



**Civil Nuclear
Police Authority**

2010-11

Annual Report & Accounts





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Accounts presented to Parliament pursuant to Paragraphs 8 and 9 of Schedule 10 of the Energy Act 2004

Report presented to Parliament pursuant to Paragraph 4 of Schedule 12 of the Energy Act 2004

Ordered by the House of Commons to be printed
14 July 2011

HC1282

London: The Stationery Office £15.50



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This publication is available for download at www.official-documents.gov.uk.

This document is also available from our website at www.cnc.police.uk.

ISBN: 9780102973976

Printed in the UK for The Stationery Office Limited
on behalf of the Controller of Her Majesty's Stationery Office

ID: 2439081

07/11

Printed on paper containing 75% recycled fibre content minimum

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Operational Units 2010/11



- Constabulary Headquarters (HQ) and Centre for Learning & Development
- Operational Policing Units
- Civil Nuclear Police Authority

Chairman and Chief Constable's Statement

Over the last four years we have made significant improvements in the way in which we train and develop CNC officers in the core firearms skills necessary to meet the UK's security and counter-terrorism challenges. Training levels and standards have been set to meet national accreditation standards and the Authority has committed additional funds to increasing tactical and marksmanship skills. In the last year we have made significant demands of our officers to raise their skill levels further and have introduced an annual mandatory firearms qualifications test. We are pleased to report that our progress has been recognised by the National Policing Improvement Agency which has endorsed these enhancements by accrediting our work and issuing the Constabulary with its firearms licence.

Our preparations for the future, however, remain more important than the progress we have made to date. Over the next few years, the Authority will continue the current capability and capacity uplift. We will establish new range facilities where officers will develop their firearms skills further and be tested against increasingly difficult standards. More security exercises will be conducted and the lessons learnt from them will form the basis of improved training and development.

To strengthen and streamline its governance arrangements, the Authority has decided to conduct most of its business through a unified Board which better reflects its status as a non departmental public body. It will, along with the Chief Officer team, continue to monitor and seek continuous improvement in Constabulary performance.

The Board will continue to review operational performance and financial management, as well as the level and management of risk within the organisation, on a regular basis. An internal audit programme that assesses the health of our planning, programme management and general management demonstrates that we have made sustained improvement in the performance of our audit and risk management work over the last two years.

After two years in post, and having overseen much change within the Constabulary, Sir Chris Fox decided to step down as the Chairman of the CNPA. Sir Philip Trousdell has replaced him on an interim basis. Tony Regan, the Executive Director of the CNPA, has also left and returned to his parent department, the Home Office.

We remain focused on achieving excellence in the delivery of the Constabulary's role within the civil nuclear industry. For Board members, the responsibility placed upon them to achieve and maintain excellence will continue: for those police officers and staff working within the Constabulary we remain committed to delivering enhanced levels of operational effectiveness; for those we protect, the public and the people who work in the nuclear industry, our pursuit of excellence provides increased confidence in the work of the Constabulary.

Sir Philip Trousdell
Chairman

Richard Thompson
Chief Constable

About Us

This document, published in accordance with the requirements of the Energy Act 2004, constitutes the Civil Nuclear Police Authority's (CNPA) report and accounts for the financial year to 31 March 2011. The CNPA is a body corporate, established by the Energy Act 2004 and classified as an executive non-departmental public body (NDPB), which operates under the aegis of the Department of Energy and Climate Change.

The CNPA is charged, pursuant to the Energy Act, with securing the maintenance of an efficient and effective Civil Nuclear Constabulary whose primary function is the protection of licensed nuclear sites not used wholly or mainly for defence purposes and the safeguarding of nuclear material in the UK and elsewhere.

The Authority thus has oversight of, and employs the Civil Nuclear Constabulary. In turn, the Constabulary provides a dedicated on site armed response and policing capability for the nuclear industry, with operational and support units based at licensed nuclear sites. Together with site operators and carriers, the Constabulary shares responsibility for the protection of nuclear material and facilities, and for the safe and secure movement of nuclear material within the UK and internationally.

On behalf of the Secretary of State, the Office for Civil Nuclear Security has delegated authority to direct certain security-related activities of the CNPA. OCNS now reports to a new independent regulator, the Office for Nuclear Regulation, which consolidates civil nuclear and radioactive transport safety and security regulation in one place.

Governance

During 2010, the CNPA considered a range of proposals to adopt new governance arrangements designed to enable the Authority to more effectively discharge its statutory responsibilities, achieve its Strategic Objectives, manage its business, and secure the maintenance

of an efficient and effective Constabulary.

Following extensive discussion and consultation with, amongst others, DECC and OCNS, the CNPA established a new board – the CNPA Board – to which it delegated the conduct of the bulk of the Authority's business and management responsibilities.

In doing so, the Authority signalled its intention that, while conforming to the requirements of the Energy Act 2004, the CNPA Board should seek to operate as far as possible, on lines similar to those of other NDPBs; in particular, it was agreed that Authority Members would act as non-executive members, with the Constabulary's Command Team providing the executive members of the Board.

The Authority also resolved that the achievement of more effective joint working between the non-executive and executive members of the CNPA Board would be an important principle underpinning the new governance model.

CNPA determined that it would operate to terms of reference specifying the functions that are not delegated to the Board or other committees, including the continuing overriding accountability of the Authority for the arrangements put in place for the effective discharge of its business. CNPA's new governance model was thus designed specifically to enable the effective discharge of the Authority's responsibilities while ensuring that those matters specifically reserved by Statute or direction of the Secretary of State and those matters not delegated by the Authority to the CNPA

Board or any of its other committees remain responsibilities of the Authority and its Members.

CNPA also directed that, in line with best practice in other executive NDPBs, Members of the Authority in their role as non-executive members of the CNPA Board should: provide constructive challenge and support to the executive and, in particular, to the Chief Constable in his role as Accounting Officer; monitor and scrutinise the performance of the Constabulary and of the Command Team in assuring the health of the Constabulary; and hold the Command Team to account for the achievement of agreed objectives.

CNPA Board

The CNPA Board is responsible for the majority of the Authority's business and management outputs, including:

- Setting the strategic, policy, resource and performance management framework for the Constabulary.
- Monitoring the overall performance of the Constabulary against the agreed strategies and agreeing remedial action as necessary.
- Discharging the financial duties laid down by the Secretary of State and in the Energy Act 2004.
- Approving arrangements for the governance, administration and conditions of service of the Constabulary.
- Determining the overall culture and values of the CNPA, and the behaviours and standards required of its Members and employees.
- Ensuring wide stakeholder engagement in the work of the CNPA, and the effective management of relationships with key strategic stakeholders and the public
- Ensuring that the CNPA remains compliant with all applicable legislation.

The Board currently comprises:

Lt Gen (Retd) Sir Philip Trousdell
KBE CB, *Chairman*¹

Richard Thompson OBE,
Chief Constable and Accounting Officer

Stephen Barrett¹

George Beveridge³

Peter Bradley^{3,4}

Alan Cooper, *Assistant Chief Constable*

Dame Elizabeth Neville DBE QPM²

Alan Rae³

Justin Rees, *Director of Corporate Services*

John Sampson, *Deputy Chief Constable*

Matt Sykes^{3,4}

Rob Wright¹

1 Non-executive (and independent Member of the Authority);

2 Non-executive (and independent policing advisor Member of the Authority);

3 Non-executive (and industry representative Member of the Authority);

4 Service contract expired 31 March 2011 although remains an ex officio Member of the CNPA Board.

A complete list of CNPA Members who served during the year is provided, together with their terms of appointment and service contracts, on page 27.

Principle Committees

Audit, Risk and Governance Committee

The purpose of this key committee is to keep under review, and report to the Board on, the comprehensiveness, reliability and integrity of assurances given, to meet the Authority's and the Accounting Officer's assurance needs.

Senior Appointments, Leadership and Development Committee

This Committee had responsibility for the appointment and conditions of service of members of the Command Team and the Executive Director; for driving forward the Command Team's leadership agenda; and for the development of all the Authority's employees.

Finance Planning and Performance Committee

This Committee monitors the adequacy of the CNPA's finance, planning and performance processes, and evaluates whether or not financial and operational resources are properly and effectively allocated, and efficiently managed across the CNPA.

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 OBE

Chief Constable;

John Sampson

Deputy Chief Constable;

Alan Cooper

Assistant Chief Constable; and

Justin Rees

Director of Corporate Services.

Operational Context

As previously indicated, the Civil Nuclear Constabulary's primary function is the protection of licensed nuclear sites not used wholly or mainly for defence purposes and the safeguarding of nuclear material in the UK and elsewhere.

In discharging this function, 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 OCNS. To comply with the NISR, armed policing 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 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/ 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 Operational Policing Units. Mutual support and assistance enable the Constabulary to maintain focus on its core role.

The patrol strategy employed by the Constabulary is intended to constrain and disrupt the operating environment for those with terrorist intent; it also gives reassurance to the public in the vicinity of civil nuclear sites. Whilst on patrol, officers will often come across incidents within their local vicinity; such incidents have included officers providing first aid at road traffic accidents, dealing with suspected drink driving offences as well as assisting local Home Office/ Scottish police forces with disturbances and attempted suicides.

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, 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.

Ambition, Mission and Core Values

Our ambition

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 we are 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.

Summary of Performance

In this Summary of Performance we provide a detailed look at the successes, developments and future plans of the Constabulary, with a focus on the 2010/2011 reporting year. The activities undertaken during the year have sought to reinforce the Constabulary's ambition "to be recognised as providers of a world class service for the protection of nuclear materials and facilities."

New Dawn

Since attaining a provisional National Policing Improvement Agency (NPIA) Firearms Licence in 2009, the Constabulary has been working hard towards achieving a full licence; on the 16th of November 2010, over a year ahead of schedule, this licence was granted.

The Constabulary has now achieved – and is fully accredited with – national policing standards in the use and deployment of firearms. The Constabulary received exemplary feedback from the lead Firearms advisor for the NPIA, who referred to the 'cultural shift and positive mindset of the organisation.'

Programme New Dawn, a result of the Constabulary's Capability and Capacity Review of 2008, has helped provide 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. Below is a selection of Programme New Dawn's achievements during 2010/11:

- Firearms Instructors received training from the Royal Marines Combat Marksman Shooting Team, who demonstrated various shooting techniques and tactics that have been tried and tested in operational theatres.
- The training of Tactical Care Officers in a variety of advanced medical techniques is underway.
- Upgraded weapons and ammunition are now fully operational at all units.
- The new exercise regime has been implemented (for more information see page 13)
- Recruitment of additional officers, instructors and staff for the purpose of Programme New Dawn has been completed.

The alignment of Programme New Dawn into the Strategic Improvement Programme, the transition to business as usual and the post review of the project will conclude what has been a huge success for the Constabulary.

Operation Graphite launched

Operation Graphite was introduced at Sellafield in December, under the direct command of the Sellafield Operational Unit Commander. This policing operation saw the introduction of enhanced access controls, searches, and targeted patrols both on site and in the surrounding areas.

