

Civil Nuclear Police Authority Annual Report & Accounts 2022/23

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Civil Nuclear Police Authority

Annual Report & Accounts 2022/23

For the period 1 April 2022 to 31 March 2023
Presented to the Parliament pursuant to
Paragraph 12 of Schedule 10 and Paragraph 7
of Schedule 12 to the Energy Act 2004

Ordered by the House of Commons to be
printed on 13 July 2023

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ISBN 978-1-5286-4097-8
E02907039 07/23

Printed on paper containing 40% recycled fibre content minimum. Printed in the UK by Fine Print Services Ltd, on behalf of the Controller of His Majesty’s Stationery Office.

1. Performance report

Chair's Statement

I was appointed as the Chair of the Civil Nuclear Police Authority (CNPA) in November 2022 and first want to extend my thanks and appreciation to Sir Craig Mackey for his expert stewardship of the Authority since December 2021 following the untimely death of Vic Emery, who had served the Authority for over five years. This Annual Report and Accounts presents the progress and achievements of the Civil Nuclear Constabulary (CNC) through a year marked by change, challenges and intense scrutiny.

The CNPA is a public, arms-length body and accountable to Secretary of State for the Department of Energy Security and Net Zero, as well as to the Site Licence Companies (SLCs) that operate the civil nuclear sites that we protect around Great Britain. We believe we operate to the highest standards of good governance, openness and transparency; carry out our fiduciary responsibilities with robust scrutiny and accountability; and support the Chief Constable and his Executive Team in the delivery of a professional, effective and efficient policing service.

Two new industry members joined the CNPA in 2022/23, with Susan Lussem joining us from Sellafield Ltd and David Tomblin from EDF. The detailed knowledge of the civil nuclear industry and commercial acumen they bring will make an important contribution to our business. The Board is now up to full strength, and I am grateful to all members for the diligence, guidance and commitment they have given to the

organisation throughout the year.

The Civil Nuclear Constabulary (CNC) sets out the policing priorities for 2022/23 in the Annual Policing Plan and the Authority holds the Chief Constable to account for the delivery of the Plan. I am pleased to report good performance over the last financial year in several key areas, including:

- Effective delivery of our core Mission to protect civil nuclear sites and nuclear material
- Providing support to Home Office forces for national events including Her Majesty The Queen's funeral and the Conservative Party conference
- Successful completion of an international operation to safely escort nuclear material across the globe
- A new, fully operational tactical training facility in Cumbria considered to be the best such facility in Europe
- Further development of business planning and enabling services, combining these functions into one directorate to support our ambitious projects to deliver an effective policing response
- Enhanced wellbeing services, mental health provision and focused plans to improve both Equality, Diversity and Inclusion and our leadership and management training

There has, rightly, been a sharp focus on the standards of behaviour and culture in policing across the UK during 2022/23, along with requirements to improve the vetting and conduct processes for officers and staff. The CNC has proactively engaged in national reviews by His

Majesty's Inspectorate and contributed to national inquiries into vetting and misconduct. The Chief Constable, with support from the Authority, has set challenging and wide-reaching goals to enhance CNC's culture, standards and conduct and the Board will continue to monitor closely progress against stretch targets in this area over the coming year.

In recent months the UK Government has set out its commitment to nuclear energy, established a dedicated Department of Energy Security and Net Zero and launched Great British Nuclear to drive forward the delivery of new nuclear projects. As reported last year, the new Energy Bill makes provision to strengthen the powers of CNC to utilise its expertise in deterrence and armed response to support the security of other critical infrastructure sites. If enacted, these developments will secure CNC's long-term role in protecting civil nuclear material as well as expanding our core services for the benefit of wider national energy and public security. This will allow the Constabulary to manage the fluctuating demand for our services in the civil nuclear sector in the future and to spread overhead and operational support costs thereby reducing the financial burden on our SLCs.

The CNPA has developed a new three-year Strategic Plan (2023/26) which recognises that achieving our core Mission depends upon the commitment and dedication of our people and sets out the current and future investment in developing their skills and professionalism. In common with our partners across the civil nuclear industry, the Constabulary has faced increased commercial and financial burdens during the past financial year. To remain efficient and effective the Constabulary has reorganised its enabling functions to have a sharper commercial focus. The CNC has

developed an internal governance group to oversee a continuous improvement programme for the next financial year and through to 2026. This will identify invest to save options, innovations in our ways of working and areas for working in partnership and collaboration with other organisations.

The ongoing support of our stakeholders, across both the nuclear and policing sectors, and our sponsoring government department, is vital in ensuring we deliver our core Mission. The whole police service, of which we are a part, must work harder to rebuild public trust and confidence in policing. This will be central to our plans, actions and deliverables over the coming year.



Susan Johnson OBE
Chair of the CNPA

Chief Executive Officer and Chief Constable's Overview

The Civil Nuclear Constabulary (CNC) is responsible for protecting the nation's civil nuclear material, and the government and the public can have the utmost confidence in our ability to do so, whether on the sites we protect, or material in transit across the UK or internationally on escort operations.

We protect the public in the vicinity of our sites and, as police officers, we are regularly called upon to support our local force policing colleagues at a range of incidents. I regularly commend officers and staff for their outstanding work and achievements, often where they have saved someone's life, and I am humbled and proud to do so.

The CNC provided armed mutual aid support to local police forces at a variety of events, including nearly 300 armed officers to support Operation London Bridge, the funeral of Her Majesty the Queen, and it was an honour and a privilege to do so.

We remain solidly behind our ambition 'to be recognised nationally and internationally as the leading policing organisation for the armed protection of civil nuclear material and the critical national infrastructure of the UK.'

We stand ready to collaborate with the Police Authority and the government to broaden our role and deliver efficient and effective armed protection in other locations, without taking our focus away from our core role to secure civil nuclear material.

Public confidence in policing has been adversely affected by high-profile events, especially the tragic murder of Sarah Everard by a serving police officer. As part

of the wider police family, the CNC has a responsibility to instil the highest standards of professional behaviour to rebuild essential confidence in policing. We asked to be one of the police forces inspected by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services during its inspection of police vetting, misogyny and culture; we have made considerable progress against the 43 recommendations and five areas for improvement directed at the police service. We are also implementing the recommendations from the internal cultural reviews and surveys we have carried out over the last two years.

Our cultural action plan is built on five themes – Equality, Diversity, and Inclusion (EDI); Professional Standards; Training; Human Resources; and Policy, and we are making good progress in all areas.

Our focus will remain on delivering our ambition and strengthening public confidence in the CNC and wider police service.



Simon Chesterman OBE, QPM
Chief Constable and CEO

Performance Section Summary

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

About Us - A Strategic Overview

Who we are

The Civil Nuclear Police Authority (CNPA), established on 1 April 2006 under the Energy Act 2004, is an executive non-departmental public body of the Department for Energy Security and Net Zero (DESNZ, formerly to 31 March 2023, Department for Business, Energy and Industrial Strategy, BEIS).

What we do

The CNPA is an independent body responsible for overseeing the work of the Civil Nuclear Constabulary (CNC) - the national dedicated police service for the civil nuclear industry. The number of members of the Police Authority on 31 March was nine; they provide knowledge and experience of issues that concern the civil nuclear industry and of the wider context in which we operate.

The CNPA is charged with maintaining an efficient and effective 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.

The members currently meet a minimum of six times a year to set the CNC's policing strategy, medium term financial plans and annual budgets, monitor its operations and allocate funds.

Members also carry out supporting business through committees and working groups, the current governance structure (as of 31 March 2023) is:

- Audit and Risk Finance Committee
- People Committee
- Senior Appointments Committee

How we do it

The Authority ensures that, by meeting the standards set by the College of Policing (CoP), the CNC is licenced to conduct all its firearms and training activities.

The CNC works in partnership with the appropriate Home Office police force or 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 (ONR). 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.

Future

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 and the government’s energy strategy means that new nuclear power stations will 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 protective policing, which means there may be further potential to expand our operational remit, subject to the proposed Energy Bill (Bill 295 2022-23) in the medium term, where this also brings benefit to the core role.

Year in review

The CNC has continued to deliver its critical Mission throughout 2022/23 and has seen a number of successes, including:

- Proud to take part in Operation London Bridge, the largest ever policing operation which ensured Her Majesty Queen Elizabeth II was laid to rest peacefully. CNC deployed nearly 300 officers over five days to locations in London and Windsor, including two officers to line the route of the Funeral Cortege.
- Six CNC dog handlers and their explosive detection dogs were deployed to various venues in Birmingham to keep the Commonwealth Games safe. Seven CNC officers were also provided to work as weapons issuers for the event.
- The College of Policing was able to confirm our Firearms Training Licence with no development plan and on day one of a two-day inspection visit. The College licence process is robust and intrusive, and many forces are granted a licence with an associated development

plan. The CNC remains fully licenced and with no development plan.

- Underwent an inspection by Her Majesty’s Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) in 2022 as part of the wide-reaching review into police vetting and misconduct procedures. Along with all other police forces in England and Wales, we continue to implement the recommendations from the report and will do so throughout 2023/24.
- The CNC has continued to strive to be an organisation in which every individual is valued and respected and where equality, diversity, and inclusion (EDI) responsibilities are shared by all. Work has been completed to allow the launch of our new EDI Strategy, early in 2023/24 which includes our EDI Vision: ‘To continue to build an inclusive and supportive organisation, with a zero-tolerance approach to discrimination in any form.’
- We have fully rolled out Body Worn Video to all front-line police officers, ensuring we remain compliant with the national curriculum, providing officers with invaluable support when interacting with the public or dealing with incidents and providing assurance to the public.
- The CNC introduced a new Business and People Support System (BPSS) to replace the Multi Force Shared Service (MFSS), which ceased to operate in October 2022. We worked throughout the year procuring and implementing our own arrangements for these services, which will be managed by us, so we can ensure high quality services are provided for our vital core functions, including payroll, travel bookings, requisitions and some HR functions.

CNC at a glance 2022/23



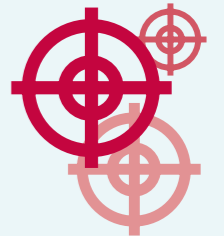
21 dog handlers and six nationally trained instructors



Over **430** officers trained in enhanced carbine and launcher



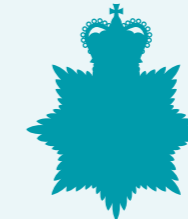
Nearly **1,130** Authorised Firearms Officers



3 firearms delivery centres



100% spent ammo cases recycled



1 Police authority with **9** members



Our Strategic Escort Group has escorted nuclear material on **1** international MOX operation, covering over **24,000** miles in total



Over **320** Home Office assists



83 recruits graduated as AFOs



10 Counter Drone Operators



Nearly **210** Police Medics



229 Operational Firearms Commanders



165 National Firearms Instructors



123 officers trained in dynamic search and interdiction



Over **10** different weapons systems



Over **25,300** hours of firearms training delivered



Over **300** police staff supporting the front line



Over **40** SEG officers



Over **2,750** Project Servator deployments in last 12 months

Our Strategic Goals/Objectives

The CNPA works with the Constabulary to set the strategic objectives for the organisation. The 2022/23 CNPA Strategic Plan focused on four key 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 and wellbeing across business activities and services that support the delivery of the operation and core Mission.

Ambition, Mission and Values for reporting period 2022/23

To support the effective delivery of the Mission and Strategy, the CNC has the following focus:

<p>Our Ambition</p>	<p>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 and drive to deliver a more effective and efficient service.</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 Values



Performance Analysis

Key Performance Summary

For the current strategy, 2022/25, we set targets or strategic ambitions for our KPIs which are set out below. Across 2022/23 the performance and delivery of all our KPIs has been in an overall positive direction. Further detail is included below and within our Operating and Financial Performance Review.

Performance against key deliverables contained in the CNPA's three-year Strategic Plan 2022/25 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 2022/23 milestones.

Key Performance Indicators



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	The CNC continues to train to the College of Policing Armed Firearms Officer (Counter Terrorism) (AFO CT) Role Profile to match the operational requirement. Deployability of AFOs has continued to exceed target levels for 2022/23.
SG1-1		Continue to build and enhance the reputation of CNC as provider of world-class training	The CNC continues to provide and train AFO IFCs on behalf of the Metropolitan Police Service. Griffin Park Tactical Training Centre (GPTTC) optimisation continues, working closely with the Firearms Training Unit (FTU) and external users.
SG1-1		Improved ability to flex training capacity and sequencing to match fluctuating demand needs	Throughout 2022/23, training has reacted to the operational requirement. Daily monitoring of the training requirement against the plan ensures catch up and development opportunities for AFOs is streamlined. Delivery of local onsite training also increased to improve efficiency.
SG1-1		Improved exercise control and ability to assess operational effectiveness	All Regulatory Evaluated Demonstration Exercises throughout 2022/23 were delivered as required by the Operational Training Unit (OTU) and met the required standards as defined by ONR. Response Model Testing (RMT) continues at all Operational Units and forms part of all AFO CT annual contact time.

Strategic Goal 1	Strategic Priorities	Desired Outcomes	Commentary
SG1-2	Anti-UAV capability	Anti-UAV capability	As part of national arrangements, the CNC has deployed a counter drone capability. The CNC is linked into the industry and national policing drone and counter drone capability groups to exploit emerging technology. A drone trial has been initiated to assess the potential benefits of this technology to CNC activities.
SG1-3	Cyber resilience and awareness	Cyber resilience and awareness	The CNC has recently established a dedicated Cyber Security Team who are taking the lead on delivering our three-year cyber security and the information assurance plan. Over this year, steady progress has been made with corresponding improvement of our National Institute of Standards and Technology (NIST) score.
SG1-4	Policing collaboration	Increased frequency of general policing experience allowing our officers to hone and sharpen skills, improving effectiveness of the core Mission	Appropriate agreements 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 2022/23, the CNC has supported several national mutual-aid commitments, having a strong relationship with National Police Coordination Centre (NPoCC). Significant numbers were deployed to London and Windsor for London Bridge (HM Queen Elizabeth II Funeral)

Key
 ● Achieved ● Partly achieved

Strategic Goal 1	Strategic Priorities	Desired Outcomes	Commentary
SG1-4	Policing collaboration	Effective armed surge capability positioned in the national infrastructure	The CNC maintains its commitment to the Strategic Armed Policing Reserve, and plans are regularly reviewed for no-notice mobilisation.
SG1-4		Improved sharing of skills, learnings and best practice	Effective structured de-briefing is in place to ensure operational/organisational learning, including outcomes from RMT and site exercises. The 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 DESNZ, legislative change is proceeding through Parliament.

