



Creating a safer
Cambridgeshire

The Chief Constable of Cambridgeshire Constabulary

STATEMENT OF ACCOUNTS 2022/23

Table of Contents

	Page
Preface – Introduction to the 2022/23 Statement of Accounts by Nick Dean, Chief Constable of Cambridgeshire Constabulary	2
Narrative Report	6
Statement of Responsibilities for the Statement of Accounts	34
Expenditure and Funding Analysis	35
The Core Statement of Accounts	
Comprehensive Income and Expenditure Statement	36
Movement in Reserves Statement	37
Balance Sheet	38
Cash Flow Statement	39
Notes to the Accounts	40
Accompanying Statements	
Pension Account	66
Glossary of Terms	68
Audit Report	71

PREFACE

Introduction to the 2022/23 Statement of Accounts by Nick Dean, Chief Constable of Cambridgeshire Constabulary

Preventing crime and making Cambridgeshire a safer place to live and work, is at the heart of the Constabulary's mission. The Constabulary's Corporate Plan was refreshed during 2022/23 ensuring support and due regard is afforded to drive forward operational delivery and complement the Commissioner's Police and Crime Plan. Our operational priorities are to Safeguard the Vulnerable, Combat Acquisitive Crime, Reduce Harm to Communities, Tackle Serious and Organised Crime and Increase Public Satisfaction. The operational priorities sit alongside the Constabulary's organisational focus, centred on People, Resources, Partnerships and Transformation. The Corporate Plan also sets out the values through which the Constabulary delivers policing to the communities of Cambridgeshire; those of fairness, integrity, diligence and impartiality. Integrity has been in sharp focus nationally and as a Constabulary integrity is a core value where officers and staff are expected to always do the right thing and be honest, truthful and reliable.

The refresh in 2022/23, importantly includes a culture statement with the Constabulary being the first force to outline this so prominently within its Corporate Plan. The Plan also sets out the Constabulary's strategic ambitions and intent, regarding diversity, equality and inclusion. As a result of the refresh for 2022/23 and in response to key national agendas, the Plan now includes the Constabulary's strategic ambitions and intent in respect of Violence Against Women and Girls (VAWG), the Harm to Hope Drug Strategy and our One More Step Prevention Strategy. Also the Constabulary has progressed our Race and Inclusion Programme with Race and Inclusion workshops being held to develop staff understanding around race and inclusion and become advocates for change, with our collaborated tri-force partners we have launched an anti-racism policy to provide specific guidance around race including appropriate terminology to be used.

With a population at c0.9m representing a population. Cambridgeshire continues to be one of the fastest growing counties with the population expected to grow well above 0.9m by 2031. Indeed, during the period between the 2011 census and 2021 census Cambridgeshire's population increased by 11.1% (89,500) compared to the East of England at 8.3% and the whole of England at 6.6%. The impacts of the population growth on policing cannot be underestimated. The county covers 1,309 square miles and is diverse: from the cities of Peterborough, Cambridge and Ely through to market towns and on to the rural Fens; it has major infrastructure projects on the county's road network, significant growth in housing development and is a key contributor to the overall economy through the business sector. These characteristics, along with increasingly complex crimes, such as county lines and serious and organised crime make policing a challenge. However, the dedication and

commitment of the Constabulary puts it in a place to meet these issues head on and provide a professional and inclusive policing service.

Performance has remained strong for 2022/23 when measured against the Force National Police Crime Measures some of which include:

- The number of homicides compared to the baseline of June 2019 remains lower and the rate of crime compared to the national rate is comparable.
- Overall neighbourhood crime has not returned to levels seen pre-pandemic in Cambridgeshire or nationally, with residential burglary compared to the baseline of June 2019 is 44% lower.
- Serious violence involving a firearms totalled 51 offences recorded in the year ending March 2023 which is 25% lower than the year ending June 2019 and the number of serious violent offences which involve a sharp weapon has also fallen in Cambridgeshire.

The use of 999 calls remains high and the rolling 12 months for the year ending March 2023 is the highest seen (152,512) and is 7.2% higher than the previous year. On average 418, 999 calls were received each day in the last 12 months. Nationally the demand on 999 calls remains high with the number of calls higher than 2019. The use of webchats was low throughout the first half of 2022 compared to the previous year. However, since August 2022 the daily average has increased and remains stable with an average of 96 webchats a day in March 2023, with a total of 33,567 webchats in the last year. However, this is 12.8% lower than the year before. Online crime reporting increased in January 2023 and has continued to increase with an average of 73 reports a day, the highest daily average seen in any month, since recording began in April 2017.

Improving management of demand and response performance remains an area for improvement as highlighted by the 2021 HMICFRS inspection and targeted plans are in place to improve call handling and response performance through a detailed Demand Hub review. On February 20th Phase 1 of Rapid Video Response (RVR) in the South Area, phase 2 is now underway, with both the eligibility criteria and the geographical coverage widened, and a dedicated team of RVR officers in place to help deliver the expected benefits.

Overall recorded crime has increased by 5.4% in the last 12 months, with the North having a greater increase in crime at 8.3% compared to 2.9% in the South. Theft Offences continue to trend upwards and overall are 12.9% higher than the previous year. The all-crime outcome rate remains stable at 13.8%, higher than the previous year by 1.7ppt. With both the North and South areas having a higher outcome rate than the previous year. Compared to the previous year there is improvement in the outcome rate for Domestic abuse, Violence against the person, Criminal Damage, Drug offences and Theft offences including Dwelling burglary and Shoplifting.

In 2019/20 the Home Office pledged to recruit 20,000 more police officers through its Uplift Programme. Cambridgeshire's as at the 31 March 2023 met its target of recruiting 206 additional officers. Indeed, the Constabulary has exceeded this target by 24 officers based on headcount which totalled 1,756 officers at 31 March 2023. Within this however the percentage of police officers within the Force from Black, Asian and Minority Ethnic Groups has increased marginally to 4.7% at the end of the year. Work continues to recruit officers from diverse backgrounds to enhance our organisational representation from Black, Asian, Mixed or Other ethnic groups.

We have continually challenged the efficiency and effectiveness of all areas of the Constabulary, yet we continue to remain one of the lowest cost forces to the communities we police in the country. This has been achieved through the collaboration with our Strategic Partners in Bedfordshire and Hertfordshire, reforming the 7 Force Network in the eastern region and working with local partners in Cambridgeshire.

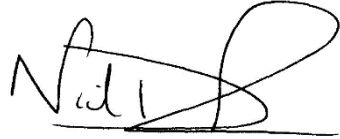
Policing nationally has faced challenges to its integrity following several high-profile convictions of former police officers. Work has been instigated by the Home Office to provide assurance on the vetting status of all police officers and staff nationally. Cambridgeshire has embraced this work in line with our Culture Statement and will continue to do so in 2023/24. This has undoubtedly placed added pressure and scrutiny on the workforce, the majority of who do act with the integrity expected of them in the office they hold.

I therefore offer my ongoing thanks and gratitude to all police officers and staff within the Constabulary and our communities and partners again for another year in which we have collectively progressed many aspects of the Constabulary's operations. Despite the progress we continue to make there are and always will be new challenges to rise to. Violence Against Women and Girls and the Harm to Hope Strategy being recent examples.

Financial management and delivery of savings by the Constabulary has been and continues to be high on the agenda and places the Force in a strong position to respond to these ongoing challenges working with our partners to drive value for money policing services. We continue to link financial and business planning through our CAMSTRA (strategic threat and risk assessment) process. The challenge from the current cost of living crisis and economic conditions has made for a much tougher financial landscape which the force continues to respond to. Our Enterprise Strategy forms part of this response consisting of four pillars focussing on funding, savings and efficiencies, income generation and innovation.

I am confident that the combination of dedication and commitment of the Constabulary, its leadership and its workforce combined with strong and effective use of financial and non-financial resources will ensure we continue to deliver our vision of creating a safer Cambridgeshire.

I also thank the public of Cambridgeshire for their support in our delivery of the policing service across the county.

A handwritten signature in black ink, appearing to read 'Nick Dean', with a large, stylized flourish extending from the end of the name.

Nick Dean, KPM MSt (Cantab)
Chief Constable

Narrative Report

Contents

1. Foreword by the Chief Finance Officer	7
2. Cambridgeshire	8
3. Cambridgeshire Constabulary	
Statutory Framework & Responsibilities ..	9
The Police and Crime Plan	10
Corporate Plan	11
The Operating Model	12
Workforce	13
External Environment	14
Strategy and Resources	16
4. Financial Performance	20
5. Non-Financial Performance	25
6. Outlook	29
7. Financial Statements	30
8. Summary and Conclusion	32

1. Foreword by the Chief Finance Officer

The Narrative Report provides an overview of Cambridgeshire Constabulary's financial and non-financial performance for the 2022/23 year. Context to the performance is set out along with key external factors and a summary of the financial outlook for future years.

Regulation 8 of the Accounts and Audit (England) Regulations 2015 requires local authorities to prepare a narrative statement to include comment by the authority on its financial performance and economy, efficiency, and effectiveness in its use of resources over the financial year.

There are numerous challenges faced by Policing with ever changing complexity and sophistication of crime. These include serious and organised crime, county lines, cyber and fraud, modern day slavery, human trafficking and vulnerability victims and terrorist incidents. Policing demand across these areas has increased and continues to do so. Coupled with the tight financial environment within which the Constabulary operates, like many public sector bodies, there must be a focus on economy, efficiency and effectiveness of policing with the resources available.

The Constabulary has during 2022/23 responded to the Home Office direction to ensure the entire workforce (police officers and police staff) are subject to a data wash for vetting assurance following tragic crimes against women by serving police officers in other police forces. Cambridgeshire Constabulary remains committed to prevent and respond to Violence Against Women and Girls (VAWG), Harm to Hope – the Government's 10 year drugs plan, the Beating Crime Plan which is the Government's strategic approach to cutting crime, delivery of the National Police Chief's Council (NPCC) Policing Vision 2030, importantly the diversity, equality and inclusion agenda, and has due regard to the Strategic Policing Requirement.

The 2022/23 financial year was the final year of the Government's Police Uplift Programme to recruit an additional 20,000 police officers. Cambridgeshire's target number of officers was an extra 82 to be recruited in the financial year to the 31 March 2023. The Force continued its excellent performance to achieve the year three target of 1,732 officers ending the year with 1,756 officers – like in previous years an overachievement against target. This represents a record high for the force and a total of 206 more officers through the Uplift Programme. The expectation for 2024/25 is that the increase in officers is maintained which the Constabulary will remain accountable for, and indeed is incentivised through £2.8m of ring-fenced grant for that year.

The Force has continued to work with its Strategic Partners Bedfordshire Police (Beds) and Hertfordshire Constabulary (Herts) as part of the tri-force (BCH) collaboration. BCH delivers a range of shared services optimising the use of public money across the collaboration. The 7 Force Eastern Region Innovation Network (ERIN) consisting of BCH, Norfolk, Suffolk, Kent and Essex was launched in 2022/23.

The focus of the ERIN is on agility to share knowledge, deliver innovation, explore collaborative opportunities and good practice, and to collaborate on services where a sound business case exists. During 2022/23 a project for Rapid Video Response (RVR) deployment was initiated through the 7F Network utilising digital innovation to enhance the effectiveness of response policing. The RVR project will continue into 2023/24. The Constabulary has continued to work with other local partners within Cambridgeshire. The Constabulary is also part of, and is proactive in, national policing initiatives for the whole of policing in England and Wales. This continued focus on working together ensures the Constabulary's resources are achieving value for money.

The Statement of Accounts has been prepared in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA). It aims to provide information to help the reader understand the overarching financial position of the Chief Constable and have confidence that the Chief Constable has spent public money effectively and that it has been accounted for in an appropriate manner.

The Police & Crime Commissioner (PCC) and the Chief Constable are established as separate legal entities. The Chief Constable has a statutory responsibility for the control, direction, and delivery of operational policing services in Cambridgeshire. The PCC is elected by the public to secure the maintenance of an efficient and effective police force and to hold the Chief Constable to account for the exercise of his functions and those of persons under his direction and control. This set of accounts explains how the resources provided by the PCC to the Constabulary have been used to deliver operational policing services.

2. Cambridgeshire

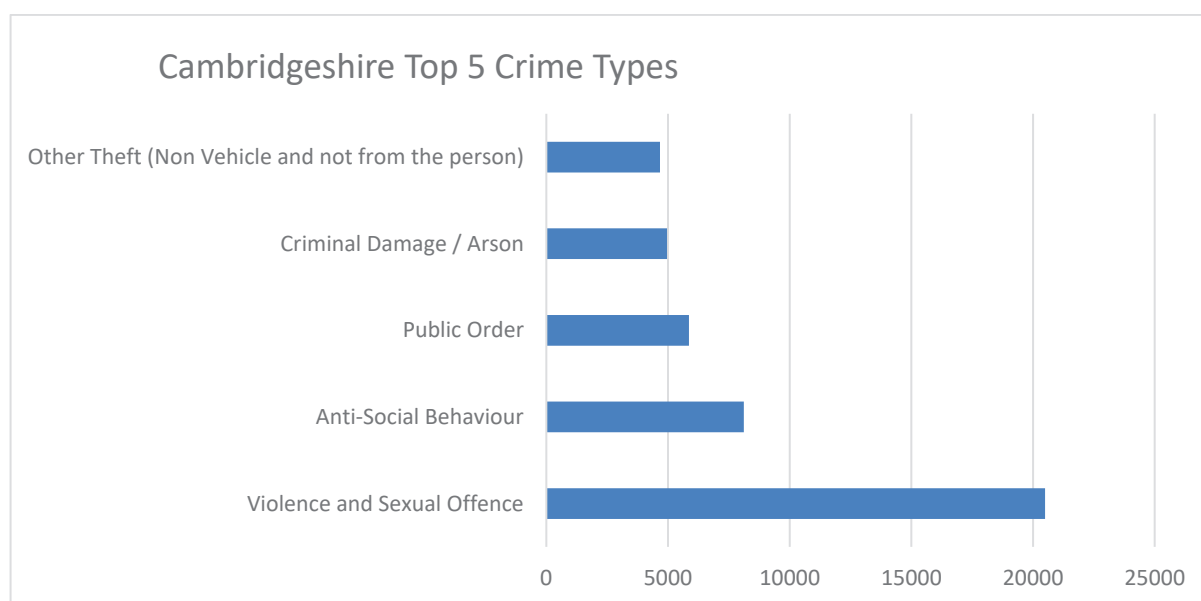
Cambridgeshire Constabulary covers approximately 1,311 square miles. The county consists of the cities of Ely, Peterborough and Cambridge, market towns and sparsely populated rural communities.

Cambridgeshire has a population just below 0.9m. This resident population is ethnically diverse, with 14.6% from Black, Asian, Mixed or Other ethnic group, and is increased by students who study in the area's universities and the large numbers who visit or travel through the county each year. Cambridgeshire continues to be one of the fastest growing counties with the population expected to grow well above 900,000 by 2031. Indeed, during the period between the 2011 census and 2021 census Cambridgeshire's population increased by 11.1% (89,500) compared to the East of England at 8.3% and the whole of England at 6.6%. The county borders 8 other counties and is in a strategic collaboration with the police forces of two of those counties (Bedfordshire and Hertfordshire) for the delivery of some policing services.

During 2022/23 Cambridgeshire received the following on average:

- 999 calls per day 417
- 101 calls per day 707
- All online reports per day 76
- Web chats per day 92

Across the county during 2022/23 there was consistency in the top 5 crime types as set out in the graph below with Violence and Sexual Offences by far the largest crime committed.



