



Creating a safer
Cambridgeshire

The Chief Constable of Cambridgeshire Constabulary

STATEMENT OF ACCOUNTS 2023/24

Table of Contents

	Page
Preface	2
Narrative Report	5
Statement of Responsibilities for the Statement of Accounts	34
Expenditure and Funding Analysis	36
The Core Statement of Accounts	
Comprehensive Income and Expenditure Statement	37
Movement in Reserves Statement	38
Balance Sheet	39
Cash Flow Statement	40
Notes to the Accounts	41
Accompanying Statements	
Pension Account	69
Glossary of Terms	70
Audit Report	73

PREFACE

Introduction to the 2023/24 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 2023/24 ensuring support and due regard is afforded to assist in the delivery of the Police and Crime 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. The Corporate Plan, importantly includes a cultural statement with the Constabulary being one of the few forces 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. Keeping a focus on key national agendas, the Plan maintains 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.

With a population at 0.9m 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 and Cambridge 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. All 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.

The use of 999 calls remains high and the 12-month total for 2023/24 is 11.9% higher than that of 2022/23, though this total has stopped increasing in recent months. The downward trend in 101 volumes has continued, with 2023/24 seeing 4.7% fewer 101 calls than 2022/23. The use of webchats was stable over the first half of 2023/24 but has declined since then, with 23.8% fewer over 2023/24 than 2022/23.

The increase in 999 calls has led to pressure within the Demand Hub to maintain levels of service. There has been some evidence of recent improvement, however. While national comparison data over much of 2023/24 was challenging, most recently available data showed Cambridgeshire in the top third of Forces. 101 call handling has seen some improvement over 2023/24 with average wait time down 4 seconds to 23 seconds.

Improving response performance remains an area for improvement as highlighted by the HMICFRS inspection undertaken during 2023/24. Immediate investment has been made in the Demand Hub (Force Control Room) and targeted plans and activity are in place to improve call handling and response performance. Rapid Video Response (RVR) continues to feature in our policing response and is an increasingly important tool in responding to the public. Similarly work in managing offenders was identified as an area to improve by HMICFRS and a comprehensive improvement plan has been instigated and already showing signs of sustained improvement.

Following overall stability over the second half of 2023, efforts to improve victim satisfaction have brought some improvement to rates so far in 2024. Satisfaction rates of all victims surveyed over 2023/24 were 78.2% (at least fairly) satisfied with their whole experience with Cambridgeshire Constabulary – up from 75.1% over 2022/23.

The all-crime outcome rate remained stable over the second half of 2023 but since then has risen; with the rate over 2023/24 at 14.5% up from 13.8% over 2022/23. Improvements have been seen in the long-term outcome rates for Stalking & Harassment, Theft (including the rates for dwelling burglary and vehicle crime) and Sexual Offences.

In 2019/20 the Home Office pledged to recruit 20,000 more police officers through its Uplift Programme. The Constabulary met its target to recruit an additional 206 police officers by 31 March 2023. Indeed, the Constabulary has maintained and exceeded this target during 2023/24 with 1,774 officers as of 31 March 2024. 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 in the country. This has been achieved through the collaboration with our Strategic Partners in Bedfordshire and Hertfordshire, repositioning the 7 Force Network in the eastern region and working with local partners in Cambridgeshire.

Policing nationally has faced real challenges to its integrity and public trust in recent years. Necessary 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.

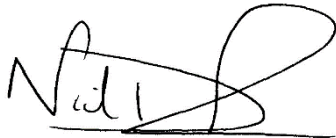
The Constabulary as at the end of March 2024 has 99.65% of its officers and staff with full and current vetting.

I therefore offer my ongoing thanks and gratitude to all police officers and staff within the Constabulary and our 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 Constabulary has a balanced medium term financial plan, subject to the delivery of savings, which places us in a strong position with the uncertain financial landscape that a general election in 2024/25 will bring.

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
Chief Constable

Narrative Report

Contents

1. Foreword by the Chief Finance Officer	6
2. Cambridgeshire	7
3. Cambridgeshire Constabulary	
Statutory Framework & Responsibilities ..	9
The Police and Crime Plan	10
Corporate Plan	10
The Operating Model	11
Workforce	12
External Environment	13
Strategy and Resources	15
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 2023/24 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.

Policing continues to face numerous challenges 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.

During 2023/24 the Constabulary has continued to focus on vetting of the entire workforce (police officers and police staff) following tragic crimes against women by serving police officers in other police forces. At the end of 2023/24 99.65% of the workforce had full and up to date vetting. 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, reduction of harm and crime in our communities through our One More Step prevention strategy, 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, and importantly the diversity, equality and inclusion agenda.

During 2023/24 the Constabulary was required to maintain the Government's Police Uplift numbers where an additional 20,000 police officers were recruited in previous years. The Force has continued its excellent performance to attract and recruit new officers to exceed the baseline establishment of 1,732 officers ending the year with 42 officers above this baseline. This has been essential to secure £2.8m of government grant funding attached to maintaining the baseline. The expectation for 2025/26 is that the baseline continues to be maintained which the Constabulary will remain accountable for being incentivised through £4.4m 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 launched in 2022/23 and

has continued to add value to the Constabulary during the year through projects such as Rapid Video Response (RVR) and enhanced redaction software. 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. The Constabulary has continued to work with other local partners within Cambridgeshire. The Constabulary 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.

Readers of these accounts and the accompanying external audit opinion should be aware of the impact that the national audit backlog has had. The lack of capacity of the previous auditors has meant that the financial statements for 2021/22 and 2022/23 were not audited despite being fully prepared by the Constabulary and OPCC. As part of the reset of the audit system, the accounts for those two prior years have received a disclaimed opinion from the appointed auditor BDO, as they have not carried out any audit work on the financial statements. As a direct consequence, a disclaimed opinion has also been received on the 2023/24 financial accounts from our new auditors KPMG. Readers of our published accounts should be confident that the internal controls, governance and assurance over our financial reporting are not diminished in any way due to this external audit situation that has been beyond our control.

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 around 0.9m. This resident population is ethnically diverse, with 14.6% from Black, Asian, Mixed or Other ethnic group, and is increased

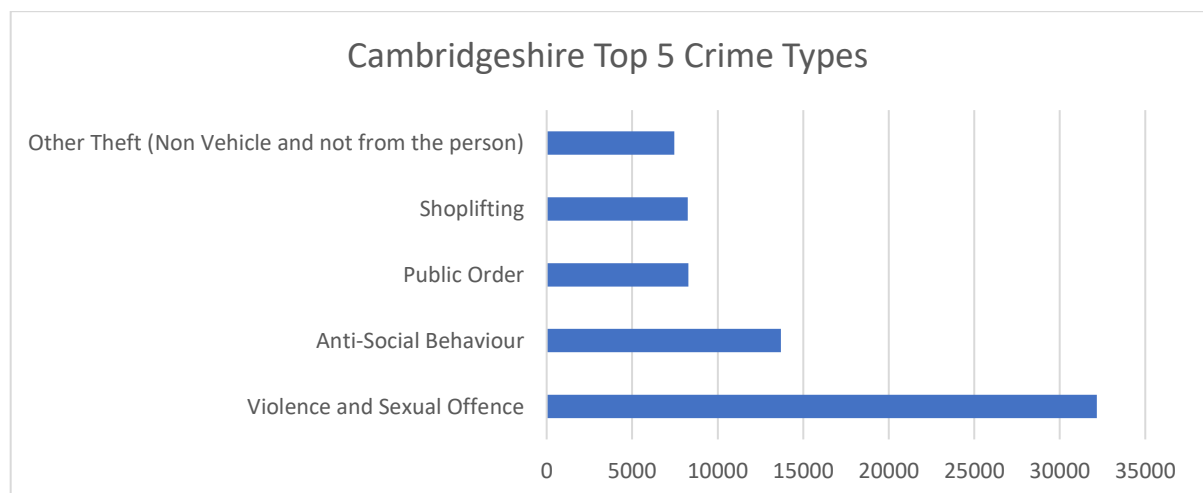
by students who study in the area's universities and the large numbers who visit or travel through the county each year. Cambridgeshire continues to be one of the fastest growing counties with the population expected to grow well above 900,000 by 2031. Indeed, during the period between the 2011 census 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 growth in Cambridgeshire will be further accelerated by the December 2023 announcement by the Housing Secretary to expand Cambridge with 150,000 new homes around the city with an ambition to turn Cambridge into 'Europe's science capital'.

The county borders 8 other counties and the Constabulary 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 2023/24 Cambridgeshire received the following on average:

- 999 calls per day 466
- 101 calls per day 670
- Web chats per day 70

Across the county during 2023/24 (March 2023 to February 2024) the top 5 crime types are set out in the graph below with Violence and Sexual Offences by far the largest crime committed, the same as reported in 2022/23. During the reporting period Shoplifting as a crime is now one of the top 5 crime types. Criminal Damage and Arson is the sixth highest crime type which is only marginally lower than Other Theft.



