



# Civil Nuclear Police Authority

## Annual Report & Accounts 2020/21

[www.gov.uk/cnpa](http://www.gov.uk/cnpa)  
[www.gov.uk/cnc](http://www.gov.uk/cnc)



# Civil Nuclear Police Authority

---

## Annual Report & Accounts 2020/21

Presented to Parliament pursuant  
to Paragraph 12 of Schedule 10 and  
Paragraph 7 of Schedule 12 to the  
Energy Act 2004

Ordered by the House of Commons to  
be printed 18 November 2021

HC 749



© Crown copyright 2021

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit [nationalarchives.gov.uk/doc/open-government-licence/version/3](https://nationalarchives.gov.uk/doc/open-government-licence/version/3).

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at [www.gov.uk/official-documents](https://www.gov.uk/official-documents).

Any enquiries regarding this publication should be sent to us at Civil Nuclear Constabulary Headquarters, F6 Culham Science Centre, Abingdon, OX14 3DB.

ISBN 978-1-5286-2845-7

E02663331 11/21

Printed on paper containing 75% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of Her Majesty's Stationery Office

# Contents

<b>Chairman's Statement</b>	<b>4</b>
<b>Ambition, Mission and Values</b>	<b>7</b>
<b>CNC at a glance</b>	<b>8</b>
<b>Section 1: Performance Report</b>	<b>9</b>
Chief Executive Officer and Chief Constable's Overview	9
Performance Analysis	21
Sustainability Report	33
<b>Section 2: Accountability Report</b>	<b>39</b>
<b>Corporate Governance Report</b>	<b>39</b>
Directors' Report	39
Statement of Civil Nuclear Police Authority's and Accounting Officer's Responsibilities	44
Governance Statement	45
<b>Remuneration and Staff Report</b>	<b>57</b>
Remuneration Report	57
Staff Report	62
<b>Parliamentary Accountability and Audit Report</b>	<b>72</b>
Regularity of Expenditure	72
The Audit Report of the Comptroller and Auditor General to the Houses of Parliament	73
<b>Section 3: Financial Statements 2020/21</b>	<b>77</b>





# Chairman's Statement

**The past year has been an unprecedented one across the globe, with an international pandemic changing our working and personal lives and leading to huge adjustments for us all.**

I am proud that throughout the challenges we faced due to Covid-19, we have continued to meet our Mission and successfully delivered armed policing at 10 civil nuclear sites across the country by working in partnership with our Industry Partners. As an infrastructure police force, counter terrorism remains at the heart of what we do, and we continue to carry out a nationally vital and unique task in protecting national assets.

Throughout the Covid-19 crisis we have maintained our training engine and welcomed over 100 new Authorised Firearms Officers, ensuring they undergo the world-class training necessary to do their job from our highly trained National Firearms Instructors. Alongside this, we have also ensured that our frontline continues to receive the annual training and courses they need to retain their firearms accreditation.

We became the first police force to offer Lateral Flow Testing to all our frontline staff, investing in over 32,000 tests to ensure our employees are tested regularly and we are able to identify possible Covid cases early to lessen the risk of infection. We have also supplied our frontline with tens of thousands of pieces of Personal Protective Equipment (PPE) to help keep them safe. Our support staff have adjusted to working remotely and have delivered the same high level of service as they do from the office and we look forward to welcoming them back soon, with the introduction of hybrid working where appropriate.

We began training in earnest in our Griffin Park Tactical Training Centre in July 2020, with Chief Constable Chesterman firing the first shot at the facility. Our officers now have access to the most advanced and sophisticated firearms training facility in Europe, including live fire capability. The facility is designed on the principles of 'Mission rehearsal' allowing CNC officers to train in environments that replicate our operational circumstances. I am very pleased that the building also achieved a rating of Outstanding from the British Research Establishment Environment Assessment Method for its sustainable design.

I have welcomed two new Industry Police Authority Members, Jerry Haller representing EDF and Mark Rouse representing Dounreay Site Restoration Ltd and they are already making an important contribution. In addition, I have welcomed Pam Duerden as the Industry Member for the NDA who started on 9 April 2021. I look forward to working with them and the rest of our board throughout 2021/22.

Throughout 2020/21, we have worked to deliver in partnership with our customers our new Ambition, which aims for us to be recognised nationally and internationally as the leading organisation for armed protective security within the critical national infrastructure of the UK. As a part of the wider policing family, our core role at the CNC remains the security and protection of the nation's civil nuclear infrastructure and failure to deliver this is not an option. The CNPA's key objective is to maintain our core Mission and to remain effective, efficient and relevant through a period of change in the civil nuclear sector. Our new Ambition will also allow us to offer our unique services to police other national infrastructure and events where possible. I look forward to continuing to work with my Police Authority Members, the CNC Executive Team and our wider customer base to drive this forward throughout 2021/22.

Our sponsoring government department, the Department for Business, Energy and Industrial Strategy (BEIS), continues to lean into the work we do and support us in our Mission where appropriate. We also continue to work closely with all our stakeholders, across both the nuclear and policing sectors. The government's commitment to nuclear this year shows that



the sector is vital if the UK is to deliver to a net zero economy by 2050 and the CNC will play an ongoing role in ensuring the safety of existing and new nuclear plants for many years to come.

The next financial year will continue to see many challenges and opportunities for us, especially as we all adjust to the ongoing health crisis and a return to a new kind of normality. We will also see the introduction of a new Business and People Support System, as well as ensuring we learn any lessons from the past 12 months in terms of remote and flexible working for our employees where this is possible. A second full staff engagement survey was run in November 2020 and we will be carefully studying its findings and recommendations to ensure we remain an employer of choice and have a happy and engaged workforce. Our 2020/23 People Strategy will play a large part in allowing us to deliver this.

Having been the CNPA Chairman for nearly five years now, I have always known that the CNC is a highly trained, capable and forward-thinking organisation, however I have been extremely proud of how our workforce has continued to deliver during the last tumultuous year. My Board Members and I will continue to provide the support and governance necessary to ensure their vital Mission is delivered.

**Vic Emery OBE**

Chairman of the CNPA





## Ambition, Mission and Values for reporting period 2020/21

### Our Ambition

The ambition of the Civil Nuclear Constabulary is “To be recognised nationally and internationally as the United Kingdom’s leading organisation for the provision of protective policing for the civil nuclear industry and other critical national infrastructure.” Maintaining high levels of capability to protect civil nuclear material and the agility to mobilise significant numbers of armed officers to protect communities. Our focus remains operational, with front line operational delivery being supported by three other enabling strategic objectives ensuring that we maintain and develop operational capability, behave in an effective and efficient manner and deliver the People Strategy.

### Our Mission

In partnership with the civil nuclear industry, national security agencies and regulatory bodies the CNC will deter any attacker whose intent is the theft or sabotage of nuclear material, whether static or in transit, or the sabotage of high consequence facilities. If an attack occurs, CNC will defend that material and those facilities and deny access to them. If material is seized or high consequence facilities are compromised, the CNC will recover control of those facilities and regain custody of the material.

### CNC Values

**Proud** - We are proud to deliver high quality armed policing, we are committed to protecting the public and our core role in keeping the national civil nuclear material safe.

**Agile** - We are match-fit and ready to respond whilst performing our core role and in supporting the UK’s armed surge capability. Remaining ready and agile is a whole team effort.

**Ambitious** - Our strengths lie in armed policing and world class firearms training. Our ambition is to be recognised nationally and internationally as the United Kingdom’s leading organisation for the provision of armed policing protective services.

**Inclusive** - Regardless of background everyone is equal and has a vital part to play in helping us achieve our ambition. Equality, inclusivity and fairness is at the heart of everything we do.



# CNC at a glance 2020/21



## SECTION

# 1

## Performance report

### Performance Section Summary

The performance section of the Annual Report and Accounts is designed to provide an overview of the CNPA, together with its purpose and objectives. This section will also provide a summary of our performance, sustainability, expenditure, and risks during the year.

### Chief Executive Officer and Chief Constable's Overview

The Civil Nuclear Constabulary remains an important component of the wider policing family. We are proud of our role in protecting the public by ensuring the security of civil nuclear material on the sites we protect, in transit across the UK and internationally on escort operations. With the threat posed by international terrorism remaining at Substantial, we are not complacent, our police officers and police staff work tirelessly to remain match fit to ensure that we are ready to deliver a robust response to anyone with malicious intent.

Over the past year we have been developing our Ambition "to be recognised nationally and internationally as the United Kingdom's leading organisation for the provision of armed protective policing services". The significance of our Ambition is our determination to deliver excellence in armed policing, whether we are performing our core role in securing civil nuclear material or supporting other police forces as part of the nation's armed policing reserve.

Within our strategic plan for 2020/23, our Ambition is underpinned by four strategic goals, focused on delivering the operation. Everything we do, whether front line armed policing or the services that enable this to happen, is seen as contributing to the overall operational effect.



We are keen to develop our organisational culture and values as people who are ambitious, proud of what we do, agile and inclusive.

The CNC has continued with annual staff surveys, conducted independently to encourage openness and maintain confidentiality. The learning from these surveys is used to deliver improvements through corporate and local action plans involving as many of our staff as possible.

We maintain strong investment in our occupational health provision, including mental health and wellbeing, and were proud to sign the Blue Light Time to Change pledge, committing to protecting our employees' mental health. Adopting the Trauma Risk Management (TRiM) provision has also ensured our employees will receive the support they need if they suffer any trauma at work.

Our operation remains efficient and effective and I am looking forward to working with the Civil Nuclear Police Authority to provide the best possible service to the public and the companies who operate the sites we police.

**Simon Chesterman QPM**

Chief Constable and CEO

## Business Model

### Who are we

The Civil Nuclear Police Authority (CNPA) is a body corporate established by the Energy Act 2004 and an executive non-departmental public body of the Department for Business, Energy and Industrial Strategy (BEIS). The CNPA is headquartered at Culham, Oxfordshire.

### What we do

The CNPA is charged, pursuant to the 2004 Act, with maintaining an efficient and effective Civil Nuclear Constabulary (CNC) and employs its police officers and police staff. The CNC provides an armed response capability for the UK's civil nuclear industry. The CNC operates from 10 units based at licenced nuclear sites throughout the UK and provides armed escorts for movements of nuclear materials within the UK and abroad. The Constabulary deploys armed officers in support of the Strategic Armed Policing Reserve and is ready to be called on to support national contingency operations if required.

### How we do it

By meeting the standards set by the College of Policing (CoP), the Constabulary is licenced to conduct all its firearms and training activities.

The CNC works in partnership with the appropriate Home Office police force and Police Scotland at each site. Armed response capabilities required at each site are agreed with site operators in accordance with The Nuclear Industries Security (Amendment) Regulations 2017 and ratified by the UK regulator, the Office for Nuclear Regulation. Armed officers are deployed to meet these capabilities on a 24/7 basis. Our patrol strategy is designed to constrain the operating environment for anyone with malicious intent, to deter and disrupt their potential operations and to reassure the public close to nuclear sites.

### Why we do it

The CNC works in partnership with site operators and carriers to protect the civil nuclear industry from terrorist attack and other malicious activity, whilst also deploying armed officers to the Strategic Armed Policing Reserve at times of national emergency.

Our future is closely related to the future of our customers. As the nuclear decommissioning process continues, the CNC may police fewer sites in the short to medium term, however the nature of the nuclear sector in the UK means new nuclear power stations may be built over the coming years and resourcing requirements may increase on existing sites. The CNC also has the ambition to be recognised as the leading organisation providing armed protective security, which means there may be further potential to expand our operational remit in the longer term, where this also brings mutual benefit to the core role.

## Corporate Structure – CNPA and CNC Relationship



**The Police Authority is responsible for maintaining an efficient and effective CNC, determining its policing objectives, appointing members of the Executive Team, and accounting for the CNC's operational and managerial performance.**

### Authority

The CNPA is responsible for setting the strategic policy for the CNC, monitoring the CNC's performance and advising and supporting the Chief Constable in his role.

### Executive Team

The Executive Team is responsible for implementing the CNPA's decisions and provides executive leadership, management and governance on the CNC's operations.

#### CHART SHOWING RELATIONSHIP WITH CNPA & CNC.

See page 39 for more information about our governance structure

# Our Strategic Goals

## GOAL

# 1

**In partnership, continuously improve how we deter, and respond to threats facing the civil nuclear sector, by maintaining and strengthening mission effectiveness**



We will improve our effectiveness to deliver our mission by providing a 24/7 armed response at civil nuclear sites, provide armed escort to nuclear material and support the strategic armed policing reserve.

We will collaborate effectively and make best use of new technologies by building upon our existing collaborations to increase policing experience around the sites we protect, and wider within policing to sharpen our policing skills, provide greater job enrichment and provide access to the latest policing capabilities to enhance our ability to deter attackers.

## GOAL

# 2

**Build resilience and flexibility to navigate the changing face of civil nuclear energy**



We will develop and maintain our capability by appropriately training and equipping the workforce to deliver the mission, enhancing our tactical capabilities and delivering fit for purpose command and control arrangements and building the case for an operational intelligence unit for the civil nuclear sector.

We will increase our integrated protection offering by developing an integrated security offering for UK nuclear sites, including both armed and non-armed protection to provide a superior and more efficient protection model.

We will expand our service and demand resilience by broadening our services to protection of non-nuclear energy sites, allowing us to flexibly scale fluctuation in demand for protection of the UK civil nuclear sector.

## GOAL

# 3

**Improve effectiveness and efficiency of our enabling services**



We will build a target operating model for our enabling services.

CNC will develop a digital strategy to support Mission effectiveness and deliver efficiencies for the organisation.

We are committed to supporting UN Sustainable Development Goals and UK carbon neutral target of 2050.

We will enhance business effectiveness by delivering continuous improvements across business activities and the services that support the delivery of the operation and core Mission.

## GOAL

# 4

**Maintain and develop an inclusive, forward-thinking and engaged workforce that is agile and dynamic**



We commit to further job enrichment opportunities through the development of a centre of excellence for Learning & Development; allowing our employees to fulfil their potential.

We will mature our current reward and recognition framework, creating a fit for purpose scheme, which supports the full employee life cycle.

We will place a dedicated focus on CNC Culture, preserving the mental health and wellbeing of our workforce, so our core mission can be safely and effectively fulfilled.

We will improve mental health & wellbeing across business activities and services that support the delivery of the operation and core mission.



## Strategic Risks and Uncertainties

Effective risk management is essential if the Civil Nuclear Police Authority is to deliver its key outcomes and achieve its goals. It supports continuous improvement and good governance.

In common with all organisations, the CNPA faces internal and external factors and influences that make it uncertain whether or when it will achieve its goals. The effect of this uncertainty on objectives could be either a risk or an opportunity. All activities that the CNPA undertakes involve risk and opportunity. We manage these risks and opportunities by identifying and analysing them and then evaluating whether action should be taken so that the risk or opportunity falls within our tolerance for risk, or our appetite for opportunity.

## Risk Management Process

The key to managing the uncertainties is a strong and robust risk management framework which aligns our risks to the key strategic goals within our three year strategy and our Annual Policing Plan. A diagram of our risk architecture is on page 15.

For the CNPA the risk management process can be summarised as follows:

### Organisation

A cross-functional network of risk owners identifies, monitors and manages risks within their respective functional areas. A central risk team consolidates and reports on risk information to the Audit Risk and Finance Committee (CNPA committee), the Executive Team and other internal committees such as the Firearms Standing Committee.

### Process

We have an established risk management framework that signposts how we identify, assess and manage key risks which might prevent us from achieving our corporate outcomes and goals or from doing so in an effective and efficient manner.

### System and control

- Risk identification – the risk owner will

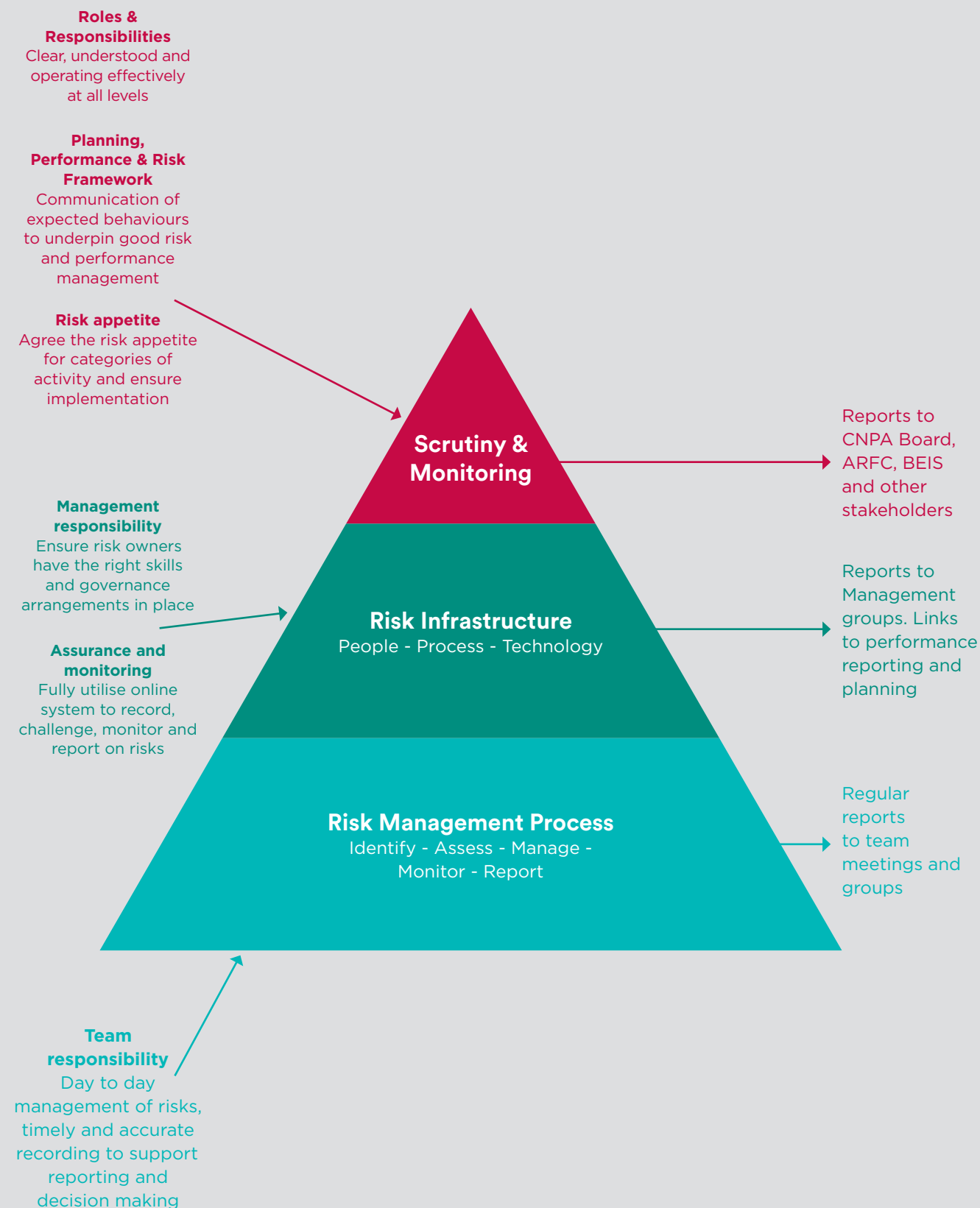
determine what might happen that could impact on delivery and establish when, how and why such an event might occur.

- Risk assessment – the risk owner will apply the guidance in the risk appetite statement to determine the relevant risk score: if the risk score is outside the risk appetite score for this activity, then recording of existing controls and potentially future actions, will be required. At this point the risk owner is assessing the 'inherent risk', that is the risk that the organisation would be exposed to if no mitigating actions were taken.
- Initial risk mitigation and controls – the risk owner will identify what controls are already in place to reduce the chance of a risk materialising.
- Initial risk response – the risk owner will determine what to do about a risk in terms of treating, tolerating, transferring, or terminating the activity to reduce the potential impact on the organisation. Alternatively, they might take (tolerate) the risk in order to achieve an outcome that would not be achievable without taking the risk.
- Risk review and residual (current) scoring – the risk owner will review the scoring with the controls and actions in place to come up with the residual risk score.
- Future risk mitigation – the risk owner will identify risk actions that need to be taken to reduce the residual risk score to within the risk appetite.

### Reporting and Improving Risk Maturity

Our risk reporting is structured to inform the appropriate internal and external stakeholders promptly to aid the decision-making process. Reporting also allows us to effectively categorise risks (also see risk appetite below) so that appropriate committees receive the right level of information and can discuss relevant risks.

Our risk management process is constantly developing as the organisation matures in its risk management approach and is seeking to adapt over time to become more efficient and effective as the organisation changes. An organisational risk maturity review was undertaken in the Autumn of 2020 and will be repeated regularly to plot the risk maturity journey of the CNPA.



Risk Appetite Statement

The concept of a risk appetite (as defined by HM Treasury Orange Book) is key to achieving effective risk management. The concept may be looked at in different ways depending on whether the risk (the uncertainty) being anticipated is a threat or an opportunity. The concept of Risk Appetite is defined by HM Treasury as follows:

“Risk appetite is the amount of risk that one is prepared to accept, tolerate, or be exposed to at any point in time.”

In setting and reviewing the risk appetite statement the question that has been considered is how much and what type of risk the CNPA is generally prepared to accept to achieve its strategic, operational and financial objectives. Our Risk Appetite Statement is reviewed at least annually and shows that we have different levels of risk appetite for different categories of activity. They are mostly low or very low as many activities are based around regulations. Our appetite for opportunities and innovation is medium.

Monitoring and Review

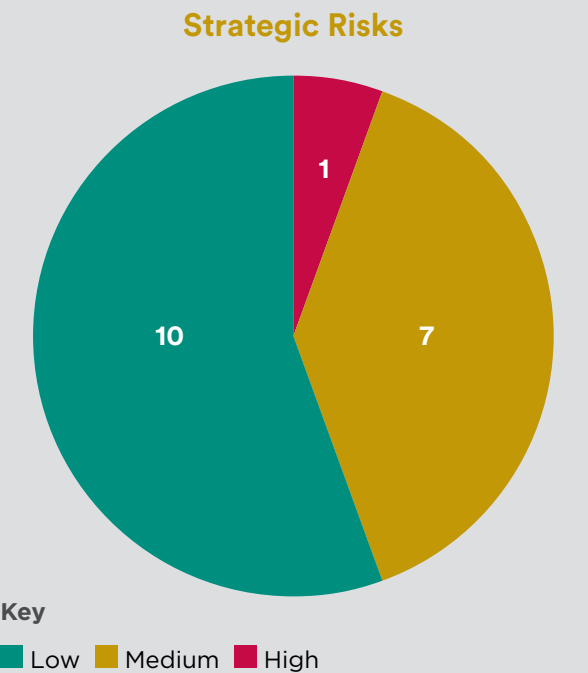
Proposals for new projects, financial commitments, policies, and strategies will explicitly include confirmation of where they fall within the Board’s risk appetite, through the standard reporting format. The collective financial impact of the CNC’s commitments will be monitored through reports to the Planning, Performance and Risk Group, the Operations, Capability Performance and Risk Group, the Chief’s Management Group and Audit, Risk and Finance Committee (ARFC).

The Board, via the ARFC, satisfies itself that the risk appetite of the CNC is being actively adhered to, considered, and applied through at least an annual review of risk management.

This statement will be subject to annual review by the Board unless a change in the operating environment indicates an earlier review is needed. The statement was last reviewed and approved in November 2020.