Source: [Your area | Police.uk \(www.police.uk\)](https://www.police.uk)

3. Cambridgeshire Constabulary

Statutory Framework & Responsibilities

The Police Reform and Social Responsibility Act 2011 (the Act) provides the statutory framework under which the PCC and Chief Constable were established as separate legal entities. The Act prescribes the roles and responsibilities of which an overview is provided here.

“The Police and Crime Commissioner for a police area must:

- a) Secure the maintenance of the police force for that area; and
- b) Secure that the police force is efficient and effective”.

The PCC also has a role in holding the Chief Constable to account for the operational policing of Cambridgeshire.

The Chief Constable directs and controls the operations, police officers and police staff of the Constabulary to achieve the policing objectives in the PCC's Police and Crime Plan and the Constabulary's Corporate Plan.

The financial management responsibilities differ in that the PCC has overall responsibility for the finance of the Constabulary's group accounts. All resources, grant and precept funding are received by the PCC and funding is provided to the Chief Constable to deliver the operational policing requirement. The Chief Constable prepares single entity accounts to demonstrate how the funding provided by the PCC has been used to achieve the operational policing objectives.

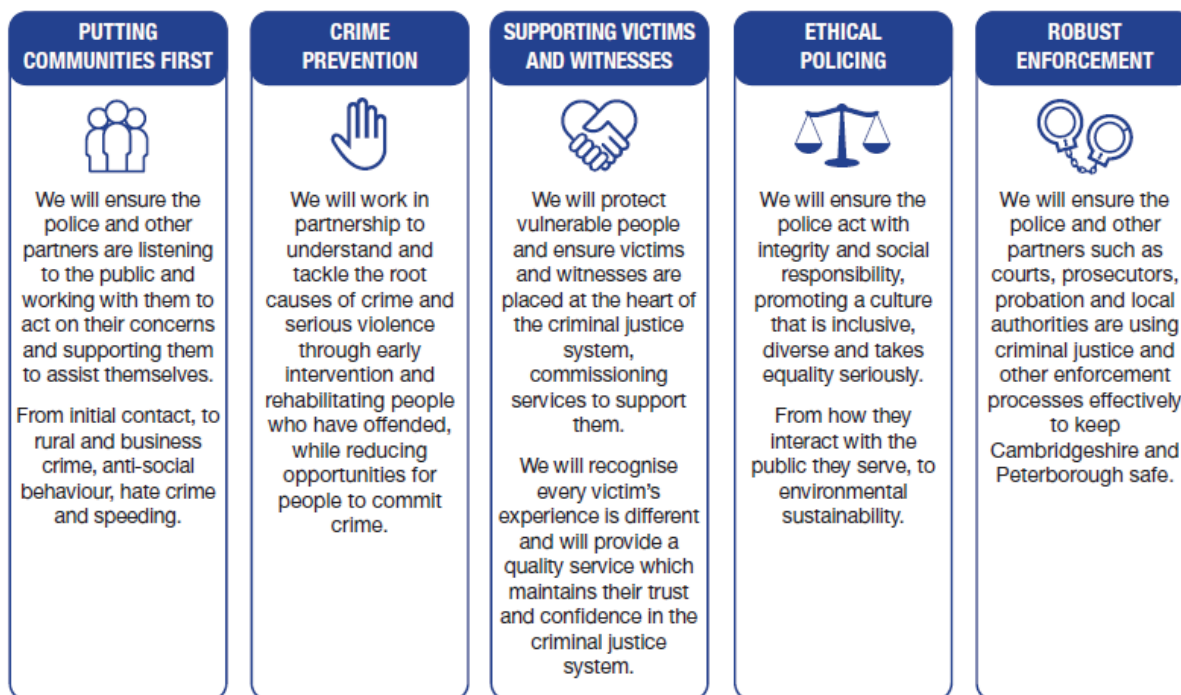
The Financial Management Code of Practice for the police forces of England and Wales (the Code) has also been issued under the Police Reform and Social Responsibility Act 2011. The Code provides the financial governance arrangements for police forces and the financial requirements that the PCC and Chief Constable must adhere to. The aim being to ensure the proper use, stewardship, and value for money in the use of public funds to deliver the policing service.

The Chartered Institute of Public Finance and Accountancy (CIPFA) have developed their Financial Management (FM) Code for Police and Fire Services. The CIPFA FM Code contains 6 overarching principles covering leadership, accountability, transparency, sustainability, and standards and assurance. The Constabulary has undertaken an assessment of its compliance with the CIPFA FM Code for the 2022/23 financial year, which sets out the Constabulary's compliance with a small number of areas where improvements are ongoing.

The Police and Crime Plan

The Police and Crime Plan (PCP) for Cambridgeshire sets the vision of the PCC for Cambridgeshire Constabulary - 'Tackling Crime and Keeping Communities Safe'. The Plan is structured on strategic themes set out in the diagram below, which are to put communities first, prevent crime, support victims and witnesses, ensure ethical policing and robust enforcement. These themes for preventing and reducing crime will shape policing and crime priorities for Cambridgeshire.

TACKLING CRIME & KEEPING COMMUNITIES SAFE



The PCP can be found at the following link: [The Police & Crime Commissioner for Cambridgeshire | Police and Crime Plan 2021-24 \(cambridgeshire-pcc.gov.uk\)](https://www.cambridgeshire-pcc.gov.uk/police-crime-plan/)

(Link address: <https://www.cambridgeshire-pcc.gov.uk/police-crime-plan/>)

Corporate Plan

The vision of Cambridgeshire Constabulary is to create a safer Cambridgeshire. Our Corporate Plan for 2022/23 sets Organisational and Operational priorities. The Organisational priorities focus on People, Partnerships, Resources and Transformation. The Operational priorities are to:

- Safeguard the vulnerable;
- Combat acquisitive crime;
- Reduce harm to communities;
- Tackle serious and organised crime; and
- Increase public satisfaction.

In addition to the Organisational and Operational Priorities, the Corporate Plan also sets out the Constabulary's values of fairness, integrity, diligence and impartiality. These ensure the Constabulary has and continues to deliver an inclusive and professional policing service. The 2022/23 Corporate Plan importantly sets out the Constabulary's strategic ambitions and intent regarding diversity, equality and inclusion setting Equality Objectives for the period 2020-2025. In addition, the

Constabulary has a Culture Statement and is also a progressive organisation where innovation and enterprise are encouraged.

The 2022/23 Plan maintains the Constabulary's strategic ambitions and intent in respect of Violence Against Women and Girls (VAWG) and the Harm to Hope drug strategy. The Constabulary has continued work in 2022/23 to enhance the culture of the organisation through the development of cultural and leadership development underpinned by the Culture Statement. Our Prevention Strategy to take One More Step to reduce harm in our communities continues to be developed. Also, the Enterprise Strategy supports individuals to identify and propose solutions and developments to enhance our policing service.

The Corporate Plan can be found at the following link: [Corporate plan | Cambridgeshire Constabulary \(cambs.police.uk\)](https://www.cambs.police.uk/corporate-plan/)

(Link address: <https://www.cambs.police.uk/police-forces/cambridgeshire-constabulary/areas/about-us/about-us/transparency/corporate-plan/>)

The Operating Model

The Constabulary continues to enhance its tri-force collaboration with Bedfordshire and Hertfordshire (BCH) as well as wider networking and collaboration across the Eastern Region (including Kent Police). However local policing remains at the centre of the Constabulary's operating model.

We continue to work with local partners across Cambridgeshire to have a joined-up response to tackling the cause of crime and continue to seek ways with our partners to prevent crime. Where possible the Constabulary also collaborates with the Cambridgeshire Fire and Rescue Service and the East of England Ambulance Service to identify opportunities for joint working through the Strategic Interoperability Board.

The Constabulary is also part of national policing arrangements and initiatives where these are put in place for the benefit and consistency of policing nationally and to deliver the Strategic Policing Requirement.

An annual planning process is undertaken to determine whether the operating model and resources remain appropriate and a change in focus to a sustainable operating model is at the fore of the business planning approach. There is naturally a focus on the financial inputs in terms of the budget which is commented on further in the Financial Performance section. The financial resources are considered alongside other resources which are deployed by the Chief Constable to meet the objectives of the Police and Crime Plan and the priorities contained in the Corporate Plan. To achieve this the Constabulary undertakes an annual Strategic Threat and Risk Assessment (STRA) through the CAMSTRA combining the demands, threats, services to be delivered and resource requirements faced by the Constabulary. This process forms the foundation of the business planning which is managed along with

all other business processes by the Organisational Improvement Centre (OIC). The CAMSTRA also links the business planning with the financial planning approach used upon which the Medium-Term Financial Strategy is subsequently based.

Workforce

The Constabulary employs police officers, police staff and police community support officers (PCSOs) and is supported by the special constabulary to deliver its policing model. The workforce is overseen by the monthly Strategic Workforce Planning meeting. The budget for 2022/23 included 1,717 budgeted full time equivalent (FTE) police officers, which included 82 officers from year three of the Government's 20,000 Uplift Programme. The actual officer strength (FTE) at 31 March 2023 was 1,725.

The Home Office measure the Uplift achievement based on headcount and the Constabulary had 1,756 officers at 31 March 2023, which is an increase of 85 officers compared to the starting position for the year of 1,671 officers. During 2022/23 the Constabulary has been successful in recruiting 225 additional officers in total. Of these, 20 were transferees and 4 were rejoining with the remaining 201 being new to the organisation. The net increase of new recruits is 88 as there were 137 officers that left the organisation during the year. The turnover rate for the Constabulary was 8.2% in 2022/23 which has deteriorated slightly compared to the 2021/22 rate of 7.2% and is higher than the national average rate of 6.9%.

The Black, Asian, Mixed and Other ethnic group population in the county of Cambridgeshire is 14.6% (based on Home Office force data). The percentage of police officers within the Force from Black, Asian, Mixed and Other Ethnic Groups is 4.7% at the end of the year, which has increased from 4.5% in the prior year. The Constabulary is just below its target of 4.9% of officers identifying as Black, Asian, Mixed and Other ethnic groups.

Based on headcount female police officers total 634 (36.1%) at the 31 March 2023, an increased compared to 34.7% at the end of the prior year. The table below shows the headcount of female and male officers by rank at 31 March 2023.

Headcount Rank	Female	Male	Total
Chief Officers	2	1	3
Chief Superintendent	1	4	5
Superintendent	1	10	11
Chief Inspector	6	20	26
Inspector	15	56	71
Sergeant	71	183	254
Constable	538	848	1386
Total	634	1122	1756

In addition to police officers the Constabulary employs a number of police staff in various roles. The headcount of police staff numbers at the end of March 2023 totaled 926 of which 63.9% were female, representing an increase on the prior year of 0.9%.

Overall, the headcount at the end of the year for the whole workforce (police officers, police community support officers, the special constabulary and police staff) was 2,804 with 1,271 (45.3%) female employees and 1,533 (54.7%) male.

External Environment

The Constabulary provides a public service and has a number of key stakeholders and external influences. Clearly at the top of the stakeholder list is the public of Cambridgeshire who the Force is here to protect from crime and keep safe. With a growing population the demands on policing continue to grow. With increases in population, new technologies and the changing nature of crime, the environment within which the Constabulary operates and seeks to bring offenders to justice is becoming ever more complex. Policing therefore must adapt, innovate and transform in order to respond to these demands.

During 2022/23 economic conditions deteriorated with global events such as the ongoing covid recovery and the war on Ukraine affecting the supply of materials, goods and fuel. Prices and inflation increased significantly, and the cost-of-living crisis ensued. The Bank of England in turn began to raise interest rates to control inflation. Ultimately the Constabulary, like private individuals, is affected by the cost-of-living impacts with escalating energy costs, contract inflation and pricing of materials and labour for construction projects. This creates a much harder financial environment in budget terms although the impacts in 2022/23 have been absorbed by the Constabulary.

The Constabulary collaborates with other police forces. In addition, the Force takes seriously the role it plays in the wider public sector in Cambridgeshire by working closely with and supporting partnership arrangements with other public sector bodies. This work is evident through various initiatives and in particular the Constabulary's involvement in the Local Resilience Forum (LRF) and Strategic Coordinating Group (SCG) for Cambridgeshire.

The Constabulary is also involved in several collaborative initiatives which have a direct impact on the operational and financial environment. The National Air Police Service (NPAS) is one example and Cambridgeshire continues to work with forces in the Eastern region to define the user requirement and the cost allocation model.

Central government through the Home Office also influences the environment within which the Constabulary operates. This ranges from national policing initiatives such as the Forensics Capability Network, the National Enabling Programme and Single Online Home through to the Police ICT company and Blue Light Commercial. All with

the intention of driving efficiency and sharing of expertise through collaboration arrangements. Key government policy also influences the Constabulary through the funding arrangements and key national initiatives. These national themes are included in the work of the Constabulary through the Corporate Plan and include:

- The Uplift Programme to maintain the 20,000 new police officers.
- The Beating Crime Plan.
- The Strategic Policing Requirement.
- The Police Race Action Plan.
- Integrity and Cultural work in light of the Casey Report.
- Pressures through the Criminal Justice System, not only in relation to the backlogs but in addition the pressures on the whole system.
- National performance measures and framework.

The Constabulary also continues to adjust our policing practices with the impending accreditation codes with regards to Forensic Science and the demand increase within Digital Forensics.

There were serious criminal allegations and some convictions involving police officers in other forces which were exposed during 2022/23. This has led to some specific actions that the Home Office has set all police forces across the country to reconsider vetting through a bespoke data wash for the whole workforce (both officers and staff) to give assurance on the integrity of those working in policing. The impact has been significant demand on the Professional Standards Department (PSD) with additional resources being provided to deliver this critical work.

Risk management is embedded into the work of the Constabulary on an ongoing and continuous basis. It features clearly in the governance arrangements, and it effectively underpins and enables the business to identify, assess and manage a range of both internal and external factors.

The Constabulary maintains its own Risk Register and the risk management process is managed by the Organisational Improvement Centre. Formal accountability for the process lies with the Deputy Chief Constable and governance is ensured through the Risk Review Board that adds further scrutiny to the risk processes. This Board is chaired by the Deputy Chief Constable and reports monthly to the Force Executive Board, which is chaired by the Chief Constable. The Joint Audit Committee oversees the risk management arrangements of the Force and ensures that the Constabulary's processes are aligned with the Commissioner's processes. A joint strategic risk register is in place which brings the corporate risks together. Risk management arrangements are being refined in the BCH collaboration through the coordination of a single BCH strategic risk register.

Strategy and Resources

Cambridgeshire Strategic Threat and Risk Assessment (CAMSTRA)

The Constabulary continues to develop and refine the innovative CAMSTRA process, which was first introduced into its force and business planning process in 2019. The CAMSTRA identifies on an annual basis the threats and risks across the whole organisation against which a demand analysis is undertaken, and resources deployed or reallocated accordingly. The CAMSTRA is also used to inform all business and operational planning activities such as the completion of the Force Management Statement (FMS) and in recent years the allocation of Cambridgeshire's share of the 20,000 police officer Uplift Programme.

The CAMSTRA process also includes additional financial information that the strategic leads are required to consider. This information together with the key headlines discussed at the CAMSTRA Challenge Panels is used to inform the MTFS (Medium Term Financial Strategy) refresh referred to in the next section.

