



The Chief Constable of Cumbria Constabulary
STATEMENT OF ACCOUNTS
2025/26



www.cumbria.police.uk

The draft Statement of Accounts was approved by the Constabulary Chief Finance Officer on 19 June 2026. At this point the Grant Thornton LLP 'appointed auditor' has not yet completed her annual audit and as such has not given an opinion on the accounts. The accounts are therefore watermarked 'subject to audit'. Once the audit has been completed, which is expected to be in September 2026, the Chief Constable will be asked to approve the Statements and the audit opinion provided will be inserted at pages 22-27 and the watermarking removed. Pages 20 and 30 of these accounts include signatures which have been removed for the purposes of publication on the website.



The Chief Constable of Cumbria
Constabulary

Statement of Accounts 2025/26

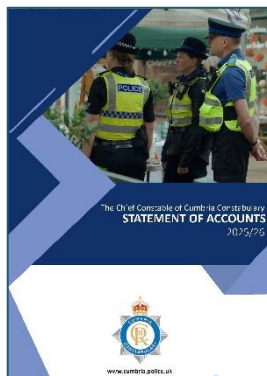
About this Publication

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 2025/26 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

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The Chief Constable of Cumbria Constabulary

Statement of Accounts 2025/26

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Constabulary Chief Finance Officer Narrative Report

Introduction

I am pleased to introduce the financial Statement of Accounts for the 2025/26 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 2026. 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-pfcc.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

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Forces of England and Wales. 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.

The Constabulary is split into five commands, each headed by a Chief Superintendent or Director, reporting to an Assistant Chief Constable.

- **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.
- **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.
- **Standards, Insight and Performance Command** performs a number of strategic functions including responsibility for management information, performance management, business change and benefits management.
- There are two basic command units (BCUs), one for **Cumberland** and the other for **Westmorland & Furness**. The BCUs are responsible for local policing, response and crime investigation.

The above are supported by **Enabling Services** which are comprised of people, fleet, learning & development, commercial, central services and digital, data and technology (DDAT) and aims to provide cohesive and integrated support for operational policing. DDAT is responsible for all aspects ICT development and data management.

Legal Services and **Financial Services** are a small specialist functions, which operate independently from the main directorate structure and provide services to the Chief Constable and Commissioner.

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Chief Constable's Report

It has been my privilege to serve as the Chief Constable of Cumbria Constabulary since July 2025, initially on a temporary basis, until I was permanently appointed to the role in February 2026. Performance in Cumbria has continued to improve, and I am proud of the officers and staff who work tirelessly within the Constabulary. Our mission is to **'provide the best possible service for the people who need us and to keep Cumbria safe'**, and consists of four pillars known as the '4Cs':

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



Cumbria remains one of the safest places to live, work and visit in England and Wales, having some of the lowest reported levels of crime and anti-social behaviour incidents in the country, and the constabulary continues to deliver some of the highest outcome rates nationally.

In 2025/26 we have seen a 2% reduction in overall recorded crime, with notable reductions in homicide, violence (with / without injury), theft, burglary, vehicle offences, and drugs offences, but we have also recorded increases in death/serious injury from driving offences, robbery, public order and possession of weapons. The rapidly advancing technology has brought many opportunities for policing, but it has also added to the complexity of investigations. We must provide our officers and staff with the necessary training, technology and equipment to enable them to protect vulnerable people and investigate crime.

In spring 2025 Cumbria officers and staff took part in a national survey in relation to morale and wellbeing, the results of this were concerning. The constabulary introduced 'Operation Momentum' to address the issues highlighted by staff, which are within the control of the constabulary. Each of the five priorities is led by senior officers or member of staff:

- Leadership
- Resourcing
- Workloads
- Wellbeing & Welfare
- Training, Equipment & Technology



Whilst detailed work is ongoing, sickness absence has reduced from 6% in March 2025 to 4% in March 2026 and the attrition rate in respect of new recruits has also fallen from 9.1% to 7.4%.

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The other major challenge faced by the Constabulary during 2025/26 was to maintain impetus on the local implementation of the Government's Operation Uplift Programme, to recruit an additional 20,000 officers. In 2025/26 the constabulary also supported the first phase of the Government's new Neighbourhood Policing Guarantee (a national initiative to provide 13,000 extra police resources in Neighbourhood teams), which seeks to ensure that officers are focusing on Neighbourhood Policing, again this target was achieved and all associated grant funding claimed.

The Constabulary is inspected and graded by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS). In March and April 2026, the evidence gathering phase of an extensive period of inspection came to an end, the inspection report is expected to be published in 2026. HMICFRS also conducted a (thematic) inspection of our approach to Child Protection in October 2025, and we anticipate that the report will be published in the summer / autumn.

During 2025/26, we have:

- Been named the winner of the Occupational Health category at the 2025 Oscar Kilo Awards, recognising the outstanding commitment of our OHU to officer and staff wellbeing.
- Achieved the highest percentage in the Crime Survey for England and Wales (CSEW) of people who agree that we can be relied on when needed.
- Hosted the forces first VAWG conference together with partners, attended by councils' charities and women's groups to come together to tackle Violence against Women and Girls.
- Launched Pol-Ed, a Citizenship educational programme where we provide police inputs and interventions such as Online Safety and Knife Crime to schools across Cumbria. Over 475 lessons have been delivered to a total of 14,250 students since its launch in June 2025.

The grant funding for the maintenance of Operation Uplift and Neighbourhood Policing Guarantee, and flexibility afforded to Commissioners to increase the precept in 2026/27 by up to £15 has allowed officer numbers to be maintained. The continued high levels of inflation throughout 2025/26, combined with global events, has added to budgetary pressures. The budget setting process for the 2026/27 financial year was concluded in February and a medium-term financial forecast (MTFF) covering 5 years to 31/03/2031 was approved. The MTFF shows that the Police, Fire and Crime Commissioner and Constabulary collectively need to identify savings of up to £6.8m by 2030/31.

The Constabulary has introduced a programme of work, known as Futures, to ensure that we continue to invest in technology and, whilst making financial savings, continue to provide the best possible service for people who need us, and Keep Cumbria Safe.

Darren Martland, Chief Constable

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2025/26 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 2025/26 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 additional grant funding in 2025/26, which was directed towards the continued maintenance of the additional police officers as part of Operation Uplift and new additional ringfenced grant funding for the Neighbourhood Policing Guarantee (NPG); the Government's programme to move 13,000 officers nationally to frontline Neighbourhood Policing roles. 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, in February 2025, the Commissioner increased the precept by £13.95 for a band D property, which is equivalent to 4.50%. 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 194 police officers for Cumbria.

Performance

Summary Budget and Outturn

Summary Budget & Outturn	Base Budget 2025/26 £000s	Revised Budget 2025/26 £000s	Outturn 2025/26 £000s	(Under)/ Overspend 2025/26 £000s
Police Officers	115,303	115,775	116,107	332
PCSOs	2,053	1,986	1,940	(46)
Police Staff	30,865	30,534	30,584	50
Other Employee	2,248	2,427	2,356	(71)
Transport	2,768	2,701	2,692	(9)
Supplies & Services	12,692	13,171	13,071	(100)
Third Party Related	5,338	8,413	8,478	65
Total Expenditure	171,267	175,007	175,228	221
Income	(5,128)	(9,234)	(10,140)	(906)
Total Constabulary	166,139	165,773	165,088	(685)

The Chief Constable's budget amounting to £166m is based upon the funding arrangements with the Commissioner. The table shows the summary budget for 2025/26 as set on 13 February 2025, 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.

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The budget is predominantly made up of funding for employee costs, amounting in total to £150.469m, which is broken down into Police Officers £115.303m, PCSOs £2.053m, Police Staff £30.865m and other employee costs of £2.2448m. The remainder of the budget relates to non-staff costs including, transport costs of £2.768m and supplies/other costs of £18.030m. Income of (£5.128m), 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 2025/26, compared to the revised budget is an underspend of (£0.685m), which represents 0.41% of the budget.

Police Officer pay was overspent by £0.332m through a combination of changes to the workforce plan, a conscious decision to recruit early to ensure achievement of the additional Operation Uplift and NPG targets, other budgets provided slight variances, increased income however offset these variances and enabled the Constabulary to report an overall underspend position. In addition to the final reported underspend, savings achieved in year from 'Futures Programme' activity was transferred into reserves. In total around £3m of recurring savings were generated through these projects and has now been permanently removed from the budget.

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 £4.391m in 2025/26 are shown in the financial statements of the Commissioner. This figure was significantly less (35%) than capital budget of £6.760m. Expenditure on DDAT amounted to £1.800m, which included upgrading core DDAT infrastructure and cyclical hardware and software replacements. In relation to the Estate £0.790m, the majority related to the refurbishment of the Dog Section and Appleby Police Station and works to a retaining wall at Brampton. A further £1.655m was expended on the cyclical replacement of the vehicle fleet. Other expenditure amounted to £0.146m and included replacement of the Firearms Targeting System, camera equipment and defibrillators. The balance of the budget does not represent a true underspend, it simply reflects the re-profiling of capital schemes into future years as a result of delays experienced in delivery of schemes. Capital expenditure by its nature typically spans more than one financial year.

Organisational Performance

The Constabulary operates a comprehensive framework of performance measures to ensure it is meeting its objectives and support the Commissioner in delivering the Police, Fire and Crime Plan. The following section provides a summary of performance in relation to crime, incidents and other outcomes for 2025/26 with comparators for the previous year.

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Overall crime reduced by 2% (764 crimes) compared to the previous financial year.

This table summarises the Constabulary's performance indicators.

	Number of Crimes 2024/25	Number of Crimes 2025/26	Number of Crimes Increase / (Reduction)	% Change from previous year
All Crime	37,033	36,269	(764)	-2%
Violence against the person	16,618	16,232	(386)	-2%
Homicide	5	1	(4)	-80%
Death or Serious Injury - Unlawful Driving	74	78	4	5%
Stalking and Harassment	5,170	5,182	12	0%
Violence with injury	4,602	4,371	(231)	-5%
Assault - with intent to cause serious harm	255	234	(21)	-8%
Assault with injury	4,311	4,101	(210)	-5%
Other violence with Injury	36	36	0	0%
Violence without injury	6,767	6,600	(167)	-2%
Assault without injury	5,773	5,589	(184)	-3%
Assault without injury on a Constable	432	421	(11)	-3%
Other violence without injury	562	590	28	5%
Rape and sexual offences	1,818	1,812	(6)	0%
Robbery	133	142	9	7%
Theft offences	5,236	5,116	(120)	-2%
Burglary	1,057	1,011	(46)	-4%
Vehicle offences	838	736	(102)	-12%
Criminal damage and arson offences	3,848	3,843	(5)	0%
Drugs offences	1,997	1,792	(205)	-10%
Public order offences	3,800	3,933	133	4%
Miscellaneous Crimes Against Society	1,149	1,097	(52)	-5%
Possession of weapons offences	539	550	11	2%

It should be noted that crime data statistics can change over time due to a number of local and national crime data audit processes. The figures in the table represent the latest and best information available for the relevant year at this time and as such, the data recorded for the prior year, may not now reconcile with the data published in the 2024/25 Statement of Accounts.

- 'Violence against the person', experienced a reduction of 2% which equates to 386 crimes. This broad category, includes certain crime types such as homicides and violence with injury which have decreased and death and serious injury from unlawful driving which has seen an increase.
- Acquisitive crimes such as robbery, theft and burglary reduced overall in 2025/26. The combined reduction was 2% (157 crimes).
- Whilst we encourage the reporting of rape and sex offences, reported crimes in 2025/26 reduced slightly by 6 crimes (0%) compared to the previous year.
- Drug offences experienced a reduction of 10% which equates to 205 crimes.
- Reported antisocial behaviour (ASB) has reduced by 32.6% (1,166 fewer incidents). This significant decrease is influenced by Operation Enhance and subsequent increased foot patrols within ASB hotspots.
- During 2025/26 domestic abuse crimes decreased by 4.2% which equates to 262 fewer 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 increase of 164 crimes, which represents an increase of 20.6%.

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- The Constabulary is consistently achieving some of the highest levels of call handling performance nationally, further improving our services to our communities.
- Latest CSEW data (year ending September 2025) indicates that overall confidence in policing within Cumbria is at 78.2%, which is the highest figure nationally. Additionally, 61.4% of respondents in Cumbria agreed that the police were doing a good or excellent job, which was the highest figure nationally and substantially above the national average of 49.5%

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 People Strategy 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 2025/26 there has again been particular focus on recruitment and retention of officers to maintain the Government's Uplift programme and also to facilitate the investment in the Neighbourhood Policing Guarantee.

The Occupational Health, Safety and Well-being team 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.
- Cumbria Constabulary has continued to use the Better Health at Work Awards as a gauge of the quality of the support services it provides to its staff. This is an assessment across a range of wellbeing areas. Since our last PEEL inspection, the Constabulary has been successful in achieving the Gold Award.
- 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.

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- 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 Trauma Informed Supervision Training Programme has been 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.
- During 2025/26 the Occupational Health team won the National Police Wellbeing Service award for Occupational Health.
- During 2025/26 under Operation Momentum, the Constabulary is progressing a number of initiatives to improve the working environment and the health and wellbeing of the workforce.

At the 31st March 2026 the Constabulary employed:

- 1,398 Police Officers
 - 48 PCSOs
 - 621 Police staff
- (all expressed in full time equivalents)

As part of the Commissioner's council tax pledge in 2025/26 the police officer establishment was maintained at 1,359 FTE, which represented the Constabulary's additional uplift officers to help the achievement of the national Operation Uplift programme. The achievement of the Uplift and NPG targets were made a high priority by the Constabulary. Over 2025/26 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 2026	CC		Total FTE
	Male FTE	Female FTE	
Directors/Chief Officers	11.0	2.0	13.0
Senior Managers	8.0	6.0	14.0
All Other Employees	996.0	1,044.9	2,040.9
Total CC Employees	1,015.0	1,052.9	2,067.9

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

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The 2025/26 average percentage of working time lost due to sickness reduced for both officers staff compared with the previous year. The police officer rate reduced from 5.8% to 5.4%, whilst police staff rate reduced from 5.0% to 4.1%. An attendance action plan is in place with a wide range of actions to pro-actively manage sickness.

