Statement of Accounting Policies

1 General Principles

The Statement of Accounts summarises the financial transactions for the 2023/24 financial year and the financial position at the 31 March 2024. The Police, Fire and Crime Commissioner and Chief Constable are each required to prepare an annual Statement of Accounts (single entity) in accordance with the Accounts and Audit Regulations 2015 which stipulate that the statements be prepared in accordance with proper accounting practices. Those practices primarily comprise the [CIPFA/LAASAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24](#) (the Code) and the Service Reporting Code of Practice 2023/24 (SERCOP), supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the 2003 Act. The Police, Fire and Crime Commissioner is responsible for combining the single entity statements to form a set of consolidated group accounts.

Where accounting policies relate to a particular note to the accounts, the accounting policy is shown alongside that note in a [grey text box](#), in the notes to the accounts section (see pages 31 to 51). Where an accounting policy is more generic and applicable across the statement accounts it is shown in this **Annex A**.

2 Accruals of Income and Expenditure

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

- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories (stock) on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Where income 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.
- An [accrual](#) is made in respect of employee benefits payable during employment

Accrual Example 1

An electricity invoice received at the start of April will usually relate to the previous quarters electricity consumption (January to March) and as such this expenditure should be shown in the financial statements for the previous financial year. The invoice will actually be paid in the new year but the costs are charged to the previous year by way of an accrual.

Accrual Example 2

The PFCC/Constabulary insurance premiums are due on 1 November each year. The premium paid covers five months of the current financial year and seven months of the next. A prepayment is made in the accounts to move the cost of the seven months into the correct year.

3 Cash and Cash Equivalents

In accordance with the terms of [the Commissioner's funding arrangement to the Chief Constable](#), the Chief Constable is funded on a cash basis, accordingly all [cash and cash equivalent](#) balances are recorded on the balance sheet of the Commissioner.

Annex A - Statement of Accounting Policies

4 Exceptional Items

When exceptional items of income and expense are **material**, their nature and value is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of financial performance.

Materiality – information is material if omitting it or misstating it could influence decisions that users make on the basis of the financial information about a specific reporting organisation. In other words, materiality is an organisation specific aspect of relevance based on the *nature or magnitude or both*, of the items to which the information relates in the context of the individual organisations financial statements.

5 Charges to Revenue for Non-Current Assets

In accordance with the terms of [the Commissioner's](#) funding arrangement to the [Chief Constable](#), the Commissioner holds all [non-current assets](#). Accordingly, all [depreciation](#), revaluations and [impairments](#) are recorded in the Commissioner's single entity statement. However, the Commissioner makes a charge to the Chief Constable in the Comprehensive Income and Expenditure Statement for the use of non-current assets, which is equivalent to his share of depreciation.

6 Government Grants and Contributions

In accordance with the statutory responsibility of the [Commissioner](#) to maintain the Police Fund outlined in the Police and Social Responsibility Act 2011, all grants and contributions are attributable to the Commissioner and recorded in his accounts.

7 Intangible Assets

In accordance with the terms of the [Commissioner's](#) funding arrangement to the [Chief Constable](#) all intangible assets are held by the Commissioner.

8 Inventories

Inventories (stocks) are included in the balance sheet at historic cost. This is a departure from IAS2 which requires inventories to be valued at the lower of cost or net realisable value. However, for many stock items, particularly uniforms, net realisable value would be minimal and would not accurately reflect the value of holding these assets.

9 Leases

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

Where a lease covers both land and buildings, the land and building elements are considered separately for classification.

Agreements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

Annex A - Statement of Accounting Policies

The [Chief Constable](#) does not hold any finance leases (either as lessee or lessor) or operating leases (as lessor or lessee).

10 Treatment of Overheads

The costs of overheads and support services are incorporated within the cost of Policing and Crime Services line of the comprehensive income and expenditure statement in accordance with the principles of the [CIPFA](#) Code of practice on Local Authority Accounting, which requires costs to shown on the same basis as used for resource management.

Under the [Commissioner's](#) funding arrangement to the [Chief Constable](#) premises costs (except where they are directly attributable to the Chief Constable) are initially recorded in the accounts of the Commissioner and a recharge is made to the Chief Constable in the single entity comprehensive income and expenditure statements on an appropriate basis.

Under the Commissioner's funding arrangement to the Chief Constable transport, supplies and services costs and those for police staff supporting both the Commissioner and Chief Constable (except where they are directly attributable to the Commissioner) are initially recorded in the accounts of the Chief Constable and a recharge is made to the Commissioner in the single entity comprehensive income and expenditure statements on an appropriate basis.

11 Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods and services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment. Under the terms of the [Commissioner's](#) funding arrangement to the [Chief Constable](#) all property, plant and equipment is held by the Commissioner. Accordingly, all accounting entries in relation to the acquisition, enhancement, revaluation, [impairment](#), [depreciation](#) and sale of such assets are recorded in the single entity accounts of the Commissioner. As noted in policy 5 above, the Commissioner makes a charge to the Chief Constable for the use of such assets which is equivalent to the Chief Constable's share of depreciation.

12 Private Finance Initiative (PFI) and Similar Contracts

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the services that are provided under the PFI scheme are deemed under the PFI contract to be controlled, the asset is carried on the Balance Sheet as part of Property, Plant and Equipment.

There is currently one PFI scheme and this relates to the Cumberland BCU Deployment Centre at Workington. Under the terms of the [Commissioner's](#) funding arrangement to the [Chief Constable](#), the Commissioner controls all property and accordingly the PFI building is recorded on the balance sheet of the Commissioner. A charge is made by the Commissioner to the Chief Constable in the comprehensive income and expenditure statement for the Constabulary's use of the building and the services provided.

13 Contingent Assets

A contingent asset arises where an event has taken place that gives rise to a possible asset which will only be confirmed by the occurrence or otherwise of uncertain future events which cannot wholly be controlled.

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

Annex A - Statement of Accounting Policies

14 Material Estimation Techniques

IAS 1 Presentation of Financial Statements requires disclosure of any estimation techniques applied, such that if a different methodology had been used a material variance in the amounts disclosed would have been arrived at. The only material estimation techniques used is in relation to pensions disclosures as set out in the technical annex, Annex B.

15 Value Added Tax (VAT)

VAT payable is included as an expense only to the extent that it is not recoverable from His Majesty's Revenue and Customs. VAT receivable is excluded from income.

Annex B – Technical Annex – Financial Instrument Disclosures

B1 Categories of Financial Instrument

The following categories of financial instrument are carried in the balance sheet:

Categories of Financial Instruments	CC	
	Current	
	31 March 2023	31 March 2024
	£000s	£000s
Financial Assets		
Debtors		
Debtors held at Amortised Cost	80	17
Items not classified as Financial Instruments	17,152	19,100
Total Financial Assets	17,232	19,117
Financial Liabilities		
Creditors		
Creditors held at Amortised Cost	(6,953)	(3,743)
Items not classified as Financial Instruments	(13,854)	(13,770)
Total Financial Liabilities	(20,807)	(17,513)

*Financial Instruments are contracts that give rise to a financial asset in one entity and a financial liability in another. The term covers both **financial assets** such as debtors and **financial liabilities** such as creditors and borrowings.*

Accounting Policy – Financial Instruments

Financial liabilities are initially measured at [fair value](#) and carried at their [amortised cost](#). Where payable (i.e. a creditor) has a maturity of less than 12 months the fair value is taken to be the principal outstanding, or the billed / invoiced amount.

Financial assets are initially measured at [fair value](#) and carried at their amortised cost. Where a financial asset (i.e. a debtor) has a maturity of less than 12 months, the fair value is taken to be the principal outstanding or the billed / invoiced amount.

Where assets are identified as [impaired](#) because of a likelihood arising from a past event that payments due under contract will not be made, the asset is written down and a charge made to the Comprehensive Income and Expenditure Statement. An example of such a charge would be an adjustment made to the [debtors](#) balance as a [provision](#) for bad debt.

B2 Fair value of Assets and Liabilities Carried at Amortised Cost

Financial liabilities and assets represented by long term [debtors](#) and [creditors](#) 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 will take place over the remaining term of the instruments, using the following assumptions:

- The fair value of trade and other receivables is taken to be the invoiced amount.

As the [Chief Constable](#) only holds debtors and creditors as financial instruments, the fair value is estimated to be the same as the carrying amount as set out in the table above.

B3 Disclosure of the Nature and Extent of Risks Arising from Financial Instruments

The [Chief Constable's](#) activities expose him to a variety of financial risks:

- Credit Risk – the possibility that other parties might fail to pay amounts due to the Chief Constable.
- Liquidity Risk – the possibility that the Chief Constable might not have funds available to meet its commitments to make payments.

Credit Risk

Credit Risk is the possibility that other parties might fail to pay amounts due to the Chief Constable.

As the [Chief Constable](#) is funded by the [Commissioner](#), the Chief Constable's credit risk arises indirectly through the Commissioner's deposits with banks and financial institutions, as well as credit exposures to the Commissioner's customers.

This risk is minimised through the application of policies set out in the annual Treasury Management Strategy Statement (TMSS), which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, as laid down by Fitch and Moody's ratings services. The annual TMSS (approved by the Commissioner in February 2023), also imposes a maximum sum to be invested with a financial institution located within each category.

Liquidity Risk

Liquidity Risk is the possibility that the Chief Constable might not have funds available to meet his commitments to make payments.

Under the terms of the funding arrangement between the Commissioner and the Chief Constable the Commissioner provides funding to the Chief Constable on a cash basis. As the Commissioner has ready access to borrowings from the Public Works Loans Board (PWLb) and had at 31 March 2024 no actual long term external debt, having financed a number of recent projects through internal borrowing, there is no significant risk that it will be unable to raise finance to meet its commitments to the Chief Constable within the terms of the funding arrangement.

C1 Pension Schemes

As part of the terms and conditions of employment of its officers and other employees, the [Chief Constable](#) offers retirement benefits. Although these benefits will not actually be payable until employees retire, under IAS 19 the Chief Constable must recognise its future commitment to make payments, which need to be disclosed at the time that employees earn their future entitlement. In addition, the financial statements should contain adequate disclosure of the costs of providing benefits and related gains/losses.

Individually, there are three pension schemes for police officers (1987, 2006 and 2015 schemes) and a single scheme for police staff. They are all defined benefits schemes.

- **The Local Government Pension Scheme (LGPS)**

Police staff, subject to certain qualifying criteria, are eligible to join the LGPS, which is a funded defined benefit scheme. Pensions and other retirement benefits are paid from the fund. Employers and employees make regular contributions into the fund so that the liabilities are paid for evenly over the employment period.

The LGPS for Police Staff employees is administered by Westmorland & Furness Council (outsourced to Lancashire County Council) – this is a funded [defined benefit scheme](#), meaning that the Chief Constable and employees pay contributions into a fund. Contributions are calculated at a level intended to balance the pensions liabilities with investment assets over the long term. In 2023/24 the Chief Constable received a refund of pension fund surplus of £351k. The contribution rate was last reviewed in March 2022 with a revised rate for employers contributions of 18.9% being applicable from April 2023. The contribution rate will next be reviewed in March 2025 with a revised rate for employers contributions being applicable from April 2026.

