

### Introduction

I am pleased to introduce the Summary Statement of Accounts for the 2021/22 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 is taken from the full financial statements which are published in accordance with the Accounts and Audit Regulations 2015.

The summary statement provides a breakdown of net spending during the year and shows the overall financial position of the Chief Constable as at 31 March 2022. 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](http://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 Queen's peace and the exercise of police powers. The Chief Constable is accountable to the Commissioner for leadership of the force, the delivery of efficient and effective policing and the management of resources and expenditure for the police force.

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

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

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

## Organisational Structure

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

During 2021/22 operational policing has been split into three commands, each headed by a Chief Superintendent, which report to the Assistant Chief Constable.

The Operations, Engagement and Neighbourhood Policing Command is responsible for local policing, response and public engagement including management of calls for service. The command is

structured in three geographic areas.

The Crime, Safeguarding and Specialist Capabilities Command is responsible for investigating crime and includes specialist units for gathering intelligence, major crime investigation, countering serious and organised crime, public protection and scientific support. Specialist functions, which provide shared support to Neighbourhood Policing teams such as roads, firearms, dogs and criminal justice have recently been transferred to this command.

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

There are also two support directorates both of which report to the Deputy Chief Constable.

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

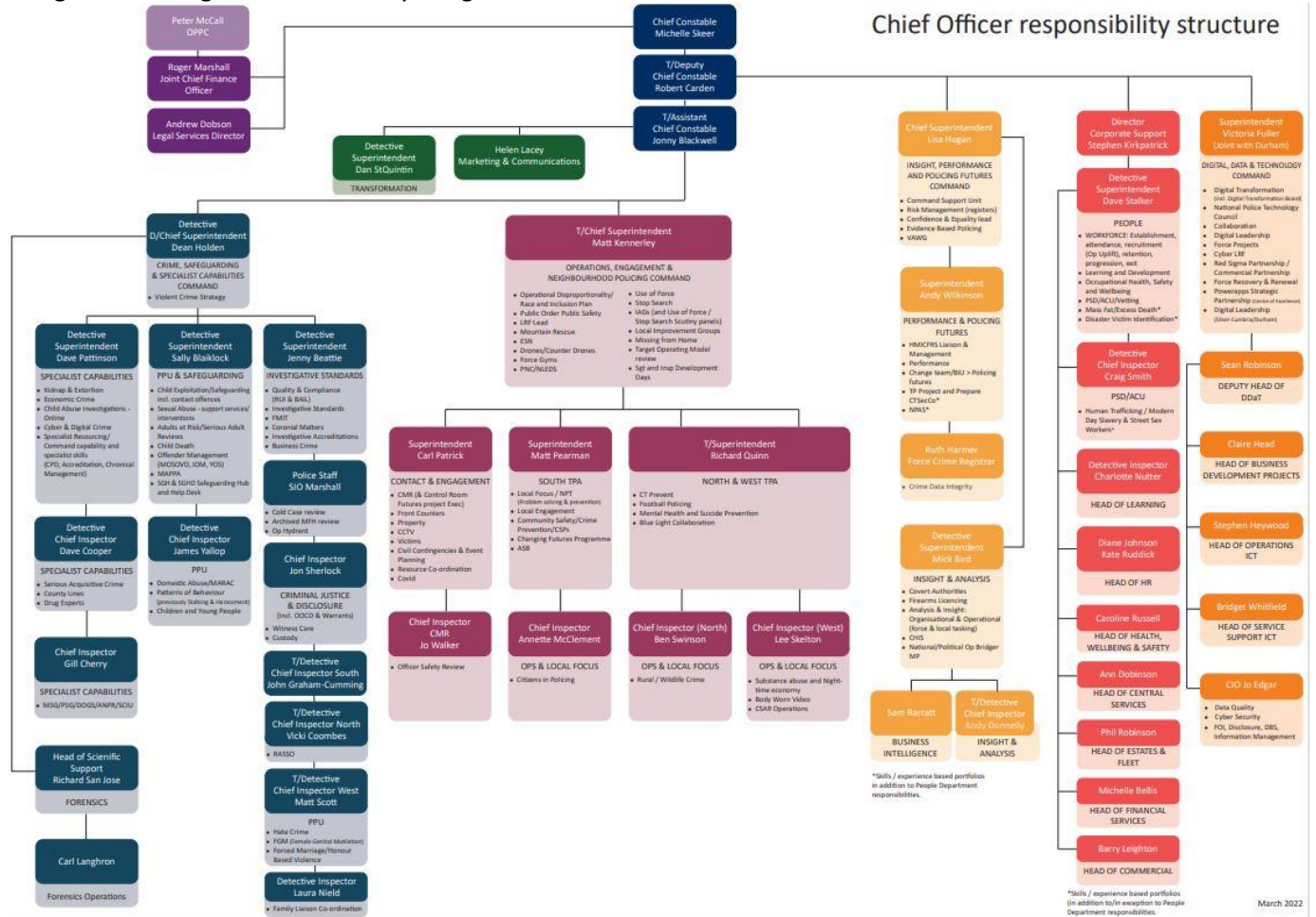
The Digital, Data and Technology Directorate is responsible for all aspects ICT development and data management.