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	The CNC continues to develop plans to integrate armed and non-armed protection at nuclear sites.
SG2-1		Improved longevity for CNC officers, retaining valuable experience, and provide avenues for those officers who are unable to continue to carry firearms	Current attrition rates are very low, but this is being monitored closely. The CNC has secured retention payments for two of its sites which are planned for cessation and continues to explore expansion opportunities and collaborative opportunities to sustain longevity of employment and enrich its workforce.
SG2-1		Improved readiness for new demands requiring both armed and non-armed protection	The CNC continues to develop plans to integrate armed and non-armed protection at nuclear sites. GPTTC 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	The CNC continues to develop plans for service expansion. Through relationships with the NPoCC, we have contributed to national events such as the funeral of Her Majesty Queen Elizabeth II, G7 and the Commonwealth Games. The CNC has continued to strengthen existing relationships with all host forces and the 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. Subject to the Energy Bill becoming law, CNC will look for further opportunities for service expansion that augment its core role
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	The CNC has continued to deliver sound financial management and stewardship and has maintained stakeholder confidence. In addition to this, the 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	Hybrid working has been embedded in the CNC and is now part of the normal working arrangement for most police staff. Annual reviews for hybrid working have been introduced and line managers have reviewed working arrangements with their employees – HR has captured response rate and any changes to working patterns.

Strategic Goal 3	Strategic Priorities	Desired Outcomes	Commentary
SG3-2	IT (Information Technology) strategy	Mission delivery better supported by more technologically enabled capabilities	Our new CNC Digital Strategy emphasises supporting the Mission and can be seen through the technological aspects of our cutting-edge firearms training centre, deployment of body worn video, development of UAV and counter-UAV capabilities, and continued progress with the implementation of national police digital programmes.
SG3-2		Improved accountability over IT service provision	A new support partner to deliver our core IT services, has been successfully onboarded. Throughout transition there has been a substantial focus on developing a transparent, critical partnership that, whilst holding the new partner to account, seeks to deliver mutual benefit. This approach has seen an excellent start with very positive feedback from our user community.
SG3-2		Improved value for money being delivered by CNC technology	CNC has delivered an in-house phishing training tool and a protective monitoring capability that enhances our cyber awareness and mitigates the insider threat.

Key
 ● Achieved ● Partly achieved

Strategic Goal 3	Strategic Priorities	Desired Outcomes	Commentary
SG3-3	Sustainability	The 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 net-zero carbon emissions target by 2050 and supporting the implementation of the Sustainable Development Goal; (SDG) 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	CNC has proactively participated in, and undertaken, detailed external and internal cultural reviews. These have resulted in over 300 recommendations or areas for improvement. These have been prioritised and are now being managed through an Integrated Cultural Action plan (ICAP) where the five priority areas are: EDI, Training, Professional Standards and Leadership, Policy, and HR.
SG4-1		Empower our workforce, ensuring everyone feels engaged in both key decisions within the organisation, and as a vital part of the three-year strategy	
SG4-1		Build on the pride of our workforce, to improve morale, utilising job enrichment and diversification of roles to increase motivation	

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 2022/23.
SG4-2		All employees are encouraged to, and have, pathways to achieve their potential, through development and support	The managers' toolkit has been embedded. 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 Programme.
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 2023/24 recruitment plan.
SG4-3	Reward and recognition	An attractive reward and recognition package for CNC officers and staff, in order to support recruitment efforts and aid retention.	The police staff pay and grading project went live on 1 April 2023. This constitutes the end of the review of the terms and conditions of employment for all CNC employees. Officers are now aligned with national pay arrangement wherever possible and staff mechanisms have been nationally benchmarked and reviewed by an independent organisation.
SG4-3		Contribute to the ambition for the CNC to become an employer of choice	
SG4-3		Align new reward and recognition frameworks to those of comparable police forces	

Strategic Goal 4	Strategic Priorities	Desired Outcomes	Commentary
SG4-4	Mental health and wellbeing	Ensure the mental health and wellbeing of our workforce is paramount, facilitated through development of our working environment and the capabilities of our managers and leaders, focusing on health, fitness and safety	The results of the 2022/23 wellbeing survey were made available to the CNC at the being of the financial year. Its findings were that mental health and wellbeing service were well regarded in the CNC. Work focused on ensuring that CNC officers and staff remain comfortable in accessing the services. CNC is now in a position where 10% of the workforce are trained as mental health first aiders and have been upskilled to include suicide first aid awareness. Mental health awareness is now a key part of the induction and managers training programmes within the CNC.
SG4-4		A mind-set shift to place physical, mental health, and wellbeing at the centre of our people and management strategy	

Professional Standards

The CNPA recognises the critical importance of ensuring that the Constabulary is able to maintain the highest possible standards across all of its activities and ensure that all stakeholders and the general public can have full confidence in the work that is undertaken.

It was identified that there may be potential weaknesses in the capability and capacity of the Professional Standards Department within the Constabulary and therefore during 2022/23 a full peer review was carried out by another police service. The outcome of this review is being implemented in full and this will increase the capability and capacity of this function to ensure that it is both able to be reactive to issues but is also able to be more proactive especially around counter corruption.

The work being undertaken will allow CNC to deliver against the recommendations HMICFRS on Standards and Vetting.

Key
 ● Achieved ● Partly achieved

Management of Risk

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. 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 Annual Governance Statement.

Risk Management Process

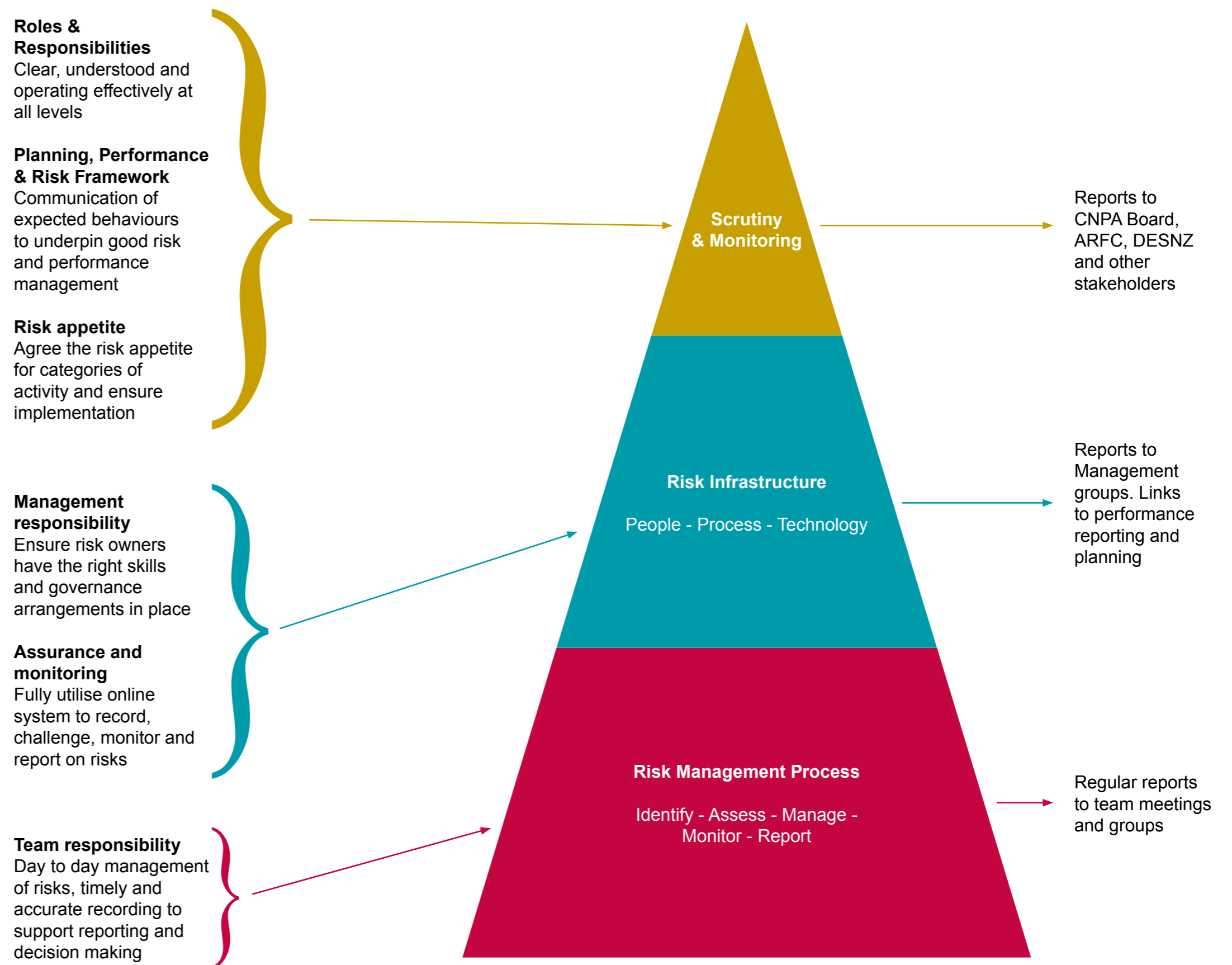
The key to managing uncertainties is a strong and robust risk management framework. This aligns our risks to the key strategic goals within our three-year Strategic Plan and our Annual Business Plan. A diagram of our risk architecture is on page 29.

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

Risk Architecture Structure



as the Firearms Standing Committee and the Strategy, Planning, Performance and Risk Group (SPPRG).

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

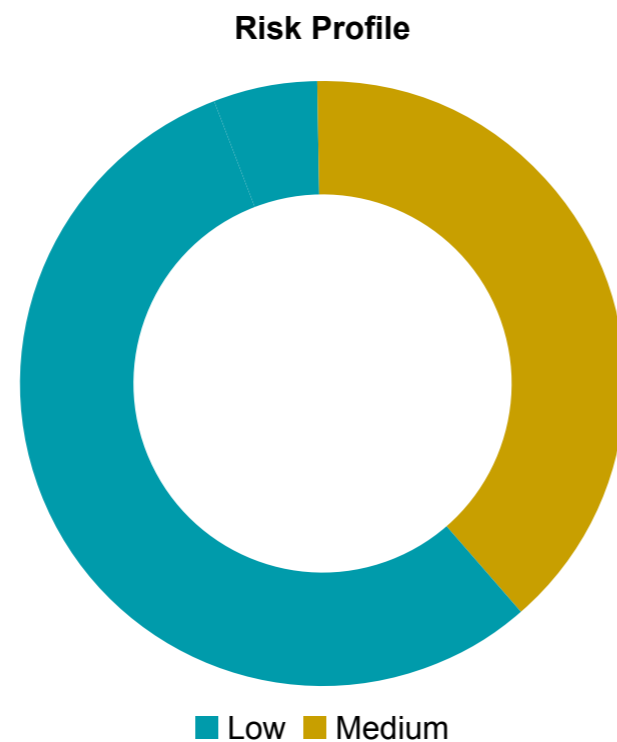
The governance processes for risk management are explained in the Governance Statement section of this document, including the assurance and reporting processes. Our risk appetite is also described. The Board, via the ARFC, satisfies itself that the risk appetite of the CNC is being actively considered, applied, and adhered to through at least an annual review of risk management. The statement was last reviewed and approved in March 2023.

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 2023 for strategic risks is shown in the pie chart. The risks shown in the table below were in place for the majority of 2022/23. Following workshops with the Exec and the CNPA Board, a new

corporate risk register was developed at the end of March 2023 to reflect the changes in the past six months regarding behaviour and culture and the new three-year Strategic Plan from April 2023 onward.

The current RAG status as at 31 March 2023 for our strategic risks, together with mitigation through existing controls and actions are shown on pages 31 to 36. These mitigations help us work towards our risk appetite score for each risk which is also shown:



Strategic 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
<p>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.</p> <p>Bespoke command and control structures operate for each operation and arrangements are regularly tested.</p> <p>We plan to improve our response and deployment through investment in a new Incident Management System and continue to manage our operational workforce</p>		
GR2.1 - Unable to respond to changes in demand profile for protection services	A	G
<p>A generic site cessation strategy has been established and is reviewed at least every six months by the Strategic Resourcing Group to ensure it remains current and appropriate. The Service Change Programme and the Service Expansion Working Group are working with the project teams to manage the fluctuation demands. Some of the timescales for change and the associated impact are uncertain, hence the amber score. The recruitment process has been reviewed and streamlined to assist in bringing officers into the CNC more quickly.</p>		
GR3.1 - Unable to deliver effective and efficient enabling services	G	G
<p>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 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.</p> <p>We have a medium-term financial plan to support the delivery of the three-year Strategic Plan. Resource plans have been developed through 2022/23 to help match resources to the needs of the business.</p>		

Strategic risks and how we manage them	Current risk score – RAG	Risk appetite score – RAG
GR3.2 - Failure to safeguard the delivery of assured digital services across CNC	G	G

We have a detailed Information Risk Register; risks are managed and monitored 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. The Cyber Security Plan and underpinning work to improve our NIST score have been pushed forward during 2022/23.

GR3.3 - Unable to meet our targets for sustainability goals	A	G
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We have developed a Decarbonisation roadmap for the 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. Achieving our goals in this area do rely on sourcing funding for the initiatives in the roadmap.

GR4.1 - Unable to support a nurturing and positive culture that makes CNC an attractive place to work	G	G
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We have active participation in the staff engagement group and report the progress with initiatives implemented from the staff engagement workstreams. We have transitioned to Oracle Cloud for our HR solution to enable easier recruitment processes which are starting to embed. We offer hybrid working wherever feasible, and have developed a new Equality, Diversity and Inclusion Strategy. Our regular staff survey is used to help detect cultural changes as a result of implementing staff survey initiatives. We have participated in culture review work by external agencies and consultants, and have developed actions to address areas for improvement.

Strategic risks and how we manage them	Current risk score – RAG	Risk appetite score – RAG
GR4.2 - Failure to identify development opportunities and establish suitable learning interventions, career pathways in support of increased organisational performance	A	G

We have job enrichment initiatives that provide a more rewarding job experience through expanded responsibility and task complexity. We have recently commenced the Training Consolidation Project to better meet the needs of the organisations and ensure leadership training is delivered to all. We are moving towards our target score for this risk by implementing our manager’s toolkit and engaging with our workforce through survey mechanisms to identify and respond to learning and development needs.

GR4.3 - Failure to establish an appropriate and attractive reward structure for police staff	G	G
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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 was agreed and implemented on 1 April 2023. Our project board maintains regular interactions with Prospect to keep communication channels open. The pay and grading review project was successfully implemented at the end of March 2023.

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.

Strategic risks and how we manage them	Current risk score – RAG	Risk appetite score – RAG
<p>SR1 - Failure in employer’s duty of care</p> <p>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. 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.</p> <p>Our policies, procedures and support to recognise the vulnerability of the workforce help us prevent the likelihood of actions causing personal or collective harm.</p>	G	G
<p>SR2 - Failure to match strategic demands with available resources</p> <p>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.</p> <p>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). A prioritisation process has been developed to ensure a consistent approach, with detailed resource planning being developed for use during 2023/24. We are working to overcome the challenges with recruitment of the wider general job market.</p>	A	G
<p>SR3 - Failure to deliver spending/budget targets</p> <p>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 and have met budget targets for the year.</p>	G	G

Strategic risks and how we manage them	Current risk score – RAG	Risk appetite score – RAG
<p>SR4 - Failure to maintain good communications and relationships with stakeholders and sponsoring department</p> <p>We have a Communication and Engagement Strategy with an ongoing annual Delivery Plan in place. We have appropriately designed and applied handling strategies for key stakeholders.</p> <p>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.</p>	G	G
<p>SR5 - Failure to appropriately report on assurance activity regarding cyber threats to the CNC</p> <p>The Information Risk Group monitors and manages risk to minimise vulnerabilities and to prevent, detect and treat breaches to the CNC networks. Reporting of significant cyber threats is monitored appropriately by the Assurance Team and reported appropriately to ensure adequate sharing of information and collaboration with partners.</p> <p>To move our risk score towards 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 Cyber Security Strategy.</p>	A	G

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.

