

Introduction

I am pleased to introduce the Summary Statement of Accounts for the 2022/23 financial year. This summary statement sets out the single entity statements of the Chief Constable of Cumbria Constabulary. The Police and Crime Commissioner for Cumbria (the Commissioner) has also produced group accounts, which consolidate the single entity statements of the Chief Constable and the Commissioner. The financial information set out in the summary taken from the full financial statements which are published in accordance with the Accounts and Audit Regulations 2015.

The summary statement provides a breakdown of net spending during the year and shows the overall financial position of the Chief Constable as at 31 March 2023. The reporting format is specifically designed to meet the requirements of the Code of Practice on Local Authority Accounting. A series of notes are provided to assist readers in their understanding of the statement, whilst the presentational format is designed to make for easier reading by those who access the document through the Chief Constable's website: www.cumbria.police.uk

The summary statement is taken from the Chief Finance Officer's narrative report to the full statements and provides a simplified summary of the financial statements with expanded information on the objectives, activities, performance and future financial prospects of the Constabulary. This aims to give the reader greater understanding of the context in which the financial statements are set. The Commissioner's consolidated financial statements showing the group

position can be accessed from the Commissioner's website: <https://cumbria-pcc.gov.uk/>

Statutory Framework

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

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

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

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

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

Organisational Structure

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

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

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

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

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

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

There are also two support directorates both of which report to the Assistant Chief Officer.

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

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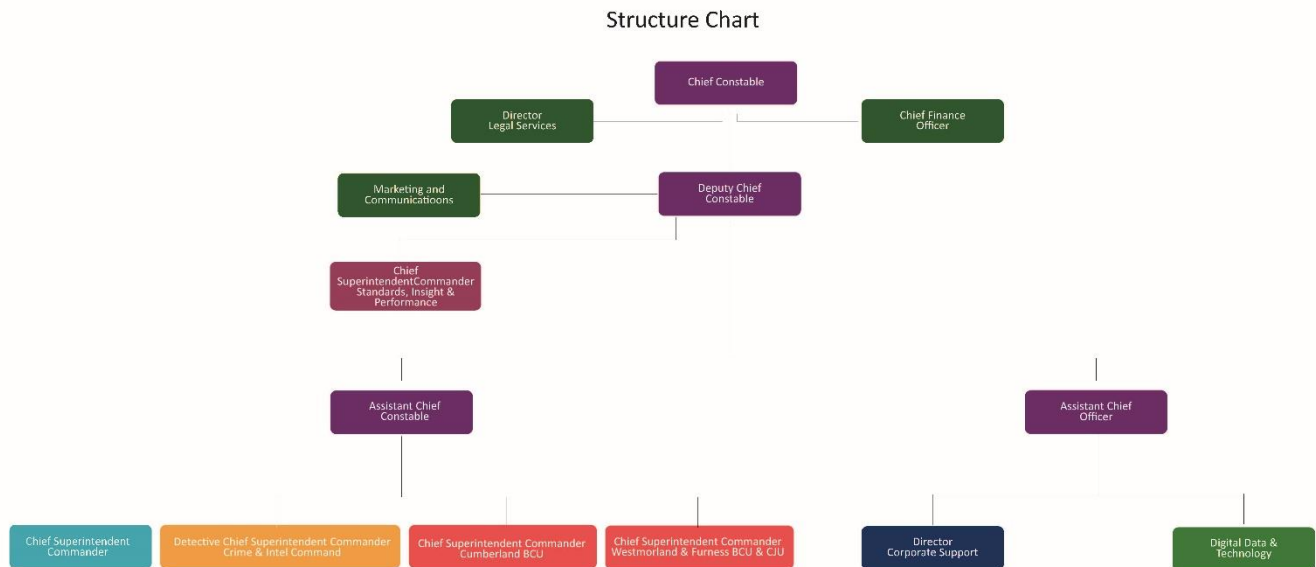
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The Digital, Data and Technology Directorate is responsible for all aspects ICT development and data management.

operates independently from the main directorate structure and provides services to the Chief Constable and Commissioner.