The Constabulary are committed to supporting and developing a workforce reflective of the communities we serve, and an inclusive culture where all our officers and staff feel confident in their roles and working environments. An inclusive working environment supports the retention and development of the right people, in the right roles. A representative workforce enables the constabulary to effectively problem solve, improving service delivery and feelings of trust and confidence. Supporting these ambitions are a number of strategies. The Constabulary's Diversity Strategy covered the period 2020 to 2025. It was absorbed into the Culture and Inclusion strategy in 2026; this strategy supports the constabulary in its ambitions to deliver consistently high levels of service to keep Cumbria safe. The Culture and Inclusion objectives are:

- Increase trust and confidence among under-represented and vulnerable people
- Attract, develop and retain a representative, fair and inclusive workforce at all levels
- Foster an inclusive, ethical and equitable workplace culture across the organisation
- Protect vulnerable and under-represented individuals and communities through fair, ethical and inclusive services
- Enhance the capture, analysis and reporting of equality, diversity and inclusion data to support evidence-based decision making

The Constabulary recognises the importance of developing the skills and knowledge of its workforce. The Constabulary 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 compliance with mandatory accreditation for specialist responsibilities. During 2025/26 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.
- Leadership Training Modules for sergeants, inspectors and police staff.
- Compliance with specialist crime training and accreditations
- PPST, First Aid and Taser Training
- The new Neighbourhood Policing Programme for PCSOs, PCs, Sergeants and Inspectors working in our NPTs
- Rape and Serious Sexual Offences First Responders

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.

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 also a small electric fleet, a mix of both unmarked and marked operational vehicles.

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A web of electric chargers is available 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 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. A number of people carriers (mini busses) were operated which shuttle officers and staff between locations in a single vehicle rather than having multiple vehicles undertaking the same journey. This provides both cost efficiencies and environmental/sustainability benefits.

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

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Comprehensive Income and Expenditure Statement

Summary CI&ES	Gross Expenditure 2025/26 £000s	Gross Income 2025/26 £000s	Net Expenditure 2025/26 £000s
Cost of Police Services	139,470	(674)	138,796
Funding Provided by PFCC to CC	0	(170,379)	(170,379)
Cost of Services	139,470	(171,053)	(31,583)
Financing Costs and Investment Income	62,918	(12,150)	50,768
(Surplus)/Deficit on the Provision of Services	202,388	(183,203)	19,185
Other Comprehensive Income and Expenditure			(47,623)
Total Comprehensive Income and Expenditure			(28,438)

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 28 of the full statement of accounts.

The statement shows that the gross cost of providing policing services amounted to £138.796m in 2025/26. 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.

In addition, the CIES also records a number of technical adjustments including 'financing costs & investment income' £50.768m and 'other comprehensive income & expenditure' net income of (£47.623m).

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 surplus of (£28.438m) for the year, which largely impacts on unusable pensions reserves. The analysis on page 7 of this summary, based on the management accounts, shows an underspend of (£0.685m).

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 37.

Movement in Reserves Statement

Summary Movement in Reserves	Balance 31/03/2025 £000s	Movements 2025/26 £000s	Balance 31/03/2026 £000s
Police Pensions Reserve	(977,000)	2,150	(974,850)
LGPS Pensions Reserve	(632)	26,427	25,795
Accumulated Absences Reserve	(4,002)	(139)	(4,141)
Total Reserves	(981,634)	28,438	(953,196)

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,

Constabulary Chief Finance Officer Narrative Report

movements in year and the closing balance. The Chief Constable's statement of movements in reserves is shown on page 29 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 a positive reserves in relation to the Local Government Pension Scheme, reflecting the requirement to record pension assets and liabilities as they are earned rather than when they become due for payment. During 2025/26, the overall negative balance on the police pension scheme and the local government pension scheme have reduced, 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 £4.800m to meet unplanned risks and earmarked reserves of £20.984m for specific revenue purposes. During 2025/26, a total of £2.768m has been transferred from the Commissioner's earmarked reserves to support revenue and capital expenditure.

The Balance Sheet

Balance 31/03/2025 £000s	Summary Balance Sheet	Balance 31/03/2026 £000s
0	Long Term Assets	26,393
17,281	Current Assets	18,233
(18,838)	Current Liabilities	(18,837)
(980,077)	Long Term Liabilities	(978,985)
(981,634)	Net Liabilities	(953,196)
(981,634)	Unusable Reserves	(953,196)
(981,634)	Total Reserves	(953,196)

The balance sheet shows the value as at the balance sheet date (31 March 2026) of the Chief Constable's assets and liabilities.

The Chief Constable's long term assets (£26.393m) are comprised of the Chief Constable's share of the surplus on the Local Government Pension scheme. The Chief Constable's current assets (£18.233m) 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 (£18.837m) 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 (£978.985m) 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

Constabulary Chief Finance Officer Narrative Report

and therefore match the final position shown in the movement in reserves statement. The balance sheet is shown on page 30 in the full statement of accounts.

The Chief Constable's 2025/26 balance sheet shows a combined pensions deficit of (£949m) ((£978m) in 2024/25) 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

Cash flows 2024/25 £000s	Summary Cash Flow Statement	Cash flows 2025/26 £000s
	0 Cash & Cash Equivalents 1 April	0
19,534	Net (Surplus)/Deficit on the provision of services	19,185
(19,534)	Adjustments for Non-cash Movements	(19,185)
0	Net Cash Flows from Operating Activities	0
	0 Cash & Cash Equivalents 31 March	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 31 of the full statement of accounts.

Police Officer Pension Fund Account

Pension Fund 2024/25 £000s	Summary Police Pension Fund	Pension Fund 2025/26 £000s
(19,923)	Contributions - Employer	(21,104)
(7,731)	Contributions - Officers	(8,158)
(191)	Contributions - Other	(764)
44,183	Benefits Payable	44,085
102	Other Payments	87
16,440	Net Amount Payable	14,146
(16,440)	Contribution from Home Office	(14,146)
0	Net Amount Payable	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.

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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 2025/26 totaling (£30.026m). The pension benefits that are payable from the fund, together with other payments amounted to £44.172m. The balance between contributions and pensions' benefits paid of £14.146m 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 50-51 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 in Annex C. 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 2026. 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 continues to provide funding in respect of the Uplift Programme through the core grant, rather than as a specific ringfenced grant as it did in previous years. For 2026/27, the Government has provided £3.1m of specific grant funding which is linked to the achievement of 55 FTE additional resources in Neighbourhood Policing Teams compared to those in that area at the baseline measurement on 01/04/24.

The detailed funding settlement provided for Cumbria for 2026/27 was again a single year settlement, not the 3 year settlement outlined in the CSR in June 2025. 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 2027/28 to balance the budget. The cumulative budget gap by 2030/31 is forecast as £6.8m. The uncertain impact of inflation on future budget prospects compounds existing financial risks in relation to the adequacy and sustainability of funding, the cost of national policing programmes,

Constabulary Chief Finance Officer Narrative Report

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.

Within the Constabulary a programme of work, known as the 'Futures Programme' is underway to better understand demand and seek efficiencies. In 2025/26 this programme consisted of 7 individual projects. Against this background, the level of required savings highlighted in the MTFF are considered to be achievable.

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

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

Risks

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

There are currently four risks on Constabulary strategic risk register which are as follows:

- The implications of longer-term reduction in budget and the level of savings required.
- ISO Accreditation - the organisation does not achieve accreditation in line with the Forensic Science Regulator statutory code.
- Unable to investigate cyber-crime effectively, or promptly due to the increased volume and complexity of reported incidents.
- Unable to service demand for call data requests including urgent requests caused by existing vacancies, long term sickness, and higher demand.

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

Constabulary Chief Finance Officer Narrative Report

Acknowledgements

The financial statements were authorised for issue by me as the Constabulary Chief Finance Officer, on 19 June 2026.

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 2026 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: 19 June 2026

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 2026.

Independent Auditor's Report

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

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Subject to Audit

Independent Auditor's Report

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Subject to Audit

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
2024/25 Gross Expenditure	2024/25 Gross Income	2024/25 Net Expenditure			2025/26 Gross Expenditure	2025/26 Gross Income	2025/26 Net Expenditure
£000s	£000s	£000s		Notes	£000s	£000s	£000s
128,144	(790)	127,354	Cost of Policing and Crime Services	#	139,470	(674)	138,796
0	(156,652)	(156,652)	Funding Provided by PFCC to CC		0	(170,379)	(170,379)
128,144	(157,442)	(29,298)	Cost of Policing and Crime Services		139,470	(171,053)	(31,583)
			Financing and Investment Income and Expenditure				
58,697	(9,865)	48,832	Net Interest on the net defined benefit liability (asset)	Annex B	62,918	(12,150)	50,768
58,697	(9,865)	48,832			62,918	(12,150)	50,768
186,841	(167,307)	19,534	(Surplus) or Deficit on Provision of Services		202,388	(183,203)	19,185
		(122,674)	Remeasurement of the net defined pension benefit liability/asset	Annex B			(47,623)
		(122,674)	Other Comprehensive Income and Expenditure				(47,623)
		(103,140)	Total Comprehensive Income and Expenditure				(28,438)

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 2025/26 are provided in the table below:

	Note	Balance at 1 April 2025 £000s	Surplus/ (deficit) on the provision of services £000s	Other comprehensive income and expenditure £000s	Total comprehensive income and expenditure £000s	Adjustment between accounting basis and funding basis under regulations (Note 7) £000s	Net increase / (decrease) before transfers to/from earmarked reserves £000s	Increase/ (decrease) in 2025/26 £000s	Balance at 31 March 2026 £000s
Usable Reserves									
Chief Constable's Constabulary Fund	-	0	(19,185)	0	(19,185)	19,185	0	0	0
Total Usable Reserves		0	(19,185)	0	(19,185)	19,185	0	0	0
Unusable Reserves									
Chief Constable's Police Pension Reserve	14a	(977,000)	0	26,100	26,100	(23,950)	2,150	2,150	(974,850)
Chief Constable's LGPS Pension Reserve	14a	(632)	0	21,523	21,523	4,904	26,427	26,427	25,795
Chief Constable's Accumulated Absence	14b	(4,002)	0	0	0	(139)	(139)	(139)	(4,141)
Total Unusable Reserves		(981,634)	0	47,623	47,623	(19,185)	28,438	28,438	(953,196)
Total Reserves		(981,634)	(19,185)	47,623	28,438	0	28,438	28,438	(953,196)

The comparative figures for 2024/25 are provided in the table below:

	Note	Balance at 1 April 2024 £000s	Adjustment to Opening Balance 1 April 2024 £000s	Surplus/ (deficit) on the provision of services £000s	Other comprehensive income and expenditure £000s	Total comprehensive income and expenditure £000s	Adjustment between accounting basis and funding basis under regulations (Note 7) £000s	Net increase / (decrease) before transfers to/from earmarked reserves £000s	Increase/ (decrease) in 2024/25 £000s	Balance at 31 March 2025 £000s
Usable Reserves										
Chief Constable's Constabulary Fund	-	0	0	(19,534)	0	(19,534)	19,534	0	0	0
Total Usable Reserves		0	0	(19,534)	0	(19,534)	19,534	0	0	0
Unusable Reserves										
Chief Constable's Police Pension Reserve	14a	(1,079,290)	0	0	124,240	124,240	(21,950)	102,290	102,290	(977,000)
Chief Constable's LGPS Pension Reserve	14a	(719)	(351)	0	(1,566)	(1,566)	2,004	438	438	(632)
Chief Constable's Accumulated Absence	14b	(4,414)	0	0	0	0	412	412	412	(4,002)
Total Unusable Reserves		(1,084,423)	(351)	0	122,674	122,674	(19,534)	103,140	103,140	(981,634)
Total Reserves		(1,084,423)	(351)	(19,534)	122,674	103,140	0	103,140	103,140	(981,634)

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.

CC 31 March 2025 £000s	Balance Sheet	Notes	CC 31 March 2026 £000s
0	Pensions Asset - LGPS	Annex B	26,393
0	Long Term Assets		26,393
698	Inventories		684
6,407	Short Term Debtors (amounts owed to CC by PFCC re CC share of external Debtors)	10	6,724
209	Short Term Debtors (amounts owed to CC by employees re accumulated absences)	10	523
9,967	Short Term Debtors (funding balance owed to CC by PFCC)	10	10,302
17,281	Current Assets		18,233
(7,522)	Short Term Creditors (amounts owed by CC to PFCC re share of external creditors)	11	(6,765)
(4,211)	Short Term Creditors (amounts owed by CC to employees re accumulated absences)	11	(4,664)
(7,105)	Short Term Creditors (funding balance due from CC to PFCC)	11	(7,408)
(18,838)	Current Liabilities		(18,837)
(2,445)	Provisions	12	(3,537)
	Other Long Term Liabilities		
(977,000)	Pensions liability - Police	Annex B	(974,850)
(632)	Pensions liability - LGPS	Annex B	(598)
(980,077)	Long Term Liabilities		(978,985)
(981,634)	Net Liabilities		(953,196)
	Unusable Reserves		
(977,000)	Pensions Reserve - Police	14a	(974,850)
(632)	Pensions Reserve - LGPS	14a	25,795
(4,002)	Accumulated Absences Account	14b	(4,141)
(981,634)			(953,196)
(981,634)	Total Reserves		(953,196)

The unaudited accounts were authorised for issue on 19 June 2026.

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.

CC 2024/25 £000s	Cash Flow Statement (CC)		CC 2025/26 £000s
19,534	Net (Surplus) or Deficit on the provision of services		19,185
(19,534)	Adjustment to net surplus or deficit on the provision of services for non-cash movements	CF1	(19,185)
0	Net cash (inflow)/ outflow from Operating Activities		0
	CF1 - The Adjustment to net surplus or deficit on the provision of services for non-cash movements are made up as follows:		
(19,946)	Pension Liability (Contributions to/from Pensions Reserve)		(19,046)
623	Debtors - Adjustment re CC Share of Debtors		632
1,042	Debtors - Adjustment re Balance of Funding due from PFCC to CC		334
(438)	Creditors - Adjustment re CC Share of Creditors		305
(886)	Creditors - Adjustment re Balance of Funding due from CC to PFCC		(304)
144	Stock - Change in Balance Sheet		(14)
(73)	Provisions - Change in Balance Sheet		(1,092)
(19,534)	Adjustment to net surplus or deficit on the provision of services for non-cash movements		(19,185)

Notes to the Accounts

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The notes to the accounts are provided to aid the understanding of material items within the core financial statements. The notes contain the relevant information for the 2025/26 financial year plus the comparative figures for 2024/25.

