

Civil Nuclear Police Authority Annual Report & Accounts 2021/22

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Civil Nuclear Police Authority

Annual Report & Accounts 2021/22

For the period 1 April 2021 to 31 March 2022

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Chairman's Statement

Having taken over as Interim Chairman of the Civil Nuclear Police Authority (CNPA) in December 2021 after the tragic and untimely death of Vic Emery OBE, I have some big shoes to fill.

Vic died in a road traffic collision on 18 December and was for three decades a leading figure in the industrial and civic life of his adopted city of Glasgow, and a public service leader in some of the most groundbreaking initiatives of Scotland's post devolution era. He had been Chairman of the CNPA since 2016 and was passionate about the Civil Nuclear Constabulary (CNC), the CNPA and our officers and staff. He was an extremely supportive and knowledgeable Chairman who made a real difference to the CNC and the Authority, bringing a wealth of experience and energy to the role. He is much missed not just by the CNC and CNPA but by me personally.

Over the past year we have continued to work alongside a global health pandemic, which has changed our working and personal lives and led to adjustments for us all. Despite the many challenges this has brought, I am proud to say that we have continued to meet our Mission providing armed police officers to protect 10 civil nuclear sites across the country. As an infrastructure police force, counter terrorism remains at the heart of what we do and we continue to carry out a vital and unique task in protecting national assets to a very high

standard, ensuring we meet all legal and regulatory requirements.

In January I welcomed two new Independent Board Members, with Chris Pilgrim and Andrew Harvey joining the team. Both have a wealth of experience in number of senior and Board level roles across various industries and they are already making an important contribution to our business. I look forward to working with them and the rest of our Board throughout 2022/23.

As a public body, the CNPA is committed to the highest standards of openness and transparency in the way it conducts business, takes decisions and spends the policing budget provided to the CNC by our Site Licence Companies (SLCs). Our role is to hold the Chief Constable and his Executive Team to account and ensure effective and efficient policing services are being delivered across the national infrastructure sites we are charged with protecting.

This year saw the Department for Business, Energy and Industrial Strategy (BEIS) carry out a service expansion consultation with our stakeholders and interested parties, that included asking for their views on expanding the services the CNC offers beyond the civil nuclear sector, to enable us to become more agile in helping other police forces to protect the public. The consultation and the government's response to it was positive with the vast majority of inputs supportive of the organisation's ambitions. While the CNC's core mission will always remain the protection of civil nuclear sites and nuclear material, the proposals outlined in the consultation would also enable us to improve efficiency and greatly enhance the support we can provide to our partners and to other police forces. These will ensure

that the wider police service is working together to maximise public safety. We look forward to working with BEIS to take these proposals forward over the coming year.

We have seen the delivery of a new Business and People Support System (BPSS), a bespoke system designed by the CNC, for the CNC, to handle our payroll, duty management system, requisitions, performance and accommodation and travel bookings. This will be fully implemented by October 2022 into business as usual.

A high priority for the CNC and the CNPA has been to carry out a full audit of our culture, with a full, independent cultural review announced last year being led by an experienced HR Consultant. The review will examine the culture, people practices and approaches to gender difference within the CNC and how this is addressed across the organisation. I am committed to working with the Chief Constable to ensure we have a full overview of what the culture is at the CNC to learn any lessons and make changes where they are needed.

We maintain close working relationships with our sponsoring government department, BEIS, and we are grateful for its support in delivering the Mission. We also continue to work closely with all our stakeholders across both the nuclear and policing sectors.

Having been on the CNPA Board for two and a half years before taking over as Interim Chairman, it is clear that the CNC is a highly trained, capable and forward-thinking organisation and I am excited to support it in continuing to deliver its Mission. My Board Members and I will continue to provide the support and governance oversight necessary to ensure this is possible.



Sir Craig Mackey QPM
Interim Chairman of the CNPA

CNC Values



Ambition, Mission and Values for reporting period 2021/22

<p>Our Ambition</p>	<p>The ambition of the CNC is “to be recognised nationally and internationally as the United Kingdom’s leading organisation for the provision of protective policing for the civil nuclear industry and other critical national infrastructure.” Maintaining high levels of capability to protect civil nuclear material and the agility to mobilise significant numbers of armed officers to protect communities. Our focus remains operational, with front line operational delivery being supported by three other enabling strategic objectives ensuring that we maintain and develop operational capability, behave in an effective and efficient manner and deliver the People Strategy.</p>
<p>Our Mission</p>	<p>In partnership with the civil nuclear industry, national security agencies and regulatory bodies the CNC will deter any attacker whose intent is the theft or sabotage of nuclear material, whether static or in transit, or the sabotage of high consequence facilities. If an attack occurs, CNC will defend that material and those facilities and deny access to them. If material is seized or high consequence facilities are compromised, the CNC will recover control of those facilities and regain custody of the material.</p>
<p>CNC Values</p>	<p>Proud - We are proud to deliver high quality armed policing, we are committed to protecting the public and our core role in keeping the national civil nuclear material safe.</p> <p>Agile - We are match-fit and ready to respond whilst performing our core role and in supporting the UK’s armed surge capability. Remaining ready and agile is a whole team effort.</p> <p>Ambitious - Our strengths lie in armed policing and world class firearms training. Our ambition is to be recognised nationally and internationally as the United Kingdom’s leading organisation for the provision of armed policing protective services.</p> <p>Inclusive - Regardless of background everyone is equal and has a vital part to play in helping us achieve our ambition. Equality, inclusivity and fairness is at the heart of everything we do.</p>

CNC at a glance 2021/22

We police 10 nuclear sites

Over 500 officers trained in enhanced carbine and launcher

Nearly 1,110 Authorised Firearms Officers

3 firearms training centres

100% spent ammo cases recycled

1 Police authority with 8 members

Our Strategic Escort Group has escorted nuclear material on 2 international operations, covering over 45,000 miles

Home Office

Over 400 Number of Home Office assists

62 recruits graduated as AFOs

10 Counter Drone Operators

Nearly 200 Police Medics

228 Operational Firearms Commanders

167 National Firearms Instructors

Nearly 140 officers trained in dynamic search and interdiction

Over 10 different weapons systems

Over 25,000 hours of firearms training delivered

Over 300 police staff supporting the front line

PROJECT SERVATOR

Over 3,100 Project Servator deployments in last 12 months

Glossary

Abbreviation	Description	Abbreviation	Description
ACC	Assistant Chief Constable	HMICFRS	Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services
AFO	Authorised firearms officer	HSE	Health and Safety Executive
ARFC	Audit Risk and Finance Committee	IFC	Initial Foundation Course
ARV	Armed Response Vehicle	KPI	Key Performance Indicator
BAU	Business As Usual	MFSS	Multi-Force Shared Service
BEIS	Department for Business, Energy and Industrial Strategy	MOU	Memorandum of Understanding
BPSS	Business & People Support System	NAO	National Audit Office
BPV	Ballistically Protected Vehicle	NDA	Nuclear Decommissioning Authority
CBRN	Chemical, Biological, Radiological, Nuclear	NDPB	Non-Departmental Public Body
CC	Chief Constable	NPCC	National Police Chief's Council
CCC	Command and Control Centre	ONR	Office for Nuclear Regulation
CCTV	Closed-Circuit Television	OPU	Operational Policing Unit
CFI	Chief Firearms Instructor	PDU	Professional Development Unit
CLD	Corporate Learning and Development	PPE	Personal Protective Equipment
CoP	College of Policing	SAPR	Strategic Armed Policing Reserve
CPNI	Centre for the Protection of National Infrastructure	SLC	Site Licence Company
CT	Counter terrorism	SMR	Small modular reactor
DCC	Deputy Chief Constable	SSCR	Site Security Control Room
DS	Dynamic Search	UAV	Unmanned aerial vehicle
DSRL	Dounreay Site Restoration Limited		
DTU	Dog Training Unit		
ECSN	Equalities consultative support network		
EDI	Equality, Diversity, and Inclusion		
FReM	Financial Reporting Manual		

1. Performance report

Performance Section Summary

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

Chief Executive Officer and Chief Constable's Overview

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

Over the past year we have been developing our Ambition "To be recognised nationally and internationally as the United Kingdom's leading organisation for the provision of protective policing for the civil nuclear industry and other critical national infrastructure". The significance of our Ambition is our determination to deliver excellence in armed policing, whether we

are performing our core role in securing civil nuclear material or supporting other police forces as part of the nation's armed policing reserve.

Within our Strategic Plan for 2021/24, our Ambition is underpinned by four strategic goals, focused on delivering the operation. Everything we do, whether frontline armed policing or the services that enable this to happen, is seen as contributing to the overall operational effect. We are keen to develop our organisational culture and values as people who are ambitious, proud of what we do, agile and inclusive. We will not fail to deliver our core Mission and the protection of civil nuclear material remains paramount. We also recognise our wider public service duty to protect the public and we provide regular support to our Home Office police colleagues at a range of largescale events and on a day-to-day basis in the communities surrounding the sites we protect.

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

On the subject of organisational culture, we recognise the scrutiny the police service is under as a result of a number of high-profile events. As a member of the police family, the CNC is not isolated from these issues. The men and women of the CNC have my trust and confidence; however, a minority do let us down and will be dealt with robustly if they fail to maintain the highest standards of integrity, and behaviour expected of police officers. We have a range of ongoing initiatives aimed at enhancing equality, diversity and inclusion and improving culture. We maintain strong

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

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



Simon Chesterman OBE, QPM
Chief Constable and CEO

Business model

<p>Who are we</p>	<p>Why we do it</p>
<p>The Civil Nuclear Police Authority (CNPA) is a body corporate established by the Energy Act 2004 and an executive non-departmental public body of the Department for Business, Energy and Industrial Strategy (BEIS). The CNPA is headquartered at Culham, Oxfordshire.</p>	<p>The CNC works in partnership with site operators and carriers to protect the civil nuclear industry from terrorist attack and other malicious activity, whilst also deploying armed officers to the Strategic Armed Policing Reserve at times of national emergency.</p>
<p>What we do</p>	<p>How we do it</p>
<p>The CNPA is charged, pursuant to the 2004 Act, with maintaining an efficient and effective Civil Nuclear Constabulary (CNC) and employs its police officers and police staff. The CNC provides an armed response capability for the UK's civil nuclear industry. The CNC operates from 10 units based at licenced nuclear sites throughout the UK and provides armed escorts for movements of nuclear materials within the UK and abroad. The CNC deploys armed officers in support of the Strategic Armed Policing Reserve and is ready to be called on to support national contingency operations if required.</p>	<p>By meeting the standards set by the College of Policing (CoP), the Constabulary is licenced to conduct all its firearms and training activities. The CNC works in partnership with the appropriate Home Office police force and Police Scotland at each site. Armed response capabilities required at each site are agreed with site operators in accordance with The Nuclear Industries Security (Amendment) Regulations 2017 and ratified by the UK regulator, the Office for Nuclear Regulation. Armed officers are deployed to meet these capabilities on a 24/7 basis. Our patrol strategy is designed to constrain the operating environment for anyone with malicious intent, to deter and disrupt their potential operations and to reassure the public close to nuclear sites.</p>

Our future is closely related to the future of our customers. As the nuclear decommissioning process continues, the CNC may police fewer sites in the short to medium term, however the nature of the nuclear sector in the UK means new nuclear power stations may be built over the coming years and resourcing

requirements may increase on existing sites. The CNC also has the ambition to be recognised as the leading organisation providing armed protective security, which means there may be further potential to expand our operational remit in the longer term, where this also brings mutual benefit to the core role.

Corporate Structure – CNPA and CNC Relationship

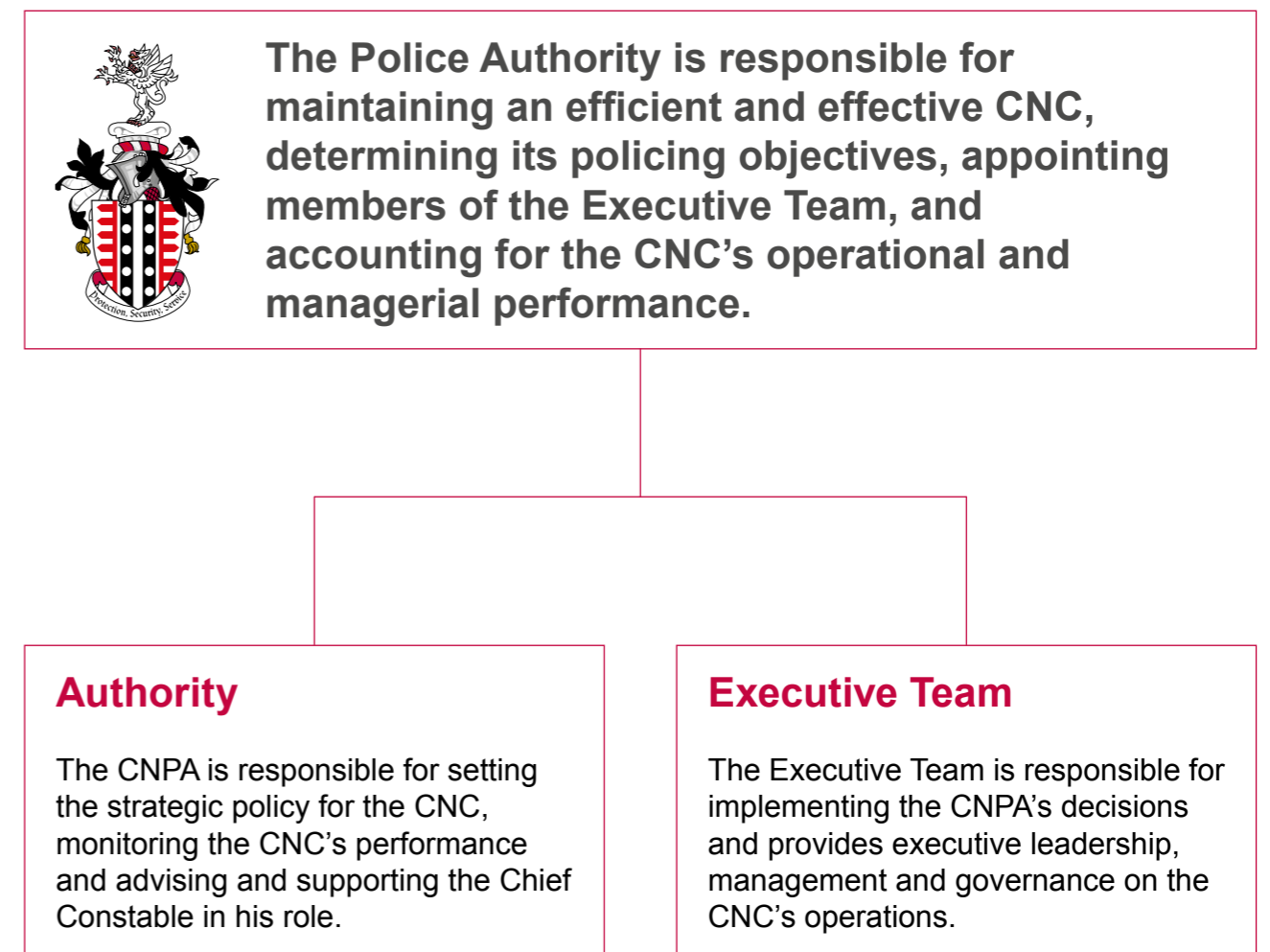


CHART SHOWING RELATIONSHIP WITH CNPA and CNC. See page 61 for more information about our governance structure.

Our Strategic Goals/Objectives



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

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

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



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

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

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

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



Improve effectiveness and efficiency of our enabling services

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

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

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

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



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

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

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

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

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

Strategic Risks and Uncertainties

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

In common with all organisations, the CNPA faces internal and external factors and influences that make it uncertain whether or how effective it can be in delivering its goals. The effect of this uncertainty on objectives could be either a risk or an opportunity. All activities that the CNPA undertakes involve risk and opportunity. We manage these risks and opportunities by identifying and analysing them and then evaluating whether action should be taken so that the risk or opportunity falls within our tolerance for risk, or our appetite for opportunity. Further explanation of our risk management and control arrangements are included in the Governance Statement.

Risk Management Process

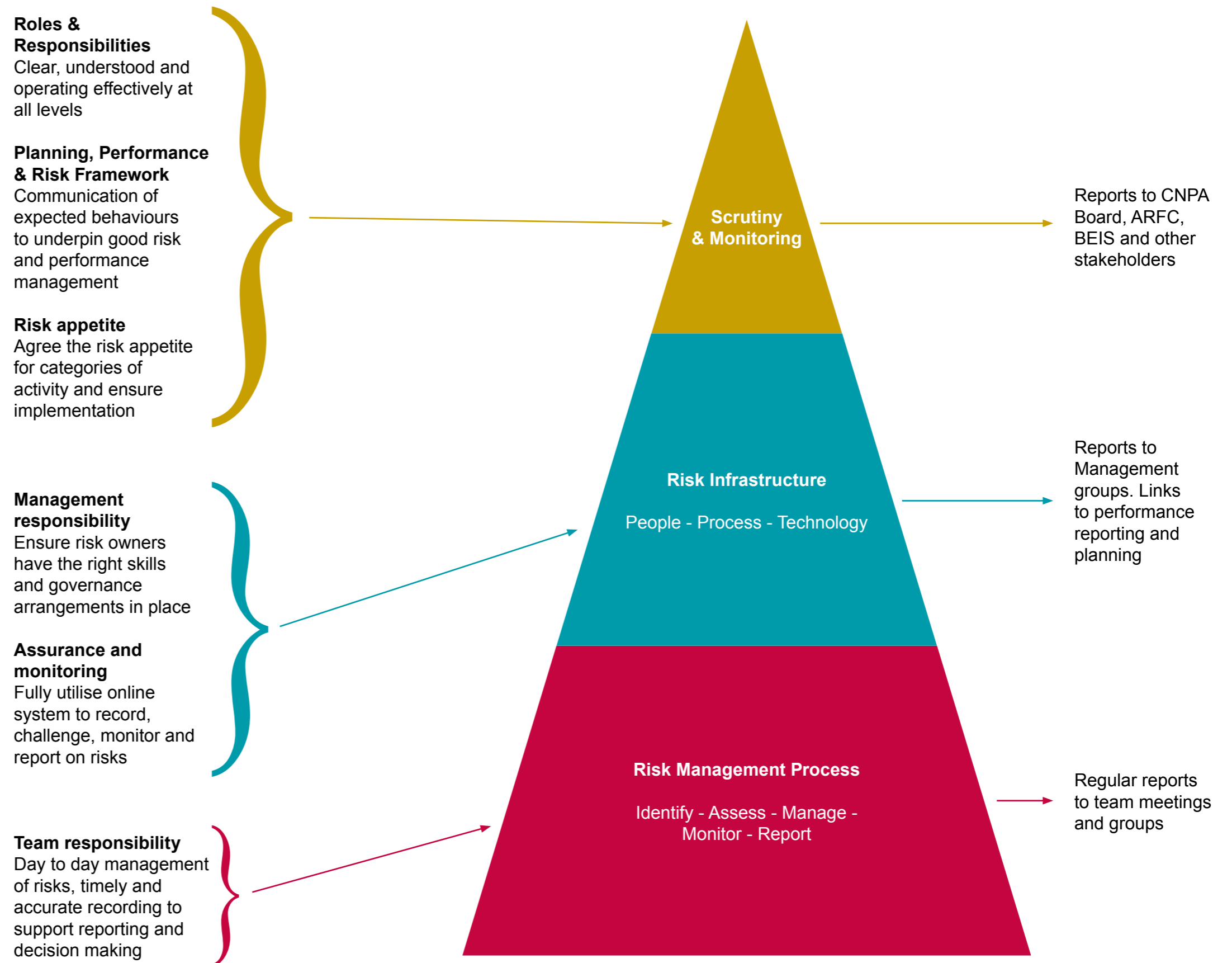
The key to managing uncertainties is a strong and robust risk management framework. This aligns our risks to the key strategic goals within our three-year strategy and our Annual Policing Plan. A diagram of our risk architecture is on page 19.

The CNPA risk management process can be summarised as follows:

Organisation

A cross-functional network of risk owners who identify, monitor and manage risks within their respective functional areas. A central risk team consolidates and reports on risk information to the Audit Risk and Finance Committee (ARFC), the Executive Team and other internal committees such as the Firearms Standing Committee.