Legal Services is a small specialist function, which

A diagram showing the Constabulary's organisational structure is shown below:



Strategic Objectives

For 2022/23, the Chief Constable determined the strategic direction for the Constabulary, which is 'To Deliver an Outstanding Police Service to Keep Cumbria Safe'. Following consultation with a range of stakeholders, demand and resource analysis, performance results, recommendations from independent inspections and audits, and a review of the organisation's strategic risks, the Chief Constable developed the core operational objectives of Tackling Criminality, Helping Those in Need and Connecting with Communities, which will be achieved through :

- Early intervention and prevention.
- Quality investigations
- Innovative use of Intelligence and technology.
- Working together.

- Providing quality care to victims of crime.
- Visible local policing at the heart of what we do.
- Respond to our communities.
- Maximise engagement.

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

The priorities also support delivery of the Chief Constable's 'Plan on a Page' and the Constabulary's Vision 25 Strategy which seeks to provide a roadmap to transform policing to meet the challenges of delivering an effective service for communities into the mid 20s.

Cumbria Vision 25 has five key themes, which the 'Plan on a Page' is based on:

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- Local Policing
- Specialist Capabilities
- Digital Policing
- Workforce
- Business Support

Each work-stream has a delivery plan and governance processes are aligned to the themes.

Chief Constable's Report

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

During 2022/23 things started to return to normal following the Covid-19 pandemic. The investment in mobile and digital technology that served the Constabulary so well during the pandemic remains in place and now facilitates an agile approach to working, with some staff continuing to work remotely for around 40% of the working week. The balanced approach to home/office working provides environmental benefits in terms of reduced commuting and also well-being benefits for staff.

In relation to levels of crime, most types of recorded crime rose in 2022/23. It would be fair to say that generally crime levels have returned to their pre-pandemic levels. Crime continues to become more complex as society and technology evolve with the result that the challenges faced by our front line officers in protecting the public are greater than ever.

We constantly review our demand to inform our resourcing options, making sure that we address changing criminality.

The other major challenge faced by the Constabulary during 2022/23 was to maintain impetus on the local implementation of the Government's Operation Uplift Programme, to recruit an additional 20,000 officers nationally by 2023. Cumbria's target to recruit an additional 69 officers by the end of 2022/23 in the third and final phase of Uplift was achieved (an increase of 169 police officers over 3 years). For 2023/24 the Constabulary has been asked to maintain the post operation uplift number of police officers (1,334 FTE) and has been asked to recruit a further 17 police officers. Ringfenced Home Office grant is to be provided which is conditional on achieving the numbers on two checkpoint dates of 30/09/23 and 31/03/24.

The Constabulary remains at the forefront in the use of digital technology in the fight against crime and is recognised nationally as being at the leading edge in rolling out mobile technology. Work has continued on developing the digital infrastructure and issuing further mobile devices to enable officers and staff to work flexibly. A programme of work to replace of the main policing Records Management System in collaboration with a private sector partner Mark 43 is now underway.

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). Following a suspension in inspection activity during 2020/21 due to the pandemic the Constabulary was last inspected in the autumn of 2021. HMICFRS

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congratulated the Constabulary on its overall good performance, although it needed to improve in some areas. Performance for Cumbria Constabulary was graded across eight areas of policing and found the force was 'outstanding' in one area, 'good' in three areas and 'adequate' in four areas. We have taken cognisance of the areas identified by the inspectorate where services could be improved and pro-actively put in place plans to address them. The Constabulary is currently being inspected again and the results of that inspection will be published early next year.