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 52-54. Terms for which an explanation is provided will be depicted by text that is shown in teal coloured text and underlined.

1 Accounting Policies

There are a number of accounting policies that determine how items within the accounts are treated. The accounting policies are shown in a separate annex (**Annex C**).

2 Critical Judgements in Applying Accounting Policies

In applying the accounting policies as set out in Annex C (pages AP1 to AP18), 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](#).
- As part of the work undertaken in relation to the changes introduced by IFRS16 Leases, we have considered the arrangements between the PFCC and Constabulary and have come to the conclusion that there is no lease arrangement between the two bodies. If that judgement had been different, the accounts would have looked different.

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 19 June 2026. 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 2026, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

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 2026 for which there is significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Pensions Liability
Uncertainties	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. 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). At the balance sheet date, the liability in respect of the police pension scheme was £975m. In relation to LGPS, the actuary calculated that the valuation resulted in a net asset of £66m, however under 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 leaves a deficit of £0.598m in relation to unfunded benefits, and an adjusted surplus of £26.393m in relation to funded benefits. An asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.
Effect if Actual Results Differ from Assumptions	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 B, Pensions on pages 57-64.

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 2025/26 and comparatives for 2024/25 are provided in the table below:

Net Expenditure Chargeable to the Police Fund balance and as reported for resource management	CC 2024/25		Expenditure and Funding Analysis (CC)		CC 2025/26	
	Adjustments between Funding and Accounting Basis (Note 5 & 7)	Net Expenditure in the Comprehensive Income and Expenditure Statement			Adjustments between Funding and Accounting Basis (Note 5 & 7)	Net Expenditure in the Comprehensive Income and Expenditure Statement
£000s	£000s	£000s			£000s	£000s
			Cost of Policing & Crime Services			
92,604	(28,640)	63,964	Police Officer Pay & Allowances	101,701	(30,410)	71,291
1,622	0	1,622	PCSO Pay & Allowances	1,850	(83)	1,767
29,922	(248)	29,674	Police Staff Pay & Allowances	31,640	(1,360)	30,280
3,905	0	3,905	Other Employee Budgets	4,562	0	4,562
6,971	0	6,971	Premises Related Expenditure	6,710	0	6,710
1,894	0	1,894	Transport Related Expenditure	1,968	0	1,968
14,501	0	14,501	Supplies & Services Expenditure	15,396	0	15,396
4,524	0	4,524	Third Party Related Expenditure	6,614	0	6,614
412	(412)	0	Technical Accounting Adjustments	(139)	139	0
0	2	2	Non distributed costs	0	131	131
297	0	297	Termination Payments	77	0	77
(156,652)	0	(156,652)	Funding Provided by PFCC to CC	(170,379)	0	(170,379)
0	(29,298)	(29,298)	Net Cost of Services	0	(31,583)	(31,583)
0	48,832	48,832	Other Income and Expenditure	0	50,768	50,768
0	19,534	19,534	(Surplus)/Deficit on the Provision of Services	0	19,185	19,185

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 28). The relevant transfers between reserves are explained in the Movement in Reserves Statement (page 29).

The figures for 2025/26 and comparatives for 2024/25 are shown in the table below:

Note to the Expenditure and Funding Analysis (CC)				CC 2025/26		
Net change for the Pensions Adjustment (See below)	CC 2024/25 Other Differences (See below)	Total Adjustment Between funding and accounting basis		Net change for the Pensions Adjustment (See below)	Other Differences (See below)	Total Adjustment Between funding and accounting basis
£000s	£000s	£000s		£000s	£000s	£000s
			Cost of Policing & Crime Services			
(28,640)	0	(28,640)	Police Officer Pay & Allowances	(30,410)	0	(30,410)
0	0	0	PCSO Pay & Allowances	(83)	0	(83)
(248)	0	(248)	Police Staff Pay & Allowances	(1,360)	0	(1,360)
0	(412)	(412)	Technical Accounting Adjustments	139	0	139
2	0	2	Non distributed costs	131	0	131
(28,886)	(412)	(29,298)	Net Cost of Services	(31,583)	0	(31,583)
48,832	0	48,832	Other Income and Expenditure	50,768	0	50,768
19,946	(412)	19,534	(Surplus)/Deficit on the Provision of Services	19,185	0	19,185
			Further Analysis of Adjustments			
50,590	0	50,590	Police - Interest on Liabilities	54,360	0	54,360
(37,680)	0	(37,680)	Police - Reverse Employer Contributions	(36,590)	0	(36,590)
9,040	0	9,040	Police - Current Service Cost	6,180	0	6,180
8,107	0	8,107	LGPS - Interest on Liabilities	8,558	0	8,558
(9,865)	0	(9,865)	LGPS - Return on Plan Assets	(12,150)	0	(12,150)
(4,146)	0	(4,146)	LGPS - Reverse Employer Contributions	(4,401)	0	(4,401)
3,898	0	3,898	LGPS - Current Service Cost	2,958	0	2,958
2	0	2	LGPS - Non Distributed Costs	131	0	131
0	(412)	(412)	Accumulated Absences Account Adj	139	0	139
19,946	(412)	19,534	Total Adjustments	19,185	0	19,185

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.

CC 2024/25 £000s	Expenditure and Income	CC 2025/26 £000s
	Expenditure	
92,604	Police Pay & Allowances	101,701
1,622	PCSO Pay & Allowances	1,850
29,920	Police Staff Pay & Allowances	31,509
3,905	Other Employee Costs	4,562
6,971	Premises Related Costs	6,710
1,894	Transport Related Costs	1,968
14,501	Supplies & Services	15,396
4,524	Third Party Payments	6,614
412	Technical Accounting Adjustments	(139)
0	Pension Adjustment	
2	Non Distributed Costs	131
297	Termination Payments	77
(156,652)	Funding Between PFCC & CC	(170,379)
0	Total Expenditure	0
0	(Surplus)/Deficit on the Provision of Services	0

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 2025/26 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 B	19,046	(23,950)	4,904	0
- Holiday Pay (transfers to or from Accumulated Absences Account)	14b	139	0	0	(139)
Total Adjustments		19,185	(23,950)	4,904	(139)

Notes to the Accounts

The comparative figures for 2024/25 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 B	19,946	(21,950)	2,004	0
- Holiday Pay (transfers to or from Accumulated Absences Account)	14b	(412)	0	0	412
Total Adjustments		19,534	(21,950)	2,004	412

8 Audit Fees

In 2025/26 the [Chief Constable](#) incurred the following fees relating to external audit services provided by Grant Thornton UK LLP.

CC 2024/25 £000s	External Audit Fees	CC 2025/26 £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:	
0	- In relation to 2024/25 Audit	1
57	- In relation to 2025/26 Audit	60
57	Total External Audit Fees for Year	61

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. 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.

Notes to the Accounts

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 A on pages 55 to 56.

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

10 Short-term Debtors

A breakdown of the amounts owing to the [Chief Constable](#) as at 31 March 2026 with comparative information for the previous year is set out in the table below:

CC As at 31 March 2025 £000s	Short-term Debtors	CC As at 31 March 2026 £000s
	Balance Owed from PFCC re CC Share of External Debtors	
65	- Trade Receivables	98
3,408	- Police pensions prepayment	3,410
2,934	- Prepayments/Payments in Advance	3,216
6,407		6,724
209	Balance Owed from Employees (re accumulated absences)	523
9,967	Balance Owed from PFCC re Balance of Funding	10,302
16,583	Total Debtors	17,549

Notes to the Accounts

11 Short-term Creditors

An analysis of the amounts owed by the [Chief Constable](#) as at 31 March 2026 with comparative information for the previous year is set out in the table below:

CC As at 31 March 2025 £000s		Short-term Creditors		CC As at 31 March 2026 £000s	
		Balance Owed to PFCC re CC Share of External Creditors			
(4,594)		- Trade Payables		(3,453)	
(2,928)		- HMRC PAYE Amounts Due		(3,312)	
(7,522)				(6,765)	
(4,211)		Balance owed to Employees (re accumulated absences)		(4,664)	
(7,105)		Balance owed to PFCC re balance of Funding		(7,408)	
(18,838)		Total Creditors		(18,837)	

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 2026 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.

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 2026.

Provisions	Balance as at 01/04/25	Reclassifications Between Categories 2025/26	Additional Provisions Made 2025/26	Amounts Used in 2025/26	Unused Amounts Reversed in 2025/26	Balance as at 31/03/26
	£000s	£000s	£000s	£000s	£000s	£000s
Insurance Liabilities	(1,470)	(610)	(1,298)	464	0	(2,914)
Legal Claims	(975)	610	(413)	99	56	(623)
Total Provisions	(2,445)	0	(1,711)	563	56	(3,537)

The comparative information for year ended 31 March 2025 is as follows:

Provisions	Balance as at 01/04/24	Additional Provisions Made 2024/25	Amounts Used in 2024/25	Unused Amounts Reversed in 2024/25	Balance as at 31/03/25
	£000s	£000s	£000s	£000s	£000s
Insurance Liabilities	(1,470)	(288)	288	0	(1,470)
Legal Claims	(902)	(457)	194	190	(975)
Total Provisions	(2,372)	(745)	482	190	(2,445)

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 B on pages 57 to 64.

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](#).

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 Police Pension Reserve 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 credit balance on the LGPS Pensions Reserve reflects a surplus on the pension fund, after an asset ceiling adjustment has been applied. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

CC LGPS 2024/25 £000s	CC Police 2024/25 £000s	Pensions Reserve	CC LGPS 2025/26 £000s	CC Police 2025/26 £000s
(719)	(1,079,290)	Balance at Start of Year	(632)	(977,000)
(351)	0	Adjustment to Opening Balance	0	0
(1,070)	(1,079,290)	Adjusted Balance at Start of Year	(632)	(977,000)
22,858	124,240	Remeasurement of the net defined pension benefit liability/asset	2,057	26,100
(2,142)	(59,630)	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	503	(60,540)
4,146	37,680	Employer's pension contributions and direct payments to pensioners payable in the year.	4,401	36,590
(24,424)	0	Impact of Asset Ceiling	19,466	0
(632)	(977,000)	Balance at End of Year	25,795	(974,850)

The adjustment to the balance b/fwd in 2024/25, reflects a late adjustment to the 2023/24 pensions asset values where the decision was taken not to adjust on the grounds of materiality.

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.

CC 2024/25 Accumulated Absences Account £000s		CC 2025/26 £000s
(4,414)	Balance at Start of Year	(4,002)
4,414	Settlement or cancellation of accrual made at the end of the preceding year	4,002
(4,002)	Amounts accrued at the end of the current year	(4,141)
412	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	(139)
(4,002)	Balance at End of Year	(4,141)

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.

CC 2024/25 Members Allowances £000s		CC 2025/26 £000s
48	Basic Allowance	44
7	Travel and Subsistence	7
55		51
	Analysis by Type:	
15	Joint Audit Committee	15
22	Community Scrutiny Panel	18
3	Independent Custody Visitors	3
15	Misconduct Panel	15
55		51

The above table includes expenses for the appointed members of the Joint Audit Committee, the Community Scrutiny 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.

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-pfcc.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 2025/26 in £000s.

Postholder Information Post Title	Note	Salary (including Fees & Allowances)	Expense Allowances	Salary Sacrifice	Benefits in Kind	Total Remuneration Excluding pension Contributions	Pension Contributions	Total Remuneration Including pension Contributions
Shown in Single Entity Statements of Chief Constable								
Former Chief Constable - Robert Carden	1	121	0	0	0	121	29	150
Chief Constable - Darren Martland	2	180	(2)	0	0	178	0	178
Deputy Chief Constable - Jonathan Blackwell	3	151	0	0	0	151	49	200
Assistant Chief Constable		138	3	(6)	1	136	47	183
Temporary Assistant Chief Constable (a)		125	12	0	0	137	40	177
Temporary Assistant Chief Constable (b)	4	116	2	0	0	118	41	159
Chief Superintendent (Cumberland)		105	4	(4)	1	106	37	143
Chief Superintendent (Westmorland & Furness)		114	3	(6)	1	112	40	152
Chief Superintendent (Operations)	5	115	1	(8)	2	110	40	150
Chief Superintendent (Crime & Intel Command)		116	2	0	0	118	40	158
Temporary Chief Superintendent (Crime & Intel Command)	6	99	4	(5)	1	99	34	133
Director of Legal Services		104	1	(1)	0	104	20	124
Director of Strategic Development		94	1	0	0	95	17	112
Constabulary Chief Finance Officer		93	0	(20)	0	73	18	91
Temporary Director of Enabling Services	7	87	0	0	0	87	16	103
Total Chief Constable		1,758	31	(50)	6	1,745	468	2,213

Notes

- Chief Constable Carden resigned on transfer to Merseyside Police 31/08/25.
- Chief Constable Martland became Temp. CC on 09/06/25 and was appointed on a permanent basis on 01/03/26, prior to June 2025 Mr Martland was DCC.
- ACC Blackwell became Temp. DCC on 09/06/25, and was appointed to the role on a permanent basis on 27/04/26.
- Ch. Supt Operations became Temp. ACC on 01/03/26.
- Ch. Supt Enabling Services became Ch Supt Operations on 14/01/26.
- Temp. Ch. Supt Crime & Intel Command was appointed 26/01/26, prior to this he was Supt. within Crime Command.
- The Head of DDAT became Temp. Director of Enabling Services on 15/01/26.