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 24 months navigating through and out of the pandemic, the CNPA Strategic Plan and Annual Business Plan represent a new approach for 2023/24.

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

- [CNPA three-year Strategic Plan 2023/26](#)
- [Annual Business Plan 2023/24](#)

Reporting on specific issues significantly impacting the CNPA

During 2022/23, there were no additional significant issues that directly impacted the CNPA's ability to deliver its core Mission. Issues such as inflation and energy cost increases are dealt with in other sections of the report. For completeness issues that have previously impacted CNPA are as follows:

Impact of EU Exit

For 2022/23, there has been no direct impact on the CNPA. 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

During the last year, the CNPA has

continued to work closely with partners and government to ensure that robust plans and responses were in place to deal with later stages of the pandemic. The CNPA was able to respond effectively and continued to deliver all its key services.

For this financial year (2022/23) costs specifically related to the pandemic have not been tracked as they are not material.

The impact has, therefore, reduced compared to a 2021/22 cost of £0.25m. Any costs were absorbed into the overall 2022/23 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 (FRM, 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, page 44
Employees	Equality and diversity policy	Employees section, page 88
	Equality, diversity and inclusion strategy (including online training)	
	Equality support groups	
	Staff turnover and engagement data	Employees section, page 85
	Health, safety and wellbeing	Health and safety, page 54 Wellbeing section, page 89
Human rights	Human rights and equality impact assessments (part of equality and diversity policy)	Employees section, page 88
	Data privacy policy	
	Information and cyber security policy	Information and cyber security, page 55
Anti-corruption and anti-bribery	Anti-fraud, anti-bribery and anti-corruption policy	Anti-fraud, anti-bribery and anti-corruption policy, page 56
	Fraud response plan	Professional Standards Page 27
	Code of business conduct	
	Code of Ethics for policing	
Description of strategic business risks and impacts of business activities		Strategic risks and uncertainties, page 28 Risk management, page 31
Description of business model		Business model, page 9
Non-financial key performance indicators		Key performance indicators, page 16 Key staff indicators, page 80

Financial Analysis

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. 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 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.

The financial plan for 2022/23 provided the key resources to ensure delivery of the performance outcomes. Much of the expenditure delivers the front-line policing services, both in terms of officers per shift and ensuring they are appropriately trained. There are currently no specific KPIs that link the performance tables and the financial outturn, however the new Annual Business Plan for 2023/24 seeks to consider these links and this will be reviewed in greater detail for the 2023/24 annual report.

Key drivers of the outturn are:

- There were underspends relating to pay costs (revenue) which is due to unfilled vacancies, lower numbers of new officers commencing training than forecast, and re-timing of when retention bonuses were expected to be paid. This was offset by:
 - Increase in Employer Pension Costs from 19.3% to 20.7% from 1 April 2022
 - Increase in Employers' NI Contribution 6 April to 5 November 2022 from 13.8% to 15.05%. The additional 1.25% was then removed from 6 November 2022 to 31 March 2023
- 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 as fewer new officers commenced training than forecast. Capital costs were underspent due to the delays in the delivery of some vehicles and completion of the Business and People Support System (BPSS) Programme releasing the contingency spend which was not required. The consequences of these delays and changes resulted in the CNPA spending less than was originally approved by the CNPA Board for 2022/23 and reductions in income and expenditure were managed and agreed with the SLCs through the quarterly re-forecasting process.

Financial Outturn

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

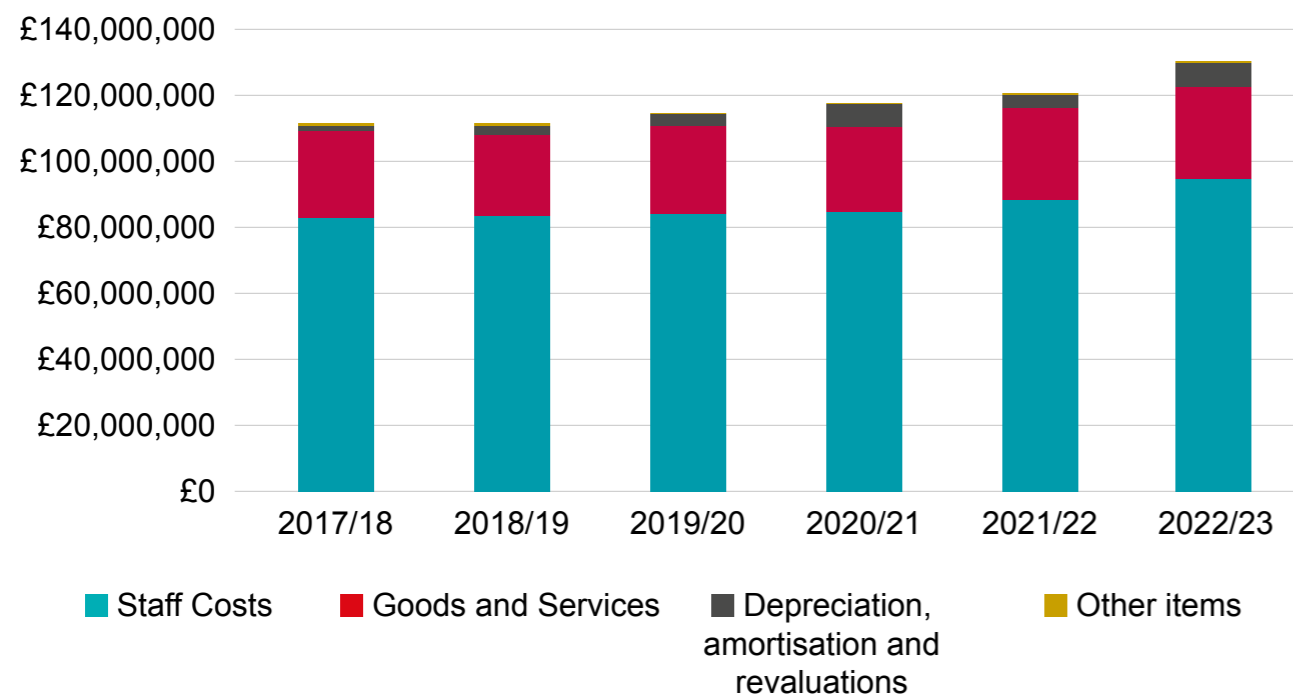
this objective was achieved, however the CNPA has reported a surplus of income over expenditure of £3.206m for the year ended 31 March 2023, for specific technical reasons which include an increase to value of capital assets, including the Griffin Park Tactical Training Facility (GPTTC), which have been increased by £4.8m, offset by depreciation and associated adjustments of £2.455m. Also included in the overall balance are non-operational costs reimbursable by BEIS through grant-in-aid, these costs include exit payments for staff and legal costs.

The table below 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).

Operating Costs

Expenditure for the year ended 31 March 2023 was £135.5m (2021/22: £123.1m). The increase in expenditure included an increase of £8.25m in pay 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 of the Multi-Force Shared Service.

Expenditure



Financial position

Assets	Balance 2021/22	Balance 2022/23	Increase (Decrease)
Carrying value of property, plant and equipment	58,572	60,586	2,014
Assets and assets under construction additions totalled £2.6m which included £0.4m for new leased premises, £1.2m for transport related assets; £0.6m for plant and machinery and £0.4m for IT equipment. Assets with an original cost of £1.9m were disposed of during 2022/23. Depreciation of £6.2m was charged to the Statement of Comprehensive Net Expenditure, including £3.3m for leased assets. Leased properties have been revalued to their Depreciated Replacement Cost resulting in a net increase in value of £4.8m. Other non plant and machinery assets were increased by £0.5m as part of the annual valuation process.			
Carrying value of intangible assets	5,331	5,749	418
Intangible asset additions of £2.4m included work related to development of the new Business Support System (BPSS) and work on the preparation for the new emergency communication network. Assets with an original cost of £5m were disposed of during 2022/23 including the old business system assets. Amortisation of £1.6m was charged to the Statement of Comprehensive Net Expenditure.			
Trade and other receivables due within one year	18,581	20,712	2,131
This increase included an increase of £1.9 in the value of income accruals for revenue and capital funding and £0.4m in the value of prepayments.			
Trade and other receivables due after one year	178	178	-
Inventories	2,275	2,395	120
Cash at bank	7,303	5,244	(2,059)

Financial position

Liabilities	Balance 2021/22	Balance 2022/23	Increase (Decrease)
Trade and other payables due after one year	6,537	6,349	(188)
This decrease is due the release of capital grants offset by the purchase of new assets funded by capital grants.			
Lease liabilities due after one year	1,603	1,264	(339)
This decrease is due to 12 months of commitments moving to being due within one year offset by commitments for two new leases and for the unwinding of discounts.			
Lease liabilities due within one year	786	791	5
Trade and other payables due within one year	18,257	13,782	(4,475)
This decrease is due to a reduction in accrued expenses of £3.5m, the balance last year was increased due in part to a systems shut down during the last couple of weeks of March 2022 as we implemented our new BPSS. There has also been a decrease £1.6m in the value reported for capital grants due to be released in the next financial year.			
Provisions - non-current	1,728	1,775	47
This increase is due to a review of the dilapidation provision for leased properties offset by release of the provisions for legal claims and for an decrease 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	253	295	42

Future Funding Requirements

Approximately 75% 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 DESNZ to understand the potential impacts and potential funding implications.

Inflation is rising and the costs of running the CNC are increasing. Scope for further funding increases from customers is limited and, therefore, the CNPA has implemented a major efficiency review to allow for potential cost increases to be minimised via efficiency savings.

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

Where the CNPA is working outside of the current provisions of the Energy Act, specific funding is being agreed with relevant government departments to support this work.

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 (FRoM), the CNPA Board continues to adopt the going concern basis in preparing the financial statements as there are no indications that there will be a change in policy and it is anticipated that the continued provision of statutory services which the CNPA provide will continue into the future. The CNPA Board approved a revenue expenditure budget of £140.454m and a capital expenditure budget of £4.279m for 2023/24.

The machinery of government change

On 7 February 2023, the prime minister announced a major machinery of government change which redistributed the activities of several existing government departments, including BEIS, and created three new departments, the Department for Business and Trade, the Department for

Digital, Science, Innovation and Technology, and the Department for Energy Security and Net Zero. CNPA has been designated to Department for Energy Security and Net Zero with accounting officer responsibilities formally transferred from 1 April 2023.

In this report when reference is made to the to the sponsor Department, retrospectively (pre-31 March 2023) refers to BEIS, and prospectively (Post 1 April 2023) refers to the Department for Energy Security and Net Zero.

Risks of fraud and error

The CNPA will not accept any level of fraud, bribery, or corruption; consequently, any case will be thoroughly investigated and dealt with appropriately. For the CNPA and the work that is undertaken, results is an overall low risk. No material fraud and error issues have been detected during 2022/23.

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. The CNC has a qualified Accredited Counter Fraud Specialist within the Governance and Assurance Team.

Sustainability Report

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

This year has seen a decrease in Scope 1 emissions. This is attributed to better configuration of power generation at CNC's tactical training facilities in Aldershot.

Scope 2 emissions have remained stable.

There have been increases in Scope 3 emissions (e.g., relating to supply chain). This is most prominent in emissions relating to hire cars and flights and reflects more normal travel patterns, following the period of restrictions related to Covid-19.

Further information is provided in the relevant sections of the report.

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.

Bio-diversity plan and Climate Change Adaption plan

The organisation does not have a Biodiversity/Climate Change adaption plan. It does not own any property nor manage significant land assets but works with site operators and landlords to adhere to appropriate provisions and local plans.

Mitigating climate change: working towards Net Zero by 2050

In 2019, the Climate Change Act 2008 (2050 Target Amendment) Order 2019 was passed which increased the UK's commitment to a 100% reduction in emissions by 2050.

The CNPA published its Decarbonisation Roadmap in 2022. The roadmap provides clear recommendations as to how the CNC can meet its obligations in respect of Climate Change Act and a platform from which the CNC can build and continue its strategy.

A key message of the paper is that the "CNC can achieve net-zero by 2040 for the emissions that it currently reports" and provides activities against the following four principal Decarbonisation categories:

- 1) Activity at Griffin Park Tactical Training Facilities
- 2) Across the wider estate
- 3) Fleet reconfiguration options
- 4) Eliminating carbon associated with business travel

The CNC has initiated work in accordance with recommendation the Decarbonisation Roadmap in terms of:

- Governance
- Emissions Data Collation and Decarbonisation Business Processes
- Appointment of Head of Business Development, Sustainability and Property to provide strategic leadership

Sustainable Procurement

Sustainable procurement will be a key enabling factor in the CNPA's ability to account for carbon emissions and meet decarbonisation objectives and, as such, is a significant feature of the roadmap.

The organisation works closely with BEIS and framework providers to ensure contractual obligations are embedded in all contracts.

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 Department of Energy Security and Net Zero (DESNZ). 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 (with similar arrangements at Summergrove Halls and Lord Robert Centre, Bisley).

However, the organisation is reviewing these arrangements, as part of its HQ and Training reviews. It is anticipated that future accommodation will be individually metered, in line with observations from the Decarbonisation Roadmap.

Greenhouse Gas Emissions

The following tables and commentaries

provide details of the CNPA's carbon emissions, waste disposal, water, electricity and gas consumption between 1 April 2022 and 31 March 2023.

Greenhouse gas emissions		2018/19	2019/20	2020/21	2021/22	2022/23
Non-financial indicators (CO ₂ e in tonnes)	Scope 1 emissions (vehicle fleet and managed boilers)	490.72	1151.41 ¹	722.7	963.18	930.32
	Scope 2 emissions (Indirect emissions: electricity and indirect heat)	279.97	348.92	339.7	376.54	368.46
	Scope 3 emissions (official business travel)	1,149.59	930.74	674.3	921 ²	1,020
Financial indicators (£000)	Carbon Reduction Commitment gross expenditure	n/a				
	Expenditure on accredited offsets	n/a				
	Total expenditure on official business travel (excluding accommodation costs and subsistence) and fleet	2,074	1,649	1,100	1,174	1,385

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 reduced since the previous year. In part, this can be attributed to replacing diesel fuel with Hydrogenated Vegetable Oil (HVO) to supply energy to our tactical training facilities in Aldershot. This change has saved 33 tonnes of carbon emissions against previous years.

