

# Annual Report and Accounts

2024/25

**Met Office Annual Report and Accounts 2024/25**

For the period 1 April 2024 - 31 March 2025

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**Innovating today.  
Protecting tomorrow.**



At a glance

# Helping you make better decisions to stay safe and thrive.

Welcome to the Met Office

We play a vital role in helping you make better decisions to stay safe and thrive, whatever the weather.

The Met Office has grown to become a global authority on weather and climate intelligence. Today, we provide accurate, consistent and usable data, weather forecasts, national severe weather warnings, and climate science that supports

everything from daily life and travel to working with UK government and critical industry sectors including defence, transport, agriculture, energy and emergency response.

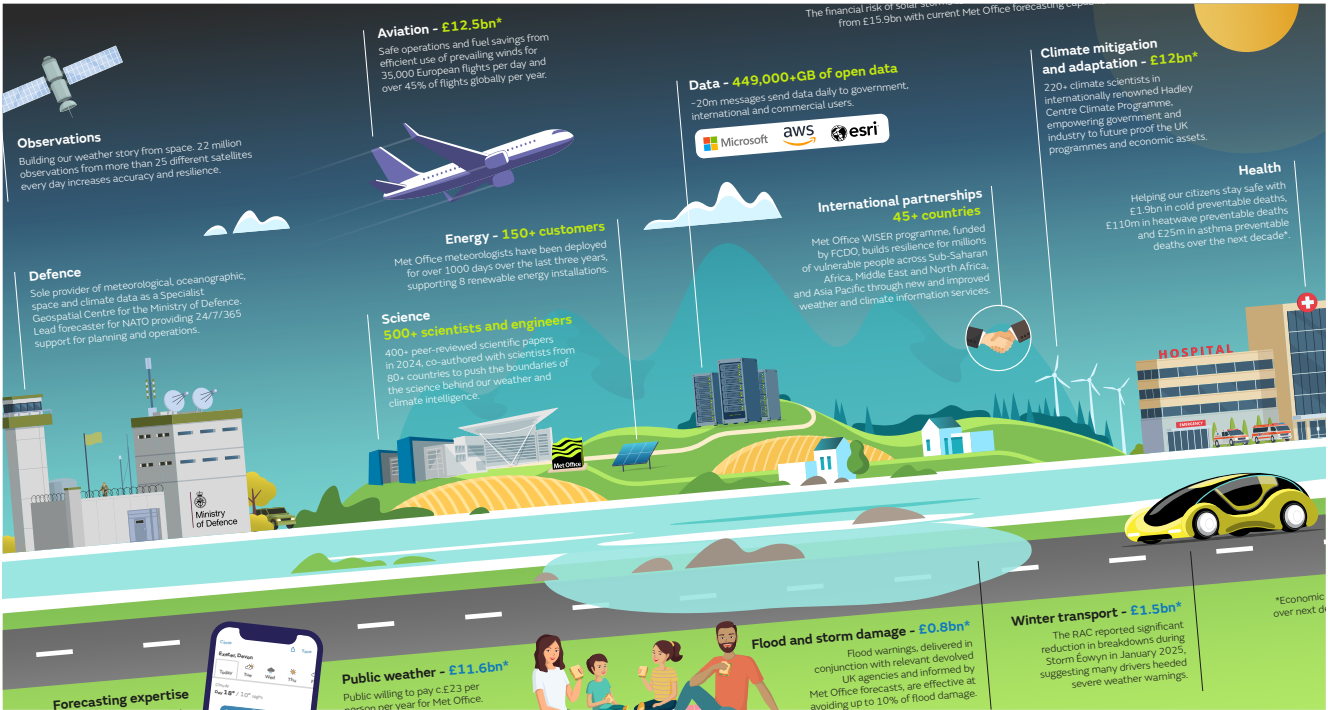
Our operations run around the clock using cutting-edge supercomputing capability, satellite data, observation networks and more to monitor the atmosphere and predict how it will change. We receive over 50 billion observations each day from satellites and observation networks on land, sea and air.

We also collaborate with international partners to improve global understanding of weather and climate, and work with local communities to develop vital services that protect lives and livelihoods.

Throughout this report, you'll discover how we are meeting the needs of our customers, how we support the UK government's missions, how our people appreciate the Met Office as a Great Place to Work and how our science and technology is shaping the future of weather and climate intelligence.

“Whether through advance warnings of extreme weather or allowing better understanding of the impacts of climate change, the Met Office provides crucial meteorological services that help businesses, emergency responders and the public to make informed decisions to stay safe and thrive.

**Lord Vallance**  
Minister of State for Science, Research and Innovation

”

Read more about our value and impact on pages 52-53

## Trusted

We are the most trusted name for weather intelligence in the UK – 85% of the public trust our weather forecasts and 97% of emergency responders trust us as the provider of the National Severe Weather Warning Service.

We are recognised as a world leading National Meteorological Service and, when compared against other global numerical weather prediction centres, we are consistently acknowledged as one of the top two forecast providers in the world.

Our trusted weather and climate intelligence enables government departments, industries, communities and individuals to make immediate choices and to prepare for the future.

See page 34

## Pioneering

Significant investments in our weather observations networks, supercomputing technology, weather and climate modelling and processing capability, enable us to push the boundaries of science, data and technology. Our supercomputing system is one of the most powerful in the world dedicated to weather and climate and our next-generation supercomputing capability supports delivery of significant scientific improvements. This advanced technology will enhance our weather and climate prediction methods, delivering cutting-edge scientific capabilities. These capabilities will unlock world-leading advances in weather and climate services, ensuring progress well into the future.

See page 40

## Impact

- **Estimated £56bn in benefits to be delivered to the UK economy** over the next decade through our services - representing **£19 return for every £1 of public investment**.
- **Delivering £1.9bn in benefits to the UK economy**, the Met Office Hadley Centre Climate Programme provides exceptional value, with a **return of £33 for every £1 invested**.
- Valued at over **£600m to the UK economy over the next decade**, our expertise as the UK's National Centre for Space Weather Forecasting is exceptional.
- **Improving people's daily lives** – helping to keep you safe, well and prosperous in an increasingly unpredictable world.
- **93% of Met Office users take action based on our weather forecasts\***.

See page 52

\*Source: Met Office Public Perceptions Survey 2024

# Our values

Our values are our guiding principles. They reflect who we are and what we stand for here at the Met Office. Our values underpin every decision we make and the way in which we get our work done each and every day.



## We're a force for good.

Our planet matters. The time is now, and we're the people to make a difference. That's why we take our environmental and social impact seriously. We're a force for good in our core products, in making sure that people stay safe and thrive and in our contribution to world understanding of climate change. But it's also about reducing our impact and looking for ways to make a positive difference to our environment and our community.



## We're better together.

Great minds don't always think alike. And we like it that way. We believe partnerships, inclusivity and honesty make us far greater than the sum of our parts. We stand together, we listen, respect and support one another.

## It's who we are.



## We're experts by nature.

We gain our expertise through hard work and by focusing on our strengths. Of course, we're not born with our expertise but it's in our nature to be curious - always learning and developing to do things better. We trust in each other's expertise and take pride in being the best in our field.



## We keep evolving.

When we're not looking up, we look ahead. We push the boundaries to make tomorrow better for our customers. Forecasting the future is one thing. Creating it is another. We're never satisfied with the state of the art as it is now. We don't stand still, we're always pushing ourselves to achieve more.



## We live and breathe it.

Helping people make better decisions to stay safe and thrive is what we live for. Their lives guide our decisions and their trust guides our actions. We show a genuine passion for what we do, put our purpose at the heart of all decision making and take great pride in the impact we make on people's lives every day. We consider customers and employees needs first and always act with integrity.

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A large military helicopter, possibly an Apache, is parked on a tarmac. Three soldiers in camouflage uniforms are standing in the foreground, looking towards the helicopter. The scene is set outdoors on a clear day with a blue sky and some trees in the background. The helicopter has a large radar dome on top and various weapons mounted on its sides. The soldiers are standing in a line, facing each other and smiling. The overall tone is professional and informative.