Notes to the Accounts

The table below gives the comparative information for 2024/25 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 - Robert Carden		186	(2)	0	0	11	195	66	261
Deputy Chief Constable		142	3	0	0	0	145	0	145
Assistant Chief Constable		134	0	0	0	0	134	47	181
Temporary Assistant Chief Constable (a)		126	12	0	0	0	138	38	176
Temporary Assistant Chief Constable (b)	1	107	3	0	1	0	111	38	149
Chief Superintendent (Cumberland) (a)	2	97	3	0	1	0	101	34	135
Chief Superintendent (Corporate Support)	3	108	1	(1)	1	0	109	38	147
Temporary Chief Superintendent (Westmorland & Furness)	4	95	6	0	1	0	102	33	135
Chief Superintendent (Westmorland & Furness)	5	101	4	0	1	0	106	35	141
Chief Superintendent (Operations)		108	2	0	1	0	111	38	149
T/Chief Superintendent (Crime & Intel Command)	6	94	6	0	0	0	100	32	132
Chief Superintendent (Crime & Intel Command)	7	81	2	0	1	0	84	28	112
Director of Strategic Development		87	1	0	1	0	89	16	105
Constabulary Chief Finance Officer		86	0	(20)	0	0	66	16	82
Director of Legal Services		99	1	(1)	1	0	100	19	119
Total Chief Constable		1,651	42	(22)	9	11	1,691	478	2,169

Notes

- 1 Ch Supt (Cumberland) appointed to Temporary ACC (b) 17/02/2025
- 2 Temp Ch Supt (Cumberland) was appointed to the role on 09/09/2024.
- 3 Ch Supt (Westmorland & Furness) appointed to Ch Supt Futures and Blue light Collaboration on 08/07/2024.
- 4 Temp Ch Supt (Westmorland & Furness) until 05/05/2024 returned to Detective Supt role.
- 5 Temp Ch Supt (Crime & Intel) appointed to the role of Ch Supt (Westmorland & Furness) on 06/05/2024
- 6 Supt (Crime & Intel) appointed to the role of Ch Supt (Crime & Intel) on 06/05/2024
- 7 Ch Supt (Crime & Intel) appointed on 08/07/2024.

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:

2024/25			Remuneration Band	2025/26		
CC Police Staff	CC Snr Police Officers	CC Total		CC Police Staff	CC Snr Police Officers	CC Total
19	0	19	£50,000 to £54,999	25	0	25
6	0	6	£55,000 to £59,999	9	0	9
3	0	3	£60,000 to £64,999	4	0	4
2	0	2	£65,000 to £69,999	4	0	4
0	0	0	£70,000 to £74,999	4	0	4
5	0	5	£75,000 to £79,999	0	0	0
1	1	2	£80,000 to £84,999	2	0	2
1	0	1	£85,000 to £89,999	4	0	4
0	0	0	£90,000 to £94,999	2	0	2
0	0	0	£95,000 to £99,999	0	1	1
1	1	2	£100,000 to £104,999	1	0	1
0	2	2	£105,000 to £109,999	0	1	1
0	2	2	£110,000 to £114,999	0	2	2
0	0	0	£115,000 to £119,999	0	2	2
0	0	0	£120,000 to £124,999	0	1	1
0	0	0	£125,000 to £129,999	0	0	0
0	1	1	£130,000 to £134,999	0	0	0
0	1	1	£135,000 to £139,999	0	2	2
0	1	1	£140,000 to £144,999	0	0	0
1	0	1	£145,000 to £149,999	0	0	0
0	0	0	£150,000 to £154,999	0	1	1
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	0	0
0	0	0	£170,000 to £174,999	0	0	0
0	0	0	£175,000 to £179,999	0	1	1
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	1	1	£195,000 to £199,999	0	0	0
39	10	49	Total	55	11	66

In 2025/26 the remuneration for 701 Police Officers (443 in 2024/25) 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 impact of the September 2024 and part year impact of the September 2025 pay award. 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	
	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26
	Headcount	Headcount	Headcount	Headcount	Headcount	Headcount	£000's	£000's
£0-£20,000	0	0	3	1	3	1	18	4
£20,001 - £40,000	0	0	2	1	2	1	63	24
£40,001 - £60,000	0	0	1	1	1	1	46	45
£60,001 - £80,000	0	0	0	0	0	0	0	0
£80,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
£150,001 - £200,000	0	0	1	0	1	0	171	0
Total	0	0	7	3	7	3	298	73

During 2025/26 the contracts of a small number of employees were terminated incurring termination payments amounting to £73k (£298k in 2024/25). This amount is made up of exit packages paid in 2025/26.

The exit packages paid in 2025/26 amount to £73k (£298k in 2024/25). The exit packages can be further split into compensation for loss of employment £73k (£161k in 2024/25) and enhanced pension benefits £0k (£137k in 2024/25). 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 2025/26.

It should be noted that the total cost of termination payments above relating to 2024/25 is offset by income of £103k elsewhere in the accounts. This is due an agreement to split the redundancy costs with a third party at the end of the secondment contract.

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 2025/26 financial year.

19.d Other Public Bodies

The Chief Constable's transactions with the Cumbria Local Government Pension Scheme (administered by Westmorland & Furness Council) are shown in the pension related disclosure notes included within the Technical Annex (Annex B) pages 57-64.

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, North West Armed Policing Collaboration and Northwest Strategic Automatic Number Plate Recognition (ANPR).
- 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 Forensics (Toxicology & Courier).
- The PCC for Lancashire – Regional Forensics (Drugs and Footwear).

20 Pension Notes

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. The settlement of the injury to feelings claims for Aarons sets a helpful precedent, therefore no liability in respect of compensation claims is recognised in these accounts. Pecuniary loss claims remain stayed under advice from Counsel, but it is expected that most of these claims will be settled under the current compensation mechanism that is provided for under the Public Service Pensions & Judicial Offices Act (PSPJOA) 2022. As at 31 March 2026, it is not possible to reliably estimate the extent or likelihood of Penningtons claims being successful, and therefore no contingent liability in respect of compensation claims is recognised in these accounts.

Impact of High Court Ruling in the case of Virgin Media Ltd vs NTL Pensions Trustees II Ltd (and others)

The ruling relates to actuarial certifications under section 37 of the Pension Schemes Act 1993. This case potentially has implications for the validity of amendments made by schemes which were contracted-out on a salary-related basis between 6 April 1997 and the abolition of contracting-out in 2016. To address this, there is draft legislation which allows for remedial action, though this is yet to receive Royal Assent. There is uncertainty on whether there is potential read across to public service pension schemes. We understand that schemes continue to administer benefits and recognise liabilities in accordance with scheme regulations currently in force. No additional costs are assumed to be recognised in the 2025/26 accounting disclosures. This approach is the same as last year.

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

For 2025/26 the following accounting policy changes that need to be reported relate to:

- a) Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage assets) issued in March 2024.
- b) Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) issued in May 2024.
- c) Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024.
- d) Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) issued in December 2024.

In the Financial Statements for 2026/27, 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 2025/26 financial year together with comparative information for 2024/25.

CC 2024/25 £000s	Police Officer Pension Fund Account	CC 2025/26 £000s
	Contributions Receivable	
	Employer	
(19,923)	- Contributions (35.3% in 2024/25 and 2025/26)	(21,104)
	Officers' Contributions	
(128)	- 1987 Scheme Member Contributions (see narrative for rates)	(90)
(7,603)	- 2015 Scheme Member Contributions (see narrative for rates)	(8,068)
(27,654)		(29,262)
(11)	Transferees in from Other Schemes	(250)
(180)	Capital Equivalent charge for ill-health schemes	(514)
(191)		(764)
	Benefits Payable	
39,220	Recurrent Pensions	40,080
5,072	Commutations and Lump Sums	3,703
(109)	Other (Scheme Pays)	302
44,183		44,085
	Payments to and on Account of Leavers	
94	Refund of Contributions	57
8	Transfer out to other schemes	30
102		87
16,440	Net Amount Payable for the Year	14,146
(16,440)	Additional Contribution from the Police, Fire & Crime Commissioner	(14,146)
0	Net Amount Payable (Receivable) for the Year	0

Net Assets Statement

This statement shows the net assets and liabilities of the scheme as at 31 March 2026.

CC 2024/25 £000s	Pension Fund Net Assets & liabilities	CC 2025/26 £000s
	Current Assets	
3,284	Pensions Benefits paid in advance	3,322
	Current Liabilities	
(3,284)	Amount due to the Police, Fire & Crime Commissioner	(3,322)

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. Many members who were previously members of the 1987 or 2006 schemes may be eligible for pension remedy, which gives them the option to choose whether to take benefits from their legacy scheme or the 2015 CARE scheme for 1st April 2015 to 31st March 2022, subject to a pension contribution adjustment. This regardless of whether they were previously protected or not. The members' contribution rates for the new scheme ranged between 12.44% and 13.78% in 2025/26 and 2024/25.

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 30). Detailed disclosure notes regarding the Police Pension schemes can be found in the Technical Annex to the Statement of Accounts (Annex B Pensions on pages 57-64).

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 35.3% 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.

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.

IDSVA

Independent Domestic and Sexual Violence Advisor.

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.

MHCLG

Department for Housing, Communities and Local Government (formerly DLUHC and DCLG).

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 – Technical Annex – Financial Instrument Disclosures

A1 Categories of Financial Instrument

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

CC Current 31 March 2025 £000s	Categories of Financial Instruments	CC Current 31 March 2026 £000s
	Financial Assets	
	Debtors	
44	Debtors held at Amortised Cost	68
16,539	Items not classified as Financial Instruments	17,482
16,583	Total Financial Assets	17,550
	Financial Liabilities	
	Creditors	
(4,594)	Creditors held at Amortised Cost	(3,453)
(14,244)	Items not classified as Financial Instruments	(15,384)
(18,838)	Total Financial Liabilities	(18,837)

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.

A2 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.

A3 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 2025), 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 2026 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.

B1 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 2025/26 the Chief Constable received a refund of pension fund surplus of £373k. The contribution rate was last reviewed in March 2025 with a revised rate for employers contributions of 17.1% being applicable from April 2026. The contribution rate will next be reviewed in March 2028 with a revised rate for employers contributions being applicable from April 2029.

- **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 35.3% from 1st April 2024 and has remained at this level for 2025/26.

Annex B – Technical Annex – Pension Disclosures

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.

Also from 1st April 2006 legislation required the operation of a Pension Fund Account (shown on pages 50-51). 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 B – 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:

CC						Pension Transactions in MiRS and CI&ES	CC					
LGPS Scheme		Police Scheme		Total			LGPS Scheme		Police Scheme		Total	
Funded	Unfunded	1987	2006	2015	All Schemes		Funded	Unfunded	1987	2006	2015	All Schemes
2024/25	2024/25	2024/25	2024/25	2024/25	2024/25		2025/26	2025/26	2025/26	2025/26	2025/26	2025/26
£000s	£000s	£000s	£000s	£000s	£000s		£000s	£000s	£000s	£000s	£000s	£000s
						Comprehensive Income and Expenditure Statement						
						Cost of Services						
						Service cost comprising:						
3,898	0	410	0	8,630	12,938	• Current service cost	2,958	0	490	0	5,690	9,138
2	0	0	0	0	2	• Past service costs	0	0	0	0	0	0
0	0	0	0	0	0	• (Gain)/loss from settlements/curtailments	131	0	0	0	0	131
						Financing and Investment Income and Expenditure						
(1,792)	34	43,390	1,760	5,440	48,832	• Net interest expense	(3,627)	35	46,370	1,770	6,220	50,768
2,108	34	43,800	1,760	14,070	61,772	Total Post-employment Benefits charged to the Surplus or Deficit on the Provision of Services	(538)	35	46,860	1,770	11,910	60,037
						Other Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement						
						Remeasurement of the net defined benefit liability comprising:						
5,204	0	0	0	0	5,204	• Return on plan assets (excluding the amount included in the net interest expense)	(5,699)	0	0	0	0	(5,699)
(453)	(2)	(1,160)	(90)	(490)	(2,195)	• Actuarial (gains) and losses arising on changes in demographic assumptions	(273)	0	0	0	0	(273)
(27,693)	(51)	(91,670)	(7,270)	(23,810)	(150,494)	• Actuarial (gains) and losses arising on changes in financial assumptions	(2,589)	0	(25,660)	(1,350)	(5,670)	(35,269)
(51)	0	220	200	(170)	199	• Experience (gains) and losses on liabilities	6,315	(5)	24,860	3,220	(21,500)	12,890
188	0	0	0	0	188	• Administration expenses	194	0	0	0	0	194
24,424	0	0	0	0	24,424	• Impact of Asset Ceiling	(19,466)	0	0	0	0	(19,466)
1,619	(53)	(92,610)	(7,160)	(24,470)	(122,674)	Total Post-employment Benefits charged to Other Comprehensive Income and Expenditure	(21,518)	(5)	(800)	1,870	(27,170)	(47,623)
3,727	(19)	(48,810)	(5,400)	(10,400)	(60,902)	Total Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement	(22,056)	30	46,060	3,640	(15,260)	12,414
						Movement in Reserves Statement						
(2,108)	(34)	(43,800)	(1,760)	(14,070)	(61,772)	• Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post-employment benefits in accordance with the Code.	538	(35)	(46,860)	(1,770)	(11,910)	(60,037)
						Actual amount charged against the General Fund Balance for pensions in the year						
4,078	68	0	0	0	4,146	• Employers' contributions payable to the scheme	4,337	64	0	0	0	4,401
0	0	44,290	510	(7,120)	37,680	• Retirements benefits payable to pensioners	0	0	43,780	300	(7,490)	36,590
4,078	68	44,290	510	(7,120)	41,826	Total amount charged against the Police Fund Balance for pensions in the year	4,337	64	43,780	300	(7,490)	40,991

Annex B – Technical Annex – Pension Disclosures

B2 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 2026 with comparative information for the previous year are as follows:

LGPS Scheme		CC			Pension Scheme Assets & Liabilities	LGPS Scheme		CC		
Funded	Unfunded	1987	2006	2015		Funded	Unfunded	1987	2006	2015
2024/25	2024/25	2024/25	2024/25	2024/25		2025/26	2025/26	2025/26	2025/26	2025/26
£000s	£000s	£000s	£000s	£000s		£000s	£000s	£000s	£000s	£000s
(146,182)	(632)	(842,050)	(31,410)	(103,540)	Present value of the defined benefit obligation	(157,801)	(598)	(844,330)	(34,750)	(95,770)
205,486	0	0	0	0	Fair value of plan assets	224,032	0	0	0	0
(59,304)	0	0	0	0	Impact of Asset Ceiling	(39,838)	0	0	0	0
0	(632)	(842,050)	(31,410)	(103,540)	Net liability arising from defined benefit obligation	26,393	(598)	(844,330)	(34,750)	(95,770)