The Cumbria 2025 Plan remains pivotal to the delivery of a policing service to meet the future needs of the county. It seeks to bring together business and change planning into a single cohesive plan, which is aligned to the national policing vision. During 2022/23, in addition to the continued development of operational ICT systems highlighted, we have:

- Developed new training pathways for Detectives and recruits holding policing degrees.
- Implemented an action plan in relation to Violence Against Women and Girls.
- Continued to develop ways in which the public can engage with the Constabulary through the call management room such as call back and webchat.
- Gone live with a new Constabulary website as part of the Single Online Home programme.
- Delivered over 500 additional laptop to frontline police officers.

The plan will continue to be developed during 2023/24 under the leadership of the Chief Officer team.

Whilst the favourable grant funding for Operation Uplift and flexibility afforded to Commissioners to increase the precept in 2022/23 is appreciated and has allowed officer numbers to increase, this takes place in the context of uncertainty regarding the longer term financial outlook. The continued high levels of inflation has undoubtedly put pressure on the budget in 2022/23 and the effects are likely to continue to be felt during 2023/24. This when combined with constraints on national funding as the Government deals with the financial consequences of the pandemic will compound existing financial risks regarding the sustainability of funding, as will the financial burden of national policing initiatives, pensions costs and potential changes to the police funding formula. In the meantime, the Constabulary will continue to operate as efficiently as possible and deliver savings to balance the budget.

It is with mixed emotions that I have recently announced that after a long and wonderful career with Cumbria Constabulary I will be retiring as Chief Constable in July 2023. I have enjoyed every moment of my career in policing and am lucky to have worked at every rank across the force. It has been a great honour for me to serve the communities of Cumbria, in the role of Chief Constable.

It hasn't been an easy decision to retire, however after 33 years I feel now is a good time. The force is in a good position with a strong leadership team who are able to take on the challenges that lie ahead.

In summary, despite the challenges, the Constabulary Chief Officers will continue to work with the

Commissioner and partners across the county to deliver on our core mission of Delivering an Outstanding Policing Service to Keep Cumbria Safe.

2022/22 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 2022/23 grant settlement, the Commissioner's overall budget and the level of Council Tax levied are provided in the Commissioner's combined financial statements.

In summary, the Government provided significant additional grant funding in 2022/23, which was directed towards the achievement of the third and final phase of Operation Uplift; the Government's programme to recruit 20,000 officers nationally by 2022/23. The principal challenge presented from the grant settlement was the lack provision to meet the rising cost of providing existing services. To this end, Police and Crime Commissioners were afforded flexibility to increase council tax above inflation to make up the shortfall. Following public consultation, the Commissioner increased the precept by £9.99 for a band D property, which is equivalent to 3.67%. 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 rapid recruitment of

the Uplift target of an additional 69 officers for 2022/23 (a total increase of 169 police officers over 3 years).

Business Activity

In addition to the day to day work of Protecting the People of Cumbria, the Constabulary, through its change Programme and business strategies, has sought to identify savings and innovative ways to increase the productivity of its officers and staff. During 2022/23 we have made the following changes to enhance services:

- Introduced a new operating model that went live in September 2022.
- Introduced a shift pattern for the Constabulary's response teams.
- Designed a new Neighbourhood Policing model that has started to be introduced.
- Reviewed all partnership arrangements and introduced new systems to improve outcomes for our communities, like the new Community Safety Partnerships.
- Undertook extensive analysis of current and future demand to support the production of a Force Management Statement for submission to HMICFRS as a means of shaping future service delivery.
- Updated the Constabulary's intranet site and implementing Single On-line Home.

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Performance

Summary Budget and Outturn

The Chief Constable's budget amounting to £139m is based upon the funding agreement with the Commissioner.

The table below shows the summary budget for 2022/23 as set on 16 February 2022, the revised budget (taking into account budget changes made during the year) and the outturn position.