The Constabulary's latest Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection by HMICFRS stated that:

“The constabulary's strategic, threat and risk assessment (known as CAMSTRA) is a well co-ordinated and comprehensive corporate planning cycle that combines analysis of current demand and forecasting of future demand effectively. It allows the constabulary to manage the expected future demand and risk and to understand the costs of doing so. This is an area of innovation”.

Elements of the CAMSTRA process are also being used within the business planning process within our tri-force collaboration with Bedfordshire and Hertfordshire for future year planning cycles. This is expected to improve the medium-term financial planning within the collaboration through embedding a more robust business planning process.

The Constabulary has an Enterprise Strategy with four pillars of innovation, income generation, savings and efficiencies and optimising funding sources. As part of this work the Constabulary has a Memorandum of Agreement with the Home Office to provide insight, training and good practice into strategic elements of policing. This is to ensure global influence under the Government's current vision to build international safety and security delivered and supporting by policing.

Medium Term Financial Strategy (MTFS)

The 2022/23 MTFS was approved by the PCC on 10 February 2022 at the Business Coordination Board, which included the revenue and capital budgets for 2022/23.

During 2022/23 the MTFS for the period 2023/24 to 2026/27 including the revenue and capital budget plans and the reserves strategy was approved by the PCC on 23 February 2023.

The current 2023/24 MTFS can be accessed at the following link: [2023-24 Medium Term Financial Strategy](#)

(Link Address [The Police & Crime Commissioner for Cambridgeshire | BCB 23rd February 2023 \(cambridgeshire-pcc.gov.uk\)](#))

A high-level summary of the Medium-Term Financial Plan for the revenue budget is provided below.

	Budget	Forecast Budget	Forecast Budget	Forecast Budget
	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
Total In-House Expenditure	114,858	120,912	124,918	128,780
Net Cost of Police Pensions	18,924	20,404	21,003	21,548
Total BCH Collaboration	38,916	40,149	41,152	42,131
Total Other Collaborations & Partnership	5,674	5,758	5,860	5,972
Constabulary Expenditure	178,372	187,223	192,933	198,431
Total Income	-1,672	-1,672	-1,673	-1,674
Total Constabulary Budget	176,700	185,551	191,260	196,757
Total OPCC Office Expenditure	1,327	1,365	1,397	1,425
Total Corporate Costs and Grants	-3,121	-3,751	-951	-951
Total Capital Financing Costs	3,251	5,675	7,801	9,082
	0	-5,218	-9,339	-12,449
NET BUDGET REQUIREMENT (NBR)	178,158	183,622	190,168	193,864
Budget -Decrease / +Increase Year on Year	6,647	5,462	6,547	3,696
Financed by:				
Formula Grant	95,400	96,960	97,930	98,909
Uplift Grant (baseline of ringfenced grant)			2,800	2,800
Precept	82,304	86,465	89,439	92,156
Local Council Tax Earmarked Reserve	558	397	-	-
Contribution -to/from Reserves	-	-	-	-
Collection Fund - Deficit / +Surplus	-102	-200	-	-
TOTAL FINANCING	178,160	183,622	190,169	193,865

There are inherent risks in the preparation of this MTFS reflecting the level of various unknown factors, particularly in quantifying cost and uncertainty in respect of future cost pressures such as inflation, pay awards and regularity or statutory requirements that the Constabulary must respond to. This has been exacerbated with the emerging economic conditions prevalent in 2022/23 through increased utility costs, record inflation and the cost increases caused by supply shortages in areas such as fleet management and construction projects.

The Comprehensive Spending Review (CSR) published in 2021 does provide more certainty regards funding levels but detailed funding levels are not confirmed beyond 2023/24. The 2021 CSR also confirmed the limits PCCs are allowed to raise the

precept by in each year up to 2024/25. The maximum increase in each year is a £10 increase on a band D property, however a further flexibility of £5 was subsequently provided for 2023/24. The MTFS presented is based on the full use of the precept flexibility. However, the precept increase will still be subject to annual consultation and approval by the PCC.

As shown in summary table above the Constabulary has balanced the 2023/24 budget but savings are required in 2024/25 onwards to balance the MTFS. Of note the MTFS is not underpinned using reserves other than the Local Council Tax Earmarked Reserve meaning the Constabulary's reserves are expected to be maintained in the MTFS once the savings plans are fully developed.

The approach to the remedy of the McCloud pension discrimination continues, which creates a risk for future pension liabilities and additional pension costs in the future. The Government have provided some grant funding in this regard and met some of the initial costs centrally. It is assumed that these costs will continue to be met by government. Significant capital projects required by the Constabulary operationally will create additional borrowing costs (interest and capital repayment) to the revenue account. An estimate of these costs is built into the MTFS but will need to be kept under review as contracted prices are agreed.

Despite this uncertain financial climate, the Constabulary will continue to meet the policing requirements of the county.

Medium Term Capital Plan

The PCC has approved the Capital Strategy containing the Medium Term Capital Plan (MTCP) costing £96.2m over the next four years, which will provide the Force with appropriate infrastructure and assets to deliver operational policing.

The largest scheme in the 4 year plan remains the replacement of Parkside Police Station in Cambridge with a new Southern Police Station. The land required for the scheme was purchased in April 2022 and work on site began with the archaeological dig being progressed in 2022/23. Work continues to secure a contracted price for the construction, which is expected to progress in 2023/24.

The specialist training facilities required for the BCH Joint Protective Services (JPS) and a firing range training facility are the other major capital construction projects. Similar to the Southern Police Station work is progressing to achieve a contracted price for the specialist training facility again with the expectation construction will commence in 2023/24. In respect of the firing range training facility an option agreement has been entered into for the purchase of a site located in Cambridgeshire.

The remaining areas of significant capital investment are in:

- ICT developments (£3.2m in 2023/24).

- The vehicle fleet (£3.1m in 2023/24) which includes £1.1m for electric vehicles and charging infrastructure.
- The built estate excluding the major schemes (£3.3m in 2023/24) covering projects at St. Neots, custody improvements, sustainability initiatives and major repairs.

The financing of the proposed capital programme in recent years has shifted to external borrowing with £77.7m planned across the 4 year MTFS period representing 81% of the total programme of £96.2m to 2026/27. The costs of borrowing will impact on the revenue budget especially with the interest rate rises now being experienced which will affect the future cost of borrowing.

An overview of the 4 year capital programme is provided below.

Description of Bid	Forecast Programme 2023/24 £	Forecast Programme 2024/25 £	Forecast Programme 2025/26 £	Forecast Programme 2026/27 £	Total Forecast Capex Spend 2023/24 to 2025/27 £
Projects where Funding Approved in Previous years	2,300				2,300
Estate Programme	16,563,706	44,593,200	5,815,154	672,258	67,644,318
Fleet Programme	3,056,593	4,041,385	3,130,351	2,623,993	12,852,322
ICT Enabling Programme	3,230,860	3,392,403	3,562,023	3,740,124	13,925,410
Operational Programme	445,000	445,000	445,000	400,000	1,735,000
Totals for All Schemes	23,298,459	52,471,988	12,952,528	7,436,375	96,159,350

Reserves

The reserves are held by the PCC and are separated between usable and unusable reserves. Usable reserves are those that can be applied to help meet expenditure in a one-off context whereas unusable reserves are typically generated or applied because of technical accounting requirements. The MTFS from 2020/21 removed the dependency on any use of reserves to support the revenue budget, which has been maintained in the budget set for 2023/24. Any revenue underspends in future years will be used to build further resilience in the reserves held where appropriate through the general reserve or by earmarking them for specific purposes.

The usable reserves consist of earmarked reserves held for specific purposes and the general reserve which the Constabulary is required to hold. The Constabulary holds earmarked reserves to meet known risks and areas of uncertainty including the McCloud pensions remedy, a transformation reserve and the Emergency Services Mobile Communications Programme. From the 2022/23 revenue underspend the General reserve was increased from £8.6m to £9.4m as at 31 March 2023 and new reserves were created for the revenue costs associated with progressing the Constabulary's sustainability strategy and to recognise the Chiltern Transport Consortium underspend on the balance sheet. The MTFS plans to increase the General reserve to £9.3m by 2026/27 to reflect the increasing net revenue budget over the same period. The total of all usable reserves at the end of 2022/23 stood at £23.4m.

4. Financial Performance

a. Economic climate

The Constabulary, like most public sector bodies, has faced significant financial challenges due to reductions in funding from central government as part of the financial austerity along with cost pressures and continual changes in the demand for policing both locally and nationally. The cost-of-living crisis being experienced, culminating from the impacts of Brexit, Covid-19 and the war in Ukraine, is creating significant inflationary pressures coupled with interest rate rises by the Bank of England in response. Further financial impacts may be felt by the Constabulary in relation to the availability of supply for materials needed in construction, which could pose a risk for some of the projects in the capital programme and the ability to secure fixed price contracts.

Since 2018/19 the PCC has been able to raise additional precept, which has helped to meet the costs of policing. In 2022/23 the precept was raised by just under £10 per annum on a band D property. This was the maximum increase to the precept allowed.

The Constabulary, again, only received a one-year funding settlement heading into the 2022/23 financial year making financial planning in the medium term less certain. The 3 year CSR published in 2021 has provided some clarity in the funding outlook in the 2023/24 MTFs.

These issues taken together provide an uncertain economic climate which will need to be kept under review, managed and planned for in future budgets. The continual need to find savings remains in the medium term.

b. Financial Management

The financial standing of Cambridgeshire Constabulary is very robust with sound financial management practices in place. Cambridgeshire Constabulary is judged to be good by HMICFRS in Strategic Planning, Organisational Management and Value for Money, with the most recent inspection report stating that:

“Financial planning and management are well-aligned with the overall management of the constabulary. Senior leaders throughout the organisation are appropriately involved. Budgets are delegated to the right level, promoting effective budgetary responsibility and accountability among service managers.

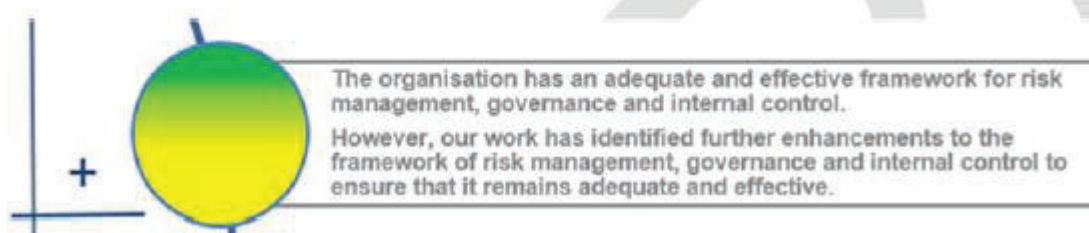
The constabulary is in an improved financial position since our previous inspection and the current medium-term financial plan shows a balanced budget each year through to 2025/26. Its reserves are to be maintained at healthy levels and not used to support

revenue spending. It made savings of over £5m in 2021/22, and its planning processes help it to continue to identify areas where efficiency can be improved and savings can be made”.

The Force operates a Scheme of Governance, which includes the Financial Regulations and Contract Standing Orders supported by Force Financial Instructions (FFI) which are updated annually. This provides the overall financial framework for the Force to work towards achieving best practice in financial management.

The internal auditor has also assessed the financial management arrangements of the Constabulary and has raised no significant issues to address. Financial audits have been undertaken during the year with positive assurance opinions on the general ledger, payments and creditors as well as a fraud risk assessment. For 2022/23 the Internal Audit Opinion based on the overall adequacy and effectiveness of the risk management, control and governance processes was a positive assurance assessment as demonstrated below.

For the 12 months ended 31 March 2023, the DRAFT head of internal audit opinion for Cambridgeshire Constabulary is as follows:



During the year the Force has worked on an action plan to improve its Financial Management Capability Review (FMCR) rating of 3 out of 5 stars. The FMCR assessment was undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA) as part of the Achieving Financial Excellence in Policing (AFEP) Programme. Cambridgeshire rating of 3 stars represents a relatively good performance in comparison to other forces assessed by CIPFA. An independent follow up review by CIPFA commented that good progress had been made with the action plan. During 2022/23 all actions were either completed or remitted to business as usual for finance where elements continue to be ongoing.

The Constabulary complies with the CIPFA Financial Management Code of Practice and has undertaken an assessment against the 6 principles and 17 financial management standards based on the arrangements in place during 2022/23. Of the standards 13 are assessed as green with 4 rated as amber with some ongoing improvements in progress. The assessment was reported to the Joint Audit Committee on 28 April 2023.

c. Revenue Outturn 2022/23

The outturn variance for the year for the budgets under the control of the Chief Constable was an under spend of £2.50m. Including those budgets under the control of the Office of the PCC the Constabulary underspent by a total of £0.75m (0.44%) for the year against the total budget of £171.51m.

Commentary on the main areas of the budget contributing to the outturn position is provided below:

- Local Policing – Investigations and Safeguarding where the main areas of this service are Investigation Standards and Development, Intelligence and Specialist Crime and Protecting Vulnerable People. The budget was under spent by £0.61m for the year attributable to police staff vacancies, police officer pay and allowances being underspent both of which were offset by officer and staff overtime costs being over budget. Over spends were also incurred in relation to hardware, operational equipment and training costs.
- Local Policing – Operations includes the Demand Hub, the Northern and Southern response hubs, Partnerships and Prevention, Operational Support, Command and Business Support. The overall outturn variance for this service area was an underspend of £1.63m. The main underspends occurred in the North and South response hubs (£0.81m and £1.35m respectively) and the Demand Hub (£0.66m). The most significant factor driving the underspend in these services relate to the new officer recruits through the Uplift Programme where they are in training rather than posted to the North or South. The new recruits and resilience budget lines where new officer costs are held collectively overspent by £0.84m offsetting these underspends. In addition, police staff turnover and PCSO vacancies have contributed to the underspends, particularly in the Demand Hub. Across most areas both police officer and staff overtime has overspent and the Operational Support unit incurred an overspend on police officer pay and allowances largely due to Operation Vastus ongoing.
- Non-operational services over spent in the year by £0.85m overall. There are a range of services contained within this category of the budget including Estates, Finance, Corporate Communications, the Organisational Improvement Centre, Insurance, Legal, People and Professionalism, Fleet and Corporate costs. Most services ended the year under spent with relatively modest variances compared to budget. The larger variances were in:
 - Estates (£0.31m over) – the combination of overspends on building repairs, utility costs and consultant fees which were offset by a substantial business rates rebate of £0.58m.

- Corporate (£0.80m over) – numerous areas of activity have driven additional costs in this budget area, such as ill health retirement charges but most notably the targeted variable payments (TVPs) paid in 2022/23 at a value of £1.39m. These costs have been offset by areas of under spend including contingencies for supplies and services and the police national computer.
- Fleet (£0.35m over) – driven by fuel costs, recharges from our transport consortium CTC and a higher contribution to our Insurance Fund managed by CTC.
- Organisational Improvement (£0.39m under) – the result of being under strength for officers and staff.
- Collaboration and Partnership budgets ended the year with an underspend of £1.11m. The Cambridgeshire share of the BCH tri-force collaboration under spend was £0.35m. The most significant underspends were the Major Crime Unit (£0.15m), Criminal Justice (£0.16m) and ICT (£0.63m) which helped to meet overspends in other collaborated units. The main reasons for the underspend in all these areas was due to police staff vacancies and for ICT contract savings and some projects slippage into future years. Other collaborations, which include the National Police Air Service (NPAS), the Kings Lynn PIC and the Regional Organised Crime Unit amongst others under spent by £0.83m. This was largely the impact of moving the 7 Force Eastern Region collaboration to a 7 Force Eastern Region Network with resources being stepped down accordingly. This change resulted in a £0.66m underspend in 2022/23. There was also a transfer to the Casualty Reduction Reserve of £0.06m.
- The Office for the PCC over spent by £1.75m due to the cumulative impact of a small underspend on the budget for the Office of the Police and Crime Commissioner (OPCC) and unbudgeted spend or income in the year related to:
 - £0.48m investment income due to higher interest rates.
 - £0.20m additional grant from over achieving against the 2022/23 Uplift Programme target by 10 officers.
 - A £0.06m write off of capital expenditure relating to the St. Neots colocation project with the Fire Authority.
 - £0.39m additional Minimum Revenue Provision costs.
 - £0.72m of in year Home Office grant transferred to the reserves.
 - A £1.35m additional revenue contribution to capital to minimise capital financing costs in 2023/24.