- **The Police Pension Scheme**

There are currently three pension schemes in operation for Police Officers:

- The original 1987 Police Pension Scheme is governed by the Police Pension Regulations 1987 (as amended) and related regulations that are made under the Police Pensions Act 1976.
- The 2006 Police Pensions Scheme is also governed by the Police Pensions Act 1976 (as amended by the Police Pension Regulations 2006).
- The 2015 Police Pensions Scheme is a career average revalued earnings (CARE) scheme and is governed by the Police Pensions Scheme 2015 Regulations and related regulations under the Police Pensions Act 1976.

The Police Pension Scheme is an unfunded scheme (i.e. there are no investment assets built up to meet pension liabilities and cash has to be generated to meet actual pensions payments as they fall due). The funding arrangements for police officers' pensions changed on 1st April 2006. Before April 2006 pensions of former employees were required to be met on a 'pay as you go' basis with the cost charged to the revenue account. From April 2006 onwards the payments made during the year under the scheme are funded by a combination of employee contributions and employer contributions charged to the Comprehensive Income and Expenditure Statement with the remaining deficit funded by a specific Home Office grant. The employer's contribution was increased to 31% from 1st April 2019 and has remained at this level for 2023/24. Following a review, the employers rate will increase to 35.3% from 1st April 2024.

The Chief Constable and employees pay contributions into a separate pensions fund account administered by the Chief Constable from which on-going pensions liabilities are met. At the year-end any surplus or deficit on the pensions fund account is paid to or met by the Commissioner who then repays or is reimbursed by the Home Office.

Annex C – Technical Annex – Pension Disclosures

Also from 1st April 2006 legislation required the operation of a Pension Fund Account (shown on pages 52-53). The amounts that must be paid into and out of the fund are specified by regulation. Officers' contributions and the employer's contributions are paid into the pension fund account from which pension payments are made. Any shortfall on the pension fund account is met by a contribution from the police fund. A Home Office Grant is received to cover this contribution. Conversely, a surplus on the Pension Fund Account would result in a contribution to the police fund, which would then be recouped by the Home Office. As the Commissioner is responsible for maintaining the police fund the receipt of Home Office pension grant and corresponding contribution to the Police Pension Fund Account are shown in the accounts of the Commissioner.

Defined Benefit Scheme – A pension or other retirement benefit scheme where the scheme rules define the benefits independently of the contribution payable and the benefits are not directly related to the investments of the scheme. The scheme may be *funded* or *unfunded*.

A **funded** scheme is one where employers and employees pay contributions into a fund. The payments to pensioners are then made from this fund.

An **unfunded** scheme is one where there is no fund with investment assets built up to meet pension liabilities and cash has to be generated (from employee and employer contributions) to meet the actual pension payments as they fall due.

The Accounts show the full implementation of IAS19 (Employee Benefits). IAS19 requires organisations to recognise retirement benefits in the Comprehensive Income and Expenditure Statement when they are earned, even though the benefits will not be payable until employees retire. However, as statutory procedures require the charge against Council Tax to be based on the amounts payable to the pension fund during the year, an appropriation is made within the pensions reserve equal to the net change in the pensions liability recognised in the Comprehensive Income and Expenditure Statement. The Balance Sheet discloses the net liability in relation to retirement benefits. The figures are based on the Actuary's latest estimate.

There are restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and are accounted for using the same policies as applied to the LGPS.

Annex C – Technical Annex – Pension Disclosures

The cost of retirement benefits is recognised in the Cost of Services within the Comprehensive Income and Expenditure Statement when employees earn them, rather than when the benefits are eventually paid as pensions.

The following transactions have been made in the Comprehensive Income and Expenditure Statement and Movement in Reserves Statement during the year:

Pension Transactions in MIRS and CIES	CC LGPS Funded Benefits		CC LGPS Unfunded Benefits		CC Police Scheme 1987 Scheme		CC Police Scheme 2006 Scheme		CC Police Scheme 2015 Scheme		CC Total Pension Schemes	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Comprehensive Income and Expenditure Statement												
<i>Cost of Services</i>												
<i>Service cost comprising:</i>												
• Current service cost	8,337	4,087	0	0	680	490	0	80	27,710	8,680	36,727	13,337
• (Gain)/loss from settlements/curtailments	61	0	0	0	0	0	0	0	0	0	61	0
<i>Financing and Investment Income and Expenditure</i>												
• Net interest expense	1,588	(1,114)	28	34	32,270	42,810	1,730	1,660	4,590	4,500	40,206	47,890
Total Post-employment Benefits charged to the Surplus or Deficit on the Provision of Services	10,019	2,973	28	34	47,890	43,300	3,380	1,740	15,710	13,180	77,027	61,227
Other Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement												
<i>Remeasurement of the net defined benefit liability comprising:</i>												
• Return on plan assets (excluding the amount included in the net interest expense)	9,400	(5,560)	0	0	0	0	0	0	0	0	9,400	(5,560)
• Actuarial (gains) and losses arising on changes in demographic assumptions	(5,602)	(1,998)	(22)	(11)	(11,060)	0	(2,580)	0	(11,570)	0	(30,834)	(2,009)
• Actuarial (gains) and losses arising on changes in financial assumptions	(109,302)	(6,224)	(229)	(11)	(364,670)	(17,990)	(30,570)	(820)	(94,220)	(3,940)	(598,991)	(28,985)
• Experience (gains) and losses on liabilities	19,515	1,130	67	7	79,480	10,330	1,190	850	8,490	1,680	108,742	13,997
• Administration expenses	173	183	0	0	0	0	0	0	0	0	173	183
• Impact of Asset Ceiling	21,046	13,834	(766)	766	0	0	0	0	0	0	20,280	14,600
Total Post-employment Benefits charged to Other Comprehensive Income and Expenditure	(64,770)	1,365	(950)	751	(296,250)	(7,660)	(31,960)	30	(97,300)	(2,260)	(491,230)	(7,774)
Total Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement	(54,751)	4,338	(922)	785	(248,360)	35,640	(28,580)	1,770	(81,590)	10,920	(414,203)	53,453
<i>Movement in Reserves Statement</i>												
• Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post-employment benefits in accordance with the Code.	(10,019)	(2,973)	(28)	(34)	(47,890)	(43,300)	(3,380)	(1,740)	(15,710)	(13,180)	(77,027)	(61,227)
<i>Actual amount charged against the General Fund Balance for pensions in the year</i>												
• Employers' contributions payable to the scheme	4,090	4,338	62	66	0	0	0	0	0	0	4,152	4,404
• Retirements benefits payable to pensioners	0	0	0	0	41,180	41,310	330	170	(6,130)	(6,760)	35,380	34,720
Total amount charged against the Police Fund Balance for pensions in the year	4,090	4,338	62	66	41,180	41,310	330	170	(6,130)	(6,760)	39,532	39,124

Accounting Policy - Post-Employment Benefits – CIES Entries/Charges to the Police Fund

All accounting entries in relation to the Comprehensive Income and Expenditure Statement and the subsequent liability for police officers pensions are wholly recorded in the [Chief Constable's](#) accounts. For police staff all Comprehensive Income and Expenditure Statement entries and subsequent balance sheet liabilities in relation to pensions are apportioned between [the Commissioner](#) and the Chief Constable single entity statements by the scheme actuary.

In relation to retirement benefits, statutory provisions require the Police Fund to be charged with the amount payable to the pension funds in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers 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 but unpaid at the year-end. The negative balance that arises on the Pension Reserve thereby measures the beneficial impact to the Police Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Accounting Policy - Post-Employment Benefits - CIES Entries

The change in the net pensions liability is analysed into the following components:

- **Service cost comprising:**
 - [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 as a result of a scheme amendment or curtailment 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 Non Distributed Costs.
 - Net interest on the net defined pension benefit liability (asset) – i.e. the net interest expense for the organisation – the change during the period in the net defined pension benefit liability (asset) that arises from the passage of time charged to the financing and investment income and expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined pension benefit obligation at the beginning of the period to the net defined pension benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined pension benefit liability (assets) during the period as a result of contribution and benefit payments.
- **Remeasurements comprising:**
 - Return on plan assets-excluding amounts included in the net interest on the net defined pension liability (asset) – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions (demographic and financial) made at the last actuarial valuation or because the actuaries have updated their assumptions –charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- **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.

Annex C – Technical Annex – Pension Disclosures

C2 Assets and Liabilities in relation to Retirement Benefits

Under IAS 19, the financial statements should reflect at [fair value](#) the assets and liabilities arising from an employer's obligation to pay retirement benefits and the funding provided.

The underlying assets and liabilities for retirement benefits attributable to the [Chief Constable](#) at 31 March 2024 with comparative information for the previous year are as follows:

Pension Scheme Assets & Liabilities	CC LGPS Funded Benefits		CC LGPS Unfunded Benefits		CC Police Scheme 1987 Scheme		CC Police Scheme 2006 Scheme		CC Police Scheme 2015 Scheme	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Present value of the defined benefit obligation	(165,174)	(167,091)	(766)	(719)	(940,820)	(935,150)	(35,720)	(37,320)	(89,140)	(106,820)
Fair value of plan assets	186,220	201,971	0	0	0	0	0	0	0	0
Impact of Asset Ceiling	(21,046)	(34,880)	766	0	0	0	0	0	0	0
Net liability arising from defined benefit obligation	0	0	0	(719)	(940,820)	(935,150)	(35,720)	(37,320)	(89,140)	(106,820)

The liabilities in the above table show the underlying commitments that the Chief Constable has, in the long run, to pay retirement benefits. The total liability of £1.080b (£1.066b in 2022/23) has a substantial impact on the net worth of the Chief Constable as recorded in the balance sheet, resulting in a negative overall balance of £1.084b (£1.070b in 2022/23). The reduction in overall liability has arisen as a result in a change in actuarial assumptions.

However, statutory arrangements for funding the deficit mean that the financial position of the Constabulary remains healthy, since:

- the deficit on the local government scheme will be made good by increased contributions and changes to benefits over the remaining working life of employees, as assessed by the scheme actuary
- finance is only required to be raised to cover police pensions when the pensions are actually paid.

LGPS – Asset Ceiling

Following the pensions valuation by the Constabulary's actuary, Mercer Ltd, the Constabulary determined that the fair value of its pension plan assets outweighed the present value of the plan obligations as 31st March 2024 resulting in a pension plan asset. IAS 19 Employee Benefits requires that, where a pension plan asset exists, it is measured at the lower of:

- The surplus in the defined benefit plan; and
- The asset ceiling.

The calculation has been completed by the actuary, and an adjustment has been made to reflect the asset ceiling which is nil for funded benefits.