Key Strategic Risks for the CNPA

The identification, evaluation, management and monitoring of the most significant risks that face the CNPA and could threaten the achievement of our goals are the responsibility of the CNPA Board. These risks are reviewed on a regular basis together with risk controls and actions. The strategic risks and uncertainties facing the CNPA that have been identified via the processes previously described are grouped as Goal Risks (GR prefix) where they link directly to a priority identified in the Annual Policing Plan, and cross cutting strategic risks (SR prefix). The risk profile at 31/3/2021 for strategic risks is shown in the diagram.



The one risk that currently scores as ‘red’ is scored as such because legislative changes are required to enable the CNPA to deliver on this strategic goal for integrated policing. Work has commenced around this, but progress relies on external factors. We consider this an ‘opportunity’ and therefore have a higher appetite for this risk.

The current scores as at 31/3/2021 for our strategic risks, together with their mitigation through existing controls and actions are shown below. These mitigations help us work towards our risk appetite score for each risk which is also shown:

Risks and how we manage them	Current risk score RAG	Risk appetite score RAG
GR1.1 - Unable to deter, defend or respond to threats	G	G
Our deployed officers are trained, equipped and qualified to national standards. The Armed Policing Strategic Threat Risk Assessment (APSTRA) risks are identified and the APSTRA observations are monitored by and reported to the Firearms Standing Committee.		
Bespoke command and control structures operate for each operation and arrangements are regularly tested.		
We plan to improve our response and deployment through investment in a new Incident Management System and continue to manage our operational workforce, and the capacity/capability impact of the Covid-19 pandemic through the Gold Group.		
GR1.2 - Inability to effectively train and collaborate with industry operators and regulatory bodies	A	G
We have rigorous exercise programmes to test and improve command and control and a robust multi-agency planning framework exists for training events.		
We are establishing a programme to optimise collaborative training opportunities and enhance learning to ensure we can respond to the needs of our stakeholders.		
GR1.3 - Failure to build upon existing policing collaboration	A	G
APSTRA 9 refers to collaboration for Home Office Assistants.		
We continue to communicate and liaise with current and potential policing collaboration partners through joint groups and other collaborative channels. We plan to improve our mitigations by undertaking an enhanced host-Force Collaboration Pilot and through effective collaboration with other forces to create a joint strategic workforce plan.		
GR2.1- Unable to respond to changes in demand profile for protection services	G	G
A generic site cessation strategy has been established and is reviewed at least every six months to ensure it remains current and appropriate, so it is ready to enact when called upon. We have a proactive communication strategy that openly describes the likely longevity of CNC deployment at every location, and we manage risks from project and programme interfaces and interdependencies.		
GR2.2 - Unable to develop an appropriate integrated protection offering of armed and non-armed protection	R	A
We are working to develop service expansion measures that market a CNC option to integrate armed and non-armed protection. For us to exploit this opportunity we require a legislative change that would support the CNC deployment of an integrated armed and non-armed security provision. We are undertaking work to establish whether a change to legislation is feasible. As this is an opportunity we have a higher risk appetite for this activity.		
GR3.1 - Unable to deliver effective and efficient enabling services	G	G
We ensure compliance with our Procurement Rules, Risk Management Strategy, Finance Manual, IT security procedures and counter fraud arrangements. Our heads of service and team managers continually monitor the needs of the business to align resources to the projects and other support activities. Procurement of IT infrastructure follows appropriate specification of software or hardware through use of a business justification case (at a minimum) to ensure it meets the needs of the user.		
We have a medium-term financial plan to support the delivery of the three-year strategic plan.		

Risks and how we manage them	Current risk score RAG	Risk appetite score RAG
<b>GR3.2 - Failure to safeguard the delivery of assured digital services across CNC</b>	G	G
We have a detailed Information Risk Register, risks are managed by our Information Risk Group. Our work links into the cyber collaboration work and ensures that any new IT service provision includes appropriate security features to prevent and detect threats to the network.		
<b>GR3.3 Unable to meet our targets for sustainability goals</b>	A	G
We have developed a strategic sustainability plan for the CNC including developing metrics with themes to enable ownership across different aspects of CNC. To work towards our target score within our risk appetite we are developing an approach to educate and promote sustainability values across the Constabulary.		
<b>GR4.1 Unable to support a nurturing and positive culture that makes CNC an attractive place to work</b>	A	G
We have developed an Attraction Strategy, Inclusion and Belonging Strategy and a resourcing plan for occupational health and wellbeing resources. We monitor workforce diversity in terms of ethnicity and gender and monitor pay-gap trends for both areas to secure better outcomes. We operate a staff engagement group and report the progress with initiatives implemented from the staff engagement workstreams. We review our Flexible Working Policy and Home Working Policy to ensure they remain fit for purpose.		
Our regular staff survey is used to help detect cultural changes as a result of implementing staff survey initiatives. Our annual assessment centre plan ensures we meet the predicted demands of the AFO resourcing requirements.		
To help us move towards our target score we are developing our procedures to manage disability diversity as part of our EDI work, conducting a culture review and developing an action plan to enable a positive cultural shift.		
<b>GR4.2 Failure to identify development opportunities and establish suitable learning interventions, career pathways in support of increased organisational performance</b>	A	G
We have job enrichment initiatives that provide a more rewarding job experience through expanded responsibility and task complexity. Our Leadership and Management project delivers in house training for new and middle managers, and ongoing monitoring of Operational Policing Unit (OPU) based Professional Development Units (PDU) ensure that they meet the developmental needs of all officers.		
We are moving towards our target score for these risks by implementing our manager's toolkit and engaging with our workforce through survey mechanisms to identify and respond to learning and development needs.		
<b>GR4.3 Failure to establish an appropriate and attractive reward structure for police staff</b>	G	G
We have established Reward and Recognition Policies, ensuring a robust and compliant reward and pay framework is in place.		
We are undertaking a pay and grading review. Our project board maintains regular interactions with Prospect to keep communication channels open and manage associated employee relations challenges with regard to the pay and grading review.		

Risks and how we manage them	Current risk score RAG	Risk appetite score RAG
<b>GR4.4 Inability to sustain a fit and healthy workforce with sound mental health and wellbeing</b>	G	G
We have an established and robust risk assessment process with regular review and third-party providers for Occupational Health services in place and accessible services for all officers and staff. Our Healthy Workplace Group meeting structure ensures that the needs of our workforce are monitored and adapted when required.		
We have created a Continuous Professional Development (CPD) framework for the Occupational Health and Wellbeing team. We have champions within a clinical governance framework including a training matrix, policies, clinical audit, equipment management, communication, performance review, and a robust implementation of a management system.		
<b>SR1 Failure in employer's duty of care</b>	G	G
All employees must achieve Baseline and Police Recruitment Vetting Clearance before they commence employment. Firearms officers are also subject to National Security Vetting. All employees must also comply with the working time directive, HSE safe systems of work, and our driving policy. Delivery of the annual health and safety plan and programme of health and safety audits is in place. We have an established governance framework to monitor progress against the delivery of the Healthy Fit and Safe plans.		
Our policies, procedures and support to recognise the vulnerability of the workforce help us prevent the likelihood of actions causing personal or collective harm.		
<b>SR2 Failure to match strategic demands with available resources</b>	A	G
We balance workloads through strict prioritisation by the Executive Team to match scarce resources to business needs through Board input and challenge to strategy and budget. Our Constabulary Change Board dictates mandatory standards regarding maintaining plans, risk and issue logs for every project to help us manage this.		
Governance processes exist for each major strategic initiative/change programme/change project, including resources required for delivery, and compliance is monitored by appropriate groups, committees and the board (including health checks and gateway reviews).		
Our management and operational structures are reviewed regularly to ensure they are appropriately resourced to support delivery of the strategic priorities.		
<b>SR3 Failure to deliver spending/budget targets</b>	G	G
We have established a medium-term financial planning process to help enable the identification of timings of costs, and projects, and allow timely rebalancing of budgets in line with prioritisation of activities. We review our performance through monthly financial reports.		
<b>SR4 Failure to maintain good communications and relationships with stakeholders and sponsoring department</b>	G	G
We have established a three year Communication and Engagement Strategy with an ongoing annual Delivery Plan in place. We have appropriately designed and applied handling strategies for key stakeholders.		
We comply with all government spending controls and approval mechanisms; BEIS/CNPA Framework Document and associated MOU in all dealings with our sponsoring department and other stakeholders.		



Risks and how we manage them	Current risk score RAG	Risk appetite score RAG
<b>SR5 Failure to manage the impact of EU Exit on CNC</b>	G	G
<p>BEIS approved the CNC EU Exit Procurement Plan and its timely review and maintenance was managed through the CNC Brexit Gold Group.</p> <p>The CNC Procurement Forward Plan is reviewed regularly to ensure that sufficient critical stock is available to keep our operations functioning, so as to meet our statutory obligations around protecting nuclear materials/sites. This includes clothing, body armour, ammunition and weapons spares.</p> <p>The Operations and Corporate Services directorates review the plan regularly to ensure any identified impacts are managed.</p>		
<b>SR6 - Failure to appropriately report on assurance activity regarding cyber threats to the CNC</b>	A	G
<p>The Information Risk Group monitors and manages risk to minimise vulnerabilities and to prevent, detect and treat breaches to the CNC networks. Reporting of significant cyber threats is monitored appropriately by the Assurance Team and reported appropriately to ensure adequate sharing of information and collaboration with partners.</p> <p>To move our risk score to within our risk appetite, we are refreshing the Cyber Strategy to ensure it meets current requirements. We are monitoring progress with implementation of the recent recommendations from a review of our cyber threat management policies and activities.</p>		

# Performance Analysis

## Key Performance Indicators

Performance against key deliverables contained in the CNPA's three year Strategic Plan 2020/21 is provided below. A number of activities are deliverable over two or three years and these are shown as partially achieved where specific milestones have been delivered in the reporting period. Where progress against a specific target/ milestone has been delayed against targets, a note at the bottom of the tables has been included to explain the reasons and the impacts. The performance rating provided below is against the 2020/21 milestones.



### Goal 1: In partnership, continuously improve how we deter and respond to threats facing the civil nuclear sector.

Strategic Goal 1	Strategic Priorities	Desired outcomes	Commentary
SG1-1	Training and civil nuclear collaboration	Achieve the highest possible state of training for our workforce to ensure Mission effectiveness and readiness	High levels of deployability achieved planned/ target numbers of Authorised Firearms Officers.
SG1-1		Continue to build and enhance the reputation of CNC as providers of world-class training	CNC has successfully delivered the Griffin Park Tactical Training Centre.
SG1-1		Improved ability to flex training capacity and sequencing to match fluctuating demand needs	Training throughout 2020/21 has been affected by Covid-19, though has continued to meet the fluctuating demand needs and has supported the high levels of deployability of the CNC.
SG1-1		Improved exercise control and ability to assess operational effectiveness	Exercises throughout 2020/21 were cancelled due to Covid-19.
SG1-2	Anti-UAV capability	Anti-UAV capability	The CNC deploy drone tracking and identification and counter drone capability. The CNC is linked into the industry and national policing drone and counter drone capability groups to exploit emerging technology.
SG1-3	Cyber resilience and awareness	Cyber resilience and awareness	Work continues on the delivery of cyber security and the information assurance three-year strategy and delivery plan.
SG1-4	Policing collaboration	Increased frequency of general policing experience allowing our officers to hone and sharpen skills, improving effectiveness of the core mission	The CNC is the only police force in England & Wales who is not able to provide mutual aid to other forces. As we are not currently included within section 24 provisions. As a result, we rely on other legislation to provide officer resources, such as Section 22A collaboration agreements. CNC has now in place Section 22a agreements with all host forces; this allows for greater opportunities for the CNC to collaborate with Home Office colleagues.
SG1-4		Improved ability to lend support to UK policing system whilst providing our officers with broader, more stimulating policing experience	CNC has now in place Section 22a with all host forces; allowing the CNC to work more collaboratively with host forces. Over time this will broaden the experience of CNC officers and provide a more stimulating policing experience.
SG1-4		Effective armed surge capability positioned in the national infrastructure	Through the Covid-19 pandemic the CNC has continued to meet its SAPR commitments.
SG1-4		Improved sharing of skills, learnings and best practice	CNC continues to work with stakeholders and host forces to learn and benchmark against best practice.
SG1-4		Achieve inclusion in Section 24 mutual aid	CNC has now in place Section 22a mutual aid agreements with all host forces. BEIS are currently consulting on potential legislation changes.

### Goal 2: Building resilience and flexibility to navigate the changing face of civil nuclear energy

Strategic Goal 2	Strategic Priorities	Desired outcomes	Commentary
SG2-1	Integrated protection offering	A more efficient, effective and cohesive integrated approach to armed, and non-armed protection at nuclear sites	CNC continues to develop plans to integrate armed, and non-armed protection at nuclear sites.
SG2-1		Improved longevity for CNC officers, retaining valuable experience, and provide avenues for those officers who are unable to continue to carry firearms	Current attrition rates are very low. This is being monitored closely as we emerge from the Covid-19 restrictions.
SG2-1		Improved readiness for new demands requiring both armed and non-armed protection	CNC continues to develop plans to integrate armed, and non-armed protection at nuclear sites.
SG2-2	Service expansion and demand resilience	Opportunities to expand our world-class protection service to other critical national infrastructure	CNC continues to develop plans for service expansion.
SG2-2		Allow for an improved ability to withstand and scale civil nuclear demand fluctuations by diversifying to non-nuclear sector demand	CNC continues to develop plans for service expansion.
SG2-2		Improved career stability for our workforce, along with a broader geographical footprint to bolster relocation options	CNC continues to develop plans for service expansion.

#### Key

- Achieved
- Partly Achieved
- Not Achieved

**Goal 3: Improve effectiveness and efficiency  
of our enabling services**

Strategic Goal 3	Strategic Priorities	Desired outcomes	Commentary
SG3-1	Business effectiveness	Improved customer satisfaction with enabling services	Business services continue to be delivered in line with service standards and regulatory requirements.
SG3-1		Improved value for money and efficiency of enabling services	CNC has delivered sound financial management and stewardship and has maintained strong stakeholder confidence. It continues to seek ways to improve effectiveness and efficiency after a challenging year with the impacts of Covid-19
SG3-1		Flexibility and resilience in ways of working	Our Strategic Partner has been engaged to develop a road map for New Ways of Working that defines key decision points and interdependencies. The initial report was delivered in April 2021.
SG3-1		The capability and capacity that makes us agile and responsive to new challenges with continuous improvement a core part of our ways of working	Over the pandemic the CNC has adapted to enable support service functions to work remotely which has allowed the CNC to maintain its frontline capabilities and commitments.
SG3-2	IT strategy	Mission delivery better supported by more technologically enabled capabilities	IT enabled an almost seamless transition from office working to homeworking allowing the support service functions to deliver uninterrupted support for the mission. Our mission training has been significantly enhanced by the opening of Griffin Park, which in turn has been supported by the digitisation of key services.
SG3-2		Improved accountability over IT service provision	There has been considerable investment in building our relationship with our primary supplier and improving their performance. This resulted in the move of our account from their Aerospace, Defence and Security Sector to the Government Sector (which hosts other civil nuclear business and therefore provides better alignment) and the instigation and completion of a Get to Green Plan to improve the user experience, deliver a more reliable service with fewer incidents. These initiatives have delivered measurable advances in performance and there has been a noticeable improvement in the supplier meeting their SLAs.
SG3-2		Improved value for money being delivered by CNC technology	Refresh of our end user devices was planned for 2021/22, however, as the groundwork had been done, we were able to accelerate procurement, taking advantage of the availability of end of year funding. The recompetes of our cloud hosting service resulted in a marginal cost reduction. Additionally, the offering also came with value-add services, which will enable the CNC to optimise its consumption of services and drive further efficiencies. Enabling of homeworking has driven efficiencies through minimising travel and reducing our consumption of print services, this has both reduced our costs and supported our green agenda.

Strategic Goal 3	Strategic Priorities	Desired outcomes	Commentary
SG3-2	IT strategy	Improved employee experience	Officer feedback highlighted poor performance of our desktop PCs. As an interim measure prior to the scheduled technical refresh, all PCs have had a cost-effective memory upgrade that has delivered acceptable performance. IT improved its service delivery during the pandemic and the vast majority of users now have the same digital experience at home or in the office and are equally productive in either location. There has been a noticeable improvement in customer satisfaction over the year.
SG3-2		Improved understanding of how operational and enabling capabilities are dependent on and can be enhanced by our technology services	IT are well engaged with operations to better understand and deliver their technical needs including scoping potential redesign. There has been improving engagement between IT, digital project teams and end users to drive better delivery and better exploitation of digital and technology services.
SG3-3	Sustainability	CNC playing a leading security role to contribute towards delivering the UN SDGs and UK sustainability strategy	The nuclear industry plays a major role in achieving the Government target net-zero carbon emissions by 2050 and supporting the implementation of the UN Sustainable Development Goals (SDG) on access to clean energy. The work of the CNPA is essential to the safe delivery of nuclear power in the future as well as safe management of the energy legacy. We recognise the importance of implementing sustainable principles in our own operations and have developed a sustainable strategic plan to enable this.
SG3-3		Continued safeguarding of highest standards of safety and security in the civil nuclear sector	Achieved compliance with nuclear site security plans.

**Key**

- Achieved
- Partly Achieved
- Not Achieved



#### Goal 4: Maintain and develop an inclusive, forward-thinking and engaged workforce that is agile and dynamic

Strategic Goal 4	Strategic Priorities	Desired outcomes	Commentary
SG4-1	CNC culture	Clear progression towards a more unified, open, and inclusive culture, which upholds transparency, clarity of communication, and accountability	A culture review, evaluating against a cultural maturity framework is scheduled for 2021/22.
SG4-1		Empower our workforce, ensuring everyone feels engaged in both key decisions within the organisation, and as a vital part of this three-year strategy	Staff survey 2020 complete. Corporate and local action plans are being reviewed and updated through internal working groups.
SG4-1		Build on the pride of our workforce, to improve morale, utilising job enrichment and diversification of roles to increase motivation	Staff survey 2020 results show improvements across all engagement indices.
SG4-2	Job enrichment	Staffing levels meet Mission establishment requirements to maintain critical mission effectiveness	Critical Mission effectiveness has been maintained throughout 2020/21 and through the challenges of Covid-19.
SG4-2		All employees are encouraged to, and have, pathways to achieve their potential, through development and support	The managers' toolkit has been implemented. Further developments now part of BAU delivery for the Organisational Learning and Development Team in CLD.
SG4-2		Lower the recruitment burden to maintain strength and allow for more efficient recruitment costs	Phase one of this work is complete with analysis of location diversity for targeted recruitment undertaken with Penna. Targeted recruitment incorporated into the 2021/22 recruitment plan.
SG4-3	Reward and recognition	An attractive reward and recognition package for CNC officers and staff, in order to support recruitment efforts and aid retention.	During 2020/21 substantial progress has been made in improvement in the recruitment of new police officers and staff.
SG4-3		Contribute to the ambition for the CNC to become an employer of choice	Basic tracking in place through current process, further development linked to e-recruit systems review in October.
SG4-3		Align new reward and recognition frameworks to those of comparable police forces	The police staff pay and grading review was subject of some procurement delays linked to Covid-19 but is now progressing well to the revised timelines.
SG4-4	Mental health and wellbeing	Ensure the mental health and wellbeing of our workforce is considered to be paramount, facilitated through development of our working environment and the capabilities of our managers and leaders, focusing on health, fitness and safety	The managers' toolkit has been implemented. Further developments now part of BAU delivery for the Organisational Learning and Development Team in CLD.
SG4-4		A mind-set shift to place physical, mental health, and wellbeing at the centre of our people and management strategy	Occupational Health and Wellbeing services and supporting champions well established and well publicised and utilised.

## Future plans and expected future performance

The CNC set out on a path to maintain its effectiveness and efficiency in the face of fluctuating demand, increasing challenges, and evolving threats. Following an extremely challenging 12 months navigating through the pandemic, the CNPA strategic plan represents a consolidation of the approach set out for 2020/21.

Full details of future plans are set out in the following document:

<https://www.gov.uk/government/publications/cnpa-three-year-strategic-plan-202023>

## Impact of EU Exit

For 2020/21, the CNPA worked with partners in planning for the EU Exit that occurred on 31 January 2020. There was little direct impact to the operations of the Constabulary. To prepare, there were some small increases in inventory on items such as ammunition and uniforms with the majority of spend being in 2019/20, but these were immaterial amounts and were used as normal during 2020/21.

## Impact of Covid-19

The CNPA has worked closely during the last year with partners and government to ensure that robust plans and responses were in place to deal with this pandemic. Overall the CNPA was able to respond effectively and continued to deliver all its key services, however the pandemic did impact some of the planned training activities and had an impact on delivery of several projects, which lead to some underspends in the core budgets.

For this financial year (2020/21) costs specifically related to Covid-19 have been tracked and at the end of March, total costs to date are estimated at £1.27m. The key areas of spend that contributed to these costs were:

Additional staff costs	<b>£542,025</b>
Equipment and supplies	<b>£405,551</b>
Additional hotel costs	<b>£326,512</b>
Total	<b>£1,274,088</b>

These costs were all absorbed into the overall 2020/21 budget and no additional funding was sought from the CNPA's customers.

## Non-Financial Information Statement

The CNPA's aim is to comply fully with the non-financial reporting requirements contained in the Government's Financial Reporting Manual (Non-financial reporting regulations 2016). The table below, and the information it refers to, sets out our position on key non-financial matters.

Reporting requirement	Policies and standards that govern our approach	Additional information or risk management
Environmental statement		Sustainability report, page 33
Employees	Equality and diversity policy	Employees section, page 67
	Equality, diversity and inclusion strategy (including online training)	
	Equality support groups	
	Staff turnover and engagement data	Employees section, page 66
	Health, safety and wellbeing	Health and safety, page 40 Wellbeing section, page 68
Human rights	Human rights and equality impact assessments (part of equality and diversity policy)	Employees section, page 67
	Data privacy policy	
	Information and cyber security policy	Information and cyber security, page 40
Anti-corruption and anti-bribery	Anti-fraud, anti-bribery and anti-corruption policy	Anti-fraud, anti-bribery and anti-corruption policy, page 42
	Fraud response plan	
	Code of business conduct	
	Code of Ethics for policing	
Description of strategic business risks and impacts of business activities		Strategic risks and uncertainties, page 14 Risk management, page 14
Description of business model		Business model, page 10
Non-financial key performance indicators		Key performance indicators, page 21
		Key staff indicators, page 62

Financial Overview

The majority of the CNPA's funding is through income from Site Licence Companies (SLCs). The CNPA continues to make efficient use of our funding and identify savings more effectively. We encourage all our people to deliver value for money and to be accountable for public funds. During 2020/21, we continued to deliver improvements to management information resources. This enabled us to support increased financial management acumen and transparency by delivering further new financial management reporting tools and increased information to budget holders. There have been further changes to the way financial

information is presented to the Executive Team, the CNPA Board and to budget holders across the organisation. The table on the right sets out how CNPA's actual income has changed over the last six years (this table is not adjusted for inflation/time value of money due to the complexity of in year funding adjustments and the overall need to keep the presentation understandable).

Key Drivers of Financial Performance

The CNC is mandated by the Energy Act 2004 to police specific sites belonging to SLCs – (our

customer base) and to escort materials in transit and in situ. The key drivers of our financial performance are therefore very closely linked to the strategic priorities of our customer base.

Our customer base has not changed in recent years, but we proactively respond to changing customer requirements as necessary. All policing provision results from regular close consultation with our SLCs and agreements formalised with them. Similarly, if additional policing is required by one or more SLC, this is also formally negotiated, and our policing provision ramped up in line with specified requirements.

The Constabulary has now delivered the project to move firearms training for northern sites to a new firearms training facility in Cumbria which opened in July 2020 and commenced training. This resulted in lower costs since full running costs for the full year for the facility were not incurred.