Scope 1 emissions are a focus of the Decarbonisation Roadmap with objectives to remove fossil fuel vehicles from CNPA's fleet by the end of 2027 and to replace gas-

fed heating systems at Griffin Park Tactical Training Centre (GPTTC) by 2037.

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

Emissions in this category have changed little from the previous year and reflect a 'normalisation' following Covid-19 related lockdowns and the introduction of hybrid working across the HQ estate.

Emissions from GPTTC have reduced from the previous year.

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.

Emissions from Culham HQ represent a significant portion of Scope 2 emissions. The

CNPA is currently engaged in a review of its HQ facilities with an aim to identify a facility with significantly improved energy efficiency.

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. A further breakdown of these factors is provided below (miles travelled).

Business Travel (Miles)		2020/21	2021/22	2022/23
	Hire Cars	2,051,702	2,022,919	2,482,448
	Flights (short-haul/domestic)	39,191	225,214	231,877
	Flights (long-haul/international)	-	347,495	238,553
	Rail	15,466	81,591	50,698
	Own car mileage	328,086	200,667	200,477

The principal driver of the increase in Scope 3 emissions is an increase in the use of hire cars for business travel. This remains below pre Covid-19 levels.

Air miles have remained higher than previous reporting periods. Between November and January this year the CNC Strategic Escort Group (SEG) successfully delivered a MOX escorted operation from Europe to Japan. This required co-ordination of international multi-law enforcement and regulatory organisations for planning, operational delivery and command processes throughout the operation.

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.

Ultra-Low Emissions Vehicles (ULEV)

The organisation is aware of obligations to include increasing percentage of ULEV vehicles in its fleet. This is challenging due to the lack of availability of vehicles appropriate for policing purposes. Due to this and lack of certainty around options to deliver fleet change, there is no current impact of financial assumptions relating to current fleet (e.g. depreciation policy).

Waste

Waste		2018/19	2019/20	2020/21	2021/22	2022/23	
Non-financial indicators (tonnes)	Total waste	3.46	27.3	25.9 ³	30.5	30.5	
	Hazardous waste total	0.66	-	0.1	0.85	0.3	
	Non-hazardous waste	Landfill	-	22.9	19.0	23.8	21.5
		Reused/recycled	2.81	4.4	6.9	5.9	6.6
	Incinerated/energy reused						
Financial indicators (£000)	Total disposal cost	3.5	22.4	26.4	30	30.7	

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.

Water

Finite resource consumption		2018/19	2019/20	2020/21	2021/22	2022/23	
Non-financial indicators (m ³)	Water consumption	Supplied	1,358	1,901	2,038	2,914	3,047
		Abstracted	-	-			
Financial indicators (£000)	Water supply costs	1.8	3.0	18.7 ³	21.6	8.2	

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 not changed significantly across CNPA's estate in the last financial year. The reduced costs relate to overestimated billing at GPTTC in previous reporting years.

Electricity and Gas

Finite resource consumption		2018/19	2019/20	2020/21	2021/22	2022/23	
Non-financial indicators (kWh)	Energy consumption	Electricity – standard-tariff	529,094	926,135	898,573	1,013,910	1,054,981
		Electricity – renewable tariff	-	-	-	-	-
		Gas (kWh)	707,935	3,985,103	2,248,511	3,334,144	3,199,123
		LPG (ltr)	-	-	5,772	5,067	4,785.72
		Diesel (ltr) (heating)	-	-	-	13,251	0 ⁴
	Heating Oil (ltr)	-	-	-	6,520	11,177	
Financial indicators (£000)	Total energy expenditure	105	294	268	297	569	

Energy use has remained in line with the previous reporting year. However, costs have risen considerably, reflecting the general movement in the market.

Griffin Park Tactical Training Centre is, by far, the largest building in CNPA's estate. After a period of mobilisation, energy use appears to have flattened out. This year, consumption of gas has reduced slightly and, as a Scope 1 emission, limiting (and finally eliminating) consumption will be a determining success factor of the organisation's wider decarbonisation goals.

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

10 July 2023

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 (as at 31 March 2023)



Susan Johnson, OBE
Chair

Susan Johnson OBE was the Chief Executive at County Durham and Darlington Fire and Rescue Service until her retirement in July 2015. The appointment meant Susan was the first woman and non-uniformed chief executive to lead a Fire and Rescue Service in the United Kingdom. Susan previously held the position of Executive Director Business Development for the Regional Development Agency, Yorkshire Forward, where she was responsible for securing inward investment and supporting international trade, business start-up and innovation in partnership with the region's universities and research institutes. During her early career Susan worked in general management and business development roles in information technology, systems engineering and advanced control systems technologies. She has held a number of non-executive roles throughout her career including Greggs plc, the Equality and Human Rights Commission and the Planning Inspectorate. She is currently a non-Executive Director with the Health and Safety Executive, a Commissioner for the Local Government Boundary Commission for England and a Protector for the Power to Change Trust.



Pam Duerden
Industry Member

Pam is the Environment, Health, Safety, Security and Quality (EHSS andQ) 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.



Andrew Harvey
Independent Member

Andrew'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 (and Chair of the Remuneration Committee) of the Cost Lawyer Standards Board, the statutory regulator for costs lawyers in England and Wales. He is Chair of the Remuneration and Appointments

Committee of the Recruitment and Employment Confederation and holds judicial office as a member of the First Tier Tribunal. Andrew also chairs fitness to practise panels, in both Britain and Ireland, in healthcare regulation and the accountancy and legal sectors



Susan Lussem
Industry Member

Susan began her career after receiving a Bachelor of Engineering in industrial engineering from the University of Pretoria in South Africa, and a Master of Engineering in engineering management from the University of Johannesburg. She has been a global procurement and supply chain professional for the last 20 years and has vast experience of developing and implementing strategies and transformation plans throughout the supply chain. Her career has seen her enjoy a varied and interesting range of roles in heavy manufacturing, consulting, fast moving consumer goods and oil and gas procurement across both direct and indirect categories, services and capital projects, as well as logistics, inventory management, project management and business re-engineering. Susan became Chief Supply Chain Officer at Sellafeld Ltd in September 2020.



Sir Craig Mackey, QPM
Independent Member

Sir Craig Mackey has nearly 40 years' experience in policing, 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.



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.



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 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.



David Tomblin
Industry Member

David has been with EDF Energy for 20 years. A chartered accountant, he has undertaken several finance management roles; most recently the Generation Finance Director. As the Generation Finance Director, David supports the business and its leaders to deliver their objectives but retains a level of independence to be able to challenge and be the finance conscience of the organisation.



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 on armed policing. He began his career with Thames Valley Police and went on to become Deputy Chief Constable, West Mercia Police. In 2012 he was awarded the Queen's Police Medal and in 2022 he was awarded the OBE for services to policing.



Stephen Martin OBE, QPM
Deputy Chief Constable

Stephen Martin joined the Civil Nuclear Constabulary as Deputy Chief Constable in May 2022. He had previously been a police officer in Northern Ireland for nearly 34 years, retiring as the T/Deputy Chief Constable in January 2020 when he was responsible for corporate governance, professional standards, organisational change and performance. Having held three separate ACC portfolios, Stephen was variously responsible for: front line uniform and detective policing; protective services; serious and organised crime; intelligence and specialist operations; as well as a range of other operational and support policy areas.



Richard Cawdron
Director of Governance and Enabling 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.



Louise Harrison
Assistant Chief Constable

Louise Harrison joined the Civil Nuclear Constabulary 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.



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.

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 2022/23 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.

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

Year	Injuries
2022/23	134
2021/22	132
2020/21	128

The total number of injury incidents reported during 2022/23 shows an increase of 1.52% on the previous year. This is due to an increase in dynamic training.

During 2022/23, 13 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 14 such events in 2022.

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. CNPA does not believe that there is a potential liability risk following these incidents.

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 2022/23. 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 is now fully engaged with the preparation of the management system to gain certification to the ISO 45001:2018 Health and Safety Management System award. Due to staffing issues in the Health and Safety team, the audit has been deferred until the end of 2023.

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.

Various anti-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 has engaged in a year-long Digital Footprint campaign, with communications, screen savers and computer-based training packages available for continuous employee learning.

CNC has tested its 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 cybersecurity strategy approved by the CNPA Board.

The CNC has been drawing down services from Government Security Advice Centres (GSeCs). A series of engagements continued during 2022/23 with the cyber GSeC team surrounding IT service provision, contract management, security operations centre (SOC) provision and the National Institute of Standards and Technology (NIST) cyber security framework.

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

The CNC continues to play a key role in NDA led exercises.

Work surrounding the re-competition for IT services completed during this financial year under the PrOFITS Programme (Provision of Future IT Services). CNC successfully onboarded its new contractor for outsourced IT services.

Security Breaches and Security Incidents

The following table summarises the number of security breaches and security incidents since 2018/19.

Nature of incident	2018/19	2019/20	2020/21	2021/22	2022/23
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	6	1	-	3	-
Insecure disposal of inadequately protected electronic equipment, devices or paper documents	-	-	1	-	-
Unauthorised disclosure through insecure transmission of Classified marked documents	10	9	4	-	-
Compromise of personal data	6	12	17	12	22
Other 'low level' breaches/incidents	5	3	12	22	18
Total	27	25	34	37	40

All the security breaches and security incidents recorded were of a minor nature. The overall increase in reported cases is being driven by improved staff training and reporting which is considered a positive as it demonstrates the security culture of the organisation.

Most of the personal data breaches recorded carry only a low or minimal risk to data subjects, which did not require onward reporting to the regulator, and are recorded primarily for organisational learning purposes.

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.

The CNC has a qualified Accredited Counter Fraud Specialist within the Governance and Assurance Team.

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.

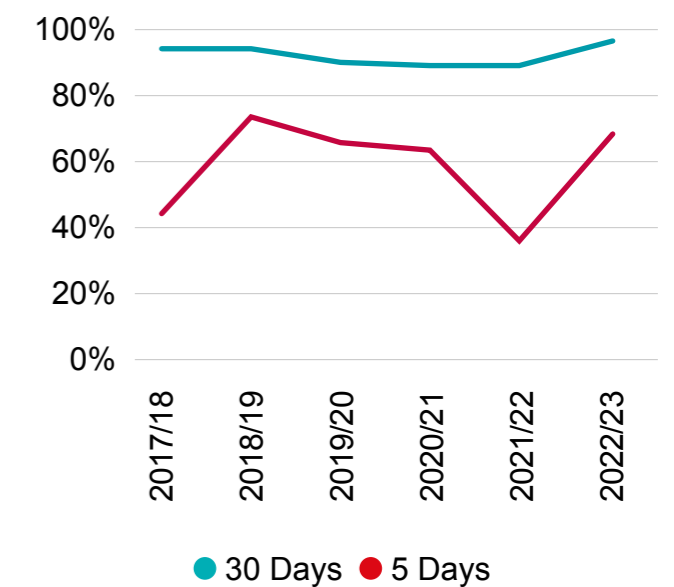
Payment of Suppliers

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 2022/23, the CNPA paid 95% of its invoices on time. Whilst this is below the target of 100% this is due to the fact CNC cannot extract from the data delays due to disputed invoices.

The CNPA has sought to comply with the Government commitment to pay suppliers within five working days from receipt of a valid invoice wherever possible. For the

year to 31 March 2023, the CNPA paid 68% of its invoices within five working days against a target of 90%. Whilst this is still below our target, this improvement in performance from 37% follows the transfer of processing to in house team from a shared service. We will continue to review options to improve performance against this target in 2023/24.

Payment of Suppliers



Pension Arrangements

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

Auditor

The financial statements have been audited by the Comptroller and Auditor General. The cost of the statutory audit was £87,500 (2021/22: £78,500). The external auditors received no remuneration during the year for the provision of non-audit services. The increase in costs was due to a change in the statutory auditing standards and audit work required on the new business systems.

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 (FRoM) 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 FRoM 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 2022/23

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

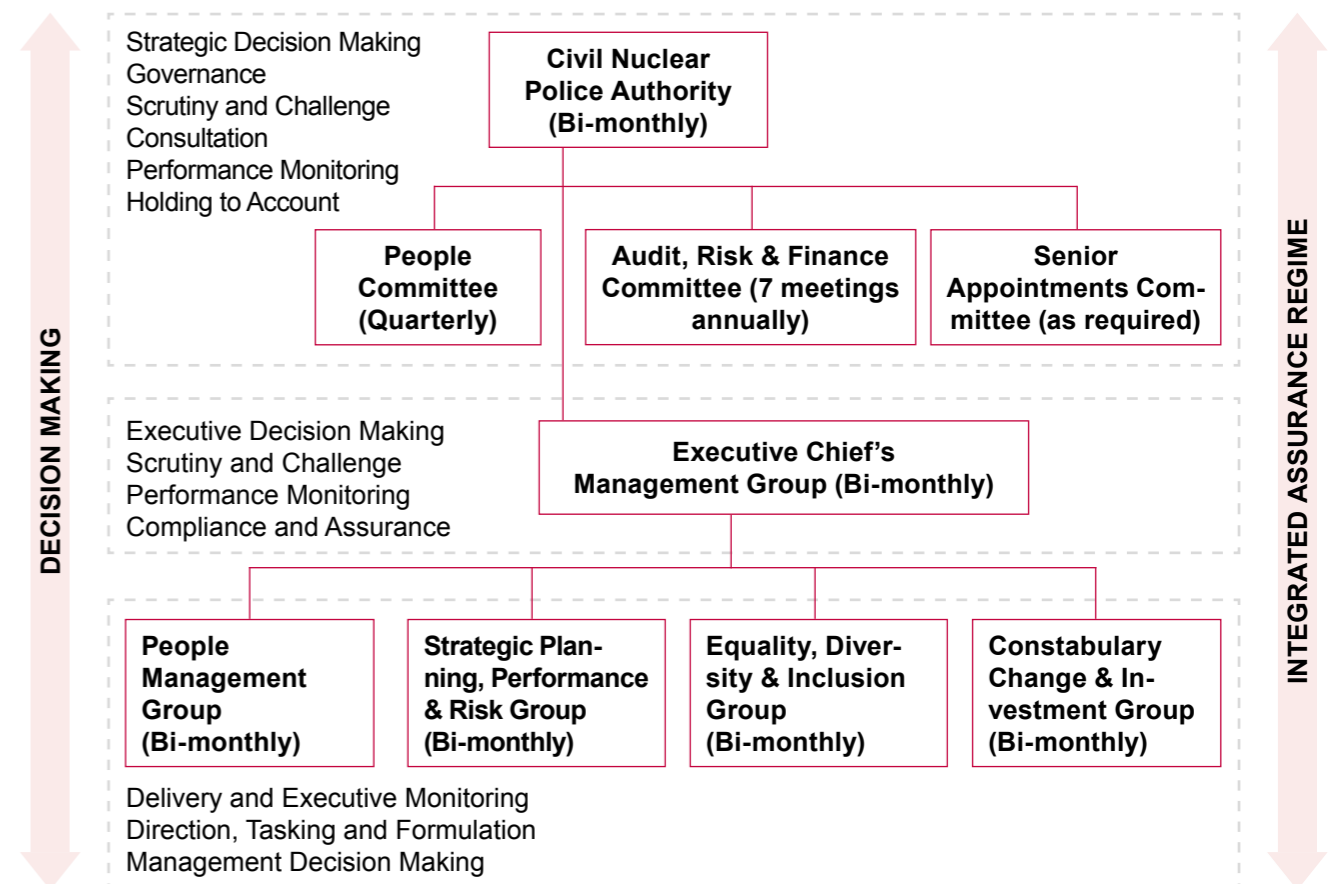
The Governance Framework

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 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.