Risk Architecture Structure



Process

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

Monitoring and Review

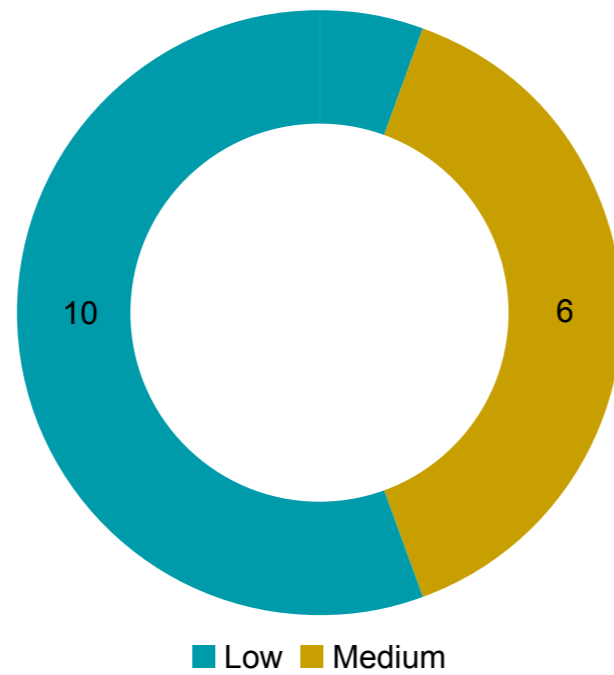
The governance processes for risk management are explained in the Governance Statement section of this document, including the assurance and reporting processes. Our risk appetite is also described. The Board, via the ARFC, satisfies itself that the risk appetite of the CNC is being actively considered, applied and adhered to through at least an annual review of risk management. The statement was last reviewed and approved in November 2021.

Key Strategic Risks for the CNPA

The identification, evaluation, management and monitoring of the most significant risks that face the CNPA and could threaten the achievement of our goals are the responsibility of the CNPA Board. These risks are reviewed on a regular basis together with risk controls and actions. The strategic risks and uncertainties facing the CNPA that have been identified via the processes previously described, are grouped as Goal Risks (GR prefix) where they link directly to a priority identified in the Annual Policing Plan, and cross cutting strategic risks (SR prefix). The risk profile at 31 March 2022 for strategic risks is shown in the diagram.

The current scores as at 31 March 2022 for our strategic risks, together with their mitigation through existing controls and actions are shown below. These mitigations help us work towards our risk appetite score for each risk which is also shown:

Strategic Risk Current Scores



Risks and how we manage them

Risks and how we manage them	Current risk score – RAG	Risk appetite score – RAG
GR1.1 - Unable to deter, defend or respond to threats	G	G

Our deployed officers are trained, equipped and qualified to national standards. The Armed Policing Strategic Threat Risk Assessment (APSTRA) risks are identified and the APSTRA observations are monitored by and reported to the Firearms Standing Committee.

Bespoke command and control structures operate for each operation and arrangements are regularly tested.

We plan to improve our response and deployment through investment in a new Incident Management System and continue to manage our operational workforce, and the capacity/capability impact of Covid-19 pandemic through the Gold Group.

GR1.2 - Inability to effectively train and collaborate with industry operators and regulatory bodies	A	G
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We have rigorous exercise programmes to test and improve command and control and a robust multi-agency planning framework exists for training events.

We are establishing a programme to optimise collaborative training opportunities and enhance learning to ensure we can respond to the needs of our stakeholders.

GR2.1- Unable to respond to changes in demand profile for protection services	G	G
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A generic site cessation strategy has been established and is reviewed at least every six months to ensure it remains current and appropriate, so it is ready to enact when called upon. We have a proactive communication strategy that openly describes the likely longevity of CNC deployment at every location, and we manage risks from project and programme interfaces and interdependencies.

Risks and how we manage them	Current risk score – RAG	Risk appetite score – RAG
GR2.2 - Failure to build upon existing policing collaboration	A	G

We continue to communicate and liaise with current and potential policing collaboration partners through joint groups and other collaborative channels. We plan to improve our mitigations by undertaking an enhanced host-Force Collaboration Pilot and through effective collaboration with other forces to create a joint strategic workforce plan.

GR3.1 - Unable to deliver effective and efficient enabling services	G	G
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We ensure compliance with our Procurement Rules, Risk Management Strategy, Finance Manual, IT security procedures and counter fraud arrangements. Our heads of service and team managers continually monitor the needs of the business to align resources to the projects and other support activities. Procurement of IT infrastructure follows appropriate specification of software or hardware through use of a business justification case (at a minimum) to ensure it meets the needs of the user.

We have a medium-term financial plan to support the delivery of the three-year Strategic Plan.

GR3.2 - Failure to safeguard the delivery of assured digital services across CNC	A	G
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We have a detailed Information Risk Register; risks are managed by our Information Risk Group. Our work links into the cyber collaboration work and ensures that CNPA systems continue to be robust to prevent and detect threats to the network.

GR3.3 Unable to meet our targets for sustainability goals	G	G
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We have developed a strategic sustainability plan for the CNC including developing metrics with themes to enable ownership across different aspects of CNC. To work towards our target score within our risk appetite we are developing an approach to educate and promote sustainability values across the Constabulary.

Risks and how we manage them	Current risk score – RAG	Risk appetite score – RAG
GR4.1 Unable to support a nurturing and positive culture that makes CNC an attractive place to work	G	G

We have developed an Attraction Strategy, Inclusion and Belonging Strategy and a resourcing plan for occupational health and wellbeing resources. We monitor workforce diversity in terms of ethnicity and gender and monitor pay-gap trends for both areas to secure better outcomes. We operate a staff engagement group and report the progress with initiatives implemented from the staff engagement workstreams. We regularly review our Flexible Working Policy and Home Working Policy to ensure they remain fit for purpose.

Our regular staff survey is used to help detect cultural changes as a result of implementing staff survey initiatives. Our annual assessment centre plan ensures we meet the predicted demands of the AFO resourcing requirements.

To help us move towards our target score we are developing our procedures to manage disability diversity as part of our EDI work, we have undertaken a culture review and are developing an action plan to enable a positive cultural shift.

GR4.2 Failure to identify development opportunities and establish suitable learning interventions, career pathways in support of increased organisational performance	A	G
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We have job enrichment initiatives that provide a more rewarding job experience through expanded responsibility and task complexity. Our Leadership and Management project delivers in house training for new and middle managers, and ongoing monitoring of Operational Policing Unit (OPU) based Professional Development Units (PDU) ensures that they meet the developmental needs of all officers.

We are moving towards our target score for these risks by implementing our Managers' Toolkit and engaging with our workforce through survey mechanisms to identify and respond to learning and development needs.

Risks and how we manage them	Current risk score – RAG	Risk appetite score – RAG
GR4.3 Failure to establish an appropriate and attractive reward structure for police staff	G	G

We have established Reward and Recognition Policies, ensuring a robust and compliant reward and pay framework is in place.

We have undertaken a pay and grading review which is now under negotiation. Our project board maintains regular interactions with Prospect to keep communication channels open and manage associated employee relations challenges with regard to the pay and grading review.

GR4.4 Inability to sustain a fit and healthy workforce with sound mental health and well-being	G	G
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We have an established and robust risk assessment process with regular review and third-party providers for Occupational Health services in place and accessible services for all officers and staff. Our Healthy Workplace Group meeting structure ensures that the needs of our workforce are monitored and adapted when required.

We have created a Continuous Professional Development (CPD) framework for the Occupational Health and Wellbeing team. We have champions within a clinical governance framework including a training matrix, policies, clinical audit, equipment management, communication, performance review and a robust implementation of a management system.

SR1 Failure in employer’s duty of care	G	G
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All employees must achieve Baseline and Police Recruitment Vetting Clearance before they commence employment. Firearms officers are also subject to National Security Vetting. All employees must also comply with the working time directive, HSE safe systems of work, and our driving policy. Delivery of the annual health and safety plan and programme of health and safety audits is in place. We have an established governance framework to monitor progress against the delivery of the Healthy Fit and Safe plans. We also recognise that we must protect our employees by ensuring that high standards of behaviour and respect in the workplace are maintained by all officers and staff

Our policies, procedures and support to recognise the vulnerability of the workforce help us prevent the likelihood of actions causing personal or collective harm.

Risks and how we manage them	Current risk score – RAG	Risk appetite score – RAG
SR2 Failure to match strategic demands with available resources	A	G

We balance workloads through strict prioritisation by the Executive Team to match scarce resources to business needs through Board input and challenge to strategy and budget. Our Constabulary Change Board dictates mandatory standards regarding maintaining plans, risk and issue logs for every project to help us manage this.

Governance processes exist for each major strategic initiative/change programme/change project, including resources required for delivery, and compliance is monitored by appropriate groups, committees and the Board (including health checks and gateway reviews).

Our management and operational structures are reviewed regularly to ensure they are appropriately resourced to support delivery of the strategic priorities. A prioritisation process has been developed to ensure a consistent approach.

SR3 Failure to deliver spending/budget targets	G	G
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We have established a medium-term financial planning process to help enable the identification of timings of costs, and projects, and allow timely rebalancing of budgets in line with prioritisation of activities. We review our performance through monthly financial reports.

SR4 Failure to maintain good communications and relationships with stakeholders and sponsoring department	G	G
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We have established a three-year Communication and Engagement Strategy with an ongoing annual Delivery Plan in place. We have appropriately designed and applied handling strategies for key stakeholders.

We comply with all government spending controls and approval mechanisms; BEIS/ CNPA Framework Document and associated MOU in all dealings with our sponsoring department and other stakeholders.

Risks and how we manage them	Current risk score – RAG	Risk appetite score – RAG
SR6 - Failure to appropriately report on assurance activity regarding cyber threats to the CNC	A	G

The Information Risk Group monitors and manages risk to minimise vulnerabilities and to prevent, detect and treat breaches to the CNC networks. Reporting of significant cyber threats is monitored appropriately by the Assurance Team and reported appropriately to ensure adequate sharing of information and collaboration with partners.

To move our risk score to within our risk appetite, we have refreshed the Cyber Security Strategy to ensure it meets current requirements and devised an operational risk register that reflects the new CS Strategy. We are working through the implementation of the recommendations from a review of our cyber threat management policies and activities.

Summary of what the indicators mean

Green - indicates that the risk score is at 10 or below (maximum score is 25) where impact could still be high, such as a breach of legislation, Mission delivery could be affected or financial loss in excess of £1m, BUT likelihood is very low at possibly one event in four years, with highly unlikely to occur within the next 12 months.

Amber - indicates that the risk score is between 11 and 17. All scores are based on a combination of impact and likelihood. For scores in this range, this could be very high impact but very low likelihood, or a medium impact with a high likelihood, to a very low impact but very high likelihood.

The CNPA has a strategic goal related to delivering integrated policing. Work has commenced around this, but progress relies on external factors such as legislative

changes to enable delivery. We consider this an opportunity and classify it in our risk register as such. Specifically, we are working to develop service expansion measures that market a CNC option to integrate armed and non-armed protection. For us to exploit this opportunity we require a legislative change that would support the CNC deployment of an integrated armed and non-armed security provision.

Performance Analysis

Key Performance Indicators

Performance against key deliverables contained in the CNPA's three-year Strategic Plan 2021/24 is provided below. A number of activities are deliverable over two or three years, and these are shown as partially achieved where specific milestones have been delivered in the reporting period. Where progress against a specific target/milestone has been delayed against targets, a note at the bottom of the tables has been included to explain the reasons and the impacts. The performance rating provided below is against the 2021/22 milestones.



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

Strategic Goal 1	Strategic Priorities	Desired Outcomes	Commentary
SG1-1	Training and civil nuclear collaboration	Achieve the highest possible state of training for our workforce to ensure Mission effectiveness and readiness	High levels of deployability achieved planned/target numbers of Authorised Firearms Officers.
SG1-1		Continue to build and enhance the reputation of CNC as provider of world-class training	CNC has successfully delivered the Griffin Park Tactical Training Centre.
SG1-1		Improved ability to flex training capacity and sequencing to match fluctuating demand needs	Training throughout 2021/22 has been affected by Covid, though has continued to meet the fluctuating demand and has supported the high levels of deployability of the CNC, maximising the opportunity for onsite training wherever possible.
SG1-1		Improved exercise control and ability to assess operational effectiveness	ONR (Office for Nuclear Regulation) exercises were conducted throughout 2021/22. All of these met the required standards as defined by ONR, but some of the exercises were cancelled due to Covid impacts.
SG1-2	Anti-UAV capability	Anti-UAV capability	The CNC deploy drone tracking and identification and counter drone capability. The CNC is linked into the industry and national policing drone and counter drone capability groups to exploit emerging technology.
SG1-3	Cyber resilience and awareness	Cyber resilience and awareness	Work continues on the delivery of cyber security and the information assurance three-year strategy and delivery plan.

Strategic Goal 1	Strategic Priorities	Desired Outcomes	Commentary
SG1-4	Policing collaboration	Increased frequency of general policing experience allowing our officers to hone and sharpen skills, improving effectiveness of the core Mission	Section 22a and MOUs are in place with all host forces. Every opportunity to support local host policing forces initiatives is taken. This has resulted in significant positive feedback from host forces and CNC officers. Operational learning from such deployments is captured and used to generate in-force training products.
SG1-4		Improved ability to lend support to UK policing system whilst providing our officers with broader, more stimulating policing experience	Throughout 2021/22 CNC has supported several national mutual-aid commitments and feature strongly in future event planning.
SG1-4		Effective armed surge capability positioned in the national infrastructure	Through the pandemic the CNC has continued to meet its SAPR commitments.
SG1-4		Improved sharing of skills, learnings and best practice	CNC continues to work with stakeholders and host forces to learn and benchmark against best practice.
SG1-4		Achieve inclusion in Section 24 mutual aid	With the support of BEIS legislative change is proceeding through Parliament.

Key
 ● Achieved ● Partly achieved

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

Strategic Goal 2	Strategic Priorities	Desired Outcomes	Commentary
SG2-1	Integrated protection offering	A more efficient, effective and cohesive integrated approach to armed, and non-armed protection at nuclear sites	CNC continues to develop plans to integrate armed, and non-armed protection at nuclear sites. CNC met all its HMIC key recommendations regarding an integrated approach.
SG2-1		Improved longevity for CNC officers, retaining valuable experience, and provide avenues for those officers who are unable to continue to carry firearms	Current attrition rates are very low. This is being monitored closely as we emerge from the Covid-19 pandemic. CNC has secured retention payments for one of its sites and continues to explore expansion opportunities and collaborative opportunities to enrich its workforce.
SG2-1		Improved readiness for new demands requiring both armed and non-armed protection	CNC continues to develop plans to integrate armed, and non-armed protection at nuclear sites. Griffin Park Tactical Training Centre has also facilitated increased training opportunities through joint working with external forces and the military.

Strategic Goal 2	Strategic Priorities	Desired Outcomes	Commentary
SG2-2	Service expansion and demand resilience	Opportunities to expand our world-class protection service to other critical national infrastructure	CNC continues to develop plans for service expansion. Continued professional development has received significant focus and remains an ongoing piece of work. Through resilient relationships with National Police Coordination Centre (NPOCC), we have contributed to national events such as the G7 and the Commonwealth Games. CNC has continued to strengthen existing relationships with all Host Forces and Border Force. Continued collaboration allows the CNC to develop officers as they broaden their experience in the policing sphere while at the same time allowing for greater diversity of work.
SG2-2		Allow for an improved ability to withstand and scale civil nuclear demand fluctuations by diversifying to non-nuclear sector demand	
SG2-2		Improved career stability for our workforce, along with a broader geographical footprint to bolster relocation options	

Key
 ● Achieved ● Partly achieved

Goal 3: Improve effectiveness and efficiency of our enabling services

Strategic Goal 3	Strategic Priorities	Desired Outcomes	Commentary
SG3-1	Business effectiveness	Improved customer satisfaction with enabling services	Business services continue to be delivered in-line with service standards and regulatory requirements.
SG3-1		Improved value for money and efficiency of enabling services	CNC has continued to deliver sound financial management and stewardship and has maintained stakeholder confidence. In addition to this, CNC is sponsoring initiatives through an Efficiency Working Group, with workstreams seeking efficiencies in key support areas, benchmarking against relevant public sector and policing metrics.
SG3-1		Flexibility and resilience in ways of working	Following considerable review and consultation work, hybrid working was formally introduced throughout the organisation for supporting roles on 1 April 2022. This means individuals in suitable roles are now able to balance office and home working to meet both the organisation and personal requirements.

Strategic Goal 3	Strategic Priorities	Desired Outcomes	Commentary
SG3-2	IT (Information Technology) strategy	Mission delivery better supported by more technologically enabled capabilities	IT continues to support a hybrid working model including office working and homeworking which allows the support services functions to deliver uninterrupted support for the Mission.
SG3-2		Improved accountability over IT service provision	There has been considerable investment in maintaining our relationship with our primary supplier and seeking continuous improvement on service delivery. These initiatives have supported a continued upward trend in the suppliers KPIs.
SG3-2		Improved value for money being delivered by CNC technology	The PrOFITS Programme (Provision of Future IT Services) has completed the evaluation process and preparations are underway for contract award. Learning from the previous IT services contract heavily influenced this exercise. Following contract award, a six-month transition period from the current supplier to the new providers will commence.
SG3-2			The review of user licenses resulted in a marginal cost reduction with value-add services which enabled the CNC to optimise its consumption of Microsoft products and services and drive further efficiencies.

Key
 ● Achieved ● Partly achieved

Strategic Goal 3	Strategic Priorities	Desired Outcomes	Commentary
SG3-3	Sustainability	CNC playing a leading security role to contribute towards delivering the UN Sustainable Development Goals (UN SDGs) and UK sustainability strategy	The nuclear industry plays a major role in achieving the government target net-zero carbon emissions by 2050 and supporting the implementation of the SDGs on access to clean energy.
SG3-3		Continued safeguarding of highest standards of safety and security in the civil nuclear sector	The work of the CNPA is essential to the safe delivery of nuclear power in the future as well as safe management of the energy legacy.

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

Strategic Goal 4	Strategic Priorities	Desired Outcomes	Commentary
SG4-1	CNC culture	Clear progression towards a more unified, open, and inclusive culture, which upholds transparency, clarity of communication, and accountability	A culture review has been delivered in 2021/22 and work has now commenced on action planning.
SG4-1		Empower our workforce, ensuring everyone feels engaged in both key decisions within the organisation, and as a vital part of this three-year strategy	Substantial work has continued against local and corporate staff action plans and a further survey is planned for autumn 2022.
SG4-1		Build on the pride of our workforce, to improve morale, utilising job enrichment and diversification of roles to increase motivation	As above, substantial work has continued against local and corporate staff action plans and a further survey is planned for autumn 2022.

Key
 ● Achieved ● Partly achieved

Strategic Goal 4	Strategic Priorities	Desired Outcomes	Commentary
SG4-2	Job enrichment	Staffing levels meet Mission establishment requirements to maintain critical Mission effectiveness	Critical Mission effectiveness has been maintained throughout 2021/22 and through the challenges of Covid-19.
SG4-2		All employees are encouraged to, and have, pathways to achieve their potential, through development and support	The Managers' Toolkit has been implemented. Further developments are now part of business as usual delivery for the Organisational Learning and Development Team. Leadership development programme is now in full implementation, utilising the College of Policing Senior Leadership Development Program.
SG4-2		Lower the recruitment burden to maintain strength and allow for more efficient recruitment costs	Phase one of this work is complete with analysis of location diversity for targeted recruitment undertaken. Targeted recruitment has been incorporated into the 2021/22 recruitment plan.