The Main Site Command Facility project is an SLC project and this is continuing to see delays. Both the Initial Operating Capability (IOC) and Full Operating Capability (FOC) dates have been pushed back several times over the last year and are now currently December 2022 and August 2023 respectively. All of the control room operators are now in place and included in BAU as they are working in the current control room facility. The CNC continues to work closely with the SLC on project changes to ensure we can deliver the required elements of the project and to ensure that project planning is as up to date

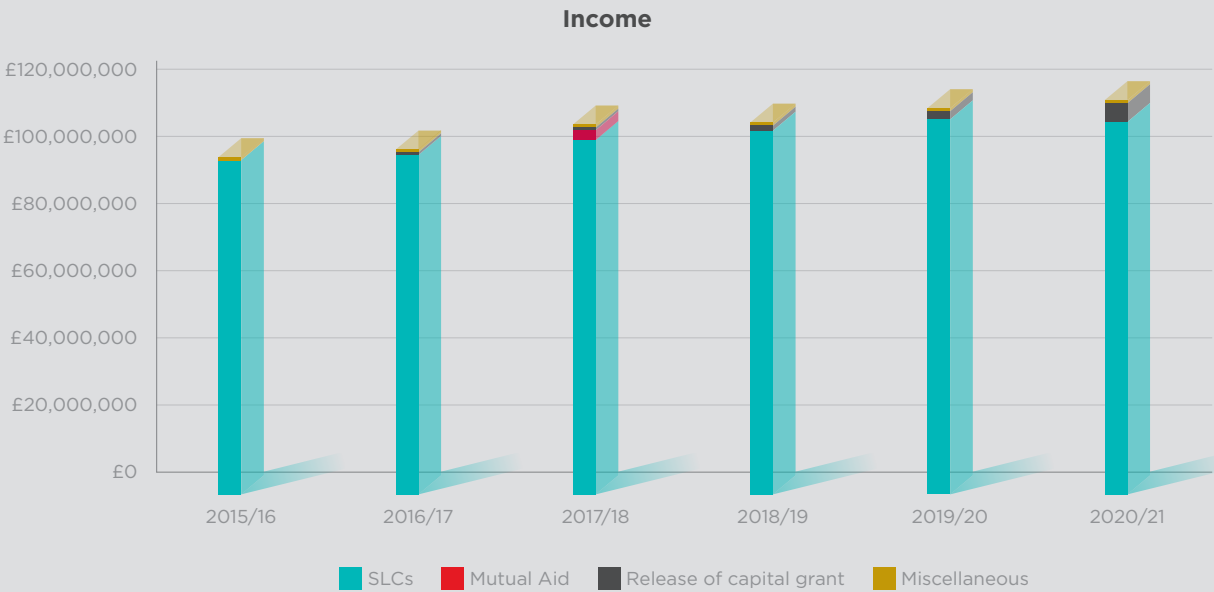
and accurate as possible.

Sometimes costs are driven by government initiatives (and therefore outside the control of the CNC), such as the Emergency Services Network project. Significant projects like this, covering multiple years and costing multiple millions, are capital-funded by the department for Business, Energy and Industrial Strategy (BEIS) and maybe ultimately funded by the SLCs through a depreciation charge.

Covid-19 has had a significant impact on the financial performance of the CNPA due to:

- Additional costs related to increased staff, equipment and accommodation costs (more details in the Covid-19 section)
- These costs however were offset by reduced costs due to:
  - o reductions and cancelation of the training programme of the organisation alongside
  - o a reduction in attrition rates from 2019/20. For police officers this has seen a reduction in rates from 18.1% (2019/20) to 14.1% in (2020/21). This reduction has reduced the level of new officers that the Constabulary has needed to recruit.

The consequences of these delays and changes resulted in the CNPA spending less than was originally approved by the CNPA Board for 2020/21 and reductions in income and expenditure were managed and agreed with the SLCs through the quarterly re-forecasting process.



Financial Outturn

The financial objective for the CNPA is to achieve a breakeven position, and detailed financial statements are set out in this report in section 3. For standard operations this objective was achieved, however the CNPA has reported an operating deficit of £416,000 for the year ended 31 March 2021, for specific technical reasons which are due to the following:

- Employee exit payments incurred by the CNPA of £24,000. These payments are reimbursable by BEIS through grant-in-aid and recognised in the CNPA's financing reserves in 2020/21. This is shown in the Statement of Changes in Taxpayers' Equity.
- The provision held by the CNPA to cover pension payments (early departure costs provision in table on page 99) to former employees who have retired early was increased by £146,000 in the year. This includes the creation of a new provision for an individual taking early retirement, revising the indexing rate and unwinding the discount due to changes in forecast rates for the Consumer Index that underpin future pension payments for employees who have received voluntary early retirements from sites that the CNC no longer police. These funds are recovered through grant-in-aid as incurred.

Operating Costs

Expenditure for the year ended 31 March 2021 was £119,728,000 (2019/20: £116,730,000). The increase in expenditure included an increase of £872,000 in staff costs, including a pay award for police officers and staff.

Other expenditure increased by £2,126,000 when compared to 2019/20 costs due to:

- Professional services and legal fees – These fees have increased significantly in year due to ongoing project work with specialist consultancy support, on the strategic plan which also included work on the IT strategy and future direction of the CNC shared service centre
- Increased amortisation, depreciation and impairment of assets totalling £3.02m, this was largely due to a change to the expected life in relation to IT systems (£0.89m amortisation and £1.05m impairment) and vehicle assets (£0.9m impairment)
- Medical and hygiene supplies has increased compared to 2019/20 by £339,000 due to the purchase of additional PPE and Lateral Flow Tests in relation to Covid-19

This was offset in part by a decrease in costs due to changes in the delivery of training that has reduced hotel and transport related costs due to Covid-19, alongside reduced expenditure in relation to IT software purchases.

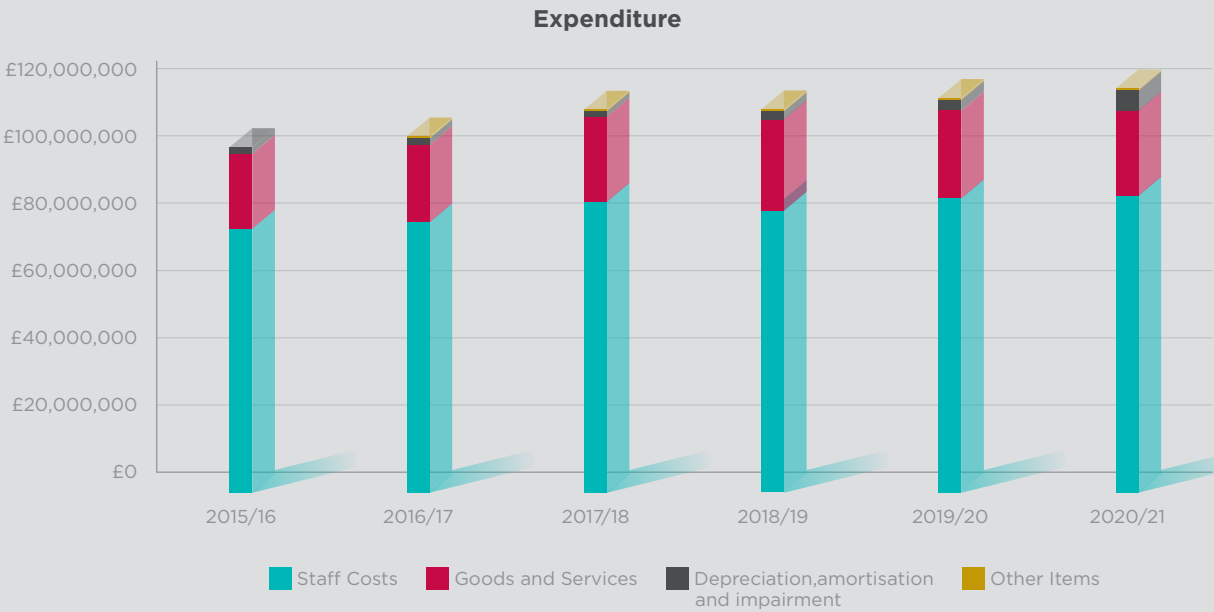
The table at the bottom of page 30 provides information on key areas of actual expenditure and shows the changes over the last six years.

(This table is not adjusted for inflation/time value of money).

Financial Position

Assets	Balance 2019/20	Balance 2020/21	Increase (Decrease)
Carrying value of property, plant and equipment	£8,453,000	£7,974,000	(£479,000)
Asset and assets under construction additions totalled £3,296,000 which included £1,647,000 for transport related assets; £402,000 for plant and machinery; £36,000 for fixtures and fittings £1,211,000 on IT equipment. Assets with an original cost of £804,000 and a current book value of £20,000 were disposed of during 2020/21. Depreciation of £2,772,000 was charged to the Statement of Comprehensive Net Expenditure. £910,000 of transport assets were impaired during 2020/21. More information on the impairment can be found under note 6 of the Financial Statements.			
Carrying value of intangible assets	£5,216,000	£3,054,000	(£2,162,000)
Intangible asset additions of £774,000 included work related to the preparation for the new emergency communication network. Amortisation of £1,961,000 was charged to the Statement of Comprehensive Net Expenditure. Intangible assets with a net value of £1,048,000 were impaired during 2020/21. More information on the impairment can be found under note 7 of the Financial Statements.			
Trade and other receivables due within one year	£13,114,000	£15,470,000	£2,356,000
This increase included an increase of £818,000 in the value of sales invoices accrued at 31 March and an increase of £696,000 in the value of purchase invoices which were prepaid, these were primarily for IT support contracts.			
Trade and other receivables due after one year	£220,000	£108,000	(£112,000)
Inventories	£2,987,000	£2,920,000	(£67,000)
Cash at bank	£11,381,000	£9,649,000	(£1,732,000)

Liabilities	Balance 2019/20	Balance 2020/21	Increase (Decrease)
Trade and other payables due after one year	£7,818,000	£6,049,000	(£1,769,000)
This decrease is due to the release of capital grants, including the assets impaired, offset by the purchase of new assets funded by capital grants.			
Trade and other payables due within one year	£17,545,000	£16,686,000	(£859,000)
Provisions – non-current	£1,189,000	£1,472,000	£283,000
Provisions – current	£1,189,000	£1,472,000	£283,000
This increase is due to a new provision for dilapidations required for the new 25 year lease for the Griffin Park training centre and for an increase to the provision for costs relating to staff who have retired early. More information can be found in Note 13 of the Financial Statements.			
Provisions – current	£432,000	£259,000	(£173,000)
This decrease is due to a reduction in the value of provisions for legal claims expected during 2021/22.			





## Future Funding Requirements

Approximately 72% of the CNPA's annual expenditure is staff costs. Changes are planned to public sector pensions that could result in higher employer pension charges, however there is uncertainty around the timing and overall impact. The CNPA is working closely with partners and BEIS to understand the potential impacts and potential funding implications.

Major capital expenditure is now being supported by BEIS in the form of upfront capital that are repaid via depreciation changes to the CNPA customers. CNPA is working with BEIS on how this new funding approach will operate in the 2021/22 financial year.

## Budget Revision Process

The CNPA's financial resources are reviewed at least each quarter by the Executive Team and the CNPA Board. The quarterly reviews provide an opportunity for the CNPA Board to revise the budget to ensure that the financial resources available to the CNC are consistent with the achievement of its strategic objectives.

## Adoption of Going Concern Basis

The CNPA Board approved a revenue expenditure budget of £124.92m and a capital expenditure budget of £21.62m for 2021/22. The provision of policing services generates income and there is the continued need for those services for the foreseeable future. Accordingly, the CNPA Board continues to adopt the going concern basis in preparing the financial statements as there are no material uncertainties around the going concern status of the CNPA.

# Sustainability Report

This section provides information relating to the CNPA's carbon consumption and use of finite resources.

This year has seen a decrease in emissions across all reported areas.

Covid-19 has had a significant impact on our emissions. For example, non-fleet business travel has decreased significantly and emissions/use of resources from the built infrastructure has decreased in most business premises.

However, throughout the pandemic, operational activity and most of the training has continued. Some reductions will be due to other factors; notably, increased fuel efficiency in the organisation's vehicle fleet.

In June 2019, CNPA took partial occupation of its Griffin Park Tactical Training Centre. The current year has seen the first part year use of firearms training albeit with a reduced occupancy of office accommodation due to Covid-19. As expected, emissions from this venue continue to have a significant impact on our total emissions. This is particularly noticeable in Scope 1 emissions (direct emission) where heating from boilers operated from CNPA premises are now recorded alongside other sources of direct emission including fleet vehicles and generators.

Griffin Park is a modern building with innovative technology to monitor and mitigate unnecessary energy use.

## External reporting requirements/Sustainability Strategic Plan

Throughout 2020/21, the organisation has been developing a Sustainability Strategic Plan to record how it will reduce use of finite resources and counter carbon emissions. The Sustainability Strategic Plan provides a framework to monitor and

control emissions from the following business areas:

- Business travel
- Fleet vehicles
- Energy from buildings
- Use of resources
- Sustainable procurement
- Governance

The Sustainability Strategic Plan will be published in 2021, with associated quarterly reporting summarised in this section of the annual report.

It can be expected that the New Ways of Working programme, developed in response to the Covid-19 pandemic, will see further reductions in emissions driven by flexible working patterns.

## Greening Government Commitments

The CNPA had been granted exemptions from the Greening Government Commitments reduction targets for delivering sustainable operations and procurement. The current targets ended in 2020. The CNPA are working with colleagues in BEIS and DEFRA to identify any new reporting obligations.

The CNPA does not have a significant impact on biodiversity and is not required to prepare a biodiversity action plan, as all its estate is office-based.

## Limitations

There are some limitations to our ability to record data as, for example, many of our operating locations and services are shared. However, broad trends have been identified with an explanatory narrative.

The majority of the CNC’s policing operations are undertaken on licenced nuclear sites. The CNPA is provided with accommodation and utility services at these sites, which are the responsibility of the SLC. The CNPA’s environmental impact on these sites is not measured and is outside the scope of this report.

The CNPA’s headquarters and training school are located at the Culham Science Centre. It rents office space from the UK Atomic Energy Authority (UKAEA), which is an executive non-departmental body (NDPB) of BEIS. The UKAEA does not individually meter its tenants’ energy, waste and finite resource consumption. Consumption and cost are apportioned to each tenant on the basis of the floor area it occupies

rather than on usage incurred. Similarly, the CNPA occupies offices at Summergrove Halls, Cumbria and the Lord Roberts Centre, Bisley, Surrey. In these premises, an all-inclusive charge is paid, and we are unable to separately identify energy use. We are unable to confirm whether any increases or decreases in consumption are due to the CNPA or to other co-located organisations.

The following tables and commentaries provide details of the CNPA’s greenhouse gas emissions, waste disposal, water, electricity and gas consumption between 1 April 2020 and 31 March 2021.

Greenhouse Gas Emissions

Greenhouse gas emissions		2016/17	2017/18	2018/19	2019/20	2020/21
Non-financial indicators (CO2e in tonnes)	Scope 1 emissions (vehicle fleet and managed boilers)	518.94	434.88	490.72	1,151.41 <sup>1</sup>	722.7
	Scope 2 emissions (indirect emissions: electricity)	271.85	294.59	279.97	348.92	339.7
	Scope 3 emissions (official business travel)	1,062.62	1,321.83	1,149.59	930.74	674.3
Financial indicators (£000)	Carbon Reduction Commitment gross expenditure					
	Expenditure on accredited offsets					
	Total expenditure on official business travel (excluding accommodation costs and subsistence) and fleet	2,266	2,296	2,074	1,649	1,100

[1] Emissions from Griffin Park CHP boilers have been recategorized from scope 2 to scope 1

**Scope 1** describes emissions from sources owned or controlled by the organisation.

The CNPA’s scope 1 emissions include mileage and consequent CO2 emissions from our operational vehicle fleet and managed heating systems. Due to the way our property portfolio is managed, only emissions from Griffin Park boilers are included in this. Where energy or heating is produced off-site, these are recorded in Scope 2.

The inclusion of emissions from Griffin Park boiler system has had a significant impact on the CNPA’s scope 1 emissions. However, this has

reduced significantly compared to last year as systems have been calibrated following extensive testing throughout the building mobilisation.

Emissions from fleet vehicles have reduced. This is due to a decreased mileage and more efficient vehicles purchased through the reporting year.

**Scope 2** describes emissions from indirect sources including supplied electricity. Included in this report is electricity and heating from the organisation’s Headquarters at Culham, Oxfordshire as well as premises at Bisley Camp and Griffin Park Tactical Training Facility.

Use of electricity has dropped significantly at our Culham HQ and southern firearms training estate. This relates to increased homeworking due to Covid-19 restrictions.

Electricity use at Griffin Park has risen. However, as this is the first full year of training activity and the site has been in operation throughout the pandemic, this is expected.

Griffin Park Tactical Training Centre is by far the largest property in CNPA’s portfolio. As firearms training has historically been undertaken on the Sellafield site, all carbon data relating to this activity would have been included in NDA’s energy data. These are not entirely new emissions. However, in comparison to the rest of the CNPA estate, Griffin Park will be a significant

driver of our building energy emissions.

**Scope 3** emissions include all business mileage relating to personal vehicles used for work purposes as well as hire cars, domestic flights and rail use.

Emissions from business travel have decreased. The principal reason for this is the reduction in travel due to Covid-19.

Waste

Waste			2016/17	2017/18	2018/19	2019/20	2020/21
Non-financial indicators (tonnes)	Total waste		6.71	5.67	3.46	27.3 <sup>2</sup>	24.6
	Hazardous waste total		0.37	0.17	0.66	-	0.1
	Non-hazardous waste	Landfill	-	-		22.9	12.7
		Reused/recycled	6.34	5.49	2.81	4.4	11.8
		Incinerated/energy reused					
Financial indicators (£000)	Total disposal cost		6.1	4.9	3.5	22.4	26.4
	Hazardous waste – total disposal cost		Not reported. Included in total disposal cost				
	Non-hazardous waste – total disposal cost	Landfill	Not reported. Included in total disposal cost				
		Reused/recycled	Not reported. Included in total disposal cost				
		Incinerated/energy reused	Not available				

[2] Figure amended from previous report

Figures include Griffin Park and Aldershot Barracks training centres.

The amount of waste has increased significantly with the inclusion of Griffin Park data in 2019/20. However, the majority (60%) of waste from that site is recycled.

At Culham HQ, the CNPA recycles waste using the UKAEA recycling scheme. This recycles office paper, newspapers, magazines, small cardboard items, drink and food cans, plastic bottles, plastic cups and domestic glass bottles/

jars. However, these are not captured in the above figures as UKAEA do not separate the CNPA's waste.

The CNPA recycles computer equipment, furniture, office equipment, electrical items, batteries and print cartridges. All (recycled) items comply with EU waste and environmental directives. The CNPA also recycles 100% of its used ammunition cartridges. Police clothing and equipment is disposed of through a secure disposal route and recycled where possible.

Water

Finite resource consumption			2016/17	2017/18	2018/19	2019/20	2020/21
Non-financial indicators (m³)	Water consumption	Supplied	1,470	1,243	1,358	1,901	2,038
		Abstracted	-	-	-	-	
Financial indicators (£000)	Water supply costs		1.5	1.3	1.8	3.0	18.7 <sup>3</sup>

[3] Griffin Park costs

Our main direct impacts for water consumption are office and training areas. This relates to toilets, showers and kitchen facilities that are necessary to satisfy legislative and regulatory requirements. As noted previously, the CNPA's water consumption is not metered and scope to reduce its usage is limited to employee

awareness campaigns.

The increase in water consumption and cost is due to Griffin Park coming into full operation. Water consumption has decreased significantly at our HQ accommodation due to Covid-19 lockdown.

Electricity and Gas

Finite resource consumption			2016/17	2017/18	2018/19	2019/20	2020/21
Non-financial indicators  (kWh)	Energy consumption	Electricity – non-renewable	428,521	456,792	529,094	926,135	898,573
		Electricity – renewable		-	-		
		Gas (kWh)	517,828	727,615	707,935	3,985,103	2,248,511
		LPG (ltr)		-	-		5,772
		Other		-	-		
Financial indicators  (£000)	Total energy expenditure		62	81	105	294	268

The inclusion of Griffin Park data has led to an increase in energy usage, cost and emissions from 2019 onwards. There has been a significant decrease in electricity consumption at HQ and other training venues.

On our other sites, our main direct impacts for energy consumption are in office and training areas. The CNPA's energy use is on an apportioned basis and, like water usage, scope to reduce consumption is limited to employee awareness campaigns. It is unclear whether change is down to CNPA or other tenant activity.

At the time of writing, data from Culham includes last year's consumption for the final quarter. This is due to restrictions in accessing the meters due to Covid-19 shutdown.

Simon Chesterman QPM

Chief Constable and CEO

1 November 2021





SECTION  
2

# Accountability Report

## Corporate Governance Report - Directors' Report

### CNPA Board Members and Board Members' Interests

For the purposes of this Annual Report and Accounts, the term 'directors' is interpreted to mean executive and non-executive members of the CNPA Board who have the authority or responsibility for directing or controlling the CNPA's major activities during the year. This means those who influence the decisions of the CNPA as a whole, rather than the decisions of individual directorates or departments within the organisation.

The Board Members who served during the period are listed below:

Vic Emery OBE (Non-Executive)	Chairman and Independent member (appointment commenced 12 October 2016) and Chairman of the Senior Appointments Committee
Chris Armitt QPM	Capability Director and Deputy Chief Constable (appointment commenced 1 October 2019) (previously T/Capability Director/DCC)
Mike Calloway	Industry Member (appointment commenced 9 July 2018) and member of the Audit, Risk and Finance Committee and the People Committee
Richard Cawdron	Director Governance Compliance and Legal Services (appointment commenced 1 December 2019)
Simon Chesterman QPM	Chief Executive Officer and Chief Constable (appointment commenced 1 April 2019)
Jerry Haller (Non-Executive)	Industry member (appointment commenced 1 February 2021); member of the Audit, Risk and Finance Committee
Louise Harrison	Operations Director and Assistant Chief Constable (appointment commenced 17 February 2020)
Sir Craig Mackey QPM (Non-Executive)	Independent member (appointment commenced 24 June 2019); member of the Senior Appointments Committee and the People Committee
Mark Neate (Non-Executive)	Industry member and member of the Audit, Risk and Finance Committee. Appointment expired 31 March 2021
Patsy Northern	Director of Corporate Services (appointment commenced 20 January 2020)



Mark Rouse (Non-Executive)	Industry member (appointment commenced 25 March 2021); member of the Audit, Risk and Finance Committee
Neelam Sarkaria (Non-Executive)	Independent member (appointment commenced 10 October 2016); Chair of the People Committee and member of the Senior Appointments Committee
Richard Saunders	Director of People and Organisational Development (appointment commenced 1 June 2018)
Sue Scane (Non-Executive)	Independent member (appointment commenced 8 July 2019) and Chair of the Audit, Risk and Finance Committee
Rebecca Weston (Non-Executive)	Industry member and member of the People Committee. Appointment expired 24 March 2021

Register of Interests

The CNPA maintains a register of interests to ensure potential conflicts of interest can be identified and addressed in advance of Board discussions. Where potential conflicts exist, they are recorded in the Board minutes, along with any appropriate action to address them. During 2020/21 none of the Board Members held any interests which may have conflicted with their Board responsibilities and no Board Member had any other related party interests.

Health and Safety

Our health and safety policy and procedures comply with all relevant legislation and are reviewed as appropriate. The number of reported incidents for the last three years are detailed below:

Year	Injuries
2020/21	128
2019/20	160
2018/19	228

The total number of injury incidents reported during 2020/21 is a 28.5% decrease on the previous year. This is due to the significant drop in incident reports during the first six months of the Covid-19 pandemic. The increase in reported incidents in 2018/19 was primarily due to an increase in the type and intensity of the realistic dynamic training scenarios required to simulate achieving the CNC Mission. 2019/20 is considered an average year.