Annex C – Technical Annex – Pension Disclosures

Reconciliation of present value of scheme liabilities:

Reconciliation of Scheme Liabilities	CC LGPS Funded Benefits		CC LGPS Unfunded Benefits		CC Police Scheme 1987 Scheme		CC Police Scheme 2006 Scheme		CC Police Scheme 2015 Scheme	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at Start of Year	(247,290)	(165,174)	(984)	(766)	(1,230,360)	(940,820)	(64,630)	(35,720)	(164,600)	(89,140)
Current service cost	(8,337)	(4,087)	0	0	(680)	(490)	0	(80)	(27,710)	(8,680)
Interest cost	(6,893)	(7,858)	(28)	(34)	(32,270)	(42,810)	(1,730)	(1,660)	(4,590)	(4,500)
Contributions by Scheme Participants	(1,410)	(1,472)	0	0	0	0	0	0	(6,340)	(7,190)
Remeasurement gains and (losses):										
- Arising from changes in demographic assumptions	5,602	1,998	22	11	11,060	0	2,580	0	11,570	0
- Arising from changes in financial assumptions	109,302	6,224	229	11	364,670	17,990	30,570	820	94,220	3,940
- Experience gains/(losses)	(19,515)	(1,130)	(67)	(7)	(79,480)	(10,330)	(1,190)	(850)	(8,490)	(1,680)
Past service cost	(33)	0	0	0	(14,940)	0	(1,650)	0	16,590	0
Gains/(losses) on curtailment	(61)	0	0	0	0	0	0	0	0	0
Benefits Paid/Transfers	3,461	4,408	62	66	41,180	41,310	330	170	210	430
Balance at End of Year	(165,174)	(167,091)	(766)	(719)	(940,820)	(935,150)	(35,720)	(37,320)	(89,140)	(106,820)

The liabilities under the LGPS and Police pension Schemes have increased during 2023/24. The principal reason for these changes is in relation to increases in interest costs.

Accounting Policy - Post-Employment Benefits – Measurement of Liabilities

The liabilities of the pension fund are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc and projections of earnings for current employees. Liabilities are discounted to their value at current prices using a discount rate (see assumptions set out in C3 on page 71).

[Actuarial valuations](#) of the fund are undertaken every three years to determine the contribution rates needed to meet its liabilities.

Annex C – Technical Annex – Pension Disclosures

Reconciliation of [fair value](#) of the scheme assets:

Reconciliation of Scheme Assets	CC LGPS Funded Benefits		CC LGPS Unfunded Benefits	
	2022/23	2023/24	2022/23	2023/24
	£000s	£000s	£000s	£000s
Balance at Start of Year	188,449	186,220	0	0
Interest Income	5,305	8,972	0	0
Remeasurements - Gains and (Losses)	(9,400)	5,560	0	0
Administration Expenses	(173)	(183)	0	0
Employer Contributions	4,090	4,338	62	66
Contributions by Scheme Participants	1,410	1,472	0	0
Benefits Paid	(3,461)	(4,408)	(62)	(66)
Balance at End of Year	186,220	201,971	0	0

Accounting Policy - Post-Employment Benefits – Measurement of Assets

The assets of the LGPS pension fund are included in the Balance Sheet at their [fair value](#):

- Quoted securities – current bid price
- Unquoted securities – professional estimate
- Unitised securities – current bid price
- Property – market value

Annex C – Technical Annex – Pension Disclosures

The Police Pension Scheme has no assets to cover its liabilities. The [Chief Constable's](#) share of assets in the Cumbria Pension Fund (LGPS) consists of the following categories, by proportion of the total assets held:

LGPS Asset Breakdown	Quoted Y/N	CC 2022/23		CC 2023/24	
		£000s	%	£000s	%
Equities					
UK Equity Pooled	Y	8,939	4.80%	9,494	4.70%
Global Equity Pooled	Y	50,279	27.00%	55,204	27.33%
Overseas Equity Pooled	Y	8,939	4.80%	10,272	5.09%
Bonds					
UK Government Indexed Pooled	N	26,071	14.00%	26,810	13.27%
Property					
UK	N	9,125	4.90%	10,051	4.98%
Property Funds	N	5,214	2.80%	6,013	2.98%
Alternatives					
Private Equity Funds	N	15,084	8.10%	18,400	9.11%
Infrastructure Funds	N	24,767	13.30%	28,127	13.93%
Private Debt Funds	N	12,849	6.90%	15,283	7.57%
Healthcare Royalties	N	2,980	1.60%	3,776	1.87%
Multi Asset Credit	N	16,946	9.10%	15,470	7.66%
Cash					
Cash Accounts	Y	4,842	2.60%	3,071	1.52%
Net Current Assets	N	185	0.10%	0	0.00%
		186,220	100.00%	201,971	100.00%

C3 Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, which provides an estimate of the pensions that will be payable in future years using assumptions about mortality rates, salary levels, etc. Mercer Ltd, an independent firm of actuaries, has carried out the assessment on the Local Government Pension Scheme. These accounts are based on the [actuarial valuation](#) undertaken on 31 March 2024. The Police Scheme estimates have been compiled using a valuation model devised by the Government Actuaries Department.

Accounting Policy – Pensions Material Estimation Techniques

Where the projected unit method of valuation has been applied and which is consistent with the required methodology in IAS 19. This is a valuation method in which the scheme liabilities make an allowance for projected earnings. An accrued benefits valuation method is one in which the scheme liabilities at the valuation date relate to:

- the benefits pensioners and deferred pensioners (i.e. individuals who have ceased as active members but are entitled to benefits payable at a later date) and their dependents, allowing where appropriate for future increases, and
- the accrued benefits for members in service on the valuation date. The accrued benefits are the benefits for service up to a given point in time, whether vested or not.

For 2023/24 a discount rate based on the current rate of return on a high quality corporate bond of equivalent currency and term to scheme liabilities is to be used. The actuaries for the Police and LGPS pension funds have advised that discount rates of 2.65% for Police and 4.90% for LGPS are appropriate.

Annex C – Technical Annex – Pension Disclosures

The principal assumptions used by the actuary have been:

Actuarial Assumptions	LGPS		Police Scheme	
	2022/23	2023/24	2022/23	2023/24
Mortality Assumptions:				
Longevity at 65 for current pensioners:				
- Men	21.9	21.5	21.9	21.9
- Women	24.2	23.9	23.5	23.6
Longevity at 65 for future pensioners:				
- Men	23.1	22.8	23.5	23.6
- Women	26.0	25.7	25.0	25.1
Rate of Inflation (CPI)	2.70%	2.60%	2.60%	2.60%
Rate of increase in salaries	4.20%	4.10%	3.85%	3.85%
Rate of increase in pensions	2.80%	2.70%	2.60%	2.60%
Rate of Revaluation for CARE Pensions	2.70%	2.60%	3.85%	3.85%
Rate for discounting scheme liabilities	4.80%	4.90%	4.65%	4.75%

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

Sensitivity Analysis – LGPS Pension Scheme

Sensitivity Analysis - LGPS	CC		
	Impact on Defined Benefit Obligation £000s	Impact on Projected Service Cost for Next Year £000s	Impact on Projected Interest Cost for Next Year £000s
Local Government Pension Scheme			
Longevity (1 Year increase in life expectancy)	3,660	101	181
Rate of Inflation (increase by 0.25%)	7,598	273	374
Rate of Increase in Salaries (increase by 0.25%)	1,525	0	77
Rate for Discounting Scheme Liabilities (increase by 0.5%)	(14,223)	(499)	(948)
Change in 2023/24 investment Returns (increase by 1%)	0	0	(99)
Change in 2023/24 investment Returns (reduce by 1%)	0	0	99

Annex C – Technical Annex – Pension Disclosures

Sensitivity Analysis – Police Pension Schemes

Sensitivity Analysis - Police Pensions	Police Pensions 1987 Scheme	CC Police Pensions 2006 Scheme	Police Pensions 2015 Scheme
	£000s	£000s	£000s
Assumption Sensitivity			
Longevity (1 Year increase in life expectancy)	24,000	1,000	2,000
Rate of Increase in Pensions (increase by 0.5%)	63,000	3,000	18,000
Rate of Increase in Salaries (increase by 0.5%)	6,000	2,000	0
Rate for Discounting Scheme Liabilities (increase by 0.5%)	(63,000)	(5,000)	(15,000)

The above tables include the impact of an increase in assumptions, a reduction in assumptions will produce approximately an equal and opposite change.

C4 Impact on the Chief Constable's Cash Flows

The objectives of the LGPS scheme are to keep employers' contributions at as constant a rate as possible. The [Chief Constable](#) has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 10 years. Funding levels are monitored on an annual basis. The latest triennial valuation took place during 2022/23 based on the position at 31 March 2022. The revaluation resulted in an increase in contribution rates from 18.4% to 18.9% which took effect from 1 April 2023.

The pension schemes will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the LGPS and the other main existing public service schemes in England and Wales (which includes the Police Pension schemes) may not provide benefits in relation to service after 31 March 2014 (after 31 March 2015 for other main public service schemes e.g. Police Pension Schemes). This means that the LGPS ceased to be a final salary scheme from 31 March 2014 and the Police Pension Scheme ceased to be a final salary pension scheme from 31 March 2015. 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 total contributions expected to be made to the Local Government Pension Scheme by the Chief Constable in the year to 31 March 2025 are £4.684m. Expected contributions for the Police Pension Scheme in the year to 31 March 2025 are £20.214m.

The weighted average duration of the defined benefit obligation for scheme members is shown in the table below:

Weighted Average Duration of the Defined benefit Obligation	2022/23 Years	2023/24 Years
Pensions Scheme		
Local Government Pension Scheme - CC	21	21
Police Pension -1987 Scheme	15	15
Police Pension -2006 Scheme	28	28
Police Pension -2015 Scheme	31	31



The Chief Constable of Cumbria Constabulary

Annual Governance Statement 2023/24



The Chief Constable of Cumbria Constabulary

Annual Governance Statement 2023/24

INTRODUCTION AND SCOPE OF RESPONSIBILITIES

The Chief Constable of Cumbria Constabulary (the Chief Constable) is responsible for ensuring business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. They are responsible for putting in place proper arrangements for the governance of affairs and facilitating the exercise of functions, which includes arrangements for the management of risk.

The key elements of the system and processes that comprise the Chief Constable's governance arrangements are detailed in this document. The elements are based on the seven core principles of Corporate Governance from the CIPFA/Solace Governance Framework, the standard against which all local government bodies, including police, should assess themselves.

The Chief Constable has approved and adopted a Code of Corporate Governance 'The Code'. The Code gives clarity to the way the Chief Constable governs and sets out the frameworks to support the overall arrangements that are in place for fulfilling the Chief Constable's functions. This Annual Governance Statement explains how the Chief Constable has complied with The Code. It also meets the requirements of regulation 6(1) and 10(1) of the Accounts and Audit (England) Regulations 2015 in relation to the publication of an annual governance statement including an action plan of planned future improvements for governance arrangements, which must accompany the Chief Constable's statement of accounts.

THE REVIEW OF EFFECTIVENESS

The Chief Constable has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of Chief Officers and senior managers within the Constabulary who have responsibility for the development and maintenance of the governance environment. The review comprises:

- A cyclical detailed review of the key documents within the Chief Constable's governance framework e.g. Financial Regulations.
- An overarching review of the governance arrangements in place to support each core principle within the CIPFA Solace guidance.
- A review of what has happened during the past year to evidence how the Code has been complied with, which is articulated in the Annual Governance Statement.
- A review of the effectiveness of the arrangements for internal audit against the Public Sector Internal Audit Standards and the Internal Audit Charter.
- Formal reviews of the role of the Chief Constable's Chief Finance Officer and the Head of Internal Audit (HIA) against the respective CIPFA statements, which demonstrated full compliance. A review of the effectiveness of the Joint Audit Committee against CIPFA guidance.