**When it matters most.  
Weather and climate  
intelligence for citizens,  
critical industries  
and governments.**



# Statement from the Chair

Simon Thompson



I was delighted to be appointed Chair of the Met Office in December 2024. My appointment coincided with a significant milestone for the organisation as our scientists began testing and using our ground-breaking new supercomputer for the first time. This achievement marks the culmination of six years of effort on procurement, delivery and implementation in partnership with Microsoft. The first generation of the new cutting-edge modelling system will deliver a six-fold increase in processing capacity with further transformative enhancements ahead. The new facility will rank among the world's most powerful and environmentally sustainable supercomputing centres. It will provide billions of pounds of socio-economic benefits to the UK over the next decade.

## Innovation and growth

The delivery of the new supercomputer heralds an exciting new period of innovation. It will allow the Met Office to blend fundamental science and artificial intelligence to enhance the accuracy of our weather and climate data, enabling innovative products and services to address our users' evolving requirements in a rapidly changing world.

The investment by the Department for Science, Innovation and Technology in this new capacity comes at a crucial time. 2024 was the warmest year on record globally and likely the first calendar year when global mean temperatures exceeded 1.5°C above pre-industrial levels. Recent years have seen communities worldwide, including in the UK, grapple with extreme weather events such as heatwaves and flooding. The role of the Met Office has never been more critical - empowering citizens, communities, businesses and governments to make informed decisions, founded on rigorous and impartial science.

Improving accuracy and communication of Met Office forecasts and extreme weather warnings were demonstrated during Storm Darragh and Storm Éowyn, the most powerful windstorm in the UK for over a decade. Yellow warnings were issued five days ahead for Darragh and six days ahead for Éowyn. Remarkably, the first warning for Storm Darragh was issued before it had even formed as a distinct system out in the Atlantic. Red warnings for wind were then issued as the storms approached the UK. Accurate forecasting and effective communication, harnessing using Geospatial Information Services, enabled the public to stay safe. Expert advice allowed Civil Contingency Services and front-line emergency responders to deploy more effectively.

The Met Office works widely across the UK government. In July 2024, we supported the government's response to Hurricane Beryl, which carved a destructive path through the Caribbean, Mexico and the United States. A Met Office Civil Contingencies Advisor was deployed to support the Foreign, Commonwealth and Development Office Crisis Centre and briefed the new Foreign Secretary within hours of his appointment.

As a daily user of the Met Office mobile app, I am pleased that the organisation continues to strive for greater accuracy and improved usability in all its products and services, overseen by the Public Weather Service Customer Group chaired by Vice Admiral Duncan Potts CB. To broaden its reach, the Met Office has enhanced its ability to syndicate content to media outlets, super publishers and social media channels, placing its weather and climate data where the public already seeks information.

“

*The new facility will rank among the world's most powerful and environmentally sustainable supercomputing centres. It will provide billions of pounds of socio-economic benefits to the UK over the next decade.*

”

## People

The Met Office's remarkable achievements over the past year rest firmly on the foundation of its talented and dedicated people. My first opportunity to meet these exceptional colleagues and customers was at the 2024 Met Office Awards for Excellence in December. This inspiring event showcased the diversity and strong values of the organisation. Nominations included the Met Office team in the Falkland Islands, for aiding South Atlantic search and rescue operations; Professor Peter Stott's expert climate science communication; Alice Palmer-Brown's work celebrating Black meteorologists as part of Black History Month; and teams contributing to the Met Office's Great Place to Work programme.

On behalf of the Board, I want to extend our sincere thanks to all the talented people who work at the Met Office for their dedication and hard work and to our Chief Executive, Penny Endersby, and her Senior Management team for their outstanding leadership.

I am very grateful to Rob Woodward CBE FRSE, my predecessor as Chair, for his exemplary service guiding the Met Office over the past six years. His efforts were instrumental in delivering many of the organisation's recent successes. Thanks also to Hunada Nouss, who recently completed her term as a member of the Met Office Board and Chair of the Audit and Risk Assurance Committee. I am pleased to welcome Lynn Mawdsley, her successor in both roles.

## Collaboration

Collaboration is key to the Met Office's success. Met Office Academic Partnership (MOAP) universities have worked with us to enhance training and skills development in data science, data engineering, data assimilation and research software engineering. They are also contributing to the latest independent UK Climate Change Risk Assessment, due to be published in September 2025. This provides the UK government with crucial evidence on climate change.

Independent expert members of the Met Office Science Advisory Committee and the Hadley Centre Science Review Group oversee and provide guidance on the future direction of our science programmes and provide important links to the global weather and climate science community.

We are also collaborating with the Royal Meteorological Society to emphasize the importance of continuing professional development and accreditation. Numerous members of staff have been accredited through the CMet (Chartered Meteorologist) and RMet (Registered Meteorologist) schemes, in recognition of their knowledge and expertise.

International partnerships extend our influence around the world. Professor Penny Endersby, was re-elected for a second year as President of the European Centre for Medium-Range Weather Forecasts (ECMWF). The Met Office is also a

partner in the European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT), which declared the Meteosat Third Generation – Imager 1 Satellite operational in December 2024. The new satellite enables enhanced assimilation of weather observations into our numerical weather prediction models, and higher quality, more frequent imagery for our operational meteorologists to use in their assessments.

## Outlook

Our world is changing radically. Geopolitical uncertainties, climate impacts, and technological disruptions - including the rise of artificial intelligence (AI) - present both challenges and opportunities. The government has introduced five missions that ask us to be at the heart of driving UK economic growth and resilience.

I feel privileged to serve on the Board of an organisation that enjoys a global reputation for the quality of its weather and climate science and provides essential services to enable people to stay safe and thrive. But we are not complacent. Throughout our 170-year history, the Met Office has sought to deliver more value, more innovation and more impact. In the year ahead, we will be launching our new five-year strategy and delivery roadmap ready for a new era as the most trusted name in weather and climate intelligence.

# Chief Executive's summary

**Professor Penelope Endersby**  
CBE, FREng, Hon FlinstP



As one of the world's leading weather and climate organisations, the Met Office provides highly trusted and accurate weather forecasts and warnings and climate projections which are built on our deep scientific expertise. Our work supports everything from daily life and travel to defence, agriculture, energy and emergency response.

## Transitioning to our new supercomputer

This year marks a significant step forward for the Met Office with the successful transition to running our models on our new supercomputing services, which have been delivered by Microsoft. The compute capacity that is delivered by the new capability, is one of the world's largest available to weather and climate and the service-based model is a world first for this class of scientific supercomputing.

We have taken a new approach to IT procurement with supercomputing 'as a service' and this is already delivering more efficient and sustainable operations. We have had to tackle many ground-breaking challenges including the world's biggest electronic transfer of locally housed data to the cloud, so it's an immensely exciting moment. It sets us up for the new and exciting capabilities that we have been developing ourselves and in our Momentum Partnership, ready

for use on the new platform and fully integrated with public cloud. This positions the Met Office very well to utilise research breakthroughs in AI.

Now that the compute platform is live, our first major modelling upgrade is expected to launch during the autumn of 2025. It will bring enhanced modelling resolution and observations processing. An early new application is our ability to integrate observations obtained from aircraft fitted with secondary surveillance radar (Mode-S). This global data is combined with observations from EUMETSAT's Meteosat to significantly enhance forecast accuracy. We're now making this data available via the World Meteorological Organization for the benefit of our global partners.

## Partnerships for weather and climate intelligence

Our supercomputing capabilities and enhanced models are only part of the story. The data we generate holds significant value beyond our own immediate use. Therefore, we have partnered with market leaders to make more data accessible in ways that can be easily consumed by users. We have broadened our work with major data platforms such as Snowflake and Esri as well as integrating our open data with Public Cloud platforms. This ensures that our data is in the right place and right formats for our users.