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

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



From mid 2022/23 a re-structure is planned aligned to Local Government Reform in Cumbria. The most significant planned change is the establishment of two Basic Command Units which will undertake local policing, response, intelligence and crime investigation and will be co-terminus with the two unitary councils of Cumberland and Westmorland and Furness. The objective of the change is to more clearly establish accountability for policing outcomes and to facilitate improved engagement and collaboration with partner public sector authorities.

Other planned changes include bringing together support and DDaT functions under the leadership of a newly appointed Assistant Chief Officer.

## Strategic Objectives

For 2021/22, 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.

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- Working together.
- Quality victims care.
- 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 his Police & Crime Plan to complement his aims.

The priorities also support delivery of 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

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

Each work-stream has a delivery plan and professional lead. Governance processes are also 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 the second lowest volume of crime and anti-social behaviour and traffic incidents have steadily reduced over the past three years. The people of Cumbria remain supportive of the service we provide.

During 2021/22 the Covid-19 pandemic continued to impact on the work of the Constabulary. Although the challenges of enforcing Covid regulations and ensuring the safety of the force's officers and staff, whilst to maintaining an effective policing service, were less acute than in 2020/21, they still represented a considerable drain on resources. The impact of the virus will continue to be felt in 2022/23 and as a result a Covid recovery plan is being put in place to ensure that the benefits of new ways of working which were adopted during the pandemic are not lost.

In relation to levels of crime, most types of recorded crime rose sharply in 2021/22, however, because of the lockdowns in 2020/21, a year on year comparison does not give a representative picture. 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 2021/22 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 49 officers by the end of 2021/22 in the second phase of Uplift was achieved well ahead of schedule although delivery of the final phase in 2022/23 may be more difficult as the labour market opens up following the pandemic.

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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. Despite the challenges presented by working remotely during 2021/22, work has continued on developing the digital infrastructure and issuing further mobile devices to enable officers and staff to work flexibly. An innovative approach to developing mobile phone applications through PowerApps has been pioneered and a business case approved for the replacement of the main policing Records Management System in collaboration with a private sector partner Mark 43.

The Constabulary is inspected and graded as part of a regime known as PEEL (Police Efficiency, Effectiveness and Legitimacy) by Her 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 inspected in the autumn of 2021. HMICFRS congratulated the Constabulary on its overall good performance, although it needs to improve in some areas. Performance was 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. I am pleased with the results of the inspection as a vindication of the work we undertake to keep Cumbria safe. 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 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 2021/22, 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.

The plan will continue to be developed during 2022/23 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 2021/22 is appreciated and has allowed officer numbers to increase, this takes place in the context of uncertainty regarding the longer term financial outlook. The recent increase in inflationary pressures will undoubtedly put pressure on the budget whilst national funding will be constrained by the effect of the pandemic. This will compound existing financial risks regarding the sustainability of funding, 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.

In summary, despite the challenges, I 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.

### 2021/22 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 2021/22 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 2021/22, which was directed towards the achievement of the second 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 £6.57 for a band D property, which is equivalent to 2.47%. 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 49 officers.