Signed:	Signed:
Signature removed for the purposes of publication on website	Signature removed for the purposes of publication on website
Robert Carden Chief Constable	Michelle Bellis Constabulary Chief Finance Officer
26 February 2025	26 February 2025

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

During 2023/24 the Constabulary continued to take a pro-active approach to communicating and promoting the highest standards of integrity in all elements of its business. Work has continued to embed and develop ethical behaviour based on:

- The Constabulary's Corporate Values
- The College of Policing Code of Ethics
- Preventing the abuse of authority for sexual gain.
- The Constabulary's Anti-Fraud and Corruption Policy and Procedures.

These arrangements are supported by the Director of Legal Services, who is a qualified solicitor and acts as the Chief Constable's 'Monitoring Officer', providing advice to the Constabulary on all legal matters and is consulted on all strategic decisions to ensure that laws are not contravened.

The Constabulary's Professional Standards Department is central to the maintenance of high standards of conduct and behaviour within the Constabulary and its priorities are shaped by a Strategic Assessment of threats and risks, which reflects the Regional Strategic Threat Assessment.

The People Control Strategy is broken down into four main areas as follows:

- People - employee vulnerability (associations, financial matters, wellbeing), abuse of position for sexual purposes and vetting.
- Areas - security and areas we work
- Standards - disclosure of information / confidentiality and discreditable conduct.
- Systems - misuse of force systems and social media.

Regular internal meetings are held to deliver these priorities, based on a framework of:

Pursue

- Intelligence development relating to officers and staff behaviour towards vulnerable members of the community.
- Creation of operational packages for adoption by Anti-Corruption Unit (ACU) relating to the four priority areas.
- Implementation of with-cause drug testing of officers in response to intelligence

Prevent

- Integrity interviews with officers or staff where concerns are raised relating to behaviour that does not meet the threshold for misconduct.
- Force Reputational Panels in response to developed intelligence identifying vulnerable associations.
- Review and collation of force policy linked to corruption

Prepare

- Training, advice, engagement and guidance provided to HQ and local based courses on priorities linked to standards of professional behaviour.
- Attendance and input at Digital Policing Board to futureproof new ICT systems and force software systems.

Protect

- Meetings held with the Business Improvement Unit to seek improvement in terms of officers' use and deployment of Body Worn Video (BWV)
- Engaging with partners regarding Abuse of Position for a Sexual Purpose/Sexual Harassment and highlighting the reporting mechanisms relating to employee behaviour should they have concerns

The Professional Standards Department operate a preventative approach designed to ensure all officers and staff are aware of their responsibilities and potential consequences if their conduct falls below required professional standards. This includes the issue of a quarterly newsletter (The Standard), which provides guidance on matters of integrity and reports the issues raised and outcomes of misconduct hearings. During 2023/24 the quarterly issues have covered the following topics:

- our biggest corruption risks (sexual misconduct and confidentiality of data),
- vetting updates,
- sexual harassment in the workplace,
- positional asphyxia,
- The benefits of BWV when dealing with public complaints
- Social media accounts
- Do you need to update vetting?
- Sex work national police guidance
- Driving standards
- off duty conducts
- strip searching juveniles
- welfare officer programme
- new code of ethics
- learning from misconduct hearing outcomes

This preventative approach is further underpinned through the use of a Prevent and Diversion Officer. The role promotes an organisational culture of reflection, improvement and learning.

The key areas of vulnerability remain as:

- Abuse of Position for a sexual purpose/ Sexual misconduct (APSP)
- Disclosure of Information
- Neighbour/ Associate Issues
- Drugs misuse.

APSP also includes additional national requirements associated with Violence Against Woman and Girls.

In relation to complaints, the Constabulary remains committed to delivering effective customer service. The process has been enhanced through the recruitment of Initial Complaint Handlers ensuring effective resolution through Service Recovery on relevant cases when appropriate. The remaining cases are then investigated. Complaints can also be dealt with “there and then” by local management, but are still logged to ensure compliance with reporting requirements .

The Constabulary has adopted a digitalised solution, to manage the Reflective Practice Review Process (RPRP). This follows recommendations for improvement from an internal audit of RPRP in late 2020/21. A key functionality of this system enables the abstraction of individual and organisational learning which links in with the role of the Prevent and Diversion Officer.

A revised solution is currently being designed, with key stakeholders, to link reflective practice to the PDR system and allow the abstraction of individual and team level data to link into the role of the Prevention and Diversion Officer, learning and development and the force feedback register to increase accountability and support the development of our staff.

The Constabulary demonstrates a progressive attitude towards learning / mistakes. A key element of any PSD investigation is to highlight any actions which could prevent similar mistakes being repeated. To this end, following every investigation the lead officer, with the assistance of the Prevent and Diversion Officer, carries out a rigorous assessment to determine key actions and lessons learned, with wider Force wide learning, examples of possible actions are:

- Mistakes/sub-optimal conduct – Practice Requires Improvement (PRI), via RPRP.
- Systemic breakdown – change in policy/ reminder to all staff via a PASS newsletter.
- Serious Misconduct (defined as misconduct that would justify a Written Warning or above) - Official misconduct proceedings.

In the interests of openness and transparency, police officer gross misconduct hearings are held in public. Six public hearings took place in 2023/24, as a result of which five police officers were dismissed without notice and one case was withdrawn. In addition, there was a hearing in respect of a former police officer where the outcome was that he would have been dismissed. All police officer hearings are presided over by a legally qualified chair or Chief Constable (where appropriate). The outcomes of misconduct hearings are publicised on the Constabulary website in accordance with the Police (Conduct) Regulations 2020.

The Ethics and Integrity Panel continue to provide independent oversight for the OPFCC and Constabulary in relation to standards, ethics and integrity. The Panel also reviews 'Quality of Service and Policing Issues' raised by members of the public including public complaints, internal grievances, police misconduct and staff misconduct cases. The Panel's work is reported to the Commissioner's Public Accountability Conference to improve transparency and support public scrutiny. Whilst the Panel's conclusions provide assurance regarding high standards of ethics and integrity, where applicable, recommendations to enhance or improve the level of service provided by the Constabulary have been made.

Core Principle B: Ensuring openness and comprehensive stakeholder engagement.

Openness

To support transparency and ensure that the Chief Constable's vision is clearly communicated, the Chief Officer Group continue to hold strategy days for senior management and online virtual road shows across the county, for all officers and staff. This has been supported by a range of communications media across the force. The Constabulary continues to use and develop Yammer, which is an internal social media platform to increase the potential and effectiveness of internal engagement. The platform enables interactions across the whole organisation - such as channels and a mechanism to provide feedback and questions to senior management - Ask the Force and One Change. There are channels for wellbeing support, staff support groups, staff notice board and specialist interest groups, which cover a wide range of areas such as specific projects, such as roll-out of new technology or change in processes. The force proactively use Stream – an internal video channel to support communications, these are used for a range of things such as the Chief Constable's fortnightly VLOG, weekly local management briefings, briefings for specific operations and events such as Appleby Fair as well as to support campaigns, learning and development across the force.

Engaging Effectively with Institutional Stakeholders

The Constabulary works closely with the OFPCC through formal mechanisms (such as Public Accountability Conferences and Strategic Business Board Board meetings) and informally through one to one meetings with senior staff from both organisations.

The Constabulary continues to work with partners, both at a strategic and tactical level, as this can deliver a more effective policing service to the public and meet the aims of the Commissioner's Police and Crime Plan. Examples include:

- the Local Resilience Forum (major incident planning)
- the Cumbria Road Safety Partnership
- the Safer Cumbria Board
- the Cumbria Safeguarding Children's Partnership (CSCP)
- Community Safety Partnerships (CSP), there are now 2 CSPs Cumberland CSP and Westmorland & Furness CSP
- The Cumbria Addictions Board (countering alcohol and drug abuse)
- Work with the Lake District National Park Authority and other district and county partners to support visitor management within the county
- Further development of links with criminal justice and mental health agencies and other blue-light partners. This now includes the Right Care Right Person initiative around mental health.
- Local Focus Hubs in each area, where the Constabulary works closely with a range of local agencies to prevent and solve problems at the earliest opportunity. These are ongoing but now sit under the two new CSPs.
- Scoping collaboration with Cumbria Fire and Rescue Service.

In accordance with the Joint Financial Regulations and Rules, arrangements are in place to ensure that for significant partnerships and joint working relationships there is appropriate governance including, a legal power to engage, appropriate approval by the Chief Constable and Commissioner, clear objectives, documentation of financial and other resource commitments and risk assessment.

Engaging stakeholders effectively, including community and service users

The Constabulary has a Community Engagement and Consultation Strategy, which co-ordinates all on-going consultation activities and is refreshed on an annual basis to understand the needs of our communities. Throughout the year the Constabulary consulted with the public to understand their policing priorities, how confident they felt, how they would like to be engaged with, and their areas of concern. These informed the development of the Constabulary's and Commissioner's plans to tackle crime and anti-social behaviour.

The Constabulary has a well embedded and effective marketing and communications approach which establishes clear channels of communication with all sections of the community.

Newsletters and alerts are effective communication tools to keep people informed and updated in our communities. The current number of subscribers to our newsletter and alert service has increased to almost 46,500.

The Constabulary has a range of regular newsletters targeting specific themes or local communities. Themes include rural crime, fraud, and recruitment.

Neighbourhood policing teams provide monthly updates to subscribers on what they are doing to tackle crime and ASB in their area, provide the latest advice and information, as well as the latest performance statistics.

The Constabulary's digital presence has grown, and across social media the force has almost 405,000 followers. The force has several central social media accounts (Facebook, X, Instagram, and LinkedIn), managed by the force's Marketing & Communications department. Neighbourhood Policing Teams and other specialist teams (such as Roads Policing Unit and the Dogs Section) have their own selected social media accounts, supported by Marketing & Communications.

Whilst the recommended channels to report crime online are via the website (Single Online Home), the force can respond to urgent crimes reported via direct message on social media. This is managed by our Digital Desk, which is monitored by the Command and Control Room out of hours and the Constabulary's Marketing and Communications department during office hours.

Engagement with the public is pivotal to the work of neighbourhood policing teams. This is achieved through Community Engagement Plans, which detail contact with all stakeholders particularly those that are under-represented communities or with protected characteristics. The Community Engagement Strategy, and supporting toolkit, includes our key principles of consultation and engagement, which are:

- Officers, staff, and volunteers being responsible for and having a targeted, visible presence in neighbourhoods.
- A clearly defined and transparent purpose for engagement activities.