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 £949m (£978m in 2025/26) 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 £953m (£982m in 2024/25). 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 2026 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 B – Technical Annex – Pension Disclosures

Reconciliation of present value of scheme liabilities:

CC					Reconciliation of Scheme Liabilities	CC				
LGPS Scheme		Police Scheme				LGPS Scheme		Police Scheme		
Funded	Unfunded	1987	2006	2015		Funded	Unfunded	1987	2006	2015
2024/25	2024/25	2024/25	2024/25	2024/25		2025/26	2025/26	2025/26	2025/26	2025/26
£000s	£000s	£000s	£000s	£000s		£000s	£000s	£000s	£000s	£000s
(167,091)	(719)	(935,150)	(37,320)	(106,820)	Balance at Start of Year	(146,182)	(632)	(842,050)	(31,410)	(103,540)
(3,898)	0	(410)	0	(8,630)	Current service cost	(2,958)	0	(490)	0	(5,690)
(8,073)	(34)	(43,390)	(1,760)	(5,440)	Interest cost	(8,523)	(35)	(46,370)	(1,770)	(6,220)
(1,511)	0	(20)	0	(7,610)	Contributions by Scheme Participants	(1,564)	0	0	0	(8,070)
					Remeasurement gains and (losses):					
453	2	1,160	90	490	- Arising from changes in demographic assumptions	273	0	0	0	0
27,693	51	91,670	7,270	23,810	- Arising from changes in financial assumptions	2,589	0	25,660	1,350	5,670
51	0	(220)	(200)	170	- Experience gains/(losses)	(6,315)	5	(24,860)	(3,220)	21,500
(2)	0	0	0	0	Past service cost	0	0	0	0	0
0	0	0	0	0	Gains/(losses) on curtailment	(131)	0	0	0	0
6,196	68	44,310	510	490	Benefits Paid/Transfers	5,010	64	43,780	300	580
(146,182)	(632)	(842,050)	(31,410)	(103,540)	Balance at End of Year	(157,801)	(598)	(844,330)	(34,750)	(95,770)

The liabilities under the Police pension Schemes have reduced during 2025/26. The principal reason for these changes is in relation to changes to financial assumptions.

The liabilities under the LGPS Scheme have increased during 2025/26. The principal reason for these changes is in relation to changes to financial assumptions and experience losses.

Reconciliation of fair value of the scheme assets:

CC LGPS			CC LGPS		
Funded 2024/25 £000s	Unfunded 2024/25 £000s	Reconciliation of Scheme Assets	Funded 2025/26 £000s	Unfunded 2025/26 £000s	
201,971	0	Balance at Start of Year	205,486	0	
(351)	0	Adjustment to Opening Balance #	0	0	
201,620	0	Adjusted Balance at Start of Year	205,486	0	
9,865	0	Interest Income	12,150	0	
(5,204)	0	Remeasurements - Gains and (Losses)	5,699	0	
(188)	0	Administration Expenses	(194)	0	
4,078	68	Employer Contributions	4,337	64	
1,511	0	Contributions by Scheme Participants	1,564	0	
(6,196)	(68)	Benefits Paid	(5,010)	(64)	
205,486	0	Balance at End of Year	224,032	0	

Annex B – 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:

CC 2024/25		LGPS Asset Breakdown		Quoted Y/N	CC 2025/26	
£000s	%				£000s	%
		Equities				
3,904	1.90%	UK Equity Pooled		Y	4,772	2.13%
49,729	24.20%	Global Equity Pooled		Y	49,735	22.20%
17,466	8.50%	Overseas Equity Pooled		Y	22,560	10.07%
		Bonds				
29,795	14.50%	UK Government Indexed Pooled		N	33,246	14.84%
		Property				
205	0.10%	UK		N	179	0.08%
15,822	7.70%	Property Funds		N	16,041	7.16%
		Alternatives				
20,343	9.90%	Private Equity Funds		N	21,171	9.45%
32,057	15.60%	Infrastructure Funds		N	36,002	16.07%
16,644	8.10%	Private Debt Funds		N	18,796	8.39%
2,877	1.40%	Healthcare Royalties		N	1,792	0.80%
13,562	6.60%	Multi Asset Credit		N	10,126	4.52%
		Cash				
3,082	1.50%	Cash Accounts		Y	9,387	4.19%
0	0.00%	Net Current Assets		N	225	0.10%
205,486	100.00%				224,032	100.00%

B3 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 2026. The Police Scheme estimates have been compiled using a valuation model devised by the Government Actuaries Department.

Annex B – Technical Annex – Pension Disclosures

The principal assumptions used by the actuary have been:

LGPS 2024/25	Police 2024/25	Actuarial Assumptions	LGPS 2025/26	Police 2025/26
		Mortality Assumptions:		
		Longevity at 65 for current pensioners:		
21.5	21.9	- Men	21.4	22.0
24.0	23.9	- Women	24.1	24.0
		Longevity at 65 for future pensioners:		
22.8	23.3	- Men	22.7	23.4
25.7	25.2	- Women	25.6	25.3
2.60%	2.70%	Rate of Inflation (CPI)	2.90%	2.95%
4.10%	3.45%	Rate of increase in salaries	4.40%	3.70%
2.70%	2.70%	Rate of increase in pensions	3.00%	2.95%
2.60%	3.95%	Rate of Revaluation for CARE Pensions	2.90%	4.20%
5.90%	5.65%	Rate for discounting scheme liabilities	6.30%	6.10%

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)	3,090	70	196
Rate of Inflation (increase by 0.25%)	6,409	199	405
Rate of Increase in Salaries (increase by 0.25%)	929	0	60
Rate for Discounting Scheme Liabilities (increase by 0.5%)	(12,081)	(368)	(1,155)
Change in investment Returns (increase by 1%)	0	0	(141)
Change in investment Returns (reduce by 1%)	0	0	142

Annex B – Technical Annex – Pension Disclosures

Sensitivity Analysis – Police Pension Schemes

Sensitivity Analysis - Police Pensions	Police Pensions 1987 Scheme £000s	CC Police Pensions 2006 Scheme £000s	Police Pensions 2015 Scheme £000s
Assumption Sensitivity			
Longevity (1 Year increase in life expectancy)	21,000	1,000	2,000
Rate of Increase in Pensions (increase by 0.5%)	53,000	3,000	14,000
Rate of Increase in Salaries (increase by 0.5%)	4,000	2,000	0
Rate for Discounting Scheme Liabilities (increase by 0.5%)	(52,000)	(4,000)	(12,000)

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

B4 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 15 years. Funding levels are monitored on an annual basis. The most recent triennial valuation took place during 2025/26 with a further review due in 2028/29 based on the position at 31 March 2028. The previous revaluation resulted in a reduction in contribution rates from 18.9% to 17.1% for the Constabulary which took effect from 1 April 2026.

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 2027 are £4.875m. Expected contributions for the Police Pension Scheme in the year to 31 March 2027 are £22.750m.

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

2024/25 Years	Weighted Average Duration of the Defined benefit Obligation		2025/26 Years
	Pensions Scheme		
21	Local Government Pension Scheme - CC		17
14	Police Pension -1987 Scheme		14
27	Police Pension -2006 Scheme		23
29	Police Pension -2015 Scheme		28



The Police, Fire and Crime Commissioner for Cumbria

&

The Chief Constable of Cumbria Constabulary

Accounting Policies

Annex C - Statement of Accounting Policies

1. General Principles

- 1.1. The Statement of Accounts summarises the financial transactions for the 2025/26 financial year and the financial position at the 31 March 2026. The Police, Fire and Crime Commissioner for Cumbria and The Chief Constable of Cumbria Constabulary 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 (the Code), supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the Local Government Act 2003. The Commissioner is responsible for combining the single entity statements to form a set of consolidated group accounts.
- 1.2. The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets.

Historic Cost – the amount the organisation originally paid for an item.

2. Accruals of Income and Expenditure

- 2.1. Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:
- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
 - 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.
 - Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
 - 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. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.
 - 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.

Annex C - Statement of Accounting Policies

3. Exceptional Items

- 3.1. 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.

4. Material Estimation Techniques

- 4.1. 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.

5. Cash & Cash Equivalents

- 5.1. Cash is represented by cash in hand, petty cash and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents may also include overdrawn balances at the bank where they are an integral part of cash management. Generally, cash and cash equivalents will comprise, cash in hand, bank account balances, overnight deposits and deposits with Money Market Funds which are repayable on demand without penalty or loss of interest.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand or form an integral part of cash management.

In accordance with the Commissioner's framework of governance, with 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.

6. Charges to Revenue for Non-current Assets

- 6.1. Services and support services are charged an accounting estimate of the cost of holding non-current assets during the year. This comprises:
- Depreciation attributable to the assets
 - Revaluation and impairment losses on assets used where there are no accumulated gains in the revaluation reserve against which the losses can be written off
 - Amortisation of intangible assets used

Council tax is not required to be raised to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and

Annex C - Statement of Accounting Policies

revaluation and impairment losses are therefore substituted by a revenue contribution in the Police Fund balance, by way of an adjusting transaction within the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

In accordance with the terms of the Commissioner's framework of governance 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.

7. Council Tax

7.1. Council Tax is collected from local taxpayers by the billing authorities (unitary councils). The billing authorities in England are required by statute to maintain a separate fund, known as the Collection Fund, for the collection and distribution of amounts due in respect of Council Tax. The fund's key features relevant to accounting for Council Tax in the core financial statements of the billing authorities are:

- In its capacity as a billing authority the council acts as agent; it collects and distributes Council Tax income on behalf of the major preceptors (Police, Fire and Crime Commissioner for Cumbria and Cumbria Commissioner Fire and Rescue Authority) and itself.
- While the Council Tax income for the year credited to the collection fund is accrued income for the year, regulations determine when it should be released from the collection fund and transferred to the general fund of the billing authority or paid out of the collection fund to major preceptors.
- Up to 2008/09 the SORP required the Council Tax income included in the Comprehensive Income and Expenditure Statement to be that which under regulation was required to be transferred from the collection Fund to the general fund of the billing authority. The Major precepting bodies were simply required to show the precept received from the billing authority during the year.
- From the year commencing 1 April 2009, the Council Tax income included in the Comprehensive Income and Expenditure Statement for the year shall be the accrued income for the year. The difference between the income included in the Comprehensive Income and Expenditure Statement and the amount required by regulation to be credited to the collection fund shall be taken to the Collection Fund Adjustment Account and included as a reconciling item in the Movement in Reserves Statement.

Since the collection of Council Tax is, in substance, an agency arrangement, cash collected by the billing authority from Council Tax debtors belongs proportionately to the billing authority and the major preceptors. There will be therefore a debtor/creditor position between the billing authorities and each major preceptor to be recognised since the net cash paid to each major preceptor in the year will not be its share of cash collected from Council Taxpayers.

The Comprehensive Income and Expenditure Statement shows the share of cash collected in relation to Council Tax for the year. A transfer has been made to the collection fund adjustment account to record the amount due to/from the unitary councils (billing authorities) as at the year end. The debtors and creditors contained within the balance sheet now shows the share of Council Tax debtors (less an adjustment for bad and doubtful debts), Council Tax creditors, prepayments and a recognition of the amounts owed to or from the billing authorities.

Annex C - Statement of Accounting Policies

Council Tax income is recorded purely in the financial statements of the Police, Fire and Crime Commissioner, it does not feature in the single entity statement of the Chief Constable of Cumbria Constabulary.

8. Employee Benefits

8.1. 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.

8.2. Termination Benefits

Termination benefits are amounts payable as a result of a decision to terminate an individual'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.

8.3. Post-Employment Benefits – CIES Entries/Charges to the Police Fund

All accounting entries relating to the Comprehensive Income and Expenditure Statement and the subsequent liability for Police Officer pensions are wholly recorded in the single entity statements of the Chief Constable. 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. All accounting entries for Police Officer pensions and Police Staff pensions are consolidated in the group statements.

As outlined above, the single entity statements of the Commissioner do not include any accounting entries in relation to the Police Officer Pensions funds as these are wholly recognised by the Chief Constable. The group accounts however include all relevant accounting entries in relation to Police Pension Funds.

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

Annex C - Statement of Accounting Policies

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.

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.

8.4. Measurement of Liabilities

The liabilities of each of the pension funds 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 Annex B, B3).

Actuarial valuations of the fund are undertaken every three years to determine the contribution rates needed to meet its liabilities.

8.5. Measurement of Assets

The assets of the LGPS pension fund are included in the Balance Sheet at their fair value:

Annex C - Statement of Accounting Policies

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

8.6. Pensions 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. For pensions, the material estimation techniques used are as follows:

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.

9. Events after the Reporting Period

9.1. 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.

10. Financial Instruments

10.1. Financial Liabilities

Financial Liabilities are initially measured at fair value and carried at their amortised cost. Annual charges to the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. For borrowings this means that the amount presented on the Balance Sheet is the outstanding amount of principal repayable and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year in the loan agreement. Borrowing is undertaken and accounted for in accordance with the Treasury Management Strategy. Where a payable (i.e. creditor) has a maturity of less than 12 months the fair value is taken to be the principal outstanding, or the billed/invoiced

Annex C - Statement of Accounting Policies

amount. In accordance with the governance framework between the Commissioner and the Chief Constable, all financial instrument liabilities, including borrowing and trade creditors are held by the Commissioner.

10.2. Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. The Commissioner holds financial assets measured at amortised costs (investments, cash and cash equivalent and debtors).

Financial Assets are initially measured at fair value and carried at their amortised cost. Annual credits to the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. Where 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. Investments are shown in the balance sheet at cost. Where investments are fixed term deposits, accrued interest owing at the balance sheet date is included in the Comprehensive Income and Expenditure Statement.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the 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 the adjustment made to the debtors balance as an impairment allowance for doubtful debts.

Investments are undertaken and accounted for in accordance with the Treasury Management Strategy. **Treasury Management** is defined as “the management of the organisation’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.’

The **Treasury Management Strategy** is produced on an annual basis and is approved by the Commissioner in February each year. The strategy contains an investment strategy which provides details of approved counterparties with whom investments can be placed and approved limits and durations for investment. The strategy also includes a borrowing strategy should this be needed and approved practices and procedures to be adopted by staff carrying out investment and borrowing activities.