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 represents the interests of police officers.

Escort Operations

The Marine Escort Group (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 the Office for Civil Nuclear Security (OCNS) and the Association of Chief Police Officers (ACPO).

In addition to the MEG, the Constabulary has a Road Escort 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. 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.

Disability

Within the Equality Scheme, the Constabulary has a "disability duty" which is as follows:

- Promote equality of opportunity between disabled persons and other persons;
- Eliminate disability related discrimination and harassment;
- Promote positive attitudes towards disabled persons;
- Encourage participation by disabled persons in public life;
- Take steps to take account of disabled persons' disabilities, even where that involves treating disabled persons more favourably than other persons.

The disability duty is largely informed by the concept of the social model of disability which maintains that disabled people are disadvantaged by attitudinal and environmental barriers rather than their impairment or medical condition alone. The Constabulary maintains that by improving both attitudes and environments it is possible to promote equality for disabled people.

Security assessments lead to new policing and security model

During the year, vulnerability assessments have been completed at Sellafield and Dounreay in conjunction with the Constabulary's efforts for continuous improvement.

Following these assessments, and in conjunction with a revised Concept of Operations, a new policing and security model has been proposed for introduction at Sellafield. Throughout this process, the Constabulary has worked closely with industry partners and the security regulator OCNS, as well as local constabularies.

Freedom of Information Requests

Between 1 April 2010 and 31 March 2011, 116 Freedom of Information Act requests were submitted, a significant increase compared to the 88 received during the previous year; no requests were withdrawn by the applicant.

Requests were received for the following subject areas; organisation structure, consultancy services, finance and budget, HR and staffing issues, policies and procedures, crime statistics, arrest statistics, expenses, contracts and services, business interests, operational information and Freedom of Information performance.

The number of questions contained within each request ranged between 1-19. The breakdown of timescales for completion is as follows:

1 – 10 Days	75	11 – 15 Days	8
16 – 20 Days	27	20+ Days	6

Extensions to the 20-day deadline were requested on six occasions, as a result of the requirement to contact third parties

over disclosure of information, as well as the bulk of information needing to be assessed and/or redacted before release.

Of the 116 requests that were processed, a total of six were judged to be fully exempt from disclosure. The CNPA did not hold the information requested in a further seven instances. Section 12 (Costs) was only applied to one request, in that the information was not disclosed as the cost of retrieving it would exceed the applied limit of £450. Eight requests had partial exemptions applied.

Requests for internal reviews of decisions were made in two cases. The information requested was released to the applicant in one case; the decision was upheld in the second. No appeals were made to the Information Commissioner's Office.

Special Branch

Special Branch (SB) performs the intelligence role for the Constabulary, enabling threats to be 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.

SB gathers, investigates, analyses and disseminates intelligence, ensuring that Constabulary officers, staff, and 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.

The intelligence gathered by SB 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. In order for the Constabulary to provide an effective policing service, SB does not work in isolation; it works closely with national, regional and local law enforcement agencies to ensure that it has the best possible intelligence and support to guide policing functions.

This year has seen SB review its capabilities to reflect its mission of, 'Gathering, developing, analysing and disseminating intelligence'. Work has been ongoing to relocate the Headquarter SB function to the South East Counter Terrorist Unit (SECTU), a move which will 'plug' the organisation into the national Counter Terrorism infrastructure. In addition, the skills and expertise of SB have evolved to incorporate specialist civilian posts. The relocation to SECTU, coupled with these specialist posts, will ensure that SB and, ultimately, the organisation, is able to provide the best level of protection to the civil nuclear industry. An overarching 'Intelligence Strategy' to guide work going forward is also close to being finalised which will ensure SB delivers against the Constabulary's mission.

SB have continued to create regular and bespoke intelligence products, the content of which is intended to reflect the needs and requirements of officers, staff and stakeholders. To this end, any feedback received regarding suggested improvements will continue to shape and evolve the content of such products. In addition, close work with Operations Support has been carried out to improve the use and value of the Automatic Number Plate Recognition system.

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.

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.

This year, the quality of exercises has significantly improved due to the newly formed "Exercise Planning Strategy". The strategy has given a new direction to the Constabulary, enabling improved data capture and lessons learnt, ensuring all exercises and practices are NPIA compliant.

Constabulary officers provide vital support in West Cumbrian shootings

On June 2nd 2010, taxi driver Derrick Bird shot dead 12 members of the public and wounded 11 others, before shooting himself. A total of 27 Constabulary AFOs from the Sellafield Unit and the Firearms Training Facility supported Cumbria Constabulary colleagues in the immediate response to the incident, which was extremely fast moving and covered an extensive geographical area. The immediate availability of additional armed assets was welcomed by Cumbria Constabulary. Constabulary officers played a significant role in tracking down Derrick Bird, keeping members of the public safe, and helping treat the injured.

Capenhurst officers awarded commendations

Four Police Officers from Capenhurst OPU received a commendation from the Chief Superintendent of Cheshire Constabulary for their actions which prevented the suicide of a man who went on to be arrested, and subsequently found guilty, for numerous offences against children. The Chief Superintendent said "the professionalism, diligence and initiative shown by all the officers involved demonstrated the highest qualities of a police constable."

Community Liaison Officer appointed in Scotland

Links with communities in Scotland have been strengthened due to the appointment of the Constabulary's first Community Liaison Officer. The role has helped forge close links with local people and businesses to ensure they understand the Constabulary's role in protecting civil nuclear sites at Dounreay, Torness, Hunterston and Chapelcross. The Liaison Officer has attended stakeholder group meetings, liaised with local police forces and is supported by liaison support officers based at each of the four Scottish sites.

Dog Training

For 2010/11 the Dog Training Facility conducted 19 general purpose police dog and 10 explosive search dog refresher and re-licence courses. In addition one general purpose police dog re-handling course and two initial general purpose police dog courses were carried out. All training is to agreed national standards. The Constabulary made a successful application for a position on the Scottish Regional Police Dog Working Group. The Constabulary are now represented on the ACPO National Police Dog Working Group, North West Region Police Dog Working Group and the Scottish Region Police Dog Working Group.

Constabulary dog instructors have also attended National Counter Terrorist Search Unit exercises as umpires with very positive feedback and have been asked to attend further exercises in the same capacity. Constabulary dog instructors have also been called upon to licence and assess police dogs in other constabularies. Police dogs at OPU's have assisted Home Office and Scottish forces in a number of incidents, including: tracking suspected drunk drivers, finding abandoned vehicles, and assisting officers during the tragic shootings in West Cumbria.

Constabulary benefits from awareness raising event

This year, officers from Heysham OPU have worked with EDF Security to increase awareness of the Constabulary's role to the employees on site.

Presentations have been given to the majority of employees and contract partners and the feedback has been excellent, with employees appreciating the opportunity to speak to officers and ask questions on a range of different issues. This has benefited the Constabulary, as the Heysham site workforce are now more aware of the potential security issues and are now more confident in reporting any suspicious activity.

Inspection and Audit

The Constabulary is scrutinised by a number of external assurance organisations, however there is a clear need to ensure that internal processes and procedures are in place to check compliance and disseminate good practice. The aim of the Constabulary Inspection Programme is to ensure that all inspection activity is conducted in a way that supports the front end delivery.

The Internal Inspectorate is in its second year of operation and a programme of internal inspection and performance reviews is now embedded in the business planning cycle. Inspection and standards has been strengthened by the appointment of three local auditors based in North and Scotland, and South divisions.

Over the last 12 months HQ departments have been subject to inspection and the findings have been integrated into day-to-day activity.

Performance reviews have been conducted at operational units twice in the last year and the inspectorate has identified year-on-year improvements across a range of performance measures.

Where areas for improvement have been identified, action plans have been put in place to address them and progress is monitored by the inspectorate. The Constabulary is on target to meet its objectives in relation to completion of improvement plans.

The remit of the inspectorate has been extended in the last 12 months to include project implementation reviews which are designed to:

- Ensure that there was an appropriate level of governance and that the project was run in accordance with

Constabulary policy

- To establish the degree of benefit realisation
- To identify any lessons learnt for future projects

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

- business continuity
- risk management and the assurance framework
- corporate governance
- human resources
- payroll
- fixed assets and capital
- stock and stores
- core financial systems
- IT network project
- IT risk management
- the Audit, Risk and Governance Committee – process
- contract management
- strategic planning

In addition, follow up work has been completed reviewing progress on previous activity.

Her Majesty's Inspectorate of Constabulary (HMIC) has undertaken an assessment of security arrangements at nuclear sites within the reporting period and the findings will be reported in the summer 2011.

Estates

As an executive non-departmental public body, the CNPA 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 17 sites in England, Scotland and Wales, the objective is to ensure that there is a consistent standard of accommodation at all OPU's – as well as Police Authority and Constabulary HQ – are fit for purpose and meet the requirements for effective policing.

Engagement with the NDA and site landlords continued to agree appropriate leases and licences for property.

Equality and Diversity

The 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. The Constabulary continues to recognise the need for, and the business benefits arising from, a diverse workforce that reflects the community it serves.

The Equality Scheme 2010-13 was designed to meet the expectations of stakeholders and to comply with the requirements of NPIA, the Home Office, ACPO, the Association of Police Authorities and the Equality Act. The Equality Scheme has three strategic themes:

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.

The Constabulary has made great strides towards achieving these strategic themes during 2010/11, including the following:

- Establishment of an Equality and Diversity partnership between OPUs and local Home Office/Scottish police forces, in an effort to improve community engagement.
- The continuation of the Equality and Diversity Steering Group which acts as a two-way channel on matters relating to equality and diversity, developing and implementing actions to drive forward improvements in this area.
- The CNPA has extended its representation of the Gay Police Association with a nominated representative for South Division joining the current representative from the North and Scotland division.
- Diversity training has successfully been delivered to middle and senior management within the Constabulary and will be extended to all management during 2011/12.
- The CNPA has successfully applied for funding from the Women in Work Scheme; seven submissions have been supported.

Crime

In line with previous trends, crime dealt with by officers at civil nuclear sites has been low in volume.

The management and investigation of crime does not form any part of the Constabulary's mission statement so work is ongoing for an agreement to be made at Command Team level in order to ascertain how Home Office and Scottish police forces can manage this role.

Policies and Procedures

The Constabulary publishes its policies on the internet and a programme of review of these has been maintained with updates to reflect changing circumstances and changes in national policing and government policies and arrangements.

Policies are implemented by standard and local procedures which have also been subject to a programme of review to confirm and maintain their relevance to current activities.

Charity Events

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

- Officers and staff helped raise £3,000 by running/walking over 450 miles to help raise funds for 42 Commando, who were hoping to raise enough money to build a memorial garden to remember their fallen. The money raised from the walk was combined with money raised elsewhere in the Constabulary through other activities – including a speed march to the top of Scafell Pike – and was presented to their Regimental Sergeant.
- At the end of last year, officers and staff managed to raise £1,500 for "Help for Heroes" by selling cakes, wrist bands and tickets for a raffle.
- Springfield's Site chose local charity "Sutty's Shooting Stars" – which was started by a Constabulary officer – as their charity of the year, raising in excess of £9,000. The charity, which celebrated its tenth year in 2010, has raised over £50,000 for all kinds of local sporting charities.