Strategic Goal 4	Strategic Priorities	Desired Outcomes	Commentary
SG4-3	Reward and recognition	An attractive reward and recognition package for CNC officers and staff, in order to support recruitment efforts and aid retention	During 2021/22, substantial progress has been made in improvement in the recruitment of new police officers and staff. CNC has initiated a full review of police staff pay and grading to remain competitive in the labour market.
SG4-3		Contribute to the ambition for the CNC to become an employer of choice	Police staff pay and grading review is designed to ensure CNC remains competitive in the market and proactively promotes the comprehensive total reward package.
SG4-3		Align new reward and recognition frameworks to those of comparable police forces	The police staff pay and grading proposal has been designed specifically for the CNC in conjunction with Korn Ferry which has benchmarked development against sector best practice.
SG4-4	Mental health and wellbeing	Ensure the mental health and wellbeing of our workforce is considered to be paramount, facilitated through development of our working environment and the capabilities of our managers and leaders, focusing on health, fitness and safety	CNC has a comprehensive set of Healthy Fit and Safe Plans that operationalise the People Strategy 2023 with a specific Mental Health and Neurodiversity Implementation Plan that is in delivery.
SG4-4		A mindset shift to place physical, mental health, and wellbeing at the centre of our People Strategy 2023	Occupational Health and Wellbeing services and supporting champions are well established and well publicised and utilised.

Key
 ● Achieved ● Partly achieved

Future plans and expected future performance

The CNC set out on a path to maintain its effectiveness and efficiency in the face of fluctuating demand, increasing challenges, especially financially, and evolving threats. Following an extremely challenging 12 months navigating through the pandemic, the CNPA Strategic Plan and Annual Policing Plan represent a consolidation of the approach set out for 2022/23.

Full details of the plans are set out in the following documents:

Three-Year Strategy

[CNPA Three Year Strategic Plan 2022/25 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/cnpa-three-year-strategic-plan-2022-25)

Annual Policing Plan:

<https://www.gov.uk/government/publications/cnc-annual-policing-plan-202223>

Impact of EU Exit

For 2021/22, there has been little direct impact to the CNC. Financially there have been no direct impacts and operationally the CNC continues to work effectively with international partners where this is required.

Impact of Covid-19

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

For this financial year (2021/22) costs specifically related to the pandemic have been tracked and at the end of March, total costs to date are estimated at £0.25m. The key areas of spend that contributed to these costs were:

Key Spending

Additional Staff Costs	£169,656
Equipment and Supplies	£80,646
Additional Hotel Costs	£276
Total	£250,578

The impact is reduced compared to a 2020/21 cost of £1.274m. These costs were all absorbed into the overall 2021/22 budget and no additional funding was sought from the CNPA's customers.

Non-Financial Information Statement

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

Reporting requirement	Policies and standards that govern our approach	Additional information or risk management
Environmental statement		Sustainability report, <i>page 46</i>
Employees	Equality and diversity policy	Employees section, <i>page 90</i>
	Equality, diversity and inclusion strategy (including online training)	
	Equality support groups	Employees section, <i>page 90</i>
	Staff turnover and engagement data	Employees section, <i>page 87</i>
	Health, safety and wellbeing	Wellbeing section, <i>page 56</i>
Human rights	Human rights and equality impact assessments (part of equality and diversity policy)	Employees section, <i>page 90</i>
	Data privacy policy	
	Information and cyber security policy	Information and cyber security, <i>page 56</i>
	Anti-fraud, anti-bribery and anti-corruption policy	Anti-fraud, anti-bribery and anti-corruption policy, <i>page 58</i>
Anti-corruption and anti-bribery	Fraud response plan	
	Code of business conduct	
	Code of Ethics for policing	
	Description of strategic business risks and impacts of business activities	
Description of business model		Business model, <i>page 14</i>
Non-financial key performance indicators		Key performance indicators, <i>page 27</i> Key staff indicators, <i>page 83</i>

Financial Overview

The majority of the CNPA's funding is through income from SLCs. The CNPA continues to make efficient use of its funding and identifies savings more effectively. It encourages all its personnel to deliver value for money and to be accountable for public funds. During 2021/22, the CNPA continued to deliver improvements to management information resources. This enabled it to support increased financial management acumen and transparency by delivering new budget holder training and the enhancement of financial management reporting tools. There have been some further changes to the way financial information is presented to the Executive Team, the CNPA Board and to budget holders across the organisation. The following table sets out how CNPA's actual income has changed over the last six years (this table is not adjusted for inflation/ time value of money due to the complexity of in year funding adjustments and the overall need to keep the presentation understandable).

Key Drivers of Financial Performance

The CNPA is mandated by the Energy Act 2004 to police specific sites belonging to SLCs (our customer base) and to escort materials in transit and in situ. The key drivers of its financial performance are therefore very closely linked to the strategic priorities of its customer base.

The CNPA's customer base has not changed in recent years, but it proactively responds to changing customer requirements as necessary. All policing provision results from regular close consultation with its SLCs and agreements formalised with them. Similarly, if additional policing is required by one or more SLC, this is also formally negotiated, and the CNPA's policing provision is increased in line with specified requirements.

Sometimes costs are driven by government initiatives (and therefore outside the control of the CNC), such as the Emergency Services Network project. Significant

projects like this, covering multiple years and costing multiple millions, are capital-funded by BEIS and may be ultimately funded by the SLCs through a depreciation charge.

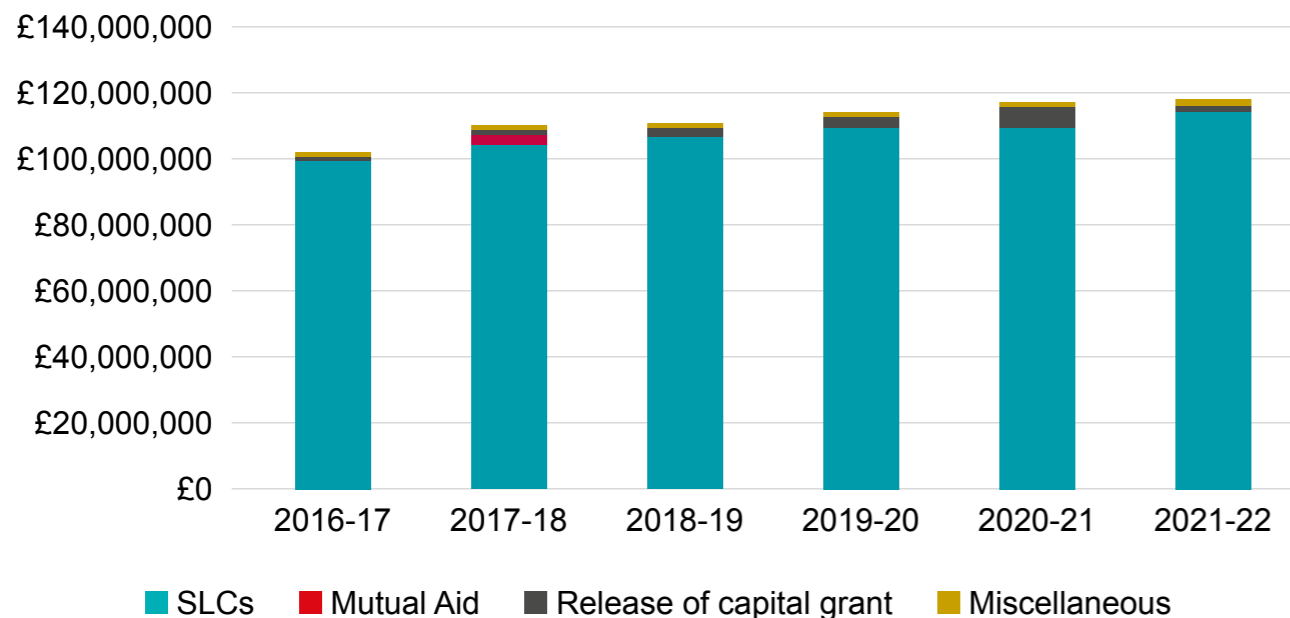
Key drivers of the outturn are:

- The continuing impact of Covid-19 which impacted on training and other BAU activities
- There were underspends relating to pay costs (revenue) which were spilt between an underspend on salaries and allowances due to unfilled vacancies and a lower uptake of retention bonuses than anticipated, alongside lower shortfall overtime requirements
- Non-Pay Costs (revenue) were underspent due to delays in the delivery of IT projects and delays in the delivery of equipment and training costs. Travel and subsistence costs were also lower than forecast due to course cancellations and delays. Capital costs were underspent due to the delays in the delivery of some vehicles and rephasing of the major BPSS programme spend and moving the expected use of the contingency spend to 2022/23

this objective was achieved, however the total comprehensive net expenditure for the CNPA is £2,482m for the year ended 31 March 2022, for specific technical reasons which are due to the following:

- Costs of £305,000 are reimbursable by BEIS through grant-in-aid and recognised in the CNPA's financing reserves in 2021/22. These costs relate to employee exit payments and legal fees incurred by the CNPA. This is shown in the Statement of Changes in Taxpayers' Equity.
- Expenditure of £2,177,000 recognised by the CNPA relate to adjustments to the carrying value of assets and provisions relating to leased properties including the peppercorn lease for GPTTC.

Income



Operating Costs

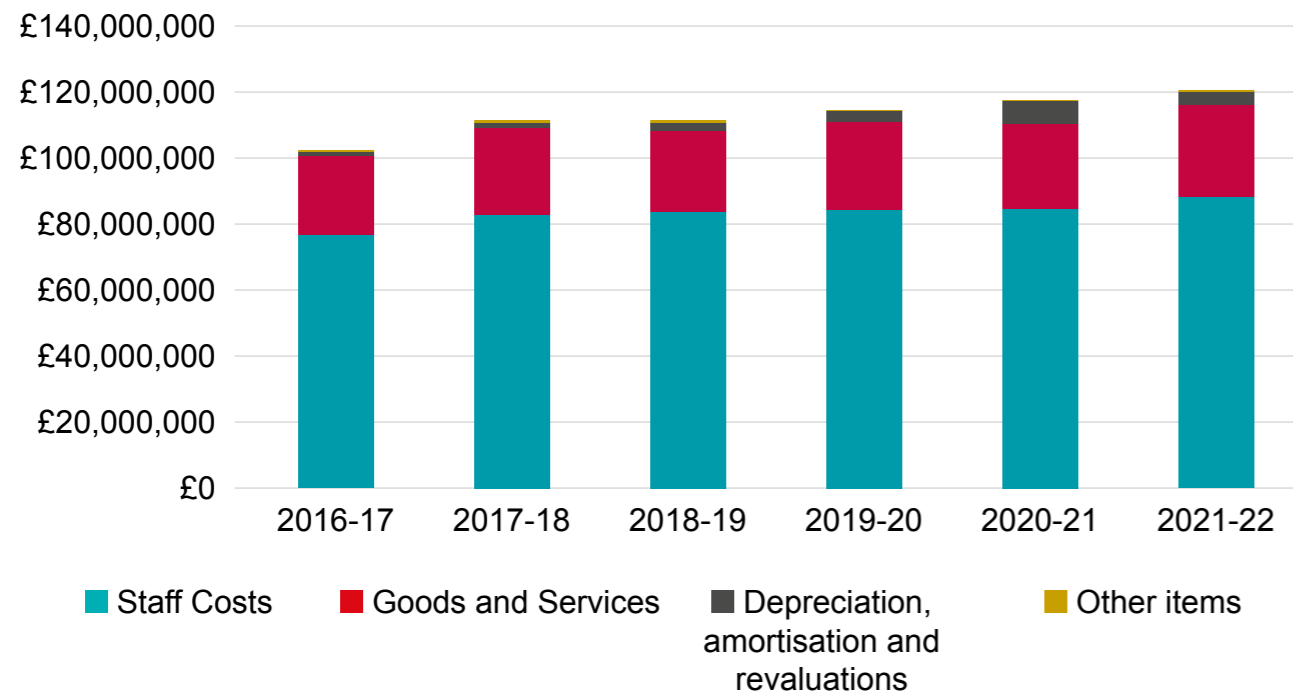
Expenditure for the year ended 31 March 2022 was £122,818,000 (2021/22: £119,728,000). The increase in expenditure included an increase of £3,521,000 in staff costs. This includes the full year effect of the prior year pay award for police officers and staff, alongside the creation of new posts due to the disaggregation from the Multi-Force Shared Service.

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

Financial Outturn

The financial objective for the CNPA is to achieve a breakeven position, and detailed financial statements are set out in this report in Section 3. For standard operations

Expenditure



Other expenditure increased by £431,000 when compared to 2020/21 costs due to:

- Professional services and legal fees – these fees have increased significantly in year due to ongoing project work requiring specialist consultancy support. This includes work on the Strategic Plan, the IT strategy and the future direction of the CNC shared service centre
- Transfer of Airwave - full year effect of the transfer
- Transport costs - fuel prices have risen significantly. Travel and training requirements have also increased from 2020/21 levels, increasing costs by £450,000

Offset by the following:

- Decreased amortisation, depreciation, revaluations and impairment of assets totalling £2.5m. This was largely due to a change to the expected life of IT systems (£0.89m amortisation and £1.05m impairment) and vehicle assets (£0.9m impairment)

The table above provides information on key areas of actual expenditure and shows the changes over the last six years. (This table is not adjusted for inflation/time value of money).

Financial position

Assets	Balance 2020/21	Balance 2021/22	Increase (Decrease)
Carrying value of property, plant and equipment	£7,974,000	£58,572,000	50,598,000

The CNPA adopted International Financial Reporting Standards (IFRS) on 1 April 2021 bringing assets with a value of £48,421,000 into these statements. Assets and assets under construction additions totalled £5,288,000 which comprised £2,002,000 for new leased premises, £1,430,000 for transport related assets; £1,037,000 for plant and machinery; £684,000 for IT equipment and £135,000 for fixtures and fittings. Assets with an original cost of £4,807,000 and a current book value of £210,000 were disposed of during 2021/22 as part of a comprehensive asset review. Depreciation of £3,837,000 was charged to the Statement of Comprehensive Net Expenditure. Asset values were reduced by £266,000 as part of the asset review process. Leased properties have been revalued to their Depreciated Replacement Cost resulting in a net increase in value of £377,000.

Carrying value of intangible assets	£3,054,000	£5,331,000	£2,277,000
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Intangible asset additions of £3,280,000 included work related to the preparation for the new Business Support System (BPSS) and work on the preparation for the new emergency communication network. Assets with an original cost of £343,000 and a current book value of £24,000 were disposed of during 2021/22 as part of a comprehensive asset review. Amortisation of £686,000 was charged to the Statement of Comprehensive Net Expenditure.

Trade and other receivables due within one year	£15,470,000	£18,581,000	£3,111,000
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This increase largely related to an outstanding trade receivable debt which was paid early in April 2022.

Trade and other receivables due after one year	£108,000	£178,000	£70,000
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Inventories	£2,920,000	£2,275,000	(£645,000)
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Cash at bank	£9,649,000	£7,303,000	(£2,346,000)
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Financial position

Liabilities	Balance 2020/21	Balance 2021/22	Increase (Decrease)
Trade and other payables due after one year	£6,049,000	£6,537,000	£488,000
This increase is due to the purchase of new assets funded by capital grants offset by the release of capital grants, including the assets impaired.			
Lease liabilities due after one year	£-	£2,389,000	£2,389,000
CNPA adopted IFRS on 1 April 2021 bringing liabilities into these financial statements of £1,007,000, a further increase of £2,002,000 was recognised due to the signing of a new lease arrangement for our Culham Headquarters less £620,000 expensed during 2021/22.			
Trade and other payables due within one year	£16,686,000	£18,257,000	£1,571,000
This increase is due to an increase in accrued expenses, due in part to a systems shut down during the last couple of weeks in March as we implemented our new BPSS.			
Provisions - non-current	£1,472,000	£1,728,000	£256,000
This increase is due to an increase to the provision for dilapidations required for the lease for the Griffin Park Tactical Training Centre and for an increase to the provision for costs relating to staff who have retired early. More information can be found in Note 13 of the Financial Statements.			
Provisions - current	£259,000	£253,000	(£6,000)

Future Funding Requirements

Approximately 73 per cent of the CNPA's annual revenue expenditure is staff costs. Further changes are planned to public sector pensions that could result in higher employer pension charges, however there is uncertainty around the timing and overall impact. The CNPA is working closely with partners and BEIS to understand the potential impacts and potential funding implications.

Inflation is rising and the costs of running the CNC are increasing. Further funding

increases from customers is limited and therefore CNPA has implemented a major efficiency review to allow for potential costs increases to be managed via efficiency savings.

Major capital expenditure is now being supported by BEIS in the form of upfront capital that is repaid via depreciation changes to the CNPA's customers.

Budget Revision Process

The CNPA's financial resources are reviewed at least each quarter by the

Executive Team and the CNPA Board. The quarterly reviews provide an opportunity for the CNPA Board to revise the budget to ensure that the financial resources available to the CNC are consistent with the achievement of its strategic objectives.

Adoption of Going Concern Basis

The CNPA delivers a statutory function under the Energy Act 2004. On this basis and as required by Financial Reporting Manual (FRM) the CNPA Board continues to adopt the going concern basis in preparing the financial statements as there are no material uncertainties around the going concern status of the CNPA. The CNPA Board approved a revenue expenditure budget of £130.762m and a capital expenditure budget of £10.177m for 2022/23.

Sustainability Report

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

This year has seen an increase in emissions across most categories against the previous year, with emissions closer to pre-pandemic levels. Use of finite resources and water have followed a similar trend and is likely to indicate a return to normal levels of activity across the CNPA estate.

The most significant increases have been from our training estate and official business travel. However, emissions from official business travel are below pre-Covid levels despite the inclusion of emissions attributable to hotel accommodation being included for the first time.

Emissions from the Griffin Park Tactical Training Centre (GPTTC) have risen in line with extended opening hours and increased use of that facility. It is likely that the data reported here is more representative of that site than in previous years, which would have been impacted by mobilisation of the site and then by the pandemic. However, further monitoring is needed before a true baseline can be established.

There have been increases in hire car mileage on the previous years and international flight mileage; the flight mileage being due to an increased tempo of overseas operations.

Greening Government Commitments

The CNPA has been granted an

exemption from the Greening Government Commitments reduction targets for delivering sustainable operations and procurement.

This exemption is granted due to our critical infrastructure role and lack of flexibility over core aspects of our work including patrol strategy and training curriculum.

Despite the exemption, the CNPA remains committed to mitigating its environmental impact. Notably, the organisation has established a Sustainability Monitoring group to monitor strategy and commissioned a net zero review to ensure it is on track to meet obligations of the Energy Act 2008.

Limitations

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

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

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

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

consumption are due to the CNPA or to other co-located organisations.

The following tables and commentaries provide details of the CNPA's carbon emissions, waste disposal, water, electricity and gas consumption between 1 April 2021 and 31 March 2022.

Greenhouse Gas Emissions

Greenhouse gas emissions		2017/18	2018/19	2019/20	2020/21	2021/22
Non-financial indicators (CO ₂ e in tonnes)	Scope 1 emissions (vehicle fleet and managed boilers)	434.88	490.72	1151.41 ¹	722.7	963.18
	Scope 2 emissions (Indirect emissions: electricity and indirect heat)	294.59	279.97	348.92	339.7	376.54
	Scope 3 emissions (official business travel)	1,321.83	1,149.59	930.74	674.3	917
Financial indicators (£000)	Carbon Reduction Commitment gross expenditure					
	Expenditure on accredited offsets					
	Total expenditure on official business travel (excluding accommodation costs and subsistence) and fleet	2,296	2,074	1,649	1,100	1,174

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

The CNPA's scope 1 emissions include mileage and consequent CO₂ emissions from its operational vehicle fleet and managed heating systems.

These emissions have risen since the previous financial year but are not as high as the 2019/20 reporting period when the GPTTC came online. Use of mains gas to heat that facility is a significant contributor

to Scope 1 emissions.

Additionally, emissions attributable to fleet vehicle movements have increased from the previous year. This is likely to be due to a slightly larger fleet and increased activity with Home Office forces.

Scope 2 describes emissions from indirect sources including supplied electricity and heating supplied from landlord-managed boilers.

The increase in scope 2 emissions relates to emergence from lockdowns and is in line with previous years' data.

Electricity use at the GPTTC has risen. Whilst the premises was operational throughout the pandemic, its hours of operation have increased in the last year with the introduction of additional training.

The GPTTC venue is by far the largest property in the CNPA's portfolio. Increased activity on this site will impact the CNPA's carbon emissions significantly. The GPTTC is a modern building with innovative technology to monitor and mitigate unnecessary energy use. Effective environmental management of this facility will be a focus of the net zero work and continues to be closely monitored.