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 operational and organisational priorities contained within the Corporate Plan, in addition to paying due regard to the PCC’s Police and Crime 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 six overarching principles covering leadership, accountability, transparency, sustainability, standards and assurance. The Constabulary has undertaken an assessment of its compliance with the CIPFA FM Code for the 2023/24 financial year, which sets out the Constabulary’s compliance with just two 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 - '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.



The PCP can be found at the following link: [Police and Crime Plan 2021-24 \(cambridgeshire-pcc.gov.uk\)](https://www.cambridgeshire-pcc.gov.uk/cambridgeshire-pcc.gov.uk)

(Link address: <https://www.cambridgeshire-pcc.gov.uk/the-police-and-crime-plan/police-and-crime-plan-2021-24/>)

Corporate Plan

The vision of Cambridgeshire Constabulary is to create a safer Cambridgeshire. Our Corporate Plan for 2023/24 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 2023/24 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 2023/24 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 2023/24 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 2023-2024 | Cambridgeshire Constabulary \(cambs.police.uk\)](https://www.cambs.police.uk/corporate-plan-2023-2024)

(Link address: <https://www.cambs.police.uk/police-forces/cambridgeshire-constabulary/areas/about-us/about-us/transparency/corporate-plan-23-24/>)

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 Corporate Plan and where applicable, in supporting the PCC's Police and Crime 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 to inform the Medium-Term Financial Strategy.

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 2023/24 included 1,714 budgeted full time equivalent (FTE) police officers with actual officer strength (FTE) at the 31 March 2024 being 1,742.

The Home Office measure the maintenance of the officer Uplift baseline based on headcount. The Constabulary had 1,774 officers at the 31 March 2024 which is 42 officers above the required baseline. The turnover rate for the Constabulary for 2023/24 was 6.8% which has decreased compared to the 2022/23 where the rate was 8.2%. Cambridgeshire's retention is also better than the national average for all forces which is 7.5%.

The Black, Asian, Mixed and Other ethnic group population in the county of Cambridgeshire is 15% (based on census 2021 data). The percentage of police officers within the Force from Black, Asian, Mixed and Other Ethnic Groups is 5.1% an increase from 4.7% in the previous year. The Constabulary is therefore below the percentage for the whole county identifying as Black, Asian, Mixed and Other ethnic groups as well as the national average for police forces which is 8.4%.

Based on headcount female police officers total 663 (37.3%) at the 31 March 2024, an increase compared to 36.1% at the end of the prior year.

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 2024 totaled 957 of which 64.8% 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 2,830 with 1,317 (46.5%) female employees and 1,513 (53.5%) male.

The table below shows the headcount at the 31 March 2024 of female and male police officers by rank, police community support officers and police staff.

Headcount	Sex		
	Female	Male	Total
Chief Officers*	2	2	4
Chief Superintendent	1	6	7
Superintendent	2	10	12
Chief Inspector	7	22	29
Inspector	19	55	74
Sergeant	75	186	261
Constable	557	835	1392
Total Officers	663	1116	1779
	37.3%	62.7%	
Police Community Support Officer	11	14	25
	44.0%	56.0%	
Police Staff	620	337	957
	64.8%	35.2%	
Total Workforce	1294	1467	2761
	46.9%	53.1%	

* Note – the Chief Officers include 1 male Deputy Chief Constable who is employed by the Force but seconded externally.

External Environment

The Constabulary provides a public service and has several key stakeholders and external influences. The public of Cambridgeshire are a key stakeholder who the Force strive 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.

Coming into 2023/24 inflation did remain high but has stabilised over the course of the year and the cost of energy also fell from the high costs experienced in previous

years. Interest rates continued to remain elevated at recent highs impacting on external borrowing costs but also providing more opportunity for returns on the investment of cash balances.

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:

- Maintaining the 20,000 new police officers.
- The Beating Crime Plan.
- 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 to the pressures on the whole system.
- National performance measures and framework.
- The Policing Productivity Review.
- The recently published Angiolini Report.

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.

The Constabulary has continued its work in the Professional Standards Department to review data relating to the whole workforce (both officers and staff) to provide assurance on the integrity of those working in policing. Government have continued to provide further steer in the expectations relating to rebuilding trust in policing. The College of Policing have developed new vetting standards that will come into effect in 2024/25, and the recommendations of the Angiolini review will also require

implementation. This area of critical work continues to be a priority for the Constabulary. In addition, the recent changes to the Misconduct Regulations will place an extra burden on policing as they are implemented through the next 12 months.

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. During 2023/24 the Constabulary received a substantial assurance opinion from internal audit on its risk management arrangements.

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.

The Constabulary has also put in place a fraud risk register during 2023/24, which will be reviewed and updated as part of the risk management arrangements.

Strategy and Resources

Cambridgeshire Strategic Threat and Risk Assessment (CAMSTRA)

The Constabulary has an innovative and well embedded business planning process called CAMSTRA which it continues to refine. 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 published in March 2024 stated that:

“Despite having some of the lowest funding and personnel per person in England and Wales, the constabulary takes on financial challenges through innovative projects that raise funds. This includes raising money by sharing its innovative CAMSTRA process”.

And that:

“The constabulary manages its finances well. Its financial plans are sensible and sustainable”.

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 2023/24 MTFS was approved by the PCC on 23 February 2023 at the Business Coordination Board, which included the revenue and capital budgets for 2023/24.

During 2023/24 the MTFS for the period 2024/25 to 2027/28 including the revenue and capital budget plans and the reserves strategy was approved by the PCC on 22 February 2024.

The current 2024/25 MTFS can be accessed at the following link: [2024/25 to 2027/28 Medium Term Financial Strategy](#)

(Link Address: [Budget \(cambridgeshire-pcc.gov.uk\)](https://budget.cambridgeshire-pcc.gov.uk))

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

	Budget 2024/25 £000	Forecast 2025/26 £000	Forecast 2026/27 £000	Forecast 2027/28 £000
Total In-House Expenditure	122,993	124,640	127,211	130,561
Net Cost of Police Pensions	22,940	23,743	24,505	25,240
Total BCH Collaboration	41,953	42,928	43,856	44,733
Total Other Collaborations & Partnership	5,744	5,363	5,494	5,619
Constabulary Expenditure	193,630	196,674	201,066	206,153
Total Income	(2,743)	(2,744)	(2,845)	(2,846)
Total Constabulary Budget	190,887	193,930	198,221	203,307
Total OPCC Office Expenditure	1,431	1,719	1,753	1,784
Total Corporate Costs and Grants	(8,540)	(3,882)	(3,682)	(3,532)
Total Capital Financing Costs	4,908	5,823	7,476	7,343
NET BUDGET REQUIREMENT (NBR)	188,686	197,589	203,768	208,902
Financed by:				
Formula Grant	100,740	101,747	102,765	103,793
Uplift Grant (baseline of ringfenced grant)		4,388	4,388	4,388
Precept	87,604	91,454	95,721	100,081
Local Council Tax Earmarked Reserve	397	-	-	-
Contribution (to)/from Reserves	81	-	894	641
Collection Fund - (Deficit) / +Surplus	(136)	-	-	-
TOTAL FINANCING	188,686	197,589	203,768	208,902

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 regulatory or statutory requirements that the Constabulary must respond to. The current high interest rates are not forecast to fall quickly and are expected to remain elevated into the near future whilst inflation has subsided towards the end of 2023/24, especially regarding the cost of gas and electricity.

The Comprehensive Spending Review (CSR) published in 2021 provided more certainty of funding levels as well as the limits by which PCC's would be allowed to raise the precept by in each year up to 2024/25. This provided more certainty in the funding for the CSR period, however there is no indication of funding levels from 2025/26. Additional precept flexibility was provided to PCC's beyond that initially set in the CSR with an allowable increase up to £15 on a band D property in 2023/24 and £13 in 2024/25. The precept increase in future years is forecast at £10 for a band D

property which will be subject to government confirmation, and consultation and approval by the PCC.

The outcome from the general election taking place on 4th July 2024 creates further risk and uncertainty in the MTFS and financial planning assumptions. The impact of emerging government policy post the election will need to be reviewed and factored into the annual update of the MTFS.

As shown in the summary table above the Constabulary has balanced the 2024/25 and 2025/26 financial years with savings identified and being worked on. A small draw down from reserves is currently planned of £0.9m and £0.6m in 2026/27 and 2027/28 respectively. The Constabulary's reserves are forecast to remain at resilient levels provided savings plans are fully delivered.

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) forecast at £93.1m over the next four years, which will provide the Force with appropriate infrastructure and assets to deliver operational policing.

The largest scheme in the four year plan remains the replacement of Parkside Police Station in Cambridge with a new Southern Police Station including custody facilities. During 2023/24 the archaeological dig was completed, and the project achieved a start on site. The project will progress to full build during 2024/25 and 2025/26.