## Innovating for a resilient future

The world needs localised, personalised and ever-greater weather forecast accuracy, and AI will play a significant part in our next generation forecasting.

AI breakthroughs offer early promise of continuing to increase Met Office and supercomputer value for money. We're trialling machine learning to automate highly local and frequently updated forecasts for airports, called Terminal Aerodrome Forecasts (TAFs).

We are exploring the potential of AI to provide faster and cheaper forecasts through our FastNet model, or as a hybrid with our traditional numerical techniques. We will bring rigorous validation to our plan to forecast using the best blend of AI and traditional models, so our forecasts retain the high level of trust they currently enjoy from all our users.

## Excellent outcomes for our customers

We serve citizens, businesses and communities and our biggest customers span these critical sectors: environment and energy (Department for Energy, Security and Net Zero), citizen and media (Public Weather Service), national security (Ministry of Defence), international development (Foreign, Commonwealth and Development Office), transport (Civil

Aviation Authority), UK government business (Department for Science, Innovation and Technology).

We've continued to deliver improved outcomes for our customers. Storms Darragh and Éowyn led to us issuing two red warnings during winter 2024/2025. These accurate, timely and useful warnings have helped push our National Severe Weather Service to achieve record positive verification scores. With the first large scale deployments of the Cabinet Office's new National Alerting System, we worked closely to support UK and devolved governments as they learn how to optimise the Alerting System and to look at how lower-level warnings are understood and acted on by both responder communities and the public. We've also continued to improve our civil contingencies support, including through the new DEFRA Floods Resilience Taskforce.

Broadening the reach of our important weather guidance to the public is always a priority and we launched new social channels in the year: TikTok (445k followers), Bluesky (36k followers) and WhatsApp (159k followers). We continued to develop our app and web services, and trialled communications aimed at hard-to-reach audiences.

The Met Office contributes to the government's Five Missions for Britain. Of particular relevance are 'Kickstart Economic Growth' and 'Make Britain a Clean Energy Superpower'. An evaluation, commissioned by the Department for Energy Security and Net Zero (DESNZ), found that the Met Office Hadley Centre's work to advance the understanding of climate change has already returned £33 for every £1 invested from 2018 to 2021. Looking forward, an external evaluation by London Economics estimates that Met Office activities will generate an extraordinary £56 billion of economic value within the next decade - a 19:1 return on government investment. Further work

will support the additional growth which we can generate by making more of our data available for others to create value.

We continued to play a key role in supporting the defence and security of the nation, at home and overseas. I was privileged to make my first visit to our teams in the Falkland Islands and on Ascension Island, and to hear in person from our RAF and Navy customers about the work we do to enable them to discharge their roles. I witnessed first-hand the expert intelligence they provide. In July 2024, our Falklands team accurately predicted the drift path of life rafts from the sinking fishing vessel Argos Georgia during search and rescue operations. We ensured the vessels and aircraft involved could operate safely and effectively in severe weather conditions - a perfect example of our purpose in action.

With the sun at the peak of its solar cycle, producing two major flare events during the year, our excellent space and terrestrial forecasting enabled many across the UK to witness the unusual sights of the Aurora. The Met Office owns the national risk for Space Weather which aims to limit impacts on our national infrastructure, such as satellite operations, aviation and the national grid. Our Met Office Space Weather Operations Centre (MOSWOC), which operates 24/7 monitoring and warning about space weather activity, celebrated its 10-year anniversary in September. I was pleased to host our first ministerial visit from the new government with Abena Oppong-Asare MP, Parliamentary Secretary at the Cabinet Office, joining the celebration.

Meanwhile, our Space Weather Research team, who do the science that enhances continually the skill of the MOSWOC Operational team, have won the 2025 Royal Astronomical Society group achievement award for their critical role in translating scientific knowledge into operational services.

## Our valued people

I was hugely encouraged by the results of our annual people survey measuring employee engagement. It was wonderful to see positive progress almost across the board. Our people reported feeling pride in being part of the Met Office and having a strong personal attachment to our organisation. More employees would recommend it as a great place to work, though we continue working to transform our pay model to help retain and reward our highly skilled people.

It's always a joy to meet new recruits to the Met Office, especially our early career interns, apprentices and graduate entrants. This year's cohorts have been attracted by our enhanced recruitment campaigns, compelling employee promise and world-changing work resources which won the prestigious Employer Brand award in the national category at the RAD Recruitment Marketing Awards.

## Our strategy

Finally, we are drawing to the end of our five-year strategy which began in 2019. Despite many challenges, particularly COVID, we completed 26 major strategic actions that have positioned us well for our next strategic period. We firmly placed customers at the heart of our work, in particular setting up a new Markets directorate to provide a central point for our customer interactions. We've seen positive trends in our metrics for accuracy and skill, revenue and trust, staff engagement and diversity.

## What's next?

Our next chapter promises to build on these achievements while navigating the next five years with focus, purpose, and impact. We are finalising our new strategic outlook to 2030 (you can read more on page 26). Our strategy will ensure the Met Office continues its vital purpose of helping people make better decisions to stay safe and thrive every day.



# Helping you stay safe



**Revolutionising weather forecasting.**  
We are accelerating the use of machine learning looking at new ways to produce seven-day forecasts. This collaboration with The Alan Turing Institute, called FastNet is helping to improve forecast accuracy and efficiency.

**The Alan Turing Institute**

“*This project aims to tackle one of the biggest problems in weather science – **fast and accurate prediction of high impact weather events**, which are capable of bringing devastating consequences to communities in the UK and abroad.*”

**Dr Jean Innes**  
CEO at The Alan Turing Institute



Celebrating **100 years of the Shipping Forecast** on the BBC. This iconic service, provided by the Met Office on behalf of the Maritime and Coastguard Agency, continues to protect lives at sea around the UK's coastline every day of the year.



The **most trusted name for weather in the UK.**

**85%**  
of the public trust our weather forecasts.

Source: Met Office Trust Tracker

**93%**  
of Met Office users **took action based on our weather forecasts.**

Source: Met Office Public Perceptions Survey



Our Civil Contingency Advisors participated in 803 multi-agency meetings this year, **protecting the UK from the worst of the weather.**

- This included:
- 16 Scottish Government Resilience Room meetings
  - 7 Welsh Government Resilience meetings
  - 80 UK government department-led meetings



# Helping you stay safe



Our severe weather warnings and clear communication helped emergency responders and the public **take life-saving action** during Storm Éowyn, the most powerful windstorm in over a decade.

This critical response resulted in:

- 14.7m website views
- 17.0m impressions on social media
- 30.8k new followers on social media
- Over 50 press briefings
- 23.8k mentions of the Met Office
- 152 emergency responder briefings

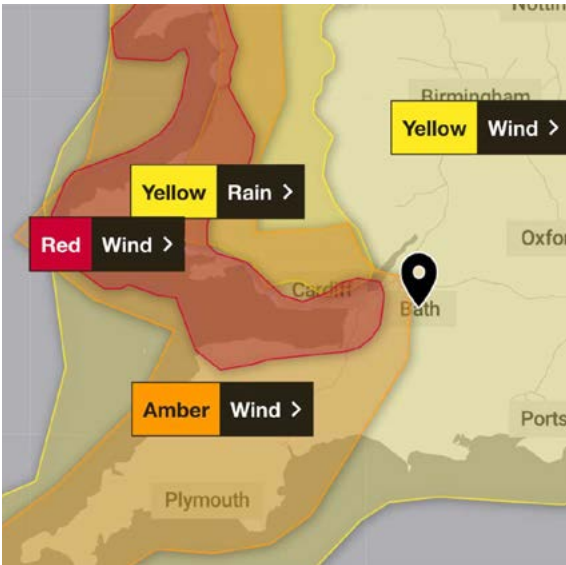
“I am grateful to both the Met Office and Police Scotland for issuing those early and clear warnings, and to the public, who, in following that advice, helped to **mitigate significantly the damage that the storm might otherwise have caused**. To put it simply, people have, by following the guidance to stay at home, **prevented further loss of life**.”