The following table provides a high-level comparison between the approved budget and the actual expenditure for the Constabulary for 2022/23.

Summary of Revenue Expenditure against budget at 31 March 2023

	Full Year Budget	Final Outturn	Variance
	£'000	£'000	£'000
local Policing- Investigation & Safeguarding	29,000	28,393	-607
local Policing- Operational	71,232	69,600	-1,632
Non -Operational	24,880	25,727	847
Collaborated and Partnerships	41,386	40,275	-1,111
CHIEFS NET BUDGET REQUIREMENT	166,498	163,995	-2,503
TOATL PCC BUDGET	5,014	6,764	1,750
NET BUDGET REQUIREMENT	171,512	170,759	-753

d. Capital Outturn 2022/23

Under the Police and Social Responsibility Act 2011 the physical estate from which the Constabulary operates is held by the PCC. The PCC therefore incurs capital expenditure on land and buildings, information and communication technology and other items of plant and equipment of a capital nature to enable the Constabulary to operate effectively and meet operational policing requirements.

The capital outturn for the year is £10.03m of spend compared to a revised budget of £14.91m providing an in-year underspend against the capital budget of £4.88m. The following table shows the capital outturn position for 2022/23 compared to the approved capital budget for the year.

Summary of Capital Expenditure against budget at 31 March 2023

	Budget	Capitla Changes in the year	Adjusted Capital Budget	Outturn 2022/23	Variance to Budget
All figures £'000					
Land & Buildings	5,145	4,880	10,025	5,930	(4,095)
Fleet	1,568	146	1,714	1,607	(107)
IT	2,661	63	2,724	2,253	(471)
Other Projects	197	46	243	238	(5)
Schemes Approved by Chief	300	-100	200	-	(200)
TOTAL	9,871	5,035	14,906	10,028	(4,878)

Of the Land and Buildings schemes the Cambridge Southern Police Station accounts for £0.91m of the variance. The land purchase relating to the scheme completed early in the 2022/23 financial year. The other main building schemes contributing to the variance are the:

- New training facilities for the BCH Operational Support Unit at Monks Wood, where construction was anticipated to have started in 2022/23 but hasn't resulting in a £0.80m underspend against the budget for the year.
- Building works at St. Neots Police Station which was planned to be a collaborated project with the Fire Service but which has changed direction to be a revised scheme for the Constabulary alone resulted in a £1.02m underspend.

The ICT variance of £0.47m relates mainly to small underspends across a number of schemes.

The sources of capital financing applied to fund the total £10.03m of capital expenditure for the year is presented in the table below.

Summary of Capital Financing Applied for the Year Ended 31 March 2023 (figures are in £000)

	£'000
2022/23 Forecast Capital Expenditure	10,028
2021/22 Planned Capital Financing	
Capital Grants	320
Borrowing	2,271
Capital receipts	1,091
Carry Forward Reserve	1,008
POCA contributions to Capital	97
Revenue Contributions to Capital	5,241
Total Capital Financing	10,028

5. Non-Financial Performance

The Constabulary has a Corporate Framework in place which sets the structure and processes of the Constabulary to manage governance and drive performance, seeking to ensure senior managers are utilising resources to deliver first class policing across the county of Cambridgeshire.

The Constabulary latest Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection undertaken by HMICFRS was in 2021/22. The inspection provides an overall assessment of the Force's performance. The PEEL inspection framework reports against five graded judgements which are outstanding, good, adequate, requires improvement and inadequate providing judgements against 10 areas of review with graded judgements against 9 of these areas. The Constabulary's

HMICFRS judgments from the 2021/22 inspection are provided below. HMICFRS will be undertaking its next PEEL inspection of the Constabulary in 2023/24.

Outstanding	Good	Adequate	Requires improvement	Inadequate
	Recording data about crime	Preventing crime	Investigating crime	
	Protecting vulnerable people	Treatment of the public	Responding to the public	
	Developing a positive workplace	Managing offenders		
	Good use of resources			

A recent HMICFRS inspection into the Eastern Region Response to Serious and Organised Crime graded Cambridgeshire as inadequate. The inspection was conducted during April 2022 and a considerable amount of work has been undertaken since that date and continues both locally and in conjunction with national initiatives such as Clear, Hold, Build, where Cambridgeshire put themselves forward as a pilot force. The force is confident its response has significantly improved its position in relation to tackling serious and organised crime.

2022/23 Performance Headlines

The use of 999 calls remains high and the rolling 12 months for the year ending March 2023 is the highest seen (152,512) and is 7.2% higher than the previous year. On average 418, 999 calls were received each day in the last 12 months. Nationally the demand on 999 calls remains high with the number of calls higher than 2019. The long-term trend for non-emergency 101 calls remains stable with 257,344 calls in the last year. Nationally 101 call volumes remain consistently at a level below 2019.

The use of webchats was low throughout the first half of 2022 compared to the previous year. However, since August 2022 the daily average has increased and remains stable with an average of 96 webchats a day in March 2023, with a total of 33,567 webchats in the last year. However, this is 12.8% lower than the year before. Online crime reporting increased in January 2023 and has continued to increase with an average of 73 reports a day, the highest daily average seen in any month, since recording began in April 2017. In total there were 19,712 online crime reports in the last 12 months, which was 27.8% higher than the year before. Nationally online crime reporting continues to increase, and many forces are encouraging the public to use online reporting facilities.

The increase in 999 calls has seen a deterioration in grades of service in both 999 and 101 calls. The long-term trend in grade of service for 999 calls shows that 85.4% of 999 calls were answered within 10 seconds in the 12 months ending March 2023.

The average wait time in March 2023 was 7 seconds the same as March 2022 and the previous month.

The impact of prioritising 999 calls is evident in deteriorating 101 call handling performance. The long-term trend continues to decline with 74.6% of 101 calls answered within 30 seconds in the last 12 months. The average wait time in March 2023 was 24 seconds comparable to March 2022 (25 seconds) and the previous month (26 seconds). Secondary call handling lines (crime and public) also continue to experience high abandonment rates.

Total incident volumes decreased by 5% year on year, with a lower number and proportion of incidents graded response compared to the previous year. The median time to respond to immediate grade incidents remains stable between 18 and 19 minutes each month in the last 12 months, with the response time in March at 19 minutes. Priority grade response was relatively stable between November to February at 63-66 minutes.

Improving incident handling, service to the public and response performance remains an area for improvement as highlighted by the 2021 HMICFRS inspection and targeted plans are in place to improve call handling and response performance. On February 20th Phase 1 of Rapid Video Response (RVR) in the South Area, phase 2 is now underway, with both the eligibility criteria and the geographical coverage widened, and a dedicated team of RVR officers in place to help deliver the expected benefits.

The long-term indicator for recorded crime continues to increase for both North and South policing areas with the first three months of 2023 recording more crime each month than the same month in the last 3 years. Overall recorded crime has increased by 5.4% in the last 12 months, with the North having a greater increase in crime at 8.3% compared to 2.9% in the South.

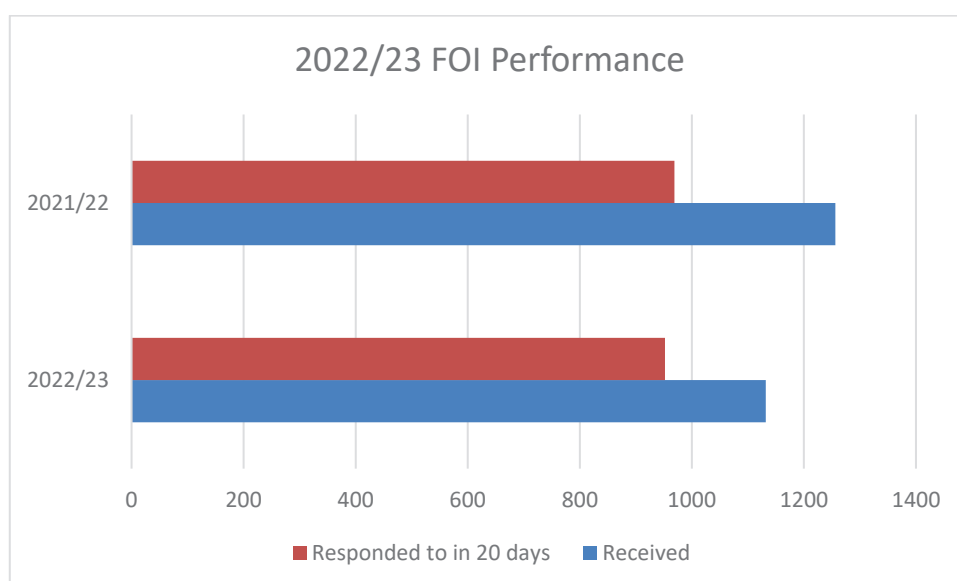
Theft Offences continue to trend upwards and overall are 12.9% higher than the previous year. Offence levels in each of the last 6 months are higher than the same month in the previous two years at both Constabulary and Area level. The increase is being predominantly driven by Shoplifting offences (up 36.8% equating to 1,292 more offences), where all districts except for South Cambridgeshire have seen a year-on-year increase. Theft of pedal cycles is the only theft offence to record fewer offences than the previous year (down 19.4%). There are several crime types that continue to record fewer offences than the previous year and this includes domestic abuse, robbery, drug offences and criminal damage and arson. The long-term trend for domestic abuse is downwards at Constabulary level with a reduction of 7.5% year on year, there is Area variation. In the South Area, the trend is downwards, with 11.7% fewer offences recorded year-on-year; in the North Area, the long-term trend is stable, with a year-on-year reduction of 3.5%.

The all-crime outcome rate remains stable at 13.8%, higher than the previous year by 1.7ppt. With both the North and South areas having a higher outcome rate than the previous year. Compared to the previous year there is improvement in the outcome rate for Domestic abuse, Violence against the person, Criminal Damage, Drug offences and Theft offences including Dwelling burglary and Shoplifting.

The Constabulary is committed to proactively managing demand through our One More Step prevention strategy to create a safer Cambridgeshire through the reduction of harm and prevention of crime in communities. In addition, the Constabulary is an early adopter of the Right Care, Right Person approach. Working with our partners the approach aims to ensure the appropriate response and care to calls for service is made whether that be health, social care or policing services.

Freedom of Information (FOI) Compliance

During 2022/23 the Constabulary responded to 1,132 FOI requests, slightly down compared to the prior year. The chart below demonstrates that 952 (84%) requests were responded to within 20 days, compared to the Information Commissioner's Office target of 90%. This is an increase compared to the prior year where the equivalent figures were 969 (77%).



Complaints

With respect to complaints during 2022/23 for Cambridgeshire, the Professional Standards Department (PSD) recorded 367 public complaint cases which comprised a total of 955 allegations. Of the 955 allegations, the top five complaint allegation types were:

- General level of service: 178

- Police action following contact: 90
- Use of force: 87
- Other policies and procedures: 53
- Power to arrest and detain: 52

A total of 76 conduct cases were recorded, involving 94 police officers and 15 police staff. Gross misconduct cases numbered 55 amongst police officers, while those recorded as reflective practice review process numbered 16. For police staff, 7 out of the 15 cases were assessed as gross misconduct.

Of the 90 referrals made to the Independent Office for Police Complaints (IOPC) in 2022/23, 6 were declared as warranting independent investigation by the IOPC, 7 subject to directed investigation and 60 were determined to be suitable for local investigation by PSD. The remaining 16 returned to the Force to manage. One awaits the mode of investigation (MOI) decision (note that complex cases may be subject to more than one IOPC referral during the timeframe).

6. Outlook

As commented earlier economic conditions have significantly deteriorated during 2022/23 with the cost-of-living crisis, inflation at records highs and an increasing interest rate environment. The combination of these factors resulted in additional precept in 2023/24 being required to support a balanced budget rather than targeting additional investment. Budget gaps have materialised in the MTFS from 2024/25 which will require cashable savings and efficiencies to be made as the funding envelope is now largely set.

The Constabulary has assessed the budget gaps in the MTFS as a strategic risk and has focussed on financial constraint and savings opportunities in the CAMSTRA process. This has seen a necessary shift in emphasis compared to recent years. The Chief Officer Team has supplemented the CAMSTRA with transformation workshops to develop the savings plan to close the budget gap. This is a key focus for 2023/24 both locally in force and with our collaborated partners.

There are ongoing impacts affecting the supply of materials and components around fleet vehicles, ICT equipment and construction projects. The supply issues are creating increased competition in some markets driving costs up. The uncertainty in supply of materials fixed price construction contracts are becoming more difficult to secure. The risks of such projects are increasingly leaning back towards the client, which will be a key consideration for projects in the Constabulary's capital programme.

Whilst funding through the police core grant has become more certain, the finer detail for the final year (2024/25) is still awaited. There is a risk that the MTFS assumptions vary adversely to the final settlement figures for these years. The Constabulary has to date successfully delivered its Uplift Programme target securing

the ring-fenced grant but the new baseline of 1,732 officers now needs to be maintained moving forward with ring-fenced grant funding still attached to performance.

Funding beyond 2024/25 is not known and the potential for a change in government at the next general election could alter the political and funding landscape, which represents another variable.

Government continues to progress a new police funding formula. Consultation on a revised formula is expected in 2023/24, with a first stage based on principles and a second stage later in the year on the impact which will need to be understood by the Constabulary. The ultimate timeframe for implementation, including any kind of transition will also be included in the consultation. However, there is a risk to the timing of the new funding formula dependent on the timing of the next General Election.

The Constabulary is well placed with cash reserves and a strategy to protect these reserves and only use them where essential or for ear-marked purposes is in place. Following the financial planning undertaken for the 2023/24 to 2026/27 MTFs refresh the revenue budget is balanced for 2023/24 but savings requirements exist for all future years. The Constabulary has the right mechanisms and leadership in place to achieve financial sustainability and resilience.

Despite the financial challenges the Constabulary continues to perform well and continues to deliver against national initiatives and challenges as well as the needs of the communities across Cambridgeshire.

7. Financial Statements

This section summarises the key headlines from the financial statements for 2022/23.

The Expenditure and Funding Analysis (EFA)

The EFA intends to show how the management accounts of the Constabulary relate to the financial accounts. It presents how the annual expenditure is used and funded from resources (Government grants and Council Tax) in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Constabulary's Services.

The key point to note is that the EFA shows that there was no resulting charge to the General Fund Balance in 2022/23. This is because the General Fund is held by the PCC and therefore is nil for the Chief Constable.

The Comprehensive Income and Expenditure Statement (CIES)

The CIES shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Constabulary receives its funding from the PCC. The PCC receives grant income from central government and raises precept through local government bodies for policing services. The funding is used to cover expenditure in accordance with regulations. This is different from the accounting cost, which will include costs in respect of asset revaluations, movements in pension valuations and other technical accounting entries.

