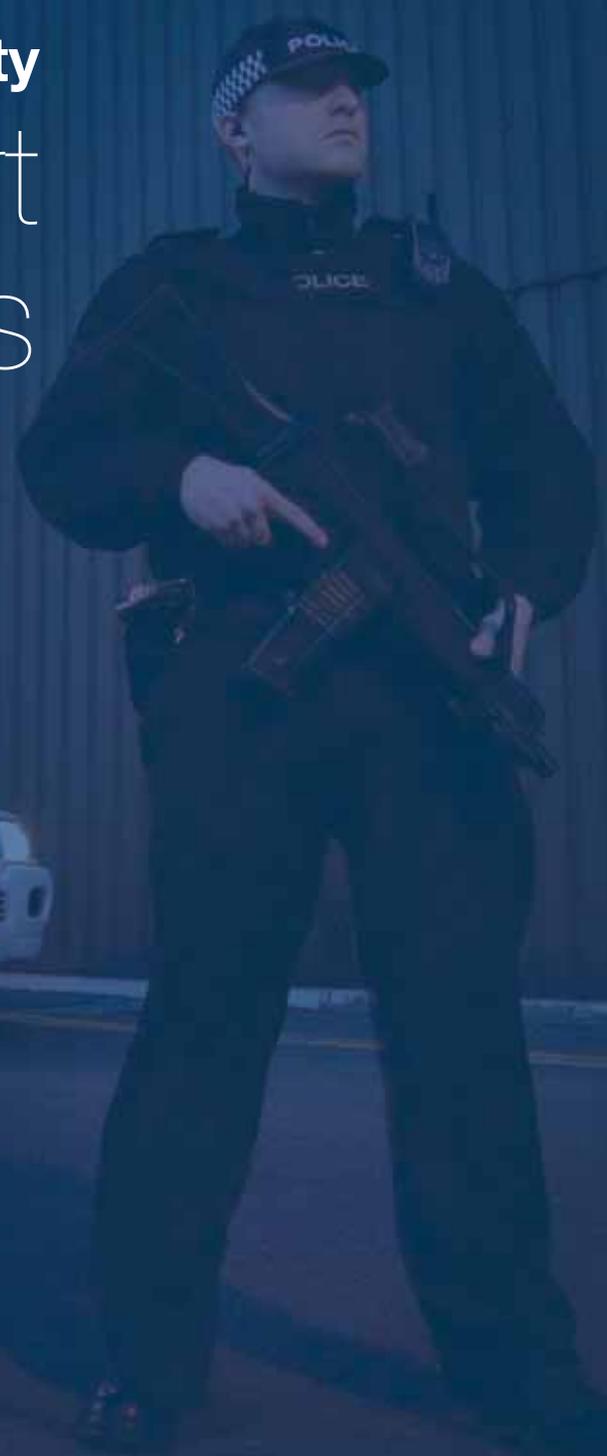


Civil Nuclear Police Authority Annual Report and Accounts 2009/10



Civil Nuclear Police Authority

Annual Report and Accounts 2009/10



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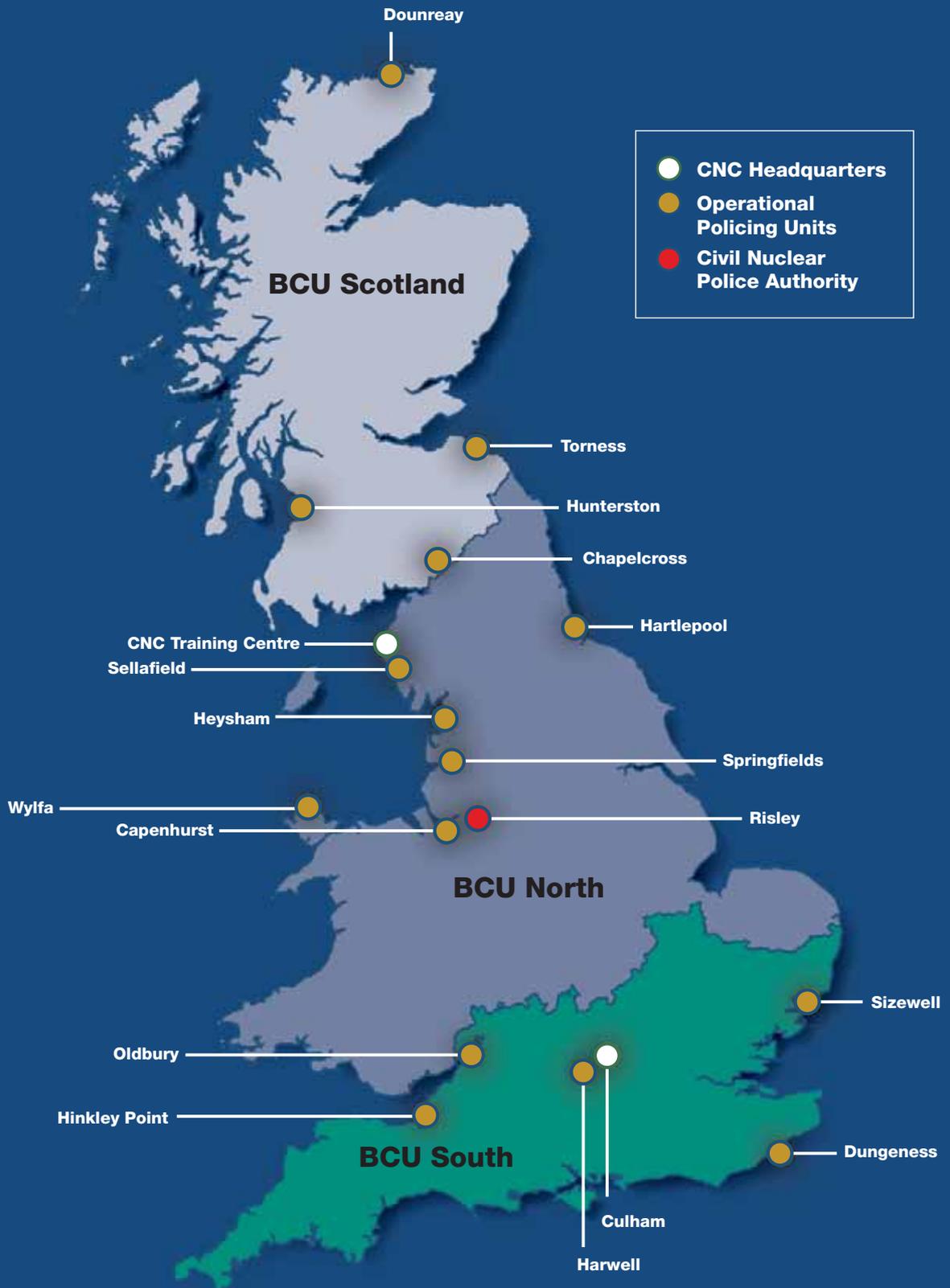
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Chairman's Statement

It is just over a year since I became the Chairman of the Civil Nuclear Police Authority, and in this report you will see signs of the dynamic, complex and changing world that the Police Authority and the Civil Nuclear Constabulary operate within.

On joining the organisation I was struck by the sheer scale of our operational environment. Covering much of the UK, and internationally through our marine escorts operation, we have a mission which in scale and complexity would stretch the best. What I have found within the organisation is a group of highly professional people wholly committed to delivering our mission and doing so with increasing excellence.

The challenge that we as a country face from international terrorism is real, and it drives our commitment to excellence in all that we do. The Police Authority and the Civil Nuclear Constabulary are driving forward training and modernisation programmes to meet the requirements of the civil nuclear industry. As a public body we are committed to securing the most effective use of resources, and at the same time providing assurance to the public that the Constabulary is a highly effective modern police service.

I hope that you will find in our Annual Report a comprehensive account of our activities. In my first year I have tried to meet as many of our staff, nuclear industry operators and stakeholders as is possible across such a large area of operations. I have learnt a lot from this dialogue and would like it to continue. So, if on reading this report you would like to contact me on any matter please do so at chairman@cnpa.pnn.police.uk. I thank you for your interest in our work and look forward to hearing from you.



Sir Chris Fox

Chairman

Civil Nuclear Police Authority



Civil Nuclear Police Authority

The Energy Act 2004 created the Civil Nuclear Police Authority (CNPA) as an executive non-departmental public body (NDPB) which is sponsored by the Department of Energy and Climate Change (DECC). Members of the Police Authority are appointed by the Secretary of State.

The Police Authority has an independent Chairman, three independent members and four representatives from the nuclear industry. The function of the Police Authority is to ensure that the Civil Nuclear Constabulary (the Constabulary) is efficient and effective and meets the policing requirements of stakeholders in the nuclear industry in accordance with the strategic direction set by the Police Authority. Objectives and performance targets for the Constabulary are agreed between the Chief Constable and the Police Authority and are then published as part of the *three-year Strategic Policing Plan* (which is available on our websites:

www.cnpa.police.uk and www.cnc.police.uk).

A key objective for the Police Authority is to verify the continued effectiveness of Constabulary operations in line with the security standards set by the Director of Civil Nuclear Security. The Police Authority provides the framework for strong strategic governance and accountability to the Secretary of State and is also responsible for increasing openness and transparency in the activities of both the Police Authority and the Constabulary.

The Police Authority's members are appointed under Part 1 of Schedule 10 of the Act. The Act allows for between 7 and 13 members all of whom are appointed by the Secretary of State. Members of the Police Authority from the civil nuclear industry are recommended for appointment by their respective companies. Independent members are appointed in accordance with the Code of Practice issued by the Commissioner for Public Appointments.

Committee Structures

Audit and Risk Management Committee

The responsibility of this Committee is to ensure compliance with Cabinet Office guidelines, the Management Statement and the *Combined Code of Corporate Governance July 2003*. To fulfil this area of responsibility, all key processes, policies and procedures fall under the remit of this Committee including and ensuring compliance with the Authority's Resource Standing Orders, Standing Orders relating to Contracts and Financial Regulations, and to ensure that value for money is obtained.

Senior Appointments, Leadership and Development Committee

This Committee has responsibility for the appointment and conditions of service for the senior Police Authority appointments and the Command Team of the Constabulary which comprises the Chief Constable, the Deputy Chief Constable, the Assistant Chief Constable and the Director of Corporate Services. The remit of the Committee has recently been extended to include oversight of senior leadership, discipline, development and succession planning across the organisation, as well as employment and retention policies and strategies for senior staff.

Committee Review

This reporting year, the CNPA evaluated its Committee Structures during its review of governance. As part of an improvement programme, the Police Authority now meets on a bi-monthly – rather than monthly – basis. The three sub-committees, including the newly agreed Finance Planning and Performance Committee will focus on more detailed aspects of Authority strategy and business.

The Police Authority has continued to operate its consolidated committee structure in favour of more frequent meetings of the full Police Authority. It has retained the Audit and Risk Management Committee, which receives reports from management and the internal and external auditors on the internal control environment, and the Senior Appointments, Leadership and Development Committee, which is responsible for the appointment and remuneration of the senior management team.

Police Authority Members

The Police Authority members who served during the year were:

Chairman

Sir Chris Fox (Independent)

Independent Members

Dame Elizabeth Neville,
Police Advisor to the Police Authority

John McNeill (to 31 October 2009)

Robert Wright (from 4 January 2010)

Operator Members

Matt Sykes,
British Energy Generation Ltd

Dr Janet Wilson,
Nuclear Decommissioning Authority

Dr Colin Bayliss (to 11 November 2009)
UKAEA

Peter Bradley,
URENCO UK Ltd

George Beveridge (from 3 August 2009)
Sellafield Ltd

Executive Director

Tony Regan

The Civil Nuclear Police Authority Management Statement and Financial Memorandum, agreed with the former Department of Trade and Industry, set out the arrangements for the operation of the Police Authority. In doing so it recognises that some members are put forward by the nuclear site operating companies. Such members in practice are directors of, or are employed by, the organisations that operate nuclear sites and have declared that, although they are employed by the operators, in practice no questions of conflict have arisen. Over the previous year the Executive Director has received no declaration of any interests that may conflict with members' fiduciary duties.

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Chief Constable's Foreword

In 2009, the Constabulary delivered the first year of a three year rolling programme of continuous improvement known as New Dawn. It focuses on the wide range of improvements identified in the previous year's review designed to enhance its capability.

These, in the main, have flowed from the development of new tactical doctrine that is more appropriate and relevant to our Mission. Upgrading and uplifting the type, quality and frequency of firearms, first aid and Chemical Biological Radiological and Nuclear (CBRN) training, strengthening our command and control systems, and deploying improved equipment and ammunition. In order to meet the increased tempo of training, the Constabulary has increased its establishment and there has been a commensurate uplift to its budget.

Alongside New Dawn, we have built on the introduction of some core values designed to promote the behaviours required from our officers and staff as well as completed the overhaul of our recruitment, examination and promotion procedures. We have also brought together a number of different strands of work to look at the terms and conditions and the workforce mix that will be best suited for the CNC in the future.

Our service delivery has continued to be of a high standard throughout the year. In May 2009, we safely and securely escorted the delivery of MOX fuel to Japan for the first time in eight years. It was a complex and sensitive operation whose success was, in large part, due to the professionalism of our officers who played an invaluable role as part of a broader international team effort.

We have continued to work closely with the wider policing family and have started an international engagement strategy with close allies to help identify and develop best practice in the armed protection of fissile material and civil nuclear facilities.

Finally, Douglas Percival left the Constabulary's Command Team as the Director of Corporate Services after several years of valued contribution. And we have welcomed the arrival of Justin Rees who joins with extensive financial and management experience from the Education and Health sectors.





Our Vision

To be recognised as providers of a world class service for the protection of nuclear materials and facilities.

Our Mission

To defend and protect those sites to which it is deployed, with a view to denying unauthorised access to nuclear material and, if necessary, recover control of any nuclear material which may have been lost to any unauthorised persons. The safe and secure movement of nuclear material within the UK and internationally.



Our Core Values

respect

We will show respect for each other, valuing individual differences and conduct our business fairly.

integrity

We will continue to build trust through being open, honest and transparent, taking responsibility for our actions and doing what we say.

commitment to excellence

We will do the right things, deliver on our promises and strive to provide service excellence in all we do.

investment in people

We will invest in people as our most valued resource, creating opportunities to develop potential and learning from our experiences.



Introducing the CNC

The Civil Nuclear Constabulary (the Constabulary) is a specialist armed police service dedicated to the civil nuclear industry, with Operational Police Units (OPUs) based at 15 civil nuclear sites in England, Scotland and Wales and employs just under 1,000 police officers and staff.

The civil nuclear industry forms part of the UK's critical national infrastructure and the role of the Constabulary contributes to the overall framework of national security.

The Civil Nuclear Police Authority (CNPA) and the Constabulary were established on 1 April 2005, as directed by the Energy Act 2004. The organisation now operates under the strategic direction of the Department of Energy and Climate Change (DECC). DECC was created in October 2008, bringing together energy policy (previously with the Department of Business, Enterprise and Regulatory Reform) with climate change mitigation policy (previously with the Department of Environment, Food and Rural Affairs).

The purpose of the Constabulary is to protect licensed civil nuclear sites and to safeguard nuclear material in transit. The Constabulary works in partnership with the appropriate Home Office or Scottish police force at each site. Policing services required at each site are agreed with nuclear operators in accordance with the Nuclear Industries Security Regulations 2003 (NISR) and ratified by the UK regulator, the Office for Civil Nuclear Security (OCNS). To comply with the NISR, armed police services are required at most civil nuclear sites in the UK. The majority of officers in the Constabulary are Authorised Firearms Officers (AFOs). Civil nuclear security is kept under constant review by the Constabulary and OCNS. Changes to operational tactics are frequent and irregular due to a range of factors and in order to limit the predictability of the police response to any incident. The Constabulary has a solid reputation for delivering policing services to the civil nuclear industry, a reputation that it intends to maintain through its clear operational focus.

The focus on counter-terrorist operations leads to key differences between the Constabulary and Home Office/ Scottish police forces. These differences are clearly visible in the end-of-year data: for example, Constabulary crime statistics are very low in comparison with Home Office and

Scottish police forces, reflecting the operational context of nuclear facilities, where site workers are subject to security clearance and regular checks.

The Constabulary is recognised by the Association of Chief Police Officers of England, Wales and Northern Ireland (ACPO) and the Association of Chief Police Officers in Scotland (ACPOS). Through the National Co-ordinated Policing Protocol, the Constabulary has established memoranda of understanding (MOU) with the local police forces at all 15 OPUs. Mutual support and assistance enable the Constabulary to maintain focus on its core role. The patrol strategy employed by the Constabulary ensures heightened security at all OPUs, gives reassurance to the public in the vicinity of civil nuclear sites, and helps generate local intelligence reports, to constrain and disrupt the operating environment for those with terrorist intent. A further benefit of the patrol strategy has been the deterrence and reduction in minor crime in the vicinity of civil nuclear sites.

While it is the aim of the Constabulary to gain wider recognition of its role and provide this reassurance to the public about civil nuclear security, it should be made clear that the information contained in this report does not include operational details that could present opportunities to any person or group planning to attack a civil nuclear facility.

Command Team

The day-to-day management of the Constabulary is carried out by the Command Team, which during the year consisted of:

Richard Thompson, Chief Constable;

John Sampson, Deputy Chief Constable;

Alan Cooper, Assistant Chief Constable;

Douglas Percival, Interim Director of Corporate Services (to 31 August 2009); and

Justin Rees, Director of Corporate Services (from 17 August 2009).

Five Years of Protecting Nuclear Materials

The Constabulary has now entered its fifth year of protecting nuclear material within the UK; in that time, officers have been deployed for 24 hours a day, 365 days a year and the Constabulary has grown both in size and resource.

After an administrative first year, Melvyn Smith, the then Chairman of the CNPA, described the Constabulary as “A policing organisation that is clear about its identity, focused on its mission and aligned with the needs of those stakeholders who rely on its unique services”. It was from this platform that the Constabulary began to grow.