First Aid

Programme New Dawn has seen the deployment of brand new trauma first aid equipment to all OPU's. With this equipment now in place, training of Tactical Care Officers (TCOs) to an enhanced level has begun, enabling them to deal with a range of ballistic injuries. TCOs are trained in both assessment and instruction, to ensure the Constabulary provide the most up-to-date medical care and assistance.

Communications

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 progress to good news stories, the New Dawn newsletter which updates officers and staff on the progress of New Dawn and Excel Through People, the HR Departments internal messaging service. Formal updates are also issued in the form of Constabulary Orders and Operation Support and Security briefings.

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 Programme New Dawn move forward with the purchase of new firearms, ammunition and trauma first aid equipment.

Human Resources Department

The Human Resources (HR) Department develops policies, standards, systems and processes that implement the Constabulary's strategies in a range of different areas.

The HR Department has had a busy year developing the staff pay and grading structure to ensure the Constabulary is in line with other police forces.

During the year, a number of improvements have been made to the Occupational Health Service (OHS) provision within the Constabulary. This commenced with an analysis of the requirements of the Constabulary in alignment with the Home Office Health Standards for Police Officers. Due to the unique work of the Constabulary and the geographic locations of its sites, OHS is provided for each site via a number of different service providers. Individual meetings have been held with each OHS provider resulting in tailored medical specifications which better reflect the service provided for each site. The gaps identified in service provision are now covered by third party service providers.

A tender exercise has taken place to secure the services of a Chief Medical Officer for the Constabulary and there are now a number of valuable contacts within the Occupational Health arena available, who have been extremely useful in providing advice and benchmarking as required, including regular updates on the review of Occupational Health implications for Firearms Officers, which is currently being undertaken by the Home Office.

The Constabulary's continued growth is greatly assisted by the Recruitment Department, who have recruited 95 people to the organisation this year. After a review of the recruitment process, e-recruitment has been introduced, saving both time and resources by allowing applicants to apply for positions on-line. This has helped 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. Over the next year, the Recruitment Department is looking to fill over 300 additional officer and staff posts on top of business as usual, highlighting that even in a time of austerity, the Constabulary is continuing to grow.

The HR Department's new Performance and Career Development (PCD) process will take effect from 1 April 2011 replacing the existing Personal Development Review system. PCD has been developed using feedback from internal focus groups with both Officers and Staff Association workshops held last year.

The HR Department have developed a new pay and grading structure over the past 12 months following a review undertaken by The Hay Group, which concluded that the structure for police staff did not meet the requirements of the Constabulary. As a result a new pay and grading structure was designed by the Hay Group to:

- Modernise the outdated salary structure
- Bring the salary structure more in line with market rates
- Simplify the salary structure which was too complex for the Constabulary's requirements
- Ensure the grading and salary structure is equally weighted across the breadth of the Constabulary

The introduction of this new system will depend on Government approvals.

Centre for Learning and Development

This year, the Constabulary Training Centre was relocated from Summergrove Hall in Cumbria to Constabulary Headquarters (HQ) in Culham, before being re-branded as the Centre for Learning and Development (CLD).

The newly formed team has reviewed, rewritten and refreshed the internally delivered courses and associated training materials in order to ensure that the training received by staff is fit for purpose and in line with the Constabulary's mission; in addition to this, the administration and department management processes have been reviewed and revised.

The relocation has improved connectivity between the training facility and HQ, enabling the CLD to introduce more guest speakers into courses, increasing officer awareness of HQ activities and corporate initiatives, including; business continuity, command and control, stakeholder liaison, the welfare fund and the suggestion scheme.

The Head of Learning and Development is now a member of the South East Region Heads of Learning and Development Forum, thus giving the department regional

connectivity and identifying business opportunities with the other Constabularies in the area, including the Thames Valley Police Learning and Development Team.

In January 2011, a Quality Assurance and Evaluations Officer was appointed and a new evaluation process is being introduced in order to improve and continuously develop the quality of training delivery ensuring that it meets the needs of the organisation and staff. Links have also been established with the South East Region Quality Assurance and Evaluations Forum.

A Management Trainer was also appointed in January 2011, allowing the CLD to produce a Leadership Development Programme for implementation in 2011/12. Research has been undertaken at HQ, and at Operational Policing Units, to identify what knowledge and skills supervisors and managers require.

Structural Change

This year has seen the Constabulary adopt a new divisional structure, replacing the Basic Command Units in the North, South and Scotland with two new divisions:

- North and Scotland Division
- South Division (incorporating Operational Support, Escort Operations and Intelligence)

The new structure has created two new "Divisional Commander" positions responsible for the overall delivery of a professional, effective and efficient policing service across their division.

The divisional structure will continue to address a range of organisational and operational challenges, aiming to achieve better collaboration between the Constabulary and Home Office/Scottish police forces and improved engagement throughout the CNPA.

Managing Information Risk

During the reporting year the Constabulary developed a tool to measure compliance with national standards.

This self assessment tool was developed in-house to give the Constabulary a clear self assessed view of compliance against the HMG and OCNS Security Policy Frameworks (SPFs) and additionally the ISO/IEC 27002 Information Technology – Security Techniques – Code of Practice for Information Security Management. Whilst compliance to these standards is a continually maturing process, the following has been completed:

- Full accreditation of both the Constabulary network and Airwave Service (encrypted digital radio communications).
- Early completion of the Constabulary security objective, which was managed and reported on a monthly performance basis through the direction of line management and acceptance of security responsibility by all officers and staff. This objective was successfully achieved in February 2011.
- Encryption and maintenance of 100% of frontline laptops processing PM information in line with both HMG and OCNS SPF standards.
- Accounting for 100% of all IT&C's accountable assets and Airwave equipment in use by the Constabulary as a result of regular audit and control.
- Continued security inspections of OPU's aimed at promoting a security culture.

Health, Safety and Environment

Ensuring the safety and good health of all officers and staff is paramount to the CNPA's Core Values and its commitment to excellence.

To enable comparisons with site operators the Constabulary uses the accident/incident reporting metrics commonly used in our 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 Occupational Safety and Health Administration.

Overall, most operating units show a reduction from the previous year, with many units having no reportable incidents during the last 12 months.

Compared to the previous year, the Constabulary has had a 71% increase in the number of near miss reports submitted (a positive Health, Safety and Environment cultural indicator) and other than a small number of estates related issues subject to ongoing resolution with individual sites, all of these reports have been closed.

Each OPU was audited by the Health and Safety Department during the year with almost all of them achieving higher ratings than the previous year. The majority only having one or no identified area for improvement.

The Health, Safety and Environment Strategy sets out a number of aims with associated performance measures which were all achieved during the reporting year.

All Constabulary officers and a small number of staff are designated as 'monitored workers'. The following table shows the radiation dose figures for calendar year 2010 (January to December 2010) as radiation dose is reported by calendar rather than financial year.

Operational Policing Unit	Average Reading	Highest Reading
Dounreay	0.02	0.14
Chapelcross	0.09	0.44
Torness	0.03	0.34
Hunterston	0.00	0.06
Sellafield	0.07	0.45
Capenhurst	0.11	0.38
Springfields	0.04	0.15
Hartlepool	0.01	0.11
Heysham	0.08	0.14
Wylfa	0.04	0.18
Harwell	0.00	0.03
Sizewell	0.00	0.00
Dungeness	0.04	0.24
Oldbury	0.00	0.00
Hinkley Point	0.00	0.02
CNC	0.04	0.45

Note: 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 officers and staff receiving no measurable work-related radiological exposures during 2010.

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 officers and staff during 2010.

Professional Standards

Public confidence in the police depends on police officers demonstrating the highest level of personal and professional standards of behaviour, both on and off duty. The Professional Standards Department (PSD) is responsible for promoting standards, ensuring all complaints and allegations of misconduct against officers are appropriately dealt with and investigated.

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 Constabulary Officers based in Scotland may be subject to review by the Police Complaints Commissioner for Scotland (PCCS). Formal agreements are in place between the CNPA and both organisations.

The Police Authority has a statutory duty to oversee complaint and conduct matters and a member is appointed to conduct regular oversight of the PSD.

Complaint numbers remain consistently low, and recordings of complaints and local resolution where appropriate are well within IPCC time guidelines. There has been no formal disciplinary action taken against any officers as a result of a public complaint this year.

The majority of misconduct matters are dealt with at local level, and during this reporting year, 24 officers have been dealt with by a sanction known as Management Action, for a variety of failures in respect of the Standards of Professional behaviour, and their details have been recorded in a corporate database. Only serious matters, which potentially amount to criminal behaviour or serious misconduct, are now investigated by the PSD. Six such matters have been recorded this year. The Department is the dedicated point of contact for a confidential reporting line which has generated nine actions, most of which have been dealt with by appropriate senior managers.

All investigations are conducted with a view to organisational learning, and to enhance corporate improvement and individual learning.

Security

The Constabulary is committed to the continuation of a strong security culture through the promotion of security education and adherence by all officers, staff and contractors to the requirements within Government, Regulatory and Constabulary security policies and related procedures.

Through this commitment the Constabulary aims to ensure that all information and material assessed as “Government Protectively Marked” or “Sensitive Nuclear Information”, owned by or entrusted to the Constabulary, are provided with the required physical and procedural security controls.

Protecting information and assets

During 2010/11 on a monthly basis, all security incidents across the Constabulary have been recorded and reported both through the Information Governance Panel (IGP) and to the Deputy Chief Constable in his role as Senior Information Risk Owner.

Emphasis during this period has been focused on the reporting of security breaches and weaknesses in line with Constabulary procedure. To complement this, a security education awareness objective for 2010/11 for all officers and staff was agreed. This objective required that during the reporting period all;

- Officers and staff attend either a Constabulary security awareness presentation or view the staff security awareness DVD issued by the Centre for Protection of National Infrastructure (CPNI); and
- Officers and staff to complete the ‘Protecting Information’ e-learning package provided by the National School of Government.

Policy development

During 2010/11 all Constabulary security policies and procedures, information, personnel and physical have been reviewed and ratified. In order to provide transparency, all security policies are published on the Constabulary’s website and all security procedures are available to officers and staff through the Constabulary’s intranet.

During the reporting period, focus has been directed on the adoption of both the mandatory and key requirements within the Her Majesty’s Government (HMG) Security Policy Framework and the OCNS Security Policy Framework. This review resulted in the approval and promulgation of;

- The Use of Social Media Policy; produced to recognise the right of officers and staff (including contractors) to communicate freely through the use of social media sites such as social networking, blogs, online discussion forums and media sharing services whilst maintaining levels of security appropriate to our business; and
- The Management of Digital Evidence Policy; produced to recognise the need to preserve digital forensic evidence so it can be analysed to support any investigation in the future and to maximise the potential to use digital evidence whilst minimising investigation costs.