Key points to note are:

- The Net Cost of Service for 2022/23 for the Constabulary was a surplus of £9.6m compared to a surplus of £0.1m in 2021/22, the majority of the difference related to pension adjustments.
- After taking into consideration Other Operating Expenditure and Financing and Investment Expenditure the deficit on provision of services totalled £52.3m.

Movement in Reserves Statement (MiRS)

The MiRS shows the movement from the start of the year to the end of the year on the different reserves held by the Constabulary. The Statement shows how the movements in year of the reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to Council Tax for the year. The Net Increase / Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

The key point to note is that the Constabulary Reserves are negative and ended 2022/23 at £1,160m, a decrease of £569m, compared to the prior year figure of £1,729m. This reflects the fact that the reserves held by the Chief Constable are all unusable reserves and relate to liabilities held in the balance sheet.

Balance Sheet

The Balance Sheet shows the value of assets and liabilities held at the 31 March 2023 which are recognised by the Constabulary. The net liabilities (assets less liabilities) are matched by the reserves held. The reserves held by the Constabulary are unusable reserves, and hold timing differences shown in the Movement in Reserves at the line entitled 'Adjustments between accounting basis and funding basis under regulations'.

The Balance Sheet is a snapshot of the Constabulary's assets, liabilities, cash balances and reserves at the balance sheet date.

The key point to note is that the Constabulary only has pay related liabilities, totalling £1,160m. All other assets and liabilities are reported in the Commissioners accounts.

The police officer pension scheme is underwritten by the Home Office who provide an annual top-up grant to fund the difference between pension payments and income from employee and employer contributions. The current deficit in the LGPS will be managed through future employee and employer contributions.

Excluding the pension liabilities, the Constabulary's Balance Sheet has net liabilities of £6.0million. This reflects the fact that the PCC owns all Property but that the Chief Constable has all the assets and liabilities in relation to operational policing.

The Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents (such as movements in debtors and creditors) during the reporting period. The statement shows how the Constabulary generates and uses cash by classifying cash flows as operating, investing and financing activities. However, the statement does not show any cash balances as all cash and cash equivalents are held by the PCC.

McCloud / Sargeant judgement

The Chief Constable of Cambridgeshire continues to work to implement the pension remedy requirements following the findings of discrimination from national pension scheme changes. The National Police Chief's Council (NPCC) continues to operate a central team coordinating the police work around this matter, which by its nature is complex. The changes in legislation meant that from 1 April 2022 all active members of the police pension scheme were required to be moved into the reformed 2015 career average scheme. The actual correction for the remedy period remains 2015 to 2022 and work has progressed with our pension administrator in readiness for the retrospective remedy legislation due to take effect from October 2023.

Any impact on scheme liabilities arising from the McCloud judgement will be measured through the pension valuation process, which determines employer and employee contribution rates. The next Police Pension valuation is due to be reported in 2023/24.

Compensation claims arising from the discrimination have not to date impacted on the force and these accounts as they are being met by central government.

8. Summary and Conclusion

Cambridgeshire Constabulary has a strong track record of effective financial and business management to support the delivery of the PCC's Police and Crime Plan. The Chief Constable's Management Team are fully engaged with the financial planning process to ensure resources are directed to priority areas and within the funding available.

This strength in financial management will be as important as ever as the economic conditions remain constrained. The Constabulary will continue to plan and manage

its resources effectively to ensure service delivery, performance outcomes and value for money. Financial and operational sustainability and resilience continues to be a key priority for the Constabulary. This will be delivered whilst continuing to improve performance, bringing offenders to justice, and keeping the people of Cambridgeshire safe.

The Constabulary will rise to this challenge with fairness, integrity, diligence, and impartiality as determined by the Corporate Plan.

Receipt of further information

You can also find information about Cambridgeshire Constabulary Police finances by looking at the Cambridgeshire Constabulary website at www.cambs-police.co.uk.

Acknowledgements

The Statement of Accounts is a key statutory document providing transparency to the public on the financial performance of the Constabulary during the 2022/23 financial year. It takes an incredible amount of effort to produce these accounts. This would not have been possible without the commitment, dedication and hard work of staff in the finance team and others across the organisation and the tri-force collaboration. I would like to thank all colleagues involved in the preparation of these accounts.

Jon Lee CPFA

A handwritten signature in black ink, appearing to be 'J Lee', with a long horizontal flourish extending to the right.

Chief Finance Officer to the Chief Constable

Statement of Responsibilities for the Statement of Accounts

The Chief Constable's Responsibilities

The Chief Constable is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs;
- manage its affairs to secure the economic, efficient, effective use of resources and safeguard its assets; and
- approve the Statement of Accounts.

The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the Chief Constable's Statement of Accounts in accordance with proper practices set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent; and
- complied with the Local Authority Code.

The Chief Finance Officer has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

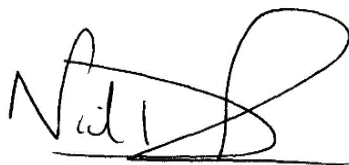
I certify that the Statement of Accounts presents a true and fair view of the financial position of the Constabulary at 31 March 2023 and its income and expenditure for the year then ended.



Jon Lee CPFA

Chief Finance Officer to the Chief Constable, Cambridgeshire Constabulary
11 December 2024

In accordance with the requirements of s8 of the Accounts and Audit Regulations 2015, I confirm that the Statement of Accounts was approved on 11 December 2024.



Nick Dean, KPM MSt (Cantab)
Chief Constable, Cambridgeshire Constabulary

Expenditure and Funding Analysis

The Expenditure and Funding Analysis (EFA) is not a primary statement but is of key importance in showing how the annual expenditure is used and funded from resources (Government grants, Council Tax and Business Rates) in comparison with those resources consumed or earned in accordance with generally accepted accounting practices providing a link between the management accounts and the financial accounts.

	2021/22		2022/23	
	Net Expenditure Chargeable to the General Fund Balance	Adjustments between the Funding and Accounting Basis	Net Expenditure Chargeable to the General Fund Balance	Adjustments between the Funding and Accounting Basis
	£000	£000	£000	£000
Police Services	167,531	15,468	178,019	6,432
Intra-Group Adjustment for financial resources consumed	(183,141)	-	(194,047)	-
Net Cost of Services	(15,610)	15,468	(16,028)	6,432
Other Income and Expenditure	15,610	34,828	16,028	45,876
Deficit on Provision of Services	-	50,296	-	52,308
Opening General Fund Balance	-	-	-	-
Closing General Fund Balance	-	-	-	-
				Net Expenditure in the Comprehensive Income and Expenditure Statement
				184,451
				(194,047)
				(9,596)

Comprehensive Income and Expenditure Statement

	2021/22	2021/22	2021/22	2022/23	2022/23	2022/23	2022/23
	Gross	Gross	Net	Gross	Gross	Net	Net
	Expenditure	Income	Expenditure	Expenditure	Income	Expenditure	Expenditure
	£000	£000	£000	£000	£000	£000	£000
	182,999	-	182,999	184,451	-	184,451	184,451
	(183,141)	-	(183,141)	(194,047)	-	(194,047)	(194,047)
	<u>(142)</u>	<u>-</u>	<u>(142)</u>	<u>(9,596)</u>	<u>-</u>	<u>(9,596)</u>	<u>(9,596)</u>
	15,610	-	15,610	16,028	-	16,028	16,028
	34,828	-	34,828	45,876	-	45,876	45,876
	<u>50,296</u>	<u>-</u>	<u>50,296</u>	<u>52,308</u>	<u>-</u>	<u>52,308</u>	<u>52,308</u>
			(57,415)			(621,949)	(621,949)
			<u>(57,415)</u>			<u>(621,949)</u>	<u>(621,949)</u>
			<u>(7,119)</u>			<u>(569,641)</u>	<u>(569,641)</u>
			<u>(7,119)</u>			<u>(569,641)</u>	<u>(569,641)</u>

The Chief does not recognise any income. This is all included in the Police and Crime Commissioner Annual Accounts.

Movement in Reserves Statement

	Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2021	-	(1,736,618)	(1,736,618)
Movement in reserves during 2021/22			
Total Comprehensive Income and Expenditure	(50,296)	57,415	7,119
Adjustments between accounting basis & funding basis under regulations (note 7)	50,296	(50,296)	-
Increase in 2021/22	-	7,119	7,119
Balance at 31 March 2022 carried forward	-	(1,729,499)	(1,729,499)
Movement in reserves during 2022/23			
Total Comprehensive Income and Expenditure	(52,308)	621,949	569,641
Adjustments between accounting basis & funding basis under regulations (note 7)	52,308	(52,308)	-
Decrease/Increase in 2022/23	-	569,641	569,641
Balance at 31 March 2023 carried forward	-	(1,159,858)	(1,159,858)

This statement shows balances only for reserves in relation to staff under the direction and control of the Chief Constable for the financial years 2022/23 and 2021/22, as all other reserves are held by the Cambridgeshire Police and Crime Commissioner.

Balance Sheet

	Notes	2022/23 £000	2021/22 £000
Long Term Assets		<u>-</u>	<u>-</u>
Current Assets		<u>-</u>	<u>-</u>
Short Term Creditors	12	<u>(5,993)</u>	<u>(5,504)</u>
Current Liabilities		<u>(5,993)</u>	<u>(5,504)</u>
Long Term Liabilities	19	(1,153,865)	(1,723,995)
Net Liabilities		<u><u>(1,159,858)</u></u>	<u><u>(1,729,499)</u></u>
Usable Reserves		-	-
Unusable Reserves	13	<u>1,159,858</u>	<u>1,729,499</u>
Net Reserves		<u><u>1,159,858</u></u>	<u><u>1,729,499</u></u>

Cash Flow Statement

	2022/23 £000	2021/22 £000
Net deficit on the provision of services	(52,308)	(50,296)
Adjusted net deficit or surplus on the provision of services for non cash movements (note 14)	52,308	50,296
Net cash flows from Operating Activities	<u>-</u>	<u>-</u>
Investing Activities	-	-
Financing Activities	-	-
Net increase/(decrease) in cash and cash equivalents	<u>-</u>	<u>-</u>
Cash and cash equivalents at the beginning of the reporting period	-	-
Cash and cash equivalents at the end of the reporting period	<u>-</u>	<u>-</u>

This statement does not show any cash balances for the financial years 2022/23 and 2021/22 as all cash and cash equivalents are held by the Cambridgeshire Police and Crime Commissioner.

Notes to the Accounts

1. Accounting Policies

(i) General Principles

The Statement of Accounts summarises the transactions for the 2022/23 financial year and the position at 31 March 2023. The Accounts and Audit Regulations 2015 requires the preparation of an annual Statement of Accounts, prepared in accordance with proper accounting practices. These practices comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, supported by International Financial Reporting Standards (IFRS).

The Statement of Accounts has been prepared with reference to:

- The objective of providing information about the financial position, performance and cash flows in a way that meets the 'common needs of most users'.
- The underlying assumption that the Group is a going concern and that materiality has been set at the relevant level for the individual entities and the Group.
- The following fundamental qualitative characteristics:
 - Relevance; and
 - Faithful representation.
- The following qualitative characteristics:
 - Comparable;
 - Verifiable;
 - Timely; and
 - Understandable.

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. Accounting policies are reviewed annually and have been applied consistently, as appropriate.

Following the passing of the Police Reform and Social Responsibility Act 2011, Cambridgeshire Police Authority was replaced on 22 November 2012 with two 'corporation sole' bodies, the Cambridgeshire Police and Crime Commissioner ('the Commissioner') and the Chief Constable of Cambridgeshire Constabulary ('the Chief Constable'). Both bodies are required to prepare separate Statements of Accounts.

The Financial Statements included here represent the accounts for the Chief Constable. The identification of the Commissioner as the holding organisation and the requirement to produce group accounts stems from the powers and responsibilities of the Commissioner under the Police Reform and Social Responsibility Act 2011. The Police and Crime Commissioner Group and the Chief Constable have adopted consistent accounting policies.

(ii) Accruals of Income and Expenditure

Items of income and expenditure are accounted for in the year to which they relate. Payments may be made, or receipts received, in the year prior or subsequent to the current year. This means that all material sums received or receivable during the year are included in the accounts, whether or not the cash has actually been paid or received in the year. Adjustments between years are made by way of accruals and prepayments of both income and expenditure. With the exception of payroll-related accruals/prepayments and any accruals/prepayments automatically generated by the accounting system, a de-minimis limit of £5,000 is applied for revenue.

All sales and purchase orders are raised in the name of the PCC and monies are paid into their bank account. Therefore, all debtors and creditors sit in the PCC accounts. The PCC also signs off the fees and charges methodology and therefore income in the Chief's accounts are moved into the PCC at year end.

(iii) Employee Benefits

Benefits Payable During Employment

Short-term employee benefits, being those that fall due wholly within 12 months of the year-end, such as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, are recognised as an expense in the year in which employees render service to the Group.

An accrual is made against services in the Surplus or Deficit on the Provision of Services for the cost of holiday entitlements and other forms of leave earned by employees, but not taken before the year-end and which employees can carry forward into the next financial year. The accrual is made at the remuneration rates applicable in the following financial year. Any accrual made is required under statute to be reversed out of the General Fund Balance by a credit to the Accumulated Absences Account in the Movement in Reserves Statement.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Group to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy. Termination Benefits are charged on an accruals basis to the relevant service line in the Comprehensive Income and Expenditure Statement when the Group can no longer withdraw the offer of those benefits or when the Group recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable by the Group to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for termination benefits, relating to pensions enhancements and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

The Group participates in four defined benefit pension schemes: the Police Pension Scheme (PPS) for police officers in service before 31 March 2006 who are subject to transitional protection; the New Police Pensions Scheme (NPPS) for officers starting service on or after 1

April 2006 who are subject to transitional protection; the Police Pensions Scheme 2015 (PPS 2015) for officers starting service on or after 1 April 2016 and officers formerly members of PPS/NPPS who are not subject to transitional protection; and the Local Government Pension Scheme for Police Staff (LGPS). Pension contributions and further costs that arise in respect of certain pensions paid to retired employees on an unfunded basis are charged to the Comprehensive Income and Expenditure Statement and the Movement in Reserves Statement (as appropriate). The Chief Constable's Accounts include the cost of providing pensions to the staff under the direction and control of the Chief Constable only.

Injury Awards paid under the Police Pension Schemes are disclosed separately. These payments are unfunded and are paid directly by the Group. Injury awards are subject to the same treatment as the Police Pension Schemes, with the movement on the liability being attributable to any change in interest costs and actuarial gains/losses. New injury awards are shown as past service costs in the year which they are made.

The PPS, the NPPS and the PPS 2015 are unfunded schemes and have no attributable assets.

The LGPS is a funded scheme and as such the assets of the scheme are attributable to the Group and are included in the Balance Sheet at their fair value as follows:

- Quoted securities – current bid price;
- Unquoted securities – a professional estimate of fair value;
- Unitised securities – current bid price; and
- Property – market value.

Scheme assets include current assets, such as debtors and cash, as well as the investment portfolio. Accrued expenses and other current liabilities, such as fees payable to fund managers, are deducted from the net asset/liability. All scheme assets are held and monitored by Cambridgeshire County Council LGPS (the administrator); further information can be seen within their Statement of Accounts for 2022/23.