Summary Budget & Outturn	Base Budget 2022/23 £000s	Revised Budget 2022/23 £000s	Outturn 2022/23 £000s	(Under)/ Overspend 2022/23 £000s
Police Officers	96,636	96,053	96,438	385
PCSOs	1,917	1,917	1,914	(3)
Police Staff	26,653	26,769	26,539	(230)
Other Employee	3,129	3,162	2,985	(177)
Transport	2,389	2,388	2,665	277
Supplies & Services	10,372	10,867	10,637	(230)
Third Party Related	3,147	3,146	3,283	137
Total Expenditure	144,243	144,302	144,461	159
Income	(5,134)	(6,563)	(7,532)	(969)
Total Constabulary	139,109	137,739	136,929	(810)

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

The budget is predominantly made up of funding for employee costs, amounting in total to £128.34m, which is broken down into Police Officers £96.64m, PCSOs £1.92m, Police Staff £26.65m and other employee costs of £3.13m. The remainder of the

budget relates to non-staff costs including, transport costs of £2.39m and supplies/other costs of £13.52m. Income of (£5.14m), 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 2022/23, compared to the revised budget is an underspend of (£0.810m), which represents 0.59% of the budget.

Police Officer pay was overspent by £0.4m through a combination of changes to the workforce plan, decisions to increase some higher rank posts in the context of the overall increase in officer numbers through Operation Uplift and continued pressure on overtime. This is more than offset by savings on police staff, (as a result of a higher than expected level of vacancies) non-staff budgets and additional income.

Capital Expenditure: Under the terms of the funding arrangement between the Commissioner and the Chief Constable, all non-current assets are under the control of the Commissioner. Details of capital expenditure and funding in relation to the acquisition and enhancement of assets, which amounted to £4.092m in 2022/23 are shown in the financial statements of the Commissioner. This figure was significantly less than capital budget of £8.167m. Expenditure on ICT amounted to £3.001m, which included upgrading the digital infrastructure, radio replacements, a digitised firearms licensing system, and upgrade of the county wide CCTV system. In relation to the Estate £0.246m, the majority related to alterations to the learning and

development training facility. A further £0.776m was expended on the cyclical replacement of the vehicle fleet. Whilst supply issues following Covid disruption have improved compared to 2021/22, some delivery delays for vehicles and ICT equipment are still being experienced and have contributed to the slippage in the Programme.

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 and Crime Plan. The following section provides a summary of performance in relation to crime, incidents and other outcomes for 2022/23.

- Overall crime increased by 5% (1,728 crimes) compared to the previous financial year. This increase was largely attributable to the reduction in crime recorded during Covid restriction periods in 2021/22 and reflects a return to normality.
- ‘Violence against the person’, experienced an increase of 1% which equates to 95 crimes. This is at least partially reflective of the fact that there was a limited night-time economy for much of the previous year owing to the pandemic. However, within this broad category, certain crime types such as homicides reduced where other crime types death and serious injury from unlawful driving and violence with injury increased, but based on very low numbers.
- Acquisitive crimes such as robbery, theft and burglary all saw an increase in 2022/23. The combined increase was 14% (862 crimes).
- We encourage the reporting of rape and sex offences; which increased by 1% (11 offences) compared to the previous year.
- Drug offences experienced an increase of 19% which equates to 182 crimes. This is an indication of increased levels of pro-activity, targeting those who cause significant harm in our communities whilst addressing the threat of County Lines and Serious Organised Crime.
- Reported antisocial behaviour (ASB) has reduced by 28% (1,884 incidents). Some of this reduction is explained by reduced reporting of Covid breaches (which were recorded as ASB), whilst improvements made in the Force’s crime recording standards is also a contributory factor.
- Work has also targeted increased reporting for domestic violence. During 2022/23 domestic abuse safeguarding crimes increased by 0.9% which equates to 56 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 15 crimes, which represents an increase of 1.7%.
- The Constabulary is consistently achieving some of the highest levels of call handling performance nationally, further improving our services to our communities.
- The Force is also consistently achieving the highest outcome rates nationally for offences relating to Violence Against Women and Girls (VAWG).
- The latest figures for public confidence in the local police service remained high at 76.1% for the whole experience (a slight reduction from 79.4% in 2021/22).