The specialist training facilities required for the BCH Joint Protective Services (JPS) is the other major capital construction project. Work is progressing to achieve a contracted price for the specialist training facility again with the expectation construction will commence in 2024/25. During 2023/24 the Constabulary and its collaborated partners (Bedfordshire Police and Hertfordshire Constabulary) had a planning application for a firing range and training facility on a site in Cambridgeshire rejected. Options therefore for this projected are being reconsidered.

The remaining areas of significant capital investment are in:

- ICT developments (£1.7m in 2024/25).
- The vehicle fleet (£2.6m in 2024/25) which includes £0.4m for ultra low emission vehicles.
- The build estate (£35.4m in 2024/25) including the Southern Police Station, BCH JPS specialist training facility, and projects relating to custody improvements, drainage at Thorpewood, the major repairs programme, and sustainability initiatives.

The financing of the proposed capital programme is dependent on external borrowing with £72.3m planned across the four year MTFs period representing 78% of the total programme of £93.1m to 2027/28. The costs of borrowing impact on the revenue budget especially with high interest rates which will affect the future cost of borrowing and borrowing strategy.

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

	2024/25	2025/26	2026/27	2027/28	Total Spend 2024/25 to 2027/28
	£000	£000	£000	£000	£000
Total Estate Programme	28,099	19,310	900	950	49,259
Total Collaborated Schemes	7,300	15,495	2,800	300	25,895
Total Fleet	2,560	2,768	2,500	2,000	9,828
Total ICT Programme	1,720	1,806	1,896	1,991	7,413
Total Operational Schemes	201	170	170	170	711
Total All Schemes	39,880	39,549	8,266	5,411	93,106

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 has minimal dependency on the use of reserves to support the revenue budget in 2026/27 and 2027/28 only. 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 2023/24 revenue underspend, new reserves were created for the revenue costs associated with the taser T10 upgrade and the national policing response to the Bates versus the Post Office matter, with some other transfers to existing reserves. The MTFs plans to increase the General reserve to £10.5m by 2027/28 to reflect the increasing net revenue budget over the same period. Other movements to and from the reserves during the year are provided in the Movement in Reserves Statement and accompanying notes.

The total of all usable reserves at the end of 2023/24 stood at £27.2m.

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, the impacts from the war in Ukraine, and other economic variables have continued to drive inflationary pressures and high interest rates. Inflation has fallen in recent months and gas and electricity costs have fallen from record highs. The availability of, and supply of materials needed in construction projects continues to pose a risk for some of the projects in the capital programme.

Since 2018/19 the PCC has been able to raise additional precept, which has helped to meet the costs of policing. In 2023/24 the precept was raised by just under £15 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 2023/24 financial year making financial planning in the medium term less certain. The three year CSR published in 2021 enters its last year in 2024/25 with no indication of funding levels in 2025/26 and beyond.

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 a priority in securing financial resilience and sustainability for the Constabulary.

b. Financial Management

The financial standing of Cambridgeshire Constabulary is very robust with sound financial management practices in place. The Constabulary's most recent HMICFRS Police Effectiveness, Efficiency and Legitimacy inspections stated that:

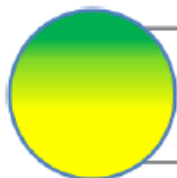
“The constabulary manages its finances well. Its financial plans are sensible and sustainable”.

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

capital accounting and fixed assets, cash, bank and treasury arrangements, and an advisory value for money audit. For 2023/24 the Internal Audit Opinion based on the overall adequacy and effectiveness of the risk management, control and governance processes was a positive assurance assessment.

For the 12 months ended 31 March 2024, the head of internal audit opinion for Cambridgeshire Constabulary is as follows:



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

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 2 rated as amber with some ongoing improvements in progress. The assessment was reported to the Joint Audit Committee on 23 April 2024.

c. Revenue Outturn 2023/24

The outturn variance for the year for the budgets under the control of the Chief Constable was an under spend of £5,391k. Including those budgets under the control of the Office of the PCC, the Constabulary underspent by a total of £676k (0.4%) for the year against the total budget of £178,160k.

Local Policing Investigations and Safeguarding underspent by £567k in two main areas during 2023/24: Investigations Standards and Development (£315k under budget) and Protecting Vulnerable People (£463k under budget). In contrast the Intelligence and Specialists Crime Department (ISCD) ended the year £202k over budget. Officer pay, allowances and overtime across the Department were over budget. However, these costs were offset by staff pay and allowances being under budget and additional grant funding for Operation Safeguard being received during the year.

Local Policing Operations overspent by £1,675k for the year. The department consists of the geographic policing hubs in the north and the south, the Demand Hub, Operational Support, Business Support, local policing command and new recruits. The combined position across all areas of local policing has incurred a £2,252k overspend on police officer pay and allowances plus an overspend of £884k generated from the use of overtime. Police Community Support Officers (PCSOs) and police staff costs both underspent which has offset part of the over budget position for officer costs. Across the Department there have been other smaller over and under spends on non-pay budgets, many of which are in the Business Support unit. Additional funding of £149k to implement rapid video response in the Demand Hub also helped to reduce the departments overspend.

The People and Professionalism department incurred an overspend of £145K for the

year. This was mainly due to police officer pay, allowances and overtime during the year. There were small overspends on non-pay elements of the budget such as publicity, travel and subsistence, and conference fees. The under recovery of £90k of budgeted income has also contributed to the overspend. In contrast police staff pay and allowances were under budget due to the unit being under strength during the year, which partially offset the departments overspend.

The non-operational budgets consist of several service areas, the cumulative impact of which is a £5.8m underspend at year end.

Corporately managed budgets underspent by £4,482k, with the majority relating to the recognition of the in-year Home Office pay award grant totalling £3,407k with the associated officer and staff pay reported on relevant pay lines in the budget. Similarly, the budget included a £599k pay award contingency held corporately that was released once the pay award was confirmed, this also offsets the pay costs reported on the pay lines.

Expected forensic services contractual increases anticipated did not materialise generating a £395k underspend. A corporate inflation budget to meet contractual pressures from the high level of inflation was not required resulting in a £550k underspend. Other variances over budget were incurred on corporately held injury pensions, consultancy and legal costs, the financial system upgrade, and the release of an unrequired legal provision back to the revenue account helped to mitigate these costs.

The Estates service ended the year with an outturn of £1,033k below budget, predominantly due to a £1,018k underspend on gas, electricity, and water costs, which began to subside in 2023/24 generating the underspend against the utilities budget set. Other budget variances largely offset themselves.

Fleet costs were under budget by £348k due to lower fuel costs, lower insurance premiums and claims handling costs.

Insurance was overspent at year end, with an outturn of £331k. £539k related to an insurance provision adjustment, part offset by lower than expected brokers fees

Other corporate services including Legal, the National Police Chief's Council budget and operations managed corporately had smaller overspends.

The tri-force collaboration between Bedfordshire Police, Cambridgeshire Constabulary and Hertfordshire Constabulary (BCH) underspent during the year. Cambridgeshire's share of the underspend was £836k. The main variances being:

- A pay award contingency budgeted locally by Cambridgeshire of £232k that was released during the year offsetting the higher pay award costs across all units.
- ICT which underspent by £912k due to Airwave credits following the Competition and Markets Authority price cap being implemented, staff and

officer pay and allowances underspends, non-pay budget underspends through contract management and project slippage.

- Human Resources and Learning and Development ended the year £249k under budget. Staff and officer pay and allowances, agency staff costs and non-pay budgets were under budget. These were offset by overspends on overtime and training materials.
- The Delivery Management Office (now the Joint Strategy and Transformation team) underspent by £113k mainly due to officer and staff vacancies as the unit was restructured during the year.
- An overspend in the Professional Standards Department of £376k due to additional resourcing for vetting staff, overtime costs and the costs for disciplinary hearings and associated legal costs.
- Armed Policing being £119k over budget resulting from overtime costs, a shortfall in the budget for a training inspector and 6 new officers starting in the unit which were not originally forecasted.
- Dogs Unit incurring a £138k overspend because of the change in legislation relating to dangerous dogs, driving higher kennelling costs.
- Protective Services Command ending the year £124k over budget due to the costs incurred on the Firing Range project which didn't achieve planning approval.
- Criminal Justice being £141k underspent due to staff vacancies in year.

Collaborations other than BCH ended the year close to budget with a total underspend reported of £219k, which includes an underspend of £160k on ERSOU.

An additional revenue contribution to capital outlay (RCCO) of £2177k was approved during the year by the PCC to reduce planned borrowing and therefore the revenue impacts from interest costs and the minimum revenue provision in future years. Interest receivable from cash investments ended the year with £1,217k more income received than forecast in the budget.