During 2020/21, 11 incidents were reported under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) with all reports in the over seven days lost time category. Previous year total RIDDOR reports 20. This is an expected drop due to the drop in injury reports which in turn is due to the pandemic. All RIDDOR incidents are subject to a full investigation and lessons learned process. Analysis of the injury incidents has not revealed any patterns or trends, having all occurred at different locations and under different circumstances.

All CNC police officers, and a small number of police staff, are designated as ‘monitored workers’ and are tested for exposure to radiation. Over 83 % of our monitored workers did not receive a measurable exposure during 2020. The remaining workers had an individual average radiation dose of 0.01 millisievert (mSv), which is the same average level as the previous year and is below the industry significant exposure level of 1mSv. This compares to the average UK natural dose of 2.7mSv per year or a single dental x-ray of 0.02mSv.

Information and Cyber Security

The CNPA’s approach to information assurance and cyber security is identified in Strategic Goals 1 and 3, which have been subject to regular review by the CNPA Board throughout the year.

Digital services began this reporting period under a great deal of pressure as the CNC’s operating

model was still adapting to the first national lockdown under the Covid-19 pandemic. There were technical challenges as some services (such as conference calling) struggled under the weight of remote users using the network rather than being based in the workplace on the CNC local area network. The IT department adapted within weeks and services have largely remained robust throughout the year.

This change in the CNC’s operating model brought challenges to both the Senior Information Risk Owner (SIRO) and the Head of IT as risks, policies, service provisions (including security and resilience) as well as user education all had to be reviewed and disseminated across a workforce which was now more dispersed than ever. Work undertaken at this time has brought about a review of CNC working practices moving forward and a more flexible approach to working practices and locations is now a very real consideration moving forward.

Despite these challenges, the Cyber Security and Information Assurance Review (known as CySIAR) has delivered governance arrangements for Information risk and is now moving into the practicalities of meeting the necessary controls and frameworks to enhance our cyber security stance.

The new governance framework for strategic

risks relating to information assurance, IT services and cyber security has proven to be effective in providing assurances for the Executive. This governance framework has been developed and is now utilised by other CNC business areas enabling more effective management of risks across the organisation.

The global shift towards homeworking has significantly increased the cyber-attack surface and increased the prominence of cyber security. This had resulted in an increase of reported cyber events including the policing sector. Working alongside national bodies such as the National Cyber Security Centre (NCSC) and National Policing Information Risk Management Team (NPIRMT), the CNC’s stance enabled us to react positively to global cyber events and this has been recognised positively from industry regulators. The CNC’s IT service provider suffered a cyber-attack on its corporate services; however, CNC services were unaffected. CNC has used these events as an opportunity to review cyber security measures, policies and practices and also learn from these events.

Work surrounding cyber strategy and the re-competition for IT services has continued throughout the year with a comprehensive strategic document set being developed to align with the CNPA three year strategic plan.

Security Breaches and Security Incidents

The following table summarises the number of security breaches and security incidents since 2016/17.

Nature of incident	2016/17	2017/18	2018/19	2019/20	2020/21
Loss of assets; electronic equipment; and devices or paper documents from secured CNC premises	-	-	-	-	-
Loss or theft of CLASSIFIED electronic equipment, devices or paper documents from outside secured CNC premises	1	2	6	1	-
Insecure disposal of inadequately protected electronic equipment, devices or paper documents	-	-	-	-	1
Unauthorised disclosure through insecure transmission of Classified marked documents	4	9	10	9	4
Compromise of personal data	-	3	6	12	17
Other ‘low level’ breaches/incidents	13	9	5	3	12
Total	18	23	27	25	34

All the security breaches and security incidents recorded were of a minor nature, most of which are in the compromise of personal data through the sending of incorrectly addressed emails or attached documents which may have resulted in the potential for personal information to be seen by third parties. The overall increase in reported cases is being driven by improved staff training and reporting.

Other incidents are due to the loss of warrant cards, site passes and firearms authorisation cards. The increase of reporting incidents, particularly self-reporting is considered a positive as it demonstrates the security culture of the organisation.

## Anti-Fraud, Anti-Bribery and Anti-Corruption Policy

The CNPA requires all Police Authority members, employees, and representatives, such as contractors, consultants and agents to act honestly and with integrity and to safeguard the public resources for which they are responsible and in accordance with our Code of Business Conduct and the national Code of Ethics for policing. The CNPA will not accept any level of fraud, bribery or corruption; consequently, any case will be thoroughly investigated and dealt with appropriately. The CNC has undertaken regular awareness campaigns on these subjects. These campaigns have been designed to reach employees in the workplace as well as those who have been working from home. The CNPA is committed to ensuring that opportunities for fraud, bribery and corruption are reduced to the lowest possible level of risk. To achieve this there are comprehensive policies and all Police Authority members, employees and representatives are required to undertake training.

## Financial Risk Management

Information on the CNPA's financial risk management objectives and policies and its exposure to credit risk, liquidity risk and market risk is disclosed in note 8 to the financial statements.

## Events after the Reporting Period

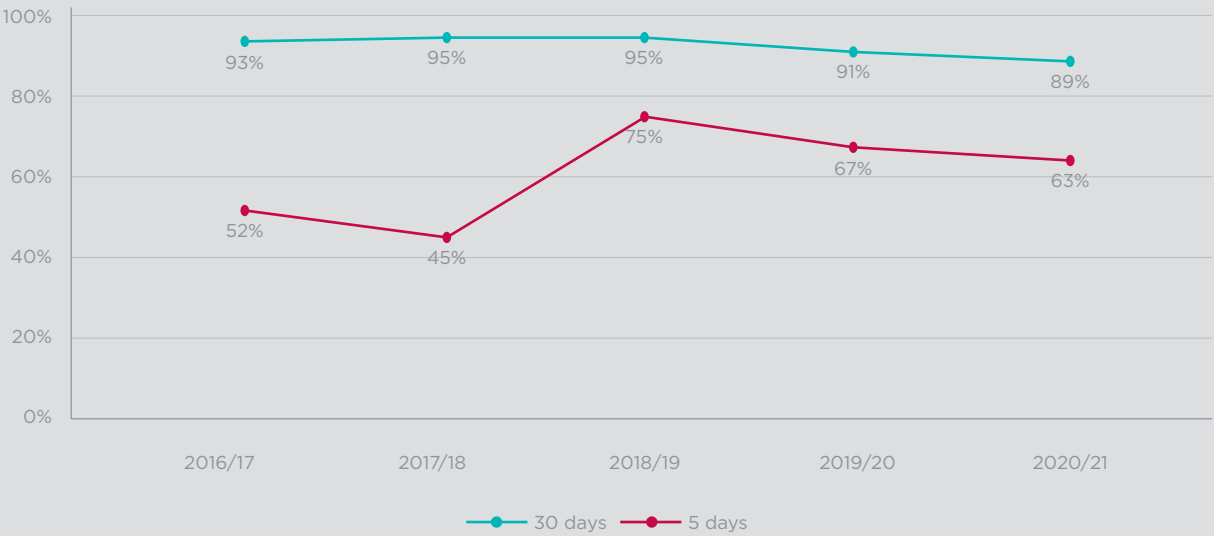
Events after the reporting period are disclosed in note 20 to the financial statements.

## Payment of Suppliers

The CNPA's policy is to pay all its suppliers within contracted payment terms or, without specifically agreed terms, within 30 days of receiving a valid invoice. In 2020/21, the CNPA paid 89% of its invoices on time. The CNPA has sought to comply with central government's commitment to pay suppliers within five working days from receipt of a valid invoice wherever possible. For the year to 31 March 2021, the CNPA paid 63% of its invoices within five working days against a target of 90%.

There were process and administration issues which contributed to the deterioration in performance during 2021/22 we will continue review the purchase to pay process and implement any process or system improvements which are economical to introduce.

Payment Time



## Pension Arrangements

Further information on pensions is disclosed in the Remuneration Report and in notes 1.10 and 5 to the financial statements.

## Auditor

The financial statements have been audited by the Comptroller and Auditor General. The cost of the statutory audit was £59,000 (2019/20: £57,000). The external auditors received no remuneration during the year for the provision of non-audit services.



# Statement of Civil Nuclear Police Authority's and Accounting Officer's Responsibilities

Under the Energy Act 2004, the Secretary of State (with the consent of HM Treasury) has directed the CNPA to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of CNPA and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and in particular to:

- Observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the FReM have been followed, and disclose and explain any material departures in the accounts
- Prepare the accounts on a going concern basis
- Confirm that, as far as he is aware, there is no relevant audit information of which the CNPA's auditor is unaware; and that he has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the CNPA's auditor is aware of that information
- Confirm that the annual report and accounts as a whole is fair, balanced and understandable and takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable

The Accounting Officer of BEIS has designated the Chief Executive Officer and Chief Constable as Accounting Officer of the CNPA. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the CNPA's assets, are set out in Managing Public Money published by HM Treasury.

## Governance Statement 2020/21

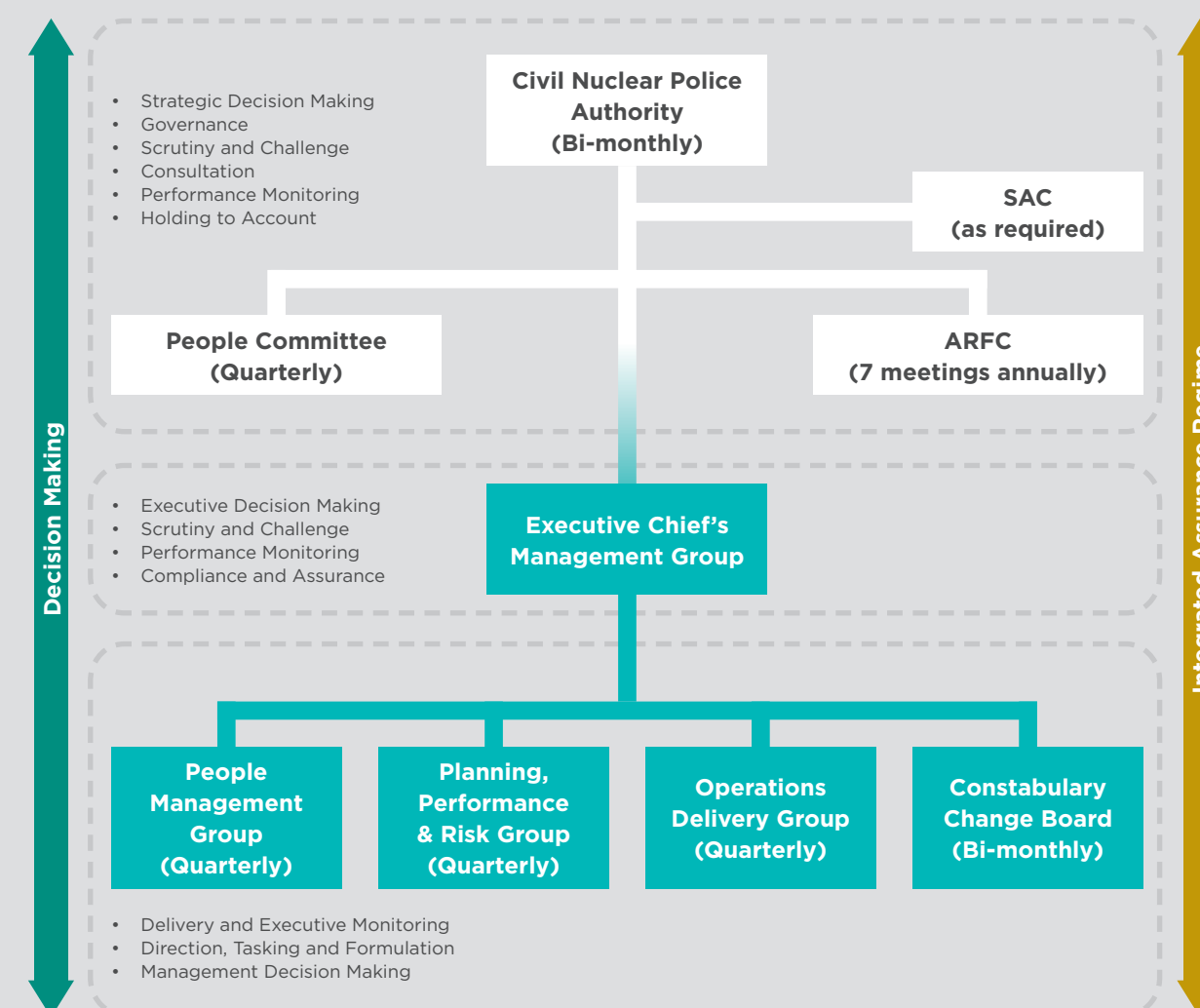
### Introduction

As Accounting Officer of the CNPA, I have responsibility for maintaining effective governance and a sound system of internal control that supports the achievement of the CNPA's policies, aims and objectives. I am personally responsible for safeguarding public funds and assets in accordance with the responsibilities assigned to me by the CNPA's sponsoring department, BEIS.

### The Governance Framework

The CNPA operates within the terms of a framework document agreed with BEIS. This sets out the purpose of the CNPA, the core elements of the relationship with BEIS and the framework within which the CNPA will operate and the mechanism by which meaningful oversight of strategy and performance will be exercised. I am supported in my role as Accounting Officer by the Police Authority and its Committees and an Executive Team.

The CNPA's governance framework is in line with government best practice, as set out in Central Government Departments: Code of Good Practice (The Code) 2017. The following depicts the CNPA and the CNC formal governance structure and the decision-making process:



In terms of specific responsibilities against each of the governance forums, they are laid out below:

The Authority		
The Police Authority is responsible for:		
<ul style="list-style-type: none"><li>• Securing the maintenance of an efficient and effective CNC and determining its policing objectives</li><li>• Appointing members of the Executive Team and employing members of the CNC</li><li>• Accounting for the CNC's operational and managerial performance to the Secretary of State and to the public</li><li>• Setting the strategy, policy, resource, and performance management framework for the CNC</li><li>• Monitoring the CNC's overall performance against the agreed strategies and agreeing remedial action if needed</li><li>• Supporting and advising the CEO/Chief Constable in the exercise of his functions</li></ul>		
Note: The Authority's members are appointed by the Secretary of State and are independent of the CNC's management.		
Sub-Committees		
People Committee	Senior Appointments Committee	Audit, Risk and Finance Committee
The committee is responsible for:	The committee is responsible for:	The committee is responsible for:
<ul style="list-style-type: none"><li>• Oversight of the CNC's People Strategy, policy, and practice</li><li>• Monitoring and scrutinising how the people strategies contribute to improved organisational performance</li><li>• Reviewing, scrutinising, and approving organisational change business processes, proposals, and requirements</li><li>• The CNC's adherence to good practice HR governance</li></ul>	<ul style="list-style-type: none"><li>• Recommending appointment of members of the senior management team</li><li>• Oversight of senior management team performance, personal development, and remuneration</li></ul>	<ul style="list-style-type: none"><li>• Scrutiny of internal controls</li><li>• Monitoring and scrutinising all strategic audit matters relating to the Authority and CNC</li><li>• Monitoring and scrutinising the management of high-level risks and monitoring CNC risk management processes</li><li>• Scrutiny of the CNPA's governance arrangements</li><li>• Monitoring and scrutinising the quality and reliability of CNC financial reporting</li><li>• Assuring the CNPA of its responsibilities to secure efficiency and effectiveness</li><li>• Tracking progress against the Annual Audit Plan, relevant strategies, plans, and processes specified by the Annual Audit Plan</li><li>• Reviewing, scrutinising, and reporting to the Authority on the comprehensiveness, reliability and integrity of assurances given to meet the Authority's and the Accounting Officer's assurance needs</li></ul>

Chief's Management Group
<ul style="list-style-type: none"><li>• Meets monthly to ensure the roles and responsibilities of the Chief Constable/Chief Executive/Accounting Officer are being sufficiently discharged</li><li>• Examines, assesses, evaluates, and provides direction and challenge on all major business and operational policing issues affecting the business and operation of CNC (internal and external)</li><li>• Responsible for implementing the CNPA's strategic direction and decisions</li><li>• Sets the strategic tone and direction for the Constabulary as flowed down from the CNPA</li><li>• Acts as the senior decision-making forum for the Constabulary, particularly for matters that require:<ul style="list-style-type: none"><li>• Business case review and approval</li><li>• Substantial financial investment</li><li>• Policy amendment or creation</li><li>• Recommendation to the CNPA or Senior Appointments Committee (SAC) or People Committee</li></ul></li><li>• Considers update reports from the Constabulary Executive and provides approval or issues further instruction as appropriate</li><li>• Considers high level risks and actions to mitigate risk</li><li>• Provides an audit trail on key decisions</li><li>• The meeting should also have space for discussions on key subjects with a strategic content</li></ul>
Note: The team is led by the CEO/Chief Constable and the membership is made up of the Capability Director/DCC, Operations Director/ACC, Director of Corporate Services, Director of People and Organisational Development and the Director of Governance, Compliance and Legal Services. Head of Finance (CFO), Head of Human Resources, Head of Governance and Assurance and the three Divisional Commanders.

The Police Authority

The role of the Police Authority is defined by the Energy Act 2004.

The Authority's Members are appointed by the Secretary of State and are independent of the CNC's management.

The Authority's principal duty is to secure the maintenance of an efficient and effective CNC.

The Authority has oversight of the CNC, which it exercises through the CNPA Authority meetings and matters delegated to its committees. It appoints members of the senior management team (also referred to as the Executive Team) and employs its officers and staff. It challenges and supports the Executive Team and scrutinises its proposals and performance, particularly in relation to the development of the three-year

strategy; delivery of the approved annual plan and budget, including performance against output metrics; and the annual report on the CNPA's activities. In addition, the CNPA takes an overview of corporate risk and works with the Executive Team to set the organisation's risk appetite.

The Chair of the CNPA is responsible for leading the Authority and ensuring that it is effective in discharging its role. The Chair is supported by independent non-Executive Board Members and other non-Executive Board Members drawn from senior roles within the nuclear industry (site licencing companies), all of whom are chosen to ensure an appropriate mix of skills and experience to inform the strategic thinking of the CNPA.

There were 12 'Board' level Meetings conducted in 2020/21, with six CNPA Board Meetings

(standard), four Extraordinary CNPA Board Meetings and two Working Group Meetings.

It received and endorsed the revised Terms of Reference of the Authority; the Audit, Risk and Finance Committee (ARFC); the Senior Appointments Committee (SAC); and the People Committee.

The Police Authority reviewed and approved the new strategy including the financial and delivery plans. It approved the risk framework, the Constabulary proposals for managing change and project delivery. Its work included scrutinising performance and ensuring a framework was in place to provide clear, consistent performance information to drive improvements. The CNPA received the recommendations of the SAC in relation to executive portfolio revisions, incremental pay progression and pay awards for the Executive Team and alignment to the Police Remuneration Review Body (PRRB).

## Audit, Risk and Finance Committee

The Audit, Risk and Finance Committee (ARFC) is chaired by an independent non-Executive Board Member.

The ARFC is the primary reporting forum for internal and external audit; during the year, the ARFC received assurance in areas including governance, internal control, and risk management.

The committee met seven times in 2020/21 including as a scrutiny panel to review the draft annual report and accounts in accordance with governance best practice.

## Senior Appointments Committee

The SAC is chaired by the CNPA Chairman.

The SAC held three meetings in 2020/21.

In this year, the SAC oversaw senior leadership, development, and succession planning.

The SAC reviewed executive performance

against objectives and executive pay awards and the mechanisms for their future determination, with reference to the Police Remuneration Review Board (PRRB), Civil Service Pay Guidelines and the government's pay cap.

It considered and agreed the revision of the executive portfolio responsibilities and the executive performance management procedure.

## People Committee

The People Committee is chaired by an independent non-Executive Board Member.

The Committee met four times in 2020/21.

The People Committee have scrutinised and agreed the CNC People Strategy 2020/23, a review of the CNC's police staff pay and grading structure, and proposals for leadership and management development training.

## The Executive Team

I am supported by an Executive Team of five: Deputy Chief Constable/Capability and Change Director, Assistant Chief Constable/Operations Director, Director of People and Organisational Development, Director of Corporate Services and Director of Governance, Compliance and Legal Services.

Executive management and governance of operational and business activities is undertaken through the Chief's Management Group (CMG). The team meets monthly to monitor, review and give executive-level direction for major business and operational issues and to enable co-ordination across the organisation for the delivery of key strategic and operational objectives.

I also hold a Weekly Review meeting for the Executive to meet and discuss any operational, tactical and/or management matters that are emerging or urgent as well as to share information about their movements and objectives for the forthcoming week.

During 2020/21, the Executive Team met at the CMG 14 times, including two extraordinary meetings. This is a key forum for business decision-making, prioritisation, and performance

monitoring, it acts as a gatekeeper to the CNPA Board, underpinning the quality of information and direction of strategic discussion in that forum.

## CNPA Activities in 2020/21

It is standard practice to ensure that the CNPA visit at least one operational site a year to allow Members direct sight of front-line operations. However, due to the Covid-19 pandemic, lockdown and the social distancing measures in place, this did not take place in 2020/21.

The CNPA has maintained its scheduled meetings making effective use of video conferencing technology. The non-Executive Board Members have the opportunity for informal meetings or closed discussions without the presence of the executives or other attendees, these are scheduled to precede Police Authority meetings when required.

## Governance Improvement

The CNPA has sought to strengthen its overall corporate governance and independent oversight, as well as reviewing its delegated authorities and decision-making processes.

Over the last two years, the CNPA has implemented a series of governance improvements in response to recommendations from BEIS to their Public Body Boards and feedback from an internal audit by RSM on governance and risk management (March 2019).

The output of this governance improvement initiative saw amendments to the CNPA governance meeting structure being implemented over 2019/20; following this, a corresponding revision of the CNC meeting structure is proposed, to ensure alignment and to demonstrate a clear decision-making route.

The Board is satisfied with the flow of information between the Board and its committees, and the quality of data received. Board papers are approved by the Chief's Management Group and sponsored by the relevant executive team director.

## Evaluation of Authority Performance

The Authority reviews its performance biennially. A review took place during the 2019/20 reporting year and the full Authority effectiveness review report was tabled in May 2020. This report summarised that there was considerable evidence from the survey results and interviewees to support the widely held view that the CNPA Board is on a positive journey of maturing and improving its effectiveness.

The Authority also reviews its performance at the end of each Authority meeting and Members are subject to annual performance reviews with the CNPA Chair.

## Multi-Force Shared Service

The CNPA and CNC signed a collaboration agreement with the Multi-Force Shared Service (MFSS) for the provision of support service transactions processing functions for HR, finance and procurement from April 2016.

The collaboration agreement gives the CNPA and CNC joint control of the MFSS together with the other partner organisations to the agreement.

Governance and oversight of MFSS is exercised by its Shared Service Joint Oversight Committee (SSJOC) which also sets the strategic direction of the MFSS. It usually meets three to four times per year but holds additional extraordinary meetings when required to deal with specific issues.

The Chair of the Joint Committee is rotated among partner organisations.

I am a member of the Joint Committee together with the Chair of the CNPA, as are the Police and Crime Commissioners and Chief Constables of the other partner forces.

The partner organisations have jointly given notice to terminate the collaboration agreement, participation in the Multi-Force Shared Service will terminate on 3 November 2022.



To support the delivery of the new system and process, a project governance structure has been established and is working closely with MFSS partners and BEIS. The timescale for the delivery of the change is tight, however planning for the alternative arrangements to ensure business continuity beyond November 2022 are expected to be in place. This has been identified as a significant risk for the CNPA but planning for the alternative arrangements is part of the risk mitigation plan.