Specific responsibilities of each of the governance forums are:

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.

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 (SAC)

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 (ARFC)

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 every eight weeks to ensure the roles and responsibilities of the Chief Constable/Chief Executive/Accounting Officer are being discharged. Weekly review is held in the intervening weeks for the Executive to keep in touch
- 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 developed by 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, ARFC, SAC or People Committee
- Considers update reports from the Constabulary Executive from the other core governance meetings – Strategy, Planning, Performance and Risk Group (SPPRG), People Management Group (PMG), Equality Diversity and Inclusion Group (EDIG) and the Constabulary, Change and Investment Group (CCIG) - and provides approval or issues further instruction as appropriate
- Provides an audit trail on key decisions

- The meeting should also have space for discussions on key subjects with a strategic content

Note: The CMG is led by the CEO/Chief Constable and is made up of the Deputy Chief Constable, Operations Director/Assistant Chief Constable, Director of People and Organisational Development, the Director of Governance and Enabling Services and the Chief Finance Officer (CFO).

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 the 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, through the ARFC, 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 eight Board level meetings in 2022/23, with six Authority Board meetings and two working group meetings.

The Authority received and endorsed revised Terms of Reference (ToR) for the Authority; the ARFC; the SAC; and the People Committee in March 2022. The ToRs were being considered by the new Chair of the Authority in Summer of 2023 and will be brought forward for further endorsement at the July 2023 Board meeting.

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 and 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 format and content of the Corporate Performance Reporting to CNPA was reviewed and updated in June 2022. 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 internal inspections, governance, internal control, and risk management.

The Committee met nine times in 2022/23. This included four regular meetings, two extraordinary meetings, two scrutiny panel meetings to review the draft annual report and accounts in accordance with governance best practice and a budget scrutiny meeting. The ARFC was consulted on a number of policies and agreed them for formal endorsement by the Board on subjects such as whistleblowing, accounting policy, risk management arrangements, and counter fraud. It also received regular reports on key risks (including scores and progress with mitigating actions) and progress with the internal assurance activities.

Senior Appointments Committee

The SAC is chaired by the CNPA Chair.

The SAC held four meetings in 2022/23.

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 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 2022/23,

four regular meetings and two extraordinary meetings.

The People Committee has reviewed and scrutinised a range of people related issues including the People Strategy, the Pay and Grading review business case and the cultural review.

The Executive Team

I am supported by an Executive Team of five: Deputy Chief Constable, Assistant Chief Constable - Operations, Director of People and Organisational Development, Director of Governance and Enabling Services and the Chief Finance Officer.

Executive management and governance of operational and business activities is undertaken through the Chief's Management Group (CMG), which met nine times. The team meets at least every eight weeks 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 the Executive's movements and objectives for the forthcoming week.

Authority Board Activities in 2022/23

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. The Board visited (and held its Authority meeting at) Hunterston in September 2022 and Bisley in March 2023.

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 Executive Team 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.

A revision of CNC core governance meetings was implemented following a Governance Review that was completed at the end of March 2022, to ensure alignment and to demonstrate a clear decision-making route.

The Governance Review included interviews with key staff and officers to establish how we follow the core principles of good governance. This was reviewed from three perspectives – corporate, administrative and behavioural. The outcome of the review was 18 recommendations for improvement. The general agreement was that we had too many meetings, and the purpose was not always clear leading to unnecessary duplication of effort and confusion.

The restructuring of core governance meetings has taken shape during 2022/23, with clear reporting lines and the decision-making process better defined.

We have established a Business Services Team to cover the administration of all core governance meetings to ensure that a consistent standard of minutes and actions are recorded and disseminated.

The Board is satisfied with the flow of widely information between the Board and its committees, and the quality of data received. The Board is regularly asked to comment on the quality of information contained within the papers. Effort has been made during 2022/23 to make papers more succinct and minutes and actions recorded as summaries of key points.

The Board and Committee Secretariat in the Business Services Team 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 usually 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 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 during 2022. However, the death of Vic Emery (whilst serving as Chair), the subsequent appointment of an interim Chair, and a higher than anticipated turnover of Board Members contributed to the decision to pause this review until 2023. Plans are being developed to undertake the review during the summer of 2023.

The Authority also reviews its performance at the end of each Authority meeting and Members undertake 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.

The Multi-Force Shared Service was terminated, by mutual agreement, in November 2022.

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

The BPSS project team successfully delivered the core business requirements as planned on 1 April 2022 with the system being available to the wider CNC on 4 April 2022. Phase 2 of the BPSS project has continued throughout 2022/23 to deliver the other modules. The project has been delivered on time and to budget and there are likely to be operational efficiencies once all the capabilities of the new systems are exploited. The BPSS business as usual is monitored by multi-discipline internal groups of staff and officers at an operational and strategic level.

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 2022/23.

Attendance at Police Authority, Board and Committee Meetings in 2022/23

Members	Board (6 in year)	Audit Risk and Finance (9 in year)	Senior Appointments (4 in year)	People (4 in year)
Susan Johnson, Chair (Contract started 13/10/2022)	3/3	(1)	2/3	(1)
Sir Craig Mackey (Interim Chair from 1/1/2022 - 12/10/2022)	6/6	(1)	4/4	4/4
Pamela Duerden	6/6	6/9	(1)	(1)
Jerry Haller (Left 30/6/2022)	2/2	0/3	(1)	(1)
Andrew Harvey	6/6	8/9	(1)	3/4
Susan Lussem (Contract started 1/9/2022)	2/2	(1)	(1)	(1)
Chris Pilgrim	6/6	2/2 (2)	4/4	4/4
Mark Rouse	6/6	6/9	(1)	(1)
Sue Scane	6/6	8/9	4/4	3/3 (2)
David Tomblin (Contract started 1/9/2022)	2/2	(1)	(1)	(1)
Rebecca Weston (Left 22/4/2022)	0/0	(1)	(1)	0/0

(1) Not a member of this committee

(2) Attended to ensure quoracy whilst new Members were vetted and inducted.

All members of the Board complete a declaration of their business and other interests when they join the CNPA, and are asked to update it at least annually, or sooner if their circumstances change. The declarations of interest are recorded by the Board and Committees Manager and are

included in the Annual Report and Accounts section on information about Members. Declaring interests is a standing item on the agendas of each of the committee meetings. Any interests declared are recorded in the minutes.

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 Annual Report and Accounts 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. Key risks are also reported to the CNPA at every meeting, along with narrative on the actions being taken to mitigate the risks.

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 third risk maturity review during 2022/23 to review progress since the two self-assessments. 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 in 2022/23 was carried out by our internal audit providers rather than a self-assessment, providing an independent view of our risk maturity. Their assessment was that we have sound risk management arrangements in place and were still at the level of 'risk managed'.

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 ARFC 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 CO 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, the Information Governance Team and a network of Information Asset Owners with responsibility for our information assets. Details of how this functions are 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 collate information risks raised by any member of the constabulary, and to analyse these, mitigate where possible and to escalate these to the Senior Information Risk Owner (SIRO) where necessary. This includes legislative or regulatory risks which would be of interest to the Information Commissioner's Office (ICO), ONR and DESNZ.

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

Where information risks need to be

escalated to the SIRO they are discussed at the Information Governance Committee (IGC).

The IGC chaired by the SIRO who receives guidance from the Head of IT, Security Lead, Information Assurance Manager, Head of Cyber Security, Risk Lead and Head of Information Governance/Data Protection Officer and determines the appropriate course of action.

Meetings of the IGC are held at least quarterly to align with Board meetings and to allow the SIRO to report to both Board and 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.

Personal Data-Related Incidents

There were no personal data-related incidents reported to the Information Commissioner’s Office (ICO) in 2022/23 (2021/22 – three).

We continue to record lower-level data breaches and near misses that do not meet the threshold for reporting to the regulator and publish a log annually for organisational learning purposes. The high level of reporting provides evidence of good security awareness.

General Data Protection Regulation (GDPR)

We comply with the Data Protection Act 2018 and with the UK GDPR, which incorporates the provisions of the EU

GDPR. 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 (DPO) 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 DPO continues to work on embedding compliance activities across the Constabulary and Authority and are focused on continuous improvement, supported by a programme of monitoring and assurance.

Following a review of the CNC’s cyber security maturity position in 2021, we now have a CNC Cyber Security Strategy, an understanding of our critical information systems, a Cyber Incident Response Plan which is being exercised, and we are measuring our progress against the NIST framework. All actions are assigned owners and timelines to allow us to assess the progress of remedial actions which improve our ability to prevent, detect and respond to cyber-attacks.

The CNC is also tasked by BEIS (DESNZ) with implementing the Civil Nuclear Sector Cyber Strategy and is working closely with industry partners.

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

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:

The ARFC considered the findings contained in reports prepared by CNPA’s Internal

	Internal Audit Plan for 2022/23	Status	Audit Opinion
1.	Mental Health and Wellbeing	Final	Substantial Assurance
2.	BEIS: Commercial Continuous Improvement Framework	Final	Reasonable Assurance
3.	Whistleblowing	Final	Reasonable Assurance
4.	NIST Improvement Programme (Cyber)	Final	Partial Assurance
5.	Business Continuity	Final	Advisory
6.	Core Financial Controls	Final	Reasonable Assurance
7.	Strategic Business Planning	Final	Advisory
8.	Risk Maturity	Final	Reasonable Assurance
9.	Efficiency Savings	Final	Partial Assurance
10.	BPSS Benefits Realisation	Final	Reasonable Assurance
11.	Annual Governance Statement	Final	Advisory
12.	Follow Up	Final	Reasonable Progress

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. While the NIST Improvement Programme audit achieved a Partial Assurance rating the weaknesses had been identified prior to the audit and a robust plan is being implemented.

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 are being managed.

An issue with managing assets was raised in the year end audit 2019/20, in that the NAO identified a number of issues in its management letter. 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 and the 2022/23 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 2022/23 in the provision of assurance on the CNPA standards of governance, risk management and internal control.

For the year 2022/23, 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, the advice given to me by the ARFC; 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

The CNPA has a process to ensure that all members of the Police Authority, police officers and members of police staff are aware of the business interest policy. All must declare and seek approval before entering into outside arrangements. These rules are supported by appropriate disciplinary procedures for failing to comply.

Effectiveness of Whistleblowing Process

Our whistleblowing processes continues to be well-understood and a new updated policy was approved by the Police Authority in May 2022. During the year under review, there were 15 protected disclosures from whistleblowing, 11 of these cases were classified as non-compliance with legal obligations and one related to a health and safety risk but did not involve death or serious injury. Our internal audit team made several recommendations relating to templates for investigations and these are being implemented, and the policy will be updated.

The People Committee receives the results of independent investigations into all cases. Some cases are still ongoing under Professional Standards Department investigations.

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.

The team continue to provide assurance to ARFC and the Executive. During inspections covering internal controls (officer working hours), Incident Management System, Chiltern Travel Consortium, Operational Unit performance, pool cars and hybrid working, areas of good practice and some areas for improvement were found that will be implemented in 2023/24.

A combined plan of work for 2023/24 for the Internal Inspection Team, the Internal Audit Team and the Counter Fraud specialist has been approved by the ARFC.

Organisation Learning continues to be a focus and a library of reference material is retained.

The Inspection Team continue to capture actions and monitor progress on recommendations arising from all assurance providers and inspections. This progress is reviewed and monitored by the ARFC.

Cultural Review activities

The CNPA and CNC are committed to developing the culture of the organisation to align it with its strategic ambition and address cultural improvement. 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, making several 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 and behavioural issues identified as result of the investigation, trial and conviction of Wayne Couzens. Several workstreams have been undertaken through the year, or have informed our work in this area including:

- 'Where's the line' gender review (commissioned by the CNC from an independent consultant)
- Gender Responsive Policing Strategy
- Gold Group initiatives
- Cultural Audit (commissioned by the CNC from Strategic Partner)
- Investors in People (IiP) Action plan
- Engagement Action Plans
- Operation Hutton Recommendations (Met Police specific)
- Dame Angiolini Review
- Baroness Casey review

- National Police Chief's Council Police Race Action Plan

The recommendations from these reviews, audits and activities have been combined into five key areas of work that the CNC is in the process of delivering. The five areas and activities relate to:

1. Equality, Diversity and Inclusion
 - New EDI strategy ready for approval
 - Mandatory EDI training for all
 - Development of EDI data and reporting
2. Standards, Behaviour and PSD arrangements
 - Supervision and leadership training
 - Improved capacity and capability in the PSD team
 - Professional standards prevention plan
3. Repositioning of HR
 - New operating model for HR
4. Organisational policy
 - Policy Governance Review Group established
 - Centralised Policy register
5. Training
 - Training consolidation project
 - EDI specific training for all
 - Leadership training

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 2023 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 months period from 1 April 2022 to 31 March 2023

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 Chair 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:

- Susan Johnson (Chair)
- Sir Craig Mackey
- 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 CNPA policy.

Salaries and Allowances

Executive Team members receive salaries which are reviewed annually. Other allowances are included to the extent that they are subject to UK taxation. They are also reimbursed for reasonable expenses in line with CNPA policy.

Benefits in Kind

Executive Team members are entitled to the benefit in kind of a fully maintained car.