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The table below summarises the Constabulary's performance indicators.

	Number of Crimes 2022/23	% Change from previous year
All Crime	38,849	5%
Violence against the person	16,923	1%
Homicide	1	-67%
Death or Serious Injury - Unlawful Driving	27	800%
Stalking and Harassment	5,813	-1%
Violence with injury	4,944	4%
Assault - cause serious harm	235	4%
Assault with injury	4,506	3%
Other violence with Injury	203	24%
Violence without injury	6,138	-1%
Assault without injury	5,261	0%
Assault without injury on a Constable	368	-9%
Other violence without injury	509	-9%
Rape and sexual offences	1,720	1%
Robbery	155	3%
Theft offences	5,354	16%
Burglary	1,582	9%
Vehicle offences	978	29%
Criminal damage and arson offences	4,997	-1%
Drugs offences	1,154	19%
Public order offences	4,705	1%
Miscellaneous Crimes Against Society	819	20%
Possession of weapons offences	462	80%

The Constabulary was inspected by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) in autumn 2021.

The Constabulary was congratulated on its overall good performance, whilst having some areas for improvement identified. His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) graded Cumbria Constabulary's performance across eight areas of policing and found the force was 'outstanding' in one area, 'good' in three areas and 'adequate' in four areas.

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

The Constabulary recently entered the formal evidence gathering phase of the 2023/24 HMICFRS Police Efficiency Effectiveness and Legitimacy (PEEL) inspection, which will continue throughout 2023 into 2024.

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.

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

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

During 2022/23 there has again been particular focus on recruitment of officers to fulfill the Government's Uplift programme. In addition specific work has included:

- improvements in workforce data,
- a review of workforce policies,
- development of a retention strategy with improved metrics to measure attrition.
- achievement of Disability Confident Leaders status,
- Review of police staff terms and conditions

Occupational Health has continued to play a significant role in maintaining the health and wellbeing of officers and staff. The team have met the quality standards set by the College of Policing by completing the Occupational Health Foundation Standards and have been assessed as 'fully developed'. Specific work in the year has included:

- A continued commitment to the national Oscar Kilo programme to promote well-being in the workplace. A tactical wellbeing group has been established to monitor progress on the framework.

- Increased work to establish and evaluate the support to neurodiverse officers and staff.
- Work to identify the appropriate psychological support for response officers.
- Achievement of the Gold Better Health at Work award.

At the 31st March 2023 the Constabulary employed:

- 1,379 Police Officers
- 52 PCSOs
- 634 Police staff
(all expressed in full time equivalents)

As part of the Commissioner's council tax pledge in 2022/23 the police officer establishment was increased by 69 FTE, from 1,265 to 1,334, which represented the Constabulary's share of the third and final phase of the national Operation Uplift programme. The achievement of the Uplift target was made a high priority by the Constabulary, with the result that the increased officer numbers were achieved in advance of the deadline. Over 2022/23 the numbers of police staff and PCSOs operated below establishment, partly because of the priority given to training officers to meet the Government's recruitment target.

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

Actual Employees as at 31 March 2023	CC		Total FTE
	Male FTE	Female FTE	
Directors/Chief Officers	8.5	3.0	11.5
Senior Managers	10.0	5.0	15.0
All Other Employees	1,027.4	1,010.5	2,037.9
Total CC Employees	1,045.9	1,018.5	2,064.4

The 2022/23 average percentage of working time lost due to sickness decreased for both officers and staff compared with the previous year. The police officer rate decreased from 4.7% to 4.2%, whilst police staff decreased from 4.6% to 4.5%. An attendance action plan is in place with a wide range of actions to proactively manage sickness.