### Compliance with the HM Treasury Corporate Governance Code

The CNPA has complied with the Code of Good Practice for corporate governance in central

Government in so far as it is relevant and practical for an arm’s length body of its size and complexity.

I confirm that the CNPA is compliant with the MacPherson recommendations for quality assuring analytical models and the recommendations from the Alexander review of the tax arrangements for public sector employees.

I have not received any Accounting Officer directions in 2020/21.

received and endorsed the revised Terms of Reference of the Authority; the Audit, Risk and Finance Committee (ARFC); the Senior Appointments Committee (SAC); and the 2018/19 Annual Reports of the ARGC (now ARFC) and the SAC.

### Attendance at Police Authority; Board and Committee Meetings in 2020/21

Members	Board (6 in year)	Audit Risk and Finance (7 in year) <sup>(1)</sup>	Senior Appointments (3 in year)	People (4 in year) <sup>(2)</sup>
Vic Emery (Chair) (NE)	6/6	<sup>(1)</sup>	3/3	<sup>(1)</sup>
Mike Calloway (NE)	6/6	7/7	<sup>(1)</sup>	4/4
Jerry Haller (NE) <i>(Appointment Started 1/2/2021)</i>	2/2	1/1	<sup>(1)</sup>	<sup>(1)</sup>
Sir Craig Mackey (NE)	6/6	<sup>(1)</sup>	3/3	4/4
Mark Neate (NE)	6/6	5/7	<sup>(1)</sup>	<sup>(1)</sup>
Mark Rouse (NE) <i>(Appointment Started 25/3/2021)</i>	0/1	0/0	<sup>(1)</sup>	<sup>(1)</sup>
Neelam Sarkaria (NE)	6/6	<sup>(1)</sup>	3/3	4/4
Sue Scane (NE)	6/6	7/7	<sup>(1)</sup>	<sup>(1)</sup>
Rebecca Weston (NE) <i>(Appointed ended 24/3/2020)</i>	5/5	<sup>(1)</sup>	<sup>(1)</sup>	3/4

1. Not members of the committees  
2. The CC or the DCC may attend.

## Risk Management and Control

### Risk Management

The CNPA has a Strategic Risk Register that includes all strategic risks, which are defined as risks to the achievement of the goals identified in our three-year strategic plan, but also includes other significant programme, project or service delivery risks that should be brought to the attention of the Executive Team, Audit, Risk and Finance Committee (ARFC) and the CNPA. During 2020/21, a Fraud Risk Register was established to address the requirements of the Government Functional Standard GS013 relating to counter fraud arrangements. The key risks and uncertainties facing the CNPA are presented in the Performance Report section of this annual report and accounts.

The CNPA has a Risk Management Framework that defines its approach to managing risk, along with practical guidance to assist risk owners in identifying, assessing, monitoring, and reporting risks. The risk register is maintained on a fully auditable system to ensure monitoring and reporting is consistent across the organisation. Risk owners are supported in all aspects of risk management activities by the Head of Risk and Insurance.

The nature and status of key corporate risks are reported to the ARFC along with the mitigating actions being taken.

Completeness of the Strategic Risk Register and identification of new potential risks at an early stage is supported through risk workshops; horizon scanning and identifying potential risks to ARFC and the Authority; and a review against Authority minutes to confirm that the issues and uncertainties attracting Authority interest are captured on the risk register.

The CNPA has undertaken a risk maturity review during 2020/21 and its self-assessment will be repeated annually to monitor progress from the initial assessment of ‘risk defined’/‘risk managed’ towards matching criteria that would typically be assessed as a ‘risk managed’/‘risk enabled’ organisation.

### Risk Management Assurance

The ARFC challenges the Executive Team to provide the assurance it needs over risk management.

The Risk Register is a standing agenda item at the Audit, Risk and Finance Committee and the Chief’s Management Group meetings. An assessment of the Strategic Risk Register and uncertainties facing the CNPA are presented as a standing item to the Authority. Reports to the ARFC and CNPA include reference to risk appetite and target risk scores, and the direction of travel over time towards the target scores.

### Risk Appetite

Risk appetite is defined as the level of risk that the CNPA is willing to face to achieve its objectives, whilst continuing to provide the required level of assurance to stakeholders that assets are safeguarded. The CNPA has a low-risk appetite for most of its activities and, due to the nature of its core business, the organisation is generally risk averse, which demonstrates clearly to stakeholders that the CNPA will not expose them to unnecessary risk. The risk appetite statement is reviewed annually and does provide some flexibility in the risk appetite for innovation activities, so that opportunities for development and growth are not unnecessarily stifled by being too risk averse. The only element that will prevent the continued pursuit for risk mitigation to tolerable levels is the availability of resources that may be required to achieve the desired level of risk control.

### Statement of Information Risk

The CNPA must maintain the confidentiality, integrity, and availability of its information to operate effectively, efficiently, and securely.

The CNPA is required to comply with the Cabinet Office (CO) and the Office for Nuclear Regulation’s (ONR) Security Policy Frameworks for information security. ONR’s framework follows broadly that of the Cabinet Office but

sets standards for the protection of sensitive nuclear information that are necessary to protect licenced nuclear sites and material in transit.

The CNPA is also seeking to protect itself against cyber-attacks and as well as applying the 20 Centre for Internet Security (CIS) Critical Security Controls, has undergone a Cyber Security Maturity Assessment measured against the National Institute of Standards and Technology (NIST) Cybersecurity Framework (below). The results of which are now being reported and digested before a prioritised action plan can be drawn up. Alongside this, and with the assistance of our strategic partner, we are working through a threat and risk assessment which will identify mission critical systems and help us to understand the impact on other systems and on the business should those be attacked and the service interrupted, leading to the creation of a detailed remediation and risk treatment plan.

I am responsible for ensuring that information risks are assessed and mitigated to an acceptable level.

I am supported in the discharge of this responsibility by the executive-level Senior Information Risk Owner, the Security and Cyber Security Managers, the IT department and a network of Information Asset Owners with responsibility for our information assets. Details of how this function is provided in the following section.

**The Information Risk Group and the Information Governance Committee**

The purpose of the CNC's Information Risk Group (IRG) is to analyse, consider and mitigate all information risks raised and to escalate these to the Senior Information Risk Owner (SIRO) where necessary. This includes, but is not limited to, compliance with Her Majesty's Government (HMG) and regulatory legislation, effective risk mitigation, incident management and management of project level information risks raised through the Portfolio Management Office

(PMO), at the Constabulary Change Board or at the Portfolio Delivery Group.

The IRG is chaired by the Head of Information Governance and meetings are held monthly.

The purpose of the Information Governance Committee (IGC) is to report emerging risks raised by Information Asset Owners (IAOs) and analysed/identified at IRG to the SIRO for further consideration and to determine the appropriate strategy: treat, tolerate, terminate, or transfer.

The IGC sits above the IRG and is chaired by the SIRO who receives guidance from the Head of IT, Security Manager, Information Assurance Manager and Head of Information Governance/ Data Protection Officer on operational level risks and determines the appropriate course of action.

Meetings of the IGC are held at least quarterly to coincide with Board meetings and to allow the SIRO to report. They can also be called on an ad hoc basis by either the SIRO or by the IGC according to need.

At IGC meetings, the SIRO signs off the information security policies drafted, agreed, and approved by the IRG. These are then put before the CMG for final approval.

**Personal Data-Related Incidents**

There was one personal data-related incident reported to the Information Commissioner's Office (ICO) in 2020/21 (2019/20: one). The ICO decision was that no further action was necessary as CNC had confirmed that the potential breach did not pose a high-risk data subject, appropriate steps were taken to mitigate it immediately it was uncovered and processes were being examined to prevent a reoccurrence. The ICO recommended that the causes be investigated, and that practical guidance be provided to staff and checks put in place to avoid human error. The security breaches section on page 41 to reports a higher number of incidents which were not reportable. This increase was due to the CNC having strengthened its approach to reporting and improved training.

**General Data Protection Regulation**

General Data Protection Regulation (GDPR) has applied in the UK since 25 May 2018. The UK's departure from the EU has not currently affected the application of the Regulation which has been translated in UK domestic legislation by the Data protection Act 2018. In general, any action or activity that uses Personally Identifiable Information must comply with the Regulation and with the Data Protection Act 2018. The CNPA successfully implemented GDPR in 2018, and the Data Protection Officer continues to monitor and record all breaches and near misses and to work across the organisation to minimise the impact from any breach; to assess the risk of damage and to report to affected data subjects and the ICO where appropriate. The Data Protection Officer continues to work on embedding compliance activities across the CNPA and is focused on continuous improvement, supported by a programme of monitoring and assurance.

**Cyber Security Self-Assessment**

The CNC's strategic partner have been commissioned to carry out a review of the cyber security position, presented in three parts:

- A cyber security maturity assessment
  - Definition of the Security Operations Centre (SOC) requirements
  - Development of the cyber security strategy
- The maturity assessment is being measured against the National Institute of Standards and Technology (NIST) Cybersecurity Framework

in order that the organisation can assess and then improve the ability to prevent, detect and respond to cyber-attacks. This risk assessment will then inform both the SOC requirements and the strategic document which will in addition be aligned with the CNC three-year Strategy.

An earlier review of cyber security controls highlighted gaps to be addressed, particularly in incident management and an IT specific incident management policy. A testing/exercising plan is being drafted which will be presented to the strategic partner for consideration and advice. Policy improvements will be made together with assessments of the process for collecting and analysing post incident evidence, crisis contact processes, reporting of backups and the process for reporting incidents externally to relevant authorities.

Incident management roles are clearly assigned, and the governance structure is provided by the IRG and IGC.

A 12-month education and awareness strategy has also been launched, providing on-going training for all staff with respect to IT/Cyber incidents.

Audit, Risk and Finance Committee's Reports on the CNPA's Systems of Governance, Risk Management, and Internal Control

The ARFC considered the findings contained in reports prepared by the CNPA's internal auditor, RSM, based on an annual audit plan agreed in advance by the committee.

The ARFC take partial, reasonable or substantial assurance that the internal controls tested are suitably designed, consistently applied and effective for the following reviews:

Internal Audit Plan for 2020/21		Status	Audit Opinion
1.	Staff Survey Response	Final	Reasonable Assurance
2.	Whistleblowing	Final	Partial Assurance
3.	Governance and Decision Making	Final	Reasonable Assurance
4.	Oracle P2P, Purchasing Cards and Fuel Cards	Final	Partial Assurance
5.	Core Accounting Controls	Final	Reasonable Assurance
6.	Cyber Security Review (Incident Management and Cyber Strategy)	Final	Partial Assurance

7. Budgetary Control	Final	Reasonable Assurance
8. Risk Management and Annual Governance Statement	Final	Reasonable Assurance
9. Follow Up	Final	Good Progress
10. Assurance Mapping	Final	Advisory

The CNPA's internal auditor has issued three partial assurance opinions to date:

1. Whistleblowing
2. Purchasing and fuel cards
3. Cyber security review

Action plans are now in place to address the above weaknesses in internal controls that have been identified. None of them are considered to have a material bearing on the overall governance or financial strength of the organisation. Specific actions are as follows:

- The whistleblowing audit led to a review and an update of the current policy and processes. All issues identified in the internal audit report have been implemented and these included changes to annual reporting, establishment of a recording system and case categorisation. Guidance for management of whistleblowing reports has been provided and capture of organisational learning has been formalised
- The purchasing and fuel cards audit highlighted control weaknesses and to address these procedures have been reviewed and updated. Additional processes have been implemented to be able to track and review expenditure
- Cyber review: Having carried out a full cyber maturity assessment against the National Institute of Standards and Technology (NIST) framework together with a CNC specific threat and risk assessment, a dashboard has been developed which will allow the Cyber Security Manager to update the controls using the existing scores as a benchmark, adjusting data as key cyber activities are achieved. The Head of Information Governance and Head of IT will then jointly oversee an update of the standing information risk assessment to validate the Cyber Security Managers' reporting on NIST scoring, on an annual basis and the SIRO will report on progress against the cyber strategy at each CNPA board using the CNC NIST Dashboard

RSM undertook one advisory audit which was the annual governance statement (an annual review of this governance statement).

The advisory audit did not provide an audit opinion but found areas of good practice, some areas of weakness and made recommendations for improvement. These recommendations have either been superseded or completed.

The ARFC annually reviews the effectiveness of the internal audit functions. The view of the ARFC was that these functions continued to operate effectively throughout 2020/21 in the provision of assurance on the CNPA standards of governance, risk management and internal control.

For the year 2020/21, the Head of Internal Audit opinion for the CNPA is the following:

The organisation has an adequate and effective framework for risk management, governance and internal control.

However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

### Review of Effectiveness of Systems of Governance, Risk Management, and Internal Control

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of governance, risk management and internal control.

My review is informed by the work of the Internal Auditor and the ONR; by meeting the standards set by the College of Policing (CoP); by the

CNPA's Internal Inspections and Assurance department; by the Executive Team, who have the responsibility for the development and maintenance of the governance structures; and by the internal control framework and comments made by the CNPA's external auditor, the NAO, in its management letter.

The Governance Statement represents the end-product of the review of the effectiveness of the governance framework, risk management and internal control.

### Internal Audit

The CNPA's internal auditor, RSM, has concluded that the CNPA governance arrangements are operating effectively and are well documented, the Authority can take reasonable assurance that the control framework to manage risk, governance and internal control is suitably designed and consistently applied.

Its work has identified further enhancements to the framework of risk management, governance, and internal control to ensure that it remains adequate and effective.

RSM has arrived at this opinion through:

- Risk-based audit needs analysis from which activity has been prioritised over a three-year planning horizon to design an internal audit strategy
- Designing and applying a risk-based methodology that is consistent with the requirements of the Public Sector Internal Audit Standards
- Delivery of individual assurance reports and advisory reports during the year and, where appropriate, agreeing action plans with business owners to secure improvements
- Monitoring the implementation of previous recommendations throughout the year and assessing progress as reasonable

The CNPA keeps its governance, risk management and internal control arrangements under review in response to internal and external developments. The Authority is independently advised by the ARFC and has received assurance on the CNPA's systems of corporate governance, risk management and internal control.

There were no further issues identified by

the internal auditor, other than those already disclosed, that require reporting in the Governance Statement as significant control weaknesses.

### Effectiveness of Whistleblowing Process

Our whistleblowing processes were strengthened during the year, following a routine review of the policy and procedure by the internal audit team which highlighted some areas which required strengthening. This included refreshing our guidance and training to staff and line managers together with formalising the register of such reports. During the year under review, there were two whistleblowing reports, both of which have been registered and formally dealt with.

### Other Assurance Activities

The internal Inspections and Assurance team undertook a programme of testing of compliance with operational policies and procedures alongside 'spot inspections' directed by the Executive Team. The internal Inspections team work closely with the CNPA's appointed internal auditors and others to ensure as far as practical there is no duplication of effort between the various programmes of audit or inspection and that they complement each other. With the limitations placed on travel through the Covid restrictions, the programme was adjusted to make best use of time while still ensuring the chief officer team could be reassured regarding our operational activities.

The Internal Inspections and Assurance team continues to provide assurance to ARFC and the Executive, they identified both areas of good practice and some areas for improvement that will be implemented in 2021/22. A new version of the action-tracking software used within the CNC was adopted and implemented which will have some additional benefits during 2021/22 and subsequent years.

The CNC was inspected by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS) in October 2020.



The inspection, and subsequent report, focused on the CNC’s “ability to deter threats to the civil nuclear sector and respond swiftly and effectively to a terrorist attack”. The inspection found that the CNC is well-equipped to achieve its mission and generally provides effective services. However, several recommendations were made to support the organisation in operating more efficiently, maintaining capacity and capability and developing to meet future demands. A comprehensive action plan to achieve these recommendations is in place, which is reflected in the continual review, monitoring and updating of APSTRA key risks and observation scoring.

While there are undoubted limitations placed on the scope of the work the Internal Inspections team undertook during the year with the Covid restrictions, the Inspectorate is able to issue an opinion that on the operational matters reviewed, taking into account all areas of assurance, there is an adequacy of control.

## Significant Internal Control Weaknesses

I can report that there were no significant weaknesses in the CNPA’s system of internal controls to the 1 November 2021 that affected the achievement of its key policies, aims and objectives.

**Simon Chesterman QPM**

Accounting Officer, Chief Executive Officer and Chief Constable

1 November 2021

# Remuneration and Staff Report

## Remuneration Report

The CNPA operates within the principles set out in the framework document between the CNPA and BEIS with regard to industry members, independent members and the executive team’s remuneration policies and practice as approved by the Secretary of State. The principal implementation arrangements are set out below.

## Procedures for Setting Remuneration

Remuneration for the CNPA Chairman and Independent Members is determined by the Secretary of State with the approval of HM Treasury in accordance with the Energy Act 2004. The remuneration of the Executive Team is set by the CNPA Board, within the terms of the framework document, through its Senior Appointments Committee as detailed below. The Industry Members do not receive any remuneration.

Membership of the Senior Appointments Committee:

- Vic Emery (Chair)
- Sir Craig Mackey
- Neelam Sarkaria

## Statement of Remuneration Policy

The individual components of and arrangements for the remuneration packages are:

*Fees*

Independent Members are entitled to fees that are determined by BEIS and are reimbursed for reasonable expenses in line with the CNPA policy.

*Salaries and Allowances*

The Executive Team receive a salary which is reviewed annually. Other allowances are included to the extent that they are subject to UK taxation.

*Benefits in Kind*

The CNPA Chairman and members of the Executive Team are entitled to the benefit in kind of a fully maintained car. The current CNPA Chairman has chosen not to receive this benefit.

*Pensions*

The Executive Team are eligible to become members of the Combined Pension Scheme (CPS) of the UKAEA that pays an annual pension based on pensionable final earnings together with a lump sum of three times the pension at normal retirement age. Benefits are also payable in the event of death or ill health retirement. Independent Members are not members of the CPS or any other CNPA-related scheme while Industry Members make their own pension arrangements through their employers.

# Terms of Appointment and Service Contracts

The following is a summary of the terms of appointment/service contracts for the Police Authority members and Executive Directors.

Name	Date of continuous service	Unexpired term at 31 March 2021	Notice period
Chris Armitt Deputy Chief Constable	1 October 2019	3 years 6 months	6 months
Mike Calloway <sup>(1)</sup> Industry Member (NDA)	9 July 2018	-	3 months
Richard Cawdron Director Governance Compliance and Legal Services	1 December 2019	Permanent contract	6 months
Simon Chesterman Chief Constable	1 April 2019	3 years	6 months
Vic Emery Chairman and Independent Member	12 October 2016	1 year 7 months	3 months
Jerry Haller Industry Member (EDF)	1 February 2021	2 years 10 months	3 months
Louise Harrison <sup>(2)</sup> Assistant Chief Constable	17 February 2020	3 years 11 months	6 months
Craig Mackey Independent	24 June 2019	1 years 3 months	3 months
Mark Neate <sup>(3)</sup> Industry Member (Sellafield Ltd)	7 April 2016	-	3 months
Patsy Northern Director of Corporate Services	20 January 2020	Permanent contract	6 months
Mark Rouse Industry Member (DSRL)	25 March 2021	3 years	3 months
Neelam Sarkaria Independent Member	10 October 2016	7 months	3 months
Richard Saunders Director of People and Organisational Development	18 December 2017	Permanent contract	6 months
Sue Scane Independent Member	8 July 2019	1 years 4 months	3 months
Rebecca Weston <sup>(4)</sup> Industry Member (DSRL)	25 March 2019	-	3 months

**Notes**

- (1) Contract expires 9 April 2021
- (2) Appointed on a secondment from Merseyside Police to 8 July 2020, then on a fixed term contract to 18 February 2025
- (3) Contract ended 31 March 2021
- (4) Contract ended 24 March 2021 for Rebecca Weston, starts as Industry Member for SL on 1 April 2021

The provision for compensation for early termination, and the CNPA's liability in the event of early termination, are stated in the terms of appointment/service contracts for Authority members. The Secretary of State has responsibility for the appointment and removal of the Chairman and both Industry Representative and Independent Board Members and approving their terms and conditions of appointment in line with provisions of the Energy Act 2004, Schedule 10.

## Remuneration

Remuneration payable to the CNPA Board members in 2020/21 was as follows:

## Executive Team (This is subject to audit)

Name	Salary and allowances £000		Benefits in kind <sup>(1)</sup> (to nearest £100)		Pension benefits <sup>(2)</sup> (to nearest £000)		Total Remuneration £000	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Chris Armitt Deputy Chief Constable	130-135	120-125	7,200	7,200	26,000	8,000	160-165	135-140
Richard Cawdron Director of Governance, Compliance and Legal Services	105-110	100-105	4,900	-	94,000	8,000	205-210	105-110
Simon Chesterman Chief Executive and Chief Constable	145-150	140-145	7,200	7,200	-	-	150-155	145-150
Louise Harrison <sup>(3)</sup> Assistant Chief Constable	110-115	10-15	7,200	600			115-120	10-15
Patsy Northern <sup>(4)</sup> Director of Corporate Services	110-115	15-20	-	1,000	22,000	4,000	130-135	20-25
Richard Saunders Director of People and Organisational Development	115-120	95-100	-	-	22,000	7,000	140-145	105-110

**Notes**

- 1 Benefits in kind in 2020/21 comprised fully maintained cars, Richard Cawdron's car was available from 31 July 2020.
- 2 Accrued pension benefits - the value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual. The real increases exclude increases due to inflation or any increase or decrease due to a transfer of pension rights
- 3 Full year equivalent salary and allowance for 2019/20 is £105-110. Appointed on a secondment from Merseyside Police to 8 July 2020, then on a fixed term contract to 18 February 2025. The current actual salary is paid by Merseyside Police and recharged back to CNPA
- 4 Full year equivalent salary and allowance for 2019/20 is £95-100

## Pension Entitlements (This is subject to audit)

The pension entitlements shown in the table below are those that would be paid annually on retirement based on service to 31 March 2021 and include the value of added years paid for by members of the Combined Pension Scheme (CPS). The pension figures relate to the benefits that the individual has accrued as a total of their service to the CNPA, not just under their current appointment. Members of the pension scheme have the option to pay Additional Voluntary Contributions; neither the contribution nor the resulting benefits are included in the following table.

Name	Total accrued pension at age 60 at 31 March 2021 and related lump sum £000	Real increase in pension and related lump sum at age 60 £000	Cash equivalent transfer value at 31 March 2021 £000	Cash equivalent transfer value at 31 March 2020 £000	Real increase in cash equivalent transfer value £000
<b>Executive Team</b>					
Chris Armitt	0-5 plus 5-10 lump sum	0-2.5 plus 2.5-5 lump sum	48	11	25
Richard Cawdron	35-40 plus 105-110 lump sum	2.5-5 plus 12.5-15 lump sum	768	653	88
Patsy Northern	0-5 plus 0-5 lump sum	0-2.5 plus 2.5-5 lump sum	38	6	23
Richard Saunders	0-5 plus 5-10 lump sum	0-2.5 plus 2.5-5 lump sum	38	9	20

**Note**

Simon Chesterman, is not a member of the CPS And does not make any other pension contributions  
Louise Harrison is not a member of the UKAEA pension scheme as she remains a member of her home force pension scheme to which CNPA contribute to through the secondment recharge

## Cash Equivalent Transfer Value

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits, they have accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total pensionable service and not just their service in a senior capacity to which disclosure applies. They may also include amounts transferred into the scheme.