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

Use of personal vehicles for work has decreased. Use of hire cars for business purposes has remained low in comparison with pre-Covid data. This will be, in part, due to remaining Covid-19 restrictions during the reporting period and difficulties in obtaining hire cars. However, there has been a corresponding increase in remote working and videoconferencing. This may continue to subdue some travel beyond Covid-19.

There has been a noticeable increase in flights. This is associated with increased activity by the Strategic Escort Group engaged in work critical to organisational aims.

The increase in hybrid working across some organisational functions will continue to lead to decreases in travel to and from work. However, as these emissions have not previously been captured, they cannot be quantified.

The majority of waste reported in the table above is from the training establishments at Griffin Park and Bisley/Aldershot. Both sites have maintained a high level of training throughout the year.

At Culham HQ, the CNPA recycles waste using the UKAEA recycling scheme. This recycles office paper, newspapers, magazines, small cardboard items, drink and food cans, plastic bottles, plastic cups and domestic glass bottles/jars. However, these are not captured in the above figures

as UKAEA do not separate the CNPA's waste.

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

Waste

Waste		2017/18	2018/19	2019/20	2020/21	2021/22	
Non-financial indicators (tonnes)	Total waste	5.67	3.46	27.3	25.9 ²	30.5	
	Hazardous waste total	0.17	0.66	-	0.1	0.85	
	Non-hazardous waste	Landfill	-	-	22.9	19.0	23.8
		Reused/recycled	5.49	2.81	4.4	6.9	5.9
	Incinerated/energy reused						
Financial indicators (£000)	Total disposal cost	4.9	3.5	22.4	26.4	30	

Water

Finite resource consumption			2017/18	2018/19	2019/20	2020/21	2021/22
Non-financial indicators (m ³)	Water consumption	Supplied	1,243	1,358	1,901	2,038	2,914
		Abstracted	-	-	-	-	-
Financial indicators (£000)	Water supply costs		1.3	1.8	3.0	18.7 ³	21.6

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

Use of water has decreased slightly at GPTTC but increased significantly at Culham. This increase is in line with pre-pandemic usage.

At the time of writing, the CNPA is in dispute

with one of its major water suppliers with regards to errors on the meter readings at Griffin Park. There is ongoing dialogue regarding the annual costs and a figure has not been provided.

Electricity and Gas

Finite resource consumption			2017/18	2018/19	2019/20	2020/21	2021/22
Non-financial indicators (kWh)	Energy consumption	Electricity – standard-tariff	456,792	529,094	926,135	898,573	1,013,910
		Electricity – renewable tariff	-	-	-	-	-
		Gas (kWh)	727,615	707,935	3,985,103	2,248,511	3,334,144
		LPG (ltr)	-	-	-	5,772	5,067
		Diesel (heating)	-	-	-	-	13,251
		Oil (Heating)	-	-	-	-	6,520
Financial indicators (£000)	Total energy expenditure		81	105	294	268	297

The inclusion of Griffin Park data has led to an increase in energy use from 2019 onwards along with a consequent increase in costs and emissions.

The facility is still being tested in terms of capacity and it is unclear whether it has reached a representative baseline year in terms of energy use. However, appropriate management of the facility will be key in achieving climate goals for the organisation and this will likely feature in the Net Zero plans currently initiated with the Strategic Partner, Deloitte.

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



Simon Chesterman OBE, QPM
Chief Constable and CEO

11 October 2022

Section 2: Accountability Report

Corporate Governance Report - Directors' Report

CNPA Board Members and Board Members' Interests

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

The Police Authority Members and Executive members



Sir Craig Mackey QPM
Interim Chairman

Sir Craig Mackey joined the CNPA Board in June 2019. His police career culminated in a six-year tenure as Deputy Commissioner of the Metropolitan Police Service, from which he retired in 2018. Prior to that, his police career began in 1984 with Wiltshire Constabulary, moving next to Gloucestershire Constabulary as Assistant and subsequently Deputy Chief Constable and then to Cumbria. As Chief Constable of Cumbria Police, he worked closely with the Civil Nuclear Constabulary and Sellafield Ltd.



Pam Duerden
Industry Member

Pam Duerden joined the CNPA Board in April 2021. She is the Environment, Health, Safety, Security and Quality (EHSS&Q) Director for the Magnox Ltd nuclear decommissioning business and has held previous corporate and site senior roles in this organisation. Pam also holds the position of SIRO (Senior Information Responsible Officer) for the business and supports a Board sub-committee for safety on another site within the Nuclear Decommissioning Authority estate.



Jerry Haller
Industry Member

Jerry Haller has worked in Generation for EDF for the past 15 years, having spent the previous 20 in the aerospace business. On joining EDF Energy he was appointed Head of Continuous Improvement and delivered the transition from the Performance Recovery programme to the creation and embedding of continuous improvement across the business.



Chris Pilgrim
Independent Member

Chris Pilgrim has held a number of senior and Board level roles in the UK and overseas in the steel, petro-chemical, and food sectors, with particular responsibility for HR, people, and organisation. He was most recently Chief HR Officer at the energy company, Npower where he was a member of the Executive Committee and Board of Directors for 12 years.



Andrew Harvey
Independent Member

Andrew Harvey's professional experience is in governance, communications, leadership and change management across a range of sectors including government, regulatory bodies, not-for-profit, professional services and passenger transport. He is a non-executive director at Registers of Scotland (the Scottish land and legal documents registry) where he chairs its Audit and Risk Committee; he is also a non-executive director of the Cost Lawyer Standards Board, the statutory regulator for costs lawyers in England and Wales.



Mark Rouse
Industry Member

Mark Rouse has spent his entire career in the nuclear industry, holding senior roles in both the defence and civil nuclear sectors and worked for Cavendish Nuclear. He returned to the post of Managing Director Dounreay in March 2020 having previously held the same post from 2013 to 2015. During his previous tenure Mark was a member of the CNPA and gladly accepted the offer to resume the role on his return. Mark transferred to Dounreay Site Restoration Limited (DSRL) in April 2021 when Dounreay became a subsidiary of the NDA.



Sue Scane
Independent Member

Sue Scane was the Director for Environment and Economy at Oxfordshire County Council until her retirement in 2016, having previously been the Council's Assistant Chief Executive and Chief Finance Officer since 2004. Prior to that Sue had worked in Local Government in Scotland and London having originally trained as an accountant with the National Audit Office.



Simon Chesterman OBE, QPM
Chief Constable / Chief Executive Officer

Simon Chesterman joined the CNC in January 2014 as its Deputy Chief Constable and was promoted to Chief Constable on 1 April 2019. He is also the National Police Chiefs' Council lead expert on armed policing. He began his career with Thames Valley Police and went on to become Deputy Chief Constable, specialist operations, West Mercia Police. In 2012 he was awarded the Queen's Police Medal.



Louise Harrison
Temporary Deputy Chief Constable

Louise Harrison joined the CNC from Merseyside Police in February 2020 after working in policing for 27 years. During her career she has undertaken a variety of uniformed and specialist roles, including as Strategic Regional Lead within the Counter Terrorism North West unit, a Strategic Firearms Commander and Local Policing Commander for the town of St Helens. After serving as Assistant Chief Constable - Operations from February 2020, she was made T/DCC in July 2021.



Michael Vance
Temporary Assistant Chief Constable

Michael Vance has been a police officer since 1997, initially serving with the Royal Ulster Constabulary and Police Service of Northern Ireland. He joined the CNC in 2004, having previously served in the Royal Irish Regiment in the armed forces. As an experienced CNC senior leader and Strategic Firearms Commander, he has been responsible for armed protection of all designated nuclear sites across the UK. In his current role he is also responsible for domestic and international armed escorts of nuclear material.



Dr Rebecca Weston
Industry Member

Dr Rebecca Weston joined the CNPA Board in March 2019, representing the views and interests of DSRL, before taking on the role of Industry Member representing Sellafield Ltd in April 2021. As the Enterprise Director for Sellafield Ltd, Rebecca is responsible for the overall business strategy and programme development of the business, as well as the science, technical and engineering solutions and standards across the organisation.



Richard Cawdron
Director of Governance, Compliance and Legal Services

Richard Cawdron started his legal career by training in private practice and joined Gloucestershire County Council to complete his qualification and becoming the Assistant County Solicitor. He then joined Gloucestershire Constabulary to successfully set up their legal department. He joined the CNC in 2005 to create its legal team. This team has now expanded its portfolio to cover related aspects of corporate governance in the new Enabling Directorate.



Richard Saunders
Director of People and Organisational Development

Richard Saunders joined the CNC in June 2015 as Head of HR. He was appointed Director of People and Organisational Development in June 2018. Richard is a Chartered Member of the CIPD and has a broad range of senior HR and organisational development experience from across the public sector. His career in policing began with Wiltshire Police in 1997 where his responsibilities included leading the force's approach to workforce modernisation. In 2008 he completed the Strategic Command Course prior to taking up an HR Director position in local government.



Duncan Worsell OBE
Temporary ACC Corporate Services

Duncan Worsell joined the CNC in June 1992, prior to which he served in the Royal Navy. During his policing career in the CNC Duncan has undertaken the full range of operational roles as an AFO including international maritime escorts, dynamic search, as a nationally accredited firearms instructor, and has been a firearms commander at all levels. From March 2019 until March 2020, he served as Temporary Assistant Chief Constable (Operations), and from March 2020 as Divisional Commander for the Capability and Change Division, before becoming T/ACC for Corporate Services on 7 April 2021.

Register of Interests

Members of the CNPA Board must declare any personal, private or commercial interests. The CNPA maintains a register of interests to ensure potential conflicts of interest can be identified and addressed in advance of Board discussions. Where potential conflicts exist, they are recorded in the Board minutes, along with any appropriate action to address them. During 2021/22 none of the Board Members held any interests which might have conflicted with their Board responsibilities and no Board Member had any other related party interests. A full register of Members' interests is available for inspection by the Internal Auditors as part of the internal audit programme for assurance purposes.

Health and Safety

All health and safety policy and procedures are under review currently as a number were out of date prior to the new Health and Safety Manager taking up post in March 2021.

The number of reported incidents for the last three years are detailed below:

Year	Injuries
2021/22	132
2020/21	128
2019/20	160

The total number of injury incidents reported during 2021/22 shows an increase of 3.25 per cent on the previous year. This may be due to the period of post pandemic recovery.

During 2021/22, 14 incidents were reported under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations

(RIDDOR) with all reports in the over seven days lost time category compared to 11 RIDDORS in 2021, again the pandemic affected the results as training was reduced and home working was the 'norm'.

All RIDDOR incidents are subject to a full investigation and lessons learned process. Analysis of the injury incidents has not revealed any patterns or trends, having all occurred at different locations and under different circumstances.

All CNC police officers, and a small number of police staff, are designated as 'monitored workers' and are tested for exposure to radiation. There were no significant radiation exposure issues at all in 2021/22. The remaining workers had an individual average radiation dose of 0.01 millisievert (mSv), which is the same average level as the previous year and is below the industry significant exposure level of 1mSv. This compares to the average UK natural dose of 2.7mSv per year or a single dental x-ray of 0.02mSv.

The Health and Safety team are now fully engaged with the preparation of the management system to gain certification to the ISO 45001:2018 Health and Safety Management System award. The audit is due December 2022 with a pre-audit visit in August.

In summary the CNC strives to maintain a safe environment to work in and most injuries are of the category expected for the range and scope of the role. Stress at work or work-related stress is well monitored, and the CNC has a robust Health and Wellbeing support system in place.

Information and Cyber Security

The CNPA's approach to information assurance and cyber security is identified

in Strategic Goals 1 and 3, which have been subject to regular review by the CNPA Board throughout the year.

The IT department has continued to support a hybrid working model including office working and homeworking which allows the support services function to deliver uninterrupted support for the CNC. IT continued to maintain its service delivery during the pandemic and the vast majority of users now have the same digital experience at home or in the office and are equally productive in either location. Enabling homeworking has driven efficiencies through minimising travel and reducing our consumption of print services, this has both reduced our costs and supported our green agenda.

Various phishing campaigns have been undertaken during the financial year testing both officers and staff. The results of each campaign have been analysed for learning opportunities and improvements with training targeted accordingly. The CNC's Corporate Communications and Information Governance teams have engaged in a year-long Digital Footprint campaign, with emailed communications, screensavers and computer based training packages available for continuous employee learning.

CNC has published an Information Security Incident Management Policy (ISIMP) and Cyber Incident Response Plan (CIRP). A hard copy with contact details for the Cyber Incident Response Team is held by the CNC's command and control centre. The CNC has a Cyber Security Strategy which has been approved by the CNPA Board, circulated to relevant partners and communicated to employees for comment.

The CNC has been drawing down services from Government Security Advice Centres (GSeCs) with workshops and interviews

leading to a Personnel Security Maturity Model (PSMM) and results were released at the end of this financial year for CNC to respond to in 2022/23. A series of meetings have taken place with the Cyber GSeC Team around IT service provision, contract management, Security Operations Centre (SOC) provision and the National Institute of Standards and Technology (NIST) Cyber Security Framework.

Members of the Security and Information Governance teams have regularly met with and shared knowledge with representatives from National Cyber Security Centre (NCSC), Cabinet Office Government Security Function (GSF), the BEIS security team, and Nuclear Decommissioning Authority (NDA)/Magnox. These engagements included feedback and comment on respective cyber security strategies.

The CNC Security Department and officers played a key role in the NDA-led exercise and were thanked for their role in the chain of command component and on the co-ordination of the cyber exercise with the physical aspects of an attack, human collaboration under pressure being a neglected part of cyber resilience.

Work surrounding the re-competition for IT services has continued throughout the year under the Provision of Future IT Services Programme (PrOFITS). By March 2022, the programme was near to completing the evaluation process and preparations were about to be initiated for contract award.

Security Breaches and Security Incidents

The following table summarises the number of security breaches and security incidents since 2017/18.

Nature of incident	2017/18	2018/19	2019/20	2020/21	2021/22
Loss of assets; electronic equipment; and devices or paper documents from secured CNC premises	-	-	-	-	-
Loss or theft of CLASSIFIED electronic equipment, devices or paper documents from outside secured CNC premises	2	6	1	-	3
Insecure disposal of inadequately protected electronic equipment, devices or paper documents	-	-	-	1	-
Unauthorised disclosure through insecure transmission of Classified marked documents	9	10	9	4	-
Compromise of personal data	3	6	12	17	12
Other 'low level' breaches/incidents	9	5	3	12	22
Total	23	27	25	34	37

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

Other incidents, the increase of reporting incidents, particularly self-reporting is considered a positive as it demonstrates the security culture of the organisation. This is relating to issues such as loss of official identification.

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

The CNPA requires all Police Authority members, employees, and representatives, such as contractors, consultants and agents, to act honestly and with integrity and to safeguard the public resources for which they are responsible and in accordance with our Code of Business Conduct and the national Code of Ethics for policing. The CNPA will not accept any level of fraud, bribery or corruption; consequently, any case will be thoroughly investigated and dealt with appropriately. The CNC has undertaken regular awareness campaigns on these subjects. These campaigns have been designed to reach

employees in the workplace as well as those who have been working from home. The CNPA is committed to ensuring that opportunities for fraud, bribery and corruption are reduced to the lowest possible level of risk. To achieve this there are comprehensive policies, and all Police Authority members, employees and representatives are required to undertake training.

Financial Risk Management

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

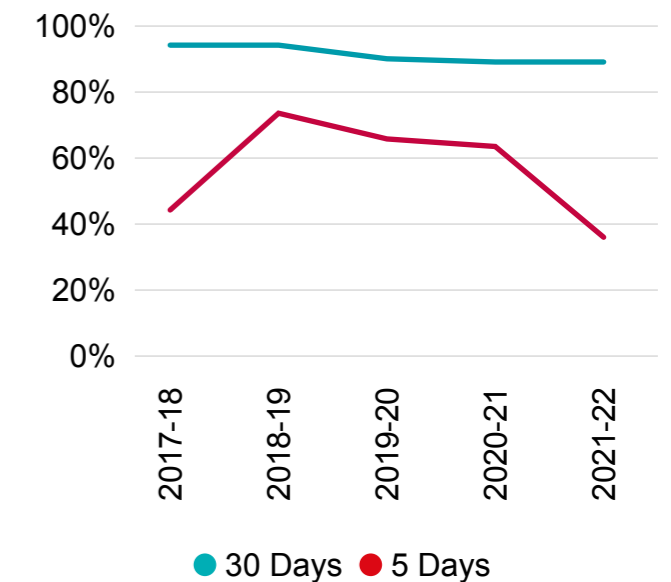
Events after the Reporting Period

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

Payment of Suppliers

The CNPA's policy is to pay all its suppliers within contracted payment terms or, without specifically agreed terms, within 30 days of receiving an undisputed invoice. In 2021/22, the CNPA paid 89 per cent of its invoices on time. The CNPA has sought to comply with central government's commitment to pay suppliers within five working days from receipt of a valid invoice wherever possible. For the year to 31 March 2022, the CNPA paid 37 per cent of its invoices within five working days against a target of 90 per cent. The reduction in performance has been in part due to change in shared service/account software changes. From 1 April 2022 CNPA will be processing in house and will review options to improve performance against this target.

Payment of Suppliers



Pension Arrangements

Further information on pensions is disclosed in the Remuneration Report and in notes 1.10 and 4 to the financial statements.

Auditor

The financial statements have been audited by the Comptroller and Auditor General. The cost of the statutory audit was £78,500 (2020/21: £59,000). The external auditors received no remuneration during the year for the provision of non-audit services.