During the Constabulary’s first year, its number of police officers grew significantly, resulting in an enhanced patrolling strategy to counter an increasing terrorist threat. A leadership development programme was introduced to encourage more collaboration and improved flow of information between colleagues, and the Integrated Competency Framework was implemented, highlighting how operational policing roles and duties had changed in the previous ten years.



The second year of the Constabulary saw the introduction of the National Intelligence Model, a business model that ensured data was fully researched, developed and analysed before being passed on to managers; it also saw greater interaction with stakeholders achieved via public meetings, and the introduction of the Constabulary’s Command Team.

The third year welcomed the arrival of Richard Thompson as Chief Constable, who brought a new perspective to the leadership of the Constabulary. A particularly successful year saw the development of the Basic Command Unit (BCU) structure which has enabled better collaboration with Home Office and Scottish Police forces; it also witnessed the minimum command level of Inspector being implemented at each OPU, the development of the Welsh Language scheme and the revised Mission Statement and Capability review, that led to Project New Dawn.

The fourth year saw the beginning of Project New Dawn, designed to help the Constabulary achieve a Full National Policing Improvement Agency (NPIA) Firearms Licence; Operation Hornbill, the first international operation to Japan undertaken by the Constabulary since 2002, and the Constabulary’s core values were introduced, which were the culmination of an extensive consultation exercise designed to identify the values the organisation believed best reflected the Constabulary’s aspirations.

The fifth year has seen many further developments, all of which are documented in the following pages. The Constabulary continues to go from strength to strength, and remains willing to meet the challenge of continuous improvement.

Summary of Performance

With five years under its belt, the Constabulary has already achieved much: the following series of articles look at the successes, developments and future plans, with a focus on the 2009/10 reporting year.



A New Dawn

Project New Dawn, a result of the Constabulary's Capability and Capacity Review of 2008 has taken significant steps towards providing the essential uplift required by the Constabulary in order for it to have the requisite skills and capabilities to meet its Mission, given the current terrorist threat.

Since attaining a Provisional NPIA Firearms Licence in February 2009, the Constabulary has been working hard towards achieving a full licence. Once Project New Dawn is completed, the Constabulary will have achieved - and be fully accredited with - national policing standards in the use and deployment of firearms; this achievement will ultimately help the Constabulary increase its capability, ensuring protection from an ever increasing terrorist threat.



Below is a selection of Project New Dawn's achievements:

- Firearms training delivered to National Police Firearms Training Curriculum standards, which has enabled officers to increase their shooting and tactical ability.
- An increase in Firearms instructor resources, resulting in better and more frequent training for AFOs.
- The Constabulary has recruited an armourer, a compliance manager, a firearms administrator, an exercise team and Force Incident Managers (FIMs); these new positions have helped the Constabulary increase its efficiency and improve its working practices.
- The procurement of new equipment, including upgraded weapons, ammunition and trauma first aid kit, to ensure the Constabulary continues to be fully equipped to defend nuclear sites long into the future.

The recruitment of additional firearms instructors has helped the Constabulary increase training productivity for AFOs, while the recruitment of FIMs, who staff the newly named Command & Control Centre at Culham 24 hours a day seven days a week, ensures the Constabulary's response to incidents on civil nuclear sites is effective from the point of initiation, has a clear chain of command in which the key decision makers are identified and the importance of early communications between FIMs, unit control rooms and site emergency controllers is recognised.

Project New Dawn is looking forward to:

- upgraded weapons being delivered to all units;
- trauma first aid capability at all units;
- the new exercise regime being implemented; and
- counter-terrorist profiles and plans being revised by all units.

The Constabulary's operational capabilities are under constant review, and it is aiming to apply for the Full NPIA Firearms Licence by the end of 2011.

Taking Care of Nuclear Material on the Road and at Sea

The Constabulary's Marine Escort Group (MEG) is committed to the safe and secure movement of nuclear materials both in the UK and abroad. Escort operations take months of planning, ensuring that officers are well prepared for every possible scenario.

The MEG is a specialist team that provides on-board armed protection for any Category I or II nuclear cargo during transportation overseas. Protecting nuclear material during marine operations is vital in safeguarding the public and is a key part of the Constabulary's mission to ensure 'the safe and secure movement of nuclear material within the UK and internationally'.

MEG officers receive demanding and bespoke training from the Royal Navy, various other agencies which provide specialist training on specific items of equipment, and other police forces in order to ensure they have the necessary skills to operate in such an environment.

The planning of these operations involves meetings with government representatives from the appropriate countries as well as mutual support and joint working agreements with Home Office counterparts and other agencies. All planning and training is in accordance with the required protective standards, including those from OCNS and ACPO.

During this reporting year, the Constabulary successfully completed an armed escort of nuclear material to Japan, a complex operation which involved various governments and agencies.

In addition to the MEG, the Constabulary has a Road Escorts Group (REG). REG officers receive bespoke training to ensure they have the correct skills and competencies to protect nuclear material during road transit and, ultimately, safeguard the public. During this reporting year, REG officers received the first in a new style of training package, designed to be compliant with NPJA standards which will assist the Constabulary in taking the necessary measures to gain its Full NPJA Firearms Licence. REG officers are selected and trained to high standards with some requiring additional specialist input depending on the role they carry out within the convoy.

The Escort team has spent the majority of this reporting year planning their next overseas operation, due to take place in 2010.



The First Line of Defence

Special Branch performs the intelligence role for the Constabulary, acting as its first line of defence and ensuring that potential threats are detected, disrupted or deterred in the planning stages. Gathering intelligence quickly and efficiently is often a crucial part of fighting a potential or emerging threat.

The department gathers, investigates, analyses and disseminates intelligence, ensuring that Constabulary employees and its key stakeholders are aware of current intelligence and potential threats to any site; this significantly reduces the risks to the civil nuclear industry, and helps the Constabulary fulfil its Mission Statement.

The intelligence gathered by Special Branch ensures that the tactics, methodologies and aspirations of those who pose a threat to civil nuclear sites are used to inform training, exercises, contingency plans, counter-terrorism plans and the operational deployment of officers. In turn, this ensures that officers are fully equipped, trained and prepared to defend and protect those sites to which they are deployed and helps them deny unauthorised access to nuclear material, whether it be in transit or on site. To enable the Constabulary to provide an effective policing service, Special Branch does not work in isolation; it works closely with national and local law enforcement agencies to ensure that it has the best possible intelligence to guide policing functions. This year has seen the emergence of the National Special Branch Intelligence System (NSBIS), which when fully operational will allow quicker and more efficient movement of intelligence, allowing Special Branch to share this information with various intelligence units throughout the UK. NSBIS will ensure that Special Branch is working in conjunction with the guidelines set out by the Management of Police Information Code of Practice and will change its working practices significantly, allowing it to produce SECRET level intelligence products. Special Branch have continued to create regular intelligence products, of which the quality has continuously improved, thanks to feedback from officers, police staff, stake holders and the Command team.

Promoting Excellent Standards

The Professional Standards Department (PSD) is responsible for promoting standards, ensuring all complaints and misconduct allegations are dealt with appropriately.

All complaints made by members of the public, whether against individual officers or organisational procedures, are recorded and dealt with according to the provisions of the Police Reform Act 2002, and statutory guidance issued by the Independent Police Complaints Commission (IPCC) in England and Wales. Complaints of non criminal conduct against officers based in Scotland may be subject to review by the Police Complaints Commissioner for Scotland (PCCS). Formal agreements are in place between CNPA and both organisations.

This is the first full reporting year since the introduction of the Police Performance and Conduct Regulations 2008, which were implemented on 1 December 2009; these regulations have resulted in significant changes to investigations of complaints and allegations of misconduct, principally that all but the most serious cases are dealt with by local managers under supervision and scrutiny of PSD. Complaint numbers remain consistently low, and recording of complaints and local resolution where appropriate are well within IPCC/PCCS time guidelines. There has been no formal disciplinary action taken against any officers as a result of a public complaint.

The cultural and procedural changes referred to above have seen the majority of misconduct matters (which would previously have been the responsibility of PSD) being dealt with at an appropriate level by local managers. Only serious matters, which potentially amount to criminal behaviour or serious misconduct, are now recorded within the department. Consequently, only one such matter has been recorded this reporting year. However, as a result of increased local involvement in misconduct cases, 32 officers have been subject to the newly introduced resolution process of 'Management Action', for a variety of failures in respect of the Constabulary's Standards of Professional Behaviour. These cases have all been recorded in a separate corporate register.



News in brief

New station at Harwell

The new police station at Harwell, in Oxfordshire, has been completed providing areas to facilitate the effective deployment of officers, a dedicated training area, video conference facilities and a modern control room. The new building incorporates commercially viable, environmentally friendly technologies, whilst maintaining a suitability for a wide range of operational duties, creating a modern police station that assists Harwell in providing an effective policing service.

In preparation for taking up duties in the new Harwell control room, a need was identified for the training of dedicated control room officers; utilising the new training facility, three intensive training courses were delivered to selected control room operators. The training course covered the use of existing and new equipment, the Constabulary's new procedures on Command and Control and helped officers develop an understanding of how to handle calls using the new system.

Patrol strategy

BCU Scotland personnel continued to make a significant contribution throughout the year to the development of the Constabulary's counter-terrorism patrol strategy. A selection of counter-terrorism patrol options were trialled at BCU Scotland Units prior to being implemented force-wide.

Exercise Castle Rock

The BCU Commander Scotland represented the Constabulary at Exercise Castle Rock, a series of counter terrorist workshops, tabletop exercises and live-play exercises that have taken place throughout Scotland in 2009 and 2010 as part of the Government's counter-terrorist strategy.

Whilst the main thrust of the exercise focused on Chemical, Biological, Radiological and Nuclear related activity, the overall objective was to examine command and control principles, operational capacity within a multi-agency incident and the intelligence/information flows that are necessary to ensure swift and successful resolution to such incidents within what will be a collapsing timeframe, i.e. dynamic and fast action decision making.

Adverse weather

The UK was hit by some of the worst weather since records began at the end of last year, with torrential floods, gale force winds and heavy snow causing chaos and unparalleled levels of damage across the country.



November was the wettest month across the UK since records began in 1914; the worst affected area in Great Britain was the county of Cumbria, and more than 60 Constabulary officers and sergeants from Sellafield helped their Cumbria Constabulary colleagues battle against the catastrophic floods. They were responsible for directing drivers away from collapsed bridges and, on one night, provided the bulk of policing in the stricken town of Cockermouth, where over 200 people had to be rescued from their homes by the emergency services.

This was closely followed by the coldest winter since 1978; BCU Scotland experienced the worst of the severe winter weather, with heavy snowfall at its worst in the north of Scotland, where OPU Dounreay is based. There were many cases of individual commitment and dedication to duty demonstrated by BCU Scotland personnel, who went on occasion to exceptional lengths to ensure that the required Constabulary operational capability was maintained at all times.

The hazardous weather has resulted in changes to Constabulary protocol regarding bad weather, and the Severe Weather Contingencies Procedure has been looked at to see where improvements can be made. Winter condition driving tips were made available to all members of staff, and the Constabulary's website was used to update headquarters staff as their workplace was affected by the heavy snow experienced in the South of England.

Charity events

Constabulary staff have continued to support both local and national charities over the past year:

- Seven members of staff from Springfields raised £1,000 for charity by conquering the UK's three highest peaks – Ben Nevis, Scafell Pike and Snowdon – in just 24 hours.
- In November, several officers at Torness raised £1,700 for prostate cancer, by growing moustaches, as part of the nationwide charity appeal dubbed 'Movember'.
- A team from Sellafield took part in a Ladies' Driving Challenge which saw them testing their skills in a variety of vehicles ranging from a fire engine to an HGV, raising £350 for charity.

Exercise Oscar

On the 24 September 2009, exercise OSCAR 9 took place in Cumbria; an exercise of this scale is carried out every three years by the Cumbria County Council, bringing together many different forces to deal with an off-site emergency threat. The Constabulary helped to ensure the multi-agency operation was a success.

Operation Badge

In October 2009, Operation Badge, a multi-agency operation run by Kent Police took place on the coastline of the English Channel and the Thames Estuary.

The area covered by the operation was huge, and officers from Dungeness were called in to cover a large section of coast normally covered by the Constabulary's patrol strategy at the Dungeness site. This operation is a yearly event and has provided the forces involved with a better understanding of the cross channel importation of drugs and people.

Scottish Nuclear Emergency Group

BCU Scotland personnel again participated in Scottish Nuclear Emergency Group meetings, ensuring a consistent approach to response arrangements for military and civil nuclear sites and for nuclear transportation within Scotland.

Working with Hartlepool

Three Constabulary officers spent a week working alongside Cleveland police officers in Hartlepool to improve relations, increase their knowledge and share their experiences.

Recognising Professionalism and Courage

BCU Commander Commendations have been issued to two officers from Sellafield for their roles as Tutor Constables and two officers based at Heysham for their 'professionalism and courage in a difficult situation'. The men risked their lives in the apprehension of a known criminal while on duty close to the site.

Increased resilience

The beginning of the year saw the introduction of four additional police inspectors at Dounreay; this has provided an effective enhancement to the command capability at the Unit, enabling the appointment of a section commander at inspector rank to each section.

A royal visit

Officers from Dounreay supported their Northern Constabulary colleagues when Prince Charles made his annual visit to the Castle of Mey, former home of the Queen Mother.

The Constabulary officers helped search the castle and three other locations in preparation for the Royal visit.

Welcome to Wylfa

Connected to the mainland by two bridges that negotiate the Menai Straits, Anglesey is a registered Area of Outstanding Natural Beauty containing dramatic cliffs interspersed with small bays on the northern coastline and beautiful sandy beaches on the western coast; it is the largest Island in the Irish sea, contains the village with the longest official place name in the world (Llanfairpwllgwyngyllgogerychwyrndrobwlllantysiliogogoch) and is the home of Wylfa power station, one of the Constabulary's 15 OPUs.

Wylfa is an operational power station on a 50 hectare site that meets more than 40% of Wales' electricity needs; built in 1963 and operational since 1971, it is the largest and last reactor of its type in the UK. Wylfa is the Constabulary's only OPU in Wales, and has embraced the Welsh Language Scheme in support of the language used at the site. Officers at Wylfa have an important role within the Anglesey community, often communicating with residents in both Welsh and English.

The Constabulary's Welsh Language Scheme states:

- In the conduct of public business in Wales, CNPA will treat the English and Welsh languages on a basis of equality.
- The Scheme set out by CNPA incorporates the approach taken by the Constabulary and specifically, the OPU at Wylfa.
- The Scheme will not be changed without prior consultation with the Welsh Language Board; CNPA may submit Scheme revisions to the Board.

This year the Constabulary have demonstrated their commitment to the Welsh Language Scheme in various ways; the Constabulary's website and recruitment website now include bi-lingual pages relating to the Wylfa Unit, and all e-mails from officers based at Wylfa are now signed off with bilingual signatures. External and internal "Police / Heddlu" signage has been erected at the site in place of the solely English "Police" signs and all Police vehicles have received the same upgrade; all officers have also been issued with bilingual uniforms including caps, high visibility jackets, fleece jumpers and patches that they can sew onto other items of their uniform.

The Constabulary made an appearance at the 'Anglesey

Show' (attended by bilingual officers) in August to promote its role within the local community and its commitment to the Welsh Language Scheme; the officers arrived with bilingual banners, display boards, literature and vehicles. The Constabulary is committed to attending the Anglesey Show again in the future, viewing the show as an excellent opportunity to interact with members of the public. The Welsh language scheme is set to become integrated even more into daily life at Wylfa during the next reporting year; for the first time, both an executive summary of the Annual Report and Accounts will be produced in Welsh and a meeting in public will be held in Wales in September 2010. It is hoped that 75% of officers at Wylfa will be trained in the Welsh language over the next year, something that helps to positively promote the Constabulary's role within the local community.



Croeso i Wylfa

Mae Ynys Môn wedi'i chysylltu i'r tir mawr gan ddwy bont yn croesi Afon Menai, ac mae'n Ardal o Harddwch Naturiol Eithriadol gofrestredig lle ceir amrywiaeth o glogwyni dramatig a baeau bach ar yr arfordir gogleddol a thraethau tywod hardd ar yr arfordir gorllewinol. Hon yw Ynys fwyaf Môr Iwerddon, a chartref y pentref sydd â'r enw hiraf swyddogol yn y byd (Llanfairpwllgwyngyllgogerychwyrndrobwllllantysiliogogogoch) a dyma gartref gorsaf b er Wylfa hefyd, un o bymtheg Uned Plismona Gweithredol y Gwnstabiliaeth.

Mae Wylfa yn orsaf b er weithredol, ar safle 50 Hectar, sy'n diwallu mwy na 40% o anghenion trydan Cymru; fe'i hadeiladwyd yn 1963 ac mae'n weithredol ers 1971, a dyma'r adweithydd mwyaf o'i fath yn y DU. Wylfa yw unig Uned Plismona Gweithredol y Gwnstabiliaeth yng Nghymru, ac mae wedi mabwysiadu Cynllun Iaith Gymraeg i gefnogi'r iaith a ddefnyddir yn y safle. Mae gan swyddogion Wylfa rôl bwysig yn y gymuned yn Ynys Môn, gan gyfathrebu'n aml â'i thrigolion yn Gymraeg a Saesneg.

Noda Cynllun Iaith Gymraeg y Gwnstabiliaeth:

- Mae'r Awdurdod Heddlu Niwclear Sifil (yr Awdurdod) wedi mabwysiadu'r egwyddor y bydd yn trin yr iaith Gymraeg a'r Saesneg yn gyfartal wrth gynnal busnes cyhoeddus yng Nghymru.
- Mae'r Cynllun sy'n cael ei gynig gan yr Awdurdod yn ymgorffori dull gweithredu'r Heddlu Niwclear Sifil (yr Heddlu) ac, yn benodol, dull yr Uned Gefnogi yn Wylfa.
- Ni chaiff y Cynllun ei newid heb ymgynghori ymlaen llaw â Bwrdd yr Iaith Gymraeg; O bryd i'w gilydd, efallai y bydd yr Awdurdod yn cyflwyno diwygiadau i'r Cynllun i Fwrdd yr Iaith.