### 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 2021/22 we have made the following changes to enhance services:

- 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.
- Audits of stop and search and the use of Body Worn Video to provide feedback to officers and improve services.
- Undertook a range of compliance and knowledge checks again to improve services across the operational policing portfolio including victims code of practice, released under investigation, domestic abuse quality of service and crime recording.
- Developed a strategy to counter Violence Against Women and Girls.
- Developed a business case to replace the policing Records Management System in conjunction with Mark 43.
- In conjunction with Tiski, created a number of applications using Power Apps to improve the ability of officers and staff to access data.
- Enhanced public contact through the development of web chat and call back facilities.
- Purchased new kennel facilities with training capability.
- Updated the Constabulary's intranet site.

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### Performance

#### Summary Budget and Outturn

The Chief Constable's budget amounting to £137m is based upon the funding agreement with the Commissioner.

The table below shows the summary budget for 2021/22 as set on 19 February 2021, the revised budget (taking into account budget changes made during the year) and the outturn position.

Summary Budget & Outturn	Base Budget 2021/22 £000s	Revised Budget 2021/22 £000s	Outturn 2021/22 £000s	(Under)/ Overspend 2021/22 £000s
Police Officers	97,139	93,061	95,575	2,514
PCSOs	1,894	1,894	1,929	35
Police Staff	25,287	25,658	24,861	(797)
Other Employee	2,212	2,888	2,722	(166)
Transport	2,366	2,359	2,268	(91)
Supplies & Services	10,937	11,293	10,135	(1,158)
Third Party Related	2,405	2,645	3,025	380
<b>Total Expenditure</b>	<b>142,240</b>	<b>139,798</b>	<b>140,515</b>	<b>717</b>
Income	(5,259)	(6,192)	(7,282)	(1,090)
<b>Total Constabulary</b>	<b>136,981</b>	<b>133,606</b>	<b>133,233</b>	<b>(373)</b>

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 £126.53m, which is broken down into Police Officers £97.14m, PCSO's £1.9m, Police Staff £25.29m and other employee costs of £2.21m. The remainder of the

budget relates to non-staff costs including, transport costs of £2.37m and supplies/other costs of £13.34m. Income of (£5.26m), 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 2021/22, compared to the revised budget is an underspend of (£0.373m), which represents 0.28% of the budget.

Police Officer pay was overspent by £2.5m 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 pressure on overtime partially as a result of the re-scheduling of Appleby Fair and policing COP26 (which was recouped). 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. In relation to supplies and services the under-spending has arisen from budgets which were expected to be spent as the Constabulary recovered from Covid, with expenditure being delayed due to the pro-longed nature of the pandemic.

During 2021/22 the Covid-19 pandemic continued to have an impact on the Constabulary's budget, although less so than in 2020/21. Additional expenditure totalling £439k was incurred in relation to PPE, technology to facilitate home working and enforcement activities, whilst income generation was also down by a further £258k.

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However, this was largely offset by a combination of Government support and savings which resulted indirectly from the pandemic, such as reduced travel and training, totalling (£648k), leaving a net cost to the Constabulary of £49k.

**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 £5.371m in 2021/22 are shown in the financial statements of the Commissioner. This figure was significantly less than capital budget of £8.675m. Expenditure on ICT amounted to £1.887m, which largely comprised upgrading the digital infrastructure and provision of mobile devices to facilitate a significant proportion of the workforce operating remotely. In relation to the Estate £1.133m was spent on the purchase of a commercial kennel facility, which also presents opportunities to develop a training facility. A further £2.098m was expended on the cyclical replacement of the vehicle fleet. Capital expenditure was also incurred in relation to Taser replacement, although the planned replacement of the CCTV infrastructure has been delayed. Whilst supply issues following Covid disruption have improved compared to 2020/21, 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 his Police and Crime Plan. The following section provides a summary of performance in relation to crime, incidents and other outcomes for 2021/22.