The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service (CS) scheme and for which the CS Vote has received a transfer commensurate to the additional pension liabilities being assumed. They also

include additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

## Real Increase in CETV

The real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## Independent and Industry Members (This is subject to audit)

Name	Fees £000 2020/21	Fees £000 2019/20
Mike Calloway Industry Member (NDA)	-	-
Vic Emery Chairman and Independent Member	65-70	65-70
Jerry Haller Industry Member (EDF)	- <sup>(1)</sup>	-
Sir Craig Mackey Independent Member	15-20	10-15 <sup>(2)</sup>
Mark Neate Industry Member (Sellafield Ltd)	-	-
Mark Rouse Industry Member (DSRL)	- <sup>(3)</sup>	-
Neelam Sarkaria Independent member	15-20	15-20
Sue Scane Independent member	15-20	10-15 <sup>(4)</sup>
Rebecca Weston Industry Member (DSRL)	- <sup>(5)</sup>	-

**Notes**

1. Jerry Haller's contract started 1 February 2021
2. Sir Craig Mackey's contract started 24 June 2019
3. Mark Rouse's contract started 25 March 2021
4. Sue Scane's contract started 8 July 2019
5. Rebecca Weston's contract with DSRL ended 24 March 2021 and started as Industry Member for Sellafield Ltd on 1 April 2021

## Staff Report

The following information is subject to audit (listed below)

1. Staff Costs
2. Average Number of Persons Employed
3. Exit Packages
4. Salary Multiples

The number of employees employed in senior positions at the end of the financial year was as follows:

	2020/21	2019/20
Executive 1 Grade	1	1
Executive 2 Grade	1	1
Executive 3 Grade	4	4
	<b>6</b>	<b>6</b>

## Staff Costs

Staff costs comprise:

	Permanently employed staff	Temporary and agency staff	Total
	2020/21	2020/21	2020/21
	£000	£000	£000
Wages and salaries	67,157	642	<b>67,799</b>
Social security costs	7,677	77	<b>7,754</b>
Other pension costs	10,680	73	<b>10,753</b>
Non-directly employed staff	-	159	<b>159</b>
<b>Sub-total</b>	<b>85,514</b>	<b>951</b>	<b>86,465</b>
Less costs recovered in respect of outward secondments	(55)	-	<b>(55)</b>
<b>Total staff costs</b>	<b>85,459</b>	<b>951</b>	<b>86,410</b>

	Permanently employed staff	Temporary and agency staff	Total
	2019/20	2019/20	2019/20
	£000	£000	£000
Wages and salaries	66,959	457	<b>67,416</b>
Social security costs	7,853	56	<b>7,909</b>
Other pension costs	10,226	42	<b>10,268</b>
<b>Sub-total</b>	<b>85,038</b>	<b>555</b>	<b>85,593</b>
Less costs recovered in respect of outward secondments	(123)	-	<b>(123)</b>
<b>Total staff costs</b>	<b>84,915</b>	<b>555</b>	<b>85,470</b>

## Average Number of Persons Employed

The average number of full-time equivalent persons employed during the year was as follows:

	Permanently employed staff	Temporary and agency staff	Total
	2020/21	2020/21	2020/21
Total average staff numbers	1,566	9	1,575

	Permanently employed staff	Temporary and agency staff	Total
	2019/20	2019/20	2019/20
Total average staff numbers	1,502	12	1,514



## Exit Packages

	2020/21	2020/21	2020/21
	Number of compulsory packages	Number of other departures agreed	Total number of exit packages by cost band
£10,001 - £25,000	1	-	1
£50,001 - £100,000	1	-	1
Total number of exit packages	2	-	2
	£000	£000	£000
Total value of exit packages	99	-	99
	2019/20	2019/20	2019/20
	Number of compulsory packages	Number of other departures agreed	Total number of exit packages by cost band
£25,001 - £50,000	5	-	5
£50,001 - £100,000	1	-	1
Total number of exit packages	6	-	6
	£000	£000	£000
Total value of exit packages	242	-	242

Redundancy and other departure costs have been paid in accordance with the provisions of the CNPA's terms and conditions. Exit costs are accounted for in full in the year of departure. Where the CNPA has agreed early retirements, the additional costs are met by it and not by the CPS of the UKAEA. Ill-health retirement costs are met by the pension scheme and are not included in the above table.

## Salary Multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the CNPA's highest-paid director, who was the Chief Executive Officer/Chief Constable, in the financial year 2020/21 was £150,000-£155,000 (2019/20: £145,000-£150,000). This was four times the median remuneration of the CNPA's employees (2019/20: 4.1 times), which was £37,936 (2019/20: £36,262). Median remuneration increased by approximately 4.61 % between 2019/20 and 2020/21. This increase was as a result of incremental and inflationary pay increases. The values exclude overtime and other payments for additional hours worked to ensure a meaningful comparison by removing the significant fluctuations which do not reflect pay policy changes.

In 2020/21, nil employees received remuneration in excess of the highest-paid director (2019/20: nil). Remuneration, excluding that of the highest-paid director, ranged from £17,913 to £135,752 (2019/20: £19,033 to £135,189).

Total remuneration includes salary, non-consolidated performance-related pay as well as benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

## Staff Turnover

Attrition	Police staff	Police officer
Apr 2019 – Mar 2020	18.1%	14.1%
Apr 2020 – Mar 2021	6.3%	7.7%

### Police officer

Police officer attrition at the end of 2020/21 stood at 7.7%, a reduction of 6.4% from the previous year (14.1% in 2019/20). The dramatic reduction is due to a number of factors:

- 1) CNC lost many officers to Ministry of Defence Police (MDP) during 2019/20 and this was not

replicated in 2020/21

- 2) CNC implemented several retention initiatives which slowed down attrition
- 3) The impact of Covid-19 which reduced the opportunity for competitors to recruit and also allowed officers to revisit the benefits of CNC i.e. job security

### Police staff

Police staff attrition at the end of 2020/21 stood at 6.3%, a reduction of 11.8% from the previous year (18.1% in 2019/20). The dramatic reduction is due to several factors:

- 1) High attrition in 2019/20 was because of high numbers of retirements and general attrition where a trend could not be identified. This is a unique event and attrition is anticipated to return to a less volatile state.
- 2) The impact of Covid-19 which reduced the opportunity for competitors to recruit and allowed staff to revisit the benefits of CNC i.e. job security

There is no intelligence that indicates that CNC will experience high attrition within the next financial year within either its officer or staff ranks.

## Staff Engagement

The CNC's 2020 staff engagement survey ran for six weeks between 2 November and 16 December 2020 and featured the same questions from the 2019 survey, except for a set of questions that related specifically to the Covid-19 pandemic. The main question set was kept the same to allow us to compare results from the 2019 survey to see if the ongoing work to implement its findings has influenced the workforce of the CNC. Both the 2019 and 2020 survey question sets were derived in partnership with Investors in People and aligned with their indices survey to provide a benchmark for the organisation.

Some main trends from the findings include:

- 32.6% of employees took the time to complete the survey, with a higher response rate from police staff than officers. This was a reduction of 9.2% compared to completion figures in 2019, which is disappointing,

however the figure is still above the average rate for survey completions of 30% and well above the Investors in People required minimum return of 11%

- Scores across the board in every category have improved since the 2019 survey, with results such as people believing that their ideas are listened to increasing from 22% in 2019 to 39% in 2020, and people accepting responsibility for making improvements has risen from 30% in 2019 to 45% in 2020
- The responses to the Covid-19 questions were generally positive, with 83 positive comments about communication during this time, 72 positive mentions of PPE provision and 58 positives around Covid-19 cleaning and systems
- Although we have seen scores in each category improved compared to 2019 responses, we are still below the Investors in People average in every section
- There is still some negativity around management, middle management and leadership that need addressing
- Although an improvement from 36% in 2019, only 50% agree or strongly agree that the CNC has a culture where everyone feels respected

## Expenditure on Consultancy

	2020/21	2019/20
	£000	£000
Consultants	93	440

Consultancy costs in 2020/21 are for specialist technical expertise relating to the preparation of a new training facility at Griffin Park, change management advice on operational projects and occupational health consultancy.

## Off-payroll Engagements

The CNPA continued to apply tax assurance measures in respect of public sector employees; reporting these in detail to its sponsoring department BEIS in March 2020. The appointment of contractors that are off payroll follows internal HR and procurement processes to ensure that CNPA complies with current regulations.

The table below provides data on off-payroll engagements:

	2019/20	2020/21
Number of engagements as at 31 March	6	7
Number of which existed:		
For less than one year at time of reporting	2	3
No. that have existed for between one and two years at time of reporting	2	2
No. that have existed for between two and three years at time of reporting	2	0
No. that have existed for between three and four years at time of reporting	0	2
No. that have existed for four or more years at time of reporting	0	0

Of the above recorded in 2020/21, seven engagements were outside of IR35 and no engagements saw a change to IR35 status following a consistency review.

During the course of 2020/21 there were three additional contractors that are not shown on the above table as they had only worked short contracts of less than six months, but their earnings were at least £245 per day.

There are also six contractors that are provided by business service companies as part of contracts for specific areas of work, rather than the services of the individual contractors therefore they have not been included in the data above. These were:

- Korn Ferry, working with the People Directorate on review of Terms and Conditions for police staff
- Medley Business Solutions, working to support the review of alternative options to the current shared service

## Gender Breakdown and Gender Diversity

For the financial year the Police Authority was composed of six male<sup>4</sup> and three female non-executive members. There were also four male<sup>5</sup> and two female executive members. CNC has a total of 15 Heads of Department/Divisional Commanders. The gender split for this total is made up of seven female and eight males. The CNPA had 1,254 male (2019/20: 1,231) and 375 female (2019/20: 338) employees at the end of the financial year.

## Gender Pay Gap

Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, public authorities listed under Schedule 2, with 250 or more employees, were required to publish gender pay gap information on an annual basis by 31 March 2021, however this year this date has been extended to 4 October 2021 due to the continuing impact of the Covid-19 pandemic. However, the CNPA has now published this information for and it can be found at: Civil Nuclear Constabulary gender pay gap data for 2020-21 reporting year - GOV.UK - GOV.UK ([gender-pay-gap.service.gov.uk](https://gender-pay-gap.service.gov.uk))

## Ethnicity Pay Gap reporting

Following the Government consultation in 2019 on ethnicity pay gap reporting, the CNPA has been working to be able to produce similar reporting requirements to those relating the gender pay gap. However, the outcome of that consultation is not yet known and its implications for future reporting requirements. Once these requirements are known the CNPA will publish this data on its website.

4 This includes the CNPA Chair

5 This includes the Chief Constable/Chief Executive

# Employees

## Equality, Disability and Inclusion (EDI)

The Civil Nuclear Constabulary strives to be an organisation in which every individual is valued and respected, where equality and diversity responsibilities are shared by all, differences are routinely accepted and not acted against, and delivery of inclusion, disability-equality and human rights is a guiding principle that supports our Ambition, Values, Code of Ethics and strategic objectives through which employee engagement and inclusive culture of the CNC is corporately celebrated while adhering to our established Corporate Equality Standards (CES).

We value everyone's contribution as equally important; with every individual playing a vital part in helping us achieve our ambition of inclusivity, diversity, transparency and fairness which is at the heart of everything we do. We are committed to meeting the requirements of the Equality Act 2010 and duties placed upon us as public body to:

- Eliminate discrimination, harassment and victimisation
- Advance equality of opportunity between people who share a characteristic and those who do not
- Foster good relations between people who share a characteristic and those who do not

We have continued to build upon previous years' successes through meaningful internal evaluations to achieve effective support and delivery mechanisms which are having a positive impact upon our culture. With huge goodwill and growing confidence in delivery systems; colleagues are comfortably discussing complex sensitive equality issues, sharing findings and proposing innovative solutions to secure better outcomes for individuals in need. Established annual recording and reporting cycles bring clarity and increased performance. Here are some achievements:

- Effective strategic planning and delivery systems negotiated and created to ensure the CNC complies with the main equality duties and publishes annual reports and analysis to show progress since 2016
- Initiated, consulted upon, and established Corporate Equality Standards (CES) and Equalities Consultative and Support Network (ECSN) since 2017
- Annual cycle of equality and diversity planning, recording, and reporting established since 2018 i.e. annual diversity report, annual schedule of ECSN business meetings, Human Rights and Equality Impact Assessments, prejudice related incidents/grievances etc
- Identified gaps, supported managers, and established effective mechanisms to increase workforce diversity and reduce pay gap in terms of ethnicity and gender while introducing monitoring measures through annual targets and supportive action plans to improve both areas
- Highlighted gaps in reasonable adjustments/disability provision and established Disability Equality Programme via Inclusive Practice Deliver Projects (IPDPs) and enhanced Equality Support Groups (ESGs) to support effective delivery

As we aim to become an Inclusive Employer, we continue to create an inclusive working environment based upon equity, reasonability, respect, fairness, integrity and care for all our employees; with particular emphasis upon due regard for the needs of individuals with protected characteristics ensuring protection for them against any potential bullying, harassment, victimisation and discrimination. We will achieve this through our inclusion and belonging strategy 2023 by delivering the following key objectives:

- Ensure the CNC complies with the main equality duties and publishes annual reports and analysis to show progress
- Establish the CNC as an Inclusive Employer
- Improve mechanisms designed to increase workforce diversity and secure percentage increases in terms of gender and ethnicity and monitor pay gap trends for both areas to

secure support for gap reduction

- Deliver key objectives under the Disability Equality Programme
- Celebrate diversity and promote equality of opportunity in all business areas of CNC

## Occupational Health and Wellbeing

The CNPA and CNC are committed to supporting the health and wellbeing of all employees and this is demonstrated by the key focus it is afforded in the three-year strategic plan. Mental health and wellbeing is prioritised within goal 4 of the strategic plan 2020/23 which pledges that the CNC will 'place a dedicated focus on preserving the mental health and wellbeing of our workforce, so our core mission can be safely and effectively fulfilled'.

This commitment is expanded further in the CNC People Strategy 2023 where the mental health and wellbeing area is one of the four aims detailed within. Healthy, fit and safe is one of the six workstreams which help deliver against these aims, which commits that: 'We will provide an environment which continues to support the growth of a wellbeing culture and embraces the physical and mental health, safety, well-being and fitness of all employees'.

The Healthy, Fit and Safe Delivery Plan 2023 has been developed to build upon the previous version of the plan which was concluded in March 2020. This plan sets out how the CNC will meet its commitments and brings together detail of the wellbeing offering within CNC; its services, governance structures, the people involved in delivering the services and the responsibilities of the people within CNC in terms of delivering the plans.

The key areas of focus within the plans include: healthy lifestyle, mental wellbeing, physical fitness, employee engagement, occupational health, neurodiversity, disability support, safety and acute emergency response.

The plans introduce an updated wellbeing model to the CNC and new branding of the wellbeing area, with new icons depicting the various strands and an overarching logo pulling these all together. The wellbeing model depicts



the relationship of mental health and wellbeing in terms of its essential place at the heart of the CNC and demonstrates that with the appropriate level of organisational embracement it will become the 'golden thread' that runs throughout the CNC and will, in turn, support with the effective delivery of the People Strategy and wider CNPA strategic plan and help to positively influence CNC culture because a 'well' organisation will drive a successful organisation.

11 Key strategic objectives have been identified to set out the main areas of focus for the

Healthy, Fit and Safe plans which are further broken down within the body of the plans into a total of 95 activities that are required to achieve them. These are all linked back to the relevant 13 key measures of success and impact (detailed within the People Strategy 2023) and are monitored at the relevant CNC and CNPA meetings.

In July 2020, the CNC were awarded with the Oscar Kilo Leadership Award for wellbeing to recognise the significant positive impact on the health and wellbeing of the workforce following



the creation of a holistic wellbeing service within the organisation.

The CNC’s commitment to wellbeing is demonstrated by the almost 400 wellbeing champions embedded throughout our sites who are passionate about supporting their colleagues in the various wellbeing workstreams which include:

- Over 50 fitness champions (instructors)
- The mental health peer support network
  - o 101 Mental Health First Aiders (MHFA) (majority trained by internal instructors)
  - o 22 Trauma Risk Management Practitioners (TRiM)
- More than 190 police medics
- Approximately 15 dyslexia workplace needs assessors
- Equality support group custodians and allies in relevant workstreams including disability, mental health and neurodiversity
- Health promotion champions are being introduced throughout CNC to be the ‘voice’ of the employees/support with initiatives etc

These champions are supported by the appropriate CNC subject matter experts (SME) as well as nationally recognised external experts in each workstream. The ongoing development of these champions is paramount and Continuous Professional Development is encouraged. In 2021/22, the MHFA group are undertaking a suicide awareness package and the fitness instructors will enhance their skillset by completing an assessors award which will enable them to facilitate fitness testing on site resulting in the testing being undertaken in a more streamlined manner.

This year has seen a focus on the development of the health promotion area which has seen the launch of the health and wellbeing dedicated twitter account. This will enable a wider reach in terms of the wellbeing promotion and the introduction of a tailored health promotion calendar, aligned to national events and the trends/themes/needs identified within the CNC via the various feedback mechanisms. The CNC has introduced a virtual meeting space which has proved invaluable during the Covid-19

pandemic. This is used to provide live interactive sessions provided by the SMEs (such as the CNC clinical psychologist/fitness managers/HR) on a regular basis.

The Mental Health and Psychological Wellbeing Framework and Plan 2020/23 has been developed and forms a key part of the healthy, fit and safe plans. The renewed plan aims to build on the progress made in the previous plan and continues with the same nine key areas. The main focus of the renewed plan will be training for line managers; health promotion; improved organisational responses to attempted or completed suicide and suicide prevention; alignment of responses to the CNPA strategy; continued review and improvement of peer support initiatives; and monitoring of CNC data trends.

The CNC continues to place strong emphasis on its infrastructure that supports employee physical fitness, recognising the importance this plays in the overall health and wellbeing of the organisation and its people. In addition to tailored support that is available to all employees via the fitness managers and on-site fitness champions (instructors) and fast track physiotherapy which is available via self-referral, the fitness equipment replacement schedule which commits a significant financial investment over a five-year period is well underway and all employees have access to well-equipped on-site gyms.

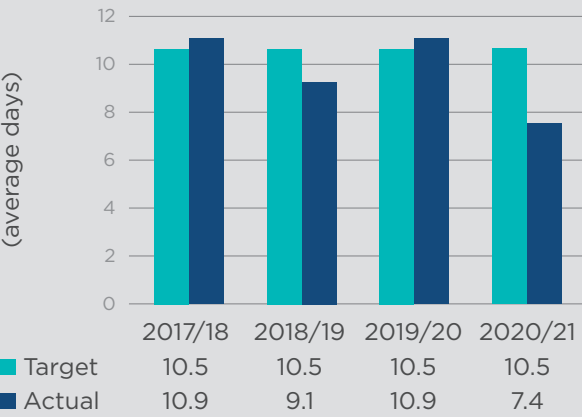
**Sickness Absences**

The CNPA is committed to the physical and mental health and wellbeing of all its officers and staff. The occupational health and wellbeing provision is available throughout the organisation and the team includes doctors, nurses and fitness/nutrition experts. During 2017/18, the CNPA was delighted to welcome an in-house psychologist to the team. The occupational health and wellbeing service also extends to the provision of external fast track physiotherapy to all CNC employees and access to a confidential Employee Assistance Programme where support such as counselling can be accessed.

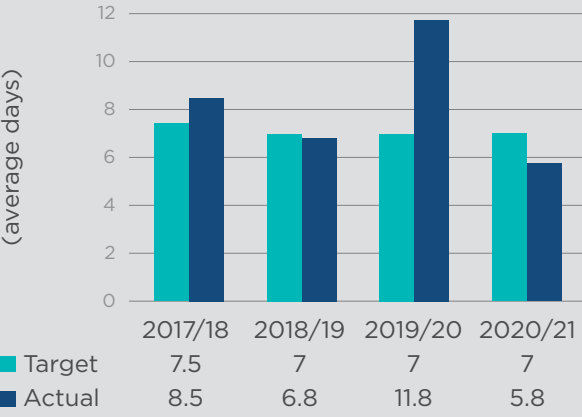
Police officer sickness absence rates have decreased this year to 7.4 days per officer, which is below their target of 10.5 days. This has been due to decreases in short-term and long-term sickness.

Total police staff sickness rates have decreased to 5.8 days per police staff member, which is below the target of seven days. This has been due to decreases in short-term and long-term sickness.

**Police officer sickness absence rates (average days)**



**Police staff sickness absence rates (average days)**



The reduction of sickness rates in the financial year of 2020/21 should be seen in context of the difficult situation the CNC has faced due to the Covid-19 pandemic.

**Trade Union Facilities Time**

The CNPA supports its staff through the provision of trade union facility time. During 2020/21 there were thirteen employees who were relevant union officials. During this period, of the total hours worked by these employees, 1.5 % was spent on paid trade union activities. The total cost of facility time undertaken by these employees was £33,491, which was 0.04 % of CNPA’s total pay bill of £86,464,715.

**Simon Chesterman QPM**

Accounting Officer, Chief Executive Officer and Chief Constable

1 November 2021

# Parliamentary Accountability and Audit Report

*The following information is subject to audit.*

## Regularity of Expenditure

### Losses and Special Payments

During 2020/21 the CNPA recognised an impairment loss of £910,000 following a decision to dispose of certain vehicles by December 2021, these assets have been impaired to their recoverable amounts. During the year the CNPA also recognised an impairment of £1,048,000 on the carrying amount of the investment in Oracle Cloud ERP system following the notification of the intention to cease the MFSS function as of November 2022.

There are no other reportable losses or special payments for the year ended 31 March 2021.

### Fees and Charges

The CNPA recharges its operating expenditure to SLCs under Section 60 of the Energy Act 2004.

### Remote Contingent Liabilities

There are no remote contingent liabilities.

### Long-term Expenditure Trends

This information is provided in the Financial Overview contained in the Performance Report.

#### Simon Chesterman QPM

Accounting Officer, Chief Executive Officer and Chief Constable

1 November 2021

# THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

## Opinion on financial statements

I have audited the financial statements of the Civil Nuclear Police Authority for the year ended 31 March 2021 under the Energy Act 2004. The financial statements comprise: Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards as interpreted by HM Treasury's Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion, the financial statements:

- the financial statements give a true and fair view of the state of Civil Nuclear Police Authority's affairs as at 31 March 2021 and of Civil Nuclear Police Authority's net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Energy Act 2004 and Secretary of State directions issued thereunder.

## Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Civil Nuclear Police Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Civil Nuclear Police Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

My responsibilities and the responsibilities of the Authority and the Accounting Officer with respect to going concern are described in the relevant sections of this report.

The going concern basis of accounting for the Civil Nuclear Police Authority is adopted in consideration of the requirements set out in International Accounting Standards as interpreted by HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

## Other Information

The other information comprises information included in the annual report but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's report thereon. The Authority and the Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my

knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Energy Act 2004; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which I report by exception

In the light of the knowledge and understanding of the Civil Nuclear Police Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the performance and Accountability report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made; or

- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Responsibilities of the Authority and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Authority and the Accounting Officer, is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Authority and the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error.
- assessing the Civil Nuclear Police Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority and the Accounting Officer anticipates that the services provided by the Civil Nuclear Police Authority will not continue to be provided in the future.

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the Energy Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my opinion. Reasonable

assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, the Civil Nuclear Police Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Civil Nuclear Police Authority's policies and procedures relating to:
  - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - o the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Civil Nuclear Police Authority's controls relating to the Energy Act 2004, and Managing Public Money.
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, and posting of unusual journals; and
- obtaining an understanding of the Civil Nuclear Police Authority's framework of authority as well as other legal and regulatory frameworks that the Civil Nuclear Police Authority's operates in, focusing on those



SECTION

3

# Financial Statements 2020/21

## Statement of Comprehensive Net Expenditure

For the year to 31 March 2021

		2020/21	2019/20
	Notes	£000	£000
<b>Income</b>	3	<b>119,312</b>	<b>116,274</b>
<b>Expenditure</b>			
Staff costs	5	(86,465)	(85,593)
Other expenditure	5	(33,263)	(31,137)
<b>Operating deficit</b>		<b>(416)</b>	<b>(456)</b>
Profit on disposal of property, plant and equipment		106	52
<b>Deficit on ordinary activities before financing costs</b>		<b>(310)</b>	<b>(404)</b>
Financial income – interest receivable		1	24
Financial expense – interest payable		(1)	(24)
<b>Net financing costs</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive net expenditure</b>		<b>(310)</b>	<b>(404)</b>

All operations are continuing.