**Angela Constance**  
Cabinet Secretary for Justice and Home Affairs



Valued at over **£600m to the UK economy over the next decade**, our expertise as the UK's National Centre for Space Weather Forecasting is exceptional.

The Met Office Space Weather Operations Centre (MOSWOC) forecasts thousands of space weather events to protect critical national infrastructure and help key industries manage solar risks.

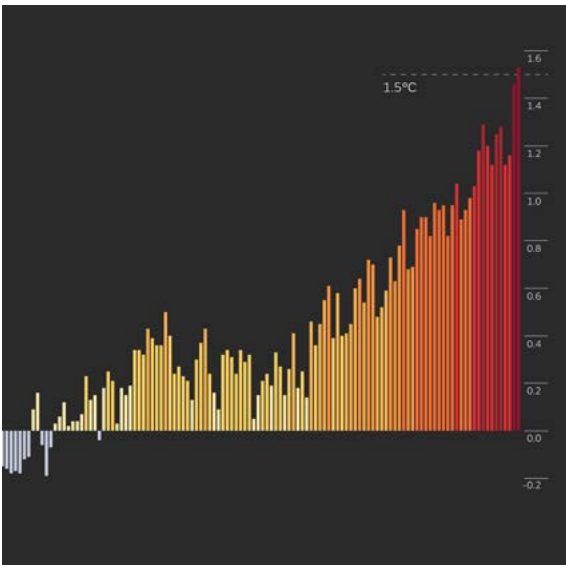


Now available through industry platforms such as Snowflake and Esri's ArcGIS, our National Severe Weather Warnings Service API enables organisations to **seamlessly integrate our warnings** into their operational and decision-making tools.



“The Met Office’s National Severe Weather Warnings dataset can be streamed directly from the ArcGIS Living Atlas into ArcGIS dashboards, web apps and maps to provide **live, accurate and trusted information about weather-related risks**.”

**Miles Gabriel**  
Head of Business Development (Government), Climate & Disaster Response, Esri



As calculated by the Met Office, a climate milestone has now been reached. Our data confirmed that globally, **2024 was the first year with global temperatures at 1.5°C above pre-industrial levels**.

We also showed that carbon dioxide levels are outside of the pathways consistent with limiting long-term average warming to 1.5°C, unless global greenhouse gas emissions are cut even more rapidly than in the most ambitious scenarios considered so far by the Intergovernmental Panel on Climate Change.



**Trusted weather and  
climate intelligence in a  
radically changing world.**



# Helping you thrive



**Preparing students for the future changing climate**, the Met Office is a key partner and host for the South West Regional Hub of the Climate Ambassador Scheme.

The scheme links nurseries, schools and colleges across England with free access to local experts who can provide tailored advice and guidance to help them develop their own climate plans.

“

The **impacts of climate change are going to be felt for decades**. Students need to be prepared to go out and tackle these problems and build up the skills... to go out into the workforce and be members of society in jobs that may not even exist yet.

**Nicki Schantz**  
South West Regional Manager for the Climate Ambassador Programme

”



Industries like healthcare and aviation now have **faster and easier access to vital weather data** via our collaboration with Snowflake Marketplace.



“

With the Met Office's data now on Snowflake Marketplace, it's easier than ever for more people to access and utilise their datasets, expanding the Met Office's reach into new sectors. Users can instantly tap into the data, **enabling faster and smarter decision-making across industries, driving significant value for the UK economy.**

**James Petter**  
Senior Vice President EMEA at Snowflake

”

We worked with Tonga Met Service to develop the **first-ever fully presented television weather broadcast service for Tonga**. With the creation of a new media studio, graphics package and comprehensive training, Tonga's enhanced capability will strengthen their multi-hazard early warning systems, particularly critical during tropical cyclone season.



“

These improvements not only help the public stay informed about severe weather conditions, but also **empower individuals and communities' visualization of the weather to make better decisions for safety and preparedness.**

**Laitia Fifita**  
Director of Tonga Met Service

”



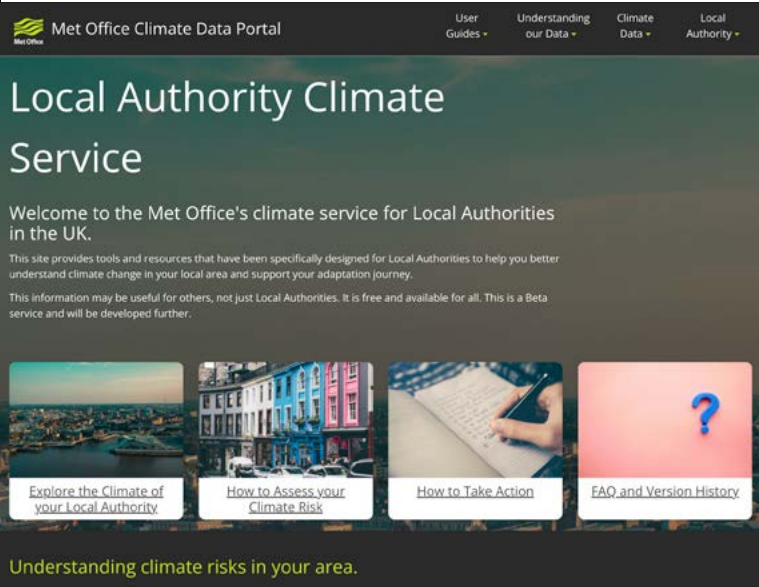
# Helping you thrive



**Revolutionising our short-range forecasting capabilities**, as Europe’s most advanced weather satellite is now fully operational.

This marks the latest phase of a 20-year collaboration between EUMETSAT and the European Space Agency to safeguard and improve weather forecasts across Europe. The Met Office leads the UK representation and funding for EUMETSAT.

Councils can now effectively visualise climate challenges, explore projections and communicate with their communities about local climate impacts using our **new Local Authority Climate Service**.



Our defence capabilities help forces **tactically exploit environmental conditions** and understand how the environment affects their equipment.

We hosted our first Land Demo Day, bringing together British Army units to demonstrate the impact of our data, equipment, training, products and services.



**Supporting the UK’s biodiversity**, we are examining the impacts of weather and climate change on wildlife and their habitats across the UK through a unique collaboration with The Wildlife Trusts.



“Climate change is a key threat to our native wildlife. This project has **pioneered techniques for understanding climate impacts on wildlife**. We hope these learnings can be developed and used to improve the resilience of wildlife and wild places to climate change. This can help us to **protect native wildlife from further decline and even disappearance**.  
**Nigel Doar**  
Head of Science and Research at The Wildlife Trusts”



Innovative technology is simulating future atmospheric conditions. Our Amazon Free Air Carbon Enrichment (FACE) experiment is **helping scientists understand the Amazon's crucial role in limiting global warming** and its resilience to climate change.

We are leading this ground breaking research project with the National Institute for Amazon Research to study how tropical forests respond to elevated CO<sub>2</sub> levels.



# Strategic report

## Strategic Framework

Our 2019-2024 strategy outlines our framework to fulfil our purpose of helping you to make better decisions to stay safe and thrive. Over the last five years it has also enabled us to weather unprecedented challenges - from the global pandemic to shifting technological landscapes. It has been a period of unequalled collaboration, adaptation and transformation.

Our strategy sets out three anchors that capture everything we do in achieving our purpose.

- Excellent people and culture
- Exceptional science, technology and operations
- Extraordinary impact and benefit

Each anchor has a set of strategic actions identified, detailing key short-to-medium term priority activities that are critical to the future success of the Met Office. Through our strategic actions we have prioritised our efforts to achieve our vision to be ‘Recognised as global leaders in weather and climate science and services in our changing world’.