- Overall crime increased by 20% (6,172 crimes). This increase was largely attributable to the relaxation of Covid restrictions compared to 2020/21.
- 'Violence against the person', experienced an increase of 24% which equates to 3,282 crimes. This is at least partially reflective of the fact that pubs and nightclubs were closed for much of the previous year. However, within this broad category, certain crime types such as homicides and death and serious injury from unlawful driving reduced, but based on very low numbers.
- Acquisitive crimes such as robbery and theft increased by a quarter compared with the previous year, although there was a much smaller increase in burglaries.
- We encourage the reporting of rape and sex offences; which increased by 38.4% (213 offences) compared to the previous year.
- The only crime type to experience a reduction was drug offences, which reduced by 14.6%. This is an indication of reduced pro-active policing in this area, as officers dealt with increased demand in other areas.
- Antisocial behaviour (ASB) increased has reduced by 39% (4,416 incidents). Some of this reduction is explained by reduced reporting of Covid breaches to the police, which were recorded as ASB.
- Work has also targeted increased reporting for domestic violence. During 2021/22 Domestic Abuse Safeguarding Crimes increased by 10% which equates to 592 crimes.



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- 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 41 crimes, which represents an increase of 40.6%.
- The latest figures for public confidence in the local police service remained high at 79.4% for the whole experience (a slight increase from 78.5% in 2020/21).

The table below summarises the Constabulary's performance indicators.

	Number of Crimes 2021/22	% Change from previous year
<b>All Crime</b>	<b>37,121</b>	<b>20%</b>
Violence against the person	16,828	24%
Homicide	3	-67%
Death or Serious Injury - Unlawful Driving	3	-84%
Stalking and Harassment	5,844	26%
Violence with injury	4,761	34%
Assault - cause serious harm	226	19%
Assault with injury	4,371	30%
Other violence with Injury	164	681%
Violence without injury	6,217	17%
Assault without injury	5,257	17%
Assault without injury on a Constable	403	20%
Other violence without injury	557	13%
Rape and sexual offences	1,709	38%
Robbery	151	26%
Theft offences	4,622	24%
Burglary	1,456	2%
Vehicle offences	758	8%
Criminal damage and arson offences	5,026	18%
Drugs offences	972	-15%
Public order offences	4,658	19%
Miscellaneous Crimes Against Society	685	3%
Possession of weapons offences	256	7%

The Constabulary has recently had its HMICFRS Inspection, it has been congratulated on its overall good performance, although it needs to improve in some areas, the police inspectorate has said.

Her 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. HMICFRS said the areas requiring improvement included how the force handles calls from the public and its neighbourhood policing resourcing.

Her Majesty's Chief Inspector of Constabulary, Andy Cooke, said: "I congratulate Cumbria Constabulary on its performance in keeping people safe and reducing crime, although it needs to improve in some areas to provide a consistently good service".

"The force's work in the management of registered sex offenders is excellent, which means it is protecting communities from some of the highest-harm offenders - I am impressed by some of the innovative practice".

"The force has a positive, supportive and inclusive culture. Everybody we spoke to during our inspection said that they felt proud to work for Cumbria Constabulary".

"It's digitally progressive and innovative, using digital technology to support those on the front line".

"There's a strong focus on early intervention with children and young people, and I am encouraged to see the child-centred policing model that the force has adopted".

"Cumbria Constabulary does need to improve its call handling performance. Emergency calls are answered and responded to quickly; however, sometimes abandonment rates for non-emergency calls aren't meeting national standards".

"It also needs to review its neighbourhood policing resourcing and deployment model".

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“I am reassured that the force has been developing work to address this following our inspection”. “I will monitor Cumbria’s progress towards addressing the areas I have identified where the force can improve further”.

### 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 has re-written and 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 the year there has been particular focus on recruitment of officers to fulfill the Government’s Uplift programme, improvement in workforce data and undertaking a review of workforce policies.

There is a particular focus on wellbeing with work undertaken in 2021/22 seeking to promote and embed:

- Development of an agile working policy to facilitate a mix of home and office working following the pandemic.
- Participation in the national Oscar Kilo programme to promote well-being in the workplace.

- Investment in further Wellbeing initiatives in the Constabulary and the training of Mental Health First Aiders and a buddy up scheme, who can signpost staff for early help and support. LA Silver better health at work award was achieved and work is proceeding towards a gold award, which is expected to be achieved in 2022
- Provision of psychological screening for officers in high risk roles.
- Development of a spotlight scheme to shape future leaders in the Constabulary
- Streamlined processes in duty management so staff can access automated leave systems
- Investment in anti-corruption and vetting software and resources.