In accordance with the Commissioner’s governance framework with the Chief Constable all financial instrument assets including investments and trade debtors are held by the Commissioner.

11. Government Grants and Contributions

11.1. Whether paid on account, by installments or in arrears, government grants and third party contributions and donations are recognised as due when there is reasonable assurance of:

- compliance with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired

Annex C - Statement of Accounting Policies

using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the body making the grant or contribution.

Monies advanced as grants or contributions for which conditions have not been satisfied are carried on the balance sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant function line (attributable revenue grants and contributions) or Taxation and Non-Specific Grants Income (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the Police Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

In accordance with the statutory responsibility of the Commissioner to maintain the Police Fund contained within the Police Reform and Social Responsibility Act 2011, all grants are recognised in the accounts of the Commissioner.

12. Intangible Assets

- 12.1. Intangible assets are initially measured at cost amounts and are only revalued where the fair value of the asset can be determined by an active market. The depreciable amount of an intangible asset is amortised over its useful life (usually 5 years) to the relevant function(s) in the Comprehensive Income and Expenditure Statement. Once intangible assets have been fully amortised, at the end of their useful lives, the gross book value and accumulated amortisation for those assets will be written out of the asset register. There will be no impact on the core financial statements (balance sheet) as a result of this as the net book value will already be nil.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the Police Fund Balance. The amortisation, impairment and gains and losses on disposal are therefore reversed out of the Police Fund in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds over £10,000) the Capital Receipts Reserve. An asset is tested for impairment, whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

In accordance with the terms of the Commissioner's governance framework with the Chief Constable, all intangible assets are held by the Commissioner.

13. Inventories

- 13.1. 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. As inventories predominantly relate to operational stocks (uniform and consumables) these are reported in the single entity statements of the Chief Constable and as such are consolidated into the Commissioner's group accounts.

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14. Investment Property

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

Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's length. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

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

Investment assets are not generally held, however, in some circumstances where a surplus property no longer meets the strict criteria to be classified as "held for sale", it must be classified as an investment property.

15. Leases

- 15.1. A new Leases policy, IFRS16, has been adopted, with effect from 1 April 2024. The adoption of the new standard resulted in the balance sheet recognition of a right-of-use asset and related lease liability in relation to all former operating leases.
- 15.2. Leases are classified 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. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time, and to obtain substantially all of the economic benefits or service potential from that asset and to direct its use. This includes non-commercial 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 fulfillment of the arrangement is dependent on the use of specific assets.

15.3. Finance leases (as Lessee)

Right of use property, plant and equipment held as a lease are recognised on the Balance Sheet, initially measured at cost, comprising: the initial lease liability; any lease payments already made less any lease incentives received; initial direct costs; and any dilapidation or restoration costs. For non-commercial leases the fair value of the leased asset will be obtained through valuation. The valuation will be sought every five years, with annual indexation applied to assets during the four intervening years in line with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) guidance on 'owed' property measurement.

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The asset recognised is matched by a liability for the obligation to pay the lessor. The lease liability is measured at the commencement of the lease, at the present value of the lease payments, discounted by the rate implicit in the lease, or if that cannot be readily determined, the incremental borrowing rate is used, specific to the term and start date of the lease (i.e. the rate required to borrow funds over a similar term, with a similar security, to acquire an asset of similar value, in a comparable economic environment), PWLB rates will be used.

The lease liability is subsequently remeasured, with a corresponding adjustment to the right of use asset, when there is a change in future lease payments resulting from a rent review, change in an index or rate such as inflation.

The right of use asset is tested for impairment if there are any indicators of impairment.

For leases that were classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at 1 April 2024 are determined at the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

Exemptions are applied for leases of low value assets (value when new less than £10,000) and short-term leases of 12 months or less and they are expensed to the Comprehensive Income and Expenditure Statement.

Lease payments are apportioned between:

- A charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability, and
- A finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Property, plant and equipment recognised under IFRS16 leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer at the end of the lease period).

Council tax is not required to be raised to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the Police Fund balance, by way of an adjusting transaction within the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

15.4. Leases (as Lessor)

There are currently no finance leases as a lessor.

15.5. The Chief Constable does not hold any leases (either as lessee or lessor).

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16. Overheads and Support Services

- 16.1. 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 governance framework 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 governance framework 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.

17. Property Plant and Equipment

- 17.1. 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 governance framework with 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 6 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.

The cost of services are debited with the following amounts to record the cost of holding non-current assets during the year:

- Depreciation attributable to the assets used by the relevant services.
- Revaluation and impairment losses on assets used by the services where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.
- Amortisation of non-current assets attributable to the services.

Council Tax is not required to be raised to fund depreciation, revaluation and impairment losses or amortisations. However, an annual contribution from revenue is required towards the reduction in the overall borrowing requirement equal to an amount calculated on a prudent basis and determined in accordance with statutory guidance. This contribution is known as MRP (Minimum Revenue Provision). Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the contribution in the Police Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

17.2. Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits

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(i.e. repairs and maintenance) is charged to revenue as an expense through the Comprehensive Income and Expenditure Statement when it is incurred.

De-minimis levels have been set for capital projects at £25,000. No de-minimis level is set for individual items within capital projects.

17.3. Measurement

Assets are initially measured at cost, comprising:

- The purchase price
- Any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management

Borrowing costs incurred are not capitalised whilst assets are under construction.

Assets are then carried in the Balance Sheet using the following measurement basis:

Category	Basis of Valuation
Land and Buildings (Specialised)	Depreciated Replacement Cost
Land and Buildings (Non Specialised)	Existing Use Value
Vehicles, Plant, Furniture and Equipment	Depreciated Historic Cost (as a proxy for current value)
Assets Under Construction	Historic Cost

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

The Commissioner has opted to revalue 1/5th of the property portfolio on an annual basis and subject all properties not revalued in the year to indexation in the in-between years.

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Gains are to be credited to the relevant function line(s) in the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a function up to the amount of the original loss, adjusted for depreciation (if material) that would have been charged if the loss had not been recognised.

17.4. Depreciation

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

Depreciation is calculated on the following bases:

- Property - straight-line allocation over the useful life of the property as estimated by the valuer up

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to a maximum of 50 years

- Vehicles – straight line allocation over the estimated useful life (3 to 10 years)
- IT Equipment – straight line allocation over the estimated useful life (5 to 10 years)

No depreciation charge is made however in the year of acquisition but a full year charge is made in the year of disposal. A full year's depreciation charge is made in the year of revaluation of any asset.

Depreciation also has to be calculated on revaluation gains and is represented by the difference between depreciation calculated at current cost and depreciation calculated at historic cost. The difference between the two values is transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately (see component accounting section below).

Once ICT equipment assets have been fully depreciated, at the end of their useful lives, the gross book value and accumulated depreciation for those assets will be written out of the asset register. There will be no impact on the core financial statements (balance sheet) as a result of this as the net book value will already be nil.

17.5. Component Accounting

Under the IFRS based code, separate recognition, depreciation and de-recognition of parts of assets is required. This is often referred to as componentisation. Componentisation is a change that has to be applied prospectively which means that it only needs to be considered for any non-current assets, acquired, improved or revalued after 1 April 2010. A componentisation policy has been established whereby all land and building assets with a value in excess of £1m will be assessed to see if they contain a significant component. A significant component is defined in the policy as one which exceeds £200k in value and has a different life to the remainder of the asset. Where a component of a non-current asset is replaced or restored, the carrying amount of the old component shall be derecognised and the new component reflected in the carrying amount. Each significant component of an item of property, plant or equipment is depreciated separately. Depreciation is calculated on the balance brought forward at the start of each year. Depreciation on the componentised assets will therefore only become effective in the year following revaluation and subsequent split for componentisation.

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. 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.

17.6. Valuations

Where decreases in value are identified, they are accounted for as follows:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).

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- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant function lines(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal inception. Gains arising before that date have been consolidated into the Capital Adjustment Account. Revaluation gains and losses are not permitted to have an impact on the Police Fund. The gains and losses are therefore reversed out of the Police Fund in the Movement in Reserves Statement and posted to the Capital Adjustment Account.

17.7. Valuations 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. For property valuations the only material estimation techniques used is as follows:

All operational buildings are revalued on a rolling five year programme with indexation applied in the in-between years and the estimation techniques used are based on the “open market value in existing use” or in the case of specialised operational police properties “depreciated replacement cost” which is consistent with proper accounting practice.

17.8. Impairment

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

Where impairment losses are identified, they are accounted for as follows:

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

Where an impairment loss is reversed subsequently by a revaluation gain, the reversal is credited to the relevant function line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation (if material) that would have been charged if the loss had not been recognised.

Impairment losses are not a charge against Council Tax. The balance on the Comprehensive Income and Expenditure Statement arising from an impairment loss is appropriated to the Capital Adjustment Account through the Movement in Reserves Statement.

17.9. Capital Receipts

Amounts received for a disposal in excess of £10,000 are categorised as Capital Receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve, and can then only be used for

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new capital investment or set aside to reduce the underlying need to borrow (the capital financing requirement). Receipts are appropriated to the reserve from the Police Fund Balance in the Movement in Reserves Statement.

17.10. Disposal and Non-Current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less cost to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any losses previously recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of:

- their carrying amount before they were classified as held for sale. In this case the carrying amount is adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale.
- their recoverable amount at the date of the decision not to sell.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Disposal costs are shown in other operating expenditure in the Comprehensive Income and Expenditure Statement. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). In line with Statutory Instrument 2010 No 454, disposal costs of up to 4% of the sale proceeds are financed from capital receipts. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account. The written-off value of disposals is not a charge against Council Tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the Police Fund Balance in the Movement in Reserves Statement.

18. Private Finance Initiatives (PFI) and Similar Contracts

18.1. 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.

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

Non-current assets recognised on the Balance Sheet are re-valued and depreciated in the same way as property, plant and equipment.

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In accordance with accounting practice, lifecycle replacement costs are now recognised when they are actually incurred. The Commissioner receives specific government funding from MHCLG as a contribution to the costs of financing the scheme.

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 governance framework with 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.

19. Provisions, Contingent Liabilities and Contingent Assets

19.1. 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.

19.2. Contingent Liability

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

Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

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19.3. 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.

20. Reserves

- 20.1. Specific amounts are set aside as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the Police Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate function in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the Police Fund balance in the Movement in Reserves Statement so that there is no net charge against Council Tax for the expenditure.

Reserves are classified in the Balance Sheet and the Movement in Reserves Statement as either 'usable' (those that can be applied to fund expenditure or reduce local taxation) and 'unusable' (those held for technical accounting purposes). Under the Commissioner's governance framework with the Chief Constable all usable reserves are controlled by the Commissioner and 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.

21. VAT

- 21.1. 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.



The Chief Constable of Cumbria Constabulary

Annual Governance Statement 2025/26



The Chief Constable of Cumbria Constabulary

Annual Governance Statement
2025/26

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: Signatures removed for the purposes of publication on the website.	Signed: Signatures removed for the purposes of publication on the website.
Darren Martland Chief Constable	Michelle Bellis Constabulary Chief Finance Officer
15 June 2026	15 June 2026

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

During 2025/26 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 develop intelligence identifying vulnerable associations.
- Interdepartmental 'People Intelligence Meetings' to share information and mitigate emerging risks.
- 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 learning from misconduct hearings. During 2025/26 the quarterly issues have covered the following topics:

- Vetting, change of circumstances
- Learning from complaints and misconduct hearings:
 - Key jamming
 - Effective communication to reduce need for use of force
 - Data protection
 - Police perpetrated domestic abuse
- Use of Body Worn Video
- Reflective Practice
- PSD Passport – bite sized guidance
- Counter Corruption Intelligence
- Updated IOPC Guidance for Police Witnesses
- The Role of Welfare Officer

The Professional Standards Department have delivered a bespoke input to all Sergeants, Inspectors and staff equivalents as part of their leadership training. 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.

The force has a whistleblowing policy and procedure and a well-publicised anonymous reporting system, featured on the homepage of the intranet.

In relation to public complaints, the Constabulary remains committed to delivering effective customer service. The Constabulary have been preparing for the transition to 'Model 2' in conjunction with the OPFCC. From 5th May 2026, all public complaints suitable for 'service recovery' will be handled by the OPFCC. There are daily management meetings between the OPFCC and PSD to ensure that complaints that require investigation transfer. There are monthly joint performance meetings to monitor performance during this transition. 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 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.

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 The Standard 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. Eight public hearings took place in 2025/26, as a result of which eight former officers would have been dismissed if still serving. All police officer hearings were presided over by a chief officer or legally qualified chair. The outcomes of misconduct hearings are publicised on the Constabulary website in accordance with the Police (Conduct) Regulations 2020.

The Community Scrutiny 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.

During 2025/26 the Constabulary launched its new Modular Leadership training programme for police staff leaders, Sergeants, Inspectors and above. The modules included some mandatory modules and others which were discretionary. Within the mandatory modules there was one delivered by PSD on 'Ethical Leadership and Integrity'.

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, and face to face road shows across the county, for all officers and staff. The Chief Constable also hosts a monthly webinar in which he updates the force on progress against the Constabulary's priorities and 4Cs strategy. This has been supported by a range of communications media across the force. The Constabulary continues to use and develop Viva Engage, 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 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 Executive Board Police 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, Fire 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, 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 effectiveness of the Constabulary's approach has been recognised through the most recent Crime Survey for England and Wales where the force was placed at the top of the national rankings in most key measures of public confidence - including reliability, understanding local concerns, and overall confidence in policing.

The Constabulary has a well embedded and effective media 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 stands at just over

46,000 subscribers which relates to more than 121,000 subscriptions to our selection of newsletters and alerts.

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

Media and Communications team work with Neighbourhood policing teams to 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 more than 471,000 followers. The force has several central social media accounts (Facebook, X, Instagram, LinkedIn, YouTube and TikTok), managed by the force's Media & 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 Media & 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 Media 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 Media and Communications department to engage with members of the media and the public 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:

- Coordinating Positive Action resources and activity to support the forces commitment to attract, recruit and retain staff and officers from under- represented groups to be reflective of the community we serve.