Liabilities largely comprise benefits promised under the formal terms of the pension scheme. Scheme liabilities are measured using the projected unit method. This method examines all the benefits for pensioners and deferred pensioners and their dependants and the accrued benefits for current members of the scheme, making allowance for projected scheme member earnings.

The change in the net pensions liability is analysed over the following headings:

Current Service Cost

This is the increase in liabilities as a result of years of service earned in the current year, allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.

Interest Cost

This is the expected increase in the present value of liabilities accrued during the year as they move one year closer to being paid. Interest cost is charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Expected Return on Assets

This is a measure of the estimated return (income from dividends, interest, etc.) on the investments held by the scheme for the year. It is not intended to reflect the actual realised return by the scheme, but an estimate at the beginning of the financial year of the long-term future expected investment return for each asset class. The expected return on assets is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

The expected return is based on:

- For quoted corporate or government bonds – application of the current redemption yield at the start of the year to the market value of bonds held; and
- For other assets (especially equities) – application of the rate of return expected for each significant class of assets over the long-term at the beginning of the year to the fair value of assets held.

Actuarial Gains and Losses

This element arises where actual events have not coincided with the actuarial assumptions made for the last valuation, known as experience gains and losses, or the actuarial assumptions have been updated. For instance, there may have been an unexpectedly high pay award in the year, or new research might alter assumptions about general levels of mortality. Actuarial gains and losses are recognised in the Pension Reserve.

Past Service Costs

These arise from decisions taken in the current year, but whose financial effect is derived from years of service earned in earlier years. For instance, if scheme regulations were amended to increase the multiplier derived from years of service applied to final salaries in calculating pensions, total liabilities would rise but the majority of this rise would not relate to employee activity in the current year. It is therefore presented separately from the Current Service Cost and is charged to Non-Distributed Costs in the Comprehensive Income and Expenditure Statement.

Settlements and Curtailments

These are events that change pension liabilities but are not normally covered by actuarial assumptions.

Settlements are irrevocable actions that relieve the employer of the primary responsibility for pension obligations, for example the transfer of scheme assets and liabilities relating to a group of employees moving to another scheme.

Curtailments are events that reduce the expected years of future service of present employees or reduce for a number of employees the accrual of defined benefits for some or all of their future service, such as closing a service unit of the Group.

Gains or losses on settlements and curtailments are debited to the Comprehensive Income and Expenditure Statement.

Contributions paid to defined benefit schemes

This is the cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as a separate expense.

Actual amount charged against the General Fund Balance for pensions in the year

Revenue charges in respect of current and past service costs, interest costs and the expected return on assets are reversed in order that actual employer's contributions and retirement benefits payable are recognised in the General Fund Balance. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pension Reserve to remove notional debits and credits for the cash paid to the pension fund and pensioners, and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pension Reserve thereby measures the beneficial impact on the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits earned by employees.

(v) Events After the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period - the Statement of Accounts is adjusted to reflect such events; and
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

(vi) Value Added Tax (VAT)

VAT is included in the Comprehensive Income and Expenditure Statement only to the extent that it is irrecoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

2. Accounting Standards that have been issued but have not yet been adopted

Accounting Standards issued in the 2023/24 code but not yet adopted are listed below:

- Definition of Accounting Estimates (Amendments to IAS 8) issued in February 2021
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) issued in February 2021.
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) issued in May 2021.
- Updating a Reference to the Conceptual Framework (Amendments to IFRS 3) issued in May 2020.

Changes to these accounting standards are included in the 2023/24 CIPFA Code of Practice and once adopted may require disclosure in the 2023/24 accounts depending on their impact.

3. Critical judgements in applying Accounting Policies

In applying the accounting policies set out in Note 1, the Constabulary has had to make certain judgements about complex transactions or those involving uncertainty about future events.

There is a degree of uncertainty about future levels of funding for Police and Crime Commissioners, and consequently Chief Constables. However, it has been determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Group might be impaired as a result of a need to close facilities and reduce levels of service provision.

All income, including that from grants, is received and controlled by the Police and Crime Commissioner. As a result, no income is included within the Accounts of the Chief Constable.

It has been judged that all property, plant and equipment is owned and controlled by the PCC and as such is not included in the Chief Constable's Accounts.

4. Assumptions made about the future and other major sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions of amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for the revenues during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The key judgements and estimation uncertainty that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. We have engaged the Government Actuary's Department to provide the Group with expert advice about the assumptions to be applied for the Police Pension Schemes and Hymans Robertson LLP provides the same advice for the Police Staff Pension Scheme (LGPS) administered by Cambridgeshire County Council.	<p>The effects on the net pension liability of changes in individual assumptions can be measured.</p> <p>However, the assumptions interact in complex ways. During 2022/23, the Group's actuaries advised that the net pension liability had increased by £21.9m for Police Pension Schemes (including a decrease of £225m as a result of changes in financial assumptions) and a decrease of £28m for Police Staff Pensions as a result of changes in financial assumptions. See note 19.</p> <p>A sensitivity analysis shown in Note 19 shows the impact that a 0.1% increase in Real Discount Rate will have or a 0.1% increase in Salary or Pension Increase would have on the 4 pension schemes. The highest impact likely is on the Police</p>

Pension Scheme if the Real Discount Rate was reduced with a potential impact of £18.4m (1.6% reduction in liability).

5. Events after the Reporting Period

The draft Statement of Accounts was authorised for issue by the Chief Finance Officer on 11 December 2024.

There are no events to report.

6. Intra Group Funding Arrangements Between the Police and Crime Commissioner and the Chief Constable

The PCC receives all funding on behalf of the Group. There is no transfer of real cash between the PCC and the Chief Constable as the latter does not have a bank account into which monies can be received or paid from.

The table below shows the movement through the intra-group account within the respective Balance Sheets. PCC resources consumed at the request of the CC are reflected in the PCC and CC Balance sheets through an intra-group adjustment. Similarly an intra-group adjustment is made through the PCC and CC Balance Sheets to reflect the PCC funding of these resources.

	2022/23	2021/22
	£000	£000
<u>Comprehensive Income and Expenditure Statement</u>		
PCC resources consumed at the request of the CC	194,047	183,141
PCC funding for resources consumed at the request of the CC	(194,047)	(183,141)

7. Note to the Expenditure and Funding Analysis

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	2022/23		
	Adjustment relating to Pensions (Note 7.1)	Other Adjustments (Note 7.2)	Total Adjustments
	£000	£000	£000
Police Services	5,943	489	6,432
Intra-Group Adjustment for financial resources consumed	-	-	-
Net Cost of Services	5,943	489	6,432
Other Income and Expenditure	45,876	-	45,876
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	<u>51,819</u>	<u>489</u>	<u>52,308</u>

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	2021/22		
	Adjustment relating to Pensions (Note 7.1)	Other Adjustments (Note 7.2)	Total Adjustments
	£000	£000	£000
Police Services	16,416	(948)	15,468
Intra-Group Adjustment for financial resources consumed	-	-	-
Net Cost of Services	16,416	(948)	15,468
Other Income and Expenditure	34,828	-	34,828
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	<u>51,244</u>	<u>(948)</u>	<u>50,296</u>

7.1 Adjustment relating to Pensions

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

- For services this represents the removal of the employer pension contributions made by the Authority as allowed by statute and the replacement with current service costs and past service costs; and
- Other Income and Expenditure being the net interest on the defined benefit liability is charged to the CIES.

7.2 Other Adjustments

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- **For services** this represents the removal of the accumulated absences accrual as allowed by statute.

8 Expenditure and Income Analysed by Nature

	2022/23 £'000	2021/22 £'000
POLICE SERVICES		
Expenditure		
Police Pay and Allowances	79,473	74,570
Targeted Variable Payments	1,427	0
Police Staff Pay and Allowances	49,335	47,817
Other Pay and Allowances	-	479
Other Employee Expenses	1,946	1,942
Police Pensions	19,734	28,720
Premises	5,639	5,535
Transport	4,381	3,873
Supplies and Services	20,723	18,411
Agency and Contracted Services	1,793	1,652
Intra-Group Adjustment for financial resources consumed	(194,047)	(183,141)
Pension Top Up Grant Transferred to Pension Fund	16,028	15,610
Net interest on the net defined benefit liability	45,876	34,828
Deficit on Provision of Services	<u>52,308</u>	<u>50,296</u>

9 Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Chief Constable in the year, in accordance with proper accounting practice, to the resources that are specified by statutory provisions as being available to the Chief Constable to meet future capital and revenue expenditure. The adjustments are made against the General Fund Balance.

	2022/23 <u>Usable Reserves</u> General Fund Balance £000	2021/22 <u>Usable Reserves</u> General Fund Balance £000
Adjustments to the Revenue Resources		
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:		
Pensions costs (transferred to (or from) the Pensions Reserve)	51,819	51,244
Holiday pay (transferred to (or from) the Accumulated Absences Reserve)	489	(948)
Total Adjustments to Revenue Resources	<u>52,308</u>	<u>50,296</u>
Total Adjustments	<u>52,308</u>	<u>50,296</u>

10 Comprehensive Income and Expenditure Statement – Other Operating Expenditure

	2022/23 £000	2021/22 £000
Pension Top Up Grant Transferred to Pension Fund	16,028	15,610
	<u>16,028</u>	<u>15,610</u>

Note – Pension Top Up Grant is received from the Home Office to meet the Constabulary's cost of police officer pensions.

11 Comprehensive Income and Expenditure Statement – Financing and Investment Income and Expenditure

	2022/23 £000	2021/22 £000
Net interest on the net defined benefit liability	45,876	34,828
	<u>45,876</u>	<u>34,828</u>

Note – this represents the interest costs associated with the LGPS pensions deficit.

12 Creditors

	2022/23 £000	2021/22 £000
Accumulated Absence Accrual	<u>(5,993)</u>	<u>(5,504)</u>
	<u>(5,993)</u>	<u>(5,504)</u>

The balance of creditors is a financial instrument, within the category of current other liabilities and is included in disclosure note 18 of the Group accounts.

13 Unusable Reserves

The unusable reserves comprise of the Pension and Accumulated Absence Reserve. Details below.

	2022/23 £000	2021/22 £000
Pensions Reserve	1,153,865	1,723,995
Accumulating Compensated Absence Adjustment Account	<u>5,993</u>	<u>5,504</u>
	<u>1,159,858</u>	<u>1,729,499</u>

Pension Reserve

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Chief Constable accounts for post employment benefits:

- In the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service;
- By updating the liabilities recognised to reflect inflation; and
- By changing assumptions and investment returns on any resources set aside to meet the costs.

However, statutory arrangements require benefits earned to be financed as the Chief Constable makes employer's contributions to pension funds or eventually pays any pension for which it is directly responsible. The debit balance on the Pension Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Chief Constable has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid. The movements on the pensions liability have been disclosed in Note 19.

	2022/23	2021/22
	£000	£000
Balance at 1 April		
Pension reserve opening balance transfer to PCC	1,723,995	1,730,166
Remeasurements of the net defined benefit liability	(621,949)	(57,415)
Reversal of items relating to retirement benefits debited or credited to the Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	95,409	94,371
Employer's pensions contributions and direct payments to pensioners payable in the year	(43,590)	(43,127)
Balance at 31 March	<u>1,153,865</u>	<u>1,723,995</u>

Accumulated Absences Account (Group)

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

	2022/23	2021/22
	£000	£000
Balance at 1 April	5,504	6,452
Amount by which employer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	489	(948)
Balance at 31 March	<u>5,993</u>	<u>5,504</u>

14 Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

	2022/23	2021/22
	£000	£000
Movement in Pension Liability	51,818	51,244
Increase in Creditors	490	(948)
	<u>52,308</u>	<u>50,296</u>

15 Joint Operations

Eastern Region Special Operations Unit

The Eastern Region Special Operations Unit (ERSOU) was established on 1st April 2010 as a joint arrangement between 7 forces – Hertfordshire, Cambridgeshire, Essex, Suffolk, Norfolk, Kent and Bedfordshire, to provide one serious and organised crime unit for the eastern region. ERSOU is run by a management board where all forces are equally represented and decisions are made with the unanimous consent of all forces. Therefore each forces' share of assets, liabilities, income and expenditure are consolidated into their own financial statements.

Expenditure of £2.655m has been consolidated into the Chief Constable's Comprehensive Income and Expenditure Statement. As all assets, liabilities and reserves, except those relating to staff and officers under the direction and control of the Chief Constable, are held by the PCC only the operational policing costs of the ERSOU joint operation have been included in the Chief Constable's Comprehensive Income and Expenditure Statement. The full consolidation is included in the PCC and Group Statement of Accounts.

The income and expenditure for the ERSOU joint operation is shown below:

2022/23	Beds	Cambs	Essex	Herts	Kent	Norfolk	Suffolk	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Grants	-868	-1095	-1881	-1559	-1270	-1236	-954	-8,863
Capital Grants	-221	-280	-81	-399	-74	-316	-243	-1,614
Running Costs	3,156	3,985	4,591	5,671	4,372	4,495	3,468	29,738
Depreciation	46	46	32	74	16	58	47	319
Surplus / Deficit	2,113	2,656	2,661	3,787	3,044	3,001	2,318	19,580
2021/22	Beds	Cambs	Essex	Herts	Kent	Norfolk	Suffolk	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Grants	-626	-803	-1561	-1137	-888	-905	-690	-6,610
Capital Grants	-15	-19	-38	-27	-41	-21	-16	-177
Running Costs	2,596	3,331	3,603	4,718	3,381	3,754	2,861	24,244
Depreciation	61	63	54	101	36	79	64	458
Surplus / Deficit	2,016	2,572	2,058	3,655	2,488	2,907	2,219	17,915

Bedfordshire, Cambridgeshire and Hertfordshire (BCH) Collaboration

Cambridgeshire Police and Crime Commissioner and Cambridgeshire Constabulary participates in collaborative arrangements with Bedfordshire Police and Crime Commissioner/ Bedfordshire Police and Hertfordshire Police and Crime Commissioner/Hertfordshire Constabulary. The collaborated units are jointly staffed and funded by the three forces and

are overseen by governance boards where all forces are equally represented and decisions are made with the unanimous consent of all Forces. Therefore each forces' share of assets, liabilities, income and expenditure are consolidated into their own financial statements.

Expenditure of £30.790m has been consolidated into the Chief Constable's Comprehensive Income and Expenditure Statement. The table overleaf provides the breakdown across the functions that are collaborated for both 2022/23 and the prior year.

7 Force Commercial Services (formerly 7 Force Procurement)

Procurement across Seven Forces; Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Kent, Norfolk and Suffolk has been collaborated to form a single 7F Procurement function since 1 January 2020. It's aim is delivery of an effective Police service and to provide support for victims of crime by procuring and managing a high quality, value for money supply chain. The team will be working towards aligning contracts across the seven forces, increasing the opportunity for greater interoperability across the region and enhancing efficiency and effectiveness.

The costs to Cambridgeshire Constabulary during 2022/23 were £243k. Total costs during 2021/22 were £240k, which was the first full year of the single 7 Force unit.