Eleni, mae'r Gwnstabiliaeth wedi dangos ei hymrwymiad i'r Cynllun Iaith Gymraeg mewn sawl ffordd; mae gwefan y Gwnstabiliaeth a'i gwefan recriwtio bellach yn cynnwys tudalennau dwyieithog mewn perthynas ag Uned Wylfa, ac erbyn hyn ceir llofnod dwyieithog ar bob neges e-bost sy'n cael ei hanfon gan swyddogion yn Wylfa. Mae arwyddion "Police / Heddlu" wedi'u gosod yn allanol ac yn

fewnol ar y safle yn lle'r arwyddion "Police" uniaith Saesneg ac mae holl gerbydau'r Heddlu wedi cael eu diweddarau yn yr un modd; mae pob swyddog wedi cael gwisg ddwyieithog hefyd gan gynnwys capiau, siacedi gweledd uchel, siwmperi ffis a bathodynnau y gellir eu gwino ar ddillad eraill sy'n rhan o'u gwisg.

Ymddangosodd y Gwnstabiliaeth yn 'Sioe Môn' (yr aeth swyddogion dwyieithog iddi) ym mis Awst i hyrwyddo ei rôl yn y gymuned leol a'i hymrwymiad i'r Cynllun Iaith Gymraeg; daeth y swyddogion â baneri, byrddau arddangos, llenyddiaeth a cherbydau dwyieithog. Mae'r Gwnstabiliaeth wedi ymrwmo i fynd i Sioe Môn eto yn y dyfodol, gan ystyried ei fod yn gyfle ardderchog i ryngweithio ag aelodau'r cyhoedd.

Disgwylir i'r cynllun iaith Gymraeg gael ei ymgorffori ymhellach fel rhan o fywyd bob dydd yn Wylfa yn ystod y flwyddyn adrodd nesaf; am y tro cyntaf, caiff crynodeb gweithredol o'r Adroddiad Blynyddol a Chyfrifon ei gynhyrchu yn Gymraeg a chynhelir cyfarfod cyhoeddus yng Nghymru ym mis Medi 2010. Gobeithir y caiff 75% o swyddogion Wylfa hyfforddiant yn yr iaith Gymraeg yn ystod y flwyddyn nesaf, rhywbeth a fydd yn ffordd gadarnhaol o helpu i hyrwyddo rôl y Gwnstabiliaeth yn y gymuned leol.

Dedicated to Security

Protective security is essential in safeguarding the confidentiality, integrity and availability of the Constabulary's information and assets; a high standard of security requires a dedicated security team and, just as importantly, security conscious members of staff.

The Constabulary aims to maintain its high standard within all aspects of protective security and is committed to creating a secure environment to ensure that all information owned by and entrusted to the Constabulary is afforded the appropriate security controls.

Security affects every member of the Constabulary; all officers and staff are required to be fully aware of their responsibilities in relation to the protection of both personal and protectively marked (PM) information. Both the CNPA and the Constabulary therefore have a duty to protect all assets to ensure the organisation is able to:

- meet legal, moral, official or commercial obligations;
- protect the interests of national security and the economy;
- maintain integrity and promote a sound commercial base by maintaining the confidence of stakeholders, the Government and the public; and
- avoid financial and economic loss.

During the reporting year, the Constabulary security policies have been reviewed and approved by the Command Team and published on the Constabulary's intranet;

The review and promulgation of all security policies and related procedures is ongoing and will be reviewed in relation to new threats and identified vulnerabilities.

All security incidents across the Constabulary have been recorded and reported through the Information Governance Panel and to the senior information risk owner (DCC J Sampson) on a monthly basis. This helped the Constabulary gain a more accurate insight into security issues and helped identify a few key areas where improvement was needed. Areas of attention included:

- Providing security education to all staff and the promotion of a security culture.
- Raising staff awareness on the need to report security breaches and the reporting process.
- Identification of areas where repeated incidents were occurring and targeting the cause.
- No identified breaches required reporting to the Information Commissioners Office, however two breaches were reported to OCNS; these were:
 - The loss of a PM RESTRICTED CD; the disc was used to encrypt a Constabulary laptop (which has now been re-encrypted) but contained no personal or sensitive information.
 - The compromise of a PM RESTRICTED document via the internet; this document contained no personal information and counter compromise action was taken by the department responsible.

A summary of the 2009/10 security incidents

NATURE OF INCIDENT	TOTAL
Loss of inadequately protected electronic equipment, devices or paper documents from secured premises. <ul style="list-style-type: none"> • Loss of PM RESTRICTED CD by technician. 	1
Loss or theft of inadequately protected electronic equipment, devices or paper documents from outside secured premises.	Nil
Insecure disposal of inadequately protected electronic equipment, devices or paper documents.	Nil
Unauthorised disclosure <ul style="list-style-type: none"> • Incorrect configuration of printer by technician resulting in a PM RESTRICTED document being forwarded to a printer outside the Constabulary but within the shared network. • Incorrect transmission of personal data to a printer outside the Constabulary but within the shared network. Breach caused by owner of the data. • Insecure transmission of PM RESTRICTED information from a secure network to a Home Office Force email address. 	3
Other minor breaches/incidents: <ul style="list-style-type: none"> • Breach of IT security operating procedures. • Breach of physical security procedures. 	10 8

People Management: An Investment in People

The Human Resources (HR) Department develop policies, standards, systems, and processes that implement the Constabulary's strategies in a range of different areas. The HR Department have had a busy year balancing their own departmental changes with the constant developments the organisation demands.

The HR Department went through a significant restructuring in May 2009, which has helped better align Constabulary resources to the multiple needs of the organisation; the formation of the Shared Service Centre, a combination of the Resourcing and HR Generalist Department, has improved communication and procedures, providing more efficient and specialist support.

An HR Operations team has been created to work closely with BCU Commanders to help manage a range of frontline HR issues in support of their operations, and corporate HR processes – in particular policy and procedure development, specialist support for workforce planning and diversity and culture - have been re-evaluated, resulting in a more efficient and productive department.

A review of the recruitment and promotions process within the organisation has resulted in new procedures for officers and staff; the pre-screening of new recruits has been improved, with the development of more robust procedures regarding their suitability for firearms handling. A procedure for handling contract terminations in the event of new recruits being unsuccessful on the initial foundation programme has been devised, a new dignity at work policy has been introduced, and a new procedure for human rights and equality impact assessment is also in place.

Recognising Diversity, Ensuring Equality

CNPA is committed to encouraging and achieving a working environment which is underpinned by fairness to all individuals, where diversity is recognised, encouraged and valued, and where the concept of individual responsibility is accepted by all. The Constabulary continues to recognise the need for, and the business benefits arising from, a diverse workforce that reflects the community it serves.



The Constabulary has achieved significant successes in this area within the framework of the 2007-2010 Equality Scheme, including the following:

- An Equalities and Diversity Steering Group of officers and staff established to act as a two-way channel for communication and consultation on matters relating to equality and diversity, and to develop and implement actions to drive forward improvements in this area;
- Integration of equality and diversity objectives within the Strategic Policing Plan;
- Establishment of targets for recruitment of female and black and minority ethnic officers; this has been achieved by making the Constabulary a more attractive place to work for diverse groups;
- Focused action to improve work-life balance procedures; and
- Recognition and support of the national networks for diverse officers and staff.

The Equality Scheme has been reviewed and revised for 2010-2013 to reflect the changing social and demographic circumstances, to meet the expectations of stakeholders and to comply with the requirements of NPIA, Home Office, ACPO, APA, and the forthcoming Equality Act. The new Scheme builds upon the Constabulary's early successes and names three themes for action:

Strategic theme 1	Improving operational delivery: delivering a service that responds to, engages with and meets the needs of all communities and stakeholder groups.
Strategic theme 2	Valuing people and culture: building a values driven working environment that values and includes everyone, rejects inappropriate and potentially damaging behaviours and encourages all staff to develop and make progress.
Strategic theme 3	Enhancing organisational processes: building equality, diversity and human rights into the Constabulary's processes.

This revised Scheme has been developed in consultation with every department and BCU in the Constabulary, and has been integrated within existing working plans. Key steps have already been taken towards the delivery of the 2010-2013 Equality Scheme. These include:

- A partnership has been developed with NPIA and local Home Office forces to work on the Scheme together.
- All officers and staff have to report on the actions they have taken to promote equality and diversity within the PDR process.
- Local demographics have been reviewed to ensure that equality and diversity targets and actions reflect the reality of the communities that we serve.

Providing the People of Tomorrow

The Constabulary's continued growth is greatly assisted by the Recruitment Department, who have recruited 138 people to the organisation this year; they are a small dedicated team which makes sure the Constabulary is employing exceptional people who can provide the organisation with forward momentum.

Over 2,000 applications were received and processed by the Recruitment Department (a part of the HR Shared Service Centre) during the Constabulary's recruitment drive for Authorised Firearms Officers (AFOs) in the autumn of 2009. Each application is dealt with individually:

- First the applicant's details are checked on the Police National Computer (PNC) to make sure that there are no undeclared convictions, wanted notices or convictions of a serious nature that would make the candidate ineligible.
- Once the PNC check has been completed, the competency based questions from the application form are externally marked.
- Candidates who pass this initial test are then sent to a National Policing Improvement Agency (NPIA) assessment centre where they take part in a number of exercises including:
 - a competency-based structured interview made up of four questions;
 - a numerical reasoning test;
 - a verbal logical reasoning test;
 - two written exercises; and
 - four interactive exercises.
- Successful candidates are then subjected to a thorough fitness test, a medical examination, and a strict referencing procedure before being offered a place on a new recruit's course.

The process is both difficult and long, sometimes taking over a year to complete. This year the Constabulary has recruited 110 officers who have been posted to various sites around the country, depending on where they are needed. In other achievements the Recruitment Department has been heavily involved in the recruitment of 45 firearms instructors and six Force Incident Managers (FIMs), helping the Constabulary progress towards a Full NPIA Firearms Licence.

A new recruitment website (www.cnc.jobs) was launched on 23 December 2009, and has quickly become the hub of all recruitment information, including vacancies, opportunities and information on how to apply. The website gives potential recruits and members of staff an insight into a 'unique force' with details on each Operational Policing Unit (OPU) and profiles on various members of staff and officers. It also gives a brief background on the formation of the Constabulary and details of its Vision, Mission Statement and Core Values. The website is the first step towards the Constabulary's on-line recruitment process, with E-recruitment in the early stages of development; E-recruitment will save both time and resources by allowing applicants to apply for positions on-line. This will help the Constabulary in its bid to be more environmentally friendly by vastly decreasing the amount of paperwork, at the same time as creating a smoother recruitment process.



News in brief

Employee relations

The Constabulary's HR Department regularly meets with the Joint Consultative Committee which comprises of: Prospect which represents the interests of police staff, the Civil Nuclear Police Federation and the Superintendents Association, which represent the interests of police officers.

Absence management

Below is a summary of the Constabulary's performance on absence management. The Constabulary has achieved its targets this year significantly reducing the sickness levels of both police officers and police staff. This success is being attributed to 2009/10 being the first full year of the new arrangements introduced by the absence management training that took place during 2008/09. The new approach has impacted on HR processes with BCU HR officers and the Shared Service Centre now managing individuals in a more proactive and in-depth basis. In addition to this, the Absence Management Group (chaired by the Head of HR and Operational Development) has been making decisions at both strategic and tactical levels enabling absence management plans to be implemented across the organisation.

Circumstances affecting our staffing resource	2008/09 Target	2008/09 Outturn	2009/10 Target	2009/10 Outturn
Absence management				
Average number of working hours lost per annum due to sickness per police officer	85	102.9	92.6	78.0
Average number of working hours lost per annum due to sickness per police staff member	56	96.9*	82.4	80.4
Recruitment and retention				
% shortfall in strength	<5%	5.88%	<5%	4.1%
Police officer turnover rate	<5%	3.95%	<5%	4.6%
Police staff turnover rate	<13%	13%	<13%	5.8%

*2008/09 police staff sickness absence average was reported incorrectly (84.4 hrs); it should have read 96.9 hrs per police staff member.

Further information on the Constabulary's approach to Diversity can be found on page 24.

First aid

Project New Dawn has seen the procurement of brand new trauma first aid equipment which is due to be deployed to all BCUs in the first quarter of 2010/11.

With the equipment in place, the training of officers from all units to an enhanced level will begin, enabling them to deal with a range of ballistic injuries. More Tactical Care Officers (TCOs) and better equipment will ensure the Constabulary provides the most up-to-date medical care and assistance. TCOs will be trained in both assessment and instruction, allowing them to pass on the information they have learned to future TCOs.

Freedom of Information Requests

Between 1 April 2009 and 31 March 2010, 88 Freedom of Information Act requests were submitted, which was a significant increase compared to the 25 received during the previous year; Eight requests were subsequently withdrawn by the applicant. Requests were received for the following subject areas; health care benefits, staff structure/details, expenses, sick leave figures, operational information, funding received/ expenditure, events hosted by the CNPA/ Constabulary, new build, crime statistics, Consultants employed by CNPA/Constabulary, guidance documents issued to staff, Uniform/ equipment issued, security breaches, recruitment issues and business interests.

The number of questions contained within each request ranged from 1-15. The breakdown of timescales for completion is as follows:

1 – 10 days.....	25	16 – 20 days...	32
11 – 15 days...	10	20+.....	10

Extensions to the 20-day deadline were requested on 10 occasions, as a result of the bulk of information needing to be assessed and/or redacted before release. Of the 80 requests that were dealt with, a total of 14 were judged to be fully exempt from disclosure. CNPA/The Constabulary did not hold the information requested in a further nine instances. Section 12 (Costs) was applied to four requests, in that the information was not disclosed as the cost of retrieving it would exceed the applied limit of £450. 19 requests had partial exemptions applied. The Executive Director dealt with one request for a review during this reporting year.

Communication

Day-to-day communication with Constabulary officers and staff mainly takes place via electronic media and regular team briefings.

Employees are kept up-to-date with the Constabulary's progress via emailed messages, internal posters and briefings and a series of newsletters, including; Uniform X-ray, which covers a wide variety of subjects from Constabulary progress to good news stories, the New Dawn Newsletter which updates staff and officers on the progress of New Dawn and Excel Through People, the HR Departments internal messaging service.

Surveys

In February, the Constabulary staff survey was completed by 67% of officers and staff highlighting many positives, including the following:

- Officers and staff in all areas feel highly motivated and find their work worthwhile.
- Levels of loyalty and pride in the Constabulary are extremely high.
- A vast number of people enjoy good relationships with their immediate team and line manager.
- Results showed a marked improvement in all areas in comparison to the 2007 Survey.

To support the survey results, the Constabulary is undertaking a series of focus groups at BCU headquarters and senior management level. This will present individuals from across the Constabulary the opportunity to provide their suggestions as to the best way to address any identified areas of concern.

Information from these focus groups will then be combined with data from the survey and used to inform the development of an action plan to target any pressing issues.

Continued Development

The Operational Development Department comprises three main training functions (general/probationer, firearms and dogs/handlers) and assists in the training and development of both officers and staff.

The Operational Development Department provide police officers and staff with the opportunity to attend internal and external courses to acquire individual specialist skills pertaining to their posts. Emphasis is also placed on the provision of training in development, leadership and managerial skills. Sponsorship for further education is available for staff pursuing qualifications that would enhance their contribution to their roles, and each year an annual training plan is designed to ensure that all members of the Constabulary are competent to carry out their roles in providing an efficient and effective policing service.

During the reporting year, work continued towards the acquisition of the Full NPIA Firearms Licence, with an increase in training exercises, including:

- Six initial firearms courses plus a firearms course for AFO re-joiners;
- Eight days annual refresher training for AFOs, an increase on last year and a five day response course every two years.
- A refresher programme for AFOs located in the south has been centralised at the National Shooting Centre at Bisley.

The Constabulary has also seen 36 Sergeants complete an accredited bronze course delivered by South Yorkshire Police, 300 AFOs complete a Firearms Response Course and 20 general purpose police dog refresher courses have been completed, ensuring all handlers and dogs are at the national standard.

All Operational Development trainers are nationally qualified and provide training, development and support in accordance with the following specific drivers:

- The regulatory framework – specifically Nuclear Industry Security Regulations, ensuring officers are fully aware of site security.
- Operational efficiency.
- ACPO guidelines.
- Critical success factors.
- Constabulary/departmental objectives.
- Her Majesty's Inspectorate of Constabulary (HMIC) recommendations to ensure agreed standards are maintained and performance is improved.
- Anticipated changes in legislation and Constabulary policy.



Keeping the Environment Safe and Healthy

Ensuring the safety and good health of all Constabulary personnel is paramount to the Constabulary's Core Values and its commitment to excellence. During the year, the previously separate strategies for Health & Safety and the Environment have been combined into a unified three year Health, Safety and Environment Strategy, to ensure the Constabulary continues to maintain a high standard of care for both the environment and its staff.

To enable comparisons with site licence operators, CNPA uses the accident/incident reporting metrics commonly used in its core environment, the nuclear industry, namely measurement of Days Away Case Rate and Total Recordable Injury Rate, using the methodology of the US Department of Labor's Safety and Administration.

Overall, most OPU's show a reduction from the previous year, with many units having no reportable incidents during the last 12 months. The target of the combined and updated Health, Safety and Environment Strategy will be to further reduce these figures over the remaining two years of the strategy. Reportable incident figures for specialised policing areas such as physical training, police dogs and public confrontation are not included within these figures but will be benchmarked against Home Office police forces when these figures are published later in 2010.