- Regular formal and informal contact with communities.
- Working with partners, such as sharing opportunities for engagement.
- Making information available about local crime and policing issues to communities.
- Engagement that recognises and is tailored to the needs and challenges of different communities.
- Using engagement to identify local priorities and inform problem-solving.
- Officers, staff, and volunteers providing feedback and being accountable to communities.
- Officers, staff, and volunteers supporting communities, where appropriate, to be more active in the policing of their local areas.
- Promote proactive work via their respective local social media account and respond to concerns raised by the public.
- Officers, staff, and volunteers working closely with the Constabulary's Marketing and Communications department to engage with members of the media to highlight work conducted to tackle local issues.
- Specific types of engagement are set out in our minimum standards of engagement.
- Senior leaders will ensure support for officers in attendance at suitable training or CPD activities.

The Constabulary has a Diversity, Equality and Inclusion Strategy, which seeks to support the workforce and to work with partners and the community to provide an effective policing service for a diverse community. There are a number of ways that we can engage with communities including:

- Encouragement for Neighbourhood Policing Teams to engage with local businesses from diverse backgrounds, especially around significant dates e.g. Chinese New Year
- On-line events to promote inclusion for recruitment, women in policing, positive action, LGBTQ, Disability.
- On-line events to highlight areas of concern e.g. Domestic Violence
- Advertising significant dates via social media and in local communities
- Engaging with different Community Groups e.g. Anti-Racist Cumbria, Multicultural Cumbria etc and encouraging them to work with us
- Increasing the Diversity of the Strategic Independent Advisory Group
- Supporting the delivery of the Race Action Plan, including training to all senior leaders from Anti-Racist Cumbria.

The Constabulary has also been active in trying to promote diversity in the recruitment of officers and staff and to provide support for existing employees from diverse backgrounds. Specific actions have included:

- Putting a dedicated positive action team in place to support the forces vision to attract, recruit and retain staff and officers from under- represented groups. A number of recruitment events have been held, which have attracted officers from outside the area and we have increased our under represented officers by 2.74%
- Established an Inclusion hub. This is a central repository that staff can access to support them with any wellbeing challenges or to seek help from any of staff support groups. This includes officers who can provide lived experience advice.
- As part of Operation Uplift the Constabulary is first in the country in relation to the percentage of female officers recruited at 44% this was recognised by HMICFRS in our peel inspection.
- Gender pay gap data is regularly reported and reviewed.

The Constabulary uses Community Impact Assessments to identify issues that may affect a community's confidence in the ability of the police to respond effectively to their needs, thereby enhancing the police response, particularly after major incidents.

Internally, frequent bulletins from the Chief Constable, Deputy Chief Constable and Assistant Chief Constable(s) have communicated important messages to the workforce via a variety of methods including face to face briefings, online events, blogs, vlogs, email, newsletters and the intranet and Yammer . This includes key information on standards and performance, wellbeing, new legislation, our policing approach, practical advice and guidance on changes to working practices, advice and guidance to keep safe, and our role to help to achieve the Chief's vision to provide an excellent policing service.

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

Defining Outcomes

For 2023/24, the Chief Constable determined the strategic direction for the Constabulary, which is 'To Deliver an Outstanding Police Service to Keep Cumbria Safe'. Following consultation with a range of stakeholders, demand and resource analysis, performance results, recommendations from independent inspections and audits and a review of the organisation's strategic risks, the Chief Constable developed the core operational objectives, known as the 4C'S, of:

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



The Commissioner approved these key objectives and incorporated them into the Police & Crime Plan to complement its aims.

The Plan on a Page shows how everyone in the organisation contributes to the overall aim of Delivering an Outstanding Police Service to Keep Cumbria Safe and improves knowledge and understanding pay by linking strategic objectives to operational and business daily activity on the ground and maintaining performance and re-enforcing our values.

Sustainable economic, social and environmental benefits

During 2023/24, work continued to deliver the Chief Constable's Vision which complements the Constabulary's priorities, builds on achievements to date and provides a roadmap to transform policing to meet the challenges of delivering an effective service for communities.

Business planning and governance boards have been re-organised and improved as part of the Forces work to redesign and implement its strategic objectives. The current governance arrangements were devised through consideration of national best practice and HMICFRS recommendations, and delivered to address identified gaps.

During 2023/24 the Commissioner incorporated the Constabulary's budget proposals into his 2024/25 budget in the context of a medium term financial forecast (MTFF) covering five years to 2028/29.

The 2024/25 policing grant settlement included additional grant to cover pay inflation, Uplift officer costs , and also provided Commissioners with a degree of flexibility to levy increased council tax. Following a public consultation exercise, the Commissioner approved the 2024/25 budget in February 2024 based on a council tax increase of £12.96 for a band D property (4.36%). The funding provided to the Constabulary will allow existing services to be maintained and the increased number of police officers recruited as part of Operation Uplift to be retained for a further year. In consultation with the Commissioner, once trained, the additional officers will be deployed by the Chief Constable to areas, which will support the Police and Crime

Plan's principal objective of Keeping Cumbria Safe. The budget has also supported investment in a new records management system, analytical capability and resource co-ordination, which are seen as critical to deliver the Chief Constable's strategic objectives.

2024/25 represents the final year of the Government's 3 year Comprehensive Spending Review. This, in combination with an imminent general election, embedded inflation, existing financial risks in relation to the cost of implementing the Emergency Services Network, pension cost pressures and the impact of the review of the Police Funding Formula make the Constabulary's future financial outlook uncertain. The budget for 2024/25 has been balanced, however savings will be required in future.

Against this background, modelling of a range of financial scenarios through the Medium Term Financial Planning process, undertaken jointly by the OPFCC and Constabulary, has continued to inform wider business planning. An on-going theme of each of the strategic objective work-streams is to develop savings options and realise business benefits, particularly in areas where investment in new technology has been made, as a means of balancing the budget over the medium term.

During 2023/24, existing strategies in relation to people, DDAT, fleet, estates and procurement have been progressed and reported to the Commissioner.

A critical priority for the Data, Digital and Technology (DDaT) Command in 2023/24 has been the continued development of the digital infrastructure, which has enabled the Constabulary to operate efficiently and effectively when a considerable proportion of the workforce now work in an agile way (working remotely and in the office). This has included a programme which improved mobility options for all frontline officers and staff through investment and roll out of laptops this has transformed the ability for officers and staff to access data and information, supporting mobility and flexibility for services to the public. This has increased officer and staff wellbeing, productivity and service delivery. There is further work ongoing to enhance our mobility through the expansion of our Wider Area Network (WAN) and our use of Axon products like body and vehicle cameras, which are procured and will be delivered in 2024/25.

A wide range of digital projects have continued and delivered during 2023/24 including the further development of our Command-and-Control System to improve public contact, and support a high performing business area at the forefront of our service. This includes the delivery of a new and highly innovative CCTV system, that has enhanced safety across the county. We have delivered a redesigned Constabulary Intranet, as well as a new Digital Firearms Licensing System, as well as a new redaction tool (Riven), that saves officers significant productivity time.

The future vision for major elements of the DDAT Strategy includes the replacement of infrastructure, and we completed a programme to modernise and upgrade to our converged infrastructure, with networks to follow in 2024/25.

Another key part of the strategy is how we manage data and information, and the constabulary has delivered and implemented a change programme, which has modernised its information management functions, delivering improved performance.

The Constabulary is working in partnership with Mark 43 to develop a replacement for the current records management, property, and case and custody systems, which will allow for information to seamlessly flow from one module to another, whereas these were previously disparate systems. Mark43 also provides efficiencies by reducing double keying for officers and staff. Police Digital Service and the Home Office are supporting this programme. This is due to go live with the Community Safety Platform Module in late 2024.

We continue to work on and support National programmes including Single online Home and LEDs where we have been early adopters of some modules like property in 2023/24. We have delivered Agency and Partner Management Information System (APMIS) for recording disruptions, DCS(Despatch Communication Servers), Ileap and Airbox Phase 1.

Recognising that digital, data and technology is central to all aspects of Policing, the Constabulary continues to develop a Digital Leadership Programme which has been delivered to all managers and supervisors across the organisation with the aim of ensuring that the benefits offered by technology are recognised and embedded within working practice. This programme is being developed in partnership with the College of Policing and Police Digital Service nationally and shared with other forces.

In relation to Estates, the priority in the last year has been the development of business cases to look at options for undertaking further refurbishment and improvements to a police station in Penrith and providing a new dog kennelling facility at a site in Carlisle. The Penrith police station work is being undertaken support the new policing model, an operating model changed to align to the local government boundary changes within the county. With the increase in officer numbers there has been an increase in demand across all areas of the estate discipline. The team has completed considerable work to accommodate the increase, including addressing capacity issues in locker rooms, storage, and office areas. The facilities team have seen a considerable increase in demand, specifically at the Headquarters site which is now operating at or near capacity following the return to work of officers and staff previously working at home during the pandemic together with the increased officers undertaking training.

Work was completed on the longer-term future intention of the West Estate, including a decision to begin negotiations to purchase the PFI in Workington at the end of the contract in 2026. The OPFCC Head of Estates is working closely with the governments infrastructure and projects authority to manage the contract expiry and post contract transition. Following a HMICFRS custody inspection the team worked with operational colleagues to manage and address the findings. All of the findings have been completed except one around improving the panic alarm system at Workington. Demands on front line maintenance is high and the team continue to see the pressures of managing the supply chain, specifically around estates costs and in particular costs within some of the specialist disciplines and capital work.

The fleet replacement programme continues to be maintained despite significant challenges around supply and conversion of vehicles. The continued approach of in-house conversions has been maintained to good effect. During the current year, the fleet manager has introduced vehicle telematics. A detailed review of the fleet is ongoing, this will inform the future capital programme and address any gaps in fleet resources.

The People Strategy has been written for the period 2021-2025. During 2023/24 significant effort within the HR Department was directed to recruit and maintain the Constabulary's target of additional officers as part of Operation Uplift. Work is now underway to retain the additional 186 officers from the programme. The Constabulary also received funding for an additional 8 officers, maintaining this number of 1,393 headcount (1,359 FTE). Recruitment and retention of police officers continues to be monitored monthly at a national level. Work continues in relation to Positive Action to increase representation within the force, this has resulted in an increase in diversity, including ethnicity.

New retention measures have also been introduced which involves the introduction of "Stay Conversations", a new Exit Interview format and improved metrics to measure attrition in a more detailed manner.

Work continues to improve the accuracy of workforce establishment data, in order to assist in future aspirations around strategic workforce planning. This has involved the re-purposing of the workforce governance structure and processes. Change management, absence management and dynamic development of all HR policies also remain a priority for the department.