Reporting of Security Breaches and Incidents

No identified breaches during 2010/11 have required reporting to the Information Commissioner’s Office, however three breaches have been reported to OCNS:

- Compromise of Protectively Marked (PM) document; a PM document was released with the incorrect protective marking; this occurred when the correct caveat was not applied. An investigation was completed and the compromise was assessed as negligible. A full report was forwarded to OCNS detailing the conclusion and counter compromise steps taken. The document author was provided with further security advice.
- Compromise through transmission via the internet of two PM RESTRICTED documents. On review of both documents, the protective markings were reassessed and it was concluded that both documents were in fact overly protectively marked. The document authors were provided with further security advice.

A summary and breakdown of the 2010/11 security breaches and incidents are shown in the table below:

Summary of Protectively Marked and Personal Data Related Incidents 2010/2011

Nature of incident	Total
Loss of inadequately protected electronic equipment, devices or paper documents from secured Constabulary premises	Nil
Loss or theft of inadequately protected electronic equipment, devices or paper documents from outside secured Constabulary premises	Nil
Insecure disposal of inadequately protected electronic equipment, devices or paper documents	Nil
Unauthorised disclosure; <ul style="list-style-type: none"> • Compromise of PM document; a PM document was released without the appropriate protective marking. • Compromise of PM documents through insecure transmission of PM Restricted information from Constabulary secure network to non-secure stakeholder email addresses. 	1 2
Other breaches/incidents considered as ‘Low Level’ as per Constabulary procedure; Reporting Breaches of Security and Security Incidents: <ul style="list-style-type: none"> • Breach of Information and Information Technology Security Operating Procedures • Breach of Physical Security Procedures 	11 14

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.

Circumstances affecting our staffing resource	2009/10 Target	2009/10 Outturn	2010/11 Target	2010/11 Outturn	2011/12 Target
Absence management					
Average number of working hours lost per annum due to sickness per police officer	92.6 hours	78 hours	67.5 hours	93.5 hours	84 hours
Average number of working hours lost per annum due to sickness per police staff member	82.4 hours	80.4 hours	58 hours	58.7 hours	55.7 hours
Recruitment and retention					
% strength against establishment	>95%	95.9%	N/A ¹	101%	Target TBC
Police officer turnover rate	<5%	4.6%	N/A ¹	2.9%	Target TBC
Police staff turnover rate	<13%	5.8%	N/A ¹	6.5%	Target TBC
Protecting nuclear material and facilities					
Operational capability					
Deploy armed officers to planned duties	100%	91.8%	100%	98.9%	100%
Deploy police dog patrols to planned duties	100%	99.8%	100%	99.4%	100%
Attend alarm indications	100%	99.8%	100%	99.4%	100%
Conduct offsite duties to programme	100%	100%	100%	99.8%	100%
Confirm fence integrity	100%	100%	100%	100%	100%
Test security equipment functionality	100%	100%	100%	100%	100%
Search vehicles and personnel	100%	100%	100%	100%	100%
Regular meeting with site operators and other security organisations	At least 1 meeting/month	100%	N/A	N/A	N/A
Police officers at Operational Policing Units qualified for Personal Safety Programme	95%	95%	95%	78%	95%
Developing & sustaining modern workforce					
Firearms & Project New Dawn training to plan	95%	97%	95%	93%	Target TBC
ARV response courses – Project New Dawn training to plan	100%	96%	100%	87%	Target TBC
Other training within annual training plan to plan	70%	87%	70%	89%	Target TBC

IT and Communications

The IT and 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, the IT&C Department have assisted Programme New Dawn by working with the necessary firearms experts in implementing a firearms records management system to help achieve the NPIA Firearms Licence. This represents a significant investment of nearly £1million over 5 years and helps ensure that the Constabulary achieves its ambition of being recognised as a provider of a world class service.

The IT&C Department have helped update the Constabulary internet connection to be part of the Police National Network, which allows the Constabulary access to the Police Online Knowledge Area where experts from all over the police community can share views, knowledge and best practice.

The Knowledge and Information Management (KIM) Team are currently implementing their 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.

The Constabulary's Operational Communications Team, whose current primary focus is the Airwave system and its associated control room equipment, have been heavily involved with the new control rooms at both Harwell and Sellafield, as the Constabulary looks to improve its communication equipment at various sites.

The IT&C Department have also introduced the internal concept of "work packages" which allow items of lesser impact than that of a full project, to be undertaken with full knowledge and commitment from all those involved. Work packages allow a better understanding of why the work is required and helps identify a breakdown of cost and effort required.

Welsh Language Scheme

The CNPA's Welsh Language Scheme was prepared in accordance with the Welsh Language Act 1993, and was approved by the Welsh Language Board on 31 March 2008. Since then, the Constabulary has been successfully implementing the action plan on behalf of the Police Authority as agreed with the Welsh Language Board.

The CNPA's Welsh Language Scheme states:

- In the conduct of public business in Wales, the CNPA will treat the English and Welsh languages on a basis of equality.
- The Scheme set out by the 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; the CNPA may submit Scheme revisions to the Board.

This year, the Constabulary have demonstrated their commitment to the Welsh Language Scheme by holding a meeting in public on Anglesey Island, which was attended by a Welsh translator, as well as issuing officers with warrant cards in both Welsh and English; the new cards were developed with the help of North Wales Constabulary who provided translations from English to Welsh. A summary of the 09/10 Annual Report and Accounts was successfully published and disseminated to Wylfa and the local community, as well as being placed on the homepage of the Constabulary's website.

The Constabulary remains committed to providing Welsh language training for its officers, something that helps to positively promote the Constabulary's role within the local community.

Strategic plan: a look to the future

A copy of the Strategic Plan can be found on the CNPA's website at www.cnpa.police.uk.

The CNPA published its Strategic Plan 2011-14 on 31 March 2011, 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 Plan sets out six objectives:

- To provide a world class armed response and policing capability for both licensed nuclear sites and nuclear material in transit.
- To upgrade operational capability to deliver on the Mission going forward.
- To implement a programme of workforce modernisation to provide a more flexible and responsive service delivery framework.
- To prepare for changes in our operating geography given current and future decommissioning and new build proposals.
- To maximise the effectiveness of our allocated budget, achieve efficiency savings and secure value for money.
- To collaborate with stakeholders to improve service delivery and confidence in our business.

The CNPA Board have agreed these objectives, considering them to be a vital component in ensuring that we meet the Minister's stated goals, as well as upholding the organisation's Mission and Core Values.

Since 2008, the Constabulary has delivered significant increases in operational capability; Constabulary AFOs are amongst the best in British policing and the whole organisation has been undertaking a programme of continuous improvement so that the protective security provided to civil nuclear sites is of the highest quality.

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

- The completion of Programme New Dawn – which has already resulted in the acquisition of a full NPIA Firearms Licence – and the maintenance of the licence to an acceptable standard.
- The completion 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.
- Development of an ongoing workforce model, which reflects altering government and operator requirements. The Constabulary will look to withdraw policing services from specified sites when there is no requirement for armed protection.
- Progress towards employee alignment with the Equality, Diversity and Human Rights Strategy 2010-13; and
- In conjunction with DECC, OCNS and the Site Licence Operators, review specialist security expertise, improve the extent and effectiveness of the exercise programme, and to support DECC in the integration of the Constabulary into appropriate national exercise programmes.

Management Commentary

Principal Activities

The CNPA is a body corporate, established by the Energy Act 2004 and classified as an executive non-departmental public body (NDPB), which operates under the aegis of the Department of Energy and Climate Change (DECC). The CNPA is charged, pursuant to the Act, with securing the maintenance of an efficient and effective Civil Nuclear Constabulary whose primary function is the protection of licensed nuclear sites not used wholly or mainly for defence purposes and the safeguarding of nuclear material in the UK and elsewhere.

The Authority thus has oversight of, and employs the Civil Nuclear Constabulary. In turn, the Constabulary provides a dedicated on site armed response and policing capability for the nuclear industry, with operational and support units based at licensed nuclear sites. Together with site operators and carriers, the Constabulary shares responsibility for the protection of nuclear materials and facilities, and 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, the Office for Civil Nuclear Security.

Objectives and Strategies

CNPA's activities in 2010/11 were attributed to the following four Key Delivery Priorities (KDPs):

- **KDP 1** – Defend and 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);
- **KDP 2** – Ensure that the Constabulary is managed in a way that gets the best out of all its resources and demonstrates value for money;
- **KDP 3** – Maintain, improve and demonstrate the value added to stakeholder activity, within and outside the nuclear industry; and
- **KDP 4** – Continue to develop and sustain a modern workforce with the required skills and competencies to deliver the KDPs.

Each KDP 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 CPNA during the year, of events since the year end, and of future plans is given in the Chairman and Chief Constable's Statement on page 7 and in the Summary of Performance on pages 11 to 20.

Financial Performance

CNPA is expected to recover its full operating costs each year. Income of £61,360,000 for the year ended 31 March 2011 (2009/10: £56,484,000) represents a re-charge of running costs to Site Licence Companies (SLCs) of £61,217,000 (2009/10: £56,239,000) and miscellaneous income of £143,000 (2009/10: £245,000). Miscellaneous income was generated by recharging secondment costs, providing policing services to non-SLCs, communications support for the unescorted transport of nuclear materials throughout the UK and charging for training provided to Russian nuclear power station security staff.

Expenditure for the year ended 31 March 2011 was £61,348,000 (2009/10: £56,479,000). The increase in expenditure was due largely to increased staff costs of £3,841,000 to £48,786,000 (2009/10: £44,945,000). 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 £7,000 (2009/10: £3,000) 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 is 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.

Financial Position

The carrying value of property, plant and equipment at 31 March 2011 was £5,726,000 (2009/10: £4,064,000). Asset additions in 2010/11 amounted to £2,398,000 (2009/10: £2,015,000) and depreciation of £640,000 was charged to the statement of comprehensive income (2009/10: £824,000). Additions comprised £674,000 for 22 replacement vehicles, which included £174,000 for an armoured vehicle for the road escort fleet, £460,000 on plant and machinery, firearms training equipment and other operational equipment and £35,000 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 £1,229,000 represented costs on the new IT network of £179,000, £504,000 on a firearms records management system, £301,000 on police control room equipment, £90,000 on the installation of a new data room at the Constabulary Headquarters at Culham and £155,000 on exercise monitoring equipment. Assets which cost £743,000 have been completed in 2010/11 and transferred from assets in the course of construction: this comprised £613,000 on police control room equipment and £130,000 the installation of the new data room.

The carrying value of intangible assets decreased by £27,000 to £279,000 at 31 March 2011 (2009/10: £306,000). Intangible asset additions of £51,000 comprised the purchase of software licences for a number of IT applications used by the Constabulary. Amortisation of £78,000 was charged to the Statement of Comprehensive Income (2009/10: £71,000).

Trade and other receivables due after one year amounted to £180,000 (2009/10: £173,000). 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 2011 amounted to £1,177,000 (2009/10: £1,515,000). The decrease in inventory was due to

a reduction in ancillary equipment for weapons and ammunition held at the end of the reporting period.