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

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

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

- Observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the FReM have been followed, and disclose and explain any material departures in the accounts
- Prepare the accounts on a going concern basis
- Confirm that, as far as he is aware, there is no relevant audit information of which the CNPA's auditor is unaware; and that

he has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the CNPA's auditor is aware of that information

- Confirm that the annual report and accounts as a whole is fair, balanced and understandable and that he takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable

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

Governance Statement 2021/22

By Accounting Officer, Chief Executive Officer (CEO) And Chief Constable Simon Chesterman QPM OBE

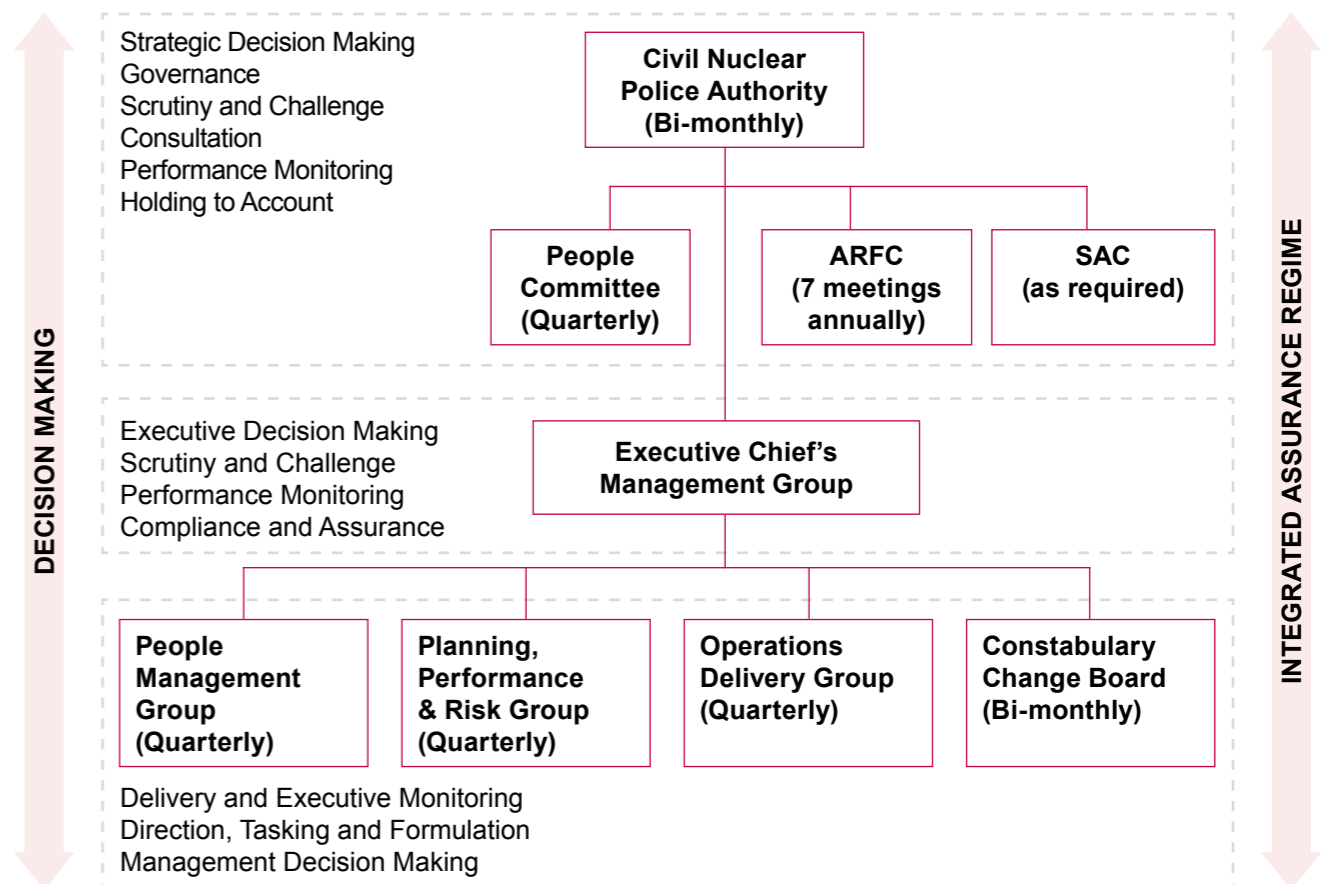
The Governance Framework

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

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

Introduction

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



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

The Authority

The Police Authority is responsible for:

- Securing the maintenance of an efficient and effective CNC and determining its policing objectives
- Appointing members of the Executive Team and employing members of the CNC
- Accounting for the CNC's operational and managerial performance to the Secretary of State and to the public
- Setting the strategy, policy, resource, and performance management framework for the CNC
- Monitoring the CNC's overall performance against the agreed strategies and agreeing remedial action if needed
- Supporting and advising the CEO/Chief Constable in the exercise of his functions

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

Sub-Committees

People Committee

The committee is responsible for:

- Oversight of the CNC's People Strategy, policies, and practice
- Monitoring and scrutinising how the people strategies contribute to improved organisational performance

- Reviewing, scrutinising, and approving organisational change business processes, proposals, and requirements
- The CNC's adherence to good practice HR governance

Senior Appointments Committee

The committee is responsible for:

- Recommending appointment of members of the senior management team
- Oversight of senior management team performance, personal development, and remuneration

Audit, Risk and Finance Committee

The committee is responsible for:

- Scrutiny of internal controls
- Monitoring and scrutinising all strategic audit matters relating to the Authority and CNC
- Monitoring and scrutinising the management of high-level risks and monitoring CNC risk management processes
- Scrutiny of the CNPA's governance arrangements
- Monitoring and scrutinising the quality and reliability of CNC financial reporting
- Assuring the CNPA of its responsibilities to secure efficiency and effectiveness
- Tracking progress against the Annual Audit Plan, relevant strategies, plans, and processes specified by the Annual Audit Plan

- Reviewing, scrutinising, and reporting to the Authority on the comprehensiveness, reliability and integrity of assurances given to meet the Authority's and the Accounting Officer's assurance needs

Chief's Management Group

- Meets monthly to ensure the roles and responsibilities of the Chief Constable/Chief Executive/Accounting Officer are being sufficiently discharged
- Examines, assesses, evaluates, and provides direction and challenge on all major business and operational policing issues affecting the business and operation of CNC (internal and external)
- Responsible for implementing the CNPA's strategic direction and decisions
- Sets the strategic tone and direction for the Constabulary as flowed down from the CNPA
- Acts as the senior decision-making forum for the Constabulary, particularly for matters that require:
 - Business case review and approval
 - Substantial financial investment
 - Policy amendment or creation
 - Recommendation to the CNPA or Senior Appointments Committee (SAC) or People Committee
- Considers update reports from the Constabulary Executive and provides approval or issues further instruction as appropriate
- Considers high level risks and actions to mitigate risk

- Provides an audit trail on key decisions
- The meeting should also have space for discussions on key subjects with a strategic content

Note: The team is led by the CEO/Chief Constable and the membership is made up of the Capability and Change Director/DCC, Operations Director/ACC, Director of People and Organisational Development and the Director of Governance, Compliance and Legal Services. Chief Finance Officer (CFO), Head of Human Resources, Head of Governance and Assurance, Chief of Staff and the three Divisional Commanders.

The Police Authority

The role of the CNPA is defined by the Energy Act 2004.

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

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

The Authority has oversight of the CNC, which it exercises through Authority meetings and matters delegated to its committees. It appoints members of the senior management team (also referred to as the Executive Team) and employs CNC's officers and staff. It challenges and supports the Executive Team and scrutinises its proposals and performance, particularly in relation to the development of the three-year strategy; delivery of the approved annual plan and budget, including performance against output metrics; and the annual report on the CNPA's activities. In addition, the Authority takes an overview of corporate risk and works with the

Executive Team to set the organisation's risk appetite.

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

There were 14 Board level meetings in 2021/22, with six Authority Board meetings (standard), three extraordinary Board meetings, four working group meetings and one Board briefing.

The Authority received and endorsed the revised Terms of Reference of the Authority; the ARFC; the Senior Appointments Committee (SAC); and the People Committee.

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

Audit, Risk and Finance Committee

The ARFC is chaired by an independent non-executive Board member.

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

The Committee met eight times in 2021/22 including as a scrutiny panel to review the draft annual report and accounts in accordance with governance best practice.

Senior Appointments Committee

The SAC is chaired by the CNPA Chairman.

The SAC held three meetings in 2021/22.

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

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

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

People Committee

The People Committee is chaired by an independent non-executive Board member.

The Committee met six times in 2021/22.

The People Committee has reviewed and scrutinised various People Directorate strategies, proposing consolidation into a single action plan, and received a proposal

and business case for the CNC's police staff pay and grading structure.

The Executive Team

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

Executive management and governance of operational and business activities is undertaken through the Chief's Management Group (CMG), which met 10 times. The team meets monthly to monitor, review and give executive-level direction for major business and operational issues and to enable co-ordination across the organisation for the delivery of key strategic and operational objectives.

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

Authority Board Activities in 2021/22

It is standard practice to ensure that the Authority Board visits at least one operational site a year to allow Members direct sight of front-line operations. However, whilst this was scheduled to take place at Sellafield, due to the pandemic, lockdown and the social distancing measures in place, this did not take place in 2021/22.

The Authority Board has maintained its scheduled meetings making effective use of video conferencing technology. The

non-executive Board Members have the opportunity for informal meetings or closed discussions without the presence of the Executives or other attendees, these are scheduled to precede Police Authority meetings when required.

Governance Improvement

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

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

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

The Board is satisfied with the flow of information between the Board and its committees, and the quality of data received. As part of the Board effectiveness evaluation, Board Members provided input on the quality of the information that is provided. Further, the Board is regularly asked to comment on the quality of information contained within the papers.

The Board and Committee Secretariat manages the timely circulation of information. All Board papers are approved by the CMG and sponsored by the relevant

Executive Team director and clearly indicate any action required.

Evaluation of Authority Performance

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

It was the intention, to hold a follow up Board Effectiveness Review to the 2019/20 review this year, 2022. However, the passing of Mr Emery, the subsequent appointment of an interim Chair, as well as a higher than anticipated churn of Board Members has contributed to the decision to pause this review until next year - 2023.

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

Multi-Force Shared Service

The CNPA and CNC signed a collaboration agreement with the Multi-Force Shared Service (MFSS) for the provision of back-office transactions processing functions for HR, finance and procurement from April 2016. The collaboration agreement gave the CNPA and CNC joint control of the MFSS together with the other partner organisations to the agreement.

Governance and oversight of MFSS is exercised by its Shared Service Joint Oversight Committee (SSJOC) which also sets the strategic direction of the MFSS. It usually meets three to four times per year

but holds additional extraordinary meetings when required to deal with specific issues.

The Chair of the SSJOC is rotated among partner organisations. I am a member of this committee together with the Chair of the CNPA, as are the Police and Crime Commissioners and Chief Constables of the other partner forces.

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

To support the delivery of the new system and process for CNC, a project governance structure was established and is proceeding well, working closely with MFSS partners and BEIS. The timescale for the delivery of the change is challenging, and non-critical activity has been placed in a phase 2, to run from April to October 2022.

This system transition had been identified as a significant risk for the CNPA. To manage these risks there are control and assurance processes within the delivery project to ensure system control processes are working adequately. To support this the Internal Audit were commissioned to undertake two reviews of critical areas of functionality, no significant issues were identified. The go live date was achieved on 1 April 2022 for core operations (Finance and Human Resources), with the system being available to the wider CNC on 4 April 2022. To date the project delivery has been on time and within budget.

Compliance with the HM Treasury Corporate Governance Code

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

central government in so far as it is relevant and practical for an Arm's Length Body of its size and complexity.

Following self-assessment, the CNC can demonstrate compliance with the mandatory elements of the Functional Standards introduced by government to create a coherent, effective and mutually understood way of doing business within government organisations and across organisational boundaries.

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

I have not received any Accounting Officer directions in 2021/22.

Attendance at Police Authority; Board and Committee Meetings in 2021/22

Members	Board (6 in year)	Audit Risk and Finance (8 in year) ⁽¹⁾	Senior Appointments (3 in year)	People (6 in year)
Vic Emery (Chair) (NE) <i>(Up until 18/12/21)</i>	4/4	⁽¹⁾	2/2	⁽¹⁾
Sir Craig Mackey (NE) <i>(Interim Chair from 1/1/2022)</i>	6/6	⁽¹⁾	3/3	6/6
Pamela Duerden (NE)	6/6	4/8	⁽¹⁾	1/3 ⁽²⁾
Jerry Haller (NE)	6/6	6/8	⁽¹⁾	⁽¹⁾
Andrew Harvey (NE) <i>(Contract Started 3/1/2022)</i>	2/2	1/1	⁽¹⁾	2/2
Chris Pilgrim (NE) <i>(Contract Started 3/1/2022)</i>	2/2	⁽¹⁾	1/1	2/2
Mark Rouse (NE)	5/6 ⁽³⁾	5/8 ⁽³⁾	⁽¹⁾	⁽¹⁾
Neelam Sarkaria (NE) <i>(Contract Expired October 2021)</i>	3/3	⁽¹⁾	2/2	3/3
Sue Scane (NE)	6/6	8/8	1/1	⁽¹⁾
Rebecca Weston (NE)	4/6	⁽¹⁾	⁽¹⁾	0/6

(1) Not members of the committees

(2) As agreed with the Chair, Pam Duerden stood down from the People Committee

(3) 3/5 meetings part attended

Risk Management and Control

Risk Management

The Authority has a strategic risk register that includes all strategic risks, which are defined as risks to the achievement of the goals identified in its three-year Strategic Plan, but also includes other significant programme, project or service delivery risks that should be brought to the attention of the Executive Team, ARFC and the Board. A portfolio project risk register and a cyber security risk register were established during 2021/22 to enable close monitoring and reporting of these risks. The fraud risk register was evaluated as meeting the requirements of the Government Functional Standard GS013 relating to our counter fraud arrangements. The key risks and uncertainties facing the Authority are presented in the performance report section of this annual report and accounts.

The Authority has a risk management framework that defines its approach to managing risk, along with practical guidance to assist risk owners in identifying, assessing, monitoring, and reporting risks. Details of this are included in the section of the ARA relating to strategic risks and uncertainties, including the risk scores for all the current strategic risks. The risk register is maintained on a fully auditable system to ensure monitoring and reporting is consistent across the organisation. Risk owners are supported in all aspects of risk management activities by the Head of Risk and Insurance.

The nature and status of key corporate risks are reported to the ARFC along with

the mitigating actions being taken.

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

The CNPA has undertaken a second risk maturity review during 2021/22 to review progress since the first self-assessment. Some progress from the initial assessment of 'risk defined'/'risk managed' has been made and the self-assessment was that the Authority displays behaviours and activities that meet the criteria to define us as 'risk managed' in all areas. The risk maturity review is repeated annually to measure improvement.

Risk Management Assurance

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

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

Risk Appetite

Risk appetite is defined as the level of risk that the Authority is willing to face to achieve its objectives, whilst continuing to provide the required level of assurance to stakeholders

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

Statement of Information Risk

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

The Authority is required to comply with the Cabinet Office (CO) and the Office for Nuclear Regulation's (ONR) security policy frameworks for information security. ONR's framework follows broadly that of the Cabinet Office but sets standards for the protection of sensitive nuclear information that are necessary to protect licenced nuclear sites and material in transit.

The Authority continues to protect itself against cyber-attacks and its ability to respond and recover. It has undergone a cyber security maturity assessment measured against the National Institute of Standards and Technology (NIST) cybersecurity framework. We continue to review the potential impacts on other systems and on the business should those be attacked, and the service interrupted.

I am responsible for ensuring that information risks are assessed and

mitigated to an acceptable level.

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

The Information Risk Group and the Information Governance Committee

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

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

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

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

determines the appropriate course of action.

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

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

Personal Data-Related Incidents

There were three personal data-related incidents reported to the Information Commissioner’s Office (ICO) in 2021/22 (2020/2021: one). Two of these related to separate but similar incidents arising out of theft from vehicles and were dealt with as one incident by the regulator. The third related to a new member of staff sharing personal data on social media and has not yet been resolved. The ICO decision in relation to the first two was that no further action was necessary as CNC had confirmed that the no personal data was held locally on the devices stolen, no passwords held with the devices and the Surface Pros switched off and deactivated. The risk of personal data being accessed was therefore considered to be limited. Whilst hard copy documents lost carried a risk of detriment, in the absence of evidence that this was likely to occur the ICO were content the risk of significant detriment was unlikely. The ICO noted processes in place advising employees not to leave hard copy documents or equipment unattended which they accepted as evidence of controls in place and made a series of recommendations including reinforcing and maintaining awareness of data protection amongst

employees. The security breaches section records a higher number of incidents which were not reportable. This increase is evidence of awareness and training which encourages reporting of near misses and concerns in order to benefit from learning opportunities.

General Data Protection Regulation

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

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

- A cyber security maturity assessment
- Definition of the Security Operations Centre (SOC) requirements
- Development of the cyber security strategy

The maturity assessment was measured against the National Institute of Standards and Technology (NIST) Cybersecurity

Framework, allowing us to assess and then assign remedial actions to improve the ability to prevent, detect and respond to cyber-attacks. This work is currently being placed into a formal project. The risk assessment informed both the SOC requirements and the strategic document which was aligned with the CNC’s three-year strategy. The CNC cyber security strategy was developed in two versions, official-sensitive, and official for consultation and wider circulation, and both employees and some partners have been provided with a copy for comment.

The CNC was asked by the Department for Business, Energy and Industrial Strategy (BEIS) to hold back from formal publication until the Civil Nuclear Cyber Strategy could be launched, which took place in May 2022. The CNC has drawn up an implementation plan for the wider Civil Nuclear Cyber Strategy and has representation on the BEIS Cyber Strategy Delivery Oversight Board.

The next step for CNC is to finish checking the BEIS Strategy against the CNC Strategy to ensure complete alignment prior to publication.

A cyber incident response plan with contact details for the core and wider cyber incident response team now sits with Constabulary Command and Control Centre (CCC) in hard copy and an initial tabletop exercise has taken place which has resulted in recommendations for improvement and will lead to wider exercising.

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

The education and awareness strategy continues, providing on-going training for all staff in respect to IT/cyber incidents, and

raising awareness around phishing and security online.

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

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

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

	Internal Audit Plan for 2021/22	Status (Date Planned)
1.	Workforce Planning	Final
2.	Risk Management	Final
3.	Cyber Governance	Final
4.	Core Accounting Controls	Final
5.	Efficiency Savings	Final
6.	Travel Management System	Final
7.	BEIS: Commercial Continuous Improvement Framework (previously Commercial Operating Standards for Government)	Final
8.	BPSS Implementation	Final
9.	Annual Governance Statement	Final
10.	Follow Up	Final

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

1. Cyber governance
2. Efficiency savings

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

RSM undertook two advisory audits:

1. Government functional counter fraud assessment

This relates to the transition from Cabinet Office oversight to a self-assessment process.

2. Financial reporting and fixed asset review

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

As part of the year end Audit 2019/20, the NAO identified a number of issues in its management letter in terms of the way CNPA was managing the assets. To address this, an internal project was formed together with support from an external consultant to review the requirements of FReM and relevant account standards. This led to significant changes and strengthening of controls within this area. These changes have been monitored via CMG and ARFC, together with changes made to the 2020/21 accounts.

The ARFC annually reviews the effectiveness of the internal and external audit functions. The view of the ARFC was that these functions continued to operate effectively throughout 2021/22 in the provision of assurance on the CNPA standards of governance, risk management and internal control.

For the year 2021/22, the Head of internal audit opinion for Civil Nuclear Police Authority is the following:

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

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

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

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

My review is informed by the work of the internal auditor and the ONR; by meeting the standards set by the College of Policing (CoP); by the CNPA's Internal Inspections and Assurance Department; by the Executive Team, who have the responsibility for the development and maintenance of the governance structures; and by the internal control framework and comments made by the CNPA's external auditor, the NAO, in its management letter.

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

Internal Audit

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

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

RSM has arrived at this opinion through:

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

The CNPA keeps its governance, risk management and internal control

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

There were no further issues identified by the internal auditor, other than those already disclosed, that require reporting in the governance statement as significant control weaknesses.

Assurance process on management of interests and business appointments

CNPA has a process to ensure that any police officer or members of police staff are aware of the of the business interest policy. All must declare and seek approval before entering into outside arrangements. These rules are support by appropriate disciplinary procedures for failing to comply.

Effectiveness of Whistleblowing Process

Our whistleblowing processes continues to be well-understood but the has been reviewed and a new updated Policy was approved by the Police Authority in May 2022. During the year under review, there was one protected disclosure from whistleblowing via safe call. The People Committee received the results of an independent investigation, and the outcome was reported in August 2021. This report did not support the claim.

Other Assurance Activities

The internal inspections and assurance team undertook a programme of testing of compliance with operational policies and

procedures alongside ‘spot inspections’ directed by the Executive Team. The internal inspections team work closely with the Authority’s appointed internal auditors and others to ensure that as far as practical there is no duplication of effort between the various programmes of audit or inspection and that they complement each other. With the limitations placed on travel through Covid-19 restrictions, the programme was adjusted to make best use of time while still ensuring the Executive Team could be reassured regarding our operational activities.

The Internal Inspections and Assurance team continue to provide assurance to ARFC and the Executive; it identified both areas of good practice and some areas for improvement that will be implemented in 2022/23. A new version of the action-tracking software was introduced, and benefits are flowing from this – including a generally improving picture on action closure.

Following Her Majesty’s Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS) inspection of the force in 2020, and the issuing of its report and recommendations in the spring of 2021, CNC has undertaken the reviews that the HMICFRS recommended. With one exception, all of the recommendations are now closed as completed. The one remaining recommendation, which related to the Secretary of State assuring themselves of the continuing effectiveness of the force if the provisions of the Public Sector Pensions Act relating to retirement age were put into practice, has a longer closure date. The support the CNC will offer to the Secretary of State in resolving this issue is part of business as usual for our senior pensions specialist and therefore this recommendation is also, for CNC, complete.

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

Cultural Review

The CNPA and CNC are committed to developing the culture of the organisation to align it with its strategic ambition and address any cultural matters of concern. The CNPA three-year Strategic Plan set out a commitment to undertake a cultural audit which has now been completed. This was undertaken by our strategic partner using a cultural assessment framework and provided a comprehensive insight into the culture of CNC and made a number of high-level recommendations to develop our cultural maturity.

Following the tragic murder of Sarah Everard, the CNC established a gold group to examine our approach to the management of gender related matters. The gold group commissioned two significant pieces of work. The development of a gender responsive policing strategy to identify actions to enhance our management of gender which will be published in June 2022 and an independent review of gender that is being undertaken by an independent specialist. The gender review will be reported to the Board later this year.

The recommendations from these reviews, audits and strategies will be combined into a single integrated action plan that will form a major long-term deliverable for CNC.

Significant Internal Control Weaknesses

I can report that there were no significant weaknesses in the Authority’s system of internal controls to the 31 March 2022 that affected the achievement of its key policies, aims and objectives.