As a result of the implementation of an internal force restructure, HR continues to be involved to ensure the establishment is accurate and up to date including :

- Regular review of ICT recruitment system with regular updates to ensure continuous improvement.
- Review of the HR process bronze/ silver and weekly Force Resourcing Meeting. This includes scrutiny of all moves and vacancies at a Chief Officer level. This is a much more rigorous and accountable process, resulting in increased demand for the HR Department, but ensures a more efficient and effective Targeted Operating Model is in place to improve service delivery.
- Development of a Strategic Workforce Plan.
- Promotion process work continues with Inspector boards anticipated in July
- There has been an increase in relation to performance and capability processes for student officers. HR work closely with management to ensure full support is provided and the policy is adhered to.
- Leadership development is a priority for the force and HR are involved with developing a Leadership approach, linking into the wider College of Policing Leadership program.
- Policies continue to be regularly reviewed and updated through the Workforce Board.
- Pay Progression Standards for officers is now fully implemented.
- Cumbria now host the Regional Chronicle Collaboration.
- Pension remedy work continues.
- Embedding of Fair Passport to support wellbeing.
- The Constabulary achieved Disability Confident Leaders status and work continues to maintain this.
- The Constabulary has recently been awarded the Silver Armed Forces Covenant award.
- Established Pay Panel process to ensure fairness and a consistent approach
- Review of Police Staff Terms & Conditions - due to transfer to national imminently
- A pilot scheme has been undertaken to assess if the use of the National Competency and Values framework in police staff application forms has a positive impact or inhibits the attraction of candidates
- The Constabulary have implemented the full national recruitment process for Officers, PCSOs and SCs. The Constabulary are also one of the pilot forces for Home Visits.

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 focussed on completion of the Enhanced Standards and the commitment to translate this across to the industry wide SEQOHS Standards.
- 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; focussing 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.
- Financial well-being processes are in place with emergency financial assistance loans introduced in 2023/24.

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

Planning Interventions

The Chief Officer Group is the Constabulary's strategic decision making forum. The Chief Officer Team meet twice weekly to review progress against plans, resolve emerging issue, carry out strategic planning activity and review force performance measures. All decisions support delivery of the Chief Constable's vision and requirement to deliver the objectives contained in the Police and Crime Plan. Actions and decisions are recorded, and the Chief Constable is held to account by the Police Fire and Crime Commissioner (PFCC) for the delivery of Police and Crime Plan priorities and objectives. To improve communication and transparency all COG decisions are published on a decision log, which is made available to key stakeholders. The Chief Constable also attends the budget setting meeting of the Police, Fire and Crime Panel to provide context to Commissioner's precept proposal.

The Chief Officer Group is supported by several other boards, which are aligned to the Chief's vision, this includes a Strategic Management Board, Workforce Board, Strategic Change Board, and the Strategic Performance Board which is responsible for scrutiny and performance management. All have terms of reference.

Determining Interventions & Optimising Outcomes

The Constabulary has reconfigured its performance framework and governance meetings as part of the work to change its strategic priorities. This was completed in consultation with senior leaders, staff support associations, and the Office of the Police, Fire and Crime Commissioner (OPFCC). The performance and governance arrangements establish a set of measures and targets to support delivery of the Police and Crime Plan and is the mechanism used by the Commissioner to hold the Chief Constable to account. Progress against these measures is reported to the Commissioner every six months at the Public Accountability Conference.

Performance for all crime types is reported to Chief Officer Group on a weekly basis and is monitored through the Strategic Performance Board (at the strategic level), and through Local Accountability Meetings held within Commands. Key actions are recorded and tracked, and key messaging is agreed within the Strategic Performance Board which helps focus and prioritise local activity to improve performance. This messaging is delivered through the performance meeting structure, and within briefings as part of our visible leadership strategy.

The PFCC Public Accountability Conference receives a twice yearly detailed presentation around the Constabulary Performance against a set of local and national measures. Other thematic reports in 2023/24 have focused on the Constabulary's response to the Casey Review (Culture & Integrity); how the Constabulary is responding to the Serious Violence Duty (this is a statutory duty); Outcomes for Victims. We also received a presentation from the Cyber and Digital Crime Unit detailing how it deals with cyber crime.

In the operational environment, on a monthly basis, senior police officers carry out a full assessment of operational risk, harm and threat to communities and an assessment of performance changes and their root causes. This encompasses consideration of vulnerable people, repeat offenders, vulnerable missing from home, significant domestic abuse, prison issues, organised crime groups, threats to life, crime and anti-social behaviour trends. Action has been taken and resources tasked to deal with the operational issues raised.

Officers in each BCU hold a Daily Management Meeting which identifies and prioritises the threat, risk, and harm associated with reported crimes, incidents, and intelligence within the previous 24 hours, and allocates resource to mitigate those threats accordingly. A supporting force-wide Pacesetter meeting chaired by the Deputy Chief Constable ensures that resources are directed to meet strategic priorities across the county, and some key performance measures are monitored.

As part of the Constabulary's work on managing demand, the principles of THRIVESC (threat, harm, risk, investigative opportunity, vulnerability, engagement, safeguarding, and ethical crime recording) are now well embedded within the communications room when grading calls for service. Acting within the framework of the National Decision Making Model, this informs decisions as to:

- Whether to deploy officers to incidents.
- The types of officers to deploy, including specialist resources.
- A proportionate, reasonable and effective response.
- Whether to resolve the call in the control room at the first point of contact.
- Refer to partner agencies.

The Constabulary has improved its standards of investigation through the development and implementation of our Investigative Principles work. This provides a clear framework which defines our required minimum standards for all investigations at every stage, and compliance against which is tracked and monitored through the performance and governance arrangements.

Core Principle E: Developing entity's capacity including the capability of its leadership and the individuals within it.

Developing the Entity's capacity & leadership

The key functions and roles of the Chief Constable and the Police Fire and Crime Commissioner are set out in the Police Reform and Social Responsibility Act 2011 (PRSRA) and the Policing Protocol Order 2011 (PPO). The Chief Constable's statutory responsibilities for maintaining the King's Peace are set out in various Police Acts. Both the Chief Constable and Commissioner are statutorily required to employ a Chief Finance Officer.

As a result of the retirement of the Joint Chief Finance Officer at the end of March 2023, and in view of the Commissioner taking responsibility for Fire from 01/04/23, the decision was taken to replace this joint role with two separate Chief Finance Officers, one for the PFCC and Fire and the other for the Constabulary.

The Constabulary has used HMICFRS Value for Money profiles and Police Objective Analysis to inform its Futures Programme and applied zero based budgeting, with robust financial challenge to budget holders, to secure maximum value from the resources available. Although there are difficulties in ensuring true comparisons benchmarking data is used to challenge and inform decision making.

Developing the Capability of Individuals within the entity

The Constabulary's annual training plan for mandatory training delivered by the L&D department is developed each year for finalisation by March in conjunction with operational leadership teams and training leads. For 2023/24 the approach has been expanded to include undertaking an operational skills audit and a training needs analysis within crime command with a view to further implementing this within the uniformed sections of the BCUs. The learning panel also allows for the development and dissemination of new mandated training for both force wide and niche audience through a variety of methods, including development days and e-learning. Flexibility in the training plan is key to meet unexpected or new training demands. Planning has now been extended where possible to an 18-month timeframe. This was originally undertaken jointly with the Resource Coordination Group, latterly the Resource Coordination Teams. In the latter half of 2024, the Resource Coordination Group will resume this responsibility, to ensure the effective, efficient, and sustainable approach to resource co-ordination.

Development for leaders across all ranks and grades is delivered through a combination of classroom based training events, ongoing CPD and stand-alone workshops. It is recognised that leadership is not confined by rank or role and the development of leadership skills in an ongoing process.

L&D run a two-week development programme designed specifically for new and acting Sergeants with a focus on operational leadership and leading people, running three times each year. There is also a one-week development programme for new and acting Inspectors exploring operational leadership and people leadership, running twice each year. Officers are eligible to attend the relevant programme as soon as they become eligible for an acting role. All delegates leave the programme with a development plan to apply their new skills in a practical setting.

Staff leaders also now have a bespoke course consisting of three one-day modules spread over a three month period. Between each module, delegates complete reflection and development tasks. A mentoring programme is also available. A range of experienced officers and staff across the organisations have volunteered their time to assist anyone who would like to work with a mentor on particular skills or areas.

L&D run an annual leadership conference online which is open to all officers and staff. The conference is recorded and available via the L&D SharePoint pages for anyone not able to attend on the day. A lending library stocked with the latest leadership and management books and other resources for use by course delegates and others.

Leadership and Development opportunities are communicated via L&D SharePoint pages and the Development Hub Yammer community.

The Constabulary is a Supporting Provider for Apprenticeships and has successfully been retained on the Register of Apprenticeship training Providers by the ESFA. As a supporting provider the Constabulary is able to recoup some of the apprenticeship levy paid to the government by working in collaboration to deliver the PCDA apprenticeship programme to initial entry Police Officers.

The Constabulary continues to deliver the Police Education & Qualifications Framework (PEQF) Initial Entry Police Officer Training in collaboration with the University of Central Lancashire (UCLan). Alongside the existing Police Constable Degree Apprenticeship (PCDA) the Constabulary has recently recruited to and runs the Police Constable Entry Programme (PCEP) and has recently advertised the DCEP Detective Constable Entry Programme. The Constabulary continue to offer the Professional Policing Degree Programme (PPD) entry route, which recruited a small number of Officers who had previously completed the Degree in Professional Policing.

The Tutor Constables Initial Development programme is currently being reviewed to support the progression of tutors through the programme and qualification. It remains a modular design which includes both direct teaching and workplace coaching. This includes the provision of all tutors becoming A1 assessors which is a force skills gap.

The Constabulary operates an individual Performance Management Review (PDR) process focussed on three key themes:

- Performance
- Well-being
- Professional Continuous Improvement

The PDR system was revised in 2023/24 as a high priority and compliance levels are subject to detailed monitoring.

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

Managing risk

The risk management policy stresses that it is the responsibility of all officers and staff to identify and manage risk. This is supported by a horizon scanning exercise, which is conducted monthly, and circulated to key individuals within the Constabulary to help identify other potential risks.

Risk management is a standing agenda item on all Constabulary boards, including programme and project management boards. Mitigating actions are identified and tracked to ensure that risks are minimised. Key strategic risks are managed by Chief Officers.

During 2023/24 specific risks associated with the potential reduction in funding and the introduction of the Emergency Services Network continued to feature prominently on the Constabulary's strategic risk register.

In addition, emerging risks in relation to Firearms Licensing, Operation Equate (West Cumbria Coal Mine), ISO Accreditation and analytical capability and capacity have been added to the Strategic Risk Register during the year.

Following the introduction of a revised policy governance framework in 2021/22, together with the implementation of a new policy and procedure template to take account of the Data Protection Impact Assessment (DPIA), a large piece of work was undertaken during 2021/22 to bring all documents within the Constabulary's policy library up to date. Work has been overseen by the Operations Board where monthly updates are provided and has resulted in a significant number of documents either being updated or removed from the policies library. All new policies, or changes to existing ones, are now formally ratified by the Chief Constable in the Strategic Management Board. A progress report is also provided to this forum which indicates to what extent existing policies are being effectively managed.

Managing performance

The strategic performance framework has been reconfigured to deliver against the Policing Crime Plan and the Vision of the Chief Constable and was in response to the introduction of a new forcewide structure for operational policing in 2022 and to address feedback from the HMICFRS in our last Peel Inspection. The changes have delivered a new structure (shown in the diagram below) which drives our performance culture across the organisation and holds everyone to account.