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

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

The Constabulary recognises the importance of developing the skills and knowledge of its workforce. The Constabulary's has an annual training plan, which aims to ensure that officers, PCSOs and staff are equipped with the requisite skills to perform their role, including mandatory accreditation for specialist responsibilities. During 2022/23 particular training resource was directed to:

- Training for new officer recruits through the Police Educational and Qualification Framework for new officers (developing apprenticeship and degree entry training courses in conjunction with the University of Central Lancashire) including innovative Professional Policing Degree and direct entry Detective programmes.
- Re-introduction of non-degree cohorts as a fourth entry route alongside other PEQF routes. This approach will be maintained for 2023/24.
- Leadership and skills courses for sergeants, inspectors and police staff.
- Specialist crime including an in house developed Investigative Manager course for detective supervisors and forensic interview training.
- Enhanced personal safety and Taser training.

Sustainability

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

In relation to environmental sustainability and countering climate change, the constabulary has appointed the Energy Saving Trust to assist with measuring our carbon footprint and developing a sustainability strategy with a detailed action plan. Work on phase 1, the measuring and collection of data was completed in 2022, work on development of the strategy is currently underway.

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

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

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

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

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

As a result of the measures put in place during the covid pandemic, a more agile approach to home working has developed with many police staff working partly from home and partly from the office. This agile approach delivers sustainability benefits reduced travel between sites, improve space efficiency, reduces

estate footprint and drives down the energy and environmental footprint at a number of sites. The measures also improve wellbeing.

For many years the Constabulary has operated a recycling policy.

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

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

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

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

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which that entails. Where journeys are essential, public transport via travel plans, car sharing and cycle to work schemes are promoted.

The Financial Statements

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

The key financial statements are:

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

Comprehensive Income and Expenditure Statement

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 29 of the full statement of accounts.

The table below sets out a summary CIES statement.

Summary CI&ES	Gross Expenditure 2022/23 £000s	Gross Income 2022/23 £000s	Net Expenditure 2022/23 £000s
Cost of Police Services	133,715	(671)	133,044
Funding Provided by PCC to CC	0	(135,452)	(135,452)
Cost of Services	133,715	(136,123)	(2,408)
Financing Costs and Investment Income	45,511	(5,305)	40,206
(Surplus)/Deficit on the Provision of Services	179,226	(141,428)	37,798
Other Comprehensive Income and Expenditure			(491,230)
Total Comprehensive Income and Expenditure			(453,432)

The statement shows that the gross cost of providing policing services amounted to £133.044m in 2022/23. 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' £40.206m and 'other comprehensive income & expenditure' net income of (£491.230m).

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 (£453.532m) 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 (£0.810m).

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 38.

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Movement in Reserves Statement

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

The Chief Constable's statement of movements in reserves is shown on page 30 in the full statement of accounts.

The table below sets out a summary movement in reserves statement.

Summary Movement in Reserves	Balance 31/03/2022 £000s	Movements 2022/23 £000s	Balance 31/03/2023 £000s
Police Pensions Reserve	(1,459,590)	393,910	(1,065,680)
LGPS Pensions Reserve	(59,825)	59,825	0
Accumulated Absences Reserve	(4,457)	(303)	(4,760)
Total Reserves	(1,523,872)	453,432	(1,070,440)

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 Scheme and positive reserve 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 2022/23, 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 £4.0m to meet unplanned risks (increased from £3.6m in 2021/22) and earmarked reserves of £23m for specific revenue and capital purposes. During 2022/23, a total of £3.8m has been contributed to the Commissioner's earmarked reserves from the revenue budget in the year.

The Balance Sheet

The balance sheet shows the value as at the balance sheet date (31 March 2023) of the Chief Constable's assets and liabilities.

The table below sets out the summary balance sheet for the Chief Constable.