Pensions

Executive Team members 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 2023	Notice period
Richard Cawdron Director of Governance and Enabling Services	1 December 2019	Not stated	6 months
Simon Chesterman Chief Constable	1 April 2019	12 months	6 months
Pam Duerden Industry Member (Magnox)	9 April 2021	12 months	3 months
Jerry Haller ⁽¹⁾ Industry Member (EDF)	1 February 2021	-	3 months
Louise Harrison ⁽²⁾ Assistant Chief Constable	17 February 2020	1 year, 11 months	6 months
Andrew Harvey Independent	3 January 2022	1 year, 8 months	3 months
Susan Johnson CNPA Chair	13 October 2022	2 years, 6 months	6 months
Susan Lussem Industry Member (Sellafield)	1 September 2022	2 years, 5 months	3 months
Sir Craig Mackey Independent	24 June 2019	2 years, 2 months	3 months
Stephen Martin Deputy Chief Constable	9 May 2022	4 years, 1 month	6 months
Chris Pilgrim Independent	3 January 2022	1 year, 8 months	3 months
Mark Rouse Industry Member (DSRL)	25 March 2021	12 months	3 months
Richard Saunders ⁽³⁾ Director of People and Organisational Development	18 December 2017	Not stated	6 months
Sue Scane Independent Member	8 July 2019	2 years, 3 months	3 months
David Tomblin Industry Member EDF	1 September 2022	2 years, 5 months	3 months
Michael Vance ⁽⁴⁾ T/Assistant Chief Constable	13 July 2021	-	-
Rebecca Weston ⁽⁵⁾ Industry Member (DSRL)	1 April 2021	-	3 months
Duncan Worsell ⁽⁶⁾ T/Assistant Chief Constable	7 April 2021	-	-

Notes

(1) Leaver 30 June 2022

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

(3) Leaver 31 March 2023

(4) Leaver 31 May 2022

(5) Leaver 22 April 2022

(6) Leaver 7 October 2022

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 Chair, Industry Representative and Independent Board Members and approves 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 2022/23 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)	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Richard Cawdron Director of Governance and Enabling Services	110-115	105-110	7,400	7,400	(5,000) ⁷	(3,000)	115-120	110-115
Simon Chesterman Chief Executive and Chief Constable	150-155	140-145	7,200	7,200	-	-	160-165	150-155
Louise Harrison ³ Assistant Chief Constable	125-130	140-145	7,200	7,200	16,000	-	145-150	150-155
Stephen Martin ⁴ Deputy Chief Constable	115-120	-	-	-	-	-	115-120	-
Richard Saunders Director of People and Organisational Development	110-115	110-115	-	-	16,000	21,000	130-135	130-135
Michael Vance ⁵ Temporary Assistant Chief Constable	15-20	80-85	-	-	(4,000) ⁷	10,000	15-20	90-95
Duncan Worsell ⁶ Temporary Assistant Chief Constable	55-60	105-110	-	-	17,000	(10,000)	70-75	95-100

Notes

1 Benefits in kind in 2022/23 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 2022/23 is £115k-£120k. Actual costs include secondment costs to 31 July 2022. Reduction in salary between years was due to change in role

4 Full year equivalent salary and allowance for 2022/23 is £130k-£135k. Full year equivalent for benefit in kind for 2022/23 is £7,400. Steven Martin is entitled to a fully maintained car but did not receive this benefit during 2022/23, this will be reviewed in 2023/24.

5 Full year equivalent salary and allowance for 2022/23 is £110k-£115k.

6 Full year equivalent salary and allowance for 2022/23 is £105k-£110k.

7 Taking account of inflation, the CETV funded by the employer has decreased in real terms

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 2023 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 2023 and related lump sum £000	Real increase in pension and related lump sum at age 60 £000	Cash equivalent transfer value at 31 March 2023 £000	Cash equivalent transfer value at 31 March 2022 £000	Real increase in cash equivalent transfer value £000
Executive Team					
Richard Cawdron	40-45 plus 120-125 lump sum	0-2.5 plus 0-2.5 lump sum	922	815	(5) ⁽¹⁾
Louise Harrison	0-5 plus 0-5 lump sum	0-2.5 plus 2.5-5 lump sum	20	-	14
Richard Saunders	0-5 plus 10-15 lump sum	0-2.5 plus 2.5-5 lump sum	102	69	15
Michael Vance	20-25 plus 65-70 lump sum	-0-2.5 plus -0-2.5 lump sum	443	405	(21) ⁽¹⁾
Duncan Worsell	45-50 plus 140-145 lump sum	0-2.5 plus 5-7.5 lump sum	1,099	940	32

Note

Simon Chesterman and Stephen Martin, are not members of the CPS and do not make any other pension contributions

Louise Harrison joined the UKAEA pension scheme during 2022/23, she was previously a member of her home force pension scheme to which CNPA contributed to through the secondment recharge

(1) Taking account of inflation, the CETV funded by the employer has decreased in real terms

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 2022/23	Fees £000 2021/22
Pam Duerden Industry Member (NDA)	-	-
Jerry Haller ⁽¹⁾ Industry Member (EDF)	-	-
Andrew Harvey ⁽²⁾ Independent Member	15-20	0-5
Susan Johnson ⁽³⁾ CNPA Chair	30-35	-
Susan Lussem ⁽⁴⁾ Independent Member (Sellafield Ltd)	-	-
Sir Craig Mackey ⁽⁵⁾ Independent Member	25-30	15-20
Chris Pilgrim ⁽⁶⁾ Independent member	15-20	0-5
Mark Rouse Industry Member (DSRL Ltd)	-	-
Sue Scane Independent member	15-20	15-20
David Tomblin ⁽⁷⁾ Industry Member (EDF)	-	-
Rebecca Weston ⁽⁸⁾ Industry Member (DSRL)	-	-

(1) Jerry Haller's contract expired 30 June 2022

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

(3) Susan Johnson's contract started 13 October 2022

(4) Susan Lussem's contract started 1 September 2022

(5) Sir Craig Mackey appointed as interim chair from 1 January 2022 to 12 October 2022.

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

(7) David Tomblin's contract started 1 September 2022

(8) Rebecca Weston's contract expired 22 April 2022

Staff Report

The following information is subject to audit (listed below)

1. Staff costs
2. Average number of people employed
3. Exit packages
4. Fair Pay Disclosure

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

	2022/23	2021/22
Executive 1 Grade	1	1
Executive 2 Grade	1	0
Executive 3 Grade	2	4
	4	5

Staff Costs

Staff costs comprise:

	Permanently employed staff 2022/23 £000	Temporary and agency staff 2022/23 £000	Total 2022/23 £000
Wages and salaries	75,627	665	76,292
Social security costs	9,311	79	9,390
Other pension costs	12,306	41	12,347
Non-directly employed staff	-	207	207
Sub-total	97,244	992	98,236
Less costs recovered in respect of outward secondments	(108)	-	(108)
Total staff costs	97,136	992	98,128

	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)

Average Number of Persons Employed

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

	Permanently employed staff 2022/23	Temporary and agency staff 2022/23	Total 2022/23
Total average staff numbers	1,568	18	1,586

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

Exit Packages

	2022/23 Number of compulsory packages	2022/23 Number of other departures agreed	2022/23 Total number of exit packages by cost band
Less than £10,000	-	27	27
£10,001 - £25,000	-	2	2
£25,001 - £50,000	-	-	-
£50,001 - £100,000	-	1	1
Total number of exit packages	30	30	30
	£000	£000	£000
Total value of exit packages	-	184	184

	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

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.

Fair Pay Disclosure

The banded remuneration of the CNPA's highest-paid director, who was the Chief Executive Officer/Chief Constable, in the financial year 2022/23 was £160,000 - £165,000 (2021/22: £150,000-£155,000; 7% movement). The Chief Constable did not receive a bonus in either year.

For all other employees the average percentage change in salary and allowances between 21/22 and 22/23 was 10% (5% the percentage change in the average bonus). The 10% 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.

Year	25th Percentile pay ratio	Median pay ratio	75th Percentile pay ratio
2022/23	5.03 : 1	3.86 : 1	3.48 : 1
2021/22	4.65 : 1	4.01 : 1	3.47 : 1

Why the ratios have changed

The FTE for 2022/23 has reduced by (circa) 2%, from 2021/22, whilst the average salary increased by £3,500. During this period there was a fair bit of attrition particularly in the lower grades, which had an overall effect on the Lower Quartile calculations.

Efforts through the year have been made to fill these posts, and where there has been some success in recruiting, most have been recruited at the entry level of the P2 grade.

Therefore, the conclusion is that due to the decrease in the FTE and the level of salary being offered for the vacancies in the lower quartile, the above amounts are the subsequent result.

Total pay

For the median percentile ratio, the total pay and benefits of £42,083.68 includes bonuses of £2,668.68 with no benefits in kind in the period. For the 25th and 75th percentile ratios the total pay and benefits (25th percentile £32,309.28, 75th Percentile £46,656.72) are equal to the salary component of the benefits, as these individuals did not receive any bonuses or benefits in kind in the period. This is summarised in the table below:

Year	25th Percentile Salary	Median pay ratio	75th Percentile pay ratio
2022/23	32,309	42,084	46,657
2021/22	32,828	38,020	43,965

In 2022/23, one employee received FTE remuneration in excess of the highest-paid director (2021/22:1). 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 £19,013 to £268,469 (2020/21: £18,987 to £192,400).

Total remuneration includes 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.

Staff Turnover

Attrition	Police staff	Police officer
Apr 2020 – Mar 2021	6.3%	7.7%
Apr 2021 – Mar 2022	6.4%	8.6%
Apr 2022 – Mar 2023	11.7%	9.3%

Police officers

Police officer attrition at the end of 2022/23 stood at 9.3%, an increase on the previous year (8.6% in 2021/22). The increase is due to several factors including:

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

CNC level of attrition is still significantly less than pre-pandemic.

Police staff

Police staff attrition at the end of 2022/23 stood at 11.7%, an increase on the previous year (6.4% in 2021/22). The increase is due to several factors including the impact of Covid-19 which reduced the opportunity for competitors to recruit and allowed staff to revisit the benefits of CNC i.e. job security.

Like police officers, attrition is now growing but are much lower than numbers leaving pre-pandemic.

Staff Engagement

The CNC's staff engagement survey was deferred to 2023/24 to allow the organisation to focus on the key inquiries, inspections, and reviews through 2022/23 period.

Although a formal staff engagement survey has not been undertaken in this the period, the staff engagement groups (Corporate Working Group and Advisory Groups) have continued to run and have been supporting the feedback and delivery of the Cultural action plan. Other staff engagement local action plans are being progressed and these are reviewed at the staff engagement advisory group.

Whilst the staff survey was not completed, work is continuing into 2023/24 on the Investors in People (IiP) accreditation with a backwards and forwards looking review. This includes a mandatory staff engagement survey to be run in the autumn of 2023/24. This will generate an action plan which will include work from previous recommendations that have not been fully progressed and will form the basis and direction of travel for the organisation regarding staff engagement associated to IiP.

Expenditure on Consultancy

	2022/23 £000	2021/22 £000
Consultants	290	329

Consultancy costs in 2022/23 decreased due to the reducing 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 2022. 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:

	2022/23	2021/22
Number of engagements as at 31 March	9	10
Number of which existed:		
For less than one year at time of reporting	2	4
For between one and two years at time of reporting	4	3
For between two and three years at time of reporting	3	0
For between three and four years at time of reporting	0	1
For four or more years at time of reporting	0	2

Of the above recorded in 2022/23, seven 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*
- *Kier Business Services Ltd – providing technical and construction subject matter expertise to the CNC’s operational unit project management team*
- *Deloitte – providing management consultancy as part of a strategic partnership agreement*

Gender Breakdown and Gender Diversity

For the financial year the Police Authority was composed of six males⁶ and five female non-executive members. There were also four males⁷ and one female executive members. CNC has a total of 17 Heads of Department/Divisional Commanders. The gender split for this total is made up of nine female and eight males. The CNPA had 1,226 male (2021/22: 1,239) and 381 females (2021/22: 376) 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. The CNPA submitted the 2022/23 by 31 March 2023, in accordance with the Equality Act. Details of the information published is available at [Gender pay gap for Civil Nuclear Constabulary - GOV.UK](https://www.gov.uk/government/publications/gender-pay-gap-for-civil-nuclear-constabulary)

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 Ethnicity Pay Gap also features in the NPCC Police Race Action Plan under workstream 1 “annual reporting of ethnicity pay gap across forces to understand, and address pay disparities”. Whilst this report is still not mandatory for reporting purposes, the CNPA will continue to develop and enhance its Ethnicity Pay Gap data considering any future reporting requirements as these emerge.

Employees

Equality, Diversity, and Inclusion (EDI)

As part of UK policing, the CNC is committed to having a workforce that reflects the diversity of the communities we serve and the stakeholder environment we operate within. A truly diverse makeup demonstrates to the public that police are there to serve everyone and this in turn builds trust.

Valuing people as individuals and harnessing differences is simply the right thing to do. Everyone deserves to be treated fairly and with respect and should not suffer disadvantage or discrimination because of who they are.

Diversity in our workforce means we have people from different backgrounds and with different personal circumstances bringing a wide range of experiences and perspectives which enables us to perform better as a team. With the diversity of experiences within our workforce we will enjoy insight, innovation and improvements.

Our approach to EDI closely links with our work in professional standards and our obligation to enable Organisational learning. This contributes to maintaining trust and confidence with our communities and stakeholders.

The CNC has a zero-tolerance position for unacceptable behaviors of bullying, harassment, and discrimination.

We will go beyond equality and strive towards equity to ensure everyone has the same opportunities and receives support with what they specifically need. True equality means that everyone is free to pursue whatever life, career and education they want without discrimination. Equity further recognizes that different groups do not start on a level playing field, and that these differences should be identified and addressed to rectify the imbalance. This may include equal treatment, or treatment that is different but considered equivalent in terms of rights, benefits, obligations and opportunities.

We provide a supportive and engaging workplace where staff have the confidence to share ideas and to challenge inappropriate behaviors. Everyone has responsibility for creating an inclusive workplace environment. We will continue to provide our people with opportunities to better understand EDI as well as ensuring our actions and behaviors align with our core values and the Code of Ethics.

Work has been completed to allow the launch of our new EDI Strategy, early in 2023/24 which includes our EDI Vision: 'To continue to build an inclusive and supportive organisation, with a zero-tolerance approach to discrimination in any form.' This Strategy will clearly set out our ambition in this critical area.

We are developing a culture of engagement and inclusivity, promoting belonging and recognising the strengths of a diverse work force. To do this we have introduced a new Organisational EDI Governance Structure:

- EDI Strategic – chaired by the Deputy Chief Constable
- EDI Tactical – chaired by the Assistant Chief Constable
- EDI Operational – led by EDI team/Affinity Network Leads

The CNC has introduced a dedicated EDI team comprising of an EDI Manager, EDI Inspector, EDI Sergeant, and administrator. The team is vital to driving change and EDI activity across the organisation.

CNC has rebranded and re-established its existing support groups into four Affinity Networks with each having specific workstreams and Executive Sponsorship:

- Diverse Ability and Wellbeing Network (DAWN) – Director of People
- Faith and Minority Ethnic Network (FAME) – Director of Governance and Enabling Services
- Gender Affinity and Inclusion Network (GAIN) – Assistant Chief Constable
- PRIDE (LGBTQ+) – Chief Constable

The DCC is the overall organisation EDI champion.

In addition to our internal affinity networks, we also have CNC representation across National Networks and Groups. CNC is also registered with Inclusive Companies and is committed to being an inclusive employer.

Occupational Health and Wellbeing

The CNPA and CNC are committed to supporting the health, safety, and wellbeing of all employees; this is demonstrated by the key focus it is afforded in the CNPA three-year Strategic Plan.

The Healthy, Fit and Safe Delivery Plan 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 embedded throughout our sites who are passionate about supporting their colleagues in the various wellbeing workstreams which include:

- Over 60 fitness champions (instructors)
- 160 Mental Health First Aiders (MHFAs)

- 13 dyslexia workplace needs assessors
- 35 health promotion champions, providing the ‘voice’ of our employees

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 (CPD) is encouraged.