Additional contributions to reserves were approved by the PCC for the year. These were to cover:

- The purchase of the new model T10 tasers at £1,300k due to be accredited in 2024/25.
- New estates projects for the development of personal safety training facilities (£550k) to meet the updated guidance and to convert the old kitchen at HQ to a wellbeing and breakout space (£100k).
- Costs anticipated at £250k for the national policing response to the Bates versus the Post Office matter.
- A S31 grant of £206k from the Home Office transferred to the budget assistance reserve as well the underspend for the year.
- A transfer of £338k to the ESMCP reserve being the underspend due to credits received from Airwave Services Limited to provide funding if the

Competition and Markets Authority price cap is successfully challenged in the courts.

- A transfer of £367k to the Forensics reserve, which is held on behalf of the NPCC National Forensics portfolio.
- Based on Actuary advice, £846k has been transferred to reserves and £539k has been increased to the provision in the accounts relating to the Insurance fund audit report.

The cost of the PCC's office underspend in the year by £104k against budget which was transferred to the PCC's commissioning reserve.

Summary of Revenue Expenditure against budget at 31st March 2024

	Budget	Outturn	Variance
	£000	£000	£000
Local Policing - Investigation and Safeguarding	33,064	32,497	(567)
Local Policing - Operational	72,997	74,672	1,675
People and Professional	4,173	4,319	146
Non Operational	23,364	17,775	(5,589)
Collaboration and Partnership	43,104	42,048	(1,056)
CHIEFS NET BUDGET REQUIREMENT	176,702	171,311	(5,391)
TOTAL PCC BUDGET	1,458	6,173	4,715
CHIEFS NET BUDGET REQUIREMENT	178,160	177,484	(676)

d. Capital Outturn 2023/24

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 £9,987k of spend compared to a revised budget of £24,192k providing an in-year underspend against the capital budget of £14,205k. The following table shows the capital outturn position for 2023/24 compared to the approved capital budget for the year.

Summary of Capital Expenditure against budget at 31 March 2024

	Budget £000	Capital changes in year £000	Adjusted Capital Budget £000	Out-turn £000	Variance £000
Estates	16,563	1,092	17,655	4,906	(12,749)
Fleet	3,057	(532)	2,525	2,348	(177)
ICT	3,233	276	3,509	2,225	(1,284)
Other Projects	195	58	253	508	255
Schemes approved by chief	250	-	250	-	(250)
			-	-	-
Total	23,298	894	24,192	9,987	(14,205)

The two collaborated Land and Buildings schemes account for £9,217k of the variance. The Monks Wood project has not progressed as quickly as anticipated making up the majority (£8,397k) and the new firing range project being under budget (£820k). The other main building scheme contributing to the underspend is the St. Neots building works (£700k) which has not started.

The ICT variance of £1,285k relates mainly to small underspends across several schemes with the exception being the new telephony project which underspent by £875k.

Summary of Capital Financing Applied for the Year Ended 31 March 2024 (figures are in £000)

Capital Financing:-	
Capital Grants	10
Carry Forward Reserve	702
Capital Reserve	-
RCCO/POCA Reserve	3,661
Vehicle Recharge Reserve RCCO	540
Uplift	17
Fleet Reserve	50
Borrowing	5,007
TOTAL	9,987

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’s latest Police Effectiveness, Efficiency and Legitimacy (PEEL) inspection undertaken by HMICFRS was in 2023/24. 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 in several areas. The Constabulary’s HMICFRS judgments from the 2022/23 inspection are provided below.

Outstanding	Good	Adequate	Requires improvement	Inadequate
Police powers and public treatment	Preventing crime	Investigating crime	Leadership and force management	Responding to the public
	Developing a positive workplace	Protecting vulnerable people		Managing offenders

2023/24 Performance Headlines

The use of 999 calls remains high and the 12-month total for 2023/24 is 11.9% higher than that of 2022/23, though this total has stopped increasing in recent months. The downward trend in 101 volumes has continued, with 2023/24 seeing 4.7% fewer 101 calls than 2022/23. The use of webchats was stable over the first half of 2023/24 but has declined since then, with 23.8% fewer over 2023/24 than 2022/23.

The increase in 999 calls has led to pressure within the Demand Hub to maintain levels of service. There has been some evidence of recent improvement, however. While national comparison data over much of 2023/24 was challenging, most recently available data showed Cambridgeshire in the top third of Forces. 101 call handling has seen some improvement over 2023/24 with average wait time down 4 seconds to 23 seconds.

Following overall stability over the second half of 2023, efforts to improve victim satisfaction have brought some improvement to rates so far in 2024. Satisfaction rates of all victims surveyed over 2023/24 were 78.2% (at least fairly) satisfied with their whole experience with Cambridgeshire Constabulary – up from 75.1% over 2022/23.

The long-term indicator for recorded crime plateaued over 2023/24, having been rising since the COVID-19 period saw substantial reductions. At Constabulary level, 2023/24 saw 3.3% fewer crimes recorded than 2022/23. Crime in the South Area was stable overall, while the North Area saw a 7.0% year-on-year reduction. Broad trends have been for reductions in Violence Against the Person Offences, specifically Violence with Injury and Stalking & Harassment. Sexual Offences have also declined relative to 2022/23. Increases have been seen for Theft Offences – specifically over South Area, though year-on-year increases in Shoplifting have been widespread across the county. These trends are generally mirrored in National data; with overall

year-on-year reduction, decreased violence and sexual offences, increases in shoplifting all seen over England & Wales.

The all-crime outcome rate remained stable over the second half of 2023 but since then has risen; with the rate over 2023/24 at 14.5%, up from 13.8% over 2022/23. Improvements have been seen in the long-term outcome rates for Stalking & Harassment, Theft (including the rates for dwelling burglary and vehicle crime) and Sexual Offences.

Sustainability

The Constabulary has an approved Sustainability Strategy consisting of five themes: the vehicle fleet, buildings and the estate, people and behaviours, procurement and the supply chain, and offsetting. Transition plans have been developed for the first three of these themes and work is progressing as summarised below:

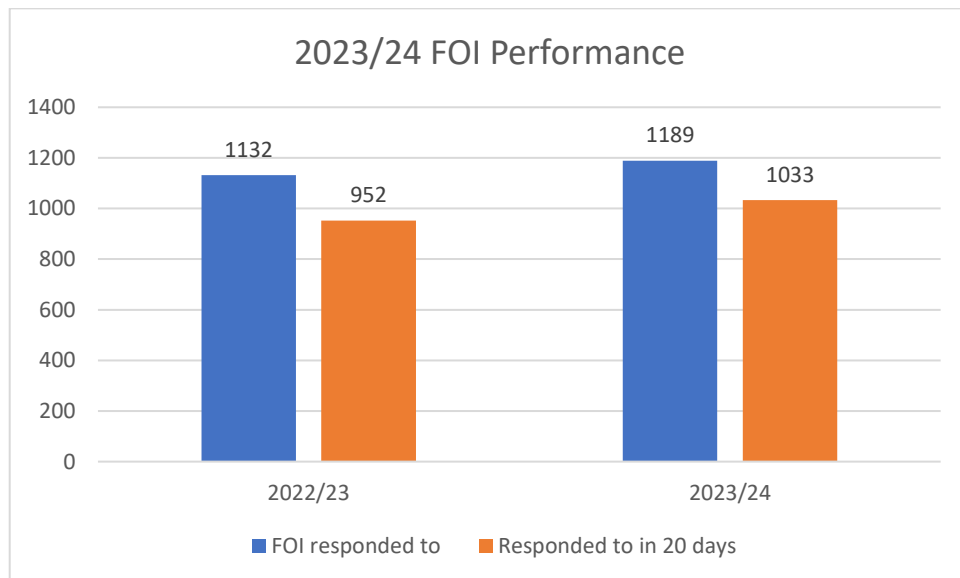
- Vehicle fleet – an electric vehicle (EV) pilot bringing on 12 EV general purpose admin vehicles in place of petrol and diesel equivalents has been undertaken during 2023/24 and will report early in 2024/25. Three different units in the north of the county at Copse Court have participated in the trial to understand the impacts and benefits of using EV's. Charging infrastructure was installed as part of the pilot and lessons learned for future roll out will be considered. The Constabulary has worked with its collaborated fleet management partners in the Chiltern Transport Consortium to facilitate a review by consultants of the future options for the fleet to deliver carbon reduction. This also will report early in 2024/25. A small pilot involving two response vehicles has also been undertaken with one of the District Councils to test the use of hydrogenated vegetable oil (HVO) as a fuel instead of diesel.
- Buildings and the estate – condition surveys were undertaken across the whole estate during 2023/24 to assess the condition works needed and the impact of achieving net zero carbon. This analysis, called 'state of the estate', has provided a better understanding of what is required at each site to significantly reduce carbon emissions. Where possible on existing capital works, improved sustainability measures are implemented such as LED lighting and building management systems. The new build projects in the capital programme, notably the Cambridge Southern Police Station and the new training facility at Monks Wood, will achieve significant carbon reduction at these sites. The Constabulary is also undertaking a feasibility to build a solar farm to provide self-generated electricity to the headquarters site.
- People and Behaviour – the transition plan for this theme was developed in 2023/24 and work is beginning in this area which will be key to securing carbon reduction. A new role of Strategic Sustainability Manager was

approved during the year which will be recruited to coordinate all strands of our Sustainability Strategy.