In the last five years, we have successfully delivered 26 strategic actions with three transitioning into our next strategic period. Delivery measures assess our delivery of products and services to our customers, together with our internal operating systems and process effectiveness.

The Met Office has an annual set of performance measures that represent how well the organisation is performing; you can find these on pages 54 -55. These are agreed by the Met Office Board. The Key Performance Indicators (KPIs) focus on the delivery and impact of the three strategic anchors, and related strategic actions, with a further KPI for financial performance and regulatory compliance. Performance against agreed milestones for each action or measure is monitored and reported throughout the year. Performance against these measures is then linked to Met Office-wide corporate performance pay. This encourages employee engagement in driving the performance of the Met Office, as all employees can benefit.


## Our new strategy

Our world is changing radically. The government has introduced five missions that ask us to be at the heart of driving the UK’s economy and to support its resilience. Geopolitical uncertainties, climate impacts, and technological disruptions—like the rise of AI—present both challenges and opportunities. We’re ready to meet them, thanks to the delivery of our new supercomputer and the solid foundations we’re building. We have heard the call for us to be customer-centric and ready to harness the full potential of new technologies. That’s why in 2025 we will introduce a new five-year strategy - our commitment to navigating the next five years with focus, purpose, and impact.

By 2030, the Met Office will have delivered more accurate forecasts using the best blend of AI and physics modelling in our Momentum@ modelling suite on the second generation of our new supercomputer. We will have contributed to the achievement of UK government strategic objectives with high value products for customers and citizens, supporting economic growth, national security and the resilience of the UK. We will have become more innovative, efficient, agile and impactful. We will have made our own world-leading data and the best data from other providers accessible, enabling the wider ecosystem to create a range of novel products and services, generating growth for UK plc.

# Business model

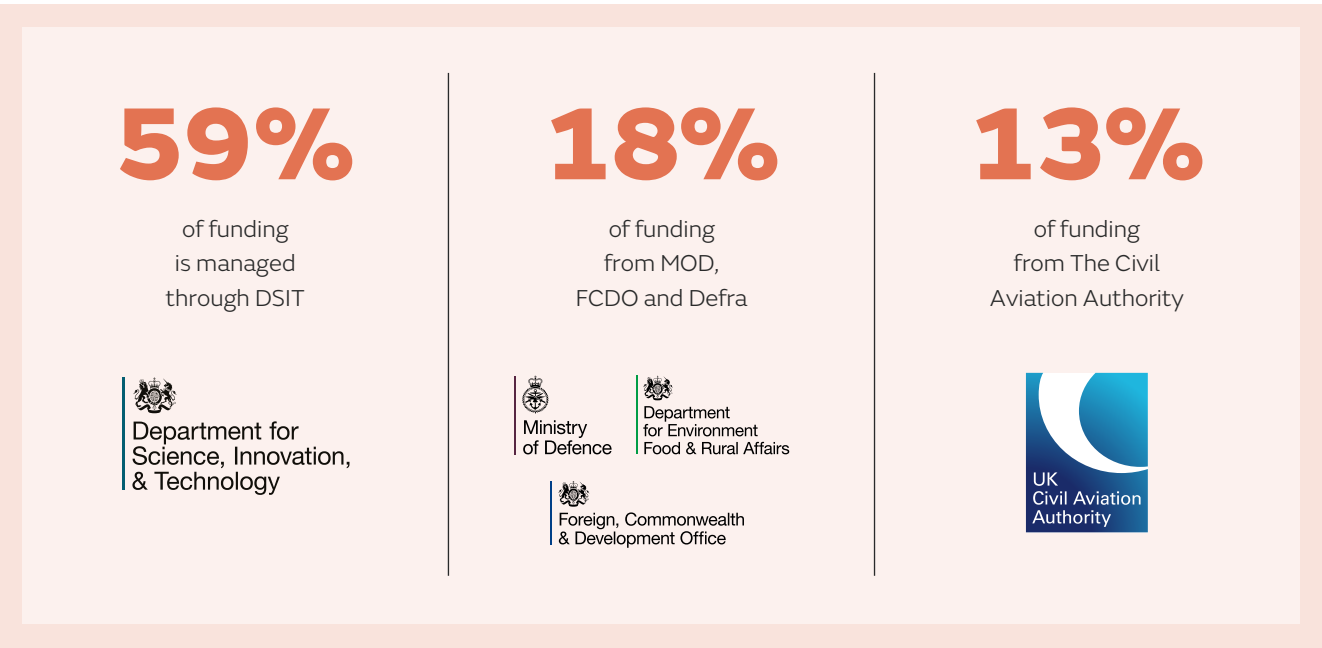
## How we are funded



The Met Office is an executive agency and trading fund, sponsored by the Department for Science, Innovation and Technology (DSIT).

Over **1,200 customers** deliver **£330m of income** annually

## Our core customers



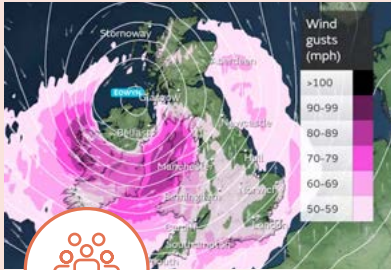


Key sectors



Energy and Environment

- Devolved governments
- Energy
- Offshore
- Water
- Air quality and health
- Hazards



Citizens and Media

- Public Weather Service
- Broadcasters - ITV, STV, Apple News Media
- Industry
- Agriculture
- Insurance
- ECMWF and EUMETSAT



Defence

- MOD
- Met5 Nations
- North Atlantic Treaty Organization (NATO)
- Defence Science and Technology Laboratory and Atomic Weapons Establishment
- Secure



International Engagement

- FCDO, WISER and Climate Security
- DSIT International Science Partnership Fund
- Systematic Observations Financing Facility and Climate Risk and Early Warnings Systems Initiative
- United Nations, World Bank and World Food Programme
- Home Office and Cabinet Office



Transport

- Aviation
- Roads
- Rail
- Space Weather
- Marine



UK Government Business

- DSIT and DESNZ
- Met Office Hadley Centre Climate Programme
- Research e.g. Copernicus





Bringing value to the UK economy and society

As the UK's National Weather Service, and a global authority in

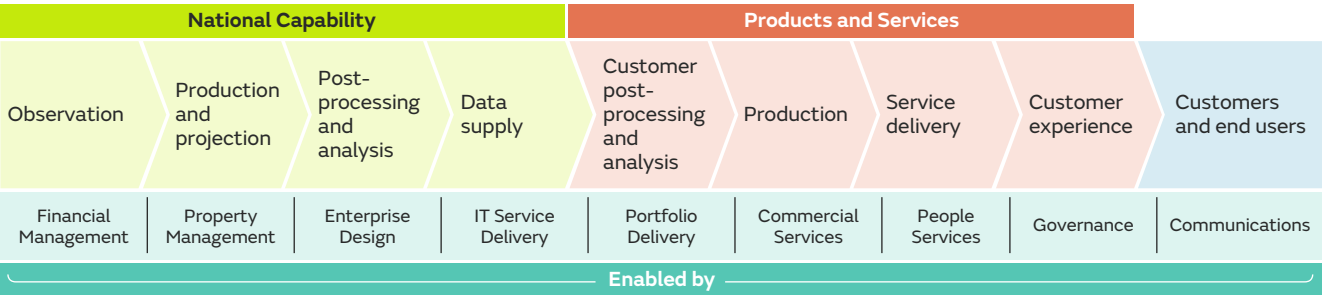
climate information, we are uniquely positioned to provide the most trusted weather and climate intelligence.

When it comes to quantifying the value we bring the UK economy and society, we now have a much clearer understanding. A recent external

study by London Economics provides compelling evidence of this impact (you can read more about the report on page 52). The value we deliver extends beyond our direct services, creating a multiplier effect across numerous sectors and communities.

Our value chain - from observations to customers, delivered by our people and capabilities.