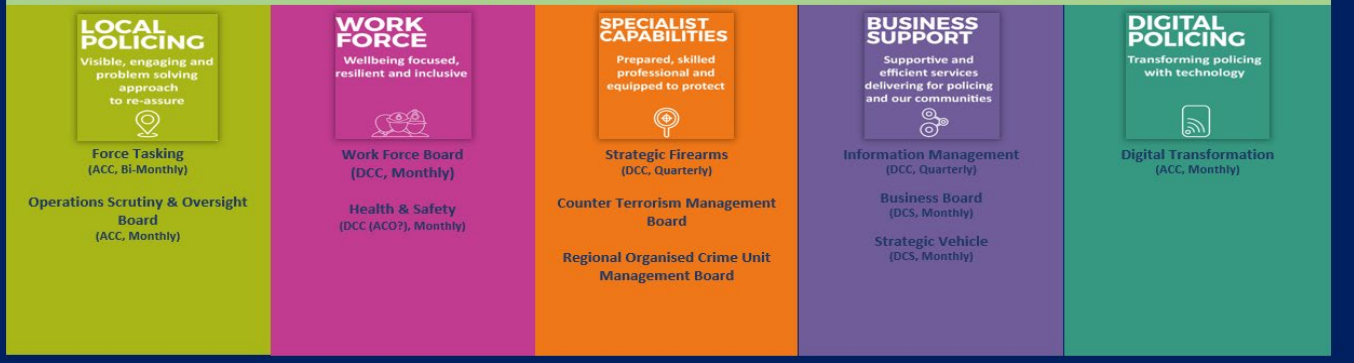


Our Strategic Governance



Our Values: **S**erve with Pride **A**ct with Professionalism & Integrity **F**ocus on what's Important **E**thical and Inclusive

HMIC (Monthly) Strategic Change Board (Monthly) Strategy Days (x3 yearly) PDC's (Semi-Annual) Confidence & Equality (Bi-Monthly)



The Constabulary has a 'Delivering Excellence' Strategy, which aims to embed continuous improvement across the Constabulary and has four key areas of work:

- Development of Business Improvement Plans based on our priorities and all HMICFRS recommendations
- Improving on standards and quality across policing activities known as the Quality Counts initiative.
- Harnessing ideas and suggestions for improvement
- Developing and delivering the Change Programme

During 2023/24 work on the Cumbria Constabulary Improvement Plan, which aims to improve its effectiveness in ensuring that priorities and recommendations from inspection bodies are being progressed through reality checking, continued and some key deliverables were;

- The Force Management Statement which assesses the demand the force expects to face in the foreseeable future with particular focus on the performance, condition, composition, capacity, capability, wellbeing, serviceability and security of supply of the force's workforce and other assets, and the extent to which current force assets will be able to meet expected future demand. This insight supports decision making to improve its workforce, policies, practices and other assets to cope with future demand.
- Auditing all 'stop and search' completed in the Constabulary, providing feedback to officers and supervisors, together with an assessment as to whether the Constabulary appropriately uses stop and search powers, to ensure police powers are being used proportionately.
- In conjunction with the Professional Standards Department, an audit of officers' use of force, involving the reviewing of Body Worn Video, providing direct feedback to officers and supervisors, undertaking improvement measures and broader performance monitoring through the Constabulary Use of Force Board, Ethics and Integrity Panel, and the Cumbria Strategic Independent Advisory Group.
- Audits of compliance with the Victims Code of Practice, and for the operation of the released under investigation processes.
- An audit and inspection of Investigative standards and outcomes for victims

- Ongoing Domestic Abuse quality of service audits, to ensure that officers are adhering to investigative standards, safeguarding practices and the victims code of practice. Individual feedback is provided to officers and their supervisors where necessary.
- Ongoing daily National Crime Recording Standards audits of high risk crimes (sexual offence, violence, domestic incidents). This is real time audit allowing us to rectify issues under the recovery process.

Robust internal control

The Constabulary maintains robust internal controls systems. Assurance with regard to internal controls is provided by:

- A risk based internal audit plan. Overall, 100% of audits completed in 2023/24, including all those relating to finance, were graded as providing either substantial or reasonable assurance. Robust management action plans have been put in place to address all internal audit recommendations.
- The Head of Internal Audit's overall opinion was that there is a reasonable level of assurance in relation to the Chief Constable's frameworks for governance, risk and internal control.
- Action plans to respond to recommendations, the implementation of which are monitored by the Joint Audit Committee.
- A Joint Audit Committee, which is self-assessed against CIPFA guidance, and is judged as being highly effective in its role.
- The OPFCC and Constabulary have consistently achieved an unqualified (clean) external audit opinion on the financial statements. The auditors have noted that the accounts were prepared to a high standard and are supported by clear and comprehensive working papers.

Managing Data

The Digital Data and Technology Strategy has been revised.

Governance reporting arrangements are in place including a cross functional Information Management Board chaired by the Senior Information Risk Owner.

Process and procedures for identifying, recording and mitigating information risk are well adopted across technical projects. Security and assurance assessments are undertaken, and appropriate agreements and contracts are completed where necessary

Process and procedures for identifying, recording and mitigating information risk are well adopted. Security and assurance assessments are undertaken, and appropriate agreements and contracts are completed where necessary.

Governance reporting arrangements are in place including a cross functional Information Management Board and an Information Asset Owner framework for critical systems and services. The management of data and information also forms part of the Performance Management Plan on a Page focusing on key factors to support strategic objectives.

There is further work to be done on determining performance metrics and visualising management information to assess progress and maturity of the key factors.

Strong public financial management

Strong financial management provides a framework for all business decision making and planning within the Constabulary. For 2023/24, this included the Constabulary Chief Finance Officer being a member of the leadership team and finance representation at all significant decision making forums. Regular financial reporting, clear budget ownership and responsibilities (as set out in the Chief Constable's Scheme of Delegation and scheme of budget management) and consideration of the medium term financial position in all strategic decision making are also key features of the financial management framework within the force. The replacement of the former Joint Chief Finance Officer with two separate Chief Finance Officers for the Constabulary and the OPFCC will further strengthen these arrangements via joint working.

During 2023/24 the finance team have continued to participate in the Achieving Financial Excellence in Policing programme promoted by the Chartered Institute of Public Finance and Accountancy. Work has continued to implement the action plan developed in 2020/21 following a self-assessment of all aspects of financial management in the force. The main outstanding actions relate to improved use of the VFM profiles and other CIPFA analysis tools and improving the financial information provided to budget holders. Both of these areas are included in the planned actions for 2024/25.

Work continued to further enhance the budget reporting within the Constabulary, a suite of reports is being developed for Chief Officers, budget holders and various performance meetings. In relation to budget setting and MTF development the CFO gives an assurance on the underlying budget assumptions.

Developments have been progressed in relation to the Futures Programme, balance sheet reporting, financial business partnering and contract management, however, there are some areas where further work is required to ensure full compliance, most notably in relation to; demonstrating Value for Money and identifying savings to ensure financial sustainability, developing a financial resilience index and the application of formal options appraisal techniques. Staff within the finance function are adequately qualified and experienced.

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

Implementing good practice in Transparency & Reporting

The principal means by which the Constabulary reports to the public are through themed presentations to the Commissioner's Public Accountability Conferences, which are open to the public. Reports are also available through the Commissioner's website.

The Constabulary's unaudited financial statements for 2022/23 were released on 15 June 2023, with the final version published on 17 January 2024 following the external audit process. The External Auditor provided an unqualified (clean) opinion on the financial statements and concluded that the Constabulary has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

Assurance & Effective Accountability

The Constabulary was previously congratulated on its overall good performance, whilst having some areas for improvement identified. His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) graded Cumbria Constabulary's performance across eight areas of policing and found the force was 'outstanding' in one area, 'good' in three areas and 'adequate' in four areas. During 2023/4 HMICFRS undertook a further PEEL inspection and the results are expected in July.

In continually improving the constabulary and the service provided to members of the public, informed by the observations of the HMICFRS, the Constabulary has made significant progress over the previous inspection period, most notably in relation to the establishment of force wide Neighbourhood policing structures; improvements in emergency and non-emergency call handling performance; and the development and introduction of a strategic governance framework and performance structure.

The establishment of a Performance; Standards and Insight command within the demonstrates a continuous improvement ethos to improve upon previously good levels of performance and deliver an outstanding service. This command is responsible for the facilitation of inspections by the HMICFRS and inspectorate partners; to audit, scrutinise, quality assure and develop our internal processes and performance; and to coordinate any recommendations or areas for improvement identified by the HMICFRS via the national Inspectorate Monitoring Portal. They are responsible for informing the majority of meetings within the newly established strategic governance framework to ensure appropriate oversight and accountability from the most senior leaders within the Constabulary.

During 2023/24 the Chief Constable received assurances with regard to the Constabulary's arrangements for risk management, internal control and governance from a number of sources which included:

- The PFCC CFOs annual review of internal audit.
- The Head of Internal Audit and PFCC CFO's assessment of the internal audit service against Public Sector Internal Audit Standards.
- The Head of Internal Audit's opinion on the framework of governance, risk management and internal control.
- A review of the effectiveness of the Joint Audit Committee against CIPFA guidelines.

- Monitoring of the implementation of actions in response to HMICFRS, internal and external audit recommendations through the Joint Audit Committee.
- Management assurances in respect of financial systems and processes.
- The CFO's fraud risk assessment.

Appendix A Update on 2023/24 Development and Improvement Plan

Ref	B/fwd from 2022/23 (ref)	Action	Lead Officer	Implementation by	Action Updates as of 31/03/24	Revised Implementation Date	Status
Core Principle A: Focusing on behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.							
CPA/1		Review the implications and recommendations from the Casey Review and formulate a Constabulary response	Director of Performance & Change	31st March 2024	October 2023 - The conclusions from the Casey review were assessed against the position of the Constabulary and a presentation of the findings of which have been presented to Chief Officers and the OPFCC's PAC meeting. The key areas in which the Met were found wanting were areas of strength for the force, particularly in their performance, culture, accountability and governance, and external scrutiny arrangements. It was felt necessary to conduct analysis to assess the force's position against the test applied by Baroness Casey in her determination that the Met were institutionally racist, homophobic, and misogynistic. A first draft of that analysis has been produced which was reassuring but has been tasked by C/Supt Bird for further development, and will be presented to Chief Officers in the next few weeks for review.		Completed
CPA/2		Complete the National Home Office Data Wash for all Constabulary employees and address any adverse findings	Chief Superintendent Standards, Insight & Performance	30th September 2023	October 2023 - The force completed the HDW (Home Office Data Wash) within the timescales set and its return was accepted by the national team. This HDW exercise resulted in the force analysing just under 2000 lines of data, and there were no requirements for additional investigations from the PSD. There were some minor issues raised which prompted vetting reviews and/or assessment but required no punitive action.		Completed
CPA/3		Continue to engage with the Home Office and HMICFRS to effectively discharge all Areas for Improvement and recommendations arising from the national vetting thematic	Chief Superintendent Standards, Insight & Performance	30th September 2023	October 2023 - All AFI's and recommendations that either arose from the thematic vetting inspection or were legacy actions for the PSD department to address, have all been submitted to the HMICFRS for sign off. These AFI's will be subject to inspection activity in the next few months as part of the PEEL inspection where the HMICFRS will indicate their willingness to discharge them.		Completed
Core Principle B: Focusing on ensuring openness and comprehensive stakeholder engagement.							
CPB/1	CPB/1	Implement Phase 2 of the enhanced Constabulary intranet site	Head of Marketing and Communications	31st December 2023	October 2023 - Phase 2 of this intranet project is on track to be completed by 6th December with all departments moved over and this intranet being fully functional for Officers and Staff. March 2024 - The intranet project is now completed, project is now closing down. All departments / information moved over and now being fully functional for Officers and Staff.		Completed
Core Principle C: Focusing on defining outcomes in terms of sustainable economic, social and environmental benefits							
CPC/1	CPC/1	Complete the options evaluation for and decide on future Estates provision in West Cumbria.	Assistant Chief Constable and OPFCC Head of Estates	31st December 2023	October 2023 - Following strategic direction from the Police, Fire & Crime Commissioner and the Chief Constable, the Estates department are following a strategy to purchase the Workington Police Station at the point of PFI contract expiry in Summer 2026. The team are working with the Central Government Infrastructure Projects Authority to review the contract position and put in place additional PFI specialist support to manage the contract through to completion. March 2024 - The OPFCC Head of Estates is working with central government's Infrastructure and Planning Authority (IPA) to manage the contract through to contract end. The IPA have committed specialist legal resource for 2024 – 2025 to work with the Head of Estates to progress work that is required prior to the contract end. In addition, a request for technical surveying and project management support from the IPL has been made and is currently being considered. Discussions around contract close out have commenced with the PFI provider, with the IPA providing input into these.		Completed