The net operating costs for the BCH joint operations is shown below:

Beds 2021/22 £'000		Cambs 2021/22 £'000		Herts 2021/22 £'000		Total 2021/22 £'000		Beds 2022/23 £'000		Cambs 2022/23 £'000		Herts 2022/23 £'000		Total 2022/23 £'000	
Joint Protective Services															
3,502	3,149	3,700	10,351	Armed Policing Units	3,368	3,007	3,554	3,368	3,007	3,554	9,929				
849	1,053	1,420	3,322	Dog Units	869	1,066	1,443	869	1,066	1,443	3,378				
2,265	2,728	3,364	8,357	Major Crime Unit	2,419	2,884	3,567	2,419	2,884	3,567	8,870				
286	366	519	1,171	Operational Planning	313	395	563	313	395	563	1,271				
330	423	599	1,352	Jps Command	400	504	718	400	504	718	1,622				
96	124	175	395	Resilience	102	128	183	102	128	183	413				
2,658	3,838	5,141	11,637	Roads Policing Unit	2,808	4,007	5,386	2,808	4,007	5,386	12,201				
2,456	2,993	4,065	9,514	Scientific Services	2,579	3,109	4,235	2,579	3,109	4,235	9,923				
12,442	14,674	18,983	46,099	Total Joint Protective Services	12,858	15,100	19,649	12,858	15,100	19,649	47,607				
Operational Support															
312	183	566	1,061	Cameras Tickets & Collisions	-	50	-	50	-	83	195				
542	695	984	2,221	Custody & Criminal Justice Smt	278	170	500	278	170	500	948				
102	196	160	458	Criminal Justice Unit	518	654	931	518	654	931	2,103				
-	194	-	764	Firearms & Explosive Licenses	149	289	235	149	289	235	673				
4,226	5,423	7,681	17,330	let	4,238	5,346	7,611	4,238	5,346	7,611	17,195				
-	-	-	-	-	-	-	-	-	-	-	-				
-	-	-	-	Delivery Management Office***	377	476	678	377	476	678	1,531				
4,988	6,251	9,067	20,306	Total Operational Support Expenditure	5,510	6,873	9,872	5,510	6,873	9,872	22,255				
Organisational Support															
423	543	769	1,735	Collaboration Team***	-	-	-	-	-	-	-				
4,124	5,292	7,496	16,912	Hr L&D	4,572	5,768	8,212	4,572	5,768	8,212	18,552				
810	1,039	1,472	3,321	Information Management Depts	901	1,136	1,617	901	1,136	1,617	3,654				
1,419	1,466	2,139	5,024	Professional Standards	1,546	1,580	2,313	1,546	1,580	2,313	5,439				
66	84	119	269	Joint Uniform Stores	71	90	128	71	90	128	289				
6,842	8,424	11,995	27,261	Total Organisational Support Expenditure	7,090	8,574	12,270	7,090	8,574	12,270	27,934				
24,272	29,349	40,045	93,666	Total BCH Net Operating Costs	25,458	30,547	41,791	25,458	30,547	41,791	97,796				
187	240	340	767	Joint Procurement Unit**	129	243	460	129	243	460	832				
24,459	29,589	40,385	94,433	Total Net Operating Costs	25,587	30,790	42,251	25,587	30,790	42,251	98,628				
Joint Procurement Unit** 7F element															
Delivery Management Office*** Redignised in Op Support from 22/23, Previously part of Org Support during 21/22 known as Collaboration Team ***															

16 Officers' Remuneration

Chief Constable's Accounts

Chief Constable	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
	Salaries, fees & allowances	Bonuses	Benefits in Kind	Total Remuneration excluding pension contributions	Employer's pension contributions	Total Remuneration including pension contributions												
Nick Dean *	154,533	-	5,045	159,578	258	159,836												
Nick Dean *	153,423	-	4,624	158,047	46,473	204,520												
Jane Gyford	135,669	-	-	135,669	38,675	174,344												
Jane Gyford	134,559	-	-	134,559	38,331	172,890												
Assistant Chief Constables																		
Victoria Evans	120,330	-	4,549	124,879	37,302	162,181												
Victoria Evans	119,220	-	4,184	123,404	36,958	160,362												
Dan Vajzovic to 6.2.23 **	105,142	-	-	105,142	32,100	137,242												
Dan Vajzovic	120,459	-	-	120,459	36,958	157,417												
Chief Finance Officer (Constabulary)																		
Jon Lee	108,843	-	6,184	115,027	24,925	139,952												
Jon Lee	106,602	-	6,184	112,786	24,412	137,198												
Totals	624,517	-	15,778	640,295	133,260	773,555												
	634,263	-	14,992	649,255	183,132	832,387												

* Nick Dean reached his 30 years in April 2022 and he opted out from 3.4.22

** Dan Vajzovic left Cambridgeshire Police 06.2.23 and moved to Deputy Chief Constable at Bedfordshire Police

The number of staff employees and senior police officers holding a rank above that of superintendent whose remuneration, excluding employer's pension contributions, was £50,000 or more, in bands of £5,000, was as follows:

	2022/23	2021/22
£50,000 to £54,999	14	18
£55,000 to £59,999	10	7
£60,000 to £64,999	4	6
£65,000 to £69,999	6	-
£70,000 to £74,999	2	-
£75,000 to £79,999	3	-
£80,000 to £84,999	5	1
£85,000 to £89,999	4	1
£90,000 to £94,999	7	5
£95,000 to £99,999	-	1
£100,000 to £104,999	-	-
£105,000 to £109,999	1	1
£110,000 to £114,999	1	1
£115,000 to £119,999	1	1
£120,000 to £124,999	1	1
£125,000 to £129,999	-	-
£130,000 to £134,999	-	2
£135,000 to £139,999	1	-
£140,000 to £144,999	1	-
£145,000 to £149,999	-	-
£150,000 to £154,999	1	1
	62	46

The numbers above include the senior employees and relevant police officers disclosed earlier in Note 16 where they earned over £50k and also includes those seconded out of force at present.

The numbers of exit packages with total cost per band and the total cost of redundancies agreed are set out below. There was only one redundancy during 22/23 that was remaining from the HR transformation programme in 2020-21. All redundancies were compulsory in both years.

	Number of redundancies		in each band	
	2022/23	2021/22	2022/23	2021/22
	No.	No.	£'000	£'000
Exit package cost band				
£0 - £20,000	1	2	9	35
£20,001 - £40,000	-	1	-	22
	1	3	9	57

Redundancy costs for Cambridgeshire employees in collaborated units are apportioned in line with existing cost sharing principles. In 2022/23 our share of the total redundancy cost of £30k was £9k. In 2021/22 one of the three employees worked in the HR collaborated units and their redundancy costs were apportioned. In addition during 2021/22 Cambridgeshire contributed towards 2 exit packaged for Hertfordshire and Bedfordshire employees with a total cost of £17k.

17 Audit Costs

The Chief Constable has incurred the following costs in relation to the audit of the Statement of Accounts.

	2022/23	2021/22
	£'000	£'000
Fees payable with regard to external audit services carried out by the appointed auditor:	<u>12</u>	<u>12</u>

The above fees may change as a result of the backstop date, but this is unlikely.

18 Related Parties

The Chief Constable is required to disclose material transactions with related parties, being bodies or individuals that have the potential to control or influence the Chief Constable or to be controlled or influenced by it. Disclosure of these transactions allows readers to assess the extent to which the Chief Constable might be constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Chief Constable.

Police and Crime Commissioner

The Police and Crime Commissioner has direct control over the groups finances, including responsibility for funding of all pensions' liabilities, and is responsible for setting the Police and Crime Plan. The Chief Constable operates within the budget set by the Police and Crime Commissioner, to deliver the aims and objectives set out in the Police and Crime Plan. Section 28 of the Police Reform and Social Responsibility Act 2011 requires that the local authorities covered by the police area must establish a Police and Crime Panel (PCP) for that area. The PCP scrutinises the decisions of the PCC, reviews the Police and Crime Plan and has a right of veto over the precept (see note 6).

Central Government

Central government has significant influence over the general operations of the Chief Constable. It is responsible for providing the statutory framework within which the Chief Constable operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Group has with other parties. Grants received from government departments are set out in the PCC Group and the PCC Statement of Accounts 2022/23.

Officers

During the year, the Chief Constable was a trustee of the Shrievalty Trust.

Cambridgeshire Police Shrievalty Trust

The Cambridgeshire Police Shrievalty Trust is a charitable organisation supported by the Group whose objective is to support efforts to "Create a Safer Cambridgeshire". Details of Officers who were trustees throughout the period are set out below:

Officers: N Dean, Chief Constable

In the year to 31 March 2023, the Group had dealings with the Trust being a Victims Support grant contribution of £50,000 (2021/22 £50,000) and a Safer Streets Grant for £25,328 (2021/22 £29,360).

Other Public Bodies (subject to common control by central government)

The Chief Constable has a pooled budget arrangement (joint operation) with the 6 other eastern police forces for the provision of tackling organised crime and further pooled budget arrangements (joint operation) with Bedfordshire Police and Hertfordshire Constabulary for the provision of a range of policing services. Transactions and balances outstanding are detailed in the PCC Group and the PCC Statement of Accounts 2022/23.

The Chief Constable participates in four pension schemes the Local Government Pension Scheme (LGPS) for Police Staff, the Police Pension Scheme (PPS) for Police Officers in service before 31 March 2006 who are subject to transitional protection, the New Police Pensions Scheme (NPPS) for officers starting service on or after 1 April 2006 who are subject to transitional protection and the Police Pensions Scheme 2015 (PPS 2015) for officers starting service on or after 1 April 2015 and officers formerly members of PPS/NPPS who are not subject to transitional protection. The LGPS scheme is administered by Cambridgeshire County Council and the PPS, NPPS and PPS 2015 are administered by XPS Pension Group. See Note 19 for details of transactions and balances outstanding.

During the year the Chief Constable made payments totalling £978k to the six local authorities for National Non-Domestic Rates Bills (2021/22 £1,591k).

19 Group's Retirement Benefits

Participation in Pension Schemes

As part of the terms and conditions of employment of its Police Officers and Police Staff, the Chief Constable offers retirement benefits which are normally payable on retirement. The Chief Constable, however, is required to disclose the commitment to pay future retirement benefits as those benefits are earned by officers or employees.

The Chief Constable participates in four pension schemes:

- i) the Local Government Pension Scheme (LGPS) for Police Staff, administered by Cambridgeshire County Council. This is a defined benefit, funded scheme, meaning that the Group and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets. As corporations sole the Police and Crime Commissioner and Chief Constable are separate employers in the scheme, which is reflected in the figures included in the financial statements; and
- ii) the Police Pension Scheme (PPS) for Police Officers in service before 31 March 2006 who are subject to transitional protection, the New Police Pensions Scheme (NPPS) for officers starting service on or after 1 April 2006 who are subject to transitional protection and the Police Pensions Scheme 2015 (PPS 2015) for officers starting service on or after 1 April 2015 and officers formerly members of PPS/NPPS who are not subject to transitional protection. All three schemes are defined benefit, unfunded schemes, administered by XPS Pension Group, meaning that there are no investment assets built up to meet the pension liabilities and that cash has to be generated to meet actual pensions payments as they eventually fall due. Injury Awards paid under the Police Pension Schemes are disclosed separately. These payments are unfunded and are paid directly by the Chief Constable. Injury awards are subject to the same treatment as the

Police Pension Schemes, with the movement on the liability being attributable to any change in interest costs and actuarial gains/losses. New injury awards are shown as past service costs in the year which they are made.

Transactions Relating to Post Employment Benefits

The costs of retirement benefits are recognised in the Net Cost of Services when they are earned by staff rather than when the benefits are actually paid as pensions. However, the charge required to be made against council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the Comprehensive Income and Expenditure Statement via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

	2022/23		2021/22	
	Police Pensions £000	LGPS- Chief Constable £000	Police Pensions £000	LGPS- Chief Constable £000
				Total £000
Comprehensive Income and Expenditure Account				
<i>Cost of Services:</i>				
Current service cost	35,762	13,770	44,329	59,064
Past service costs	-	-	-	479
	35,762	13,770	44,329	59,543
<i>Financing and Investment Income and Expenditure:</i>				
Net interest expense	43,570	2,306	32,530	34,828
	43,570	2,306	32,530	34,828
<i>Total Post Employment Benefit Charged to the Deficit on the Provision of Services</i>				
	79,332	16,076	76,859	94,371
<i>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>				
Return on plan assets		11,317		(11,843)
Actuarial (gains) and losses arising on changes in demographic assumptions	(29,920)	(3,675)	-	(1,449)
Actuarial (gains) and losses arising on changes in financial assumptions	(582,090)	(134,918)	(21,690)	(47,754)
Other	97,120	20,217	3,030	3,631
	(514,890)	(107,059)	(18,660)	(57,415)
<i>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Account</i>				
	(435,558)	(90,983)	58,199	36,956
Movement in Reserves Statement				
Reversal of net charges made to the Deficit for the Provision of Services for post employment benefits in accordance with the Code				
	(79,332)	(16,076)	(76,859)	(94,371)
<i>Actual amount charged against the General Fund Balance for Pensions in the year:</i>				
Employer's contributions payable to the schemes	36,948	6,642	36,252	43,127

Assets and Liabilities in Relation to Post Employment Benefits

Reconciliation of present value of the scheme liabilities:

	2022/23			2021/22		
	Unfunded Liabilities	LGPS- Chief Constable	Total Liabilities	Unfunded Liabilities	LGPS- Chief Constable	Total Liabilities
	£000	£000	£000	£000	£000	£000
Balance at 1 April	1,644,088	307,828	1,951,916	1,622,140	314,394	1,936,534
Current service cost	35,762	13,770	49,532	44,329	14,735	59,064
Past service costs	-	-	-	-	479	479
Interest cost	43,570	8,606	52,176	32,530	6,569	39,099
Contributions by scheme participants	7,970	1,940	9,910	7,790	1,817	9,607
Benefits paid	(44,918)	(4,991)	(49,909)	(44,042)	(4,388)	(48,430)
Remeasurement gain/loss:						
Actuarial gains arising from changes in demographic assumptions	(29,920)	(1,503)	(31,423)	-	(1,449)	(1,449)
Actuarial (gains)/losses arising from changes in financial assumptions	(582,090)	(135,365)	(717,455)	(21,690)	(26,064)	(47,754)
Other	97,120	17,358	114,478	3,030	601	3,631
Balance at 31 March	1,171,582	207,643	1,379,225	1,644,087	306,694	1,950,781

Reconciliation of fair value of the scheme assets:

	2022/23		2021/22	
	Police Pensions £000	LGPS- Chief Constable £000	Police Pensions £000	LGPS- Chief Constable £000
Balance at 1 April	-	226,786	-	206,368
Interest Income	-	6,300	-	4,271
Remeasurement gain/loss:				
The return on plan assets, excluding the amount included in the net interest expense	-	(11,317)	-	11,843
Contributions from employer	36,948	6,642	36,252	6,875
Contributions from employees into the scheme	7,970	1,940	7,790	1,817
Benefits paid	(44,918)	(4,991)	(44,042)	(4,388)
Closing fair value of scheme assets	-	225,360	-	226,786
		225,360		226,786

The amount included in the Balance Sheet arising from the Group's obligation in respect of its defined benefit plan is as follows:

	Police Pensions £000		LGPS £000		Total £000	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Present value of the defined benefit obligation	1,171,582	1,644,087	207,643	306,694	1,379,225	1,950,781
Fair Value of Plan Assets	-	-	(225,360)	(226,786)	(225,360)	(226,786)
Net Liability arising from defined benefit obligation	1,171,582	1,644,087	(17,717)	79,908	1,153,865	1,723,995

The PPS has no assets to cover its liabilities. The LGPS's assets consist of the following categories, by proportion of the total assets held:

	31/03/2023	31/03/2022
	£000	£000
Cash and Cash Equivalents	5,444	2,193
Private Equity	27,966	24,204
UK Government	7,628	11,130
Investment funds and unit trusts:		
Equities	124,513	130,750
Bonds	24,329	24,105
Infrastructure	19,813	18,019
Real Estate	14,721	15,926
Derivatives	946	459
	<u>225,360</u>	<u>226,786</u>

The liabilities are the underlying commitments that the Chief Constable has to pay retirement benefits in the long-term. The total liability of £1,154m (£1,172m police officer pension scheme and (£18m) unfunded liabilities (net of scheme assets) in LGPS for police staff) has a significant impact on the net worth of the Chief Constable as presented in the Balance Sheet, giving rise to negative equity of £1,160m. However, statutory arrangements for funding the deficit mean that the financial position of the Chief Constable remains stable:

- i) the deficit on the LGPS will be made good by increased contributions over the remaining working lives of employees, as assessed by the scheme actuary; and
- ii) finance is only required to be raised to cover police pensions as and when they are actually paid.