Simon Chesterman OBE, QPM

Accounting Officer, Chief Executive Officer and Chief Constable

For the 12 month period from 1 April 2021 to 31 March 2022

Remuneration and Staff Report

Remuneration Report

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

Procedures for Setting Remuneration

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

Membership of the Senior Appointments Committee:

- Sir Craig Mackey (Interim Chairman)
- Chris Pilgrim
- Sue Scane

Statement of Remuneration Policy

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

Fees

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

Salaries and Allowances

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

Benefits in Kind

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

Pensions

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

Terms of Appointment and Service Contracts

The following is a summary of the terms of appointment/service contracts for the CNPA Board.

Name	Date of continuous service	Unexpired term at 31 March 2022	Notice period
Pam Duerden Industry Member (Magnox/ NDA)	9 April 2021	2 years	3 months
Vic Emery ⁽¹⁾ Chairman and Independent Member	12 October 2016	-	3 months
Jerry Haller Industry Member (EDF)	1 February 2021	1 year, 10 months	3 months
Andrew Harvey Independent Member	3 January 2022	2 years, 10 months	6 months
Sir Craig Mackey Independent Member Interim Chair ⁽²⁾	24 June 2019 1 January 2022	- 7 months	- 3 months
Mark Rouse Industry Member (DSRL)	25 March 2021	2 years	3 months
Chris Pilgrim	3 January 2022	2 years, 10 months	6 months
Neelam Sarkaria ⁽³⁾ Independent Member	10 October 2016	-	3 months
Sue Scane Independent Member	8 July 2019	3 years, 4 months	3 months
Rebecca Weston Industry Member (SL)	1 April 2021	2 years	3 months

Notes

(1) Up until 16 December 2021

(2) Sir Craig Mackey Interim Chair contract 1 January 2022 - 12 October 2022

(3) Contract Expired 9 October 2021

Name	Date of continuous service	Unexpired term at 31 March 2022	Notice period
Chris Armitt ⁽¹⁾ Deputy Chief Constable	1 October 2019	-	6 months
Richard Cawdron Director Governance Compliance and Legal Services	1 December 2019	Not stated	6 months
Simon Chesterman Chief Constable	1 April 2019	2 years	6 months
Louise Harrison ⁽²⁾ Assistant Chief Constable T/Deputy Chief Constable ⁽³⁾	17 February 2020 13 July 2021	2 years, 11 months 4 months	6 months -
Patsy Northern ⁽⁴⁾ Director of Corporate Services	20 January 2020	Not stated	6 months
Richard Saunders Director of People and Organisational Development	18 December 2017	Not stated	6 months
Michael Vance T/Assistant Chief Constable	13 July 2021	4 months	6 months
Duncan Worsell T/Assistant Chief Constable	7 April 2021	1 month	6 months

Notes

(1) Contract expired 29 August 2021

(2) Appointed on a secondment from Merseyside Police to 8 July 2020, then on a fixed term contract to 18 February 2025

(3) Appointed as T/Deputy Chief Constable for the period of one year

(4) Leaver 7 April 2021

The provision for compensation for early termination, and the 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 Chairman and both industry representatives and independent board members and approving their terms and conditions of appointment in line with provisions of the Energy Act 2004, Schedule 10.

Remuneration

Remuneration payable to the CNPA Board members in 2021/22 was as follows:

Executive Team (This is subject to audit)

Name	Salary and allowances £000		Benefits in kind ⁽¹⁾ (to nearest £100)		Pension benefits ⁽²⁾ (to nearest £000)		Total Remuneration £000	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
Chris Armitt Deputy Chief Constable ³	50-55	130-135	3,000	7,200	9,000	26,000	65-70	160-165
Richard Cawdron Director of Governance, Compliance and Legal Services	105-110	105-110	7,400	4,900	(3,000)	94,000	110-115	205-210
Simon Chesterman Chief Executive and Chief Constable	140-145	145-150	7,200	7,200	-	-	150-155	150-155
Louise Harrison(Assistant Chief Constable	140-145	110-115	7,200	7,200	-	-	150-155	115-120
Patsy Northern Director of Corporate Services ⁴	50-55	110-115	-	-	(1,000)	22,000	50-55	130-135
Richard Saunders Director of People and Organisational Development	110-115	115-120	-	-	21,000	22,000	130-135	140-145
Michael Vance Temporary Assistant Chief Constable ⁵	80-85	-	-	-	10,000	-	90-95	-
Duncan Worsell Temporary Assistant Chief Constable	105-110	-	-	-	(10,000)	-	95-100	-

Notes

1 Benefits in kind in 2021/22 comprised fully maintained cars.

2 Accrued pension benefits – the value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 plus the real increase of any lump sum less the contributions made by the individual. The real increase exclude increases due to inflation or any increase or decrease due to a transfer of pension rights.

3 Full year equivalent salary and allowance for 2021/22 is 125-130, full year equivalent benefits in kind for 2021-22 is £7,200.

4 Full year equivalent salary and allowance for 2021/22 is 105-110. Salary and allowances for 2021/22 includes payment in lieu of notice of £53,000 which is in line with contractual terms.

5 Full year equivalent salary and allowance for 2021/22 is 110-115.

Pension Entitlements (This is subject to audit)

The pension entitlements shown in the table below are those that would be paid annually on retirement based on service to 31 March 2022 and include the value of added years paid for by members of the Combined Pension Scheme (CPS). The pension figures relate to the benefits that the individual has accrued as a total of their service to the CNPA, not just under their current appointment. Members of the pension scheme have the option to pay additional voluntary contributions; neither the contribution nor the resulting benefits are included in the following table.

Name	Total accrued pension at age 60 at 31 March 2022 and related lump sum £000	Real increase in pension and related lump sum at age 60 £000	Cash equivalent transfer value at 31 March 2022 £000	Cash equivalent transfer value at 31 March 2021 £000	Real increase in cash equivalent transfer value £000
Executive Team					
Chris Armitt	0-5 plus 5-10 lump sum	0-2.5 plus 0-2.5 lump sum	64	48	9
Richard Cawdron	35-40 plus 105-110 lump sum	0-2.5 plus 0-2.5 lump sum	815	768	(4)
Patsy Northern	0-5 plus 0-5 lump sum	-0-2.5 plus -0-2.5 lump sum	38	38	(1)
Richard Saunders	0-5 plus 5-10 lump sum	0-2.5 plus 2.5-5 lump sum	69	38	20
Duncan Worsell	40-45 plus 120-125 lump sum	-0-2.5 plus -0-2.5 lump sum	940	892	(10)
Michael Vance	20-25 plus 60-65 lump sum	0-2.5 plus 0-2.5 lump sum	405	370	7

Note

Simon Chesterman, is not a member of the CPS and does not make any other pension contributions.

Louise Harrison is not a member of the UKAEA pension scheme as she remains a member of her home force pension scheme to which CNPA contribute to through the secondment recharge.

Cash Equivalent Transfer Value

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

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

The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the civil service scheme (CSS) and for which the CSS has received a transfer commensurate to the additional pension liabilities being assumed. They also include additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

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

Independent and Industry Members (This is subject to audit)

Name	Fees £000 2021/22	Fees £000 2020/21
Pam Duerden (1) Industry Member (NDA)	-	-
Vic Emery (2) Chairman and Independent Member	50-55	65-70
Jerry Haller (3) Industry Member (EDF)	-	-
Andrew Harvey (4) Independent Member	0-5	-
Sir Craig Mackey (5) Independent Member	15-20	15-20
Mark Neate (6) Industry Member (Sellafield Ltd)	-	-
Chris Pilgrim (7) Independent member	0-5	-
Mark Rouse (8) Industry Member (DSRL Ltd)	-	-
Neelam Sarkaria (9) Independent member	5-10	15-20
Sue Scane Independent member	15-20	15-20
Rebecca Weston (10) Industry Member (DSRL)	-	-

(1) Pam Duerden's contract started 9 April 2021

(2) Vic Emery's contract expired 18 December 2021

(3) Jerry Haller's contract started 1 February 2021

(4) Andrew Harvey's contract started 3 January 2022

(5) Sir Craig Mackey was an independent member from 24 June 2019, appointed as interim chair from 1 January 2022.

(6) Mark Neate's contract expired 31 March 2021

(7) Chris Pilgrim's contract started 3 January 2022

(8) Mark Rouse's contract started 25 March 2021

(9) Neelam Sarkaria's contract expired 8 October 2021

(10) Rebecca Weston's representation with DSRL ended 24 March 2021 and started as Industry Member for Sellafield Ltd on 1 April 2021

Staff Report

The following information is subject to audit (listed below)

1. Staff costs
2. Average number of people employed
3. Exit packages
4. Salary multiples

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

	2021/22	2020/21
Executive 1 Grade	1	1
Executive 2 Grade	0	1
Executive 3 Grade	4	4
	5	6

Staff Costs

Staff costs comprise:

	Permanently employed staff 2021/22 £000	Temporary and agency staff 2021/22 £000	Total 2021/22 £000
Wages and salaries	70,349	212	70,561
Social security costs	8,246	20	8,266
Other pension costs	10,921	29	10,950
Non-directly employed staff	-	208	208
Sub-total	89,516	469	89,985
Less costs recovered in respect of outward secondments	(130)	-	(130)
Total staff costs	89,386	469	89,855

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

Average Number of Persons Employed

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

	Permanently employed staff 2021/22	Temporary and agency staff 2021/22	Total 2021/22
Total average staff numbers	1,570	10	1,580

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

Exit Packages

	2021/22 Number of compulsory packages	2021/22 Number of other departures agreed	2021/22 Total number of exit packages by cost band
Less than £10,000	-	15	15
£10,001 - £25,000	1	1	2
£25,001 - £50,000	1	-	1
£50,001 - £100,000	3	1	4
Total number of exit packages	5	17	22
	£000	£000	£000
Total value of exit packages	259	101	360

	2020/21 Number of compulsory packages	2020/21 Number of other departures agreed	2020/21 Total number of exit packages by cost band
Less than £10,000	-	38	38
£10,001 - £25,000	1	1	2
£50,001 - £100,000	1	-	1
Total number of exit packages	2	-	41
	£000	£000	£000
Total value of exit packages	99	95	194

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 (CPS) of the UKAEA. Ill-health retirement costs are met by the pension scheme and are not included in the above table. For 2021/22 payments in lieu of notice have been included as exit payments, the table for 2020/21 above has been amended to include these.

Salary Multiples

The banded remuneration of the CNPA's highest-paid director, who was the Chief Executive Officer/Chief Constable, in the financial year 2021/22 was £150,000-£155,000 (2020/21: £150,000-£155,000; 0% movement). The Chief Constable did not receive a bonus in either year.

For all other employees as a whole the average percentage change in salary and allowances between 2020/21 and 2021/22 was 8.29 per cent (25 per cent for bonus pay). The 8.29 per cent increase in salary and allowances includes performance related pay progression as it is not practical to separate this increase from inflationary pay increases.

Our pay ratios are disclosed in the table below. The values exclude overtime and other payments for additional hours worked. This ensures a meaningful comparison by removing the significant fluctuations which do not reflect pay policy changes.

For the median, 25th and 75th percentile ratios, the total pay and benefits are equal to the salary component of the benefits, as these individuals did not receive any bonuses or benefits in kind in the period.

In 2021/22, one employee received FTE remuneration in excess of the highest-paid director (2020/21: nil). The individual did not work full time so actual remuneration was less than the highest paid director. Remuneration, including that of the highest-paid director, ranged from £18,987 to £192,400 (2020/21: £17,913 to £152,500).

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

There are no prior year comparatives for the 25th and 75th percentile or average percentage changes in average pay as this information is not readily available.

Year	25th Percentile pay ratio	Median pay ratio	75th Percentile pay ratio
2021-22	4.65 : 1	4.01 : 1	3.47 : 1
2020-21	-	4.02 : 1	-

25th Percentile pay ratio

25th Percentile	£32,828
75th Percentile	£43,965
Median Salary	£38,020

Staff Turnover

Attrition	Police staff	Police officer
Apr 2020 – Mar 2021	6.3 per cent	7.7 per cent
Apr 2021 – Mar 2022	8.2 per cent	6.8 per cent

Police officer

Police officer attrition at the end of 2021/22 stood at 6.8 per cent, a reduction of 0.9 per cent from the previous year. The reduction is due to several factors:

- 1) CNC lost many officers to Ministry of Defence Police (MDP) during 2019/20 and this was not replicated in 2020/21 or 2021/22
- 2) CNC implemented several retention initiatives which have slowed down attrition
- 3) The impact of Covid-19 which reduced the opportunity for competitors to recruit and allowed officers to revisit the benefits of CNC such as job security

Police staff

Police staff attrition at the end of 2021/22 stood at 8.2 per cent, an increase of 1.9 per cent from the previous year (6.3 per cent in 2020/21). The increase is due to:

- 1) CNC suffered 18.1 per cent attrition in 2019/20 and has recovered during 2020/21 and 2021/22, the slight increase is due to several retirements.

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

Staff Engagement

The CNC's 2020 staff engagement featured the same questions from the 2019 survey, except for a set of questions that related specifically to the pandemic. The main question set was kept the same to allow comparison of results from the 2019 survey. This allows CNC to see if the ongoing work to address its findings has influenced them. Both the 2019 and 2020 survey question sets were derived in partnership with Investors in People and aligned with its indices survey to provide a benchmark for the organisation.

Some main trends from the findings include:

- 32.6 per cent of employees took the time to complete the survey, with a higher response rate from police staff than officers. This was a reduction of 9.2 per cent compared to completion figures in 2019, which is disappointing, however the figure is still above the average rate for survey completions of 30 per cent and well above the Investors in People required minimum return of 11 per cent
- Scores across the board in every category have improved since the 2019 survey, with results such as people believing that their ideas are listened to increasing from 22 per cent in 2019 to 39 per cent in 2020, and people accepting responsibility for making improvements has risen from 30 per cent in 2019 to 45 per cent in 2020
- The responses to the pandemic questions were generally positive, with 83 positive comments about communication during this time, 72 positive mentions of PPE provision and 58 positives around pandemic cleaning and systems

- Although scores in each category improved compared to 2019 responses, we are still below the Investors in People average in every section
- There is still some negativity around management, middle management and leadership that need addressing
- Although an improvement from 36 per cent in 2019, only 50 per cent agree or strongly agree that the CNC has a culture where everyone feels respected
- The CNC has subsequently commissioned and conducted the Cultural Audit, set out in the CNPA Three Year Strategy and the People Strategy. The audit has identified a range of recommendations against a cultural maturity framework that the CNC are now action planning in combination with the Staff Engagement Survey results, IIP recommendations and the recently published Gender Responsive Policing Strategy. These activities will form the basis for the revised People Strategy to be published later this year and will address the underlying cultural enablers with a key focus on leadership, development and communication.

Expenditure on Consultancy

	2021/22 £000	2020/21 £000
Consultants	329	93

Consultancy costs in 2021/22 grew due to the requirement for specialist technical expertise in relation to the original full business case for BPSS project.

Off-payroll Engagements

The CNPA continued to apply tax assurance measures in respect of public sector employees; reporting these in detail to its sponsoring department BEIS in March 2021. The appointment of contractors that are off payroll follows internal HR and procurement processes to ensure that CNPA complies with current regulations.

The table below provides data on off-payroll engagements:

	2020/21	2021/22
Number of engagements as at 31 March	7	10
Number of which existed:		
For less than one year at time of reporting	3	4
For between one and two years at time of reporting	2	3
For between two and three years at time of reporting	0	0
For between three and four years at time of reporting	2	1
For four or more years at time of reporting	0	2

Of the above recorded in 2021/22, eight engagements were outside of IR35; two engagements were inside of IR35; and no engagements saw a change to IR35 status following a consistency review.

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

- *Korn Ferry* - working with the People Directorate on review of terms and conditions for police staff and job evaluation
- *Reed Group* – recruitment agency providing specialist recruitment services
- *Kier Business Services Ltd* – providing technical and construction subject matter expertise to the CNC's operational unit project management team

Gender Breakdown and Gender Diversity

For the financial year the Police Authority was composed of five male⁴ and three female non-executive members. There were also five male⁵ and one female executive members. CNC has a total of 18 Heads of Department/Divisional Commanders. The gender split for this total is made up of eight female and 10 males. The CNPA had 1,239 male (2020/21: 1,254) and 376 female (2020/21: 375) employees at the end of the financial year.

Gender Pay Gap

Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, public authorities listed under Schedule 2, with 250 or more employees, were required to publish gender pay gap information on an annual basis. CNPA submitted the 2021/22 data by 31 March 2022, in accordance with the Equality Act. Details of the information published is available at [Civil Nuclear Constabulary gender pay gap data for 2020-21 reporting year - GOV.UK - GOV.UK \(gender-pay-gap.service.gov.uk\)](https://www.gov.uk/government/statistics/civil-nuclear-constabulary-gender-pay-gap-data-for-2020-21-reporting-year)

Ethnicity Pay Gap reporting

Following the government consultation in 2019 on ethnicity pay gap reporting, the CNPA has produced a similar reporting format to those relating the gender pay gap. The CNPA will continue to develop and enhance its Ethnicity Pay Gap Reporting taking into account any future reporting requirements as these emerge.

Employees

Equality, Diversity, and Inclusion (EDI)

The Civil Nuclear Constabulary strives to be an inclusive organisation in which every individual is valued and respected, where EDI responsibilities are shared by all, and differences are routinely accepted and not acted against.

Prioritisation of EDI and human rights is a guiding principle that supports the delivery of our ambition, values, strategic goals and the Code of Ethics, through which employee engagement and inclusive culture is corporately celebrated while adhering to the established Corporate Equality Standards (CES).

We value everyone's contribution as equally important; with every individual playing a vital part in helping us achieve our ambition of inclusivity, diversity, transparency and fairness which is at the heart of everything we do. We are committed to meeting the requirements of the Equality Act 2010 and duties placed upon us as public body to eliminate discrimination, harassment and victimisation; advance quality of opportunity and foster good relationships between people who share a characteristic and those who do not.

The CNPA Strategy 2023 sets out our aim to create an inclusive working environment based upon equity, reasonability, respect, fairness, integrity, and care for all our employees; with particular emphasis upon the needs of individuals with protected characteristics to protect them against any potential bullying, harassment, and discrimination. We have continued to build a unified, open, and inclusive culture, working together to execute the CNC Mission and ambition while maintaining and developing an inclusive, forward-thinking, and engaged workforce that is agile and dynamic. We are developing a culture of engagement and inclusivity, promoting belonging and recognising the strengths of a diverse work force, which will be achieved through the following key EDI objectives over next three years:

- Ensure CNC complies with the main equality duties and publishes annual reports and analysis to show progress
- Develop ethics policy and procedure to implement solutions for emerging modern, complex ethical and inclusion dilemmas and establish CNC as an inclusive employer
- Improve mechanisms designed to increase workforce diversity and secure percentage increase in terms of gender and ethnicity and monitor pay gap reduction targets for both areas to ensure better outcomes
- Initiate force-wide positive action for race and disability equality
- Celebrate diversity, promote equality, and inclusion across all business areas of CNC

We've recently completed a full review of all EDI areas and have secured approval of additional financial and human resources to support mainstreaming of EDI across all areas/ functions of CNC. A number of activities are being progressed, including the

securing of a dedicated EDI budget; the establishment of an Ethics and Inclusion Scrutiny Board; an inclusion and belonging strategy 2024; introduction of a robust data capturing system that allows us to gather effective EDI reporting metrics; and working with our Corporate Learning and Development department to deliver an intensive annual EDI training and development programme.

Occupational Health and Wellbeing

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

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

The Healthy, Fit and Safe Delivery Plan 2023 and Mental Health and Psychological Wellbeing Plan and framework sets out how the CNC will meet its commitments and brings together detail of the wellbeing offering within CNC; its services, governance structures, the people involved in delivering the services and the responsibilities of the people within CNC in terms of delivering the plans.