Provisions for liabilities and charges decreased by 5% to £490,000 (2009/10: £514,000). This decrease was the net effect of amounts provided for during the year of £101,000, payments made against existing provisions of £73,000 and a release to the Statement of Comprehensive Income of £52,000 for unused provisions.

Reserves increased by 17% at 31 March 2011 to £13,706,000 (2009/10: £11,760,000). This comprised the net effect of an increase in financing of £1,561,000 and an increase in the government grant reserve of £385,000.

Cash Flows

Cash generated from operations in 2010/11 was an inflow of £551,000 (2009/10: outflow of £198,000). Interest received on CNPA's cash balances amounted to £7,000 (2009/10: £3,000). Payments of £1,003,000 (2009/10: £1,675,000) were made to purchase property, plant and equipment and £59,000 (2009/10: £32,000) were made to acquire intangible assets. The net cash inflow from financing was £1,994,000 (2009/10: £2,739,000), which comprised capital grant receipts of £440,000 (2009/10: £14,000), grants from CNPA's parent department, DECC, of £1,413,000 (2009/10: £2,634,000) and other financing contributions of £141,000 (2009/10: £91,000). This resulted in an overall increase in cash held in 2010/11 of £1,577,000 (2009/10: increase of £837,000).

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 not used during the reporting period. 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 CNPA 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 CNPA Board has approved a revenue expenditure budget of £78.5 million for 2011/12. This represents an increase of 27% on the approved budget of £61.7 million for 2010/11. £14 million or 83% of the increase in revenue expenditure is to fund an uplift in operational capacity. A capital expenditure budget has been set for 2011/12 at £3.9 million (2010/11: £2.0 million). This is split £2.0 million for the Constabulary's 'business as usual' asset replacement programme, which consists of replacement vehicles, police control room equipment, IT equipment and a firearms training facility. The balance of £1.9m is to fund the uplift in operational capacity.

The Constabulary's capital funding 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 CNPA Board. The quarterly reviews provide an opportunity for the Board 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

Statement of Comprehensive Income

In line with the FReM, CNPA has implemented IAS 1 *Presentation of Financial Statements* in full and prepared a single Statement of Comprehensive Income. This is a single performance statement that includes items of income and expenditure that have previously been taken direct to reserves, for example valuation movements. As a consequence, only those items that properly reflect reserve movements are taken to the Statement of Changes in Equity. There is no substantive impact for CNPA for 2010/11.

Notional Cost of Capital

In a drive to improve the consistency of financial reporting, the FReM no longer requires CNPA to recognise a notional charge that reflects the cost of capital utilised by the organisation. This has been treated as a change in accounting policy. Its impact is disclosed in note 1.2 to the accounts. The notional cost of capital was previously reported in the Performance Statement and subsequently reversed. It does not impact on the Statement of Financial Position. For this reason HM Treasury has agreed that a third Statement of Financial Position is not required to reflect this change in accounting policy.

Alignment (Clear Line of Sight) Project

In the July 2007 Green Paper *The Governance of Britain*, the Labour Government announced that it 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.

Government Spending Controls and Transparency Agenda

Following election of the Coalition Government, there were a number of directives issued by government departments that impacted on CNPA in 2010/11. Spending controls were introduced to support a reduction in expenditure across the public sector together with greater accountability through greater transparency. One directive was for CNPA, like all NDPBs, to publish expenditure on goods and services in excess of £25,000 online. CNPA has responded to this

by publishing online all its expenditure on goods and services for 2010/11 regardless of value. It will continue to publish this information on a monthly basis for future reporting periods.

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; and
- 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 11 to 20.

Employees

The average number of employees and details of employment costs are set out in note 4 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 11 to 20. 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 11 to 20.

Key Performance Indicators

Performance against the CNPA's 2010/11 key performance indicators is included in the Summary of Performance on pages 11 to 20.

Personal Data Related Incidents

There were no personal data related incidents formally reported to the Information Commissioner's Office during 2010/11. There were three incidents reported to OCNS. Further information is provided in the Summary of Performance on pages 11 to 20

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 10 to the financial statements.

Events After the Reporting Period

Events after the reporting period are disclosed in note 22 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 2010/11, CNPA paid 96% of its invoices on time (2009/10: 90%). CNPA, in line with other public sector organisations, has sought to comply with central government'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 2011, CNPA paid 87% of its invoices within 10 working days (2009/10: 72%).

Pension Arrangements

Further information on pensions is disclosed in the Remuneration Report and in notes 1.8 and 5 to the financial statements.

Auditors

The financial statements have been audited by the Comptroller and Auditor General. The cost of the statutory audit was £42,000 (2009/10: £50,000 of which £6000 related to a review of CNPA's 2008/9 financial statements prepared under IFRS). 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
27 June 2011

Remuneration Report



The Civil Nuclear Police Authority operates within the principles set out in the Civil Nuclear Police Authority Management Statement and Financial Memorandum and in accordance with policies and practice approved by the Secretary of State with regard to the remuneration of all Members of the Authority and of the Constabulary Command Team, as set out below.

Procedures for Setting Remuneration

The CNPA Chairman's 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 members of the Command Team and the Executive Director is set by the CPNA (within the terms of the Management Statement and Financial Memorandum) through its Senior Appointments, Leadership and Development Committee as detailed below. Industry representative Members receive no remuneration from the CNPA.

Membership of the Senior Appointments, Leadership and Development Committee:

Sir Chris Fox – Chair (to 23 May 2011)
Dame Elizabeth Neville

Dr Janet Wilson (to 31 December 2010)
Mr George Beveridge

Statement of Remuneration Policy

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

Fees

CPNA 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

Members of the Command Team and the Executive Director receive a basic salary which is reviewed annually. A performance-related bonus based on objectives achieved throughout the reporting period is also payable. 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

Members of the Command Team and Executive Director 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

Members of the Command Team and Executive Director are eligible to become members of the Combined Pension Scheme (CPS) of the United Kingdom Atomic Energy Authority 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. CPNA independent Members are not members of the CPS or any other Authority-related scheme while industry representative Members make their own pension arrangements through their employers.

Terms of Appointment/Service Contracts

The following is a summary of the terms of appointment/service contracts for the CPNA members who served during the year and members of the Command Team and the Executive Director.

Name	Date of continuous service	Unexpired term at 31 March 2011	Notice period
CNPA			
Sir Chris Fox ¹ Chairman and independent Member	1 April 2009	1 month	3 months
Stephen Barrett Independent Member	1 April 2010	2 years	3 months
George Beveridge Industry representative Member (Sellafield Ltd)	3 August 2009	1 year	Not stated
Peter Bradley Industry representative Member (URENCO UK Ltd)	1 April 2008	–	Contract expired 31 March 2011 ²
Dame Elizabeth Neville Independent and policing advisor Member	23 March 2005	1 year	3 months
Alan Rae Industry representative Member (Nuclear Decommissioning Authority)	10 January 2011	3 years	Not stated
Matt Sykes Industry representative Member (British Energy Generation Ltd)	1 April 2007	–	Contract expired 31 March 2011
Janet Wilson Industry representative Member (Nuclear Decommissioning Authority)	1 April 2008	–	Contract expired 31 December 2010
Robert Wright Independent Member	4 January 2010	1 year, 9 months	3 months
Command Team and Executive Director			
Richard Thompson Chief Constable	11 June 2007	1 year, 2 months	6 months
John Sampson Deputy Chief Constable	1 December 2008	2 years, 11 months	6 months
Alan Cooper Assistant Chief Constable	7 January 2008	1 year, 9 months	6 months
Justin Rees Director of Corporate Services	17 August 2009	3 years, 5 months	6 months
Tony Regan ³ Executive Director	8 September 2008	1 month	6 months

¹ Sir Chris Fox stepped down as Chairman with effect from 23 May 2011 and has been succeeded by Sir Philip Trousdell.

² The service contracts for Peter Bradley and Matt Sykes expired on 31 March 2011. Mr Bradley and Mr Sykes remain *ex officio* Members of the CNPA.

³ Tony Regan is on secondment from the Home Office. Mr Regan's secondment ended on 6 May 2011.

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 Authority Chairman and Members and approving their terms and conditions of appointment in line with provisions of the Energy Act 2004, Schedule 10. The CPNA is to 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.

Remuneration

Remuneration payable to CPNA Members and members of the Command Team and the Executive Director in 2010/11 was as follows:

The following information is subject to audit.

Name	2010/11 Fees £000	2010/11 Salary and allowances £000	2010/11 Bonus £000	2010/11 Benefits in kind ¹ £000	2010/11 Total £000	2009/10 Total £000
CNPA						
Sir Chris Fox Chairman and independent Member	25-30	-	-	-	25-30	25-30
Stephen Barrett Independent Member	15-20	-	-	-	15-20	-
George Beveridge Industry representative Member (Sellafield Ltd)	-	-	-	-	-	-
Peter Bradley Industry representative Member (URENCO UK Ltd)	-	-	-	-	-	-
Dame Elizabeth Neville Independent and policing advisor Member	15-20	-	-	-	15-20	15-20
Alan Rae (from 10 January 2011) Industry representative Member (Nuclear Decommissioning Authority)	-	-	-	-	-	-
Matt Sykes Industry representative Member (British Energy Generation Ltd)	-	-	-	-	-	-
Janet Wilson (to 31 December 2010) Industry representative Member (Nuclear Decommissioning Authority)	-	-	-	-	-	-
Robert Wright Independent Member	15-20	-	-	-	15-20	0-5
Command Team and Executive Director						
Richard Thompson¹ Chief Constable	-	125-130	5-10	9.6	140-145	145-150
John Sampson Deputy Chief Constable	-	105-110	5-10	6.6	120-125	125-130
Alan Cooper¹ Assistant Chief Constable	-	90-95	5-10	8.8	105-110	110-115
Justin Rees Director of Corporate Services	-	95-100	5-10	2.5	100-105	65-70
Tony Regan² Executive Director	145-150	-	-	-	145-150	150-155

1 Benefits in kind for Richard Thompson and Alan Cooper comprised a fully maintained lease car and private healthcare insurance. John Sampson received a fully maintained lease car for the full year and private health insurance from 1 April 2010 to 30 June 2010. A cash allowance was paid to Justin Rees in lieu of a lease car. Mr Rees received private healthcare insurance.

2 Tony Regan was 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.

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 2011 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 following table.

Name	Total accrued pension at age 60 at 31 March 2011 and related lump sum £000	Real increase in pension and related lump sum at age 60 £000	Cash equivalent transfer value at 31 March 2011 £000	Cash equivalent transfer value at 31 March 2010 £000 ¹	Real increase in cash equivalent transfer value £000
Command Team					
Richard Thompson	30-35 plus 100-105 lump sum	0-2.5 plus 5-7.5 lump sum	589	549	40
John Sampson	0-5 plus 5-10 lump sum	0-2.5 plus 2.5-5 lump sum	57	29	28
Alan Cooper	0-5 plus 10-15 lump sum	0-2.5 plus 2.5-5 lump sum	65	44	21
Justin Rees	20-25 plus 60-65 lump sum	0-2.5 plus 0-5 lump sum	338	315	23

1 CETVs have been restated as at 31 March 2010 following the change in indexation of public service pensions from the Retail Prices Index to the Consumer Prices Index.