Compared with the previous year, there was a 30% increase in the number of near miss reports submitted (a positive Health, Safety and Environment cultural indicator). Other than a small number of estates-related issues that are subject to ongoing resolution with individual sites, all of these reports have been closed.

Each OPU was audited by the Health & Safety Department during the year with all of the units achieving either the same or higher ratings than the previous year.

The Health, Safety and Environment Strategy sets out a number of aims with associated performance measures. Key performance targets within the strategy were:

Target	Target %	Achieved %
Operational Risk Assessments	95%	100%
Non-operational Risk Assessment	90%	96%
Local H & S Meetings (one per quarter)	100%	94%
Local H & S Induction	100%	100%
New Recruits Basic Radiation Awareness Training	100%	100%
New Recruits (Police) Policing Safely Training	100%	100%
Accidents reported within 24 hours	90%	96%

Adverse weather conditions during the autumn and spring period resulted in a number of Health and Safety meetings not taking place hence why the performance target of 100% was not achieved.

Throughout the reporting year, Nuvia has been contracted to the Constabulary to provide an approved dosimetry service and a radiation protection advisor service, providing radiological advice and services to Constabulary personnel. Following a tender process, Nuvia have been re-contracted for a further five years from April 2010.

All police officers and a small number of police staff are designated as 'monitored workers'. The following table shows the radiation dose figures for the 2009 calendar year (radiation dose is reported by calendar rather than financial year).

Dounreay	0.01	0.10
Chapelcross	0.05	0.24
Torness	0.01	0.15
Hunterston	0.00	0.00
Sellafield	0.05	0.45
Capenhurst	0.07	0.32
Springfields	0.02	0.13
Hartlepool	0.00	0.04
Heysham	0.13	0.29
Wylfa	0.04	0.22
Harwell	0.01	0.16
Sizewell	0.00	0.00
Dungeness	0.05	0.21
Oldbury	0.00	0.00
Hinkley Point	0.00	0.02
CNC	0.03	0.45

NB: All figures are in millisievert (mSv)

The readings are all within the dose constraint objective of 1.5mSv set by the Constabulary, with the majority of Constabulary personnel receiving no measurable work-related radiological exposures during 2009.

A small number of unusual readings were investigated during the year but in each case they were not work-related exposures to ionising radiation and were not included in the above figures.

There have been no radiological events or incidents affecting Constabulary personnel during 2009.

Managing Risk

As Accounting Officer, the Chief Constable is required under chapter three of *Managing Public Money* to ensure the “management of opportunity and risk” is of the highest standard, in order to “achieve the right balance commensurate with the institution’s business and risk appetite”.



The Constabulary’s risk reporting structure has been modified to coincide with the changes to the National Intelligence Model meeting structure, to establish a programme board for the reporting of Project New Dawn, and for the re-introduction of a Risk Assurance Group to oversee the health of the risk management system.

Adoption of standardised risk reports (with a common reporting date per month - regardless of which meeting receives the report), has reduced the efforts needed for the preparation of monthly reports. The Police Authority’s Strategic Risk Register has been updated to a 5 x 5 matrix, to align with the Constabulary’s risk register and the revision of the Police Authority’s risk management guidance.

The addition of trend arrows on risk reports has been adopted to provide assurance on direction of travel for risks to make them easier to understand, and there has been a reduction of 18% in the number of active risks this year. The organisation’s principal risks have not changed since the last report:

- Failure to deploy sufficient police officers with the right equipment and training to meet the threat;
- Failure to recruit/retain sufficient or appropriate resources;
- Failure to train officers to appropriate levels of standards;
- Failure to discharge the duty of care owed to employees;
- Poor or uncertain governance standards leading to unclear lines of accountability; and
- Failure to support the provision of critical business infrastructure.

In February 2010, the management of risks policy was revised; all risks are managed through the “Risk Management Framework”, details of which can be found on page 49.

A business case has been prepared and approved for the replacement of the risk management database with a software package which is capable of, nesting low-level risks within higher level ones, providing standard reports including trends and of securely connecting to audit committee members so they can review progress on the management of specific risks.

The risk management system has been effective, continuing to identify and subsequently mitigate new risks. KPMG LLP, the internal auditor, rated the risk management system as satisfactory, confirmed that recommendations from the previous year had been addressed and identified new opportunities for improvement; in particular in terms of controls to manage changes to target dates.

Inspection and Review

During the past 12 months an internal inspectorate has been created to assist with monitoring external audit and inspection, and to perform internal audit. The PSD and the Security Department, together with the new Constabulary Inspectorate, have created a combined area known as 'Inspection and Standards'.

Her Majesty's Inspectorate of Constabulary (HMIC) has undertaken inspection activity within the reporting period, reviewing public order, critical incidents and civil contingencies. The findings of these inspections have been factored into 2010/11 work streams across the breadth of the Constabulary.

The internal auditors KPMG LLP have reviewed the following business areas during the year:

- billing;
- debt and treasury management;
- expenses;
- the IT network project;
- strategic planning;
- risk management;
- Police Authority governance management;
- training planning;
- clothing and equipment store;
- Statement on Internal Control;
- fleet management; and
- business continuity management.

The reviews identified opportunities for improved controls and procedures, all of which have been implemented.

Before the end of the calendar year, reviews will also be completed in the following areas:

- performance management; and
- contracts and procurement.

The internal inspection programme has progressed significantly this year; it has now been extended to include departmental inspections as well as OPUs and a three year programme of planned activity has been published.

A system to track and monitor internal and external audit has been established and progress against recommendations is reported monthly as part of the balanced scorecard.

The Constabulary Inspectorate has also supported the BCU performance review process throughout 2009/10 and will again participate in the bi-annual reviews in 2010/11.

News in brief

Business Managements

Following a review in April 2009 the Policy Development Project was formally terminated and the later phases (the review of existing procedures and the development of any new procedures required) were converted into performance targets for each department and OPU.

For 2009/10 the target was to ensure that 50% of existing procedures were reviewed and made current by the end of the financial year. The outcome achieved at the end of the financial year was a currency of 65% on a basis of reviewing policies every two years and procedures every 18 months. The bar is being raised in 2010/11 to achieve a 90% currency at year end.

Estates

As an executive Non-Departmental Public Body, the Authority is required to have an independent estates strategy. A plan for the management of the total estate covers the organisation until 2012. The organisation does not own any buildings or accommodation either in part or outright. With unit and headquarter functions located at 18 sites in England, Scotland and Wales, the objective is to ensure that there is a consistent standard of accommodation and that all OPUs – as well as CNPA and Constabulary headquarters – are fit for purpose and meet the requirements for effective policing.

Engagement with the Nuclear Decommissioning Authority and site landlords continued to agree appropriate leases and licences for property

Crime

In line with previous trends, crime dealt with by officers at civil nuclear sites has been low in volume and has consisted largely of petty theft. The management of crime remains under review and a process is in development for the phasing out of crime from the remit of the Constabulary, recognising that the incidents that are currently reported on and the length of time spent investigating those crimes are not in keeping with the Constabulary Mission Statement.

Procurement

Procurement practice focuses on improving the efficiency of purchasing activity through collaboration across the wider public sector and participation in Government-sponsored initiatives. Through compliance with the public sector procurement agency of the Office of Government Commerce, the organisation ensures that contracts comply with best procurement practice and represent value for money; further efficiency gains are achieved by many of the procurement services being electronically based.

The procurement team have played a vital role in the Constabulary's pursuit of a Full NPIA Firearms Licence, helping Project New Dawn move forward with the purchase of new firearms, ammunition, sighting systems and trauma first aid equipment. These purchases have been shipped out to the officers on the front line to improve the standard of service the Constabulary provides.

Exercises

The Constabulary has taken part in a wide variety of exercises during the reporting year, involving a range of different Police forces, agencies and site operators, including various multi-agency exercises (which can be found on pages 18-19).

The Constabulary supports the occasional tabletop exercise organised by the Site Licence Companies at all civil nuclear licensed sites to test procedures and responses to serious breaches of security in a multi-agency environment. These exercises are based on fictitious scenarios approved by OCNS to test operational, tactical and strategic outcomes in order to certify that the security regulations are being met. The organisation is looking to align future exercises with the national counter-terrorism programme and has set goals that will ultimately result in the Constabulary's inclusion in the National counter-terrorist exercise family.

The Constabulary has recruited an exercise manager to write, design and implement counter-terrorist exercise scenarios and programmes, to ensure the Constabulary maintains its impetus on exercise quantity and quality; this will provide opportunities for the delivery of a robust exercise process that will offer further reassurance to the organisation and stakeholders that the Constabulary can meet the requirements of the Mission Statement.

IT & Communications

The IT & Communications (IT&C) Department provides an important service to both frontline operations and back office functions, ensuring the Constabulary makes the best use of technology, processes and people.

This year has seen major changes to the IT Network, including:

- access to restricted corporate resources for all officers and staff;
- improved security for individual named accounts;
- better control of USB devices, helping to prevent data loss and viruses; and
- laptop encryption and computers locked down to government standards.

The Airwave Team and the Knowledge and Information Management (KIM) Team were transferred to IT&C in April 2009. Airwave provided the new control room at Harwell with state-of-the-art communication equipment and is planning to do the same at Sellafield this next financial year. The KIM Team has written a five year strategy which has highlighted a number of KIM related working practices in order to support the development of a culture which sees information as an asset within the organisation and help

support the development of Information Asset Owners. The working practices described have become strategic themes designed to develop the concept of information asset management, each with their own set of deliverables.

In May 2009, the IT service provision for the UKAEA's restructured companies was outsourced to Computer Sciences Ltd (CSC). The Constabulary played a key role in agreeing the five year contracts between CSC and UKAEA, Dounreay Restoration Ltd, Research Sites Restoration Ltd, Culham Centre for Fusion Energy, and the Constabulary. The contract has a total estimated value of £31 million. All companies have been provided with infrastructure services that include desktop, helpdesk and network support, applications management and database administration.

Below is a performance table of the Constabulary's Key Performance Indicators (KPIs). In order to populate the KPI figures, operational data is sourced directly from the OPUs and specialist data (i.e. training records) is obtained from centralised departments such as HR.

Protecting nuclear material and facilities	2008/09 Target	2008/09 Outturn	2009/10 Target	2009/10 Outturn
Operational capability and stakeholder engagement				
Deploy armed officers to planned duties* (new patrol strategy)	100%	92.8%	100%	91.8%
Deploy police dog patrols to planned duties*	100%	94.8%	100%	99.8%
Attend alarm indications*	100%	99.9%	100%	99.8%
Conduct offsite duties to programme*	100%	100%	100%	100%
Confirm fence integrity*	100%	100%	100%	100%
Test security equipment functionality*	100%	99.9%	100%	100%
Search vehicles and personnel*	100%	100%	100%	100%
Regular meeting with site operators and other security organisations	At least 1 meeting a month	100%	At least 1 meeting a month	100%
Police officers at Operational Policing Units qualified for Personal Safety Programme	95%	95.6%	95%	95%
People Management – Training				
% of courses delivered against planned courses	95%	96.25%	N/A	N/A
% of courses cancelled against planned courses	5%	3.75%	N/A	N/A
% of persons not attending planned courses	10%	16.8%	N/A	N/A
Firearms & Project New Dawn training to plan	N/A	N/A	95%	97%
ARV response courses – Project New Dawn training to plan	N/A	N/A	100%	96%
Other training within annual training plan to plan	N/A	N/A	70%	87%

-  Performance Measure on target, Performance Objective on target date for completion.
-  Performance Indicator 5% within target, (excluding areas marked * where 2% is applied). Performance Objective no more than one month behind target date for completion.
-  Performance Indicator more than 5% off target, (excluding areas marked * where 2% is applied). Performance Objective more than one month behind target date for completion.

KPIs are reported to CNPA on a quarterly basis using the traffic light system. Performance against the majority of operational targets was achieved at the planned 100% target.

The Policing Plan: A Look to the future

The Police Authority launched its Strategic Policing Plan 2010-2013 on 31 March 2010, setting aims and objectives to ensure the Constabulary keeps up-to-date with new counter-terrorist measures and is fully equipped to defend civil nuclear sites. With an ever increasing threat, detailed planning is an important part of maintaining a high standard of national security.

The Strategic Policing Plan signals significant change for the organisation and has identified three Strategic Priorities:

- Establishing the operational capability to deliver our mission;
- Creating the capacity to deliver our mission today and in the future; and
- Maximising the confidence and support of our stakeholders.

With predicted growth in UK nuclear energy, CNPA is implementing changes to increase its operational capacity; these changes form a core part of the first two strategic priorities and focus on firearms capability, officer response, equipment and training. Many of these changes come under Project New Dawn, designed to provide the essential uplift required to ensure the Constabulary has the necessary skills and capabilities to meet its mission. The third Strategic Priority requires the whole organisation to have good communication with stakeholders, including the public, and to be open and transparent about what it does.



The Strategic Policing Plan focuses on the need for continuous improvement and for the Constabulary to quickly identify how it will adapt and prepare for the challenges of new nuclear build, whilst maintaining support for existing nuclear power generation and the current decommissioning programmes.

The Constabulary will be looking to achieve the following over the next three years:

- The completion of Project New Dawn resulting in the acquisition of a Full NPIA Firearms Licence.
- Implementation of the 'Futures Programme', a detailed examination of the numbers of armed police officers required at each individual site to deliver against the mission, and a broader look at identifying how the Constabulary could improve its delivery of armed policing protective services in the future.
- Provision of an enhanced command and control capacity.
- Ensuring that the Constabulary continues to be able to provide escort capability.
- Planning, delivering and evaluating a programme of Constabulary training.
- Implementation of the agreed policing requirements at the Capenhurst, Springfields and Chapelcross sites.

The successful completion and implementation of the capability and capacity reviews (through the work of the New Dawn Programme and of the Futures Programme) are essential if the Constabulary is to provide the nuclear industry, the Government and the public with the reassurance that it is truly 'fit for purpose' and in a position to meet its future - as well as its existing - challenges.

A copy of the Strategic Policing Plan can be found on the Constabulary's website at www.cnc.police.uk.

Management Commentary



Principal Activities

The Civil Nuclear Police Authority (CNPA) was established on 1 April 2005 under the Energy Act 2004. It is an executive non-departmental public body of the Department for Energy and Climate Change (DECC). The function of the Police Authority is to maintain an efficient and effective Civil Nuclear Constabulary with the primary purpose of protecting civil nuclear licensed sites and safeguarding nuclear material in Great Britain and elsewhere. The Constabulary will defend and protect those sites to which it is deployed, with a view to denying unauthorised access to nuclear material and, if necessary, recover control of any nuclear material that may have been lost to unauthorised persons. The Constabulary will also provide for the safe and secure movement of nuclear material within the UK and internationally.

Operating Environment

The Constabulary is part of the counter measures to terrorist threats and is tied in to national arrangements through the nuclear security regulator and through the Association of Chief Police Officers Committee on Terrorism and Allied Matters. The Constabulary protects the energy sector of the critical national infrastructure by providing policing at nuclear power stations. The Constabulary works in partnership with the appropriate Home Office and Scottish police force at each site. Policing services required at each individual site are agreed with nuclear operators in accordance with the Nuclear Industries Security Regulations 2003 and ratified by the UK regulator, OCNS.

Objectives and Strategies

CNPA's activities in 2009/10 were attributed to the following four Key Strategic Priorities (KSPs):

- **KSP 1** – Protect nuclear material and facilities on designated nuclear licensed sites and in transit throughout the UK and international arena and, if necessary, recover control of any such nuclear material that may have been lost to any unauthorised persons, through meeting the requirements of the nuclear security regulator (OCNS);
- **KSP 2** – Ensure that the Constabulary is managed in a way that gets the best out of all its resources and demonstrates value for money;
- **KSP 3** – Maintain, improve and demonstrate the value added to stakeholder activity, within and outside the nuclear industry; and
- **KSP 4** – Continue to develop and sustain a modern workforce with the required skills and competencies to deliver the KSPs, achieved through both individual and organisational learning, knowledge management and intellectual growth.

Each KSP had specific activities and measures against which performance was monitored through the Constabulary's balanced scorecard.

Review of Activities

A review of the development of the Police Authority and Constabulary during the year, of events since the year end and of future plans is given in the Chairman's Statement on page 3, the Chief Constable's Foreword on page 7 and in the Summary of Performance on pages 13 to 33.

Financial Performance

CNPA is expected to recover its full operating costs each year. Income of £56,484,000 for the year ended 31 March 2010 (2008/09: £52,341,000) represents a re-charge of running costs to Site Licence Companies (SLCs) of £56,239,000 (2008/09: £52,031,000) and miscellaneous income of £245,000 (2008/09: £310,000). Miscellaneous income was generated by charging for training provided to Russian nuclear power station security staff, recharging

secondment costs, providing policing services to non-SLCs and communications support for the unescorted transport of nuclear materials throughout the UK.

Expenditure for the year ended 31 March 2010 was £56,479,000 (2008/09: £52,339,000). The increase in expenditure was due largely to increased staff costs of £3,706,000 to £44,945,000 (2008/09: £41,239,000). The increase was the result of the annual pay award to Police officers and police staff and due to recruitment of increased numbers of officers deployed to civil nuclear sites and staff employed at corporate departments.

Interest receivable of £3,000 (2008/09: £77,000) was earned on cash balances held by CNPA. This was matched by interest payable of the same amount, as CNPA is not permitted to retain any interest earned but required either to remit it back to DECC to be surrendered to the Consolidated Fund, or offset it against requests for capital funding from DECC. The reduction in interest receivable is due to CNPA holding a lower average cash balance and receiving a lower rate of interest on surplus funds in 2009/10 than 2008/09. CNPA is required to recognise a cost of capital in its income statement. This is a notional charge in that it is matched by a cost of capital credit. The charge is calculated as 3.5% of the average capital employed and for 2009/10 amounted to £345,000 (2008/09: £304,000). The increased charge was due to an increase in the average capital employed during 2009/10.