The CNC continues to increase its cohort of wellbeing champions (which has increased by about 90 in the reporting year) embedded throughout our sites who are passionate about supporting their colleagues in the various wellbeing workstreams which include:

- Over 60 fitness champions (instructors) and five group trainers (trained by internal trainers)
- The mental health peer support network contains 117 Mental Health First Aiders and 51 Trauma Risk Management Practitioners
- More than 190 police medics
- Approximately 15 dyslexia workplace needs assessors
- Equality support group custodians and allies in relevant workstreams including disability, mental health and neurodiversity
- 35 health promotion champions have been introduced throughout CNC to be the 'voice' of the employees/support with initiatives etc, who are all undertaking a Level 2 certificate in promoting community health and wellbeing

These champions are supported by the appropriate CNC subject matter experts (SME) as well as nationally recognised external experts in each workstream. The ongoing development of these champions is paramount and continuous professional development is encouraged.

Fitness instructors at power stations and Dounreay have undertaken an assessors' award to enable them to lead local fitness testing. Dounreay instructors were enrolled in March after the unit expressed a desire for local testing too. Many instructors completed catch up training for courses cancelled during the pandemic including the kettlebell award. This year, risk assessment training is being planned as part of the continuous professional development.

The inaugural wellbeing survey ran during March 2022. The results are awaited and will inform the CNC in terms of monitoring progress against the objectives as detailed within the healthy, fit and safe plans as well as helping shape the next version of the plans due to be published spring 2023. Regular surveys will enable CNC to monitor progress on an ongoing basis.

Sickness Absences

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

Police officer sickness absence rates have increased this year to 10.3 days per officer, which is below the target of 10.5 days. This has been primarily driven by increases in short-term sickness.

Total police staff sickness rates have increased to 8.8 days per police staff member, which is above the target of seven days. This has been due to increases in both short-term and long-term sickness.

The pandemic continues to be a factor in the sickness absence for both police officers and staff. Over the course of the financial year 18 per cent of all sickness was recorded as pandemic related.

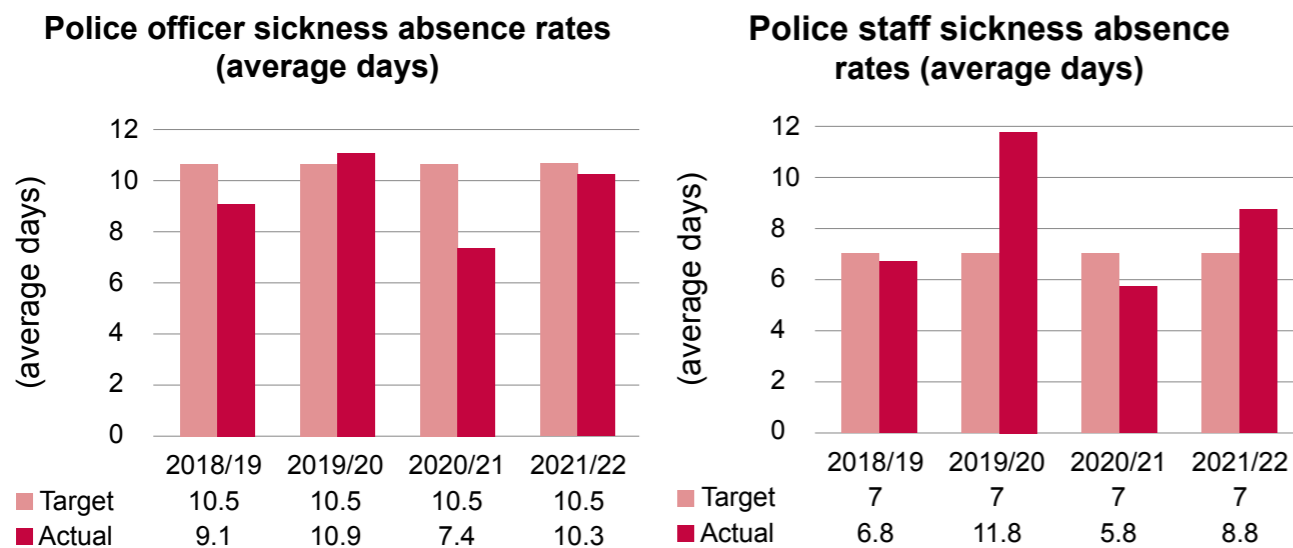
Trade Union Facilities Time

The CNPA supports its staff through the provision of trade union facility time. During 2021/22 there were 13 employees who were relevant union officials. During this period, of the total hours worked by these employees, 12.09 per cent was spent on paid trade union activities. The total cost of facility time undertaken by these employees was £31,747, which was 0.04 per cent of CNPA's total pay bill of £89,985,594.



Simon Chesterman OBE, QPM
Chief Executive Officer and Chief Constable

11 October 2022



Parliamentary Accountability and Audit Report

Long-term Expenditure Trends

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

The following information is subject to audit.

Regularity of Expenditure

Losses and Special Payments

There are no reportable losses or special payments for the year ended 31 March 2022.

Fees and Charges

The CNPA recharges most of its operating expenditure to SLCs under Section 60 of the Energy Act 2004. Where other service is provided, such as support to Home Offices Forces these are charge using appropriate or contractual charging mechanisms.

Remote Contingent Liabilities

There are no remote contingent liabilities.



Simon Chesterman OBE, QPM
Chief Executive Officer and Chief Constable

11 October 2022

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

Opinion on financial statements

I have audited the financial statements of the Civil Nuclear Police Authority for the year ended 31 March 2022 under the Energy Act 2004.

The financial statements comprise the Civil Nuclear Police Authority's

- Statement of Financial Position as at 31 March 2022;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

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 2022 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Energy Act 2004 and Secretary of State directions issued thereunder.

Opinion on regularity

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

Basis for opinions

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

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

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

Conclusions relating to going concern

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

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

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

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

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements nor my auditor's report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial

statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Energy Act 2004.

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

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

Matters on which I report by exception

In the light of the knowledge and understanding of the Civil Nuclear Police Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the Civil Nuclear Police Authority or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

- As explained more fully in the Statement of Accounting Officer's Responsibilities, the

Accounting Officer is responsible for:

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

Auditor's responsibilities for the audit of the financial statements

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the Civil Nuclear Police Authority's accounting policies, key performance indicators and performance incentives.
- Inquiring of management, the Civil Nuclear Police Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Civil Nuclear Police Authority's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Civil Nuclear Police Authority's controls relating to the Civil Nuclear Police Authority's compliance with the Energy Act 2004 and Managing Public Money.
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Civil Nuclear Police Authority for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the Civil Nuclear Police Authority's framework of authority as well as other legal and regulatory frameworks in which the Civil Nuclear Police Authority operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Civil Nuclear Police Authority. The key laws and regulations I considered in this context included the Energy Act 2004, Managing Public Money, employment law, and tax Legislation.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management, the Audit, Risk, and Finance Committee concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Board and internal audit reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

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

Gareth Davies
Comptroller and Auditor General

Date 17/10/2022

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

Section 3: Financial Statements 2021/22

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2022

	Notes	2021/22 £000	2020/21 £000
Income	3	120,345	119,312
Expenditure			
Staff costs	5	(89,986)	(86,465)
Other expenditure	5	(32,832)	(33,263)
Operating Deficit		(2,473)	(416)
Profit on disposal of property, plant and equipment		-	106
Deficit on ordinary activities before financing costs		(2,473)	(310)
Financial income - interest receivable		-	1
Financial expense - interest payable		-	(1)
Financial expense - interest expense on lease liabilities		(9)	-
Net financing costs		(9)	-
Total comprehensive expenditure		(2,482)	(310)

All operations are continuing.

The notes on pages 105 to 133 form part of these financial statements.

Statement of Financial Position

As at 31 March 2022

	Notes	2021/22 £000	2020/21 £000
Non-current assets			
Property, plant and equipment	6	58,572	7,974
Intangible assets	7	5,331	3,054
Trade and other receivables	10	178	108
Total non-current assets		64,081	11,136
Current assets			
Inventories	9	2,275	2,920
Trade and other receivables	10	18,581	15,470
Cash and cash equivalents	11	7,303	9,649
Total current assets		28,159	28,039
Total assets		92,240	39,175
Current liabilities			
Trade and other payables	12	(18,257)	(16,686)
Provisions	13	(253)	(259)
Total current liabilities		(18,510)	(16,945)
Total assets less current liabilities		73,730	22,230
Non-current liabilities			
Other payables	12	(6,537)	(6,049)
Lease liability		(2,389)	-
Provisions	13	(1,728)	(1,472)
Total non-current liabilities		(10,654)	(7,521)
Total assets less total liabilities		63,076	14,709
Taxpayers' equity and other reserves			
Income and Expenditure reserve	14	37,947	(6,981)
Financing reserve	14	24,863	21,690
Revaluation reserve	14	266	-
Total equity		63,076	14,709

The financial statements on pages 101 to 104 were approved by the CNPA Board on and signed on its behalf by:

Simon Chesterman
Chief Executive Officer and Chief Constable
13 September 2022

The notes on pages 105 to 133 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2022

	Notes	2021/22 £000	2020/21 £000
Cash flows from operating activities			
Total comprehensive expenditure for the year		(2,482)	(310)
Adjustment for:			
Profit on disposal of property, plant and equipment		-	(106)
Amortisation of intangible assets	7	686	1,961
Depreciation of property, plant and equipment	6	3,837	2,772
Payments under finance leases	16	(646)	-
Impairment of intangible assets	7	-	1,048
Impairment of property, plant and equipment	6	-	910
Revaluation of Property, plant and equipment	6	(643)	-
Release of capital grant		(1,805)	(6,395)
Impact of provisions	13	438	410
Operating cash flows before changes in working capital and provisions		(615)	290
Increase in trade and other receivables	10	(3,181)	(2,244)
Purchase of inventories	9	(1,061)	(1,250)
Increase/ (Decrease) in trade and other payables	12	2,059	(2,628)
Use of provisions	13	(188)	(300)
Adjustment for items not passing through Statement of Comprehensive Net Expenditure		4,599	2,946
Cash generated/ (used in) from operations		1,613	(3,186)
Interest received		-	1
Net cash inflow/ (outflow) from operating activities		1,613	(3,185)
Cash flows from investing activities			
Purchase of property, plant and equipment		(5,288)	(3,146)
Purchase of intangible assets		(3,280)	(1,077)
Net cash outflow from investing activities		(8,568)	(4,223)
Cash flows from financing activities			
Capital grant received		1,436	5,044
Grants from parent department		3,166	621
Other financing contributions		7	11
Net financing		4,609	5,676
Net decrease increase in cash and cash equivalents in the period	11	(2,346)	(1,732)
Cash and cash equivalents at the beginning of the period	11	9,649	11,381
Cash and cash equivalents at the end of the period	11	7,303	9,649

The adjustment for items not passing through the Statement of Comprehensive Net Expenditure includes the release of liabilities for peppercorn leases, adjustments for inventories and deferred income relating to grants for the purchase of capital items.

The notes on pages 105 to 133 form part of these financial statements.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2022

	Notes	Income and expenditure reserve £000	Financing reserve £000	Revaluation reserve £000	Total £000
Balance at 31 March 2020		(6,671)	21,058	-	14,387
Changes in taxpayers' equity 2020/21	14				
Grant-in-aid received		-	621	-	621
Amounts payable to parent department		-	11	-	11
Comprehensive expenditure for the year		(310)	-	-	(310)
Balance at 31 March 2021		(6,981)	21,690	-	14,709
Changes in taxpayers' equity 2021/22	14				
Adjustment on implementation of IFRS 16	16	47,410	-	-	47,410
Grant-in-aid received		-	3,166	-	3,166
Amounts payable to parent department		-	7	-	7
Comprehensive expenditure for the year		(2,482)	-	-	(2,482)
Revaluation gains and losses		-	-	266	266
Balance at 31 March 2022		37,947	24,863	266	63,076

The notes on pages 105 to 133 form part of these financial statements.

Notes to the Accounts

1. Statement of Accounting Policies

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

Statement of Compliance

These financial statements have been prepared in accordance with the 2021/22 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstance of the CNPA for the purpose of giving a true and fair view has been selected. The particular policies adopted by the CNPA are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 Basis of Accounting

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

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

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

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

1.2 Change in accounting estimate

Section to be completed following decisions on changes to estimates related to Property, Plant and Equipment and Intangible Assets.

1.3 Changes in Accounting Policy and Disclosures

There are no new standards, amendments to standards and interpretations to IFRSs issued by the International Accounting Standards Board (IASB) with effective dates such that they fall to be applied by CNPA, other than the implementation of IFRS 16 which is dealt with below. No significant changes to CNPA's accounting policies are proposed for 2021/22, other than the following:

On 1 April 2021 CNPA applied IFRS 16 – Leases following authority from BEIS to adopt early. This standard replaces IAS 17 Leases and will be adopted by the public sector in 2022/23. IFRS 16 represents a significant change in lease accounting by removing the distinction between operating leases and finance leases and introducing a single lessee accounting model. IFRS 16 requires the recognition of all leases with terms of over 12 months as finance leases. This resulted in the recognition of a right-of-use asset, measured at the present value of future lease payments, and a matching liability in the Statement of Financial Position (SoFP). Disclosure of leases is included in note 16.

1.4 Accounting standards issued, but not yet effective

Certain new standards, amendments to standards and interpretations that have been issued by the IASB are not yet effective for the year ended 31 March 2022 and have not been applied in preparing these financial statements. These include:

- IFRS 17 – *Insurance Contracts*. This standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard, with the objective of ensuring the entity provides relevant information that faithfully represents those contracts. It provides a basis for users of the financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. The effective date for this standard for the public sector is expected to be 1 April 2024. The CNPA does not anticipate that the adoption of this standard and interpretations in future periods will have a material impact on its results, financial position or disclosures.

1.5 Property, Plant and Equipment

Property, plant and equipment is measured initially at cost, including any costs directly attributable to bringing such assets to working condition, less accumulated depreciation and net of accumulated impairment losses.

Assets that are in use are measured subsequently at their current value in existing use. IT equipment, transport equipment, furniture and fittings and plant and machinery assets that are held for operational use are valued at depreciated historical cost as a proxy for current value in existing use. This is in accordance with FReM requirements as these assets have short useful lives or low values or both.

Specialist assets are valued on the basis of depreciated replacement cost, and other non-

specialist assets are valued at the current value in existing use interpreted as market value in existing use.

Specialist assets are revalued and restated to current value each year using the relevant modified historical costing indices from the Office for National Statistics (ONS).

Property, plant and equipment below £2,000 is treated as revenue expenditure and recognised in full in the year of purchase.

Similar items with an individual cost below £2,000 are treated as pooled items and are recognised at their combined pooled value if this exceeds £100,000. Where an asset pool is maintained, replacements of individual assets are charged to the Statement of Comprehensive Net Expenditure in the year of replacement. Major additions and enhancements to the asset pool are capitalised as assets.

Depreciation is calculated 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:

Principal Asset Categories and their Useful Economic Lives

Buildings	Life of lease or up to 25 years
Transport equipment	Up to 12 years
Plant and machinery	Up to 15 years
Furniture and fittings	Up to 20 years
Information technology	Up to 8 years

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

1.6 Intangible Assets

1.6.1 General

Intangible assets are stated at cost less accumulated amortisation and net of accumulated impairment losses as a proxy for fair value. The cost of intangible assets comprises the purchase cost and any directly attributable costs incidental to their acquisition. Intangible assets below £2,000 are treated as revenue expenditure and recognised in full in the year of purchase. Amortisation of intangible assets is charged to the Statement of Comprehensive Net Expenditure on a straight-line basis when the assets are available for use, to allocate the carrying amounts of the intangible assets over their estimated useful economic lives as follows:

Software licences	Life of licence
Information technology	Up to 8 years

1.6.2 Cloud Based Assets

International Financial Reporting Interpretations Committee (IFRIC) has communicated that it is typical that the software underlying a cloud computing arrangement is not transferred to a customer, and the setting of flags (configuration) in the third-party software does not provide a separable and transferable, or contractual, right to an asset as no asset that is separate from the software has been created.

IFRIC also addressed the potential for customisation (modification or adding new codes) and determined that in certain situations customisation costs may be required to be capitalised. This will be applicable where the entity has engaged resources (internal or external) to create software to which the entity retains intellectual property rights.

It will be common to encounter situations where a contract (or contracts) with a supplier will include elements that both do and do not meet the definition of an intangible asset – and situations where a transaction with a supplier contains elements that both are and are not distinct from the underlying cloud computing arrangements. IFRIC did not provide guidance on identification of value.

CNPA Accounting Policy is that the Business and People Support System (BPSS) product is unique in that:

- The BPSS will provide effective and efficient arrangements that secure the ability to deploy, pay and support its officers and staff
- This will be delivered across a range of different services and providers. This brings together a range of different cloud services and service providers
- This service product will only fundamentally work due to the integration and control of these processes that will be exercised by the CNPA
- When fully established, the BPSS will have the future ability to provide the opportunity to onboard third-party public service partners to a shared service provision

In delivery of this product there are many aspects of the implementation that are distinct from the service of receiving access to the software, that provide ownership and control and provide for future long-term benefits business benefits to the CNPA.

The CNPA will therefore capitalise those elements of expenditure that meet the definition of an intangible asset as defined by IAS 38 and recognise any additional amounts as an expense and charge to revenue as appropriate.

1.7 Impairment of Assets

The carrying amounts of the CNPA's non-current assets and all financial assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. An impairment loss is recognised when the carrying amount of an asset or cash generating unit exceeds its recoverable amount.

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

Impairment losses are recognised in the Statement of Comprehensive Net Expenditure.

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

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

1.8 Income Recognition

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

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

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

1.9 Taxation

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

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

1.10 Employee Benefits

Staff costs

Staff costs are recognised as an expense as soon as the CNPA is obligated to pay them. This includes the cost of any untaken annual leave that is carried forward to the following

financial year. The CNPA recognises as an obligation the value of untaken annual leave carried forward at the end of the reporting period. The CNPA re-charges its costs to its customers and recognises a receivable equal in value to the obligation for unused annual leave.

Pension costs

Past and present employees are covered by the provision of the Combined Pension Scheme (CPS) of the United Kingdom Atomic Energy Authority (UKAEA), which is an unfunded defined benefit pension scheme which prepares its own scheme statements. The CNPA recognises the cost of providing pensions on a systematic and rational basis over the period during which it benefits from employees' service by payments to the CPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on CPS.

1.11 Provisions and Contingent Liabilities

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

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

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

1.12 Grant-in-Aid

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

1.13 Capital Grants

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

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

1.14 Leases

1.14.1 Overview

In accordance with IFRS 16 Leases, contracts, or parts of a contract that convey the right to use an asset in exchange for consideration are accounted for as leases. The FReM expands the scope of IFRS 16 to include arrangements with nil consideration. Contracts for services

are evaluated to determine whether they convey the right to control the use of an identified asset, as represented by rights both to obtain substantially all the economic benefits from that asset and to direct its use. In such cases, the relevant part is treated as a lease.

The CNPA applied IFRS 16 Leases for the first time on 1 April 2021. CNPA excludes contracts for low-value items, defined as items costing less than £5,000 when new, provided they are not highly dependent on or integrated with other items; and contracts with a term shorter than twelve months (comprising the non-cancellable period together with any extension options that CNPA is reasonably certain to exercise and any termination options that CNPA is reasonably certain not to exercise).

1.14.2 Initial recognition

At the commencement of a lease CNPA recognises a right-of-use asset and a lease liability. The lease liability is measured as the payments for the remaining lease term (as defined above), discounted either by the rate implicit in the lease, or, where this cannot be determined, by CNPA's incremental cost of borrowing. The payments included in the liability are those that are fixed, or in-substance fixed, excluding charges arising, for example, from future rent reviews or changes in an index. For CNPA, the incremental cost of borrowing is the rate advised annually by HM Treasury.

The right-of-use asset is measured at the value of the liability, adjusted for: any payments made before the commencement date; lease incentives received; incremental costs of obtaining the lease; and any disposal costs, which will be required to be paid at the end of the lease. However, where the lease requires nominal consideration (a type of arrangement often described as a "peppercorn" lease), the FReM requires that the asset be measured at its current value in existing use.

1.14.3 Subsequent measurement

The asset is subsequently measured using the fair value model. The CNPA considers that the cost model is a reasonable proxy for the fair value model for leases of items other than land and property, and for leases of land and property with regular rent reviews.

The liability is adjusted for the accrual of interest, repayments, reassessments and modifications. Reassessments and modifications are measured by re-discounting the revised cash flows; the impact is reflected in the liability and either in the asset valuation or expenditure.