At the 31<sup>st</sup> March 2022 the Constabulary employed:

- 1,287 Police Officers
- 47 PCSOs
- 624 Police staff (all expressed in full time equivalents)

As part of the Commissioner’s council tax pledge in 2021/22 the police officer establishment was increased by 49 FTE, from 1,216 to 1,265, which represented the Constabulary’s share of the second 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 in place in early 2021/22. Over 2021/22 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.

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

Actual Employees as at 31 March 2022	CC		Total FTE
	Male FTE	Female FTE	
Directors/Chief Officers	6.5	2.0	<b>8.5</b>
Senior Managers	11.0	5.0	<b>16.0</b>
All Other Employees	996.8	936.4	<b>1,933.2</b>
<b>Total CC Employees</b>	<b>1,014.3</b>	<b>943.4</b>	<b>1,957.7</b>

The 2021/22 average percentage of working time lost due to sickness increased for both officers and staff compared with the previous year. The police officer rate increased from 3.93% to 4.73% (approx. 9 working days), whilst police staff increased from 3.51% to 4.6% (9 working days). An attendance action plan is in place with a wide range of actions to pro-actively manage sickness.

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

- 1) Develop a more diverse and inclusive 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 2021/22 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 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 have 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 commenced in April, work on development of the strategy will commence in the autumn of 2022. In addition to this the benefits of signing up to the Emergency Services Environmental Sustainability Framework' are currently being evaluated.

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 pandemic a high proportion of staff have moved to working remotely at least partially. A more flexible approach to home working will be encouraged on a permanent basis as it 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.

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.

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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.

## The Financial Statements

This section of the financial summary provides an explanation of the various parts of the financial statement. 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 2021/22 £000s	Gross Income 2021/22 £000s	Net Expenditure 2021/22 £000s
Cost of Police Services	129,134	(366)	128,768
Funding Provided by PCC to CC	0	(128,522)	(128,522)
<b>Cost of Services</b>	<b>129,134</b>	<b>(128,888)</b>	<b>246</b>
Financing Costs and Investment Income	34,249	(3,767)	30,482
<b>(Surplus)/Deficit on the Provision of Services</b>	<b>163,383</b>	<b>(132,655)</b>	<b>30,728</b>
Other Comprehensive Income and Expenditure			(32,974)
<b>Total Comprehensive Income and Expenditure</b>			<b>(2,246)</b>

The statement shows that the gross cost of providing policing services amounted to £128.768m in 2021/22. 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' £30.482m and 'other comprehensive income & expenditure' net income of (£32.974m).

# The Chief Constable of Cumbria Constabulary

## Summary Statement of Accounts 2021/22

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 (£2.246m) 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 (£0.373m).

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.

### 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 31/03/2021 £000s	Movements 2021/22 £000s	Balance 31/03/2022 £000s
Police Pensions Reserve	(1,447,160)	(12,430)	(1,459,590)
LGPS Pensions Reserve	(73,420)	13,595	(59,825)
Accumulated Absences Reserve	(5,538)	1,081	(4,457)
<b>Total Reserves</b>	<b>(1,526,118)</b>	<b>2,246</b>	<b>(1,523,872)</b>

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 Chief Constable's negative reserves in relation to the Police and Local Government Pension Schemes, reflecting the requirement to record pension assets and liabilities as they are earned rather than when they become due for payment. During 2021/22, 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 £3.6m to meet unplanned risks and earmarked reserves of £19m for specific revenue and capital purposes. During 2021/22, a total of £1.5m has been contributed the Commissioner's earmarked reserves from the revenue budget in the year.

# The Chief Constable of Cumbria Constabulary

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### The Balance Sheet

The balance sheet shows the value as at the balance sheet date (31 March 2022) 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	Balance
	31/03/2021	31/03/2022
	£000s	£000s
Current Assets	14,955	13,061
Current Liabilities	(19,098)	(15,922)
Long Term Liabilities	(1,521,975)	(1,521,011)
<b>Net Liabilities</b>	<b>(1,526,118)</b>	<b>(1,523,872)</b>
Unusable Reserves	(1,526,118)	(1,523,872)
<b>Total Reserves</b>	<b>(1,526,118)</b>	<b>(1,523,872)</b>

The Chief Constable's current assets £13.1m 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 (£16.0) 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 (£1,521m) 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 2021/22 balance sheet shows a combined pensions deficit of (£1,519m) ((£1,521m) in