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

27 June 2011

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 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 Civil Nuclear Police Authority and of its income and expenditure, changes in taxpayers' equity 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 Civil Nuclear Police Authority. 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 Civil Nuclear Police Authority'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 CNPA'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 CNPA 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 CNPA's accountability and reporting arrangements to the Minister. Through it, the DECC Accounting Officer designates the Chief Constable of the Constabulary as the Civil Nuclear Police Authority's Accounting Officer. The Chairman of the CNPA meets at regular intervals with representatives of the sponsoring department and notifies CNPA Members and myself of developments as appropriate.

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 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 2011 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

Capacity to Handle Risk

The 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 CNPA Board members;
- The CNPA's Audit, Risk and Governance Committee scrutinises the management of key risks, including risks throughout the organisation.
- The frameworks for Performance Management, Programme Management and Risk Management 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 CNPA Board.

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 CNPA adopted a risk management framework in September 2005 which was revised during 2010. 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 further revision during 2011.

The Constabulary has undertaken a review of its risk management system and to improve efficiency has replaced the Risk Assurance Group with a review at the Command Team Board to ensure the effectiveness and efficiency of risk management practices is maintained.

The CNPA's Audit, Risk and Governance Committee reviews strategic business risks on a quarterly basis and reports them to the CNPA Board. Major risks on the risk register are also reviewed by the Constabulary Co-ordination Group, at the Divisional Senior Management Team (SMT) Meetings and Programme Boards on a monthly basis. The risk probabilities and consequences are assessed by the Risk Manager and the resulting ranking is moderated through the Divisional SMT and Command Team Board Meetings. 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 and Programme Management Methodology (P2M2); based upon PRINCE2 and the OGC methodology Managing Successful Programmes (MSP) tailored to suit the Constabulary's requirements. The P2M2 has regard to risk, with risks being reported to the appropriate monitoring group.

I report regularly to the CNPA Board on progress towards meeting the organisation's objectives as laid out in the Strategic Plan. Such reporting also includes the management of risk, which is developed from internal assessments and developments identified through liaison with the Nuclear Decommissioning Authority, 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

During 2010, the CNPA considered a range of proposals to adopt new governance arrangements, and following extensive discussion and consultation with, amongst others, DECC and the Office for Civil Nuclear Security (OCNS), the CNPA established the CNPA Board, to which it delegates the conduct of the majority of the Police Authority's business and management responsibilities.

The new governance model has been designed to enable the effective discharge of the CNPA's responsibilities, while ensuring that matters reserved by Statute or direction of the Secretary of State, and those matters not delegated by the Police Authority to the CNPA Board, remain responsibilities of the Police Authority and its Members.

2. Planning Framework

The Constabulary develops a strategic plan which is a three year plan combining the statutory requirement to publish an Annual Policing Plan and Three-Year Strategic Policing Plan through a consultation process with stakeholders. This is subsequently reviewed, approved and adopted by the CNPA Board.

The Strategic Plan includes Key Performance Indicators (KPIs) and progress against the plan is reported in the Annual Report and Accounts. The Constabulary uses a methodology having a traffic light system to aid its management of departmental plans and KPIs using the indicators of performance described on page 20. 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 CNPA Board on a quarterly basis.

3. Financial Management Framework

The CNPA Board 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 financial reports;
- 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 OPU's and corporate departments;
- Departmental meetings reviewing performance;
- Individual performance appraisal/ development reviews;
- Review meetings between departmental heads and the Command Team;
- Review meetings between Divisional Commanders and the Command Team; and
- Command Team Board meetings.

5. Insurance

The CNPA purchases insurance cover to protect assets and liabilities where required by legislation or where it is cost effective to do so. Insurance policies cover the following areas: motor fleet, combined liability, personal accident and travel, material damage, airside liability, fidelity and motor uninsured loss recovery.

6. Security and Information Management

The 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. During 2010 a Deputy Security Manager was employed to support the Security Manager in performing the responsibilities.

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 continued to encrypt all new hardware and USB devices during 2010/11 where necessary. As this activity has only been ongoing since 2008/09 and there have been various spikes of activity throughout, no meaningful averages are available to compare this year's activity against any other.

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 CNPA Board and the Audit, Risk and Governance 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 CNPA Board

The CNPA Board receives reports from the Audit, Risk and Governance Committee at each of its meetings. Significant issues relating to the system of internal control are reported.

2. The Audit, Risk and Governance Committee

The Committee's terms of reference require that it reviews the 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.

The organisation has identified six strategic risk categories and each risk is allocated to one of these categories which are:

- Failure to deploy sufficient police officers with the right equipment and training to meet the threat;
- Failure to recruit/train 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.

These strategic risks have not changed since the last report. A review of strategic risk categories is planned to take place during 2011/12 with a view to adding further strategic risks surrounding policy, strategy, finance, stakeholders and damage to reputation.

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.

Risks are dealt with in any of four distinct ways within the organisation, these are:

- Tolerate – the risk is accepted. This situation is periodically monitored to ensure the risk remains tolerable. Tolerated risks are reviewed at least quarterly;
- Transfer – the risk is avoided by transferring it to a third party (e.g. by transferring the risk – by agreement – to the CNPA's sponsoring department, or through insurance or outsourcing the management of the risk);
- Terminate – the risk is avoided by, where possible, doing things differently thus removing the situation where the risk may have arisen; and
- Treat – mitigate the risk either by lessening the risk occurring, or by reducing the impact should it occur by planning or by having processes and procedures in place to deal with the risk.

Whenever tolerating, transferring or treating risk, opportunities for positive impact are reviewed by the Risk Manager as part of the management of risk process.

KPMG LLP has provided an internal audit service which has complied with Government Internal Audit Standards throughout the year. KPMG LLP have reviewed the CNPA's systems in accordance with the 2010/11 Internal Audit Plan and have based their opinion upon the work undertaken for the 12 months ending 31 March 2011. 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 CNPA's risk management, control and governance processes. In their opinion the CNPA has adequate and effective risk management, control and governance processes to manage the achievement of objectives. I am satisfied that all significant risks are being managed and reported appropriately.

The Programme Manager has continued membership 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 CNPA continues to appoint accountants, KPMG LLP, to carry out internal audits in line with GIAS. The internal audit plans are informed by the CNPA'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, Risk and Governance 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. All areas reviewed received a satisfactory opinion and improvements in prior year areas of weakness were noted. KPMG LLP rated the risk management system and all areas they reviewed as satisfactory against public sector guidelines and best practice and noted the progress that had been made with the recommendations

from the previous year. Further details of internal audit activities are noted within the Summary of Performance.

5. Internal Inspection

The internal inspection programme has progressed significantly within all Divisions and has been extended to include Headquarters functions. The inspectorate utilise the methodology followed by Her Majesty's Inspectorate of Constabulary (HMIC) 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. Owing to a temporary staffing shortage the programme for 2011/12 has been condensed however a full programme of performance reviews is scheduled throughout the organisation. Further details of internal inspection activities are noted within the Summary of Performance.

6. Certificates of Assurance and 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 Superintendents and Departmental Heads as Information Asset Owners (IAO). Throughout the financial year, IAOs have reviewed an internal control checklist entitled 'The Statement on Internal Control Matrix' on a quarterly basis in order to confirm that they are satisfied with the controls in place within their areas of responsibility.

During April 2011, Certificates of Assurance 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 on 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.

On 7 July 2010, the IGP discussed the points raised by the 2010 Certificate of Assurance exercise with all matters discussed and appropriate action taken.

The resulting Matrix and Certificates prepared for 2011 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:

- Some concerns still remains surrounding a lack of current procedural controls prescribing how work activities are to be carried out, particularly for financial and personnel and training activities. Whilst the currency of procedural documentation has improved, there remain some areas short of targets set due to lack of resources to prepare the appropriate documents; and
- There are very few controls in place over the use of shared drives on the network and no statement over the completeness and accuracy of the documents prepared by individual departments and stored on the shared drives can be assured.

7. Professional Standards Department

The Professional Standards Department (PSD) 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 investigated by the department, although less serious cases dealt with locally are recorded at PSD. During this reporting year seven allegations of gross misconduct have been recorded and

investigated by the department. Of these cases, two were found to have no case to answer, two were found to have a case to answer and three are still live investigations. However, as a result of increased local involvement in misconduct, 27 officers have been subject of local management action 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 security reviews within the reporting period and the findings of their inspections have been factored into 2011/12 work streams across the breadth of the Constabulary. Work has also been closed out on the areas for improvement resulting from the inspections that took place in 2008/09.

Progress in completing actions, which results from the above reviews, are logged on the Action 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
27 June 2011

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

I have audited the financial statements of the Civil Nuclear Police Authority for the year ended 31 March 2011 under the Energy Act 2004. These comprise the Statement of Comprehensive Income, 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 Civil Nuclear Police Authority's and 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 and express an opinion on the financial statements in accordance with the Energy Act 2004. I conducted my audit in accordance with 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 read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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 who 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's affairs as at 31 March 2011 and of its net income; and
- the financial statements have been properly prepared in accordance with the Energy Act 2004 and Secretary of State 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 the Energy Act 2004; and
- the information given in the sections of the annual report entitled "Chairman and Chief Constable's Statement", "Summary of Performance" and "Management Commentary" 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 and the part of the Remuneration Report to be audited 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.

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

29 June 2011

Statement of Comprehensive Income

For the year ended 31 March 2011

	Notes	2010/11 £000	2009/10 Restated £000
Income	3	61,360	56,484
Expenditure			
Staff costs	4	(48,786)	(44,945)
Other expenditure	6	(12,562)	(11,534)
Operating surplus		12	5
Loss on disposal of property, plant and equipment		(12)	(5)
Surplus on ordinary activities before financing costs	-	-	-
Financial income – interest receivable		7	3
Financial expense – interest payable		(7)	(3)
Net financing costs		-	-
Total comprehensive income for the year		-	-

For more information on the comparative values see note 1.2.

All operations are continuing.

The notes on pages 41 to 57 form part of these financial statements.