Mental health awareness training is now a key part of the management development foundation programme and all new starters to the CNC will now receive the same half day awareness package as part of the revised corporate induction programme. All police staff undertook an online mental health awareness package during the year.

The pass levels for AFO fitness test remains high at 98.2% and above the organisational target of 96%.

CNC worked with ‘Wellity’ to run an inaugural wellbeing survey during March 2022. The survey results led to the development of a set of recommendations which will feature in the next version of the Healthy, Fit and Safe plan which will be published in 2023. Key findings include:

- Wellbeing and morale levels were high and 87% of respondents said that they are proactive in looking after their mental health
- Men were significantly less likely to open up about mental health concerns than women
- Most respondents regarded wellbeing services as of significant value. There were few resources that were unknown to many respondents and they would feel comfortable using any services available that they have not previously accessed. Wellity advised that feedback about wellbeing services was extremely positive when compared to many other organisations that they work with
- Service awareness was high, particularly around Occupational Health, Mental Health First Aid and Fitness Instructors. Wellity commented that the level of awareness was significantly higher than they would usually expect to see from a survey

The staff associations have provided advice and support to their members who are subject of investigation, conduct proceedings or vetting reviews. They ensure that there is effective and ongoing liaison between the affected persons, those investigating and decision-making outcomes. They also ensure that the welfare and OH needs of any affected persons are correctly identified and dealt with through appropriate channels.

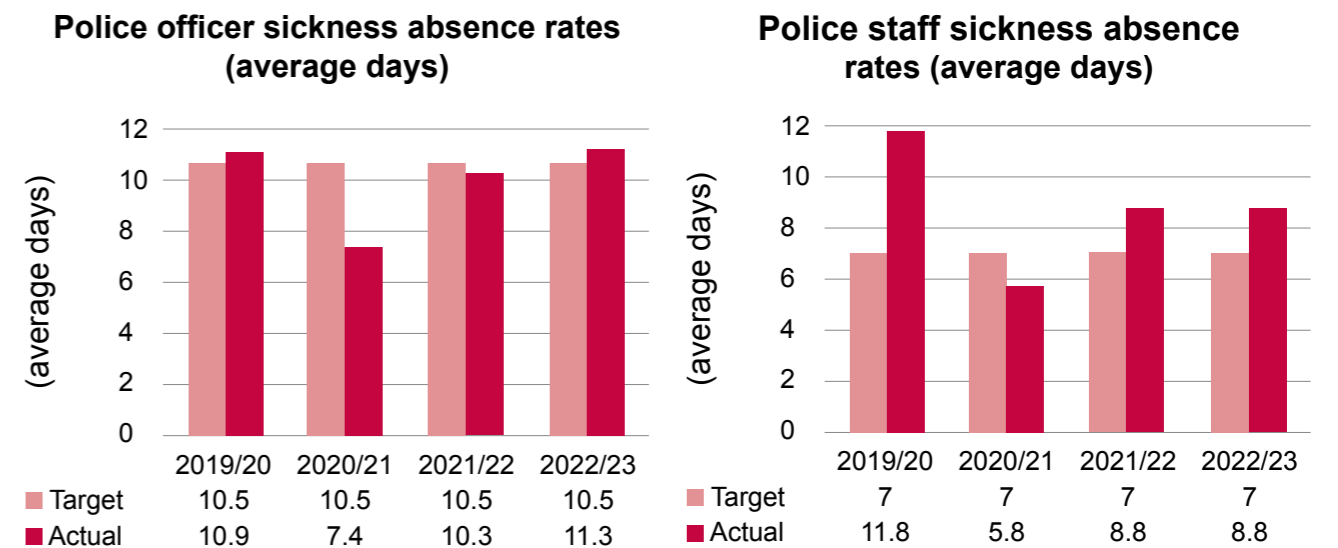
During the reporting period, an external audit into mental health and wellbeing within CNC carried out by RSM found substantial assurance. The CNC were also proud to be finalists in the Great British Wellbeing Awards Best Wellbeing Strategy – Public Sector category in March 2023.

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. 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 11.3 days per officer, which is above the target of 10.5 days. This has been primarily driven by increases in long-term sickness.

Total police staff sickness rates have remained at 8.8 days per police staff member, which is above the target of seven days.



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% 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 2022/23 there were 14 employees who were relevant union officials. During this period, of the total hours worked by these employees, 4.5% was spent on paid trade union activities. The total cost of facility time undertaken by these employees was £61,883.26, which was 0.07% of CNPA’s total pay bill of £85,613,223.

Simon Chesterman OBE, QPM
Chief Executive Officer and Chief Constable

10 July 2023

Parliamentary Accountability and Audit Report

The following information is subject to audit.

Regularity of Expenditure

Losses and Special Payments

There are no reportable losses or special payments above the 300k threshold, cumulatively or individually for the year ended 31 March 2023.

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.

Long-term Expenditure Trends

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



Simon Chesterman OBE, QPM
Chief Executive Officer and Chief Constable

10 July 2023

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 2023 under the Energy Act 2004.

The financial statements comprise the Civil Nuclear Police Authority's:

- Statement of Financial Position as at 31 March 2023;
- 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 IFRS with FReM.

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 2023 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 Bodies in the United Kingdom (2022)*. 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 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 the 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.

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/their environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

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

- Adequate accounting records have not been kept by the Civil Nuclear Police Authority or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; 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 Authority and Accounting Officer for the financial statements

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

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Civil Nuclear Police Authority from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with Secretary of State directions made under the Energy Act 2004;
- ensuring that the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with Secretary of State directions made under the Energy Act 2004; 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 overleaf.

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, I:

- considered 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.
- inquired 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 on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of 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.
- inquired of management, and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with 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: expenditure 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.

I obtained an understanding of the Civil Nuclear Police Authority's framework of authority and other legal and regulatory frameworks in which the Civil Nuclear Police Authority operates. I focused 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

To respond to the identified risks resulting from the above procedures:

- I reviewed 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;
- I enquired of management, the Audit, Risk, and Finance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and

I communicated relevant identified laws and regulations and potential risks of fraud 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 certificate/ report.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income 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.

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 I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date 11/7/2023

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	2022/23 £000	2021/22 Restated £000
Income	3	133,766	120,345
Expenditure			
Staff costs	5	(98,236)	(89,986)
Purchase of goods and services	5	(29,592)	(28,166)
Depreciation, amortisation, revaluation and impairment charges	5/6/7	(7,654)	(4,610)
Provision expense	5/13	(231)	(423)
Other operating expenditure	5	(59)	(97)
Total operating expenditure		(135,772)	(123,282)
Net operating expenditure		(2,006)	(2,937)
Financial expense - interest expense on lease liabilities		(30)	(9)
Net expenditure for the year		(2,036)	(2,946)
Other comprehensive net expenditure			
Items which will not be classified to net operating costs:			
- Net gain on revaluation of property, plant and equipment	6	5,242	730
Items which may be reclassified to net operating costs:		5,242	730
Comprehensive net income/ (expenditure) for the year		3,206	(2,216)

All operations are continuing.

The format of the Statement of Comprehensive Net Expenditure has been improved including the comparator for 2021/22. The 2021/22 comparatives have also been represented to include the revaluation gain on plant and machinery equipment. More information is provided in note 1.

The notes on pages 103 to 131 form part of these financial statements.

Statement of Financial Position

As at 31 March 2023

	Notes	2022/23 £000	2021/22 Restated £000
Non-current assets			
Property, plant and equipment	6	60,586	58,572
Intangible assets	7	5,749	5,331
Trade and other receivables	10	178	178
Total non-current assets		66,513	64,081
Current assets			
Inventories	9	2,395	2,275
Trade and other receivables	10	20,712	18,581
Cash and cash equivalents	11	5,244	7,303
Total current assets		28,351	28,159
Total assets		94,864	92,240
Current liabilities			
Trade and other payables	12	(13,782)	(18,257)
Lease liability	16	(791)	(786)
Provisions	13	(295)	(253)
Total current liabilities		(14,868)	(19,296)
Total assets less current liabilities		79,996	72,944
Non-current liabilities			
Other payables	12	(6,349)	(6,537)
Lease liability	16	(1,264)	(1,603)
Provisions	13	(1,775)	(1,728)
Total non-current liabilities		(9,388)	(9,868)
Total assets less total liabilities		70,608	63,076
Taxpayers' equity and other reserves			
Income and Expenditure reserve	14	35,387	37,483
Financing reserve	14	29,249	24,863
Revaluation reserve	14	5,972	730
Total equity		70,608	63,076

2021/22 comparatives have been represented to show the revaluation of property, plant and equipment in the financing reserve.

The financial statements on pages 99 to 102 were approved by the CNPA Board on and signed on its behalf by:

Simon Chesterman
Chief Executive Officer and Chief Constable
10 July 2023

The notes on pages 103 to 131 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2022

	Notes	2022/23 £000	2021/22 Restated £000
Cash flows from operating activities			
Net operating expenditure		(2,006)	(2,946)
Adjustments for non-cash transactions		5,831	5,458
Increase in trade and other receivables		(2,131)	(3,447)
(increase)/ decrease in inventories		(120)	645
<i>Less movement in inventories related to items not passing through the Statement of Comprehensive Net Expenditure</i>		(1,326)	(1,706)
(decrease)/ increase in trade and other payables		(4,663)	2,059
<i>Less movement in payables related to items not passing through the Statement of Comprehensive Net Expenditure</i>		1,856	535
<i>Use of provisions</i>		(140)	(188)
Net cash outflow/ (inflow) from operating activities		(2,699)	410
Cash flows from investing activities			
Purchase of property, plant and equipment		(2,608)	(3,575)
Purchase of intangible assets		(2,566)	(3,157)
Proceeds on disposal of non current assets		6	-
Net cash outflow from investing activities		(5,168)	(6,732)
Cash flows from financing activities			
Capital grant received		1,786	1,436
Financing from parent department		4,386	3,173
Payment of lease liabilities		(364)	(633)
Net financing		5,808	3,976
Net decrease in cash and cash equivalents in the period		(2,059)	(2,346)
Cash and cash equivalents at the beginning of the period		7,303	9,649
Cash and cash equivalents at the end of the period		5,244	7,303

The adjustment for non-cash transactions includes the release of deferred income relating to the purchase of capital items offset by depreciation, amortisation as well as inventory usage and disposal.

The format of the Statement of Cash Flows has been revised including the comparator for 2021/22.

The notes on pages 103 to 131 form part of these financial statements.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2023

	Notes	Income and expenditure reserve £000	Financing reserve £000	Revaluation reserve Restated £000	Total £000
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		(2,946)	-	730	(2,216)
Balance at 31 March 2022		37,483	24,863	730	63,076
Changes in taxpayers' equity 2022/23	14				
Grant-in-aid received		-	4,386	-	4,386
Comprehensive expenditure for the year		(2,036)	-	5,242	3,206
Depreciation on revaluation		-	-	(60)	(60)
Transfers between reserves		(60)	-	60	-
Balance at 31 March 2023		35,387	29,249	5,972	70,608

2021/22 comparatives have been represented to show the revaluation of property, plant and equipment in the financing reserve.

The notes on pages 103 to 131 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 2022/23 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.

The 2021/22 comparator information has been represented to display the revaluation gains on property, plant and equipment through the Statement of Comprehensive net Expenditure and on the Revaluation Reserve, this was not material in 2021/22 but has become material in 2022/23. This has also resulted in a change in the Statement of Financial Position and Statement of Changes in Taxpayers' equity and associated notes. This change is to improve the presentation of these financial statements and does not have a material impact on them.

1.1 Basis of Accounting

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

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

- Asset lives for property, plant and equipment and intangible assets
- Recoverability of receivables

- Estimates of accrued expenses
- Provisions
- Inventory obsolescence

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

1.2 Change in accounting estimate

In accordance with IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors* revisions to accounting estimates are recognised prospectively. Revisions of the estimates and assumptions below could cause material adjustment to the carrying amounts of asset and liabilities in the next financial year.

- Useful lives of non-current assets (note 6 and 7). There is uncertainty in relation to estimated useful lives of non-current assets; these are reviewed as at the reporting date and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence or legal or other limits on their use.
- Impairment of assets (note 6, 7, 8 and 10). Impairment of non-financial assets is measured by comparing the carrying value of the asset with the management's estimate of its recoverable amount. Impairment of these assets is measured using the expected credit loss model.

Provisions (note 13). Provision discount rates set by HM Treasury are updated annually and have a material impact on liabilities. There are other uncertainties in relation to the measurement of the liabilities reported in note 13 due to the uncertainty of future events.

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. No significant changes to CNPA's accounting policies are identified for 2022/23.

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 2023 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:

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 has therefore capitalised those elements of expenditure that meet the definition of an intangible asset as defined by IAS 38 and recognised any additional amounts as an expense and charged 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.

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 2023.

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 support service operations such as legal and governance, finance and people.

1.19 Joint Arrangements

The CNPA participated in a joint arrangement where it exercised joint control of an arrangement with one or more parties. This arrangement ceased in November 2022, more information can be found in note 18. The CNPA recognised 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.

2022/23	Operational Policing Activities £000	Operational Support Activities £000	Corporate Activities £000	Total £000
Income	127,680	4,151	1,935	133,766
Expenditure				
Staff Costs	(70,217)	(14,925)	(13,094)	(98,236)
Purchase of goods and services	(4,193)	(11,501)	(13,898)	(29,592)
Depreciation, amortisation and impairment charges	(872)	(1,884)	(4,898)	(7,654)
Movement in provisions	-	(602)	371	(231)
Other operating expenditure	-	(76)	17	(59)
Operating surplus/ (deficit)	52,398	(24,837)	(29,567)	(2,006)
Lease Interest Expense	-	(13)	(17)	(30)
Net operating income/(expenditure) for the year	52,398	(24,850)	(29,584)	(2,036)
Revaluation gains and losses	-	-	5,242	5,242
Net comprehensive income/ (expenditure)	52,398	(24,850)	(24,342)	3,206
Assets and liabilities				
Segment assets	21,583	12,010	61,271	94,864
Segment liabilities	(4,226)	(4,687)	(15,343)	(24,256)
Net assets / (liabilities)	17,357	7,323	45,928	70,608

2021/22	Operational Policing Activities Restated £000	Operational Support Activities Restated £000	Corporate Activities Restated £000	Total Restated £000
Income	115,021	3,656	1,668	120,345
Expenditure				
Staff costs	(64,196)	(14,392)	(11,398)	(89,986)
Purchase of goods and services	(4,358)	(10,156)	(13,652)	(28,166)
Depreciation, amortisation, revaluation and impairment charges	(201)	(169)	(4,240)	(4,610)
Provision expense	-	-	(423)	(423)
Other operating expenditure	(23)	(49)	(25)	(97)
Operating surplus/ (deficit)	46,243	(21,110)	(28,070)	(2,937)
Lease Interest Expense	-	-	(9)	(9)
Net operating income/(expenditure) for the year	46,243	(21,110)	(28,079)	(2,946)
Revaluation gains and losses	(23)	(49)	(25)	(97)
Net comprehensive income/ (expenditure)	46,220	(21,159)	(28,104)	(3,043)
Assets and liabilities				
Segment assets	19,787	11,052	61,401	92,240
Segment liabilities	(4,606)	(5,784)	(18,774)	(29,164)
Net assets / (liabilities)	15,181	5,268	42,627	63,076

The 2021/22 comparator information has been represented to display the revaluation gains on property, plant and equipment through the Statement of Comprehensive net Expenditure and on the Revaluation Reserve. More information can be found in Note 1.