Investment has been provided for in the Capital Programme and a modest reserve is held in the balance sheet to progress the sustainability agenda.

Freedom of Information (FOI) Compliance

During 2023/24 the Constabulary responded to 1,189 FOI requests, slightly more compared to the prior year (1,132 requests). The chart below demonstrates that 1,033 (86%) 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 952 (84%) responded to within 20 days.



Complaints

•
With respect to complaints during 2023/24 for Cambridgeshire, the Professional Standards Department (PSD) recorded 292 public complaint cases which comprised a total of 801 allegations. Of the 801 allegations, the top five complaint allegation types were:

- Decisions (78)
- General level of service (76)
- Police action following contact (72)
- Use of Force (65)
- Information (57)

A total of 66 conduct cases were recorded, involving 51 police officers (and special constables) and 17 police staff. Gross misconduct cases numbered 30 amongst police officers, while those recorded as reflective practice review process numbered 13. For police staff, 9 out of the 17 cases were assessed as gross misconduct.

Of the 75 referrals made to the Independent Office for Police Complaints (IOPC) in 2023/24, 11 were declared as warranting independent investigation by the IOPC, 1 was subject to directed investigation and 42 were determined to be suitable for local investigation by PSD. The remaining 20 were returned to the Force to manage and close. One case was awaiting decision on the mode of investigation (MOI) (note that complex cases may be subject to more than one IOPC referral during the timeframe).

6. Outlook

As commented earlier, economic conditions had significantly deteriorated coming into the 2023/24 financial year 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. Inflationary pressures subsided during the year which has contributed to the reported underspend. This enabled budgets to be repositioned for 2024/25 Medium Term Financial Strategy (MTFS) to reflect the reducing inflationary pressures. However, high interest rates remain which will affect the Constabulary's capital financing costs as major capital schemes progress in future years.

The Constabulary has balanced its MTFS from 2024/25 to 2027/28. Given the need to identify savings to balance the budget, investment has been modest. The MTFS is balanced across all years with savings identified and in delivery and there is only a small element of reserves being used in 2026/27 and 2027/28 of £894k and £641k respectively. Clearly the MTFS uses assumptions about future year's funding levels and key cost drivers such as the pay awards and these assumptions may look quite different in the future. The resilience in the balance sheet created by the Constabulary's approach to protecting and not using reserves, places it in a financially sustainable position for the future.

The Constabulary's capital programme necessitates high levels of borrowing to fund the identified projects. This will mean that more of the revenue budget is committed for loan interest and minimum revenue provision charges. The sustainability agenda to achieve net zero carbon will gather momentum for the Constabulary. Whilst some provision has been made for this agenda in the capital programme it is likely that further demands will be placed on the programme in respect of the estate and the transition away from petrol and diesel vehicles. Alternative sources of funding will be key for future capital investment by the Constabulary and PCC.

The digital agenda is beginning to accelerate in policing with initiatives being pursued for robotic process automation and artificial intelligence. This will bring with it

additional demands in resourcing in order to unlock productivity of cashable savings. Also, on the ICT agenda many services are moving to Solution as a Service (SaaS) models or into cloud technology. Such an approach changes the traditional funding requirement from capital to revenue adding further pressure on budgets that must be kept under review.

Whilst funding through the police core grant has been more certain in recent years through the Comprehensive Spending Review (CSR), the Constabulary has no indication of funding levels beyond 2024/25. The general election taking place on the 4th July 2024 could alter the political and funding landscape, which provides further uncertainty.

The Constabulary continues to have a ring-fenced grant funding attached to maintain the new police officer baseline of 1,732 officers. Cambridgeshire's grant funding for 2024/25 is £4.4m, which is at risk if the baseline is not achieved.

The Constabulary continues to pursue financial sustainability and resilience with the right mechanisms and leadership in place to deliver this.

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 2023/24.

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 2023/24. 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 2023/24 for the Constabulary was a surplus of £37.5m compared to a surplus of £9.6m in 2022/23, 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 £27.2m.

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 2023/24 at £1,214m, an increase of £54m, compared to the prior year figure of £1,160m. 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 2024 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 £1,214m. 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 £7.2million. 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 to implement the remedy legislation which took effect from 1 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.

Compensation claims arising from the discrimination have not to date impacted on the force and these accounts as they have been met by central government and will continue to be.

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 and financial management to ensure resources are directed to priority areas and within the funding available.

This strength in financial management is critical to ensure savings are delivered and financial resilience maintained in the context of a number of uncertainties over the next 12 to 24 months. 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 2023/24 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
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 the 31 March 2024 and its income and expenditure for the year then ended.



Jon Lee CPFA

Chief Finance Officer to the Chief Constable, Cambridgeshire Constabulary
25th February 2025

In accordance with the requirements of S8 of the Accounts and Audit Regulations 2015, I confirm that the Statement of Accounts was approved on 25 February 2025.

A handwritten signature in black ink, appearing to read 'Nick Dean', written over a horizontal line.

Nick Dean, KPM
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 Precept) 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.

	2022/23			2023/24		
	Net Expenditure Chargeable to the General Fund Balance	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement	Net Expenditure Chargeable to the General Fund Balance	Adjustments between the Funding and Accounting Basis Note 7	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£000	£000	£000	£000	£000	£000
Police Services	178,019	6,432	184,451	189,634	(25,859)	163,775
Intra-Group Adjustment for financial resources consumed	(194,047)	-	(194,047)	(201,316)		(201,316)
Net Cost of Services	(16,028)	6,432	(9,596)	(11,682)	(25,859)	(37,541)
Other Income and Expenditure	16,028	45,876	61,904	11,682	53,013	64,695
Deficit on Provision of Services	-	52,308	52,308	-	27,154	27,154
Opening General Fund Balance	-			-		
Closing General Fund Balance	-			-		

Comprehensive Income and Expenditure Statement

2022/23 Gross Expenditure £000	2022/23 Gross Income £000	2022/23 Net Expenditure £000		2023/24 Gross Expenditure £000	2023/24 Gross Income £000	2023/24 Net Expenditure £000
184,451	-	184,451	Police Services	163,775		163,775
(194,047)	-	(194,047)	Intra-Group Adjustment for financial resources consumed (note 6)	(201,316)		(201,316)
<u>(9,596)</u>	<u>-</u>	<u>(9,596)</u>	Net Cost of Services	<u>(37,541)</u>	<u>-</u>	<u>(37,541)</u>
16,028	-	16,028	Other Operating Expenditure (note 10)	11,682	-	11,682
45,876	-	45,876	Financing and Investment Income and Expenditure (note 11)	53,013	-	53,013
<u>52,308</u>	<u>-</u>	<u>52,308</u>	Deficit on Provision of Services	<u>27,154</u>	<u>-</u>	<u>27,154</u>
		(621,949)	Remeasurement of the net defined benefit liability (note 19)			26,810
		<u>(621,949)</u>	Other Comprehensive Income and Expenditure			<u>26,810</u>
		<u>(569,641)</u>	Total Comprehensive Income and Expenditure			<u>53,964</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 2022	-	(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)	-
Increase in 2022/23	-	569,641	569,641
Balance at 31 March 2023 carried forward	-	(1,159,858)	(1,159,858)
Movement in reserves during 2023/24			
Total Comprehensive Income and Expenditure	(27,154)	(26,810)	(53,964)
Adjustments between accounting basis & funding basis under regulations (note 7)	27,154	(27,154)	-
Decrease/Increase in 2023/24	-	(53,964)	(53,964)
Balance at 31 March 2024 carried forward	-	(1,213,822)	(1,213,822)

This statement shows balances only for reserves in relation to staff under the direction and control of the Chief Constable for the financial years 2023/24 and 2022/23 as all other reserves are held by the Cambridgeshire Police and Crime Commissioner.

Balance Sheet

	Notes	2023/24 £000	2022/23 £000
Long Term Assets		<u>-</u>	<u>-</u>
Current Assets		<u>-</u>	<u>-</u>
Short Term Creditors	12	<u>(7,234)</u>	<u>(5,993)</u>
Current Liabilities		<u>(7,234)</u>	<u>(5,993)</u>
Long Term Liabilities	19	(1,206,588)	(1,153,865)
Net Liabilities		<u><u>(1,213,822)</u></u>	<u><u>(1,159,858)</u></u>
Usable Reserves		-	-
Unusable Reserves	13	<u>1,213,822</u>	<u>1,159,858</u>
Net Reserves		<u><u>1,213,822</u></u>	<u><u>1,159,858</u></u>

Cash Flow Statement

	2023/24 £000	2022/23 £000
Net deficit on the provision of services	(27,154)	52,308
Adjusted net deficit or surplus on the provision of services for non cash movements (note 14)	27,154	(52,308)
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 2023/24 and 2022/23 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 2023/24 financial year and the position at 31 March 2024. 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 2023/24, 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 2023/24.