Statement of Financial Position

As at 31 March 2011

	Note	2010/11 £000	2009/10 £000
Non-current assets			
Property, plant and equipment	8	5,726	4,064
Intangible assets	9	279	306
Trade and other receivables	12	180	173
Total non-current assets		6,185	4,543
Current assets			
Inventories	11	1,177	1,515
Trade and other receivables	12	8,033	8,429
Cash and cash equivalents	13	4,704	3,127
Total current assets		13,914	13,071
Total assets		20,099	17,614
Current liabilities			
Trade and other payables	14	(5,903)	(5,340)
Total current liabilities		(5,903)	(5,340)
Non-current assets plus net current assets		14,196	12,274
Non-current liabilities			
Provisions	15	(490)	(514)
Total non-current liabilities		(490)	(514)
Assets less liabilities		13,706	11,760
Taxpayers' equity			
Financing reserve	16	12,937	11,376
Government grant reserve	16	769	384
		13,706	11,760

The financial statements on pages 37 to 57 were approved by the CNPA Board on 27 June 2011 and signed on its behalf by:



Richard Thompson

Chief Constable and Accounting Officer

27 June 2011

The notes on pages 41 to 57 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2011

	Note	2010/11 £000	2009/10 Restated £000
Cash flows from operating activities			
Retained surplus for the year		-	-
Adjustments for:			
Loss on disposal of property, plant and equipment		12	5
Amortisation of intangible assets		78	71
Depreciation of property, plant and equipment		640	824
Release of capital grant		(55)	(105)
Operating cash flows before changes in working capital and provisions		675	795
Decrease/(Increase) in trade and other receivables		389	(1,506)
Decrease/(Increase) in inventories		338	(179)
(Decrease)/increase in trade and other payables		(827)	868
Decrease in provisions		(24)	(176)
Cash generated from operations		551	(198)
Interest received		7	3
Net cash outflow from operating activities		558	(195)
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,003)	(1,675)
Receipts from the sale of property, plant and equipment		87	-
Purchase of intangible assets		(59)	(32)
Net cash outflow from investing activities		(975)	(1,707)
Cash flows from financing activities			
Capital grant received		440	14
Grants from parent department		1,413	2,634
Other financing contributions		141	91
Net financing		1,994	2,739
Net increase in cash and cash equivalents in the period	13	1,577	837
Cash and cash equivalents at the beginning of the period	13	3,127	2,290
Cash and cash equivalents at the end of the period	13	4,704	3,127

For more information on the comparative values see note 1.2.

The notes on pages 41 to 57 form part of these financial statements.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2011

	Note	Financing reserve £000	Government grant reserve £000	Total £000
Balance at 31 March 2009		8,648	476	9,124
Changes in taxpayers' equity 2009/10	16			
Release of capital grant to Statement of Comprehensive Income		-	(105)	(105)
Released to Statement of Comprehensive Income 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
Balance at 31 March 2010		11,376	384	11,760
Changes in taxpayers' equity 2010/11	16			
Release of capital grant to Statement of Comprehensive Income		-	(55)	(55)
Capital grant received		-	440	440
Grant-in-aid received		1,413	-	1,413
Other financing contributions		148	-	148
Balance at 31 March 2011		12,937	769	13,706

The notes on pages 41 to 57 form part of these financial statements.

Notes to the Accounts

1. Statement of Accounting Policies

The Civil Nuclear Police Authority (CNPA) is an executive non-departmental public body of the Department of Energy and Climate Change (DECC) and is domiciled in the United Kingdom.

Statement of Compliance

These financial statements have been prepared in accordance with the 2010/11 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.

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 assets;
- 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.

1.2 Changes in Accounting Policy and Disclosures

Notional Cost of Capital

CNPA has removed the notional cost of capital charge which has previously been recognised in the Statement of Comprehensive Income. This change is in compliance with guidance issued by HM Treasury on the grounds that this will result in improved consistency of financial reporting. The impact on the primary statements and notes to the accounts are as follows:

Statement of Comprehensive Income

The notional cost of capital and the reversal of notional cost of capital have been removed from the Statement of Comprehensive Income. This change does not affect the total retained surplus for 2009/10 which remains at £nil.

Statement of Cash Flows

The notional cost of capital has been removed from the net financing costs, the reversal of notional cost of capital has also been removed. This change does not affect the total operating cash flows before changes in working capital and provisions or the net increase in cash and cash equivalents in 2009/10.

Segment Information

The notional cost of capital charge and the reversal of notional cost of capital charge have been removed from the Segment Information note. This change does not affect the total retained surplus for 2009/10 which remains at £nil.

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 2011 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.

1.3 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 8 years
Plant and machinery	5-10 years
Furniture and fittings	5-10 years
Information technology	Up to 5 years

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

1.4 Intangible Assets

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

Amortisation of intangible assets is charged to the Statement of Comprehensive Income 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
-------------------	-----------------

1.5 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 Statement of Comprehensive Income. 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.

1.6 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 Statement of Comprehensive Income 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.

1.7 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.

1.8 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.

Pension Costs

Past and present employees are covered by the provision of the Combined Pension Scheme (CPS) of United Kingdom Atomic Energy Authority, 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 5.

1.9 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.

1.10 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 Statement of Comprehensive Income 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 Statement of Comprehensive Income 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.

1.11 Operating Leases

Rentals are charged to the Statement of Comprehensive Income 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 Statement of Comprehensive Income.

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 Statement of Comprehensive Income 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.

2. 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 Information Technology and Communications, and functions that support front line operations, such as Firearms Training, Learning and 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.

2010/11	Operational Policing Units £000	Corporate Departments £000	Total £000
Income	61,360	-	61,360
Expenditure			
Staff costs	(37,284)	(11,502)	(48,786)
Other expenditure	(2,058)	(9,791)	(11,849)
Depreciation and amortisation	(283)	(435)	(718)
Release of capital grants	41	13	54
Provisions provided for in year	-	(101)	(101)
Provisions not required written back	-	52	52
Operating surplus/(deficit)	21,776	(21,764)	12
Loss on disposal of property, plant and equipment	(3)	(9)	(12)
Surplus/(deficit) on ordinary activities before financing costs	21,773	(21,773)	-
Finance income – interest receivable	-	7	7
Finance charges – interest payable	-	(7)	(7)
Retained surplus/(deficit) for the year	21,773	(21,773)	-
Assets and liabilities			
Segment assets	9,786	10,313	20,099
Segment liabilities	(2,542)	(3,851)	(6,393)
Net assets	7,244	6,462	13,706
Taxpayers' equity			
Financing reserve	-	12,937	12,937
Government grant reserve	724	45	769
Taxpayers' equity	724	12,982	13,706

2009/10	Operational Policing Units Restated £000	Corporate Departments Restated £000	Total Restated £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)
Retained surplus/(deficit) for the year	20,207	(20,207)	-
Assets and liabilities			
Segment assets	9,087	8,527	17,614
Segment liabilities	(1,957)	(3,897)	(5,854)
Net assets	7,130	4,630	11,760
Taxpayers' equity			
Financing reserve	-	11,376	11,376
Government grant reserve	326	58	384
Taxpayers' equity	326	11,434	11,760

For more information on the comparative values see note 1.2.

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 Site Licence Companies (SLCs) for a significant proportion of its income. Transactions with four SLCs (2009/10: Four SLCs) individually amounted to 10% of CNPA's total income. This income is reported within the OPU's operating segment. Magnox North Ltd and Magnox South Ltd combined during 2010/11 into Magnox Ltd. The 2009/10 comparatives have been restated to reflect this. A breakdown of income by major customer is provided below:

	2010/11		2009/10 Restated	
	£000	%	£000	%
SLC 1	20,435	33	17,015	30
SLC 2	10,580	17	10,163	18
SLC 3	8,267	14	7,913	14
SLC 4	8,123	13	7,668	14
Others	13,955	23	13,725	24
Total	61,360	100	56,484	100

3. Income

CNPA is required to recover its full operating costs each year. Income of £61,360,000 for the year ended 31 March 2011 (2009/10: £56,484,000) represents a re-charge of running costs to SLCs of £61,217,000 (2009/10: £56,239,000) and miscellaneous income of £143,000 (2009/10: £245,000). All activities are regarded as continuing.

4. Staff Numbers and Related Costs

Staff costs comprise:

	Permanently employed staff 2010/11 £000	Temporary and agency staff 2010/11 £000	Total 2010/11 £000
Wages and salaries	38,553	1,051	39,604
Social security costs	3,257	99	3,356
Other pension costs	5,125	142	5,267
Agency staff	-	559	559
Sub-total	46,935	1,851	48,786
Less costs recovered in respect of outward secondments	(19)	-	(19)
Total staff costs	46,916	1,851	48,767

	Permanently employed staff 2009/10 £000	Temporary and agency staff 2009/10 £000	Total 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

Staff costs of £11,000 (2009/10: £52,000) 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 2010/11	Temporary and agency staff 2010/11	Total 2010/11
Police staff	123	21	144
Police officers	838	3	841
Total average staff numbers	961	24	985

	Permanently employed staff 2009/10	Temporary and agency staff 2009/10	Total 2009/10
Police staff	95	44	139
Police officers	796	3	799
Total average staff numbers	891	47	938

Exit Packages	2010/11 Number of packages	2009/10 Number of packages
Compulsory redundancies		
Less than £10,000	-	1
Other departures		
£20,000 - £24,999	1	-
£25,000 - £29,999	1	-
Total number of exit packages	2	1

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

5. Pension Costs

All employees of CNPA are eligible to be members of the Combined Pension Scheme (CPS) of the United Kingdom Atomic Energy Authority for the year ended 31 March 2011. The CPS is a contributory unfunded statutory defined benefit public service pension scheme.

The scheme is managed and administered by Babcock International Group 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 2011/12 scheme year. CNPA employees also participate in the United Kingdom Atomic Energy Authority 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.

6. Other Expenditure

	2010/11 Notes £000	2009/10 £000
External charges		
Subsistence	781	698
Car hire	278	305
Mileage allowance	331	230
Other travel and subsistence costs	217	197
Rentals under operating leases	334	332
Rental of the Constabulary's training facilities	409	360
Other rent charges	92	63
Telecommunications	661	612
IT support charges	1,456	1,057
Training costs	777	843
Professional services	342	518
Course fees	370	446
Insurance	267	278
Repairs and maintenance	547	470
Relocation	238	237
Recruitment	126	296

Payments under service level agreements		78	72
Site support charges		122	106
Legal fees		130	77
Regulatory charges		76	46
Security vetting		131	184
Range fees		129	87
Other external charges		1,181	732
Total external charges		9,073	8,246
Operating materials			
Motor fuel		329	285
Weapons		269	209
IT equipment		126	172
Inventory withdrawals		575	835
Stationery		86	104
Non-capital equipment		216	92
Firearms spares and supplies		554	226
Dog related expenditure		41	55
Electricity charges		52	27
Inventory items written off		16	79
Other operating materials		372	234
Total operating materials		2,636	2,318
Other operating charges		141	97
Non-cash items			
Amortisation of intangible assets	9	78	71
Depreciation	8	640	824
Capital grants		(55)	(105)
Provisions provided in the year	15	101	123
Provisions not required written back	15	(52)	(40)
Total non-cash items		712	873
		12,562	11,534

7. Operating Surplus

Operating surplus is stated after charging:

	Notes	2010/11 £000	2009/10 £000
Operating lease rentals:	18		
Plant and machinery		33	44
Others		301	288
Auditors' remuneration			
Audit fees		42	50
Payments to auditors for internal audit services		71	62

8. 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 2010	2,719	1,742	283	894	1,537	7,175
Additions	674	460	-	35	1,229	2,398
Disposals	(344)	(44)	-	(11)	-	(399)
Reclassifications	-	615	128	-	(743)	-
At 31 March 2011	3,049	2,773	411	918	2,023	9,174
Depreciation						
At 1 April 2010	1,883	419	161	648	-	3,111
Charged in year	224	240	43	133	-	640
Disposals	(258)	(34)	-	(11)	-	(303)
At 31 March 2011	1,849	625	204	770	-	3,448
Net book value at 31 March 2011	1,200	2,148	207	148	2,023	5,726
Asset financing						
Owned	1,200	2,148	207	148	2,023	5,726
Net book value at 31 March 2011	1,200	2,148	207	148	2,023	5,726

	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

Payments on account and assets under construction represent assets that are incomplete or not yet in productive use by CNPA. At 31 March 2011 this related to £1,364,000 (2009/10: £1,185,000) incurred on a new Information Technology network, £nil (2009/10: £312,000) on police control room equipment, £504,000 (2009/10: £nil) on a Firearms Record Management System, £155,000 (2009/10: £nil) on Exercise Monitoring Equipment and £nil (2009/10: £40,000) on the installation of a new data room at the Constabulary Headquarters at Culham.