Financial Position

The carrying value of property, plant and equipment at 31 March 2010 was £4,064,000 (2008/09: £2,879,000). Asset additions in 2009/10 amounted to £2,015,000 (2008/09: £1,234,000) and depreciation of £824,000 was charged to the income statement (2008/09: £887,000). Additions comprised £228,000 for 10 replacement vehicles, £277,000 on plant and machinery for communications, firearms training equipment and other operational equipment, £28,000 for general fixtures and fittings and £93,000 of IT equipment to purchase the hardware to host the National Special Branch Intelligence System and other IT assets. Additions to assets in the course of construction of £1,389,000 represented costs on the new IT network of £745,000, £362,000 on communications equipment, £228,000 on police control room equipment, £40,000 on the installation of a new data room at the Constabulary Headquarters at Culham and £14,000 on specialist weaponry.

The carrying value of intangible assets decreased by £33,000 to £306,000 at 31 March 2010 (2008/09: £339,000).

Intangible asset additions of £38,000 comprised the purchase of software licences for a number of IT applications used by the Constabulary. Amortisation of £71,000 was charged to the income statement (2008/09: £70,000).

Trade and other receivables due after one year amounted



to £173,000 (2008/09: £220,000). These balances represented amounts owed by CNPA's pension scheme for staff who retired early and housing loans to staff. CNPA pays the lump sums to staff who are granted early retirement. These amounts are reimbursed to CNPA by the pension scheme when the staff member reaches normal retiring age.

Inventories at 31 March 2010 amounted to £1,515,000 (2008/09: £1,336,000). The increase in stock was due to an increase in ammunition held at the end of the reporting period and the purchase of ancillary equipment for weapons. Inventories of ammunition have been increased to support planned increases in firearms training in 2009/10 and 2010/11 and the purchase of ammunition to cover operational deployment requirements. Weaponry will be configured with the new ancillary equipment in 2010/11. Provisions for liabilities and charges decreased by 26% to £514,000 (2008/09: £690,000). This decrease was the net effect of amounts provided for during the year of £123,000, payments made against existing provisions of £259,000 and a release to the income statement of £40,000 for unused provisions.

Reserves increased by 29% at 31 March 2010 to £11,760,000 (2008/09: £9,124,000). This comprised the net effect of an increase in financing of £2,728,000 and a decrease in the government grant reserve of £92,000.

Cash Flows

Cash generated from operations in 2009/10 was an outflow of £198,000 (2008/09: net cash outflow of £2,750,000). Interest received on CNPA's cash balances amounted to £3,000 (2008/09: £77,000). Payments of £1,675,000 (2008/09: £1,234,000) were made to purchase property, plant and equipment and £32,000 (2008/09: £47,000) were made to acquire intangible assets. The net cash inflow from financing was £2,739,000 (2008/09: £1,163,000), which comprised capital grant receipts of £14,000 (2008/09: £166,000), grants from CNPA's parent department, DECC, of £2,634,000 (2008/09: £921,000) and other financing contributions of £91,000 (2008/09: £76,000). This resulted in an overall increase in cash held in 2009/10 of £837,000 (2008/09: decrease of £2,791,000).

CNPA maintains sufficient cash balances to ensure that funds are available to meet payments as and when they fall due. CNPA banks with the Royal Bank of Scotland Plc. It had an overdraft facility of £1million during the year to mitigate the risk that, due to the timing of receipts and payments it was unable to meet its liabilities as and when they fell due. The overdraft facility was used on four separate occasions during 2009/10 for between one and three days each time. Surplus funds are transferred

daily to an interest earning account. This interest is paid quarterly to CNPA and is treated as a receipt from an Exchequer source and is credited to Financing on CNPA's Statement of Finance Position. CNPA's Financial Memorandum allows it either to use interest receivable to finance additional expenditure, leading to a commensurate reduction in grant-in-aid, or surrender it to the Consolidated Fund via DECC.

CNPA recovers the full cost from SLCs. SLCs pay two months in arrears and the Police Authority pays its creditors up to one month in arrears. There is a funding gap between payments to creditors and receipts from SLCs. The former Department of Trade and Industry provided working capital of £6 million on start up, which was commuted to grant-in-aid. This is used to fund timing differences between receipts from SLCs and payments to creditors.

Resource Availability

The Police Authority has approved a revenue expenditure budget of £61.7 million for 2010/11. This represents an increase of 7.5% on the approved budget of £57.4 million for 2009/10. A capital expenditure budget has been set for 2010/11 at £2.0 million (2009/10: £2.1 million). The capital expenditure budget will be used to fund the following high value capital purchases: replacement vehicles, police control room equipment, the final phase of CNPA's new IT network and a firearms records management system. The Constabulary's capital funding for 2010/11 is provided by DECC. This is treated as a capital grant. Further information on the accounting policy is provided in note 1.9 to the financial statements. The Constabulary's financial resources are reviewed at least each quarter by the Police Authority. The quarterly reviews provide an opportunity for the Police Authority to revise the budget to ensure that the financial resources available to the Constabulary are consistent with the achievement of its strategic objectives.

Significant Accounting Policies and Projects

International Financial Reporting Standards

International Financial Reporting Standards (IFRS) have been implemented in the central government sector for the 2009/10 reporting period. During 2009/10, CNPA restated its 2008/09 financial statements under IFRS. These were submitted to the NAO for review. IFRS has been applied in full for 2009/10. An explanation of how the transition to IFRS has affected CNPA's reported financial performance, financial position and cash flows is provided in note 25 to the financial statements.

Alignment (Clear Line of Sight) Project

In the July 2007 Green Paper *The Governance of Britain*, the Prime Minister announced that the Government would



simplify its financial reporting to Parliament by ensuring that it reports in a more consistent fashion, in line with the fiscal rules, at three stages in the process – on plans, Estimates and expenditure outturns. The Alignment (Clear Line of Sight Project) has been set up to meet this objective. The aims of the project are to:

- Align budgets, Estimates and accounts in a way that allows Treasury to control what is needed to deliver the fiscal rules, incentivises value for money and reduces burdens on government departments; and
- Combine and/or align the timing of publication of government financial reporting documents in order to avoid duplication and make them more coherent.

As part of the project, NDPBs will be consolidated in to department's Estimates and resource accounts. In addition, departments will be expected to publish their consolidated financial statements by the middle of June following the end of the financial year.

DECC will be required to prepare consolidated financial statements that include its NDPBs. To support the achievement of DECC's consolidation timetable, CNPA will need to prepare earlier its financial statements. Implementation of the tighter timescales will be applied in line with HM Treasury timescales through a dry run with the 2010/11 financial statements and full implementation for the 2011/12 accounts.

Key Stakeholders

The key stakeholders for the organisation include (in alphabetical order):

- Airwave Solutions Limited
- Association of Chief Police Officers
- Association of Police Authorities
- Chiltern Transport Consortium
- Department of Energy and Climate Change
- Employee and employer organisations
- Her Majesty's Inspectorate of Constabulary
- Local communities
- Logica Plc

- Nuclear Decommissioning Authority
- Office for Civil Nuclear Security
- Office for Security and Counter Terrorism
- Site Licence Companies

The future of the organisation is closely related to the future of its key stakeholders. Any changes to the Energy Act 2004 may directly affect the organisation. As the nuclear decommissioning process continues to proceed, the organisation may still face a reduction in the number of sites to be policed in the short to medium term; however, publication of the Government's new build programme for nuclear power stations expands the remit of the organisation in the longer term.

Policies

CNPA's policies on community engagement and environmental matters and the extent to which they have been successfully implemented are included in the Summary of Performance on pages 13 to 33.

Employees

The average number of employees and details of employment costs are set out in note 5 to the financial statements. CNPA's policies on employees and the extent to which policies have been successfully implemented are included in the Summary of Performance on pages 13 to 33. Sickness absence data and actions to develop the provision of information to, and consultations with, employees are provided in the Summary of Performance on pages 13 to 33.

Key Performance Indicators

Performance against the Police Authority's 2009/10 key performance indicators is included in the Summary of Performance on pages 13 to 33.

Personal Data Related Incidents

There were no personal data related incidents formally reported to the Information Commissioner's Office during 2009/10. There were two incidents recorded by the Police Authority in 2009/10 and these did not require to be reported to the Information Commissioner's Office. Both incidents were reviewed and managed in accordance with the Constabulary's policies and procedures.

Accounts Direction

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

Financial Risk Management

Information on CNPA's financial risk management objectives and policies and its exposure to credit risk, liquidity risk and market risk is disclosed in note 11 to the financial statements.

Events After the Reporting Period

Events after the reporting period are disclosed in note 23 to the financial statements.

Payment of Suppliers

CNPA complies with the British Standard for Achieving Good Payment Performance in Commercial Transactions (BS 7890), and with the Late Payment of Commercial Debts (Interest) Act 1998 as amended. CNPA's policy is to pay its suppliers within contracted payment terms or, without specifically agreed terms, within 30 days of receiving a valid invoice.

In 2009/10, CNPA paid 90% of its invoices on time (2008/09: 91%). CNPA, in line with other public sector organisations, has sought to comply with the Prime Minister's commitment to speed up the payment process and pay suppliers within 10 working days from receipt of a valid invoice. For the year to 31 March 2010, CNPA paid 72% of its invoices within 10 working days (2008/09: 53%).

Pension Arrangements

Further information on pensions is disclosed in the Remuneration Report and in notes 1.7 and 6 to the financial statements.

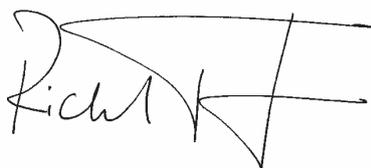
Auditors

The financial statements have been audited by the Comptroller and Auditor General. The cost of the statutory audit was £44,000 (2008/09: £44,000). The external auditors undertook a review of the 2008/09 financial statements that were restated under IFRS at a cost of £6,000. The external auditors received no remuneration during the year for the provision of non-audit services.

Disclosure of Information to Auditors

In accordance with s234ZA of the Companies Act 1985:

- As Accounting Officer, so far as I am aware, there is no relevant audit information of which CNPA's auditors are unaware; and
- I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the CNPA's auditors are aware of that information.



Richard Thompson

Chief Constable and Accounting Officer

30 June 2010

Remuneration Report

The Civil Nuclear Police Authority (CNPA) operates within the principles set out in the Civil Nuclear Police Authority Management Statement and Financial Memorandum with regard to Police Authority operator members, independent members, the Executive Director and the Command 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

The Police Authority Chair and independent members' remuneration 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 Director and Command Team is set by the Police Authority (within the terms of the Management Statement and Financial Memorandum) through its Senior Appointments, Leadership and Development Committee as detailed below. Operator members receive no remuneration from the Police Authority. Membership of the Senior Appointments, Leadership and Development Committee:

Sir Chris Fox (Chair)

Dame Elizabeth Neville

Dr Janet Wilson

Mr George Beveridge (from 23 February 2010)

Statement of Remuneration Policy

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



Fees

Police Authority independent members are entitled to fees that are determined by DECC and are reimbursed for reasonable expenses in line with Police Authority policy.

Salaries and Allowances

The Executive Director and the Command Team receive a basic salary which is reviewed annually. A performance-related bonus based on objectives achieved throughout the reporting period is payable to the Executive Director and the Command Team. This is a percentage-based bonus related to basic salary of up to 15%, based on the Performance and Development Reviews of the individuals concerned. Other allowances are included to the extent that they are subject to UK taxation.

Benefits in Kind

The Executive Director and Command Team are entitled to benefits in kind that comprise a fully maintained lease car and private healthcare for themselves and their spouses or partners and dependent children. A cash allowance may be taken in lieu of these benefits.

Pensions

The Executive Director and the Command 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. Police Authority independent members are not members of the CPS or any other Authority-related scheme while operator 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 Command Team.

Name	Date of continuous service	Unexpired term at 31 March 2010	Notice period
Police Authority			
Sir Chris Fox Chair	1 April 2009	3 years	3 months
Matt Sykes ¹ British Energy Generation Ltd	1 April 2007	1 year	Not stated
Colin Bayliss UKAEA	28 September 2007	-	Contract expired
Janet Wilson ¹ Nuclear Decommissioning Authority	1 April 2008	1 year	Not stated
Peter Bradley ¹ URENCO UK Ltd	1 April 2008	1 year	Not stated
George Beveridge Sellafield Ltd	3 August 2009	2 years	Not stated
John McNeill Independent Member	23 March 2005	-	Contract expired
Robert Wright Independent Member	4 January 2010	2 years, 9 months	3 months
Elizabeth Neville Police Advisor to the Police Authority	23 March 2005	2 years	3 months
Tony Regan Executive Director	8 September 2008	2 years, 5 months	6 months
Command Team			
Richard Thompson Chief Constable	11 June 2007	2 years, 2 months	6 months
John Sampson Deputy Chief Constable	1 December 2008	3 years, 11 months	6 months
Alan Cooper Assistant Chief Constable	7 January 2008	2 years, 9 months	6 months
Douglas Percival Interim Director of Corporate Services	30 June 2008	-	Contract expired
Justin Rees Director of Corporate Services	17 August 2009	4 years, 5 months	6 months

¹ Matt Sykes, Janet Wilson and Peter Bradley were reappointed for 12 months from 1 April 2010.

The provision for compensation for early termination and CNPA's liability in the event of early termination are not stated in the terms of appointment/service contracts.

The Secretary of State has responsibility for the appointment and removal of the Police Authority Chair and members and approving their terms and conditions of appointment in line with provisions of the Energy Act 2004, Schedule 10. The Police Authority shall be reviewed at least every five years in accordance with the Cabinet Office guidance and fixed term renewable appointments are made in line with this cycle.



The following information is subject to audit.

Remuneration

Remuneration payable to Police Authority members, the Executive Director and Command Team in 2009/10 was as follows:

Name	2009/10 Fees £000	2009/10 Salary and allowances £000	2009/10 Benefits in kind ¹ £000	2009/10 Total £000	2008/9 Total £000
Police Authority					
Sir Chris Fox (from 1 April 2009) Chair	25-30	–	–	25-30	–
Matt Sykes British Energy Generation Ltd	–	–	–	–	–
Colin Bayliss (from 11 November 2009) UKAEA	–	–	–	–	–
Janet Wilson Nuclear Decommissioning Authority	–	–	–	–	–
Peter Bradley URENCO UK Ltd	–	–	–	–	–
George Beveridge (from 3 August 2009) Sellafield Ltd	–	–	–	–	–
John McNeill (from 31 October 2009) Independent Member	10-15	–	–	10-15	15-20
Robert Wright (from 1 January 2010) Independent Member	0-5	–	–	0-5	–
Elizabeth Neville Police Advisor to the Police Authority	15-20	–	–	15-20	15-20
Tony Regan ² Executive Director	150-155	–	–	150-155	80-85
Command Team					
Richard Thompson Chief Constable	–	135-140	9.9	145-150	140-145
John Sampson Deputy Chief Constable	–	120-125	3.9	125-130	45-50
Alan Cooper Assistant Chief Constable	–	100-105	9.4	110-115	100-105
Douglas Percival ³ (from 31 August 2009) Interim Director of Corporate Services	–	45-50	–	45-50	85-90
Justin Rees (from 11 August 2009) Director of Corporate Services	–	65-70	0.4	65-70	–

1 Benefits in kind for Richard Thompson and Alan Cooper comprised a fully maintained lease car and private healthcare insurance. A cash allowance was paid to John Sampson to January 2010 in lieu of a lease car. Mr Sampson took up his option of a fully maintained lease car from this date. Mr Sampson received private healthcare insurance. A cash allowance was paid to Douglas Percival and Justin Rees in lieu of a lease car. Mr Rees received private healthcare insurance.

2 Tony Regan is on secondment from the Home Office. No salary, fee or bonus was paid directly to him. Fees represent the amount payable to the Home Office for his services and represent a recharge of his salary and bonus, employers national insurance contributions, employers pension contributions and allowances in lieu of a lease car and private health care insurance. Mr Regan remained with his Home Office pension scheme.

3 Douglas Percival was not a member of the Combined Pension Scheme and received a cash allowance for contribution to a personal pension scheme.

Pension Entitlements

The pension entitlements shown in the table below are those that would be paid annually on retirement based on service to 31 March 2010 and include the value of added years paid for by members of the CPS. Members of the pension scheme have the option to pay Additional Voluntary Contributions; neither the contribution nor the resulting benefits are included in the table below.

Name	Total accrued pension at age 60 at 31 March 2010 and related lump sum £000	Real increase in pension and related lump sum at age 60 £000	Cash equivalent transfer value at 31 March 2010 £000	Cash equivalent transfer value at 31 March 2009 ¹ £000	Real increase in cash equivalent transfer value £000
Command Team					
Richard Thompson	30-35 plus 95-100 lump sum	0-2.5 plus 5-7.5 lump sum	607	562	45
John Sampson	0-5 plus 0-5 lump sum	0-2.5 plus 2.5-5 lump sum	32	4	28
Alan Cooper	0-5 plus 5-10 lump sum	0-2.5 plus 2.5-5 lump sum	48	26	22
Justin Rees	15-20 plus 55-60 lump sum	17.5-20 plus 57.5-60 lump sum	345	–	345
1 Values have been restated following their projection to 31 March 2010 to calculate the real increase in CETVs					

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 actuarial service as a civil servant, not just their service in a senior capacity to which disclosure applies. The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service 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.

Richard Thompson

Chief Constable and Accounting Officer

30 June 2010

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 Civil Nuclear Police Authority (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 the CNPA and of its income and expenditure, recognised gains and losses 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* 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 *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the accounts; and
- Prepare the accounts on a going concern basis.

The Accounting Officer of the Department of Energy and Climate Change has designated the 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 chapter three of *Managing Public Money* published by HM Treasury.

Statement on Internal Control

Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Civil Nuclear Police Authority's (CNPA) policies, aims and objectives, while safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Managing Public Money*.