Basis of Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependant on assumptions made about mortality rates and salary levels. The PPS, the NPPS and the PPS 2015 have been assessed by the Government Actuary's Department. The LGPS liabilities have been assessed by Hymans Robertson, an independent firm of actuaries, based on the latest full valuation of the scheme as at 31 March 2022.

The principal assumptions used by the actuary have been:

	Local Government Pension Scheme		Police Pension Schemes	
	2022/23	2021/22	2022/23	2021/22
Mortality assumptions:				
Longevity at 65 for current pensioners				
Men	22.0	22.0	21.9	22.1
Women	24.2	24.2	23.5	23.8
Longevity at 45 for current pensioners				
Men	22.9	22.9	23.5	23.8
Women	26.0	26.0	25.0	25.4
Rate of increase in salaries	3.7	3.7	4.8	4.8
Rate of increase in pensions	3.2	3.2	3.0	3.0
Rate of discounting scheme liabilities	2.8	2.8	2.7	2.7
CARE revaluation rate	-	-	4.3	4.3

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changed while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analyses below did not change from those used in the previous period.

	Chief Constable Scheme		Police Pension Scheme	
	Increase in Liability (%)	Approximate monetary amount £000	Increase in Liability (%)	Approximate monetary amount £000
Change in assumptions at 31 March 2023				
0.1% decrease in Real Discount Rate	2.0	4,598	-1.6	(18,400)
0.1% increase in the Salary Increase Rate	0.0	566	0.2	2,200
0.1% increase in the Pension Increase Rate	2.0	4,100	1.6	18,400
Life Expectancy - 1 year change	4.0	8,306	0.5	5,800

Impact on Cash Flows

The total contributions to be made to the Local Government Pension Scheme by the Chief Constable in the year to 31 March 2023 is £5,975k (2021/22, £6,134k) contributions for the Police Pension Scheme in the year to 31 March 2023 are £16,077k (2021/22 £16,647k).

Legal Claims

Claimants have lodged claims for compensation under two active sets of litigation, Aarons and Penningtons.

Aarons & Ors

Government Legal Department settled the injury to feelings claims for Aarons on behalf of Chief Officers without seeking any financial contributions. Pecuniary loss claims have been stayed until the remedy is brought into force from 1 October 2023. The settlement of the injury to feelings claims for Aarons sets a helpful precedent.

Therefore no liability in respect of compensation claims is recognised in these accounts.

Penningtons

As at 31 March 2023, it is not possible to reliably estimate the extent or likelihood of these claims being successful, and therefore no liability in respect of compensation claims is recognised in these accounts.

Remedy

The Public Service Pensions and Judicial Offices Act 2022 (PSPJOA 2022) legislates for how the government will remove the discrimination identified by the courts in the way that the 2015 reforms were introduced for some members. The main elements of the Act are:

- Changes implemented across all the main public service pension schemes in response to the Court of Appeal judgment in the McCloud and Sargeant cases:
- Eligible members of the main unfunded pension schemes have a choice of the benefits they wish to take for the “remedy period” of April 2015 to 31 March 2022.
- From 1 April 2022, when the remedy period ends, all those in service in main unfunded schemes will be members of the reformed pension schemes, ensuring equal treatment from that point on.
- Ensures there are no reductions to member benefits as a result of the 2016 cost control valuations.

Impact on pension liability

Allowing for all eligible members to accrue benefits from their legacy scheme during the remedy period would lead to an increase in the Police Pension Scheme liabilities. For Cambridgeshire Constabulary this effects 1,066 members. Scheme actuaries originally estimated the increase in scheme liabilities for Cambridgeshire Constabulary to be 4.4% or £67.5 of pension scheme liabilities.

The impact of an increase in scheme liabilities arising from McCloud/Sargeant judgement will be measured through the pension valuation process, which determines employer and employee contribution rates. The next Police Pension valuation is due to be reported in 2023/24, although this timetable is subject to change.

The impact of an increase in annual pension payments arising from McCloud/Sargeant is determined through the Police Pension Fund Regulations 2007. These require a police authority to maintain a pension fund into which officer and employer contributions are paid and out of which pension payments to retired officers are made. If the police pension fund does not have sufficient funds to meet the cost of pensions in year the amount required to meet the deficit is then paid by the Secretary of State to the police authority in the form of a central government top-up grant.

20 Transport Consortium

The PCC for Cambridgeshire belongs to the Chiltern Transport Consortium operated by Thames Valley Police. Cambridgeshire's contribution for 2022/23 was £2.3m (£2.6m in 21/22). In 2022/23 self insurance costs were accounted for separately. Costs are allocated to the forces in proportion to the size of their fleet. The total costs of the consortium are shown below:

	2022/23	2021/22
	£000	£000
Employee Costs	3,149	2,901
Premises	420	431
Running Costs	4,829	5,195
Insurance	0	2,352
Vehicles	9,287	9,538
Income	(2,291)	(1,913)
	<u>15,394</u>	<u>18,504</u>

Pension Account

The Chief Constable is required to maintain a Pensions Account in order to discharge its responsibility for paying the pensions of retired officers and their survivors and to account to the Home Office as sponsoring department for police pensions funding. The Pensions Account has the legal status of a fund for the purposes of the Local Government Finance Act and all accounting entries are recorded, administered and governed by The Police Pension Fund Regulations 2007.

Credits to the Pension Account include contributions from both the Chief Constable and serving police officers who are members of either the Police Pension Scheme (PPS), the New Police Pension Scheme (NPPS) or the Police Pension Scheme 2015 (PPS 2015). The Chief Constable's contributions in 2022/23 were at a rate of 31.0% of pensionable salary. These rates are set by the Home Office and are subject to triennial revaluation by the Government's Actuary Department.

Charges to the Pension Account include pensions to retired police officers and their survivors and commutations and lump sum retirement benefits.

The Pension Account is balanced to nil each year by the receipt of pension top-up grant from, or by paying over any surplus to, the sponsoring department. The effect of this funding mechanism is that the employer's contribution of 31.0% of serving police officers' pensionable salary and together with injury pensions and a capital charge for ill-health retirements, falls to be charged to the Group's Comprehensive Income and Expenditure Statement.

The Pension Account is designed to discharge liabilities to pay pensions as they fall due and no account is taken of pensions and other liabilities after the period end.

A statement of account for the Pension Account, together with its net current assets and liabilities at 31 March 2023, is set out below. All Fund transactions are treated in accordance with the Group's accounting policies as set out in Note 1, where applicable.

Full details of the Chief Constable as Scheme Administrator retirement benefits have been disclosed in Note 19.

Fund Account

	2022/23	2021/22
	£000	£000
Contributions receivable:		
From employer:		
Normal	(18,122)	(17,695)
Early retirements	(269)	(247)
From members	(7,794)	(7,597)
Transfers in	(169)	(220)
	<u>(26,354)</u>	<u>(25,759)</u>
Benefits payable:		
Pensions	38,570	33,940
Commutations and lump sum retirement benefits	6,847	7,336
	<u>45,417</u>	<u>41,276</u>
Payments to and on account of leavers:		
Refunds of contributions	79	92
Individual transfers out to other schemes	23	-
	<u>102</u>	<u>92</u>
Net amount for the year before top-up grant payable by sponsoring department	19,165	15,610
Amount from sponsoring department	(19,165)	(15,610)
Balance on Fund at 31 March	<u>-</u>	<u>-</u>

Net Assets Statement	2022/23	2021/22
	£'000	£'000
Net current assets and liabilities		
Amounts owed from General Fund	7,173	1,065
Remaining top-up grant due from the Home Office	(7,173)	(1,065)
Net current assets / (liabilities) at 31 March	<u>-</u>	<u>-</u>

The Police Pension Account does not hold any investment assets.

Glossary of Terms

Accrual	The recognition in the correct accounting period of income and expenditure as it is earned or incurred rather than as cash is received or paid.
Accrued Retirement Benefits (Pensions)	The retirement benefits for service up to a given point in time, whether vested rights or not.
Actuarial Gains And Losses (Pensions)	For a defined benefit scheme, the changes in deficits or surpluses that arise because events have not coincided with actuarial assumptions used in the last valuation (experience gains or losses) or because actuarial assumptions have changed.
Budget	A financial statement of the Group's plans for any given year.
CIPFA	The Chartered Institute of Public Finance and Accountancy. This is the leading professional accountancy body for public services.
Creditors	Amounts owed by the Group for work done, goods received or services rendered, but for which payment has not been made at the date of the balance sheet.
Curtailment (Pensions)	For a defined benefit scheme, an event that reduces the expected years of future service of current staff or reduces for a number of staff the accrual of defined benefits for some or all of their future service.
Current Service Costs (Pensions)	The increase in the present value of a defined benefit scheme's liabilities expected to arise from pensionable service earned in the current period.
Debtors	Sums of money due to the Group, but unpaid at the balance sheet date.
Defined Benefit Scheme (Pensions)	A scheme to provide retirement benefits, the value of which are independent of the contributions payable, and that are not directly related to the underlying investments.
Expected Rate of Return on Pension Assets	For a funded, defined benefit scheme, the average rate of return, net of any charges, expected to be earned on assets held by the scheme over the remaining life of the related obligation to pay future retirement benefits.
Fair Value	The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
Financial Reporting Standards (FRSs)	Standards developed by the Accounting Standards Board to regulate the preparation and presentation of statement of accounts.

Government Grants	Payments by Central Government towards Local Authority spending. They may be specific to a particular service e.g. Police Grant or for a general purpose (see Revenue Support Grant).
Income	Amounts that the Group receives, or expects to receive, from any source. Income includes fees, charges, sales, specific grants and special grants. The term income implies that the figures concerned relate to amounts due in a financial year irrespective of whether or not they have been received in that period.
Injury Award	An injury award compensates an individual for the potential loss of earnings for injury sustained whilst on duty that results in some level of disablement which hinders or prevents them from working in the future. An injury award is a life time award.
International Financial Reporting Standards (IFRSs)	Standards developed by the International Accounting Standards Board to regulate the preparation and presentation of statement of accounts.
Investments (Pensions)	The Group's share of pension scheme assets associated with its liability to pay future retirement benefits.
Past Service Cost (Pensions)	For a defined benefit scheme, the increase in the present value of the scheme liabilities related to staff service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits payable.
Projected Unit Credit Method (Pensions)	An actuarial method of valuing a pension scheme's liability to pay future retirement benefits taking into account estimated increases in future earnings.
Reserves	Amounts set aside by the Group that do not fall within the definition of a provision.
Retirement Benefits (Pensions)	All forms of consideration given by an employer in exchange for services rendered by staff that are payable after completion of the engagement.
Revenue Expenditure	The day-to-day spending and income of the Group on such items as staff, goods, services and equipment.
Revenue Fund Balances	The accumulated surplus of income over expenditure held in reserve.
Scheme Liabilities (Pensions)	The liabilities to pay future retirement benefits, measured using the projected unit credit method, of a defined benefit scheme for outgoings falling due after the valuation date.
Service Reporting Code of Practice (SeRCOP)	A CIPFA Code that is designed to ensure a consistent and comparable approach to the calculation of the cost of services.

Settlement
(Pensions)

An irrevocable action that relieves the employer of the primary responsibility for a pension obligation.

INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE OF CAMBRIDGESHIRE CONSTABULARY

Disclaimer of opinion

We do not express an opinion on the accompanying financial statements of the Chief Constable of Cambridgeshire Constabulary. Because of the significance of the matter described in the Basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We were engaged to audit the financial statements of the Chief Constable of Cambridgeshire Constabulary for the year ended 31 March 2023 which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement, the Pension Account and notes to the financial statements including material accounting information and the Expenditure and Funding Analysis. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

Basis for disclaimer of opinion

The Accounts and Audit (Amendment) Regulations 2024 ('the Regulations') require the Chief Constable of Cambridgeshire Constabulary to publish audited financial statements for the year ended 31 March 2023 by 13 December 2024 ('the backstop date'). The backstop date has been put in law with the purpose of clearing the backlog of historical financial statements. The conditions created by backstop arrangements have resulted in us not being able to obtain all the necessary audit evidence upon which to form an opinion since there was insufficient time to perform all necessary audit procedures by the backstop date. Consequently, we have not performed any work in respect of any audit area. As a result, we are unable to conclude that the Chief Constable of Cambridgeshire Constabulary's financial statements for the year ended 31 March 2023 as a whole are free from material misstatement. We have concluded that the possible effects on the financial statements of undetected misstatements arising from this matter could be both material and pervasive.

Other information

The Chief Finance Officer is responsible for the other information. The other information includes all other information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. The Code of Audit Practice 2024 requires auditors to report on whether other information published together with the financial statements is consistent with the financial statements. Because of the significance of the matter described in the Basis for disclaimer of opinion section of our report, we have been unable to form an opinion on whether the other information published together with the financial statements is consistent with the financial statements.

Matters on which we are required to report by exception

Use of resources

We are required to report to you if, in our opinion, we are not satisfied that the Chief Constable of Cambridgeshire Constabulary has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

We have nothing to report in this regard.

Other matters on which we report by exception

We are required to report to you if:

- we have been unable to satisfy ourselves that the Annual Governance Statement complies with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23;
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit;
- we make a written recommendation to the Chief Constable of Cambridgeshire Constabulary under section 24 of the Local Audit and Accountability Act 2014;
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014;
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in respect of these matters, except that because of the significance of the matter described in the Basis for disclaimer of opinion section of our report, we have been unable to satisfy ourselves that the Annual Governance Statement complies with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

Responsibilities of the Chief Finance Officer and the Chief Constable

As explained more fully in the Statement of Responsibilities, the Chief Finance Officer is responsible for the preparation of the financial statements and for being satisfied that the financial statements give a true and fair view and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the Chief Constable of Cambridgeshire Constabulary'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 they have been informed by the relevant national body of the intention to dissolve the Chief Constable of Cambridgeshire Constabulary without the transfer of its services to another public sector entity.

The Chief Constable of Cambridgeshire Constabulary is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the Chief Constable of Cambridgeshire Constabulary's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Chief Constable of Cambridgeshire Constabulary in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under section 20 of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Chief Constable of Cambridgeshire Constabulary has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable of Cambridgeshire Constabulary's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024.

Auditor's other responsibilities


As set out in the Other matters on which we report by exception section of our report there are certain other matters which we are required to report by exception.

Certificate

We certify that we have completed the audit of the accounts of the Chief Constable of Cambridgeshire Constabulary in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the Chief Constable of Cambridgeshire Constabulary, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Chief Constable of Cambridgeshire Constabulary those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable of Cambridgeshire Constabulary, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

945F22100B63425...

Rachel Brittain, Key Audit Partner

For and on behalf of BDO LLP, Local Auditor

London, UK

11 December 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).