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:

- a) IFRS 16 Leases issued in January 2016 (but only for those local authorities that have not decided to voluntarily implement IFRS 16 in the 2023/24 year).
- b) Classification of Liabilities as Current or Non-current (Amendments to IAS 1) issued in January 2020. The amendments:
 - specify that an entity's right to defer settlement must exist at the end of the reporting period
 - clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement
 - clarify how lending conditions affect classification, and
 - clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.
- c) Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) issued in September 2022. The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions.
- d) Non-current Liabilities with Covenants (Amendments to IAS 1) issued in October 2022. The amendments improved the information an entity provides when its right to defer settlement of a liability for at least 12 months is subject to compliance with covenants.
- e) Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) issued in May 2023. The amendments require an entity to provide additional disclosures about its supplier finance arrangements. The IASB developed the new requirements to provide users of financial statements with information to enable them to:

- assess how supplier finance arrangements affect an entity's liabilities and cash flows, and
- understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it

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	The effects on the net pension liability of changes in individual assumptions can be measured. However, the assumptions interact in complex ways. During 2023/24, the Group's actuaries advised that

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.

the net pension liability had increased by £81m for Police Pension Schemes (including a decrease of £557m as a result of changes in financial assumptions) and a decrease of £120m for Police Staff Pensions as a result of changes in financial assumptions. See note 19.

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 Pension Scheme if the Real Discount Rate was reduced with a potential impact of £4.7m (1.6% reduction in liability).

5. Events after the Reporting Period

The Statement of Accounts was authorised for issue by the Chief Finance Officer on 25th February 2025.

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.

	2023/24 £000	2022/23 £000
<u>Comprehensive Income and Expenditure Statement</u>		
PCC resources consumed at the request of the CC	201,316	194,047
PCC funding for resources consumed at the request of the CC	(201,316)	(194,047)

7. Note to the Expenditure and Funding Analysis

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustment relating to Pensions (Note 7.1)	Other Adjustments (Note 7.2)	Total Adjustments
	£000	£000	£000
Police Services	(27,100)	1,241	(25,859)
Intra-Group Adjustment for financial resources consumed	-	-	-
Net Cost of Services	(27,100)	1,241	(25,859)
Other Income and Expenditure	53,013	-	53,013
Difference between the General Fund Deficit and Comprehensive Income and Expenditure Deficit	25,913	1,241	27,154

2022/23

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	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	51,819	489	52,308

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

	2023/24 £'000	2022/23 £'000
POLICE SERVICES		
Expenditure		
Police Pay and Allowances	87,080	79,473
Targeted Variable Payments	-	1,427
Police Staff Pay and Allowances	45,736	49,335
Other Pay and Allowances	-	-
Other Service Expenses	2,198	1,946
Police Pensions	(3,582)	19,734
Premises	6,506	5,639
Transport	4,487	4,381
Supplies and Services	20,395	20,723
Agency and Contracted Services	955	1,793
Intra-Group Adjustment for financial resources consumed	(201,316)	(194,047)
Pension Top Up Grant Transferred to Pension Fund	11,682	16,028
Net interest on the net defined benefit liability	53,013	45,876
Deficit on Provision of Services	<u>27,154</u>	<u>52,308</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.

	2023/24 <u>Usable Reserves</u> General Fund Balance £000	2022/23 <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)	25,913	51,819
Holiday pay (transferred to (or from) the Accumulated Absences Reserve)	1,241	489
Total Adjustments to Revenue Resources	<u>27,154</u>	<u>52,308</u>
Total Adjustments	<u>27,154</u>	<u>52,308</u>

10 Comprehensive Income and Expenditure Statement – Other Operating Expenditure

	2023/24 £000	2022/23 £000
Pension Top Up Grant Transferred to Pension Fund	11,682	16,028
	<u>11,682</u>	<u>16,028</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

	2023/24 £000	2022/23 £000
Net interest on the net defined benefit liability	53,010	45,876
	<u>53,010</u>	<u>45,876</u>

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

12 Creditors

	2023/24 £000	2022/23 £000
Accumulated Absence Accrual	<u>(7,234)</u>	<u>(5,993)</u>
	<u>(7,234)</u>	<u>(5,993)</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.

	2023/24	2022/23
	£000	£000
Pensions Reserve	1,206,588	1,153,865
Accumulating Compensated Absence Adjustment Account	7,234	5,993
	<u>1,213,822</u>	<u>1,159,858</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.

	2023/24	2022/23
	£000	£000
Balance at 1 April		
Pension reserve opening balance transfer to PCC	1,153,865	1,723,995
Remeasurements of the net defined benefit liability	26,810	(621,949)
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	70,993	95,409
Employer's pensions contributions and direct payments to pensioners payable in the year	(45,080)	(43,590)
Balance at 31 March	<u>1,206,588</u>	<u>1,153,865</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.

	2023/24	2022/23
	£000	£000
Balance at 1 April	5,993	5,504
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	1,241	489
Balance at 31 March	<u>7,234</u>	<u>5,993</u>

14 Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

	2023/24	2022/23
	£000	£000
Movement in Pension Liability	25,913	51,818
Increase in Creditors	1,241	490
	<u>27,154</u>	<u>52,308</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 seven 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 £3,505m 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:

2023/24	Beds	Cambs	Essex	Herts	Kent	Norfolk	Suffolk	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue Grants	-789	-1002	-1979	-1430	-1347	-1127	-872	-8,546
Capital Grants	-7	-8	-17	-12	-18	-10	-7	-79
Running Costs	3,475	4,410	5,578	6,295	5,412	4,962	3,837	33,969
Depreciation	96	105	56	162	34	127	101	681
Surplus / Deficit	2,775	3,505	3,638	5,015	4,081	3,952	3,059	26,025
Reserve C't	11	14	28	19	29	15	12	127

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

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 £37,577m 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 2023/24 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 2023/24 were £238k. Total costs during 2022/23 were £243k, which was the first full year of the single seven Force unit.

The Net operating costs for the BCH Joint operations is shown below:

	Beds 2022/23 £'000	Cambs 2022/23 £'000	Herts 2022/23 £'000	Total 2022/23 £'000	Beds 2023/24 £'000	Cambs 2023/24 £'000	Herts 2023/24 £'000	Total 2023/24 £'000
Joint Protective Services								
Armed Policing Units	3,368	3,007	3,554	9,929	3,812	3,412	4,038	11,262
Jps Command	400	504	718	1,622	453	575	820	1,848
Dog Units	869	1,066	1,443	3,378	938	1,156	1,568	3,662
Major Crime Unit	2,419	2,884	3,567	8,870	2,609	3,122	3,868	9,599
Operational Planning	313	395	563	1,271	309	392	560	1,261
Resilience	102	128	183	413	95	120	172	387
Roads Policing Unit	2,808	4,007	5,386	12,201	2,843	4,076	5,487	12,406
Scientific Services	2,579	3,109	4,235	9,923	3,386	4,057	5,420	12,863
Total Joint Protective Services	12,858	15,100	19,649	47,607	14,445	16,910	21,933	53,288
Operational Support								
Custody & Criminal Justice Smt	278	170	500	948	319	196	575	1,090
Criminal Justice Unit	518	654	931	2,103	461	585	1,003	2,049
Delivery Management Office***	377	476	678	1,531	337	428	612	1,377
Cameras Tickets & Collisions	- 50 -	62 -	83 -	195	55	69	92	216
Firearms & Explosive Licenses	149	289	235	673	170	329	268	767
Ict ****	4,238	5,346	7,611	17,195	6,925	8,699	12,481	28,105
-	-	-	-	-	-	-	-	-
Total Operational Support Expenditure	5,510	6,873	9,872	22,255	8,267	10,306	15,031	33,604
Organisational Support								
Collaboration Team***	-	-	-	-	62	78	112	252
Hr L&D	4,572	5,768	8,212	18,552	4,786	6,362	9,025	20,173
Information Management Depts	901	1,136	1,617	3,654	980	1,244	1,775	3,999
Professional Standards	1,546	1,580	2,313	5,439	1,946	2,118	2,910	6,974
Joint Uniform Stores	71	90	128	289	77	98	140	315
					31	171	56	258
					152	193	276	621
					42	53	75	170
					8	10	15	33
					26	33	-	59
Total Organisational Support Expenditure	7,090	8,574	12,270	27,934	8,110	10,360	14,384	32,854
Total BCH Net Operating Costs	25,458	30,547	41,791	97,796	30,822	37,576	51,348	119,746
Joint Procurement Unit**	129	243	460	832	255	238	471	964
					191	-	-	191
Total Net Operating Costs	25,587	30,790	42,251	98,628	31,268	37,814	51,819	120,901
Joint Procurement Unit** 7F element Delivery Management Office*** Recognised in Op Support from 22/23, Previously part of Org Support during 21/22 known as Collaboration Team***								
****ICT BTL not reflected in above values	2,258,186	3,190,776	4,056,081	9,505,043				