The Police Authority's function is to maintain an efficient and effective Civil Nuclear Constabulary with the primary purpose of protecting civil nuclear licensed sites and safeguarding nuclear material in Great Britain and elsewhere. The Police Authority was established on 1 April 2005 under Chapter three of Part 1 and the associated Schedules of the Energy Act 2004 and is an executive non-departmental public body. The Management Statement and Financial Memorandum (originally agreed between the UKAEA Police Authority and the then Department of Trade and Industry) is sponsored by the Department of Energy and Climate Change (DECC) who define the Police Authority's accountability and reporting arrangements to the Minister. Through it, the DECC Accounting Officer designates the Chief Constable of the Civil Nuclear Constabulary as CNPA's Accounting Officer. The Chairman of the Police Authority meets at regular

intervals with representatives of the sponsoring department and notifies Police Authority members and myself of developments as appropriate. In addition, Police Authority meetings are regularly attended by representatives of DECC and OCNS who observe.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of departmental policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in CNPA for the year ended 31 March 2010 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

Capacity to Handle Risk

CNPA's capacity to handle risk has continued in its development through leadership commitment, providing training and guidance for managers.

1. Leadership

- As Chief Constable, I am committed to ensuring that a system of risk management is maintained to inform decisions on business, financial and operational planning and to assist in shaping objectives and targets. This commitment is shared by Police Authority members;
- The Police Authority's Audit and Risk Management Committee scrutinises the management of key risks within the Constabulary and has developed its own strategic risk register.
- The Performance Management, Programme Management and Risk Management Frameworks provide a cascade of management which are chaired by members of the Command Team; and
- Constabulary senior management review performance against objectives and collate and report key performance indicators to the Police Authority.





2. Training and Guidance

- Staff receive appropriate training and guidance on the application of the Risk Management Framework;
- The Information Technology and Communications Department has a recognised individual whose role includes providing training on the organisation's accounting and purchasing systems. Training is supported by providing guidance to departments;
- Funding is provided to allow finance staff to train towards professional accountancy qualifications; and
- Best practice is identified and disseminated following reviews by external and internal review bodies.

The Risk and Control Framework

The Police Authority adopted a risk management framework in September 2005 which was revised during 2008. The framework provides a foundation for further developing the risk management culture covering both operational and strategic business risks.

The Risk Management Framework is planned for review during 2010.

The Constabulary has re-instated a Risk Assurance Group specifically charged with ensuring the effectiveness and efficiency of risk management practices.

The Police Authority's Audit and Risk Management Committee reviews strategic business risks on a quarterly basis and reports them to the Police Authority. Major risks on the risk register are also reviewed by the Constabulary Co-ordination Group, at BCU Commanders' Meetings and the New Dawn Programme Board on a monthly basis. The risk probabilities and consequences are assessed by the Risk Manager and the resulting ranking is moderated through the Risk Assurance Group. Risk is determined on an individual basis and is challenged by the Police Authority's Audit and Risk Management committee.

The Constabulary continues to undertake major projects using its Project Management Methodology (PMM); based upon PRINCE2 and tailored to suit the Constabulary's requirements. The PMM has regard to risk, with risks being reported to the appropriate monitoring group. During the last financial year, the Constabulary has instituted a programme management methodology which aggregates the review of risks on a programme basis. The methodology used is the OGC methodology Managing Successful Programmes (MSP).

I report regularly to the Police Authority on progress towards meeting the Police Authority's objectives as laid out in the *Annual Policing Plan* and the policing strategy, which constitutes the statutory *Three-Year Strategic Policing Plan*. Such reporting also includes the management of risk, which is developed from internal assessments and developments identified through liaison with NDA, OCNS, the Association of Police Authorities,

Home Office and Scottish police services and nuclear site operators.

The framework for internal control comprises:

1. Corporate Governance Framework

Upon his appointment, Sir Chris Fox, Chairman of the Police Authority was asked by DECC to instigate a governance review. The Audit Commission has undertaken this review during 2009/10 in conjunction with Police Authority Members and its recommendations will be actioned during 2010/11.

In the mean time, the Police Authority has continued to operate its consolidated committee structure in favour of more frequent meetings of the full Police Authority. It has retained the Audit and Risk Management Committee, which receives reports from management and the internal and external auditors on the internal control environment, and the Senior Appointments, Leadership and Development Committee, which is responsible for the appointment and remuneration of the senior management team.

2. Planning Framework

The Constabulary develops the *Annual Policing Plan* and *Three-Year Strategic Policing Plan* through a consultation process with stakeholders. This is subsequently reviewed, approved and adopted by the Police Authority.

The Annual Report includes Key Performance Indicators (KPIs) and progress against the *Annual Policing Plan*.

The Constabulary uses a methodology based on the *Balanced Scorecard* with a traffic light system to aid its management of departmental plans and KPIs using the indicators of performance described on page 33. The traffic light system is used to highlight progress and raise issues with departmental plans reported to Command Team Leads on a monthly basis and KPIs reported to the Police Authority on a quarterly basis.

3. Financial Management Framework

The Police Authority has endorsed a framework that consists of the following documents and arrangements which establish the principles of financial control:

- Management Statement and Financial Memorandum;
- Revenue and capital expenditure budgets;
- Quarterly forecasts of expenditure;
- Monthly management accounts;
- Internal audit;
- Finance manual; and
- Schedule of delegated authority.

4. Performance Management Framework

The Constabulary monitors its performance by holding individuals to account for specific responsibilities, which may be for a particular organisational unit, group or a specific personal accountability. The review mechanisms include:



- Performance data gathering and analysis;
- Performance review meetings for OPUs and corporate departments;
- Departmental meetings reviewing performance;
- Individual performance appraisal/development reviews;
- Review meetings between departmental heads and the Command Team;
- Review meetings between BCU Commanders and the Command Team; and
- Command Team board meetings.

5. Insurance

CNPA purchases insurance cover to protect assets and liabilities where required by legislation or where it is cost effective to do so.

6. Security and Information Management

CNPA employs a Security Manager who is responsible for all aspects of protective security, information security, physical security and personnel security. This role includes the formulation of security policies and procedures, the management of vetting employees and contractors, ensuring that staff hold the appropriate clearance level for their post and the security of information (document and IT), and ensuring that all information is handled in a manner commensurate with its protective marking in line with the Cabinet Office Manual of Protective Security 2007 and the Security Policies Framework 2009. The Security Manager also provides security training sessions and creates briefing materials for officers and staff.

The Constabulary has nominated the Deputy Chief Constable as the organisation's Senior Information Risk Owner (SIRO). This role is one of a number of specified roles within the *Information Governance Management Statement* which details the principles of corporate governance and public accountability surrounding the management of police information. This Management Statement has been internally reviewed and agreed by the Information Governance Panel (IGP). The IGP have agreed that the SIRO has responsibility for understanding how the strategic business goals of the Constabulary may be impacted by information management systems failure; the SIRO is responsible for ensuring that information risk management and management processes are established and adhered to Constabulary-wide and that the SIRO has a strategic responsibility, which will not be confined to information technology or information assurance departments.

Security incidents are managed by a formal review process either by a dedicated group or the Professional Standards department.

The IT and Communications department has kept a programme of encryption of hardware and USB devices ongoing during 2009/10.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Constabulary who have responsibility for the development and maintenance of the internal control framework and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Police Authority and the Audit and Risk Management Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

In coming to the conclusion in my review I am cognisant of the outputs from the controlling mechanisms within the system of internal control, including the findings of the following:

1. The Police Authority

The Police Authority receives reports from the Audit and Risk Management Committee at each of its meetings. Significant issues relating to the system of internal control are reported.

2. The Audit and Risk Management Committee

The Committee's terms of reference require that it reviews CNPA's internal financial controls and its internal controls and risk management systems. At each of its meetings it has received reports and sought assurances from management in each of these areas. The Committee continues to promote best practice whenever the opportunity arises and its meetings are attended by both internal and external auditors.

3. Risk Management

I, in my capacity as Chief Constable, hold responsibility for the risks albeit that day-to-day management is delegated. The tracking and review of risks is undertaken by the risk owner with updates reviewed by the Risk Manager. The Constabulary's risk management system has been further developed during the year to include trend information in reports.

Responsibility for developing and monitoring the risk management framework, including the maintenance of the risk register and the subsequent tracking of actions to treat the risks identified, is delegated to the Risk Manager and is overseen by the Deputy Chief Constable.

KPMG LLP has provided an internal audit service which has complied with Government Internal Audit Standards (GIAS) throughout the year. KPMG LLP have reviewed both the Police Authority's and Constabulary's systems in accordance with the 2009/10 Internal Audit Plan and

have based their opinion upon the work undertaken for the 12 months ending 31 March 2010. KPMG LLP have confirmed that they were satisfied that sufficient internal audit work had been undertaken to allow them to draw a reasonable conclusion as to the adequacy and effectiveness of both the Police Authority's and Constabulary's risk management, control and governance processes. In their opinion both the Police Authority and Constabulary have adequate and effective risk management, control and governance processes to manage the achievement of its objectives. KPMG LLP did identify a number of opportunities for improving controls and procedures for future improvement and these have been responded to positively and are being addressed. I am satisfied that all significant risks are being managed and reported appropriately.

The Programme Manager is also involved with the meetings of the Government's own Risk Improvements Managers Network. This links into the Permanent Secretaries Management Group Sub-Committee on Risk.

4. Internal Audit

The Police Authority re-appointed accountants, KPMG LLP, in 2009/10 for a two year period to carry out internal audits in line with GIAS. The internal audit plans are informed by the Police Authority's risk profile, and by the work of other review mechanisms. These plans are reviewed for effectiveness and synergy with other audit activity. The Audit and Risk Management Committee approves the Internal Audit programme. Where Internal Audit identifies any control issues, the relevant head of department is responsible for drawing up a management action plan in response to the issues identified. KPMG LLP rated the risk management system as satisfactory against public sector guidelines and best practice and noted the progress that had been made with the recommendations from the previous year.

KPMG LLP have undertaken a series of internal audits throughout 2009/10. KPMG LLP wrote the following statement in their Annual Report 2009/10; "We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a reasonable conclusion as to the adequacy and effectiveness of CNPA and the CNC's (the Constabulary's) risk management, control and governance processes. In our opinion the CNPA and CNC has adequate and effective risk management, control and governance processes to manage the achievement of its objectives. Notwithstanding our overall opinion, our work identified a number of opportunities for improving controls and procedures which management has responded to positively."

5. Internal Inspection

The new internal inspection process introduced during 2007/08 has been implemented using the methodology followed by HMIC to inspect police services. The internal inspection programme has progressed significantly within all BCUs including Self Assessment, Reality Checks and Inspection Activity. Areas for improvement were identified; the majority have been addressed with the remainder being tracked to ensure completion within agreed timescales. The internal inspection programme has been developed to incorporate departmental inspections during 2009/10. In addition, the inspection and performance frameworks have been aligned to ensure a more effective and efficient use of resources and improved delivery and monitoring.

6. Certificates of Assurance together with Internal Control Checklists

In accordance with best practice, the Constabulary recognises information as an asset and has taken steps to ensure these assets can be controlled and managed appropriately. The Constabulary has designated all BCU Commanders and Departmental Heads as Information Asset Owners (IAOs). During April 2010, Certificates of Assurance and Internal Control Checklists were forwarded to the Constabulary's IAOs to ask them to review all information assets within their area of responsibility. During this exercise, the IAOs were asked to provide an assurance to the Accounting Officer on the standard of internal control within their areas of responsibility to enable him to provide assurance in relation to the Statement of Internal Control. To assist in that process, the IAOs were asked to confirm that they had undertaken

a review, evidenced by the Internal Control Checklist, of the internal control arrangements in their areas of responsibility. In addition, the IAOs also made enquiries as to whether there are any internal control issues likely to merit inclusion in the Statement on Internal Control of any partnerships managed by/accountable to their Department/Units.

The resulting Checklists and Certificates have provided the basis for information presented within this Statement. The exercise brought out a number of points of note in addition to the information presented within this Statement, which are highlighted below:

- Whilst the IAOs operate and have confidence in procedures created and dictated at organisational level, there are a lack of departmental/unit based versions of the same procedures as in general, they are required to follow corporate policy. A review will take place during 2010/11 to decide whether local procedures are necessary in order to further increase control and/or reduce risk.
- The adverse weather experienced during 2009/10 has tested departmental and unit based business continuity and some lessons learned are still being introduced into 2010/11 financial year through corporate objectives.
- There was concern raised at the age of some operating procedures. Whilst the procedures are generally sound and provide appropriate levels of control throughout the Constabulary, a review of these procedures will be encouraged during 2010/11.
- There are no external accreditations in respect to quality beyond IIP currently in force within the organisation. The advantages of any further accreditations such as ISO Standards at organisational level will be considered during 2010/11.
- Whilst Police Officers swear to uphold the law when they are attested and are expected to follow the Constabulary's *Standards of Professional Behaviour*. There is not a similar requirement for Police Staff although there are pockets of declaration where the consequences of misuse are acknowledged i.e. expenses declarations. The appropriateness and therefore the need for a more general statement for Police Staff to acknowledge will be investigated during 2010/11.
- There were no recognised practices of assessing value once a project has been delivered but it is known that benefits management is being introduced into the organisation during 2010/11.

7. Professional Standards Department

The Professional Standards Department is responsible for maintaining professional standards and investigating any alleged instances of misconduct including fraud and corruption. The department identifies areas for improvement and disseminates best practice guidelines where appropriate.



Complaint numbers remain consistently low with the majority of misconduct matters being dealt with at an appropriate level by local managers. Only serious matters, which potentially amount to criminal behaviour or serious misconduct, are now recorded within the department. Consequently, only one such matter has been recorded this reporting year. However, as a result of increased local involvement in misconduct, 32 officers have been subject of local resolution for a variety of failures in respect of the *Standards of Professional Behaviour*, all of which are recorded in a separate corporate register. The department has not reported any significant security breaches.

8. Command Team

The senior management team meets regularly and reviews progress against objectives and service improvement programmes. Action plans resulting from these meetings are tracked and progress reviewed.

9. Her Majesty's Inspectorate of Constabulary (HMIC)

HMIC have undertaken inspection activity within the reporting period reviewing; public order, critical incidents and civil contingencies. The findings of these inspections have been factored into 2010/11 work streams across the breadth of the Constabulary. Work has also continued on the areas for improvement resulting from the inspections that took place in 2006/07 and these have now all been closed out.

Progress in completing actions, which results from the above reviews, are logged on the Constabulary Tracker database and regular reviews of actions are performed to ensure timely completion.

10. Security and Information Management

There have been no significant security breaches during the reporting period. Minor incidents which occur in the year have been appropriately reviewed and managed in accordance with Constabulary policy/procedure.

The internal control systems did not identify any significant internal control issues for inclusion in this statement.

Richard Thompson

Chief Constable and Accounting Officer

30 June 2010



The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of the Civil Nuclear Police Authority for the year ended 31 March 2010 under the Energy Act 2004. These comprise the Income Statement, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Civil Nuclear Police Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Civil Nuclear Police Authority; and the overall presentation of the financial statements. In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income 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.

Opinion on Regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Civil Nuclear Police Authority affairs as at 31 March 2010 and of its result, changes in taxpayers' equity and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Energy Act 2004 and Secretary of State for Energy and Climate Change directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Secretary of State directions issued under by Energy Act 2004; and
- the information given in the Civil Nuclear Police Authority, Chief Constable's Foreword, Summary of Performance and Management Commentary sections of the Annual 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

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
- the financial statements are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas C E Morse

Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

05 July 2010

Income Statement

For the year ended 31 March 2010

	Note	2009/10 £000	2008/09 £000
Income	4	56,484	52,341
Expenditure			
Staff costs	5	(44,945)	(41,239)
Other expenditure	7	(11,534)	(11,100)
Operating surplus		5	2
Loss on disposal of property, plant and equipment		(5)	(2)
Surplus on ordinary activities before financing costs		-	60
Financial income – interest receivable		3	77
Financial expense – interest payable		(3)	(77)
Notional cost of capital		(345)	(304)
Net financing costs		(345)	(304)
Deficit on ordinary activities		(345)	(304)
Reversal of notional cost of capital		345	304
Retained surplus for the year		-	-

All operations are continuing.

The notes on pages 58 to 81 form part of these financial statements.