9. Intangible Assets

	Software licences £000
Cost or valuation	
At 1 April 2010	509
Additions	51
At 31 March 2011	560
Amortisation	
At 1 April 2010	203
Charged in year	78
At 31 March 2011	281
Net book value at 31 March 2011	279

	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

Amortisation charge

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

10. 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, Risk and Governance 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	2010/11 £000	2009/10 £000
Total receivables (excluding prepayments)	7,931	8,310
Cash and cash equivalents	4,704	3,127
	12,635	11,437

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 its 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:

	2010/11 £000	2009/10 £000
Not past due	7,187	6,534
Past due less than 1 month	519	1,776
Between 1 and 2 months	225	-
	7,931	8,310

No receivables balances were considered impaired at the end of the reporting period (2009/10: £nil). There are no receivables that would otherwise be past due or impaired whose terms have been renegotiated (2009/10: £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 2011	Within 1 month £000	Between 1 and 3 months £000	Between 3 and 12 months £000	Total contractual maturity £000
Trade payables	521	-	-	521
Accrued expenses	-	3,470	-	3,470
Other payables	733	-	-	733
	1,254	3,470	-	4,724
At 31 March 2010	Within 1 month £000	Between 1 and 3 months £000	Between 3 and 12 months £000	Total contractual maturity £000
Trade payables	149	-	-	149
Accrued expenses	-	3,332	-	3,332
Other payables	610	-	-	610
	759	3,332	-	4,091

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 not used 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 2011	Loans and receivables £000	Other financial liabilities £000	Total carrying amount £000	Total fair value £000
Financial assets				
Trade receivables	7,286	-	7,286	7,286
Early departure receivables	151	-	151	151
Other receivables	494	-	494	494
Cash at bank and in hand	4,704	-	4,704	4,704
Financial liabilities				
Trade payables	-	(521)	(521)	(521)
Accrued expenses	-	(3,470)	(3,470)	(3,470)
Other payables	-	(733)	(733)	(733)
	12,635	(4,724)	7,911	7,911
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

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.

11. Inventories

	2010/11 £000	2009/10 £000
Clothing	200	180
Ammunition	819	837
Weaponry	-	365
Other inventory items	158	133
	1,177	1,515

During the reporting period £16,000 (2009/10: £79,000) of obsolete, slow moving or defective items of inventory was written off.

12. Trade Receivables and Other Assets

12(a) Analysis by type

	2010/11 £000	2009/10 £000
Amounts falling due within one year:		
Trade receivables	7,286	7,581
Early departure receivables due from pension scheme	-	27
Prepayments and accrued income	293	292
Other receivables	454	529
	8,033	8,429
Amounts falling due after more than one year:		
Early departure receivables due from pension scheme	151	151
Other receivables	29	22
	180	173

12(b) Intra-government balances

	2010/11 £000	2009/10 £000
Amounts falling due within one year:		
Balances with other central government bodies	90	629
Balances with public corporations and trading funds	311	-
Balances with Scottish local government	1	-
Balances with English local government	1	-
Intra-government balances	403	629
Balances with bodies external to government	7,630	7,800
Total receivables at 31 March	8,033	8,429

Amounts falling due after one year:

Balances with other central government bodies	151	151
Intra-government balances	151	151
Balances with bodies external to government	29	22
Total receivables at 31 March	180	173

13. Cash and Cash Equivalents

	2010/11 £000	2009/10 £000
Balance at 1 April	3,127	2,290
Net change in cash and cash equivalent balances	1,577	837
Balance at 31 March	4,704	3,127

The following balances at 31 March were held at:

	2010/11 £000	2009/10 £000
Commercial bank	4,704	3,127
	4,704	3,127

14. Trade Payables and Other Current Liabilities**14(a) Analysis by type**

	2010/11 £000	2009/10 £000
Amounts falling due within one year:		
Trade payables	521	149
Other taxation and social security	1,128	1,029
Accrued expenses	3,470	3,332
Deferred income	51	220
Other payables	733	610
	5,903	5,340

14(b) Intra-government balances

	2010/11 £000	2009/10 £000
Amounts falling due within one year:		
Balances with other central government bodies	1,962	2,174
Balances with English local government	50	39
Balances with Welsh local government	14	24
Balances with Scottish local government	-	1
Balances with public corporations and trading funds	13	73
Intra-government balances	2,039	2,311
Balances with bodies external to government	3,864	3,029
Total payables at 31 March	5,903	5,340

15. Provisions for Liabilities and Charges

	Insurance claims £000	Dilapidations £000	Early departure costs £000	Contractual losses £000	Total £000
At 1 April 2009	61	173	283	173	6 9 0
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
Provided in the year	90	11	-	-	101
Provisions utilised in the year	(10)	-	(63)	-	(73)
Provisions not required written back	(52)	-	-	-	(52)
At 31 March 2011	157	190	143	-	490
Expected timings of cash flows					
Within one year	157	-	57	-	214
Between two and five years	-	-	86	-	86
After five years	-	190	-	-	190
	157	190	143	-	490

Insurance claims

A provision has been included for seven new insurance claims. Of the eleven claims open at 1 April 2010 the provision is unchanged for seven and the remaining four 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 Consumer Prices Index (CPI) to the previous September. Forecast CPI has been taken from the Budget Report published in March 2011 by HM Treasury.

16. Taxpayers' Equity

Reconciliation of movement in taxpayers' equity

	Financing reserve £000	Government grant reserve £000	Total £000
At 1 April 2009	8,648	476	9,124
Release of capital grant to Statement of Comprehensive Income	-	(105)	(105)
Released to Statement of Comprehensive Income 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 1 April 2010	11,376	384	11,760

Release of capital grant to Statement of Comprehensive Income	-	(55)	(55)
Capital grant received	-	440	440
Grant-in-aid received	1,413	-	1,413
Other financing contributions	148	-	148
At 31 March 2011	12,937	769	13,706

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 £7,000 (2009/10: £3,000) of interest earned on CNPA's bank accounts and £141,000 (2009/10: £91,000) 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 Statement of Comprehensive Income over the expected useful economic lives of the assets in amounts equal to the depreciation charge.

17. Capital Commitments

Contracted capital commitments at 31 March 2011 not otherwise included in these financial statements comprised:

	2010/11 £000	2009/10 £000
Property, plant and equipment	219	591
Intangible assets	-	6
	219	597

18. Commitments Under 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 2011, £334,000 (2009/10: £332,000) was recognised as an expense in the Statement of Comprehensive Income in respect of operating leases.

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

	2010/11 £000	2009/10 £000
Leasehold properties		
Less than one year	190	291
Between one and five years	-	95
More than five years	-	-
	190	386

	2010/11 £000	2009/10 £000
Leasehold plant and equipment		
Less than one year	22	23
Between one and five years	11	13
More than five years	-	-
	33	36

19. Other Financial Commitments

CNPA has entered into non-cancellable contracts (which are not leases or Private Finance Initiatives (PFI) contracts) for access to the Airwave communication network. The payments to which CNPA is committed during 2011/12, analysed by the period during which the commitment expires, are as follows:

	2010/11 £000	2009/10 £000
Expiry within one year	-	-
Expiry between two and five years	-	48
Expiry after five years	656	360
	656	408

20. Losses and Special Payments

There are no reportable losses or special payments for the year ended 31 March 2011.

21. 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:

United Kingdom Atomic Energy Authority
 United Kingdom Atomic Energy Authority Pension Scheme
 Health and Safety Executive
 Home Office

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

22. 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 29 June 2011 the date that the accounts were certified by the Comptroller and Auditor General.

23. 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.

Glossary

ACPO	Association of Chief Police Officers in England, Wales and Northern Ireland	MOU	Memoranda of Understanding
ACPOS	Association of Chief Police Officers in Scotland	MSP	Managing Successful Programmes
AFOs	Authorised Firearms Officers	mSv	millisievert
AVC	Additional Voluntary Contribution Scheme	NDA	Nuclear Decommissioning Authority
CETV	Cash Equivalent Transfer Value	NAO	National Audit Office
CLD	Centre for Learning and Development	NDPB	Non-departmental public body
CNC	Civil Nuclear Constabulary	NISR	Nuclear Industries Security Regulations 2003
CNPA	Civil Nuclear Police Authority	NPIA	National Policing Improvement Agency
CPI	Consumer Prices Index	OCNS	Office for Civil Nuclear Security
CPNI	Centre for Protection of National Infrastructure	OHS	Occupational Health Service
CPS	Combined Pension Scheme	ONR	Office for Nuclear Regulation
DECC	Department of Energy and Climate Change	OPU	Operational Policing Unit
FReM	HM Government Financial Reporting Manual	PCCS	Police Complaints Commissioner for Scotland
GIAS	Government Internal Audit Standards	PCD	Performance and Career Development
HMIC	Her Majesty's Inspectorate of Constabulary	PFI	Private Finance Initiative
HM	Her Majesty's	PM	Protectively Marked
HMG	Her Majesty's Government	PSD	Professional Standards Department
HQ	Headquarters	P2M2	Project and Programme Management Methodology
HR	Human Resources	REG	Road Escort Group
IAO	Information Asset Owner	SB	Special Branch
IAS	International Accounting Standard	SCAPE	Superannuation Contributions Adjusted for Past Experience
IASB	International Accounting Standards Board	SECTU	South East Counter Terrorist Unit
IFRS	International Financial Reporting Standards	SIC	Statement of Internal Control
IGP	Information Governance Panel	SIRO	Senior Information Risk Owner
IPCC	Independent Police Complaints Commission	SLC	Site Licence Company
ISO	International Standard Organisation	SMT	Senior Management Team
IT	Information Technology	SPF	Security Policy Framework
IT&C	Information Technology and Communications	TCO	Tactical Care Officer
KDP	Key Delivery Priorities	UKAEA	United Kingdom Atomic Energy Authority
KIM	Knowledge and Information Management	USB	Universal Serial Bus
KPI	Key Performance Indicator	VAT	Value Added Tax
MEG	Marine Escort Group		



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ISBN 978-0-10-297397-6



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