The notes on pages 81-104 form part of these financial statements.

laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Civil Nuclear Police Authority's. The key laws and regulations I considered in this context included Energy Act 2004, Managing Public Money, Employment Law, and Tax Legislation.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- reviewing internal audit reports

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

In addition, I am required to obtain evidence sufficient to give reasonable assurance that

the [income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### Report

I have no observations to make on these financial statements.

**Gareth Davies** 8 November 2021  
Comptroller and Auditor General

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

## Statement of Financial Position

As at 31 March 2021

	Notes	2020/21 £000	2019/20 £000
<b>Non-current assets</b>			
Property, plant and equipment	6	7,974	8,453
Intangible assets	7	3,054	5,216
Trade and other receivables	10	108	220
<b>Total non-current assets</b>		<b>11,136</b>	<b>13,889</b>
<b>Current assets</b>			
Inventories	9	2,920	2,987
Trade and other receivables	10	15,470	13,114
Cash and cash equivalents	11	9,649	11,381
<b>Total current assets</b>		<b>28,039</b>	<b>27,482</b>
<b>Total assets</b>		<b>39,175</b>	<b>41,371</b>
<b>Current liabilities</b>			
Trade and other payables	12	(16,686)	(17,545)
Provisions	13	(259)	(432)
<b>Total current liabilities</b>		<b>(16,945)</b>	<b>(17,977)</b>
<b>Total assets less current liabilities</b>		<b>22,230</b>	<b>23,394</b>
<b>Non-current liabilities</b>			
Other payables	12	(6,049)	(7,818)
Provisions	13	(1,472)	(1,189)
<b>Total non-current liabilities</b>		<b>(7,521)</b>	<b>(9,007)</b>
<b>Total assets less total liabilities</b>		<b>14,709</b>	<b>14,387</b>
<b>Taxpayers' equity and other reserves</b>			
Income and Expenditure reserve	14	(6,981)	(6,671)
Financing reserve	14	21,690	21,058
<b>Total equity</b>		<b>14,709</b>	<b>14,387</b>

The financial statements on pages 77-80 were approved by the CNPA Board on 1 September 2021 and signed on its behalf by:

### Simon Chesterman

Chief Executive Officer and Chief Constable  
1 November 2021

The notes on pages 81 to 104 form part of these financial statements.

## Statement of Cash Flows

For the year ended 31 March 2021

	Notes	2020/21 £000	2019/20 £000
<b>Cash flows from operating activities</b>			
Retained deficit for the year		(310)	(404)
Adjustment for:			
Profit on disposal of property, plant and equipment		(106)	(52)
Amortisation of intangible assets	7	1,961	1,065
Depreciation of property, plant and equipment	6	2,772	2,604
Impairment of intangible assets	7	1,048	-
Impairment of property, plant and equipment	6	910	-
Release of capital grant		(6,395)	(3,315)
Impact of provisions	13	410	289
<b>Operating cash flows before changes in working capital and provisions</b>		<b>290</b>	<b>187</b>
Increase in trade and other receivables	10	(2,244)	(82)
Purchase of inventories	9	(1,250)	(1,838)
(Decrease)/ increase in trade and other payables	12	(2,628)	2,124
Use of provisions	13	(300)	(233)
Adjustment for items not passing through Statement of Comprehensive Net Expenditure		2,946	1,054
<b>Cash (used in)/ generated from operations</b>		<b>(3,186)</b>	<b>1,212</b>
Interest received		1	24
<b>Net cash (outflow)/ inflow from operating activities</b>		<b>(3,185)</b>	<b>1,236</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(3,146)	(1,187)
Purchase of intangible assets		(1,077)	(1,909)
<b>Net cash outflow from investing activities</b>		<b>(4,223)</b>	<b>(3,096)</b>
<b>Cash flows from financing activities</b>			
Capital grant received		5,044	3,041
Grants from parent department		621	548
Other financing contributions		11	60
<b>Net financing</b>		<b>5,676</b>	<b>3,649</b>
<b>Net (decrease)/ increase in cash and cash equivalents in the period</b>	11	<b>(1,732)</b>	<b>1,789</b>
<b>Cash and cash equivalents at the beginning of the period</b>	11	<b>11,381</b>	<b>9,592</b>
<b>Cash and cash equivalents at the end of the period</b>	11	<b>9,649</b>	<b>11,381</b>

The notes on pages 81 to 104 form part of these financial statements.

## Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2021

	Notes	Income and expenditure reserve £000	Financing reserve £000	Total £000
<b>Balance at 31 March 2019</b>		<b>(6,267)</b>	<b>20,450</b>	<b>14,183</b>
<b>Changes in taxpayers' equity 2019/20</b>	14			
Grant-in-aid received		-	548	548
Amounts payable to parent department		-	60	60
Comprehensive expenditure for the year		(404)	-	(404)
<b>Balance at 31 March 2020</b>		<b>(6,671)</b>	<b>21,058</b>	<b>14,387</b>
<b>Changes in taxpayers' equity 2020/21</b>	14			
Grant-in-aid received		-	621	621
Amounts payable to parent department		-	11	11
Comprehensive expenditure for the year		(310)	-	(310)
<b>Balance at 31 March 2021</b>		<b>(6,981)</b>	<b>21,690</b>	<b>14,709</b>

The notes on pages 81 to 104 form part of these financial statements.

## NOTES TO THE ACCOUNTS

### 1. Statement of Accounting Policies

The Civil Nuclear Police Authority (CNPA) is an executive non-departmental public body of the Department for Business, Energy and Industrial Strategy (BEIS) and is domiciled in the United Kingdom.

### Statement of Compliance

These financial statements have been prepared in accordance with the 2020/21 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstance of the CNPA for the purpose of giving a true and fair view has been selected. The particular policies adopted by the CNPA are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

#### 1.1 Basis of Accounting

The financial statements are presented in pounds sterling, rounded to the nearest thousand. They have been prepared on the historical cost basis and on a going concern basis.

The preparation of financial statements in conformity with IFRS requires the Executive Team to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expense. The estimates and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are listed below:

- Asset lives for property, plant and equipment and intangible assets
- Recoverability of receivables
- Estimates of accrued expenses
- Provisions
- Inventory obsolescence

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### 1.2 Change in accounting estimate

In December 2020 it was decided that the CNC would dispose of certain vehicles, including some held as assets under construction, by December 2021. Therefore, the remaining carrying value will be amortised over the period to this date.

The effect of this change of accounting estimate is to recognise additional depreciation of £132,000 in the current year. The carrying values of the assets have been substantially impaired at the year-end which has reduced the overall depreciation charge for the next year. With the impairment considered, the increase from this change is an additional charge of £99,000 for the next financial year.

Intangible assets in relation to the Oracle Cloud ERP system which supports the MFSS service are amortised over their expected useful life. In July 2020, the CNC was informed of the intention to cease the MFSS function as of November 2022 and therefore the remaining carrying value will be amortised over the period to this date.

The effect of this change in accounting estimate is to recognise additional amortisation of £495,000 in the current year. The carrying values of the assets have been substantially impaired at the year-end which has reduced the overall amortisation charge for next year. With the impaired considered, the increase from this



change is an additional charge of £662,000 for the next financial year.

1.3 Changes in Accounting Policy and Disclosures

No new standards, amendments to standards and interpretations to IFRSs have been issued by the International Accounting Standards Board (IASB) with effective dates such that they fall to be applied by the CNPA.

1.4 Accounting standards issued, but not yet effective

Certain new standards, amendments to standards and interpretations that have been issued by the IASB are not yet effective for the year ended 31 March 2021 and have not been applied in preparing these financial statements. These are:

- IFRS 16 – Leases. This standard replaces IAS 17 Leases and will be adopted by the public sector in 2022/23. The CNPA has received authority from BEIS to adopt early and will be adopting this standard from 1 April 2021. IFRS 16 represents a significant change in lease accounting by removing the distinction between operating leases and finance leases and introducing a single lessee accounting model. IFRS 16 requires the recognition of all leases with terms of over 12 months as finance leases. This will result in the recognition of a right-of-use asset, measured at the present value of future lease payments, and a matching liability in the Statement of Financial Position (SoFP). Disclosure of leases is included in note 16.
- IFRS 17 – Insurance Contracts. This standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard, with the objective of ensuring the entity provides relevant information that faithfully represents those contracts. It provides a basis for users of the financial statements to assess the effect that insurance contracts have on the entity’s financial position, financial performance and cash flows. This standard is unlikely to be adopted before 2022/23 and the CNPA does not anticipate that the adoption of this standard and interpretations in future periods will have a material impact on its results, financial position or disclosures.

1.5 Property, Plant and Equipment

Property, plant and equipment is stated at cost, including any costs directly attributable to bringing such assets to working condition, less accumulated depreciation and net of accumulated impairment losses. Assets are carried at value in use and in all asset classes depreciated historical cost is used as a proxy for current valuation for assets which have a short useful economic life or low value, or both. Property, plant and equipment below £2,000 is treated as revenue expenditure and recognised in full in the year of purchase.

Similar items with an individual cost below £2,000 are treated as pooled items and are recognised at their combined pooled value if this exceeds £2,000. Where an asset pool is maintained, replacements of individual assets are charged to the Statement of Comprehensive Net Expenditure in the year of replacement. Major additions and enhancements to the asset pool are capitalised as assets.

Depreciation is calculated so as to write off the cost or valuation of property, plant and equipment, less their estimated residual values, on a straight-line basis over the expected economic lives of the assets concerned. The principal asset categories and their expected useful economic lives are as follows:

Transport equipment	Up to 8 years
Plant and machinery	5-10 years
Furniture and fittings	5-10 years
Information technology	Up to 5 years

Assets under construction are stated at cost and not depreciated until commissioned.

1.6 Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and net of accumulated impairment losses as a proxy for fair value. The cost of intangible assets comprises the purchase cost and any directly attributable costs incidental to their acquisition. Intangible assets below £2,000 are treated as revenue expenditure and recognised in full in the year of purchase.

Amortisation of intangible assets is charged to the Statement of Comprehensive Net

Expenditure on a straight-line basis when the assets are available for use, so as to allocate the carrying amounts of the intangible assets over their estimated useful economic lives as follows:

Software licences	Life of licence
Information technology	Up to 5 years

1.7 Impairment of Assets

The carrying amounts of the CNPA’s non-current assets and all financial assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment.

An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Recoverable amount is the higher of the net realisable value and value in use. In assessing value in use for property, plant and equipment and intangible assets, the nature of the asset is first determined as either non-specialised or specialised. Non-specialised assets are measured at their current value in existing use which is market value in existing use. For specialised assets, current value in existing use is the present value of the asset’s remaining service potential, which is at least equal to the cost of replacing that service potential. In assessing value in use for other assets the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time, value of money, and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses are recognised in the Statement of Comprehensive Net Expenditure. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit on a pro rata basis.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.8 Income Recognition

Income from contracts with customers are allocated to individual promises, or performance obligations, on a stand-alone transaction price basis. Income is recognised in the Statement of Comprehensive Net Expenditure when the related performance obligation is satisfied, either over time or at a point in time and it is probable that the CNPA will collect the consideration due. The measurement of income takes account of significant variable consideration and excludes Value Added Tax.

The ordinary activities of the CNPA is the provision of services provided by the Constabulary for the protection of licenced nuclear sites and safeguarding nuclear materials in Great Britain and elsewhere.

The CNPA also engages in other activities relating to this, including the provision of training for firearm officers and the secondment of officers to other forces.

1.9 Taxation

The CNPA is not registered for VAT. All expenditure and asset purchases are shown inclusive of VAT and VAT is not charged on its sales invoices.

The CNPA is outside the scope of Corporation Tax, being part of a government body, and is not registered for Corporation Tax.

1.10 Employee Benefits

**Staff costs**  
Staff costs are recognised as an expense as soon as the CNPA is obligated to pay them. This includes the cost of any untaken annual leave that is carried forward to the following financial year. The CNPA recognises as an obligation the value of untaken annual leave carried forward at the end of the reporting period. The CNPA re-charges its costs to its customers and recognises a receivable equal in value to the obligation for unused annual leave.

**Pension costs**  
Past and present employees are covered by the provision of the Combined Pension Scheme (CPS) of the United Kingdom Atomic Energy Authority (UKAEA), which is an unfunded defined benefit pension scheme which prepares its own scheme statements. The CNPA recognises the cost of providing pensions on

a systematic and rational basis over the period during which it benefits from employees' service by payments to the CPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on CPS.

### 1.11 Provisions and Contingent Liabilities

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, it is probable that the CNPA will be required to settle the obligation and an amount has been reliably estimated.

Provisions are measured at the best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value where the effect is material.

Amounts are disclosed as contingent liabilities where it is probable that the CNPA will be required to settle the obligation and is unable to reliably estimate the amount, or where it is possible that the CNPA will be required to settle the obligation.

### 1.12 Grant-in-Aid

Grant-in-aid provided by BEIS to fund activities which are not included within the SLC or other cost recovery mechanisms is treated as financing and is credited to the financing reserve as it is regarded as a contribution from a controlling party giving rise to a financial interest in the residual interest of the CNPA.

### 1.13 Capital Grants

Funding for the purchase of property, plant and equipment is credited to deferred income and released to the Statement of Comprehensive Net Expenditure over the expected useful economic lives of the assets in amounts equal to the depreciation charge.

The profit or loss on disposal of assets is taken to the Statement of Comprehensive Net Expenditure and offset by a transfer from deferred income of the same proportion of the profit or loss that the amount of the grant bears to the original cost of the asset. The balance in deferred income in respect of the asset is transferred to the income and expenditure reserve representing the same proportion of the disposal proceeds.

### 1.14 Operating Leases

Rentals are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the lease term. Any incentives to enter into operating leases are recognised as a reduction of rental expense over the lease term on a straight-line basis.

### 1.15 Foreign Currencies

All transactions denominated in foreign currency are translated into sterling at the exchange rate ruling on the date the transaction takes place. Monetary assets and liabilities denominated in foreign currency at the end of the reporting period are translated at the rate ruling at that date. All exchange rate differences are recognised in the Statement of Comprehensive Net Expenditure.

### 1.16 Inventories

Inventories are valued at the lower of cost and net realisable value using the weighted average cost formula. As inventories are intended for use, not resale, replacement cost is used as the best measure of carrying value. Where necessary, inventory values are adjusted for obsolete, slow moving and defective items.

### 1.17 Financial Instruments

Financial assets and financial liabilities are recognised when the CNPA has become a party to the contractual provision of the instrument.

#### *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank, which is available for immediate withdrawal. The CNPA does not make any investments in traded financial instruments, nor build up cash balances or net assets in excess of what is required for operational purposes.

#### *Trade and other receivables*

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost less any allowance for irrecoverable amounts.

#### *Trade and other payables*

Trade and other payables are measured at amortised cost, which equates to nominal value. The CNPA has very low credit risk for the reasons set out in note 8, there is no expected credit loss to recognise as at 31 March 2021.

#### *Financial income and financial expense*

Financial income/expense is recognised in the Statement of Comprehensive Net Expenditure on an accruals basis.

### 1.18 Segment Reporting

Operating segments are identified on the basis of internal reports about components of the CNPA that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The CNPA has three reportable segments: operational policing activities, operational support activities and corporate activities. Operational policing activities provide an armed response at civil nuclear licenced sites and escorted movements. The financial performance of these units has been combined as it meets the aggregation criteria set out in IFRS 8. Operational support activities are middle office activities which directly support the operational policing activities such as provision of training. Corporate activities are support service operations such as legal and governance, finance and people.

### 1.19 Joint Arrangements

The CNPA participates in a joint arrangement where it exercises joint control of an arrangement with one or more parties. The CNPA recognises its share of the arrangement's assets, liabilities, income and expenses where the joint arrangement is a joint operation.

## 2. Segment Information

The CNPA has three reportable segments: operational policing activities, operational support activities and corporate activities. This information is included to reconcile the financial performance of the operating segments. The presentation of this statement has been amended this year, including the comparison note, to better reflect the current internal reporting reviewed by the CNPA's chief decision makers (Police Authority, Chief Constable and the Chief's Management Group).

	Operational Policing Activities	Operational Support Activities	Corporate Activities	Total
2020/21	£000	£000	£000	£000
<b>Income</b>	107,961	6,946	4,405	<b>119,312</b>
<b>Expenditure</b>				
Staff Costs	(60,739)	(14,787)	(10,939)	(86,465)
Other expenditure	(3,686)	(10,067)	(12,411)	(26,164)
Depreciation and amortisation	(561)	(1,676)	(2,496)	(4,733)
Impairment of assets	-	(910)	(1,048)	(1,958)
Movement in provisions	-	(212)	(196)	(408)
<b>Operating surplus/ (deficit)</b>	<b>42,975</b>	<b>(20,706)</b>	<b>(22,685)</b>	<b>(416)</b>
Profit on disposal of property, plant and equipment	66	34	6	106
<b>Surplus/ (deficit) on ordinary activities before financing costs</b>	<b>43,041</b>	<b>(20,672)</b>	<b>(22,679)</b>	<b>(310)</b>
Finance income - interest receivable	-	-	1	1
Finance charges - interest payable	-	-	(1)	(1)
<b>Retained surplus/ (deficit) for the year</b>	<b>43,041</b>	<b>(20,672)</b>	<b>(22,679)</b>	<b>(310)</b>
<b>Assets and liabilities</b>				
Segment assets	16,164	8,530	14,481	39,175
Segment liabilities	(6,198)	(8,631)	(9,637)	(24,466)
<b>Net assets / (liabilities)</b>	<b>9,966</b>	<b>(101)</b>	<b>4,844</b>	<b>14,709</b>
<b>Taxpayers' equity</b>				
Income and expenditure reserve	-	-	(6,981)	(6,981)
Financing reserve	-	-	21,690	21,690
<b>Taxpayers' equity</b>	<b>-</b>	<b>-</b>	<b>14,709</b>	<b>14,709</b>

	Operational Policing Activities	Operational Support Activities	Corporate Activities	Total
2019/20	as restated £000	as restated £000	as restated £000	as restated £000
<b>Income</b>	109,247	5,574	1,453	<b>116,274</b>
<b>Expenditure</b>				
Staff Costs	(62,253)	(13,897)	(9,443)	(85,593)
Other expenditure	(4,491)	(9,848)	(12,840)	(27,179)
Depreciation and amortisation	(563)	(1,439)	(1,667)	(3,669)
Movement in provisions	-	-	(289)	(289)
<b>Operating surplus/ (deficit)</b>	<b>41,940</b>	<b>(19,610)</b>	<b>(22,786)</b>	<b>(456)</b>
Loss on disposal of property, plant and equipment	21	20	11	52
<b>Surplus/ (deficit) on ordinary activities before financing costs</b>	<b>41,961</b>	<b>(19,590)</b>	<b>(22,775)</b>	<b>(404)</b>
Finance income - interest receivable	-	-	24	24
Finance charges - interest payable	-	-	(24)	(24)
<b>Retained surplus/ (deficit) for the year</b>	<b>41,961</b>	<b>(19,590)</b>	<b>(22,775)</b>	<b>(404)</b>
<b>Assets and liabilities</b>				
Segment assets	14,841	8,132	18,398	41,371
Segment liabilities	(6,133)	(8,810)	(12,041)	(26,984)
<b>Net assets / (liabilities)</b>	<b>8,708</b>	<b>(678)</b>	<b>6,357</b>	<b>14,387</b>
<b>Taxpayers' equity</b>				
Income and expenditure reserve	-	-	(6,671)	(6,671)
Financing reserve	-	-	21,058	21,058
<b>Taxpayers' equity</b>	<b>-</b>	<b>-</b>	<b>14,387</b>	<b>14,387</b>



Geographical areas

All income from external customers arose wholly in the United Kingdom and all non-current assets are located in the United Kingdom.

Major customers

The CNPA is reliant on income from a small number of SLCs for a significant proportion of its income. Transactions with three SLCs (2019/20: three SLCs) each amounted to 10% or more of the CNPA's total income. This income is reported within the operational policing activities operating segment. A breakdown of income by major customer is provided below:

Major customers	2020/21		2019/20	
	£000	%	£000	%
SLC1 (Sella)	47,429	40%	42,552	37%
SLC2 (EDF)	44,829	38%	44,692	38%
SLC3 (DSRL)	13,894	12%	13,868	12%
Others	13,160	10%	15,162	13%
Total	119,312	100%	116,274	100%

3. Income

The CNPA is required to recover its full operating costs each year. Income of £119,312,000 for the year to 31 March 2021 (2019/20: £116,274,000) represents a recharge of running costs to the SLCs of £111,329,000 (2019/20: £111,467,000), release of deferred capital income of £6,395,000 (2019/20: £3,315,000) and miscellaneous income of £1,588,000 (2019/20: £1,492,000). All activities are regarded as continuing.

Recharge of running costs to SLCs which includes services provided at licenced nuclear sites and escorted movements, as well as the release of deferred capital grant are relevant to IFRS 15. There are no legal contracts in place but there is deemed to be a contract through the Energy Act 2004 in accordance with the FReM adaptation of IFRS 15. This sets out the definition of a contract, which is expanded to include legislation and regulation enabling an entity to receive income. The contract is deemed to include conditions agreed at relevant Police Authority meetings and the conditions in the site policing plan. The performance obligation is the requirement to comply with the site policing plans to deliver a continual police service and so recognised over time. From time to time additional services are agreed between the Constabulary and the SLC, these additional services are highly interrelated with the delivery of the primary service and so do not qualify as distinct performance obligations. The transaction price charged is based on the direct cost of providing the service to the specific site, plus an allocation of overhead costs based on the agreed policing apportionment. The payment terms are that invoices should be paid within 15 days. Contracts do not have a significant financing component.

Miscellaneous income mainly comprises revenue generated from secondment income and for the provision of training. The income from secondments is recognised over time and charged at cost. The provision of training is charged at a stand-alone transaction price based on estimated costs and recognised at the point in time the service is considered to have been delivered. Miscellaneous income is covered by commercial contracts.

The CNPA does not consider any of these charges as irrecoverable so no such provision is held.

4. Pension Costs

All eligible employees of the CNPA are entitled to be members of the CPS of the UKAEA for the year ended 31 March 2021. The CPS is a contributory unfunded statutory defined benefit public service pension scheme.

The scheme is managed and administered by UKAEA with the approval of BEIS. Contributions made to the scheme are used to meet the payment of scheme benefits. Any surplus of contributions over payments is surrendered to HM Government via the Consolidated Fund. Any deficit is met by parliamentary vote with payment from the Consolidated Fund. The Government does not maintain a separate fund to provide for the scheme's future liabilities and future benefits will be paid out of the Consolidated Fund to the extent that, at the time of payment, benefits exceed contributions and parliament votes the necessary funds.

The employer contribution was established at 19.3% of pensionable earnings from 1 April 2017 following a review of contribution rates by the Government Actuary's Department. This rate is expected to continue throughout the 2021/22 scheme year.

The CNPA employees also participate in the UKAEA and Associated Employers Additional Voluntary Contribution Scheme which is a defined contribution arrangement. There is no employer contribution to this arrangement. The scheme is fully insured and administered by the Prudential Assurance Company Limited to which contributions are paid. The scheme covers those employees of the CNPA, and of other employers, who are members of the CPS and who have opted to pay additional contributions.