Statement of Financial Position

For the year ended 31 March 2010

	Note	2009/10 £000	2008/09 £000	At 1 April 2008 £000
Non-current assets				
Property, plant and equipment	9	4,064	2,879	2,537
Intangible assets	10	306	339	362
Trade and other receivables	13	173	220	322
Total non-current assets		4,543	3,438	3,221
Current assets				
Inventories	12	1,515	1,336	742
Trade and other receivables	13	8,429	6,876	5,832
Cash and cash equivalents	14	3,127	2,290	5,081
Total current assets		13,071	10,502	11,655
Total assets		17,614	13,940	14,876
Current liabilities				
Trade and other payables	15	(5,340)	(4,126)	(6,276)
Total current liabilities		(5,340)	(4,126)	(6,276)
Non-current assets plus net current assets		12,274	9,814	8,600
Non-current liabilities				
Provisions	16	(514)	(690)	(554)
Total non-current liabilities		(514)	(690)	(554)
Assets less liabilities		11,760	9,124	8,046
Taxpayers' equity				
Financing reserve	17	11,376	8,648	7,574
Government grant reserve	17	384	476	472
		11,760	9,124	8,046

The financial statements on pages 54 to 81 were approved by the Police Authority on 30 June 2010 and signed on its behalf by:

Richard Thompson
Chief Constable and Accounting Officer
30 June 2010

The notes on pages 58 to 81 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2010

	Note	2009/10 £000	2008/09 £000
Cash flows from operating activities			
Retained surplus for the year		-	60
Adjustments for:			
Loss on disposal of property, plant and equipment		5	2
Amortisation of intangible assets		71	70
Depreciation of property, plant and equipment		824	887
Release of capital grant		(105)	(159)
Net financing costs		345	304
Reversal of notional cost of capital		(345)	(304)
Operating cash flows before changes in working capital and provisions		795	800
Increase in trade and other receivables		(1,506)	(942)
Increase in inventories		(179)	(594)
Increase/(decrease) in trade and other payables		868	(2,150)
(Decrease)/increase in provisions		(176)	136
Cash generated from operations		(198)	(2,750)
Interest received		3	77
Net cash inflow/(outflow) from operating activities		(195)	(2,673)
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,675)	(1,234)
Purchase of intangible assets		(32)	(47)
Net cash outflow from investing activities		(1,707)	(1,281)
Cash flows from financing activities			
Capital grant received		14	166
Grants from parent department		2,634	921
Other financing contributions		91	76
Net financing		2,739	1,163
Net increase/(decrease) in cash and cash equivalents in the period	14	837	(2,791)
Cash and cash equivalents at the beginning of the period	14	2,290	5,081
Cash and cash equivalents at the end of the period	14	3,127	2,290

The notes on pages 58 to 81 form part of these financial statements.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2010

	Note	Financing reserve £000	Government grant reserve £000	Total £000
Balance at 31 March 2008		7,574	472	8,046
Changes in taxpayers' equity 2008/09	17			
Release of capital grant to Income Statement		-	(159)	(159)
Released to Income Statement on disposal of grant-financed assets		-	(3)	(3)
Capital grant received		-	166	166
Grant-in-aid received		921	-	921
Other financing contributions		153	-	153
Total recognised income and expense for 2008-09		1,074	4	1,078
Balance at 31 March 2009		8,648	476	9,124
Changes in taxpayers' equity 2009/10	17			
Release of capital grant to Income Statement		-	(105)	(105)
Released to Income Statement on disposal of grant-financed assets		-	(1)	(1)
Capital grant received		-	14	14
Grant-in-aid received		2,634	-	2,634
Other financing contributions		94	-	94
Total recognised income and expense for 2009-10		2,728	(92)	2,636
Balance at 31 March 2010		11,376	384	11,760

The notes on pages 58 to 81 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 body of the Department of Energy and Climate Change and is domiciled in the United Kingdom.

Statement of Compliance

These financial statements have been prepared in accordance with the 2009-10 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 circumstances of CNPA for the purpose of giving a true and fair view has been selected. The particular policies adopted by CNPA are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

Transition to IFRS

An explanation of how the transition to IFRS has affected CNPA's reported financial performance, financial position and cash flows is provided in note 25. This note includes reconciliations of financial performance and financial position for comparative periods reported under UK Generally Accepted Accounting Principles ("UKGAAP") to those reported for the same periods under IFRS.

The date of transition to IFRS was 1 April 2008, which was the beginning of the comparative period for the year ended 31 March 2009. CNPA has applied IFRS 1 for first-time adoption of IFRS. No adjustments have been made for any changes in estimates made at the time of approval of the UKGAAP financial statements upon which the 2008-09 IFRS information is based.

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 Command 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 asset;
- Recoverability of receivables;
- Estimates of accrued expenses;
- Provisions; and
- Inventory obsolescence.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing the opening IFRS Statement of Financial Position at 1 April 2008.

1.2 Property, Plant and Equipment

Property, plant and equipment is stated at cost, including any costs directly attributable to bringing such assets in 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.

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 5 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.

1.3 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 Income Statement 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
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1.4 Impairment of Assets

The carrying amounts of 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, 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 Income Statement. 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.

1.5 Income Recognition

Income is measured at the fair value of the consideration received or receivable and excludes Value Added Tax (VAT). Income is recognised in the Income Statement when CNPA has performed its contractual obligations, the income can be measured reliably and it is probable that the economic benefits from the transaction will flow to CNPA. No income is recognised if there are significant uncertainties regarding recovery of the consideration due.

1.6 Taxation

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.

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

1.7 Employee Benefits

Staff costs

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

Pensions

Past and present employees are covered by the provision of the Combined Pension Scheme (CPS) of UKAEA, which is an unfunded defined benefit pension scheme which prepares its own scheme statements. 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. More information is given in note 6.

1.8 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 CNPA will be required to settle the obligation and is unable to reliably estimate the amount, or where it is possible that CNPA will be required to settle the obligation.

1.9 Grant-in-Aid and Capital Grants

Grant-in-aid provided by DECC 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 CNPA.

Capital grants for the purchase of property, plant and equipment are credited to the government grant reserve and released to the Income Statement over the expected useful economic lives of the assets in amounts equal to the depreciation charge.

The profit or loss on disposal of grant-financed assets is taken to the Income Statement and offset by a transfer from the government grant reserve 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 on the government grant reserve in respect of the asset is transferred to the income and expenditure reserve representing the same proportion of the disposal proceeds.

1.10 Notional Cost of Capital

This is a notional charge, reflecting the cost of capital utilised by CNPA, which is recognised in the Income Statement. The charge is calculated at the rate set by HM Treasury (currently 3.5%) of average capital employed during the year. Capital employed comprises total assets less total liabilities.

1.11 Operating Leases

Rentals are charged to the Income Statement 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.

1.12 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 Income Statement.

1.13 Inventories

Inventories comprise clothing, ammunition and ancillary items including protective equipment. 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.

1.14 Financial Instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, which is available for immediate withdrawal.

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.

Financial income and financial expense

Financial income/ expense is recognised in the Income Statement on an accruals basis.

1.15 Segment Reporting

Operating segments are identified on the basis of internal reports about components of CNPA that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. CNPA has one reportable segment: Operational Policing Units (OPUs). CNPA operates 15 separate OPUs that provide a policing service to civil nuclear licensed sites. The financial performance of these units has been aggregated as it meets the aggregation criteria set out in IFRS 8.

IFRS not yet applied

Certain new standards, amendments to standards and interpretations that have been issued by the International Accounting Standards Board (IASB) are not yet effective for the year ended 31 March 2009 and have not been applied in preparing these financial statements. CNPA does not anticipate that the adoption of these standards and interpretations in future periods will have a material impact on its financial statements.

Early adoption of IFRS

The following standard has been amended by the IASB as part of its annual improvements to IFRSs and adopted early by CNPA, as required by the FReM 2009/10 and permitted by the IASB.

- IFRS 8 Operating Segments (revised April 2009) (effective January 2010). For more information see the accounting policy for segment reporting and note 3 to the financial statements.

2. First-Time Adoption of IFRS

Under UKGAAP any unused annual leave that was carried forward to the following financial year was not recognised as an obligation to the organisation. Under IAS 19 *Employee Benefits*, CNPA is required to recognise as an obligation the value of unused annual leave carried forward at the end of the reporting period. As CNPA recharges its costs to its customers, a receivable equal in value to the obligation for unused annual leave has been recognised. The effect of applying IAS 19 is to increase *Trade and other receivables* by £329,000 and to increase *Trade and other payables* by the same amount at 31 March 2009.

3. Segment Information

Operating segments are identified on the basis of internal reports about components of CNPA that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

CNPA has one reportable segment: Operational Policing Units (OPUs). CNPA operates 15 separate OPUs that provide a policing service to civil nuclear licensed sites. The financial performance and financial position of these units have been aggregated as they meet the aggregation criteria set out in IFRS 8. The accounting policies of the reportable segment are the same as CNPA's accounting policy in note 1.

The financial performance of all non-operating segments covers back office functions such as Human Resources, Finance and IT and Communications, and functions that support front line operations, such as Training and Organisational Development and Operations Support. All non-operating segments have been grouped under the heading Corporate Departments. This information is included to reconcile the financial performance of the operating segments.

2009/10	Operational Policing Units £000	Corporate Departments £000	Total £000
Income	56,484	-	56,484
Expenditure			
Staff costs	(34,589)	(10,356)	(44,945)
Other expenditure	(1,212)	(9,449)	(10,661)
Depreciation and amortisation	(525)	(370)	(895)
Release of capital grants	51	54	105
Provisions provided for in year	-	(123)	(123)
Provisions not required written back	-	40	40
Operating surplus/(deficit)	20,209	(20,204)	5
Loss on disposal of property, plant and equipment	(2)	(3)	(5)
Surplus/(deficit) on ordinary activities before financing costs	20,207	(20,207)	-
Finance income – interest receivable	-	3	3
Finance charges – interest payable	-	(3)	(3)
Notional cost of capital charge	(215)	(130)	(345)
Surplus/(deficit) on ordinary activities	19,992	(20,337)	(345)
Reversal of notional cost of capital charge	215	130	345
Retained surplus/(deficit) for the year	20,207	(20,207)	-

2008/09	Operational Policing Units £000	Corporate Departments £000	Total £000
Income	52,341	-	52,341
Expenditure			
Staff costs	(32,808)	(8,431)	(41,239)
Other expenditure	(1,456)	(8,535)	(9,991)
Depreciation and amortisation	(544)	(413)	(957)
Release of capital grants	64	95	159
Provisions provided for in year	(157)	(155)	(312)
Provisions not required written back	-	1	1
Operating surplus/(deficit)	17,440	(17,438)	2
Loss on disposal of property, plant and equipment	-	(2)	(2)
Surplus/(deficit) on ordinary activities before financing costs	17,440	(17,440)	-
Finance income – interest receivable	-	77	77
Finance charges – interest payable	-	(77)	(77)
Notional cost of capital charge	(159)	(145)	(304)
Surplus/(deficit) on ordinary activities	17,281	(17,585)	(304)
Reversal of notional cost of capital charge	159	145	304
Retained surplus/(deficit) for the year	17,440	(17,440)	-

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

CNPA is reliant on income from a small number of SLCs for a significant proportion of its income. Transactions with four SLCs (2008/09: Four SLCs) individually amounted to 10% of CNPA's total income. This income is reported within the OPU's operating segment. A breakdown of income by major customer is provided below:

	2009/10		2008/09	
	£000	%	£000	%
SLC 1	17,015	30	15,801	30
SLC 2	10,162	18	9,437	18
SLC 3	7,913	14	7,396	14
SLC 4	6,057	11	5,677	11
Others	15,337	27	14,030	27
Total	56,484	100	52,341	100

4. Income

CNPA is required to recover its full operating costs each year. Income of £56,484,000 for the year ended 31 March 2010 (2008/09: £52,341,000) represents a re-charge of running costs to SLCs of £56,239,000 (2008/09: £52,031,000) and miscellaneous income of £245,000 (2008/09: £310,000). All activities are regarded as continuing.

5. Staff Numbers and Related Costs

Staff costs comprise:

	Permanently employed staff	Temporary and agency staff	Total
	2009/10 £000	2009/10 £000	2009/10 £000
Wages and salaries	35,140	1,224	36,364
Social security costs	2,913	118	3,031
Other pension costs	4,672	140	4,812
Agency staff	-	738	738
Sub-total	42,725	2,220	44,945
Less costs recovered in respect of outward secondments	(29)	-	(29)
Total staff costs	42,696	2,220	44,916

	Permanently employed staff	Temporary and agency staff	Total
	2008/09 £000	2008/09 £000	2008/09 £000
Wages and salaries	32,595	761	33,356
Social security costs	2,714	80	2,794
Other pension costs	4,301	76	4,377
Agency staff	-	712	712
Sub-total	39,610	1,629	41,239
Less costs recovered in respect of outward secondments	(53)	-	(53)
Total staff costs	39,557	1,629	41,186

Staff costs of £52,000 (2008/09: £108,000) have been capitalised and included within payments on account and assets under construction.

Average number of persons employed

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

	Permanently employed staff 2009/10	Temporary and agency staff 2009/10	Total 2009/10
Police staff	95	3	98
Police officers	796	44	840
Total average staff numbers	891	47	938

	Permanently employed staff 2008/09	Temporary and agency staff 2008/09	Total 2008/09
Police staff	85	35	120
Police officers	771	3	774
Total average staff numbers	856	38	894

6. Pension Costs

All employees of CNPA are eligible to be members of the Combined Pension Scheme (CPS) of the United Kingdom Atomic Energy Authority (UKAEA) for the year ended 31 March 2010. 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 the Department for Business, Innovation and Skills. 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.

With effect from 1 April 2006, the methodology to assess the employer contributions to the CPS changed. From that date, employer contributions are set using the Superannuation Contributions Adjusted for Past Experience (SCAPE) methodology established by HM Treasury having regard to the advice of the scheme actuary (the Government Actuary). Under the SCAPE methodology, the employer contribution from CNPA effective from 1 April 2006 was established at 16.2% of pensionable earnings. This rate is expected to continue throughout the 2010/11 scheme year.

CNPA employees also participate in the UKAEA and Associated Employers Additional Voluntary Contribution Scheme (AVC) 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 whom contributions are paid. The AVC scheme covers those employees of CNPA, and of other employers, who are members of the CPS and who have opted to pay additional voluntary contributions.

7. Other Expenditure

	Note	2009/10 £000	2008/09 £000
External charges			
Subsistence		698	721
Car hire		305	276
Mileage allowance		230	202
Other travel and subsistence costs		197	233
Rentals under operating leases		332	342
Rental of the Constabulary's training facilities		360	352
Other rent charges		63	38
Telecommunications		612	741
IT support charges		1,057	680
Training costs		843	376
Professional services		518	526
Course fees		446	506
Insurance		278	274
Repairs and maintenance		470	551
Relocation		237	459
Recruitment		296	351
Payments under service level agreements		72	78
Site support charges		106	92
Legal fees		77	88
Regulatory charges		46	100
Security vetting		184	79
Range fees		87	65
Other external charges		732	795
Total external charges		8,246	7,925
Operating materials			
Motor fuel		285	236
Weapons		209	90
IT equipment		172	167
Inventory withdrawals		835	913
Stationery		104	91
Non-capital equipment		92	112
Firearms spares and supplies		226	117
Dog related expenditure		55	51
Electricity charges		27	47
Inventory items written off		79	31
Other operating materials		234	134
Total operating materials		2,318	1,989
Other operating charges		97	77
Non-cash items			
Amortisation of intangible assets	10	71	70
Depreciation	9	824	887
Capital grants		(105)	(159)
Provisions provided in the year	16	123	312
Provisions not required written back	16	(40)	(1)
Total non-cash items		873	1,109
		11,534	11,100

8. Operating Surplus

Operating surplus is stated after charging:

	Note	2009/10 £000	2008/09 £000
Operating lease rentals:	19		
Plant and machinery		44	54
Others		288	288
Provision for contractual losses	16	-	240
Auditors' remuneration			
Audit fees		44	44
Payments to auditors for other services		6	6
Payments to auditors for internal audit services		62	67

9. 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
Cost or valuation						
At 1 April 2009	2,732	799	255	801	834	5,421
Additions	228	277	28	93	1,389	2,015
Disposals	(241)	(20)	-	-	-	(261)
Reclassifications	-	686	-	-	(686)	-
At 31 March 2010	2,719	1,742	283	894	1,537	7,175
Depreciation						
At 1 April 2009	1,615	315	117	495	-	2,542
Charged in year	504	123	44	153	-	824
Disposals	(236)	(19)	-	-	-	(255)
At 31 March 2010	1,883	419	161	648	-	3,111
Net book value at 31 March 2010	836	1,323	122	246	1,537	4,064
Asset financing						
Owned	836	1,323	122	246	1,537	4,064
Net book value at 31 March 2010	836	1,323	122	246	1,537	4,064

	Transport equipment £000	Plant and machinery £000	Furniture and fittings £000	Information technology £000	Payments on account and assets under construction £000	Total £000
Cost or valuation						
At 1 April 2008	2,490	644	245	788	238	4,405
Additions	410	155	10	63	596	1,234
Disposals	(168)	-	-	(50)	-	(218)
At 31 March 2009	2,732	799	255	801	834	5,421
Depreciation						
At 1 April 2008	1,205	200	76	387	-	1,868
Charged in year	573	115	41	158	-	887
Disposals	(163)	-	-	(50)	-	(213)
At 31 March 2009	1,615	315	117	495	-	2,542
Net book value at 31 March 2009	1,117	484	138	306	834	2,879
Asset financing						
Owned	1,117	484	138	306	834	2,879
Net book value at 31 March 2009	1,117	484	138	306	834	2,879

Payments on account and assets under construction represent assets that are incomplete or not yet in productive use by CNPA. At 31 March 2010 this related to £1,185,000 (2008/09: £441,000) incurred on a new IT network, £nil (2008/09: £310,000) on specialist firearms equipment; £312,000 (2008/09: £83,000) on police control room equipment and £40,000 (2008/09: £nil) on the installation of a new data room at the Constabulary Headquarters at Culham.

10. Intangible Assets

	Software licences £000
Cost or valuation	
At 1 April 2009	471
Additions	38
At 31 March 2010	509
Amortisation	
At 1 April 2009	132
Charged in year	71
At 31 March 2010	203
Net book value at 31 March 2010	306
	Software licences £000
Cost or valuation	
At 1 April 2008	424
Additions	47
At 31 March 2009	471
Amortisation	
At 1 April 2008	62
Charged in year	70
At 31 March 2009	132
Net book value at 31 March 2009	339

Amortisation charge

The amortisation charge is recognised in other expenditure in the Income Statement.

11. Financial Instruments

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

- Credit risk;
- Liquidity risk; and
- Market risk.

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

Credit risk

Credit risk is the risk of financial loss to CNPA if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises from 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:

Loans and other receivables	2009/10	2008/09
	£000	£000
Total receivables (excluding prepayments)	8,310	6,988
Cash and cash equivalents	3,127	2,290
	11,437	9,278

Credit risk for receivables at the reporting date was wholly in relation to the United Kingdom. CNPA's exposure is concentrated among a small number of customers. No collateral or other credit enhancements is held as security over the recoverability of these balances. CNPA expects its receivable balances to be recovered in full due to customers' past payment histories and high credit ratings. Cash balances are held in highly rated, short-term fixed rate deposits with the Royal Bank of Scotland Plc.