Summary Balance Sheet	Balance 31/03/2022 £000s	Balance 31/03/2023 £000s
Current Assets	13,061	17,754
Current Liabilities	(15,922)	(20,807)
Long Term Liabilities	(1,521,011)	(1,067,387)
Net Liabilities	(1,523,872)	(1,070,440)
Unusable Reserves	(1,523,872)	(1,070,440)
Total Reserves	(1,523,872)	(1,070,440)

The Chief Constable's current assets (£17.8m) 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

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liabilities (£20.8) reflect amounts owed by the Chief Constable. They include the Chief Constable's share of short-term creditors and the balance of funding between the Chief Constable and the Commissioner. Long-term liabilities (£1,067m) represent the Chief Constable's share of the pensions deficit together with a small number of provisions to meet future liabilities. The net assets (assets less liabilities) are matched on the balance sheet by the Chief Constable's reserves. The balance sheet reserves reflect the position at year end and therefore match the final position shown in the movement in reserves statement. The balance sheet is shown on page 31 in the full statement of accounts.

The Chief Constable's 2022/23 balance sheet shows a combined pensions deficit of (£1,067m) ((£1,519m) in 2021/22) 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

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 32 of the full statement of accounts.

The table below provides a summary of the cash flow statement:

Summary Cash Flow Statement	Cash flows	Cash flows
	2021/22 £000s	2022/23 £000s
Cash & Cash Equivalents 1 April	0	0
Net (Surplus)/Deficit on the provision of services	30,728	37,798
Adjustments for Non-cash Movements	(30,728)	(37,798)
Net Cash Flows from Operating Activities	0	0
Cash & Cash Equivalents 31 March	0	0

Police Officer Pension Fund Account

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

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

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A summary of the pension fund is shown below.

Summary Police Pension Fund	Pension Fund A/C 2021/22 £000s	Pension Fund A/C 2022/23 £000s
Contributions - Employer	(14,043)	(14,714)
Contributions - Officers	(6,049)	(6,348)
Contributions - Other	(186)	(376)
Benefits Payable	41,279	40,622
Other Payments	359	163
Net Amount Payable	21,360	19,347
Contribution from Home Office	(21,360)	(19,347)
Net Amount Payable	0	0

The statement identifies contributions made in 2022/23 totaling (£21.44m). The pension benefits that are payable from the fund, together with other payments amounted to £40.79m. The balance between contributions and pensions' benefits paid of £19.35m has been funded by the Home Office via the Police and Crime Commissioner. The full pensions fund accounts and note can be found on pages 54-55 of the full statement of accounts.

Supporting Information to the Financial Statements

The key financial statements are supplemented by an explanation of the accounting policies used in preparing the statements which are shown alongside the relevant note in the accounts or in Annex A where they are generic to the accounts as a whole. They also contain a comprehensive set of notes that explain in more detail a number of entries in the primary financial statements. A glossary of terms provides an explanation of the various technical accounting terms and abbreviations. The statements are published

alongside the Annual Governance Statement for the Chief Constable in accordance with the 2015 Accounts and Audit (England) Regulations.

The Annual Governance Statement of the Chief Constable can be found in (Annex D) of the full Statement of Accounts on pages AGS 1- 33 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 2023. This has primarily arisen as a result of positive action on behalf of the Constabulary to manage costs in the context of increasing demand for services and real terms reductions in funding over the last decade.

Looking forward, the Government has continued to provide funding in respect of the Uplift Programme (the scheme to recruit an additional 20,000 officers nationally by the end of 2022/23). In Cumbria's case, further additional ringfenced grant of £2.3m has been provided for 2023/24 (conditional on maintaining the Uplift numbers), which, in combination with continued flexibility afforded to Police and Crime Commissioners to levy increased council tax has enabled the budget for 2023/24 to be balanced.