The diagram below highlights our collective capabilities, showcasing everything we do to deliver value and impact for our customers and their end-users.

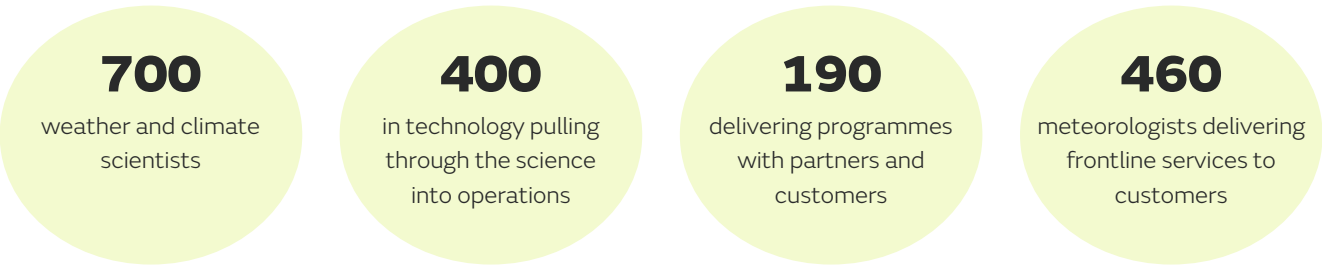


Our people are at the heart of our strategy, focussing on workforce development across the organisation. This people-centred approach has manifested through numerous initiatives, including our comprehensive people survey, enhanced equality, diversity and inclusion programme, and strengthened leadership and professional development frameworks. These efforts have created an engaged and capable workforce, well positioned to meet future challenges.

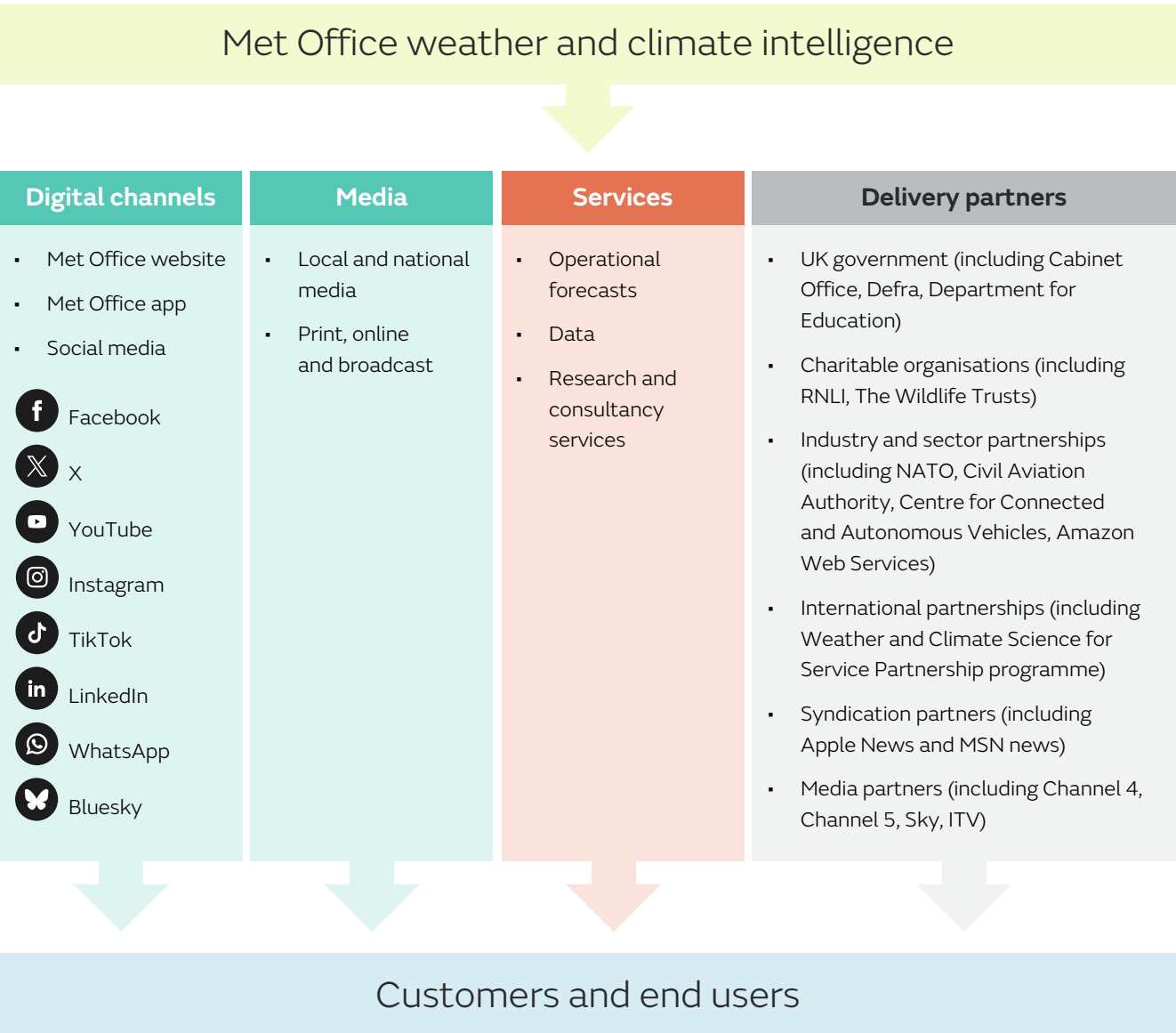


Reaching our customers

We operate 24/7 employing c2,480 people across 56 locations around the world including:

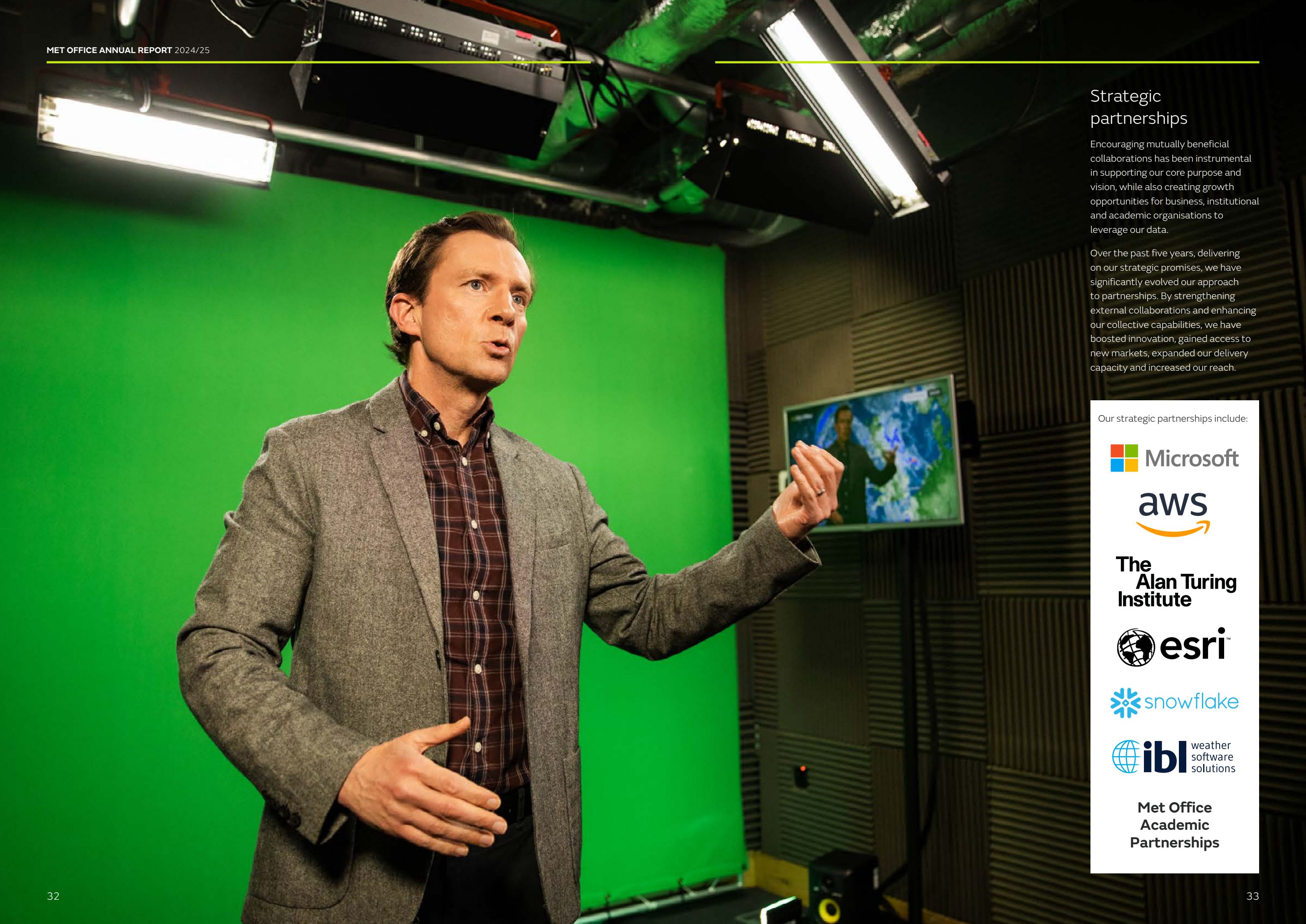


We reach customers and end users with our weather and climate intelligence through a variety of direct and indirect channels.



We strive to reach the majority of the UK population, including those who might be harder to reach and the most vulnerable to the impacts of weather and climate. This involves seeking out alternative channels to reach people in their communities for example GP surgeries, community and resilience forums and telephone services.





## Strategic partnerships

Encouraging mutually beneficial collaborations has been instrumental in supporting our core purpose and vision, while also creating growth opportunities for business, institutional and academic organisations to leverage our data.

Over the past five years, delivering on our strategic promises, we have significantly evolved our approach to partnerships. By strengthening external collaborations and enhancing our collective capabilities, we have boosted innovation, gained access to new markets, expanded our delivery capacity and increased our reach.

Our strategic partnerships include:



**The  
Alan Turing  
Institute**



**Met Office  
Academic  
Partnerships**



# Extraordinary impact and benefit

### Trusted advisor

We are living in a radically changing world where the geopolitical environment is evolving, and customer expectations are shifting. Our customers and stakeholders continue to rely on our expertise to help them to make critical decisions.

Our unique combination of world-leading weather and climate science and data with deep customer insights, empowers organisations from many different markets, our priorities are government, defence, energy, transport including space, environment, media and international engagement.

We continue to build strong engagement within UK Defence and beyond. We are always seeking new opportunities to provide greater benefit to the international Defence community connecting and working with other government agencies and supporting NATO climate change activities.

We are a trusted advisor to government. Following the 2024 General Election, we have forged constructive relationships with the new

government. We engaged with the spending review process for 2025/26 and beyond, working closely with our owning department, DSIT and wider departments. Notably, we made a submission to the Strategic Defence Review.

Trust in our expertise has been critical for the government and industry response to severe weather over the past year. This included storms and flooding events where the Met Office was crucial to the responsive actions from the civil contingency sector, environmental and hydrological agencies across the UK (Environment Agency, Natural Resources Wales, Scottish Environment Protection Agency) plus the transport sector. The solar cycle also made it a busy year for space weather events. We worked with National Grid and DESNZ, among others, providing critical expertise to help protect critical national infrastructure.

Our scientific excellence and strategic relevance were recognised through renewed long-term partnerships. These included our five-year rolling contract for the Public Weather Service

Customer Service Agreement and the internationally renowned Met Office Hadley Centre Climate Programme, both funded by DSIT.

### Global impact

Our impact extends to wider UK interests. The FCDO funded a multi-million-pound uplift in our Weather and Climate Information Services (WISER) Africa programme, enabling local communities to overcome weather and climate challenges. Other significant agreements were reached for additional space weather services with DESNZ, NATO and Defra for the UK Climate Projections (UKCP).

In scientific research, we secured climate funding from the Advanced Research and Invention Agency and were successful in multiple Copernicus bids (part of the EU Space Programme). Working with industry, we delivered significant business renewals and contracts for new business with our media partners.

### Market review

The fast pace of external change in 2024/25 has characterised the year. Throughout, our activities have been attuned to the ever-evolving market and shaping our future strategic direction.

A variety of geopolitical changes are shaping the services which our customers require and in support of the UK's position on the world stage. These include responding to the missions and agenda for economic growth of the new Labour government. They can be as varied as provision of meteorological support to WFP operations, Met Office Science Teams addressing departmental and cross government technical climate security challenges or working with the new National Energy Systems Operator (NESO).

The fast pace of technology development is introducing new competition to the market based on artificial intelligence. Our expertise is well placed to exploit emerging opportunities in this new market, with humans in the loop.

The changing climate also presents many new challenges we are assisting our customers with. New initiatives this year have included a Rapid Flood Guidance trial working with the Flood Forecasting Centre and the Local Authority Climate Service and new funding secured to work in the area of wildfires.

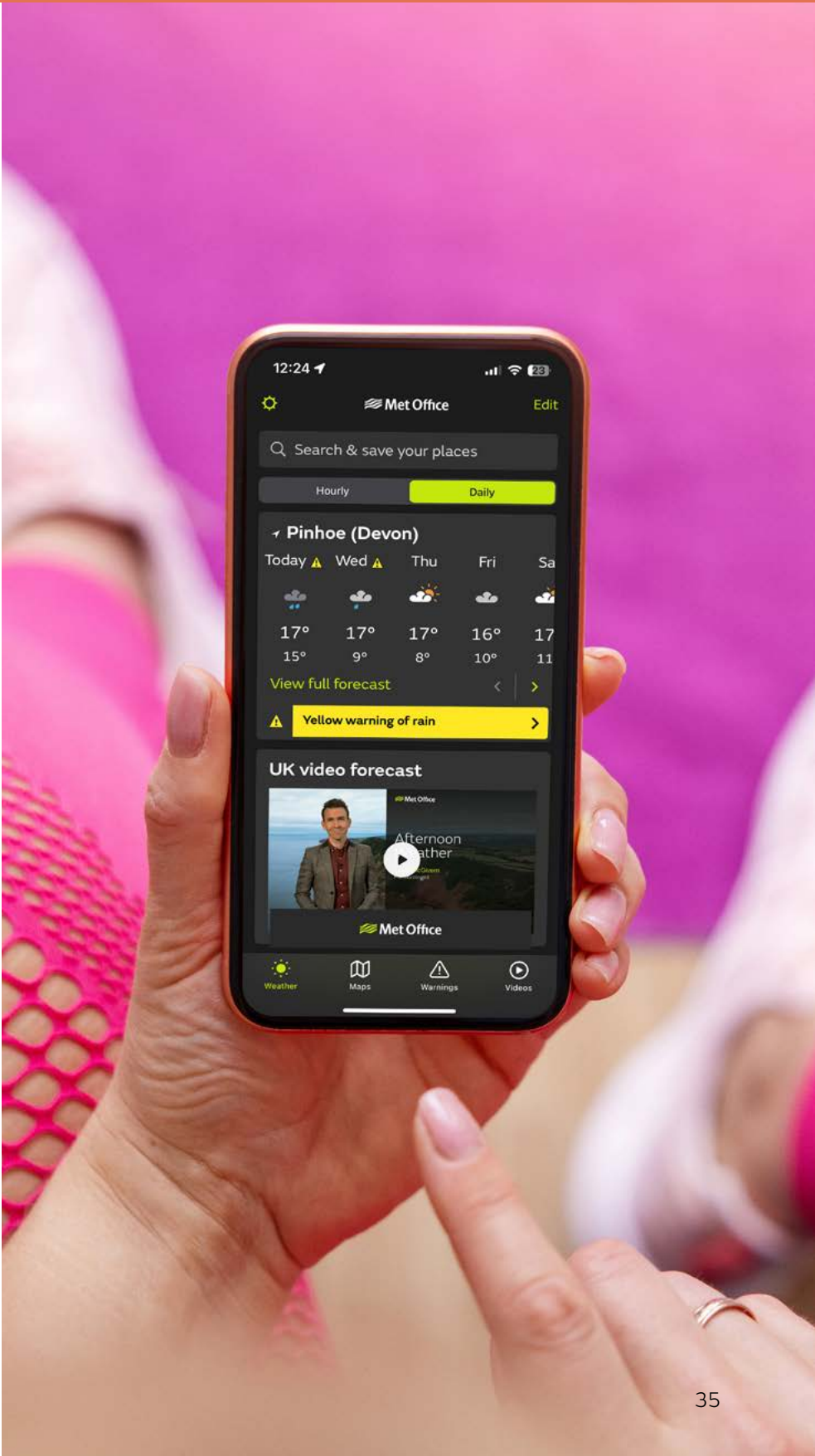
Meanwhile our reputation remains strong. Overall trust of the Met Office reached 85% in February, averaging 83.5% across the FY.