## 5. Expenditure

	Notes	2020/21 £000	2019/20 £000
<b>Staff costs</b>			
Wages and salaries		67,799	67,416
Social security costs		7,754	7,909
Other pension costs		10,753	10,268
Non-directly employed staff		159	-
<b>Total staff costs</b>		<b>86,465</b>	<b>85,593</b>
<b>Goods and services</b>			
Information technology and communications		5,708	6,513
Professional services and legal fees		4,468	3,272
Hotels, subsistence and catering costs		3,185	3,839
Specialist equipment and maintenance		3,060	2,685
Accommodation costs		2,620	3,453
Transport related		1,727	2,295
People Services		1,523	2,011
Joint Operation	18	1,217	1,159
Insurance		940	817
Rentals under operating leases - buildings		913	549
Medical and hygiene		448	109
Office Supplies and Services		190	223
Auditor remuneration		59	57
Other supplies and services		98	173
<b>Total goods and services purchased</b>		<b>26,156</b>	<b>27,155</b>
<b>Non-cash items</b>			
Depreciation of property, plant and equipment	6	2,772	2,604
Amortisation of intangible assets	7	1,961	1,065
Impairment of property, plant and equipment	6	910	-
Impairment of intangible assets	7	1,048	-
Cost of capital charges		10	24
Movement in provisions	13	408	286
Unwinding of discount	13	(2)	3
<b>Total non-cash items</b>		<b>7,107</b>	<b>3,982</b>
<b>Total other expenditure</b>		<b>33,263</b>	<b>31,137</b>
		<b>119,728</b>	<b>116,730</b>

More information on staff costs can be found in the Staff Report on pages 57 to 71.

## 6. Property, Plant and Equipment

	Transport equipment £000	Plant and machinery £000	Furniture and fittings £000	Information Technology £000	Payments on account and assets under construction £000	Total £000
<b>Cost or valuation</b>						
At 1 April 2020	5,367	6,336	843	6,556	2,129	21,231
Additions	293	177	36	965	1,825	3,296
Disposals	(735)	(69)	-	-	-	(804)
Reclassifications and Transfers	1,493	96	29	110	(1,801)	(73)
<b>As at 31 March 2021</b>	<b>6,418</b>	<b>6,540</b>	<b>908</b>	<b>7,631</b>	<b>2,153</b>	<b>23,650</b>
<b>Depreciation and impairments</b>						
At 1 April 2020	3,783	4,038	536	4,421	-	12,778
Charged in year	742	520	71	1,439	-	2,772
Disposals	(724)	(60)	-	-	-	(784)
Impairments	845	-	-	-	65	910
<b>As at 31 March 2021</b>	<b>4,646</b>	<b>4,498</b>	<b>607</b>	<b>5,860</b>	<b>65</b>	<b>15,676</b>
<b>Net book value at 31 March 2021</b>	<b>1,772</b>	<b>2,042</b>	<b>301</b>	<b>1,771</b>	<b>2,088</b>	<b>7,974</b>
<b>Asset financing</b>						
Owned	1,772	2,042	301	1,771	2,088	7,974
<b>Net book value at 31 March 2021</b>	<b>1,772</b>	<b>2,042</b>	<b>301</b>	<b>1,771</b>	<b>2,088</b>	<b>7,974</b>

	Transport equipment £000	Plant and machinery £000	Furniture and fittings £000	Information Technology £000	Payments on account and assets under construction £000	Total £000
<b>Cost or valuation</b>						
At 1 April 2019	5,529	6,083	726	5,972	1,402	19,712
Additions	124	2	69	455	1,366	2,016
Disposals	(314)	(93)	(60)	(10)	-	(477)
Reclassifications	28	344	108	139	(639)	(20)
<b>As at 31 March 2020</b>	<b>5,367</b>	<b>6,336</b>	<b>843</b>	<b>6,556</b>	<b>2,129</b>	<b>21,231</b>
<b>Depreciation</b>						
At 1 April 2019	3,563	3,643	480	2,940	-	10,626
Charged in year	500	556	57	1,491	-	2,604
Disposals	(294)	(88)	(60)	(10)	-	(452)
Reclassifications	14	(73)	59	-	-	-
<b>As at 31 March 2020</b>	<b>3,783</b>	<b>4,038</b>	<b>536</b>	<b>4,421</b>	<b>-</b>	<b>12,778</b>
<b>Net book value at 31 March 2020</b>	<b>1,584</b>	<b>2,298</b>	<b>307</b>	<b>2,135</b>	<b>2,129</b>	<b>8,453</b>
<b>Asset financing</b>						
Owned	1,584	2,298	307	2,135	2,129	8,453
<b>Net book value at 31 March 2020</b>	<b>1,584</b>	<b>2,298</b>	<b>307</b>	<b>2,135</b>	<b>2,129</b>	<b>8,453</b>

Payments on account and assets under construction represent assets that are incomplete or not yet in productive use by the CNPA. At 31 March 2021 this included £1,140,000 for vehicles (2019/20: £1,340,000), £493,000 for information technology (2019/20: £434,000) and £455,000 for plant and equipment (2019/20: £335,000).

The carrying value of certain vehicle assets included within property, plant and equipment have been impaired to their recoverable amounts, based on their current value in existing use. An impairment loss has been recognised of £910,000 and this is included within other expenditure in the Statement of Comprehensive Net Expenditure.

### Depreciation charge

The depreciation charge is recognised in other expenditure in the Statement of Comprehensive Net Expenditure.

## 7. Intangible Assets

	Software licenses £000	Information Technology £000	Payments on account and assets under construction £000	Total £000
<b>Cost or valuation</b>				
At 1 April 2020	2,060	4,098	1,490	7,648
Additions	25	90	659	774
Reclassifications and Transfers	11	1,073	(1,011)	73
<b>As at 31 March 2021</b>	<b>2,096</b>	<b>5,261</b>	<b>1,138</b>	<b>8,495</b>
<b>Amortisation and impairments</b>				
At 1 April 2020	1,474	958	-	2,432
Charged in year	308	1,653	-	1,961
Impairments	-	1,048	-	1,048
<b>As at 31 March 2021</b>	<b>1,782</b>	<b>3,659</b>	<b>-</b>	<b>5,441</b>
<b>Net book value at 31 March 2021</b>	<b>314</b>	<b>1,602</b>	<b>1,138</b>	<b>3,054</b>
<b>Asset financing</b>				
Owned	314	1,602	1,138	3,054
<b>Net book value at 31 March 2021</b>	<b>314</b>	<b>1,602</b>	<b>1,138</b>	<b>3,054</b>



	Software licenses £000	Information Technology £000	Payments on account and assets under construction £000	Total £000
<b>Cost or valuation</b>				
At 1 April 2019	2,089	352	3,739	6,180
Additions	-	66	1,411	1,477
Disposals	(29)	-	-	(29)
Reclassifications	-	3,680	(3,660)	20
<b>As at 31 March 2020</b>	<b>2,060</b>	<b>4,098</b>	<b>1,490</b>	<b>7,648</b>
Depreciation				
At 1 April 2019	1,158	238	-	1,396
Charged in year	345	720	-	1,065
Disposals	(29)	-	-	(29)
<b>As at 31 March 2020</b>	<b>1,474</b>	<b>958</b>	<b>-</b>	<b>2,432</b>
<b>Net book value at 31 March 2020</b>	<b>586</b>	<b>3,140</b>	<b>1,490</b>	<b>5,216</b>
<b>Asset financing</b>				
Owned	586	3,140	1,490	<b>5,216</b>
<b>Net book value at 31 March 2020</b>	<b>586</b>	<b>3,140</b>	<b>1,490</b>	<b>5,216</b>

Payments on account and assets under construction represent assets that are incomplete or not yet in productive use by the CNPA. At 31 March 2021 this included £1,096,000 for a new operational communication system (2019/20: £548,000).

The carrying amount of the investment in Oracle Cloud ERP system has been reduced to its recoverable amount, based on its current value in existing use. An impairment loss has been recognised of £1,048,000 and this is included in other expenditure within the Statement of Comprehensive Net Expenditure.

### Amortisation Charge

The amortisation charge is recognised in other expenditure in the Statement of Comprehensive Net Expenditure.

## 8. Financial Instruments

The CNPA has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the CNPA's exposure to each of the above risks and its objectives, policies and processes for measuring and managing risk. The CNPA Board has overall responsibility for the establishment and oversight of the CNPA's risk management framework. The Audit, Risk and Governance Committee oversees how management monitors compliance with the CNPA's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to risks faced by the CNPA.

### Credit risk

Credit risk is the risk of financial loss to the CNPA if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises from the CNPA's debtors and cash balances held in a commercial bank.

#### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the reporting period was:

	2020/21 £000	2019/20 £000
<b>Loans and other receivables</b>		
Total receivables (excluding prepayments)	14,558	13,010
Cash and cash equivalents	9,649	11,381
	<b>24,207</b>	<b>24,391</b>

Credit risk for receivables at the reporting date was wholly in relation to the United Kingdom. The CNPA's exposure is concentrated among a small number of customers. No collateral or other credit enhancements are held as security over the recoverability of these balances. The CNPA expects its receivable balances to be recovered in full due to its customers' past payment histories and high credit ratings.

An analysis of total receivables (excluding pre-payments), including those which are past due but not impaired, is set out below:

	2020/21 £000	2019/20 £000
Not past due	14,462	12,972
Past due less than 1 month	85	32
Between 1 and 2 months	6	5
Over 2 months overdue	5	1
	<b>14,558</b>	<b>13,010</b>

No receivables balances were considered impaired at the end of the reporting period (2019/20: £nil). There are no receivables that would otherwise be past due or impaired whose terms have been renegotiated (2019/20: £nil).

### Liquidity risk

Liquidity risk is the risk that the CNPA will not be able to meet its financial obligations as they fall due. The following are the contractual maturities of financial liabilities at the end of the reporting period:

At 31 March 2021	Within 1 month £000	Between 1 and 3 months £000	Between 3 and 12 months £000	Total contractual maturity £000
Trade payables	1,177	-	-	1,177
Accrued expenses	-	8,362	-	8,362
	<b>1,177</b>	<b>8,362</b>	<b>-</b>	<b>9,539</b>

At 31 March 2020	Within 1 month £000	Between 1 and 3 months £000	Between 3 and 12 months £000	Total contractual maturity £000
Trade payables	1,475	-	-	1,475
Accrued expenses	-	9,198	-	9,198
Other payables	82	-	-	82
	<b>1,557</b>	<b>9,198</b>	<b>-</b>	<b>10,755</b>

The CNPA holds sufficient cash balances to meet liabilities as they fall due. The directors monitor the timing of cash outflows against cash inflows to ensure sufficient cash reserves are maintained.

### Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the CNPA's income or the value of its holdings of financial instruments. Market risk comprises currency risk, interest rate risk and other price risk. The CNPA's exposure to these components of market risk is described below:

#### Currency risk

The foreign currency risk to the CNPA is minimal as very little trading is done except in sterling and all sales invoices are raised in sterling. All material monetary assets and liabilities are held in sterling.

#### Interest rate risk

All cash balances were positive during the reporting period and held in highly rated short-term fixed rate deposits. The CNPA had no significant interest rate risk.

### Estimation of Fair Values

*Trade receivables, accrued income and other receivables/payables and accrued expenses*

The carrying values of trade and other receivables and trade and other payables and accrued income and accrued expenses are assumed to approximate their fair value due to their short-term nature.

#### Early departure receivables

The carrying amount of this asset approximates to its fair value.

#### Cash at bank and in hand

The carrying amount of this asset approximates to its fair value.

## 9. Inventories

	2020/21 £000	2019/20 £000
Balance at 1 April	2,987	2,273
Purchases	1,250	1,838
Used and recognised as an expense	(1,317)	(1,124)
<b>Balance at 31 March</b>	<b>2,920</b>	<b>2,987</b>

During 2020/21 there were £Nil write off of inventory balances (2019/20 £Nil) due to improved stock control.

## 10. Trade and Other Receivables

	2020/21 £000	2019/20 £000
<b>Amounts falling due within one year:</b>		
Prepayments and accrued income	13,211	11,639
Other receivables	1,929	1,349
Early departure receivables due from pension scheme	167	80
Trade receivables	163	46
	<b>15,470</b>	<b>13,114</b>

#### Amounts falling due after more than one year:

Early departure receivables due from pension scheme	108	220
	<b>108</b>	<b>220</b>

## 11. Cash and Cash Equivalents

	2020/21 £000	2019/20 £000
Balance at 1 April	11,381	9,592
Net change in cash and cash equivalent balances	(1,732)	1,789
<b>Balance at 31 March</b>	<b>9,649</b>	<b>11,381</b>

The following balances at 31 March were held at:

	2020/21 £000	2019/20 £000
Commercial bank	-	11,381
Government Banking Service	9,649	-
	<b>9,649</b>	<b>11,381</b>

## 12. Trade and Other Payables

	2020/21 £000	2019/20 £000
<b>Amounts falling due within one year:</b>		
Trade payables	1,177	1,475
Other taxation and social security	2,159	2,056
Pension payables	1,352	1,232
Accrued expenses	8,362	9,198
Deferred income	3,636	3,502
Other payables	-	82
	<b>16,686</b>	<b>17,545</b>
<b>Amounts falling due after more than one year:</b>		
Deferred income	6,049	7,818
	<b>6,049</b>	<b>7,818</b>

## 13. Provisions for Liabilities and Charges

	Legal £000	Dilapidations £000	Early departure costs £000	Total £000
At 1 April 2019	232	322	1,011	1,565
Provided in the year	168	-	136	304
Provisions utilised in the year	(52)	-	(181)	(233)
Provisions not required written back	(47)	-	-	(47)
Change in discount rate	-	-	29	29
Unwinding of discount	-	-	3	3
<b>As at 31 March 2020</b>	<b>301</b>	<b>322</b>	<b>998</b>	<b>1,621</b>
Provided in the year	109	212	144	465
Provisions utilised in the year	(144)	-	(156)	(300)
Provisions not required written back	(57)	-	-	(57)
Unwinding of discount	-	-	2	2
<b>As at 31 March 2021</b>	<b>209</b>	<b>534</b>	<b>988</b>	<b>1,731</b>
<b>Expected timings of cash flows</b>				
Within one year	128	-	131	259
Between two and five years	81	-	289	370
After five years	-	534	568	1,102
	<b>209</b>	<b>534</b>	<b>988</b>	<b>1,731</b>

### Legal

Of the 27 claims open at 1 April 2020, the provision is unchanged for six and one has been increased during the reporting period. Further provision has been made for eight additional claims with 19 claims being either utilised or written back unused.

### Dilapidations

A provision for dilapidations has been made in respect of certain leased property. The lease contracts require that the property and the fixtures and fittings are returned to the landlord in good and unaltered condition at the end of the lease term. It is expected that costs will be incurred to satisfy these requirements and so a provision has been made to reflect these costs once they can no longer be avoided. It is anticipated that the provision will be utilised in 2045 in respect of the Griffin Park facility and in 2024 in respect of the Culham offices.

### Early departure costs

This provision has been made to cover pension payments to former employees who have retired early. Payments are made to the date on which the employee reaches normal retirement age of 60, after which the employee's pension costs will be borne by the pension scheme. Where applicable payments are made to the pension scheme after age 60 for an average of 22 years to cover the unenhanced elements of these pensions. Pension payments have been discounted to present value using discount rates as provided by HM Treasury. Discounting as at 31 March 2020 and 31 March 2021 has been applied to nominal cash flows which include allowance for future inflation using a forecast of consumer price inflation provided by HM Treasury of 2.22% CPI and a real discount rate of -.95%.



## 14. Taxpayers' Equity

### Reconciliation of movement in taxpayers' equity

	Income and expenditure reserve £000	Financing reserve £000	Total £000
At 1 April 2019	(6,267)	20,450	14,183
Grant-in-aid received	-	548	548
Other financing contributions	-	60	60
Comprehensive expenditure for the year	(404)	-	(404)
<b>As at 31 March 2020</b>	<b>(6,671)</b>	<b>21,058</b>	<b>14,387</b>

Grant-in-aid received	-	621	621
Other financing contributions	-	11	11
Comprehensive expenditure for the year	(310)	-	(310)
<b>As at 31 March 2021</b>	<b>(6,981)</b>	<b>21,690</b>	<b>14,709</b>

### Income and expenditure reserve

The income and expenditure reserve shows accumulated surpluses and deficits. The CNPA is required to recover its full operating costs each year through charges to customers to which it provides a service. The deficit of £6,981,000 (2019/20: £6,671,000) is due to the provision of early departure costs for non-AFOs and police staff following withdrawal from Springfields, Capenhurst, Chapelcross and Wylfa sites and for other costs which are not considered operating costs and cannot be recharged to the CNPA's customers. They are met in full by BEIS, through grant-in-aid funding, as and when they fall due for payment and are recognised by the CNPA on a cash basis in the year in which the payment is received. This is due to the balance in this account being partially already met by grant-in-aid funding and partially still in provisions to be funded as the provision is released.

### Financing reserve

The finance reserve relates to grant-in-aid provided by the CNPA's sponsoring department. It is credited to the financing reserve, as it is regarded as a contribution from a controlling party giving rise to a financial interest in the residual interest of the CNPA. Other financing contributions comprised £1,000 (2019/20: £35,000) of interest earned and £10,000 (2019/20: £25,000) from charges made to operating companies to finance purchases of property, plant and equipment. Other financing contributions are payable to BEIS and, by agreement with BEIS included within financing.

## 15. Capital Commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements comprised:

	2020/21 £000	2019/20 £000
Property, plant and equipment	385	68
Intangible assets	20	275
	<b>405</b>	<b>343</b>

## 16. Leases

### Operating Leases

The CNPA leases office accommodation and office equipment under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. Typical lease terms are shown below:

Office accommodation	15 years
Office equipment	3 - 4 years

During the year to 31 March 2021, £913,000 (2019/20: £549,000) was recognised as an expense in respect of operating leases in the Statement of Comprehensive Net Expenditure.

Total future minimum lease payments under non-cancellable operating leases are set out below:

	2020/21 £000	2019/20 £000
<b>Leasehold properties</b>		
Less than one year	369	516
Between one and five years	48	286
	<b>417</b>	<b>802</b>

During the year, two new peppercorn leases were entered into for training facilities. One of these leases was for a period of 25 years, and under this lease there are no rental amounts payable under this operating lease, but the CNPA must cover the cost of maintaining the leased facility. The other operating lease is for 10 years for which the annual rental is £1, and the Landlord is liable to cover the cost of maintaining this facility. No future commitments have been disclosed in relation to these leases.

**IFRS 16 – IAS 8 Disclosures**

The CNPA will be adopting IFRS 16 for the first time from 1 April 2021. The expected impact on the Statement of Comprehensive Net Expenditure (SoCNE) and the Statement of Financial Position (SoFP) have been detailed below.

	IAS 17 2021/22 expected £000	IFRS 16 2021/22 expected £000	Increase/ decrease 2021/22 expected £000	2020/21 reported £000
<b>SoCNE impact arising from IFRS 16</b>				
Asset depreciation	-	2,442	2,442	-
Other pension costs	-	468	468	-
IAS 17 basis rental payments	629	-	(629)	913
<b>Total net impact on SoCNE</b>	<b>629</b>	<b>2,910</b>	<b>2,281</b>	<b>913</b>

	IAS 17 2021/22 expected £000	IFRS 16 2021/22 expected £000	Increase/ decrease 2021/22 expected £000	2020/21 reported £000
<b>SoFP impact arising from IFRS 16</b>				
Right of use asset commenced	-	51,394	51,394	-
Lease liabilities commenced	-	(1,007)	(1,007)	-
<b>Total net impact on SoFP</b>	<b>-</b>	<b>50,387</b>	<b>50,387</b>	<b>-</b>

The lease portfolio at 31 March 2021 includes leases which have a nil or negligible consideration, for these leases the difference between the carrying amount of the right-of-use asset of £50,387,000 shall be included as part of the adjustment to the opening balance of the income and expenditure reserve at 1 April 2021.

Under IFRS 16 tenant lease breaks available to the CNPA have only been included in the calculation of the lease liability where there is a high degree of certainty that the CNPA would exercise them. The CNPA currently does not anticipate exercising any available lease breaks.

**17. Contingent Liabilities**

For the 2020/21 financial year there are two areas of potential liability:

- There are a few potential liabilities in respect of claims from employees, which depend on actual or potential proceedings. The timing and amounts of any payment are uncertain. These liabilities have not been provided for as the CNPA believes that the claims are unlikely to be successful and unlikely to lead to a transfer of economic benefits.
- MFSS collaboration termination - There is a partner commitment as part of the end of the collaboration, to cover any redundancy costs that arise. Cheshire's PCC (as the lead partner and employer of the MFSS staff) has stated their intention to find a role for all displaced MFSS staff wherever possible. While this is an ambition, there may still be some redundancies in November 2022, however at this time it is not possible to identify the potential costs, due to the fact that no specific decisions have been taken which would give rise to quantifiable obligations. (also see note 18).

**18. Joint Operation**

The CNPA is part of a collaboration agreement with a number of police forces for the provision of support services provided by the Multi Force Shared Service (MFSS). The CNPA considers that with the partner forces it exercises joint control over the MFSS through its membership and participation of the MFSS Joint Committee and the MFSS Management Board. The MFSS Joint Committee is the oversight and decision-making body of the MFSS. The MFSS Management Board is the decision-making body providing management and direction to the operational MFSS.

The MFSS collaboration agreement gives the CNPA a right to the share of assets and obligations for its liabilities and for meeting an agreed proportion of the MFSS's costs based on its share of MFSS's total users.

There are no reportable assets or liabilities relating to the MFSS as at 31 March 2021. The MFSS only provides services to those organisations who are parties to the MFSS therefore there is no reportable income. The cost to the CNPA of participating in the MFSS is reported in note 5 to these accounts.

The current contractual relationships with key suppliers to the MFSS are due to cease in November 2022. The partner forces have agreed to terminate the current joint working agreement and are currently in the process of planning to close the shared service by 3 November 2022.

## 19. Related-Party Transactions

The CNPA is an executive non-departmental public body of BEIS. BEIS is regarded as a related party. During the year, the CNPA has had various material transactions with BEIS and with the following organisations for which BEIS is regarded as the parent:

- United Kingdom Atomic Energy Authority (UKAEA) – Estates and facilities provision
- The CNPA has had material transactions with the UKAEA Pension Scheme. The UKAEA Pension Scheme is regarded as a related party. Information on the transactions undertaken is given in note 4 to the accounts and in the staff costs disclosure of the Remuneration and Staff Costs section to this annual report and accounts.

The CNPA has had material transactions with the following organisations that are subsidiaries of the Nuclear Decommissioning Authority, which is part of the BEIS Departmental Group accounts boundary and are considered related parties:

- International Nuclear Services Ltd
- Sellafield Limited
- Magnox Limited

The CNPA has had material transactions with the following organisations that are private companies that operate nuclear sites on behalf of, and under contract to, the Nuclear Decommissioning Authority. These organisations fall within the BEIS Departmental Group accounts boundary and are considered related parties:

- Dounreay Site Restoration Limited

The CNPA has had a small number of material transactions with other government departments and other central government bodies. These transactions have been with:

- Home Office
- Office for Nuclear Regulation
- Mayor's Office for Police and Crime and Metropolitan Police Commissioner

No CNPA Board member, key manager or other related parties has undertaken any material transactions with the CNPA during the year.

## 20. Events After the Reporting Period

There are no other reportable events after the reporting period. These accounts were authorised for issue by the Accounting Officer on the date that the accounts were certified by the Comptroller and Auditor General.

## 21. Accounts Direction

An Accounts Direction has been provided by the Secretary of State, with the approval of HM Treasury, and in accordance with Schedule 10 of the Energy Act 2004.