However, the financial outlook over the medium term remains challenging. Of particular concern has been the continuance of inflationary pressures in the wider

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economy on a scale not seen in a generation which emerged in the latter part of 2021/22; the impact of which on the Constabulary budget will be closely monitored over the next year. This also has the potential to compound existing financial risks in relation to the funding of pensions, costs of national policing initiatives such as the Emergency Services Network and the potential re-distribution of policing resources in the Home Office's planned review of the Police Funding Formula.

The Constabulary's budget is set in the context of a five year medium term financial forecast (MTFF), which was prepared in February and shows that annual savings of around £16m will be required to balance the budget by the end of the forecast period in 2027/28.

The Commissioner and Chief Constable recognise that, having already delivered £27m of savings since 2010, future savings will be hard won. They continue to work towards developing and implementing organisational changes that will improve the efficiency of the Constabulary and seek to address the future gap between expenditure and income. The judicious use of reserves and borrowing to fund the capital programme will also be considered as a means of balancing the budget as an interim measure. Against this background, the level of required savings highlighted in the MTFF are considered to be achievable.

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

In light of the financial outlook presented above and in the context of the MTFF and savings plans, the Chief Constable and the Chief Finance Officer have reviewed

the going concern position of the Constabulary and have concluded that it is appropriate to produce the Chief Constable's accounts on a going concern basis.

Risks

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

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

- Financial risk that there may be a detrimental and significant impact on the available budget and a requirement for substantially increased savings as a result of; inflationary pressures, reduced government funding, increased pension contributions and potential changes to the police funding formula.
- The Constabulary may not have the capacity to deliver the Cumbria Vision 235 and its associated efficiency plans.
- Firearms licensing, a risk that lawfully held firearms may not be sufficiently tracked and traced as per national guidelines.

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

Change Programme

The Constabulary's Savings and Efficiency Plan remains pivotal in identifying and delivering potential savings, it now forms an integral part of the Cumbria 2025 vision

project to ensure that a holistic approach to service delivery linked to changing service demand is adopted.

Current work-streams include:

- Undertaking demand reviews to inform the design of the workforce to meet future policing requirements.
- Realising benefits from investments in digital technology in operational policing.
- Use of business analytics and intelligence to improve management information and generate efficiencies.
- Greater emphasis on income generation.
- Improving the efficiency of business systems and processes to better support operational policing and improve outcomes for our communities.
- Exploiting opportunities for collaboration with other partners.
- A more systematic benefits realisation monitoring process.
- Use of benchmarking and Value for Money indicators to inform resourcing decisions.
- Specific reviews of business activities.

Financial Management Code

The Financial Management Code developed by the Chartered Institute of Public Finance and Accountancy came into effect from the 1st April 2020, with the aim of supporting good practice in financial management in local authorities including the policing sector. In the most recent self-assessment undertaken in May 2023, the Constabulary largely meets the requirements of the code with full compliance in thirteen out of seventeen statements and partial compliance in the remaining four.

Developments have been progressed in relation to the Savings and Efficiency Plan, balance sheet reporting, financial business partnering and contract management in 2022/23, however, there are some areas where further work is required to ensure full compliance, most notably in relation to:

- Demonstrating Value for Money and identifying savings to ensure financial sustainability.
- Developing a financial resilience index.
- Application of formal options appraisal techniques.

Acknowledgements

The financial statements were originally authorised for issue by me as the Constabulary Chief Finance Officer, on 15 June 2023. Following completion of the audit, they were subsequently re-authorised by me on 17 January 2024 and were formally approved by the Chief Constable on the same day.

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

Michelle Bellis

Constabulary Chief Finance Officer

The accounts present a true and fair view of the position of the Chief Constable of Cumbria Constabulary as at 31 March 2023 and its income and expenditure for the year there ended.

[Signatures removed for the purpose of publication on the website](#)

Michelle Bellis CPFA
Constabulary Chief Finance Officer

Date: 17 January 2024

Robert Carden
Chief Constable

Date: 17 January 2024