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% 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:

	2022/23 £000	%	2021/22 £000	%
SLC1	53,284	40%	47,784	39%
SLC2	51,783	39%	46,527	38%
SLC3	13,930	10%	12,785	12%
Others	14,769	11%	13,249	11%
Total	133,766	100%	120,345	100%

3. Income

3.1. Overview

The CNPA is required to recover its full operating costs each year. Income of £134m for the year to 31 March 2023 (2021/22: £120m) represents a recharge of running costs to the SLCs of £128m (2021/22: £116m), release of deferred capital income of £3m (2021/22: £2m) and miscellaneous income of £3m (2021/22: £2m). All activities are regarded as continuing.

3.2 Core Police Service

Under the Energy Act 2004, the CNPA agrees with its customers (SLCs) 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 are largely charged at the equivalent of the nationally agreed rates but allows for the charge to be at full cost recovery. The exception is dog handler AFOs where a specific charge for these services is levied.

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 2023. 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 20.7% of pensionable earnings from 1 April 2022 (increase from 19.3% in 2021/22) at which rate it is expected to continue throughout the 2023/24 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	2022/23 £000	2021/22 Restated £000
Staff costs			
Wages and salaries		76,292	70,562
Social security costs		9,390	8,266
Other pension costs		12,347	10,950
Non-directly employed staff		207	208
Total staff costs		98,236	89,986
Goods and services			
Information technology and communications		7,909	6,776
Professional services and legal fees		4,416	5,135
Accommodation costs		3,823	3,020
Hotels, subsistence and catering costs		3,749	2,737
Specialist equipment and maintenance		2,829	3,497
Transport related		2,630	2,176
People Services		1,994	1,590
Insurance		1,275	1,151
Joint Operation	18	367	1,110
Medical and hygiene		171	265
Office Supplies and Services		112	173
Auditor remuneration		91	75
Rentals under lease arrangements		-	233
Other supplies and services		226	228
Total goods and services purchased		29,592	28,166
Non-cash items			
Depreciation of property, plant and equipment	6	6,157	3,837
Amortisation of intangible assets	7	1,566	686
Revaluation gains and losses on property, plant and equipment	6	(87)	87
Loss on disposal of property, plant and equipment		18	-
Cost of capital charges		-	7
Loss on disposal of inventory	9	61	58
Movement in provisions	13	231	423
Unwinding of discount	13	(2)	32
Total non-cash items		7,944	5,130
Total operating expenditure		135,772	123,282

The 2021/22 comparator information has been represented to display the revaluation gains on property, plant and equipment through the Statement of Comprehensive Net Expenditure. More information can be found in Note 1.

More information on staff costs can be found in the Staff Report on pages 74 to 91.

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 2022	50,336	6,891	6,744	1,027	5,860	2,175	73,033
Additions	401	2	514	11	112	1,561	2,601
Disposals	-	(1,694)	(55)	(11)	(95)	-	(1,855)
Revaluations	529	-	520	-	-	-	1,049
Reclassifications and Transfers	-	1,890	648	(2)	175	(2,375)	336
As at 31 March 2023	51,266	7,089	8,371	1,025	6,052	1,361	75,164
Depreciation and impairments							
At 1 April 2022	2,432	3,820	3,989	576	3,579	65	14,461
Charged in year	3,306	838	772	102	1,199	-	6,217
Disposals	-	(1,613)	(50)	(10)	(81)	(65)	(1,819)
Revaluations	(4,281)	-	-	-	-	-	(4,281)
As at 31 March 2023	1,457	3,045	4,711	668	4,697	-	14,578
Net book value at 31 March 2023	49,809	4,044	3,660	357	1,355	1,361	60,586
Asset financing							
Owned	-	4,044	3,660	357	1,260	1,361	10,682
Leased	49,809	-	-	-	95	-	49,904
Net book value at 31 March 2023	49,809	4,044	3,660	357	1,355	1,361	60,586

	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 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)
Impairments	-	-	-	-	-	-	-
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							
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

Payments on account and assets under construction represent assets that are incomplete or not yet in productive use by the CNPA. On 31 March 2023 this included £1.3m for information technology (2021/22: £0.5m), £0.05m for vehicles (2021/22: £0.64m), and £0.04m for plant and equipment (2021/22: £0.63m).

Certain assets included within property, plant and equipment have been restated to current value using appropriate indices. A revaluation reserve has been recognised for £0.7m (2021/22: £0.3m). Leased buildings have also been revalued by £4.8m (2021/22: £0.4m) this net increase is within 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 2022	2,010	5,097	4,023	11,130
Additions	-	-	2,413	2,413
Disposals	(382)	(4,683)	-	(5,065)
Reclassifications and Transfers	-	4,876	(5,212)	(336)
As at 31 March 2023	1,628	5,290	1,224	8,142
Amortisation and impairments				
At 1 April 2022	1,425	4,374	-	5,799
Charged in year	229	1,337	-	1,566
Disposals	(290)	(4,682)	-	(4,972)
As at 31 March 2023	1,364	1,029	-	2,393
Net book value at 31 March 2023	264	4,261	1,224	5,749
Asset financing				
Owned	264	4,261	1,224	5,749
Net book value at 31 March 2023	264	4,261	1,224	5,749

	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)
Impairments	-	-	-	-
Reclassifications and Transfers	-	(28)	(274)	(302)
As at 31 March 2022	2,010	5,097	4,023	11,130
Depreciation				
At 1 April 2021	1,782	3,659	-	5,441
Charged in year	(279)	965	-	686
Disposals	(78)	(241)	-	(319)
Impairments	-	-	-	-
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

Payments on account and assets under construction represent assets that are incomplete or not yet in productive use by the CNPA. On 31 March 2023 this included £1m for a new operational communication and management systems (2021/22: £1.3m) and £0.17m for replacement business systems (2021/22: £2.7m).

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:

	2022/23 £000	2021/22 £000
Loans and other receivables		
Total receivables (excluding prepayments)	19,475	17,769
Cash and cash equivalents	5,244	7,303
	24,719	25,072

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 overleaf:

	2022/23 £000	2021/22 £000
Not past due	15,266	12,841
Past due less than 1 month	4,081	4,513
Between 1 and 2 months	19	388
Over 2 months overdue	109	27
	19,475	17,769

No receivables balances were considered impaired at the end of the reporting period (2021/22: £nil). There are no receivables that would otherwise be past due or impaired whose terms have been renegotiated (2021/22: £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 2023	Within 1 month £000	Between 1 and 3 months £000	Between 3 and 12 months £000	Total contractual maturity £000
Trade payables	1,012	-	-	1,012
Accrued expenses	-	6,855	-	6,855
Other payables	51	-	-	51
	1,063	6,855	-	7,918

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

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 overleaf:

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

	2022/23 £000	2021/22 £000
Balance at 1 April	2,275	2,920
Purchases	1,446	1,061
Used and recognised as an expense	(1,265)	(1,648)
Write off of obsolete, slow moving or defective items of inventory	(61)	(58)
Balance at 31 March	2,395	2,275

10. Trade and Other Receivables

	2022/23 £000	2021/22 £000
Amounts falling due within one year:		
Prepayments and accrued income	14,765	12,474
Other receivables	1,738	1,784
Trade receivables	4,209	4,323
	20,712	18,581
Amounts falling due after more than one year:		
Early departure receivables due from pension scheme	178	178
	178	178

11. Cash and Cash Equivalents

	2022/23 £000	2021/22 £000
Balance at 1 April	7,303	9,649
Net change in cash and cash equivalent balances	(2,059)	(2,346)
Balance at 31 March	5,244	7,303
The following balances at 31 March were held at:		
	2022/23 £000	2021/22 £000
Government Banking Service	5,244	7,303
	5,244	7,303

12. Trade and Other Payables

	2022/23 £000	2021/22 £000
Amounts falling due within one year:		
Trade payables	1,012	759
Other taxation and social security	2,219	1,948
Pension payables	1,471	1,324
Accrued expenses	6,855	10,380
Deferred income	2,174	3,815
Other payables	51	31
	13,782	18,257
Amounts falling due after more than one year:		
Deferred income	6,343	6,537
Other payables	6	-
	6,349	6,537

13. Provisions for Liabilities and Charges

	Legal £000	Dilapidations £000	Early departure costs £000	Total £000
At 1 April 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
Provided in the year	173	343	32	548
Provisions utilised in the year	(45)	-	(95)	(140)
Provisions not required written back	(85)	(93)	-	(178)
Change in discount rate	-	-	(139)	(139)
Unwinding of discount	-	11	(13)	(2)
As at 31 March 2023	204	1,150	716	2,070
Expected timings of cash flows				
Within one year	204	-	91	295
Between two and five years	-	665	242	907
After five years	-	485	383	868
	204	1,150	716	2,070

Legal

Of the 10 claims open at 1 April 2023, the provision is unchanged for one and reduced for one. Further provision has been made for three additional claims with seven 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 2026 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 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 2.4% CPI and a real discount rate of 1.7%.

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 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	(2,946)	-	730	(2,216)
As at 31 March 2022	37,483	24,863	730	63,076
Grant-in-aid received	-	4,386	-	4,386
Comprehensive expenditure for the year	(2,036)	-	5,242	3,206
Depreciation on revaluation	-	-	(60)	(60)
Transfers between reserves	(60)	-	60	-
As at 31 March 2023	35,387	29,249	5,972	70,608

The 2021/22 comparator information has been represented to display the revaluation gains on property, plant and equipment through the Statement of Comprehensive net Expenditure and on the Revaluation Reserve. More information can be found in Note 1.

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 due to adjustment to the carrying value of assets and provisions relating to leased properties including the peppercorn

lease for GPTTC and 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.

14.4. Revaluation reserve

The revaluation reserve relates to the surplus balance created when the carrying value of property, plant and equipment assets are increased as a result of a revaluation. The difference between the depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from the revaluation to the income and expenditure reserve.

15. Capital Commitments

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

	2022/23 £000	2021/22 £000
Property, plant and equipment	131	80
Intangible assets	128	885
	259	965

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 2023 included leases which have a nil or negligible consideration. The list of the key buildings where leases are held are:

- Culham (Headquarters)
- Browning Barracks (Tactical Training Facility)

- Buller Barracks (Tactical Training Facility)
- Griffin Park, Sellafield (Peppercorn)
- Firearms Range at Dounreay (Peppercorn)

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.

	2022/23 £000	2021/22 £000
Undiscounted maturity analysis for lease liabilities:		
Leasehold properties		
Less than one year	769	786
Between one and five years	1,225	1,828
Present value of obligation	1,994	2,614
Leasehold equipment		
Less than one year	22	-
Between one and five years	77	-
Present value of obligation	99	-
Total present value of obligation	2,093	2,614
Current	791	-
Non Current	1,302	1,828
Additional analysis:		
Interest recognised on lease liabilities	30	-
Expenditure in respect of short term leases	-	233
Depreciation recognised on right of use assets	3,306	2,640
Revaluation gains on right of use assets	4,810	377
Total cash outflow for leases	872	878
Additions to right-of-use assets	506	2,063

17. Contingent Liabilities

The 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 was part of a collaboration agreement with several police forces for the provision of support services provided by the MFSS. The CNPA considered that, with the partner forces, it exercised 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 gave the CNPA a right to a 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 2023. The MFSS only provided 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 ceased in 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 all expenses have been recognised in 2022/23.

19. Related-Party Transactions

On 7 February 2023 the Prime Minister announced changes to Government departments including that the CNPA would come under the new Department for Energy Security and Net Zero (DESNZ). At 31 March 2023 these changes had not yet come into effect in terms of accounting requirements. Therefore, for this document, the CNPA is still considered 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 was part of the BEIS Departmental Group accounts boundary and are considered related parties:

- International Nuclear Services Ltd
- Sellafield Limited
- Magnox Limited
- Dounreay Site Restoration Limited

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

- Home Office
- Cabinet Office
- Office for Nuclear Regulation
- Mayor's Office for Police and Crime and the 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.

Glossary

Machinery of Government Changes:

Department for Business, Energy and Industrial Strategy (BEIS) existed until 31 March 2023, for the purposes of this report when it was split to form the Department for Business and Trade (DBT), the Department for Energy Security and Net Zero (DESNZ) and the Department for Science, Innovation and Technology (DSIT). All accounting references for the 2022/23 financial year reference BEIS, any matters that relate to the new financial year 2023/24 reference DESNZ, which is the new Department that CNPA is an ALB of.

Abbreviation	Description
ACC	Assistant Chief Constable
AFO	Authorised firearms officer
ALB	Arms' Length Body - Executive non-departmental public body
ARFC	Audit Risk and Finance Committee
ARV	Armed Response Vehicle
BAU	Business As Usual
BEIS	Department for Business, Energy and Industrial Strategy
BPSS	Business and People Support System
CC	Chief Constable
CCC	Command and Control Centre
CCIG	Constabulary Change and Investment Group
CCTV	Closed-Circuit Television
CFI	Chief Firearms Instructor
CLD	Corporate Learning and Development
CoP	College of Policing
CPNI	Centre for the Protection of National Infrastructure
CT	Counter terrorism
DCC	Deputy Chief Constable
DESNZ	Department of Energy Security and Net Zero
DS	Dynamic Search
DSRL	Dounreay Site Restoration Limited

Abbreviation	Description
DTU	Dog Training Unit
EDI	Equality, Diversity, and Inclusion
FReM	Financial Reporting Manual
GPTTC	Griffin Park Tactical Training Facility
HMICFRS	His Majesty's Inspectorate of Constabulary and Fire and Rescue Services
HSE	Health and Safety Executive
ICO	Information Commissioner's Office
IFC	Initial Foundation Course
KPI	Key Performance Indicator
MFSS	Multi-Force Shared Service
MOU	Memorandum of Understanding
NAO	National Audit Office
NDA	Nuclear Decommissioning Authority
NDPB	Non-Departmental Public Body
NPCC	National Police Chief's Council
ONR	Office for Nuclear Regulation
OPU	Operational Policing Unit
PDU	Professional Development Unit
PPE	Personal Protective Equipment
SAPR	Strategic Armed Policing Reserve
SLC	Site Licence Company
SPPRG	Strategy, Planning, Performance and Risk Group
UAV	Unmanned aerial vehicle (drone)