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

	2009/10	2008/09
	£000	£000
Not past due	6,534	5,351
Past due less than 1 month	1,776	774
Between 1 and 2 months	-	863
	8,310	6,988

No receivables balances were considered impaired at the end of the reporting period (2008/09: £nil). There are no receivables that would otherwise be past due or impaired whose terms have been renegotiated (2008/09: £nil).

Liquidity risk

Liquidity risk is the risk that 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 2010

	Within 1 month	Between 1 and 3 months	Between 3 and 12 months	Total contractual maturity
	£000	£000	£000	£000
Trade payables	149	-	-	149
Accrued expenses	-	3,332	-	3,332
Other payables	610	-	-	610
	759	3,332	-	4,091

At 31 March 2009

	Within 1 month	Between 1 and 3 months	Between 3 and 12 months	Total contractual maturity
	£000	£000	£000	£000
Trade payables	17	-	-	17
Accrued expenses	-	2,366	-	2,366
Other payables	573	-	-	573
	590	2,366	-	2,956

The former Department of Trade and Industry provided working capital of £6 million when CNPA was established. This is used to fund timing differences between receipts from customers and payments to creditors. In addition, CNPA has an overdraft facility of £1 million with the Royal Bank of Scotland Plc, repayable on demand, and used to meet short-term working capital requirements. This facility was used four times during the reporting period.

Market risk

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

Currency risk

The foreign currency risk to 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, so CNPA is not exposed to foreign currency risk.

Interest rate risk

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

Other price risk

CNPA had no significant other price risk.

Carrying amount and fair value of financial assets and liabilities

An analysis of the carrying value and fair values at 31 March, by category and by class, of financial assets and liabilities is set out below:

At 31 March 2010

	Loans and receivables £000	Other financial liabilities £000	Total carrying amount £000	Total fair value £000
Financial assets				
Trade receivables	7,581	-	7,581	7,581
Early departure receivables	178	-	178	178
Other receivables	551	-	551	551
Cash at bank and in hand	3,127	-	3,127	3,127
Financial liabilities				
Trade payables	-	(149)	(149)	(149)
Accrued expenses	-	(3,332)	(3,332)	(3,332)
Other payables	-	(610)	(610)	(610)
	11,437	(4,091)	7,346	7,346

At 31 March 2009

	Loans and receivables £000	Other financial liabilities £000	Total carrying amount £000	Total fair value £000
Financial assets				
Trade receivables	6,293	-	6,293	6,293
Early departure receivables	226	-	226	226
Other receivables	470	-	470	470
Cash at bank and in hand	2,290	-	2,290	2,290
Financial liabilities				
Trade payables	-	(17)	(17)	(17)
Accrued expenses	-	(2,366)	(2,366)	(2,366)
Other payables	-	(573)	(573)	(573)
	9,279	(2,956)	6,323	6,323

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.

12. Inventories

	2009/10	2008/09	At 1 April 2008
	£000	£000	£000
Clothing	180	263	315
Ammunition	837	702	305
Weaponry	365	-	-
Domestic property	-	135	-
Other inventory items	133	236	122
	1,515	1,336	742

During the reporting period £79,000 (2008/09: £31,000) of obsolete, slow moving or defective items of inventory was written off.

13. Trade Receivables and Other Assets

13(a) Analysis by type

	2009/10	2008/09	At 1 April 2008
	£000	£000	£000
Amounts falling due within one year:			
Trade receivables	7,581	6,293	5,234
Early departure receivables due from pension scheme	27	48	-
Prepayments and accrued income	292	107	152
Other receivables	529	428	446
	8,429	6,876	5,832
Amounts falling due after more than one year:			
Early departure receivables due from pension scheme	151	178	256
Other receivables	22	42	66
	173	220	322

13(b) Intra-government balances

	2009/10	2008/09	At 1 April 2008
	£000	£000	£000
Amounts falling due within one year:			
Balances with other central government bodies	629	1,062	1,097
Balances with public corporations and trading funds	-	1,597	3,952
Balances with Scottish local government	-	-	9
Intra-government balances	629	2,659	5,058
Balances with bodies external to government	7,800	4,217	774
	8,429	6,876	5,832
Amounts falling due after one year:			
Balances with other central government bodies	151	178	256
Intra-government balances	151	178	256
Balances with bodies external to government	22	42	66
	173	220	322

14. Cash and Cash Equivalents

	2009/10 £000	2008/09 £000
Balance at 1 April	2,290	5,081
Net change in cash and cash equivalent balances	837	(2,791)
Balance at 31 March	3,127	2,290

The following balances at 31 March were held at:

	2009/10 £000	2008/09 £000	At 1 April 2008 £000
Commercial bank	3,127	2,290	5,081
	3,127	2,290	5,081

15. Trade Payables and Other Current Liabilities

15(a) Analysis by type

	2009/10 £000	2008/09 £000	At 1 April 2008 £000
Amounts falling due within one year:			
Trade payables	149	17	440
Other taxation and social security	1,029	925	875
Accrued expenses	3,332	2,366	3,733
Deferred income	220	245	405
Other payables	610	573	823
	5,340	4,126	6,276

15(b) Intra-government balances

	2009/10 £000	2008/09 £000	At 1 April 2008 £000
Amounts falling due within one year:			
Balances with other central government bodies	2,174	1,897	1,730
Balances with English local government	39	118	122
Balances with Welsh local government	24	8	89
Balances with Scottish local government	1	-	35
Balances with public corporations and trading funds	73	358	742
Intra-government balances	2,311	2,381	2,718
Balances with bodies external to government	3,029	1,745	3,558
Total payables at 31 March	5,340	4,126	6,276

16. Provisions for Liabilities and Charges

	Insurance claims £000	Dilapidations £000	Early departure costs £000	Contractual losses £000	Total £000
At 1 April 2008	34	167	343	10	554
Provided in the year	41	6	25	240	312
Provisions utilised in the year	(13)	-	(85)	(77)	(175)
Provisions not required written back	(1)	-	-	-	(1)
At 31 March 2009	61	173	283	173	690
Provided in the year	117	6	-	-	123
Provisions utilised in the year	(16)	-	(70)	(173)	(259)
Provisions not required written back	(33)	-	(7)	-	(40)
At 31 March 2010	129	179	206	-	514
Expected timings of cash flows					
Within one year	122	-	63	-	185
Between two and five years	7	-	143	-	150
After five years	-	179	-	-	179
	129	179	206	-	514

Insurance claims

A provision has been included for six new insurance claims. Of the eight claims open at 1 April 2009 the provision is unchanged for three, two have been increased and the remaining three have been utilised or written back during the reporting period.

Dilapidations

CNPA is legally obliged to restore the properties it occupies under lease to their original condition at the end of the lease term. Significant alterations have been made to offices leased at Constabulary headquarters in Culham. The cost of restoring the property was estimated by an external specialist organisation and includes VAT. This provision is expected to be used in 2016/17 on the termination of the lease (including extension period). There are also included two other minor property provisions for refurbishment of properties required under the lease agreements.

Early departure costs

This provision has been made to cover pension payments to former members of staff who have retired early. These payments continue until the date at which the staff member would have reached normal retirement age. Pension payments have been indexed in line with rules set out by the Official Committee on Occupational Pensions; that is pension payments are indexed annually in line with the Retail Prices Index (RPI) to the previous September. Forecast RPI has been taken from the Budget Report published in March 2010 by HM Treasury.

Contractual losses

This provision covered contractual losses on the sale of domestic properties owned by members of staff who were relocated by CNPA. CNPA was obliged, under the terms of its relocation policy, to meet any shortfall in the sale proceeds received by staff and a selling price guaranteed by CNPA for their properties. The properties were sold in 2009/10 to third parties.

17. Taxpayers' Equity

Reconciliation of movement in taxpayers' equity

	Financing reserve £000	Government grant reserve £000	Total £000
At 1 April 2008	7,574	472	8,046
Release of capital grant to Income Statement	-	(159)	(159)
Released to Income Statement on disposal of grant-financed assets	-	(3)	(3)
Capital grant received	-	166	166
Grant-in-aid received	921	-	921
Other financing contributions	153	-	153
At 1 April 2009	8,648	476	9,124
Release of capital grant to Income Statement	-	(105)	(105)
Released to Income Statement on disposal of grant-financed assets	-	(1)	(1)
Capital grant received	-	14	14
Grant-in-aid received	2,634	-	2,634
Other financing contributions	94	-	94
At 31 March 2010	11,376	384	11,760

Financing reserve

The finance reserve relates to grant-in-aid provided by 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 CNPA. Other financing contributions comprised £3,000 (2008/09: £77,000) of interest earned on CNPA's bank accounts and £91,000 (2008/09: £76,000) from charges made to operating companies to finance purchases of property, plant and equipment. Other financing contributions are payable to DECC and, by agreement with DECC, included within financing.

Government grant reserve

The government grant reserve relates to capital grants for the purchase of property, plant and equipment that are credited to the government grant reserve and released to the Income Statement over the expected useful economic lives of the assets in amounts equal to the depreciation charge.

18. Capital Commitments

Contracted capital commitments at 31 March 2010 not otherwise included in these financial statements comprised:

	2009/10 £000	2008/09 £000
Property, plant and equipment	591	566
Intangible assets	6	-
	597	566

19. Operating Leases

CNPA leases office accommodation, motor vehicles and photocopiers 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
Motor vehicles	3 - 4 years
Photocopiers	3 - 4 years

During the year ended 31 March 2010, £332,000 (2008/09: £342,000) was recognised as an expense in the Income Statement in respect of operating leases.

An analysis of the total future minimum lease payments under non-cancellable operating leases is set out below:

	2009/10 £000	2008/09 £000
Leasehold properties		
Less than one year	291	281
Between one and five years	95	382
More than five years	-	-
	386	663

	2009/10 £000	2008/09 £000
Leasehold plant and equipment		
Less than one year	23	32
Between one and five years	13	29
More than five years	-	-
	36	61

20. Other Financial Commitments

CNPA has entered into non-cancellable contracts (which are not leases or PFI contracts) for access to the Airwave communication network. The payments to which CNPA is committed during 2010/11, analysed by the period during which the commitment expires, are as follows:

	2009/10 £000	2008/09 £000
Expiry within one year	-	63
Expiry between two and five years	48	45
Expiry after five years	360	350
	408	458

21. Losses and Special Payments

During the year losses of £10,000 (2008/09: £240,000) were recognised for contractual losses on the disposal of domestic properties. There are no reportable special payments for the year ended 31 March 2010.

22. Related-Party Transactions

CNPA is an executive non-departmental public body of DECC. DECC is regarded as a related party. During the year, CNPA has had various material transactions with DECC and with International Nuclear Services Ltd a subsidiary of the Nuclear Decommissioning Authority for which DECC is regarded as the parent department.

In addition, CNPA has had a small number of material transactions with other government departments and other central government bodies. Most of these transactions have been with:

Dounreay Site Restoration Ltd (transferred to the private sector on 31 October 2009)
 Research Sites Restoration Ltd (transferred to the private sector on 31 October 2009)
 United Kingdom Atomic Energy Authority
 United Kingdom Atomic Energy Authority Pension Scheme
 Health and Safety Executive
 Home Office

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

23. Events After the Reporting Period

There are no reportable events after the reporting period. These accounts were authorised for issue by the Accounting Officer on 5 July 2010 the date that the accounts were certified by the Comptroller and Auditor General.

24. Accounts Direction

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

25. Explanation of Transition from UKGAAP to IFRS

As stated in note 1, these are CNPA's first financial statements prepared in accordance with IFRS. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2010 and in the preparation of an opening Statement of Financial Position at 1 April 2008 (CNPA's date of transition).

In preparing the opening IFRS Statement of Financial Position, CNPA has adjusted amounts reported previously in financial statements prepared in accordance with UKGAAP. An explanation of how the transition from UKGAAP to IFRS has affected CNPA's financial performance, financial position and cash flows is set out in the following tables and in the notes that accompany them.

Reconciliation of Income Statements under UKGAAP and IFRS for the year ended 31 March 2009

Income Statement

For the year ended 31 March 2009

	UKGAAP in IFRS formats £000	Adjustment As at 1 April 2008 £000	2008-09 £000	IFRS £000
Income	52,341	-	-	52,341
Expenditure				
Staff costs	(41,239)	-	-	(41,239)
Other expenditure	(11,100)	-	-	(11,100)
Operating surplus	2	-	-	2
Loss on disposal of property, plant and equipment	(2)	-	-	(2)
Surplus on ordinary activities before financing costs	-	-	-	-
Financial income – interest receivable	77	-	-	77
Financial expense – interest payable	(77)	-	-	(77)
Notional cost of capital	(304)	-	-	(304)
Net financing costs	(304)	-	-	(304)
Deficit on ordinary activities	(304)	-	-	(304)
Reversal of notional cost of capital	304	-	-	304
Retained surplus for the year	-	-	-	-

Reconciliation of Statements of Financial Position under UKGAAP and IFRS as at 31 March 2009

Statement of Financial Position

As at 31 March 2009

	UKGAAP in IFRS formats £000	Adjustment As at 1 April 2008 £000	2008-09 £000	IFRS £000
Non-current assets				
Property, plant and equipment	2,879	-	-	2,879
Intangible assets	339	-	-	339
Trade and other receivables	220	-	-	220
Total non-current assets	3,438	-	-	3,438
Current assets				
Inventories	1,336	-	-	1,336
Trade and other receivables	6,547	389	(60)	6,876
Cash and cash equivalents	2,290	-	-	2,290
Total current assets	10,173	389	(60)	10,502
Total assets	13,611	389	(60)	13,940
Current liabilities				
Trade and other payables	(3,797)	(389)	60	(4,126)
Total current liabilities	(3,797)	(389)	60	(4,126)
Non-current assets plus net current assets	9,814	-	-	9,814
Non-current liabilities				
Provisions	(690)	-	-	(690)
Total non-current liabilities	(690)	-	-	(690)
Assets less liabilities	9,124	-	-	9,124
Taxpayers' equity				
Financing reserve	8,648	-	-	8,648
Government grant reserve	476	-	-	476
	9,124	-	-	9,124

Reconciliation of Statements of Financial Position under UKGAAP and IFRS as at 1 April 2008

Statement of Financial Position

As at 1 April 2008

	UKGAAP in IFRS formats £000	Adjustment £000	IFRS £000
Non-current assets			
Property, plant and equipment	2,537	-	2,537
Intangible assets	362	-	362
Trade and other receivables	322	-	322
Total non-current assets	3,221	-	3,221
Current assets			
Inventories	742	-	742
Trade and other receivables	5,443	389	5,832
Cash and cash equivalents	5,081	-	5,081
Total current assets	11,266	389	11,655
Total assets	14,487	389	14,876
Current liabilities			
Trade and other payables	(5,887)	(389)	(6,276)
Total current liabilities	(5,887)	(389)	(6,276)
Non-current assets plus net current assets	8,600	-	8,600
Non-current liabilities			
Provisions	(554)	-	(554)
Total non-current liabilities	(554)	-	(554)
Assets less liabilities	8,046	-	8,046
Taxpayers' equity			
Financing reserve	7,574	-	7,574
Government grant reserve	472	-	472
	8,046	-	8,046

Adjustment – Employee benefits

Under UKGAAP any unused annual leave that was carried forward to the following financial year was not recognised as an obligation to the organisation. Under IAS 19 *Employee Benefits*, CNPA is required to recognise as an obligation the value of unused annual leave carried forward at the end of the reporting period. As CNPA recharges its costs to its customers, a receivable equal in value to the obligation for unused annual leave has been recognised. The effect of applying IAS 19 is to increase *Trade and other receivables* by £329,000 and to increase *Trade and other payables* by the same amount at 31 March 2009.

Explanation of material adjustments to the Cash Flow Statement

There are no material differences between the cash flow statement presented under IFRS and the cash flow statement presented under UKGAAP for the year ended 31 March 2009.

Glossary

ACPO	Association of Chief Police Officers in England, Wales and Northern Ireland	KPI	Key Performance Indicator
ACPOS	Association of Chief Police Officers in Scotland	KSP	Key Strategic Priorities
AFOs	Authorised Firearms Officers	MEG	Marine Escort Group
AVC	Additional Voluntary Contribution Scheme	MOD	Ministry of Defence
BCU	Basic Command Unit	MOU	Memoranda of Understanding
BNFL	British Nuclear Fuels Limited	mSv	millisievert
CETV	Cash Equivalent Transfer Value	NDA	Nuclear Decommissioning Authority
CNC	Civil Nuclear Constabulary	NAO	National Audit Office
CNPA	Civil Nuclear Police Authority	NDPB	Non-Departmental Public Body
CPS	Combined Pension Scheme	NIM	National Intelligence Model
CTC	Constabulary Training Centre	NISR	Nuclear Industries Security Regulations 2003
DECC	Department of Energy and Climate Change	NPIA	National Policing Improvement Agency
FIM	Force Incident Manager	OCNS	Office for Civil Nuclear Security
FReM	HM Government Financial Reporting Manual	OD	Organisational Development
GIAS	Government Internal Audit Standards	OPU	Operational Policing Unit
HMIC	Her Majesty's Inspectorate of Constabulary	PCCS	Police Complaints Commissioner for Scotland
HM	Her Majesty's	PMM	Project Management Methodology
HMG	Her Majesty's Government	PSD	Professional Standards Department
HQ	Headquarters	REG	Road Escort Group
HR	Human Resources	RPI	Retail Prices Index
IAO	Information Asset Owner	SCAPE	Superannuation Contributions Adjusted for Past Experience
IFRS	International Financial Reporting Standards	SIRO	Senior Information Risk Owner
IGP	Information Governance Panel	SLC	Site Licence Company
IIP	Investors In People	TCO	Tactical Care Officer
IPCC	Independent Police Complaints Commission	UKAEA	United Kingdom Atomic Energy Authority
ISO	International Standard Organisation	UKGAAP	UK Generally Accepted Accounting Practice
IT	Information Technology	USB	Universal Serial Bus
IT&C	Information Technology and Communications	VAT	Value Added Tax



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