- Recruitment events are held across the county, and through various mediums (I.E at educational establishments, at stations, online) to offering accessibility to different demographics and wider audiences.
- Representation of officers from ethnic minority backgrounds has increased to 4.33% aligning with the community we serve, where the latest County Census reports an ethnic minority population of 4%.
- The Inclusion Hub is a central repository that staff can access for support with wellbeing or various protected characteristics. The Hub has information files and signposting to available internal and external support services. or to seek help and information from any of staff support groups and information. This includes officers who can provide lived experience advice.
- Cumbria remains one of the most representative constabularies in the UK for women, with women officers comprising 44% of the policing workforce.
- In the 2024 HMICFRS PEEL inspection, the constabulary were graded OUTSTANDING at building, supporting and protecting the workforce.
- The Gender pay gap data is annually reported and published on the [Constabulary's website here](#).
- An Equality report is annually reported and published on the [Constabulary's website here](#), including the Constabulary's Equality objectives and steps taken to meet them.
- The Constabulary is committed to advancing equality within our workforce and within the community we serve. As part of our legislative requirements to comply with the Equality Act 2010, we undertake Equality Impact Assessments on relevant Policies, Procedures, Strategies and activity.
- 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 viva engage. 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 2025/26, the Chief Constable updated the strategic direction for the Constabulary, which is 'To provide the best possible service for the people who need us' based on the core operational objectives, known as the 4C'S, of:

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



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

The Plan on a Page shows how everyone in the organisation contributes to the overall aim of providing the best possible service for the people who need us 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 2025/26, work continued to deliver the Chief Constable's Vision which complements the Constabulary's priorities, builds on achievements to date and provides direction to transform policing to meet the challenges of delivering an effective service for communities.

During 2025/26 the Commissioner incorporated the Constabulary's budget proposals into his 2026/27 budget in the context of a medium term financial forecast (MTFF) covering five years to 2030/31.

The 2026/27 policing grant settlement included additional grant to cover pay inflation, maintenance of officers recruited through the uplift programme, additional funding in relation to the Neighbourhood Policing Guarantee and also provided Commissioners with a degree of flexibility to levy increased council

tax. Following a public consultation exercise, the Commissioner approved the 2026/27 budget in February 2026 based on a council tax increase of £14.94 for a band D property (4.61%). The funding provided to the Constabulary will allow existing services to be maintained and will see increased resources directed to Neighbourhood Policing Teams. The funding provided, as part of the Neighbourhood Policing Guarantee, seeks to ensure nationally an additional 13,000 police resources allocated to Neighbourhood policing teams over the life of this parliament. In 2025/26 this has achieved 3,000 resources nationally (40 in Cumbria) and in 2026/27 a further 1,750 (15 for Cumbria) resources is being supported.

The budget settlement for 2026/27 was again provided on a one-year basis, this contrasts with the expectation, in summer 2025, that a 3 year settlement as part of Comprehensive Spending Review (covering 2026/27 to 2028/29), would be provided. The lack of a multi-year financial settlement makes planning for the medium term more difficult. The budget for 2026/27 has been balanced, however savings will be required in future. Work continues as part of the Futures Programme to identify savings to budget the budget gap.

During 2025/26, existing strategies in relation to people, DDAT, fleet and procurement have been progressed and reported to the Commissioner.

A critical priority for the Data, Digital and Technology (DDAT) Command in 2025/26 continues to be the continued development of the digital infrastructure, supporting our staff and enhancing efficient and effective delivery of operational capabilities, particularly around speeds and access to quality data. We have continued to enhance mobility options for all frontline officers and staff through continued investment, and this has included enhancements to Bodycam, vehicle and Custody Cameras and Axon products, delivering further efficiency, productivity, and improved community safety. This has been done alongside further improvements to the constabulary CCTV, including further proactive improvements. Work has continued to enhance our mobility through the expansion of our Wider Area Network (WAN), which has improved connectivity and speed across the wider constabulary estate, this programme will conclude in summer 2026.

A wide range of digital projects have continued and delivered during 2025/26 including the further development of our Command-and-Control System, through DCS, LEDs and the CCTV system. We have delivered Cellbrite which brings significant improvements to our Digital forensics services, an estates management system, improving efficiencies. We continue to improve our infrastructure with new data switches and enhance our mobility by refreshing laptop and mobile phones through our capital

programme, for our staff on neighbourhoods and on our frontline. We have also rolled out a full printer replacement delivering improved efficiency and service across the estate.

The Constabulary continues to work 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. The programme is highly innovative and ambitious and is split into three phases. In March 2024, the Constabulary went live with the Phase one, Community Safety Platform – which includes Briefing and Tasking, Intelligence, Crime, Investigations, Missing Person, and property amongst other modules. This included the migration of the full data from Red Sigma. The force and Mark 43 have continued to deliver improvements to the community safety product including Investigations, draft reports, Missing person improvements to reviews, ethnicity recording, supplementary reports, with a number of others still to come. The team has continued to deliver support to frontline colleagues, in improving the user experience, and provides excellent communication and response to feedback. All improving and supporting frontline delivery of services in keeping Cumbria safe. The force has now moved into the Phase 2 of the programme, which is Case and Custody, which will be expected to deliver in 2027. The force is working closely and collaborating with Greater Manchester Police in developing this phase, who are also now delivering the Mark 43 product.

We continue to work on and support National programmes including Single online Home Crash, (Firearms RPA) and LEDs which we have embedded during this year as early adopters and pathfinders. We have led the regional Chronicle upgrade to the cloud.

The Constabulary continues to look for opportunities to collaborate and has worked closely with the OPFCC and Cumbria Fire and rescue service in exploring opportunities around DDAT services.

Information Management - Strategic priorities included information rights statutory compliance, enabling project and business as usual delivery, maximising opportunities for efficiency and improvement and the protection of data assets against harm including risk mitigation/control measures. We are implementing a case management transformation which will complete in 2026. The force also achieved another Outstanding grade from the DBS Standards and Compliance Unit for the quality of applications.

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.

The fleet capital programme continues to evolve in line with force requirements, with targeted improvements to procurement, conversion and the wider supply chain. To address ongoing pressures, the Head of Fleet and Service Operations has expanded the provider base, onboarding additional converters and manufacturers to increase flexibility, improve delivery timelines and enhance platform capability. Specialist conversions for units such as Roads Crime Team and SOCU remain delivered in-house to protect niche operational needs. The rollout of telematics is now delivering measurable benefits, enabling proactive fleet management, improved utilisation oversight and valuable insights for functions including Driving Standards and PSD. A detailed fleet review, supported by telematics data, has informed an updated capital programme that identifies opportunities for optimisation and cost avoidance. These changes will strengthen fleet performance and ensure sustainable, value-driven provision for the organisation over the coming years.

The People Strategy has been written for the period 2022 -2025. Significant effort within the HR Department has continued to recruit and maintain the Constabulary's additional officers as part of Operation Uplift. Whilst the national Operational Uplift requirements ceased on 31st March 2026, work continues to retain the additional officers from the programme. The Constabulary continue to work to a headcount figure of maintaining this number of 1,393 (1,359 FTE). Recruitment of staff, including PCSOs and Command and Control room operators continue. Recruitment and retention of police officers continue to be monitored internally as part of workforce development and planning. Work continues in relation to Positive Action to increase representation within the force, this has resulted in an increase in diversity, including ethnicity.

Retention Measures involving "Stay Conversations", Targeted Variable Payments, a new Exit Interview format and improved metrics to measure attrition in a more detailed manner. Internal analysis continues to understand Constabulary 'exit' data alongside national attrition data to inform retention plans.

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, grievance management and dynamic development of all HR policies also remain a priority for the department.

HR continues to be involved to ensure the establishment is accurate and up to date including:

- Regular review of HR Processes and systems with regular updates to ensure continuous improvement.
- Review of the HR process Bronze 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 workforce plan is in place to improve service delivery.

Development of a Strategic Workforce Plan.

- There continues to be a high volume of 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 force governance structures.
- Pay Progression Standards for officers is now fully implemented.
- Cumbria now host the Regional Chronicle Collaboration, a software system facilitating the tracking, audit, and competence verification of operational policing skills and professional development.
- Pension remedy work continues.
- The creation of a Grievance Panel to support the allocation and resolution of grievance submission and ensure fair and consistent management.
- Embedding of Fair Passport to support wellbeing, with the creation of a Fair Passport Policy and supervisor training in their application.
- The Constabulary achieved Disability Confident Leaders status and work continues to maintain this.
- The Constabulary has been awarded the Silver Armed Forces Covenant award.
- Implementation of Targeted Variable Payments for officers in OS and WAF.
- Established Pay Panel process to ensure fairness and a consistent approach
- Transfer to the national Police Staff Terms & Conditions.
- 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.
- Cumbria Constabulary has continued to use the Better Health at Work Awards as a gauge of the quality of the support services it provides to its staff. This is an assessment across a range of wellbeing areas. Since our last PEEL inspection, the Constabulary has been successful in achieving the Gold Award.
- 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 Trauma Informed Supervision Training Programme has been 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.
- During 2025/26 the Occupational Health team won the National Police Wellbeing Service award for Occupational Health.
- During 2025/26 under Operation Momentum, the Constabulary is progressing a number of initiatives to improve the working environment and the health and wellbeing of the workforce.

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, Fire 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, Fire 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

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 2025/26 have focused on the Constabulary's response to;

- RASSO Performance
- How Accessible is the Constabulary
- Cyber Crime
- Culture

- HMICFRS Peel Inspection 2023-2025 Areas for Improvement Update
- Neighbourhood Policing Guarantee
- Organised Crime Groups.

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 a Chief Officer, 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 continued to improve 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.

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.

A review is underway by the Business Change function to assess the effectiveness of the wider working arrangements across the organisation, with a particular focus on the Resourcing Unit and the policies and processes that underpin resource management. The goal is to identify opportunities for improvement and ensure optimal resource allocation in a way that balances the need to improve productivity alongside colleagues' well-being and work-life balance. The review was in response to direct feedback received by leaders from officers and staff during visibility briefings and patrols, which has highlighted challenges and inconsistency relating to:

- Force resourcing,
- Force structure,
- Crown duties system,
- RSLs,
- Flexible working arrangements,
- Restricted and recuperative duties,
- Market supplements and honorariums,
- Annual leave restrictions,
- Abstractions – training/operations,
- Overtime,
- Shift Patterns,
- Travel, accommodation and expense allowances.

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. The approach was expanded in 2024/25 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 BCU's. 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. In 2026 however, this process is under further review following an L&D review and internal audit; the aspiration through this review is for a 3 year training plan and more streamlined link between Resource Co-Ordination, Training and the Chronicle Team. This would include improved deferment processes, monitoring non-attendance, expired qualification and unfulfilled courses.

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 on passing the NPPF Sgts Exam. 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 two-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.

During 2025/26 the Constabulary launched its new Modular Leadership training programme for police staff leaders, Sergeants, Inspectors and above. The modules included some mandatory modules and others which were discretionary. Within the mandatory modules the following people relates modules were delivered:

- Leadership, Force Development and Direction Setting
- Performance Management of Teams
- Ethical Leadership and Integrity
- Sickness, Performance and Wellbeing Support
- Police Race Action Plan – Inclusive Workforce
- Wellbeing Support

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 Constable Entry Routes (PCER) Initial Entry Police Officer Training which includes the Police Constable Degree Apprenticeship (PCDA) in collaboration with the University of Central Lancashire (UCLan). Alongside the existing Police Constable Degree Apprenticeship (PCDA) the Constabulary now recruits to and delivers the Police Constable Entry Programme (PCEP) and more recently 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, which was reviewed in 2024/25 to support the progression of tutors through the programme and qualification, remains a modular design which includes both direct teaching and workplace coaching, to support engagement and development, delivery is now undertaken out in area. 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 continues to be seen as a high priority and compliance levels are subject to detailed monitoring.

Subject to Audit

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 2025/26 an emerging risk has been added to the Strategic Risk Register during the year, in relation to:

Telecoms SPOC – risk that we are unable to service demand for call data requests including urgent requests. Breach working time regulations. Fail to comply with national standards;

During the same period, no strategic risks were removed from the risk register.

Policy management through the constabulary's policy library continues to be governed through the Operations Board where updates are provided to ensure compliance is achieved against statutory requirements (e.g. the necessity for every policy to possess and a completed Equality Impact Assessment and Data Protection Impact Assessment) and timely reviews are completed and remain aligned to both national and force level changes in operational practice and standards.

All new policies, or significant reform to existing policies are 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

Cumbria constabulary implemented a performance management framework to measure, monitor and manage all elements of the force's response to criminality. This includes Key Performance Indicators (KPI's) that were introduced October 2023, which are renewed on an annual basis and are aligned to national and local policing priorities. The KPI's consider Cumbria's Most Similar Force Group performance, national targets, relativity and forecasting to ensure the force set achievable targets. Performance against the KPIs is governed across a number of strategic performance meetings. Each KPI has a lower and upper range, with the upper range designed to be a 'stretch' target. Outcomes for victims are core measures within the framework and are monitored on a monthly basis with assessments provided at strategic performance meetings on whether the force is achieving its lower and upper KPI targets. KPI's for the new financial year are currently being ratified but will include:

- Residential Burglary of a Home
- Domestic Abuse
- Stalking
- Hate Crime
- Rape
- Other Sexual Offences
- Robbery
- All crime
- Victim Based Crime
- Vehicle Crime

The Standards Insight and Performance command has designed a programme of work known as the "Futures Programme" in order to ensure the Constabulary improves performance, drives out inefficiencies, improves processes and services, generates income and delivers the financial savings targets. The programme of work will focus on five key objectives:

- Understanding Demand
- Driving efficiencies
- Savings opportunities
- Income generation
- Investment in future

The Futures Programme commissioned 7 projects plus a number of technology led projects and initiatives for the financial year 2025/26 which each had an allocated Chief Officer Sponsor and senior leaders as Project Lead. They will be supported through the change management and change governance procedures by the Business Change Team, who are responsible for directing the projects through the project timeline, implementation, and evaluation.

The Futures Programme will ensure we provide maximum value for public money, while improving our services to the communities of Cumbria.

The Force Management Statement (FMS) for 2026 has now been completed and submitted to HMICFRS. The FMS is the forces assessment of its current demand the demand it 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.

Internally, the process for completing the FMS has now changed to a quarterly process. This enabled demand across all areas of business are reviewed more regularly, to identify any emerging risks around capacity or opportunities for efficiencies.