1.14.4 Lease expenditure

Expenditure includes interest, straight-line depreciation, any asset impairments and any change in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rental payments for leases of low-value items or for those shorter than twelve months are expensed.

1.14.5 Estimates and judgements

The FReM requires that right-of-use assets held under "peppercorn" leases should be measured at current value in existing use.

Where, for peppercorn leases, existing use value is required, this is calculated using market value rentals provided by external property consultants, over the lease term. Market value rentals will be provided on a yearly basis. Where due to the specialist nature of the leased properties market values are not obtainable an alternative assessment is used.

1.15 Foreign Currencies

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

1.16 Inventories

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

1.17 Financial Instruments

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

Cash and cash equivalents

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

Trade and other receivables

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

Trade and other payables

Trade and other payables are measured at amortised cost, which equates to nominal value. The CNPA has very low credit risk for the reasons set out in note 8, there is no expected credit loss to recognise on 31 March 2022.

Financial income and financial expense

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

1.18 Segment Reporting

Operating segments are identified based on internal reports about components of the CNPA that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The CNPA has three reportable segments: Operational policing activities, operational support activities and corporate activities. Operational policing activities provide an armed response at civil nuclear licenced sites and escorted movements. The financial performance of these units has

been combined as it meets the aggregation criteria set out in IFRS 8. Operational support activities are middle office activities which directly support the operational policing activities such as provision of training. Corporate activities are back-office operations such as legal and governance, finance and people.

1.19 Joint Arrangements

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

2. Segment Information

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

2021/22	Operational Policing Activities £000	Operational Support Activities £000	Corporate Activities £000	Total £000
Income	115,021	3,656	1,668	120,345
Expenditure				
Staff Costs	(64,196)	(14,392)	(11,398)	(89,986)
Other expenditure	(4,381)	(10,207)	(13,675)	(28,263)
Depreciation and amortisation	(299)	(73)	(4,151)	(4,523)
Revaluation gains and losses	-	-	377	377
Movement in provisions	-	-	(423)	(423)
Operating surplus/ (deficit)	46,145	(21,016)	(27,602)	(2,473)
Profit on disposal of property, plant and equipment	97	(95)	(2)	-
Surplus/ (deficit) on ordinary activities before financing costs	46,242	(21,111)	(27,604)	(2,473)
Financial expense - interest expense on lease liabilities	-	-	(9)	(9)
Retained surplus/ (deficit) for the year	46,242	(21,111)	(27,613)	(2,482)
Assets and liabilities				
Segment assets	19,787	11,052	61,401	92,240
Segment liabilities	(4,609)	(5,791)	(18,764)	(29,164)
Net assets / (liabilities)	15,178	5,261	42,637	63,076
Taxpayers' equity				
Income and expenditure reserve	-	-	37,947	37,947
Financing reserve	-	-	24,863	24,863
Revaluation Reserve	-	-	266	266
Taxpayers' equity	-	-	63,076	63,076

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

Geographical areas

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

Major customers

The CNPA is reliant on income from a small number of SLCs for a significant proportion of its income. Transactions with three SLCs (2020/21: three SLCs) each amounted to 10 per cent or more of the CNPA's total income. This income is reported within the operational policing activities operating segment. A breakdown of income by major customer is provided below:

	2021/22 £000	%	2020/21 £000	%
SLC1	47,784	39%	47,429	40%
SLC2	46,527	38%	44,829	38%
SLC3	12,785	12%	13,894	12%
Others	13,249	11%	13,160	10%
Total	120,345	100%	119,312	100%

3. Income

3.1. Overview

The CNPA is required to recover its full operating costs each year. Income of £120,345,000 for the year to 31 March 2022 (2020/21: £119,312,000) represents a recharge of running costs to the SLCs of £116,337,000 (2020/21: £111,329,000), release of deferred capital income of £1,805,000 (2020/21: £6,395,000) and miscellaneous income of £2,203,000 (2020/21: £1,588,000). All activities are regarded as continuing.

3.2 Core Police Service

Under section of the Energy Act 2004, the CNPA agrees with its customers (SLCs) in order to provide a policing service as specified by site policing plans or for escort movements. In determining the customers' contribution, the Authority aims to ensure that its full annual costs are covered and uses a predetermined charging mechanism that is consistent with the Act. There are no legal contracts in place but there is deemed to be a contract through the Energy Act 2004 in accordance with the FReM adaptation of IFRS 15. The customer is normally referred to as the SLC.

3.2 Other/ Miscellaneous income

3.2.1 Additional Police Service

Any additional services outside of Section 60, which are mainly mutual aid to other police services is charged at the equivalent of the nationally agreed rates but allows for the charged to be at full cost recovery.

3.2.2 Metropolitan Police Service Training Contract

This is a specific contract with the Metropolitan Police Service to provide firearms training. This is full cost recovery to ensure no cross subsidisation with SLC costs.

3.2.3 Other Income

There are a number of smaller contract agreements with other government departments and external bodies. The income received from such customers fund specific initiatives

that broadly relate to the areas such as capital investments or specific projects. Of these smaller type of contract agreements, contributors include, BEIS the Home Office, and other smaller third-party contributors.

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

4. Pension Costs

All eligible employees of the CNPA are entitled to be members of the CPS of the UKAEA for the year ended 31 March 2022. The CPS is a contributory unfunded statutory defined benefit public service pension scheme.

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

The employer contribution was established at 19.3 per cent of pensionable earnings from 1 April 2017 following a review of contribution rates by the Government Actuaries Department. This rate will increase to 20.7 per cent from 1 April 2022 at which rate it is expected to continue throughout the 2021/22 scheme year.

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

5. Expenditure

	Notes	2021/22 £000	2020/21 £000
Staff costs			
Wages and salaries		70,562	67,799
Social security costs		8,266	7,754
Other pension costs		10,950	10,753
Non-directly employed staff		208	159
Total staff costs		89,986	86,465
Goods and services			
Information technology and communications		6,776	5,708
Professional services and legal fees		5,135	4,468
Specialist equipment and maintenance		3,497	3,060
Accommodation costs		3,020	2,620
Hotels, subsistence and catering costs		2,737	3,185
Transport related		2,176	1,727
People Services		1,590	1,523
Insurance		1,151	940
Joint Operation	18	1,110	1,217
Medical and hygiene		265	448
Rentals under other lease arrangements		233	913
Office Supplies and Services		173	190
Auditor remuneration		75	59
Other supplies and services		228	98
Total goods and services purchased		28,166	26,156
Non-cash items			
Depreciation of property, plant and equipment	6	3,837	2,772
Amortisation of intangible assets	7	686	1,961
Impairment of property, plant and equipment	6	-	910
Impairment of intangible assets	7	-	1,048
Revaluation gains and losses on property, plant and equipment	6	(377)	-
Cost of capital charges		7	10
Loss on disposal of inventory		58	-
Movement in provisions	13	423	408
Unwinding of discount	13	32	(2)
Total non-cash items		4,666	7,107
Total other expenditure		32,832	33,263
		122,818	119,728

More information on staff costs can be found in the Staff Report on pages 76 to 93.

6. Property, Plant and Equipment

	Buildings £000	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 2021	-	6,418	6,540	908	7,631	2,153	23,650
Adjustment on implementation of IFRS 16	48,421	-	-	-	-	-	48,421
Additions	2,002	258	398	132	188	2,310	5,288
Disposals	-	(1,457)	(878)	(47)	(2,318)	(107)	(4,807)
Revaluations	(87)	-	266	-	-	-	179
Reclassifications and Transfers	-	1,672	418	34	359	(2,181)	302
As at 31 March 2022	50,336	6,891	6,744	1,027	5,860	2,175	73,033
Depreciation and impairments							
At 1 April 2021	-	4,646	4,498	607	5,860	65	15,676
Charged in year	2,896	561	337	7	36	-	3,837
Disposals	-	(1,387)	(846)	(47)	(2,317)	-	(4,597)
Impairments	-	-	-	-	-	-	-
Revaluations	(464)	-	-	-	-	-	(464)
Reclassifications and Transfers	-	-	-	9	-	-	9
As at 31 March 2022	2,432	3,820	3,989	576	3,579	65	14,461
Net book value at 31 March 2022	47,904	3,071	2,755	451	2,281	2,110	58,572
Asset financing							
Owned	-	3,071	2,755	451	2,281	2,110	10,668
Leased	47,904	-	-	-	-	-	47,904
Net book value at 31 March 2022	47,904	3,071	2,755	451	2,281	2,110	58,572

	Buildings	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 2020	-	5,367	6,336	843	6,556	2,129	21,231
Additions	-	293	177	36	965	1,825	3,296
Disposals	-	(735)	(69)	-	-	-	(804)
Reclassifications and Transfers	-	1,493	96	29	110	(1,801)	(73)
As at 31 March 2021	-	6,418	6,540	908	7,631	2,153	23,650
Depreciation							
At 1 April 2020	-	3,783	4,038	536	4,421	-	12,778
Charged in year	-	742	520	71	1,439	-	2,772
Disposals	-	(724)	(60)	-	-	-	(784)
Impairments	-	845	-	-	-	65	910
As at 31 March 2021	-	4,646	4,498	607	5,860	65	15,676
Net book value at 31 March 2021	-	1,772	2,042	301	1,771	2,088	7,974
Asset financing							
Owned	-	1,772	2,042	301	1,771	2,088	7,974
Leased	-	-	-	-	-	-	-
Net book value at 31 March 2021	-	1,772	2,042	301	1,771	2,088	7,974

Payments on account and assets under construction represent assets that are incomplete or not yet in productive use by the CNPA. On 31 March 2022 this included £841,000 for information technology (2020/21: £493,000), £640,000 for vehicles (2020/21: £1,140,000), and £629,000 for plant and equipment (2020/21: £455,000).

Certain assets included within property, plant and equipment have been revalued to current value using appropriate indices. A revaluation reserve has been recognised for £266,000. Leased buildings have also been revalued by £377,000 this net increase is shown on the Statement of Comprehensive Net Expenditure.

Depreciation charge

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

7. Intangible Assets

	Software licenses £000	Information Technology £000	Payments on account and assets under construction £000	Total £000
Cost or valuation				
At 1 April 2021	2,096	5,261	1,138	8,495
Additions	-	111	3,169	3,280
Disposals	(86)	(247)	(10)	(343)
Reclassifications and Transfers	-	(28)	(274)	(302)
As at 31 March 2022	2,010	5,097	4,023	11,130
Amortisation and impairments				
At 1 April 2021	1,782	3,659	-	5,441
Charged in year	(279)	965	-	686
Disposals	(78)	(241)	-	(319)
Reclassifications and Transfers	-	(9)	-	(9)
As at 31 March 2022	1,425	4,374	-	5,799
Net book value at 31 March 2022	585	723	4,023	5,331
Asset financing				
Owned	585	723	4,023	5,331
Net book value at 31 March 2022	585	723	4,023	5,331

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

Payments on account and assets under construction represent assets that are incomplete or not yet in productive use by the CNPA. On 31 March 2022 this included £2,665,000 for replacement business systems and £1,307,000 for a new operational communication system (2020/21: £1,096,000).

Amortisation Charge

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

8. Financial Instruments

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

- Credit risk
- Liquidity risk
- Market risk

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

Credit risk

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

Exposure to credit risk

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

	2021/22 £000	2020/21 £000
Loans and other receivables		
Total receivables (excluding prepayments)	17,769	14,558
Cash and cash equivalents	7,303	9,649
	25,072	24,207

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

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

	2021/22 £000	2020/21 £000
Not past due	12,841	14,462
Past due less than 1 month	4,513	85
Between 1 and 2 months	388	6
Over 2 months overdue	27	5
	17,769	14,558

No receivables balances were considered impaired at the end of the reporting period (2020/21: £nil). There are no receivables that would otherwise be past due or impaired whose terms have been renegotiated (2020/21: £nil).

Liquidity risk

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

At 31 March 2022	Within 1 month £000	Between 1 and 3 months £000	Between 3 and 12 months £000	Total contractual maturity £000
Trade payables	759	-	-	759
Accrued expenses	-	10,380	-	10,380
Other payables	31	-	-	31
	790	10,380	-	11,170

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

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

Market risk

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

Currency risk

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

Interest rate risk

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

Estimation of Fair Values

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

Early departure receivables

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

Cash at bank and in hand

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

9. Inventories

	2021/22 £000	2020/21 £000
Balance at 1 April	2,920	2,987
Purchases	1,061	1,250
Used and recognised as an expense	(1,648)	(1,317)
Write off of obsolete, slow moving or defective items of inventory	(58)	-
Balance at 31 March	2,275	2,920

10. Trade and Other Receivables

	2021/22 £000	2020/21 £000
Amounts falling due within one year:		
Prepayments and accrued income	12,474	13,211
Other receivables	1,784	1,929
Early departure receivables due from pension scheme	-	167
Trade receivables	4,323	163
	18,581	15,470
Amounts falling due after more than one year:		
Early departure receivables due from pension scheme	178	108
	178	108

11. Cash and Cash Equivalents

	2021/22 £000	2020/21 £000
Balance at 1 April	9,649	11,381
Net change in cash and cash equivalent balances	(2,346)	(1,732)
Balance at 31 March	7,303	9,649
The following balances at 31 March were held at:		
	2021/22 £000	2020/21 £000
Government Banking Service	7,303	9,649
	7,303	9,649

12. Trade and Other Payables

	2021/22 £000	2020/21 £000
Amounts falling due within one year:		
Trade payables	759	1,177
Other taxation and social security	1,948	2,159
Pension payables	1,324	1,352
Accrued expenses	10,380	8,362
Deferred income	3,815	3,636
Other payables	31	-
	18,257	16,686
Amounts falling due after more than one year:		
Deferred income	6,537	6,049
	6,537	6,049

13. Provisions for Liabilities and Charges

	Legal £000	Dilapidations £000	Early departure costs £000	Total £000
At 1 April 2020	301	322	998	1,621
Provided in the year	109	212	144	465
Provisions utilised in the year	(144)	-	(156)	(300)
Provisions not required written back	(57)	-	-	(57)
Unwinding of discount	-	-	2	2
As at 31 March 2021	209	534	988	1,731
Provided in the year	159	351	89	599
Provisions utilised in the year	(51)	-	(137)	(188)
Provisions not required written back	(156)	-	-	(156)
Change in discount rate	-	-	(20)	(20)
Unwinding of discount	-	4	11	15
As at 31 March 2022	161	889	931	1,981
Expected timings of cash flows				
Within one year	161	-	92	253
Between two and five years	-	-	295	295
After five years	-	889	544	1,433
	161	889	931	1,981

Legal

Of the 15 claims open at 1 April 2021, the provision is unchanged for three and reduced for two. Further provision has been made for five additional claims with nine claims being either utilised or written back unused.

Dilapidations

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

Early departure costs

This provision has been made to cover pension payments to former employees who have retired early. Payments are made to the date on which the employee reaches normal retirement age of 60, after which the employee's pension costs will be borne by the pension scheme. Where applicable payments are made to the pension scheme after age 60, for an average of 22 years to cover the unenhanced elements of these pensions. Pension payments have been discounted to present value using discount rates as provided by HM Treasury. Discounting on 31 March 2021 and 31 March 2022 has been applied to nominal cash flows which include allowance for future inflation using a forecast of consumer price inflation provided by HM Treasury of 2.9 per cent CPI and a real discount rate of -1.3 per cent.

14. Taxpayers' Equity

14.1. Reconciliation of movement in taxpayers' equity

	Income and expenditure reserve £000	Financing reserve £000	Revaluation reserve £000	Total £000
At 1 April 2020	(6,671)	21,058	-	14,387
Grant-in-aid received	-	621	-	621
Other financing contributions	-	11	-	11
Comprehensive expenditure for the year	(310)	-	-	(310)
As at 31 March 2021	(6,981)	21,690	-	14,709
Adjustment on implementation of IFRS 16	47,410	-	-	47,410
Grant-in-aid received	-	3,166	-	3,166
Other financing contributions	-	7	-	7
Comprehensive expenditure for the year	(2,482)	-	-	(2,482)
Revaluation additions	-	-	266	266
As at 31 March 2022	37,947	24,863	266	63,076

14.2. Income and expenditure reserve

The income and expenditure reserve shows accumulated surpluses and deficits. The CNPA is required to recover its full operating costs each year through charges to customers to whom it provides a service. This reserve has been increased by £47,410,000 for the value of peppercorn leases due to the implementation of IFRS 16 off set by depreciation and revaluation adjustments on these assets. The remaining balance is due to the provision of early departure costs for non-AFOs and police staff following withdrawal from operational sites and for other costs which are not considered operating costs and cannot be recharged

to the CNPA's customers. They are met in full by BEIS, through grant-in-aid funding, as and when they fall due for payment and are recognised by the CNPA on a cash basis in the year in which the payment is received. These items are partially already met by grant-in-aid funding and partially still in provisions to be funded as the provision is released.

14.3. Financing reserve

The finance reserve relates to grant-in-aid provided by the CNPA's sponsoring department. It is credited to the financing reserve, as it is regarded as a contribution from a controlling party giving rise to a financial interest in the residual interest of the CNPA. Other financing contributions included charges made to operating companies to finance purchases of property, plant and equipment. Other financing contributions are payable to BEIS and, by agreement with BEIS included within financing.

15. Capital Commitments

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

	2021/22 £000	2020/21 £000
Property, plant and equipment	80	385
Intangible assets	885	20
	965	405

16. Leases

The CNPA has entered into lease arrangements for the provision of headquarters accommodation and for training facilities. The lease portfolio at 31 March 2022 included leases which have a nil or negligible consideration. The list of the key buildings where leases are held are:

- Culham (Headquarters)
- Summergrove Halls (Northern Devotional HQ)
- Browning Barracks (Tactical Training Facility)
- Buller Barracks (Tactical Training Facility)
- Griffin Park, Sellafield (Peppercorn)
- Firearms Range at Dounreay (Peppercorn)

The CNPA adopted IFRS 16 for the first time from 1 April 2021. This has resulted in property, plant and equipment assets with a value of £48,421,000 being adjusted to

the opening position as well as an increase to the opening balance on the income and expenditure reserve of £47,410,000 for the opening value of peppercorn leases and the creation of a liability of £1,007,000.

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

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

	2021/22 £000	2020/21 £000
Operating and short term or low value leases:		
Leasehold properties		
Less than one year	24	369
Between one and five years	24	48
	48	417

	2021/22 £000	2020/21 £000
Contractual undiscounted cash flows for leases under IFRS 16:		
Leasehold properties		
Between one and five years	225	-
After five years	-	-
	225	-

	2021/22 £000	2020/21 £000
Expenditure recognised in the SOCNE:		
In respect of operating leases	-	913
In respect of short term leases	233	-
Depreciation recognised on peppercorn leases	2,276	-
Depreciation recognised on other leases	364	-
Total expenditure recognised in the SOCNE	2,873	913

17. Contingent Liabilities

CNPA undertakes a detailed review of potential legal claims and where appropriate a provision is made. However, there could be potential liabilities in respect of claims from employees that are yet unknown or unlikely to succeed. These liabilities have not been provided for as the CNPA believes that any potential claims are unlikely to be successful and unlikely to lead to a transfer of economic benefits.

18. Joint Operation

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

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

There are no reportable assets or liabilities relating to the MFSS on 31 March 2022. The MFSS only provides services to those organisations who are parties to the MFSS therefore there is no reportable income. The cost to the CNPA of participating in the MFSS is reported in note 5 to these accounts.

The current contractual relationships with key suppliers to the MFSS are due to cease in November 2022. The partner forces have agreed to terminate the current joint working agreement and are currently in the process of planning to close the shared service by 3 November 2022. A full assessment has been undertaken and there are no liabilities that need to be accounted from this decision. Cheshire Constabulary is managing all liabilities and have invoices for costs have either been incurred in 2021/22 or will seeking cost recovery for those matters incurred in 2022/23.

19. Related-Party Transactions

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

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

Remuneration and Staff Costs section to this annual report and accounts.

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

- Nuclear Transport Solutions (NTS)
- Sellafield Limited
- Magnox Limited
- Dounreay Site Restoration Limited

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

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

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

20. Events After the Reporting Period

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

21. Accounts Direction

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