16 Officers' Remuneration

		Salaries, fees & allowances	Bonuses	Benefits in Kind	Total Remuneration excluding pension contributions	Employer's pension contributions	Total Remuneration including pension contributions
		£	£	£	£	£	£
<u>Chief Constable's Accounts</u>							
Chief Constable							
Nick Dean	2023/24	173,867	-	5,045	178,912	-	178,912
Nick Dean *	2022/23	154,533	-	5,045	159,578	258	159,836
Deputy Chief Constable							
Jane Gyford	2023/24	142,995	-	-	142,995	40,510	183,505
Jane Gyford	2022/23	135,669	-	-	135,669	38,675	174,344
Assistant Chief Constables							
Victoria Evans	2023/24	126,068	-	4,549	130,617	39,081	169,698
Victoria Evans	2022/23	120,330	-	4,549	124,879	37,302	162,181
Dan Vajzovic to 6.2.23 **	2022/23	105,142	-	-	105,142	32,100	137,242
Chief Finance Officer (Constabulary)							
Jon Lee	2023/24	113,288	-	6,184	119,472	25,377	144,849
Jon Lee	2022/23	108,843	-	6,184	115,027	24,925	139,952
Totals	2023/24	556,218	0	15,778	571,996	104,968	676,964
	2022/23	624,517	0	15,778	640,295	133,260	773,555

* 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:

	2023/24	2022/23
£50,000 to £54,999	14	14
£55,000 to £59,999	4	10
£60,000 to £64,999	10	4
£65,000 to £69,999	3	6
£70,000 to £74,999	6	2
£75,000 to £79,999	1	3
£80,000 to £84,999	1	5
£85,000 to £89,999	4	4
£90,000 to £94,999	7	7
£95,000 to £99,999	5	-
£100,000 to £104,999	4	-
£105,000 to £109,999		1
£110,000 to £114,999	1	1
£115,000 to £119,999	1	1
£120,000 to £124,999		1
£125,000 to £129,999	1	-
£135,000 to £139,999		1
£140,000 to £144,999	1	1
£150,000 to £154,999		1
£170,000 to £174,999	1	
	64	62

The numbers above include the senior employees and relevant police officers disclosed earlier in Note 16 where they earned over £50k including seconded officers.

The numbers of exit packages with total cost per band and the total cost of redundancies agreed are set out below. There were four redundancies during 23/24. All redundancies were compulsory in both years.

	Number of redundancies		in each band	
	2023/24 No.	2022/23 No.	2023/24 £'000	2022/23 £'000
Exit package cost band				
£0 - £20,000	3	1	25	9
£20,001 - £40,000	1	-	24	-
	4	1	49	9

Redundancy costs for Cambridgeshire employees in collaborated units are apportioned in line with existing cost sharing principles. In 2023/24 our share of the

total redundancy cost was £19k. In addition, during 2023/24 Cambridgeshire contributed towards one exit packaged for NPCC total cost of £4k.

17 Audit Costs

The Chief Constable has incurred the following credits in relation to the audit of the Statement of Accounts due to incomplete Audit.

	2023/24	2022/23
	£'000	£'000
Fees payable with regard to external audit services carried out by the appointed auditor:	89	12

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 2023/24.

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 2024, the Group had dealings with the Trust being a Victims Support grant contribution of £60,000 (2022/23 £50,000) and two Safer Streets Grants totalling £81,130 (2022/23 £25,428).

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 2023/24.

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 £1,572k to the six local authorities for National Non-Domestic Rates Bills (2022/23 £978k).

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:

	Police Pensions £000	2023/24 LGPS- Chief Constable £000	Total £000	Police Pensions £000	2022/23 LGPS- Chief Constable £000	Total £000
Comprehensive Income and Expenditure Account						
<i>Cost of Services:</i>						
Current service cost	11,238	6,629	17,867	35,762	13,770	49,532
Past service costs	-	116	116	-	-	-
	11,238	6,745	17,983	35,762	13,770	49,532
<i>Financing and Investment Income and Expenditure:</i>						
Net interest expense	53,860	(850)	53,010	43,570	2,306	45,876
	53,860	(850)	53,010	43,570	2,306	45,876
<i>Total Post Employment Benefit Charged to the Deficit on the Provision of Services</i>						
	65,098	5,895	70,993	79,332	16,076	95,408
<i>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>						
Return on plan assets		(14,782)	(14,782)		11,317	11,317
Actuarial (gains) and losses arising on changes in demographic assumptions	-	(1,113)	(1,113)	(29,920)	(3,675)	(33,595)
Actuarial (gains) and losses arising on changes in financial assumptions	(25,360)	(15,390)	(40,750)	(582,090)	(134,918)	(717,008)
Other	38,840	44,615	83,455	97,120	20,217	117,337
	13,480	13,330	26,810	(514,890)	(107,059)	(621,949)
<i>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Account</i>						
	78,578	19,225	97,803	(435,558)	(90,983)	(526,541)
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						
	(65,098)	(5,895)	(70,993)	(79,332)	(16,076)	(95,408)
<i>Actual amount charged against the General Fund Balance for Pensions in the year:</i>						
Employer's contributions payable to the schemes	37,946	7,134	45,080	36,948	6,642	43,590

Assets and Liabilities in Relation to Post Employment Benefits

Reconciliation of present value of the scheme liabilities:

The actuarial (gains)/losses arising on changes in financial assumptions have been adjusted by £38m (LGPS Chief Constable) which has reduced the pension asset in line for the asset ceiling. The asset ceiling is the present value of any economic benefits in the form of refunds from the plan or reductions to the future contributions to the plan.

	2023/24			2022/23		
	Unfunded Liabilities Police Pensions £000	LGPS- Chief Constable £000	Total Liabilities £000	Unfunded Liabilities Police Pensions £000	LGPS- Chief Constable £000	Total Liabilities £000
Balance at 1 April	1,171,582	207,643	1,379,225	1,644,088	307,828	1,951,916
Current service cost	11,238	6,629	17,867	35,762	13,770	49,532
Past service costs	-	116	116	-	-	-
Interest cost	53,860	9,929	63,789	43,570	8,606	52,176
Contributions by scheme participants	8,820	2,066	10,886	7,970	1,940	9,910
Benefits paid	(46,766)	(6,019)	(52,785)	(44,918)	(4,991)	(49,909)
Remeasurement gain/loss:						
Actuarial gains arising from changes in demographic assumptions	-	(1,113)	(1,113)	(29,920)	(1,503)	(31,423)
Actuarial (gains)/losses arising from changes in financial assumptions	(25,360)	(15,390)	(40,750)	(582,090)	(135,365)	(717,455)
Other	38,840	44,615	83,455	97,120	17,358	114,478
Balance at 31 March	1,212,214	248,476	1,460,690	1,171,582	207,643	1,379,225

Reconciliation of fair value of the scheme assets:

	2023/24			2022/23		
	Police Pensions £000	LGPS- Chief Constable £000	Total Assets £000	Police Pensions £000	LGPS- Chief Constable £000	Total Assets £000
Balance at 1 April	-	225,360	225,360	-	226,786	226,786
Interest Income	-	10,779	10,779	-	6,300	6,300
Remeasurement gain/loss:						
The return on plan assets, excluding the amount included in the net interest expense	-	14,782	14,782	-	(11,317)	(11,317)
Contributions from employer	37,946	7,134	45,080	36,948	6,642	43,590
Contributions from employees into the scheme	8,820	2,066	10,886	7,970	1,940	9,910
Benefits paid	(46,766)	(6,019)	(52,785)	(44,918)	(4,991)	(49,909)
Closing fair value of scheme assets	-	254,102	254,102	-	225,360	225,360

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	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Present value of the defined benefit obligation	1,212,214	1,171,582	248,476	207,643	1,460,690	1,379,225
Fair Value of Plan Assets	-	-	(254,102)	(225,360)	(254,102)	(225,360)
Net Liability arising from defined benefit obligation	1,212,214	1,171,582	(5,626)	(17,717)	1,206,588	1,153,865

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:

	31/03/2024 £000	31/03/2023 £000
Cash and Cash Equivalents	3,023	5,444
Private Equity	31,285	27,966
Debt Securities		
UK Government	23,222	7,628
Equity Instruments (by industry)		
Consumer	2,847	-
Manufacturing	3,014	-
Energy and Utilities	284	-
Financial Institutions	2,652	-
Health and Care	2,267	-
Information Technology	5,222	-
Other	289	-
Investment Funds and Unit Trusts		
Equities	107,530	124,513
Bonds	37,547	24,329
Infrastructure	-	19,813
Other	19,439	0
Real Estate	15,479	14,721
Derivatives	2	946
	<u>254,102</u>	<u>225,360</u>

The liabilities are the underlying commitments that the Chief Constable has to pay retirement benefits in the long-term. The total liability of £1,207m (£1,212m police officer pension scheme and (£5.6m) 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 £1,214m. 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 2024.