The areas reporting the highest demand were reported to the DCC for consideration for the Futures Programme.

In response to the force priorities and feedback from HMICFRS, a revised programme of audit activity is now underway by the Business Improvement Unit. This includes an evaluation of the victims journey, Principles of Investigation and VAWG.

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, 33% (3/9) of audits completed in 2025/26, including all those relating to finance, were graded as providing substantial assurance, the remaining 67% (6/9) provided moderate assurance. Robust management action plans have been put in place to address all internal audit recommendations, these action plans are now tracked through the relevant governance board on a monthly basis.

- The Head of Internal Audit's overall opinion was that ***'the Office of the Police, Fire and Crime Commissioner for Cumbria and Cumbria Constabulary provides moderate assurance, that there is an adequate system of internal control, however, in some areas weakness in design and/or inconsistent application of controls puts the achievements of some of the organisation's objectives at risk'***.
- Action plans to respond to recommendations, which are monitored through the Constabulary's governance board structure and which are reported through 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, to include the management of data.

Governance reporting arrangements are in place including a cross functional Information Management Board (chaired by the Senior Information Risk Owner – SIRO) and an Information Asset Owner framework for critical systems and services.

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.

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

The force undertook, managed and delivered, a huge Data Migration of operational data – led by the CIO. This included data cleansing to maximise effective and efficient use and future management. As part of this work the force developed a blue print for PDS and the Home Office – which will be used as good practice by other forces.

Business Intelligence Programme - The Force is launching a large cross-departmental project to deliver improvements surrounding the provision of management information to members of the Force. As the

demand for data grows considerably throughout all areas of business, the Force has identified a number of issues with its existing reporting and analytics capability. Currently the Force primarily utilises Microsoft PowerBI as its management information platform, using an on-premise report server. Through internal review it has been identified that there are a number of capability issues and gaps in reporting with the current systems. The ability to provision accurate, intuitive and easy to use management information is essential to enable data-driven decision making throughout the organisation.

Strong public financial management

Strong financial management provides a framework for all business decision-making and planning within the Constabulary. For 2025/26, 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.

During 2025/26 the financial services team have continued to develop financial reporting internally. Regular support has been provided to the Futures Programme with periodic updates provided to Chief Officers and the OPFCC in relation to progress on savings and efficiencies work. 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 and the Constabulary Chief Finance Officer is part of the NPCC Finance Coordination Committee and is working with the NPCC and BlueLight as part of the national police Savings and Efficiencies Board.

In relation to budget setting and MTFF development the CFO gives an assurance on the underlying budget assumptions.

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 2024/25 were released on 16 June 2025, with the final version published on 14 October 2025 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 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 and April 2026, the evidence gathering phase of an extensive period of inspection came to an end and the PEEL inspection report is expected to be issued in 2026. The previous report issued in July 2024, graded Cumbria Constabulary's performance across nine areas of policing and found the force was 'outstanding' in one area, 'good' in six areas and 'adequate' in two areas. Whatever the outcome of the most recent inspection, the Constabulary will continue to strive to make further improvements with the aim of providing the best possible service for the people who need us and to keeping Cumbria safe.

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 strategic governance framework to ensure appropriate oversight and accountability from the most senior leaders within the Constabulary.

During 2025/26 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 2025/26 Development and Improvement Plan

Ref	Action	Lead Officer	Implementation by	Progress updates	Status
Core Principle A: Focusing on behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.					
CPA/1	A revised Vetting APP was published in December 2024, alongside a code of practice. Police (Vetting) Regulations 2025 went live in May 2025. Both have brought about significant changes to working practices within the Force Vetting Unit (FVU) and wider Professional Standards Department, which we are working through to embed as usual practice.	Detective Chief Inspector / Head of PSD	31-Mar-26	Nov'25 - Work is currently ongoing. May'26 - A new vetting structure has been implemented, with all posts being permanent, budgeted and filled. This structure is delivering sustainable performance and meeting vetting SLAs.	Completed
CPA/2	Code of Ethics - The College of Policing launched the revised Code of Ethics in February 2024. The code provides guidance on ethical and professional behaviour for everyone in policing. It is distinct from the Standards of Professional Behaviour, which are the standards against which conduct should be assessed. Standards for Professional Behaviour are set by Police Conduct Regulations and terms of employment. The constabulary rolled out the College of Policing training modules during 2024/25 and is now working to embed the code into everyday policing. To support this, Professional Standards have an Ethical Policing Viva Engage page on Yammer, where we try to encourage the workforce to discuss ethical dilemmas, and regularly publish ethical issues in our quarterly publication, The Standard. As the Ethical Policing lead, the Head of PSD will now attend the Vulnerable Individuals Group, where ethical issues will be shared to get insights from those attending.	Detective Chief Inspector / Head of PSD	31-Mar-26	Nov'25 - The Constabulary have completed a Code of Ethics Self-Assessment and are working through this. The Head of PSD as Ethical Policing lead now attends the Valuing Individuals Group (VIG) and brings ethical dilemmas to the group for insight. May'26 - The Head of PSD continues to attend VIG and bring ethical dilemmas to the group for insight. PSD utilises 'The Standard' Newsletter to share any updates to guidance and learning re ethical and professional behaviour. As part of the Constabulary's Leadership Programme a module on ethical leadership and integrity was delivered.	Completed
Core Principle B: Focusing on ensuring openness and comprehensive stakeholder engagement.					
CPB/1	Review and update the constabulary's Internal communications approach and channels, to ensure effective and engaging content to keep officers and staff updated, involved and nudge positive performance and culture change.	Head of Media and Communications	31-May-26	Nov'25 - Review and approach discussed in DCC's SMT 28/07/25. Approach agreed and next steps - deliver a session within the focus groups about internal comms and approach, this will help to formalise way forward which can be presented to DCC SMT and Senior Leaders. Stricter governance around Viva Engage / NTK and Chief Officer comms to be developed / implemented. May'26 - This action remains ongoing with a formal strategy to be agreed with Chief Officers in due course. Action c/fwd onto 2026/27 AGS Development & Improvement Plan CPB/1	Ongoing (original timescale extended)

Appendix A Update on 2025/26 Development and Improvement Plan

Ref	Action	Lead Officer	Implementation by	Progress updates	Status
CPB/2	Review and update the social media estate for the constabulary. Ensure our accounts have a positive and engaging presence on the relevant platforms, with Officers and staff trained and supported to use local channels for local engagement.	Head of Media and Communications	31-Dec-25	Nov'25 - Review of social media estate ongoing. Movement from X / Twitter for local accounts, retaining main corporate channel to warn and inform, along with some high volume channels - Dogs, Roads etc. - TikTok account launched which is successful in engaging the younger audience - this is continuing to develop. - Social Media training ongoing for those using social media - NPTs, CCRs etc. with drop in sessions and viva engage channel to support - this will develop further. - Carlisle NPT are also trialing an Instagram account. - Currently taking part in the National Police Social Media Survey and results from this (Oct) will help inform developments moving forward. May'26 - A dedicated social media strategy is being developed. This will align with the recently revised Media APP by the College of Policing. - The digital communications strategy is being updated. Action c/fwd onto 2026/27 AGS Development & Improvement Plan CPB/2	Ongoing (original timescale extended)
CPB/3	To further develop external community advice and scrutiny within organisational governance. The Constabulary worked with the OPFCC to restructure the Ethics and Integrity Panel to a Community Scrutiny Panel with a revised terms of reference. The Constabulary have increased the volume of incidents across use of force and stop search reviewed by the panel and now incorporate disproportionality data across use of policing powers with analysis. The Constabulary has restructured the Strategic IAG and Local IAGs into a single Community Advisory Group, with a revised terms of reference and handbook. Ongoing work includes improved training for members of the groups, induction of new members, improving diversity and developing an enhanced feedback capture and action register.	Assistant Chief Constable	31-Mar-26	Nov'25 - Changes to governance arrangements have been completed.	Completed

Appendix A Update on 2025/26 Development and Improvement Plan

Ref	Action	Lead Officer	Implementation by	Progress updates	Status
Core Principle C: Focusing on defining outcomes in terms of sustainable economic, social and environmental benefits.					
CPC/1	The Constabulary has increased the number of hybrid vehicles available within the fleet. However the estates department is currently exploring the technical (and grid capacity issues) that would need to be overcome to transition to more electric vehicles. The fleet strategy will be aligned to the estates strategy currently being developed by the OPFCC.	Assistant Chief Constable	31-Mar-26	Nov'25 - From a Constabulary perspective the fleet capital programme includes provision for EV and hybrid vehicles. Work within OPFCC to provide the electrical infrastructure needed for an increase in charging ability is ongoing and will be picked up by OPFCC. May'26 - The estates strategy is currently being finalised by the OPFCC and will be incorporated into the capital programme and budget setting for 2027/28. Action in 2026/27 will relate to OPFCC production of Estates Strategy, no action required in Constabulary AGS Improvement Plan.	Completed
Core Principle D: Focusing on determining the interventions necessary to optimise the achievement of intended outcomes.					
CPD/1	To meet the requirements of Neighbourhood Policing Guarantee (NPG) and maintain policing numbers under uplift. The Constabulary has already added an additional Inspector role to assist with the attraction and engagement of potential candidates for recruitment. This has resulted in increased events, improved candidate experience and potential attrition of candidates across all routes. The Constabulary will regularly monitor performance against NPG and uplift targets.	Deputy Chief Constable	31-Mar-26	Nov'25 - The constabulary now report headcount numbers and finances on a monthly basis to the NPG team at the Home Office. In terms of Uplift, the target at the checkpoint date of 30/09 was exceeded.	Completed
CPD/2	Cumbria Constabulary's Performance Management Framework (PMF) measures the forces functionality through a number of key performance indicators (KPI's) which are reviewed annually and governed across a number of local and strategic performance meetings. The core of the PMF is aimed at ensuring the Constabulary continues to deliver an effective policing function, by answering calls and attending incidents on time, effectively investigating crime and achieving successful outcomes for victims, and keeping the public safe by reducing further crime.	Director of Performance & Change	31-Mar-26	Nov'25 - The KPIs have been updated and are now reported on regularly through COG, SMB and a deeper drive through SPB.	Completed

Appendix A Update on 2025/26 Development and Improvement Plan

Ref	Action	Lead Officer	Implementation by	Progress updates	Status
Core Principle E: Focusing on developing the entity's capacity, including the capability of its leadership and individuals within it.					
CPE/1	The constabulary is developing a revised 'leadership' programme for 'front line' supervisors / leaders, which will be delivered in the summer, and we also hope (subject to availability) to introduce the Aspire programme, devised by the College of Policing, as an option for staff from under represented groups.	Deputy Chief Constable	31-Mar-26	Nov'25 - The new modular leadership programme was launched in October with 12 initial modules with various dates over the next 3 months. Attendance is being tracked. May'26 - Phase 1 of the modular leadership programme was successfully delivered November 2025 to March 2026.	Completed
CPE/2	The constabulary is launching a Business Intelligence Programme, which is a large cross-departmental project to deliver improvements surrounding the provision of management information to members of the Force. Work to map the requirements are currently underway with DDAT. Once complete, supervisors will have core information to more effectively manage their resource.	Deputy Chief Constable	31-Mar-26	Nov'25 - The work is currently ongoing. May'26 - This work is currently in development, deadline extended to 31 March 2027. Action c/fwd onto 2026/27 AGS Development & Improvement Plan CPE/1	Ongoing (original timescale extended)
Core Principle F: Focusing on managing risks and performance through internal control and strong public financial management.					
CPF/1	Develop the use of Police Objective Analysis data and HMICFRS VFM profiles to inform areas of future activity in relation to the Futures Programme.	Constabulary Chief Finance Officer	31-Mar-26	Nov'25 - A more detailed review was undertaken on the 2024 POA data by Gary Ridley and findings were fed back to Chief Officers on 15/07/2025. The findings have been used to inform areas for review as part of the Futures Programme.	Completed
CPF/2	Incorporate into quarterly financial reporting to Chief Officers and OPFCC information in relation to progress against the budget savings target.	Constabulary Chief Finance Officer	31-Mar-26	Nov'25 - An update in relation to saving and efficiencies is provided to chief officers as part of the quarterly reporting.	Completed

Appendix B 2026/27 Development and Improvement Plan

Ref	B/Fwd Ref	Action	Lead Officer	Implementation by
2025/26				
Core Principle A: Focusing on behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.				
CPA/1		Hold inter-departmental 'People Intelligence Meetings' with Anti-Corruption, Vetting, Learning and Development and Human Resources to identify those who aren't upholding ethical values and take action to mitigate risk.	Detective Chief Inspector / Head of PSD	31-Mar-27
CPA/2		Utilise data analytics to identify problematic individuals, teams and locations so that preventative action can be taken to combat any cultural issues identified.	Detective Chief Inspector / Head of PSD	31-Mar-27
Core Principle B: Focusing on ensuring openness and comprehensive stakeholder engagement.				
CPB/1	CPB/1	Review and update the constabulary's Internal communications approach and channels, to ensure effective and engaging content to keep officers and staff updated, involved and nudge positive performance and culture change.	Head of Media and Communications	31-Oct-26
CPB/2	CPB/2	Review and update the social media estate for the constabulary. Ensure our accounts have a positive and engaging presence on the relevant platforms, with Officers and staff trained and supported to use local channels for local engagement.	Head of Media and Communications	31-Oct-26
Core Principle E: Focusing on developing the entity's capacity, including the capability of its leadership and individuals within it.				
CPE/1	CPE/2	The constabulary is launching a Business Intelligence Programme, which is a large cross-departmental project to deliver improvements surrounding the provision of management information to members of the Force. Work to map the requirements are currently underway with DDAT. Once complete, supervisors will have core information to more effectively manage their resource.	Deputy Chief Constable	31-Mar-26
Core Principle F: Focusing on managing risks and performance through internal control and strong public financial management.				
CPF/1		Prepare and deliver a finance module as part of the second phase of the Constabulary Leadership Programme Modules.	Constabulary Chief Finance Officer	31-Oct-26
CPF/2		Support the Futures Programme Board and Change Team to deliver a range of savings/efficiencies to bridge the current forecast MTFF gap.	Constabulary Chief Finance Officer	31-Mar-27