Appendix A Update on 2023/24 Development and Improvement Plan

Ref	B/fwd from 2022/23 (ref)	Action	Lead Officer	Implementation by	Action Updates as of 31/03/24	Revised Implementation Date	Status
Core Principle D: Focusing on determining the interventions necessary to optimise the achievement of intended outcomes.							
CPD /1		Review the introduction of the new Target Operating Model against defined performance outcomes. This will be defined by the TOR set by the DCC but will focus on an assessment of the governance and performance arrangements, progress made against performance objectives, an assessment of force wide demand vs resource allocation.	Chief Superintendent Standards, Insight & Performance	31st August 2023	October 2023 - The Post Implementation Review was concluded earlier this year and a report, with 51 recommendations, was submitted to Chief Officers. In total 44 recommendations were approved and allocated to strategic leads under the themes of: 1. Operational and performance, 2. Resourcing, duties, and structure, 3. Leadership, diversity, wellbeing, and learning, 4. Strategic workforce planning and development. The progress against these actions is being governed by the DCC and accountability being held within the Strategic Change Board and COG. The review highlighted significant performance benefits from the restructure and strong delivery against its TOR.		Completed
Core Principle E: Focusing on developing the entity's capacity, including the capability of its leadership and individuals within it.							
CPE/1		To achieve and maintain the Operation Uplift additional officer numbers equating to 1,334 FTE basic, plus an additional 17 officers (measured 30th September 2023 and 31st March 2024).	HR Manager - Kate Ruddick	31st March 2024	October 2023 - The Constabulary has achieved the target numbers by the first checkpoint date of 30/09/23. The initial target was 1,334 FTE which was then increased by a further 17 FTE taking us to 1351 FTE, the Constabulary currently has 1373.17. A further additional target of 12 has now been allocated moving the total to 1,363 FTE, the Constabulary is currently on track to deliver this by 31 March 2024 March 2024 - The uplift target as at 31/03/24 was met. At 31/03/24 the Constabulary had 1373.24 FTE / 1391 Headcount. There is a new target for 2024/25 of 1359 FTE / 1393 Headcount by 31/03/25. The current figures plus forecast starters of 105 and less approximately 100 leavers forecast in this financial year.		Completed
CPE/2		The Constabulary is undertaking a full skills audit to inform the evidence base for how many officers are required in requisite skills model and this will be used to inform the maturing Target Operating Model (TOM) each year.	Temp Ch Supt Crime & Intel Dave Pattinson	31st March 2024	October 2023 - The skills audit work was completed in April, presented to Chief Officers, then overlaid within L&D to allow effective mapping of core skills across the force in conjunction with chronicle etc. The skills audit work was undertaken to ensure adequate succession planning so that requests linked to and inform the internal and external training budget. The audit highlighted key areas of specialist skill / accreditation needs within Crime. The audit work enabled long term planning for specialist courses within the intention to improved specialist investigative standards. (TOR plus evidence of findings/report provided in evidence to BIU).		Completed
CPE/3		The College of Policing is undertaking a leadership review (at all 5 levels of Leadership). In the Interim, the Constabulary will develop an interim offering to augment its existing work in this area.	HR Manager - Diane Johnson	31st March 2024	October 2023 - L&D are working with the college to align our internal Leadership Development Programmes to the national model. Alongside, the Constabulary will be launching its new leadership approach hopefully in November. There will be a dedicated SharePoint page with relevant information for officers and staff regarding the promotion/selection process at each rank. Each rank has an animation video explain the role and requirements. There is a link to a managers guide detailing information relating to supporting staff development. The leadership pledge has been reviewed and forms part of the approach. The PDR has also been reviewed and will be launched with the leadership approach. It now contains a leadership action plan page where current and aspiring leaders can document their development through leadership objectives. It also highlights that not all leaders need to be in a supervisory role, they could be a tutor constable for example or in a senior staff role. March 2024 - The Constabulary Leadership Approach and revised PDR was officially launched on 8 December 2023. There are now 2 new separate SharePoint sites for leadership and PDR signposting and providing information. L&D have worked on their development programmes, aligning to the College of Policing requirements.		Completed

Appendix A Update on 2023/24 Development and Improvement Plan

Ref	B/fwd from 2022/23 (ref)	Action	Lead Officer	Implementation by	0	Revised Implementation Date	Status
Core Principle F: Focusing on managing risks and performance through internal control and strong public financial management.							
CPF/1	CPF/2	Complete the final actions as part of the AFEP action plan. Improve financial understanding within the Constabulary through improved reporting, in-house training for budget holders/senior managers and embed the finance business partnering approach.	Constabulary Chief Finance Officer	31st March 2024	<p>October 2023 - Improvements have been made to standardise in-house financial reporting in the first part of the year. Financial awareness is to be incorporated into many board meetings and is to be a focus of a CC Strategy day on 14/11/23.</p> <p>March 2024 - Financial understanding within the Constabulary is improved with regular inputs to strategic boards and finance officers working closely with the commands they support through a business partnering approach. Training is being developed and will be provided during 2024/25.</p> <p>This action has been superceded by action CPE/3 in 2024/25.</p>	31st March 2025	Ongoing (original timescale extended)
CPF/2	CPF/3	Complete final actions of FM Code action plan. - Make better use of VFM profiles and CIPFA dashboard data. - In conjunction with PFCC CFO develop financial resilience indicators.	Constabulary Chief Finance Officer	31st March 2024	<p>October 2023 - Work is planned for the second half of the year, with current staffing shortages within the team the current focus has been on supporting the statutory audit of the accounts and budget preparation for 2024/25 & MTFF to 2028/29.</p> <p>March 2024 - The VFM profiles and supporting base data provides some insight and ability to compare with other forces, a summary analysis of outlier data is presented to JAC each year. Further use of the data will be made as part of savings and efficiencies work during 2024/25. The development of Financial Resilience Indicators are still to be developed.</p> <p>This action has been superceded by CPF/1 in 2024/25.</p>	31st March 2025	Ongoing (original timescale extended)
CPF/3	-	Improve budget setting and MTFF process for 2024/25 through clearly documented timescales and budget assumptions which are subject to approval by COG and PFCC in late summer 2023.	Constabulary Chief Finance Officer	30th September 2023	<p>October 2023 - An overview of the budget setting process and timelines were presented to Collaborative board 25/07/23. This was supplemented by an update to Collaborative Board on 13/10/23 where initial budget assumptions were discussed.</p>		Completed

Appendix B 2024/25 Development and Improvement Plan

Ref	B/fwd from 2023/24 (ref)	Action	Lead Officer	Implementation by
Core Principle A: Focusing on behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.				
CPA/1		The Constabulary achieves and maintains compliance with Authorised Professional Practice (APP) with regards to vetting standards and implements an appropriate strategy to prevent and address corruption.	Deputy Chief Constable	31st March 2025
Core Principle B: Focusing on ensuring openness and comprehensive stakeholder engagement.				
CPB/1		The Constabulary enhances and develops the Intranet site to include, where appropriate, access to necessary services and information, and an opportunity to identify and communicate with local officers / PCSO's with regards to community issues and concerns in order to improve community engagement and enhance public trust and confidence.	Head of Marketing and Communications	31st March 2025
Core Principle C: Focusing on defining outcomes in terms of sustainable economic, social and environmental benefits				
CPC/1		Undertake a formal review of the OPFCC/Constabulary Estate: <ul style="list-style-type: none"> - Use condition survey to plan works needed to estate. - Futures programme will inform space requirement. - Review of agile working will also review space requirements. - Review of estates costs to commence in 2024/25. 	ACC Blackwell	31st March 2025
Core Principle D: Focusing on determining the interventions necessary to optimise the achievement of intended outcomes.				
CPD/1		Strategic Workforce Planning <ul style="list-style-type: none"> - Uplift Officers to be allocated across the Constabulary. - Futures Programme will determine Police Staff strategic workforce plan. - Strategic Workforce Plan to be developed duringf 2024/25 as part of futures programme review of HR. 	ACC Blackwell	31st March 2025

[Appendix B 2024/25 Development and Improvement Plan](#)

Ref	B/fwd from 2023/24 (ref)	Action	Lead Officer	Implementation by
Core Principle E: Focusing on developing the entity's capacity, including the capability of its leadership and individuals within it.				
CPE/1		Uplift Programme - Uplift Target Achieved - Temp additional officers recruited and funding obtained. Awaiting HO decision re future funding. - Recruitment plan in place to ensure required officer numbers are maintained. - Increased workforce diversity achieved. - Assumption is that Uplift target will remain in place.	Deputy Chief Constable	31st March 2025
CPE/2		Training Needs Analysis - TNA to be carried out as part of futures Programme Learning & Development Review.	ACC Blackwell	31st March 2025
CPE/3	Part CPF/1	Leadership - Leadership course, which will include a financial module and which is based on ELP course to be developed and delivered to senior officers and staff to enhance leadership capability within the Constabulary.	Deputy Chief Constable	30th September 2024
Core Principle F: Focusing on managing risks and performance through internal control and strong public financial management.				
CPF/1	Part CPF/2	Benchmarking - Police Objective Analysis data used to inform the Futures Programme. - Police Objective Analysis data to be used for further strategic planning.	Constabulary Chief Finance Officer	31st March 2025
CPF/2		Medium Term Financial Forecast - Plan produced and agreed as part of budget setting for 2024/25. - Forecast budget deficits used to inform Futures Programme.	Constabulary Chief Finance Officer	31st March 2025
CPF/3		Medium Term Financial Forecast - Plan produced and agreed as part of budget setting for 2024/25. - Forecast budget deficits used to inform Futures Programme.	Constabulary Chief Finance Officer	31st May 2024