The principal assumptions used by the actuary have been:

	Local Government Pension Scheme		Police Pension Schemes	
	2023/24	2022/23	2023/24	2022/23
Mortality assumptions:				
Longevity at 65 for current pensioners:				
Men	21.1	22.0	21.9	21.9
Women	24.1	24.2	23.6	23.5
Longevity at 65 for future pensioners:				
Men	22.2	22.9	23.6	23.5
Women	25.7	26.0	25.1	25.0
Rate of increase in salaries	3.3	3.7	3.9	4.8
Rate of increase in pensions	2.8	3.2	2.6	3.0
Rate for discounting scheme liabilities	4.9	2.8	4.7	2.7
CARE revaluation rate	-	-	3.9	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.

	Police Commissioner Scheme		Chief Constable Scheme		Police Pension Scheme	
	Increase in Liability (%)	Approximate monetary amount £'000	Increase in Liability (%)	Approximate monetary amount £'000	Increase in Liability (%)	Approximate monetary amount £000
Change in assumptions at 31 March 2024						
0.1% increase in Real Discount Rate	3.0%	79	2.0%	4,735	-1.6%	(19,400)
0.1% increase in the Salary Increase Rate	0.0%	6	0.0%	536	0.2%	2,400
0.1% Increase in the Pension Increase Rate	2.0%	75	2.0%	4,284	1.6%	19,400
Life Expectancy (Pensioners assumed to be one year younger)	4.0%	125	4.0%	8,416	0.5%	6,000

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 2024 is £7,134k (2022/23, £5,975k) contributions for the Police Pension Scheme in the year to 31 March 2024 are £21,172k (2022/23 £16,077k).

Legal Claims

In respect of the McCloud Pension case, claimants have lodged claims for compensation under two active sets of litigation, Aarons and Penningtons.

Aarons & Penningtons

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. As at 31 March 2024, it is not possible to reliably estimate the extent or likelihood of Penningtons 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 - this figure will be determined by the Government Actuaries Department. 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 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 2023/24 was £2.8m (£2.3m in 2022/23 which included insurance). The increase in spend was largely due to an uplift in budget required to fund current replacement costs and additional work required in year on our vehicles. Insurance costs were removed from the overall charge in 22/23 and accounted for separately. The insurance costs for Cambridgeshire for 2023/24 were £830k (£675k 2022-23).

Costs are allocated to the forces in proportion to the size of their fleet. The total costs of the consortium are shown below:

	2023/24	2022/23
	£000	£000
Employee Costs	3,433	3,149
Premises	485	420
Vehicle Costs	6,074	4,829
Vehicle Capital costs	10,696	9,287
Income	(2,475)	(2,291)
	18,213	15,394
Insurance Costs	830	675 *

* Insurance costs were removed from the consortium recharge from 2022-23 and charged separately.

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 2023/24 were at a rate of 31.0%. These rates are set by the Home Office and are subject to triennial revaluation by the Government's Actuary Department and are rising to 35.3% from 1st April 2024.

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 2024, 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

	2023/24 £000	2022/23 £000
Contributions receivable:		
From employer:		
Normal	(20,172)	(18,122)
Early retirements	(152)	(269)
From members	(8,708)	(7,794)
Transfers in	(104)	(169)
	<u>(29,136)</u>	<u>(26,354)</u>
Benefits payable:		
Pensions	35,514	38,570
Commutations and lump sum retirement benefits	5,220	6,847
	<u>40,734</u>	<u>45,417</u>
Payments to and on account of leavers:		
Refunds of contributions	82	79
Individual transfers out to other schemes	2	23
	<u>84</u>	<u>102</u>
Net amount for the year before top-up grant payable by sponsoring department	11,682	19,165
Amount from sponsoring department	(11,682)	(19,165)
Balance on Fund at 31 March	<u>-</u>	<u>-</u>

Net Assets Statement	2023/24 £'000	2022/23 £'000
Net current assets and liabilities		
Amounts owed from General Fund	(3,843)	7,173
Remaining top-up grant due from the Home Office	3,843	(7,173)
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.
Operation Safeguard	Operation Safeguard is the national contingency plan for police custody support to His Majesty's Prison and Probation Service (HMPPS), where the prison population is predicted to, or exceeded capacity.
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

REPORT ON THE AUDIT OF THE CHIEF CONSTABLE OF CAMBRIDGESHIRE CONSTABULARY'S FINANCIAL STATEMENTS

Disclaimer of opinion

We were engaged to audit the financial statements of the Chief Constable of Cambridgeshire Constabulary (the "Chief Constable") for the year ended 31 March 2024 which comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet, Cash Flow Statement and the related notes, including the Expenditure and Funding Analysis, Pension Account and the accounting policies in note 1.

We do not express an opinion on the financial statements. Due to the significance of the matters 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.

Basis for disclaimer of opinion

The Accounts and Audit (Amendment) Regulations 2024 (the "Amendment Regulations") require the Chief Constable to publish its financial statements and our opinion thereon for the year ended 31 March 2024 by 28 February 2025 (the "Backstop Date").

We have been unable to obtain sufficient appropriate audit evidence over a number of areas of the financial statements as we have been unable to perform the procedures that we consider necessary to form our opinion on the financial statements ahead of the Backstop Date. These areas were short term creditors, the Pension Account and the balance of, and movements in, usable and unusable reserves for the year ended 31 March 2024.

In addition, we have been unable to obtain sufficient appropriate evidence over the disclosed comparative figures for the year ended 31 March 2023 due to the Backstop Date. Therefore, we were unable to determine whether any adjustments were necessary to the opening balances as at 1 April 2023 or whether there were any consequential effects on the Chief Constable's income and expenditure for the year ended 31 March 2024.

Any adjustments from the above matters would have a consequential effect on the Chief Constable's net assets and the split between usable reserves and unusable reserves as at 31 March 2024 and 31 March 2023, and on its income and expenditure and cash flows for the years then ended.

Fraud and breaches of laws and regulations – ability to detect

As stated in the *Disclaimer of opinion* section of our report, we do not express an opinion on the financial statements due to the reasons described in the *Basis for disclaimer of opinion* section of our report.

Other information

The Chief Finance Officer is responsible for the other information, which comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. Any opinion on the financial statements would not cover the other information and we do not express an opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Due to the significance of the matters described in the *Basis for disclaimer of opinion* section of our report, and the possible consequential effect on the related disclosures in the other information, whilst in our opinion the other information included in the Statement of Accounts for the financial year is consistent with the financial statements, we are unable to determine whether there are material misstatements in the other information.

Chief Finance Officer's and Joint Audit Committee's responsibilities

As explained more fully in the statement set out on page 34, the Chief Finance Officer is responsible for the preparation of financial statements in accordance with CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 and that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Chief Constable'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 government of the intention to either cease the services provided by the Chief Constable or dissolve the Chief Constable without the transfer of its services to another public sector entity.

The Joint Audit Committee is responsible for overseeing the Chief Constable's financial reporting process.

Auditor's responsibilities

Our responsibility is to conduct an audit of the financial statements in accordance with International Standards on Auditing (UK), and to issue an auditor's report. However, due to the significance 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 the financial statements.

We have fulfilled our ethical responsibilities under, and are independent of the Chief Constable in accordance with, UK ethical requirements including the FRC Ethical Standard.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

Report on the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice published by the National Audit Office in November 2024 on behalf of the Comptroller and Auditor General (the "NAO Code of Audit Practice"), we are required to report to you if we identify any significant weaknesses in the arrangements that have been made by the Chief Constable to secure economy, efficiency and effectiveness in its use of resources.

We have nothing to report in this respect.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Chief Constable is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are required under section 20(1) of the Local Audit and Accountability Act 2014 to be satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. We are also not required to satisfy ourselves that the Chief Constable has achieved value for money during the year.

We planned our work and undertook our review in accordance with the NAO Code of Audit Practice and related statutory guidance, having regard to whether the Chief Constable had proper arrangements in place to ensure financial sustainability, proper governance and to use information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

We are required by Schedule 2 to the NAO Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 and Schedule 7 of the Local Audit and Accountability Act 2014; or
- we make written recommendations to the Chief Constable under Section 24 and Schedule 7 of the Local Audit and Accountability Act 2014; or
- 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; or
- 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 this respect.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Chief Constable 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 those matters we are required to state to the Chief Constable 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 for our audit work, for this report, or for the opinions we have formed.

DELAY IN CERTIFICATION OF COMPLETION OF THE AUDIT

As at the date of this audit report, we have not yet completed our work in respect of the Chief Constable's Whole of Government Accounts consolidation pack for the year ended 31 March 2024.

Until we have completed this work, we are unable to certify that we have completed the audit of the financial statements of the Chief Constable of Cambridgeshire Constabulary for the year ended 31 March 2024 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the NAO Code of Audit Practice.



Catherine Henry

for and on behalf of KPMG LLP

Chartered Accountants

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Birmingham

B4 6GH

26 February 2025