2020/21) 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 2020/21	Cash flows 2021/22
	£000s	£000s
<b>Cash &amp; Cash Equivalents 1 April</b>	<b>0</b>	<b>0</b>
Net (Surplus)/Deficit on the provision of services	26,969	30,728
Adjustments for Non-cash Movements	(26,969)	(30,728)
<b>Net Cash Flows from Operating Activities</b>	<b>0</b>	<b>0</b>
<b>Cash &amp; Cash Equivalents 31 March</b>	<b>0</b>	<b>0</b>

# The Chief Constable of Cumbria Constabulary

## Summary Statement of Accounts 2021/22

### 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.

A summary of the pension fund is shown below.

Summary Police Pension Fund	Pension Fund A/C 2020/21 £000s	Pension Fund A/C 2021/22 £000s
Contributions - Employer	(13,519)	(14,043)
Contributions - Officers	(5,842)	(6,049)
Contributions - Other	(331)	(186)
Benefits Payable	38,862	41,279
Other Payments	20	359
<b>Net Amount Payable</b>	<b>19,190</b>	<b>21,360</b>
Contribution from Home Office	(19,190)	(21,360)
Net Amount Payable	0	0

The statement identifies contributions made in 2021/22 totaling (£20.28m). The pension benefits that

are payable from the fund, together with other payments amounted to £41.64m. The balance between contributions and pensions' benefits paid of £21.36m 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 this Statement of Accounts on pages AGS 1- 28 or on the Constabulary website at: [www.cumbria.police.uk](http://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 2022. 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.

To date, with the support of Government, the Constabulary has been able to manage the cost of its response to the Covid-19 pandemic with no adverse effect on its budget.

Looking forward, the Government has continued to provide funding for the final phase of the Uplift Programme to recruit an additional 20,000 officers nationally by the end of 2022/23. In Cumbria's case further additional grant of £4m has been provided for 2022/23, which, in combination with continued flexibility afforded to Police and Crime Commissioners to levy increased council tax has enabled the budget for 2022/23 to be balanced.

However, the financial outlook over the medium term remains challenging. Of particular concern has been the emergence of inflationary pressures in the wider economy on a scale not seen in a generation 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 over £6m will be required to balance the budget by the end of the forecast period in 2026/27.

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 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.

Two of the Constabulary's highest scoring strategic risks relate to the potential reduction in service delivery, safety and ultimately public confidence, which could result from a real terms loss of funding and the potential impact of savings on delivery of the Chief Constable's Vision 2025.

Other high scoring risks recognize

- the potential threat to performance and additional cost implications of implementing the Emergency Services Network, which is a national system to replace the force's radio communications. This is likely to remain until the project is implemented, which is now scheduled for 2026.
- Operational capacity, particularly in relation to territorial policing, crime investigation and firearms.
- Lack of Analytical Capability.
- The difficulty of maintaining effective partnership working arrangements in the context of Local Government Reform in Cumbria.

Whilst the impact of Covid-19 remains a strategic risk, its risk score has recently been reduced.

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

### Change Programme

The Constabulary's Productivity 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 a 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 procedures to better support operational policing.
- 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 March 2022, 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.

# The Chief Constable of Cumbria Constabulary

## Summary Statement of Accounts 2021/22

Developments have been progressed in relation to the Productivity and Efficiency Plan, balance sheet reporting, financial business partnering and contract management in 2021/22, 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 Joint Chief Finance Officer, on 24 June 2022. Following completion of the audit, they were subsequently re-authorised by me on 23 November 2022 and were formally approved by the Chief Constable on the same day.

In closing, it is appropriate to acknowledge the dedication and professionalism of Michelle Bellis Deputy Chief Finance Officer, Lorraine Holme, Sarah Walker and the wider finance team in again achieving the closure of accounts and the publication of these statements against tight deadlines, whilst continuing to work remotely due to the pandemic.

**Roger Marshall**

**Joint 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 2022 and its income and expenditure for the year there ended.

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

Roger Marshall CPFA

Joint Chief Finance Officer

Date: 23 November 2022

Michelle Skeer QPM

The Chief Constable of Cumbria Constabulary

Date: 23 November 2022