“

*Our unique combination of world-leading weather and climate science with deep customer insight, empowers organisations from many different markets. Our priorities are government, defence, energy, transport including space, environment, media and international engagement.*

**Steve Calder**  
Director of Government and Industry Relationships

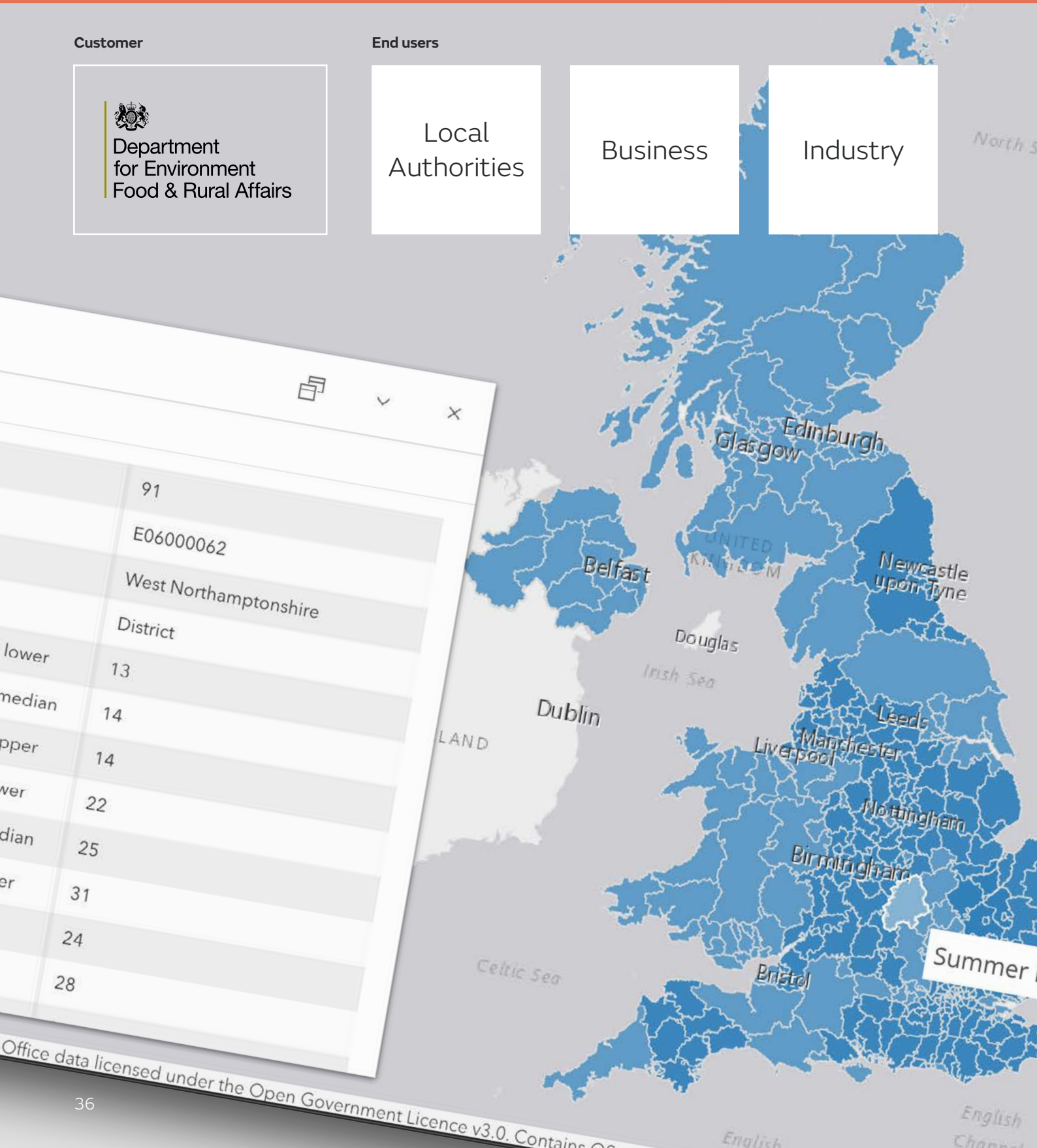
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# Our strategy in action:

Climate data at your fingertips - transforming local climate action



The UK is already experiencing climate impacts. There is a growing need to understand the level of climate risk in order to adapt to current and future climate change.

Local authorities across the UK are now equipped with crucial information to tackle climate change, thanks to the ground-breaking Local Authority Climate Service (LACS).

To reduce emissions and to coordinate climate action at a local level, Local Authorities need access to area specific information for their local communities and the services that they provide. The free LACS provides exactly this.

This innovative service, developed through a strategic partnership between the Met Office and Esri UK and funded by Defra, fulfils a UK government commitment made in the third National Adaptation Programme, and empowers and supports local decision-making to increase resilience to our changing climate.

The reports generated by the LACS include tailored climate information for each local authority at different warming levels and consider potential impacts. The tool helps users to explore climate projections and communicate climate challenges and a climate story specific to their local areas. The tool makes it easier for businesses or government organisations to combine open climate data with their own data and reveal the future impact of extreme conditions (such as rising sea levels, rising temperatures or increased/decreased rainfall) on their operations.

LACS is being used as an engagement tool with communities, counsellors, and senior staff in local authorities. It informs adaptation strategies and risk assessments and is being used as a training tool to enhance climate literacy.

LACS will help individuals, communities and businesses stay safe and thrive in the changing climate. There have already been 9,800 Local Authority Climate Reports generated (up to the end of February 2025). There have also been 36,000 underpinning data layer views via Climate Data Portal and Esri ArcGIS.

This pioneering collaboration represents one of the first climate services to be delivered at scale by the Met Office and using Esri functionality. It builds on years of work engaging with local authorities to understand their needs and sets a new standard for climate data accessibility in the public sector.

“Local communities are already being impacted by more frequent and extreme storms, as well as overheating and droughts. These effects will vary in different parts of the country and this new service will support local authorities to more effectively plan and respond.”

**Emma Hardy**  
Climate Adaptation Minister



# This year's highlights



Partnering with the NESO to **combat climate change through the provision of sustainable clean energy**. Providing robust weather and climate expertise to support NESO fulfil its responsibilities, going beyond data procurement and science support for innovation with the provision of advice on the impacts of policy choices and briefings.



UK pledged **£30+ million for African weather and climate information services** through the UK's FCDO's WISER programme. WISER enhances weather and climate early warning systems and has reached over 3.3m households, delivering more than £200m in socio-economic benefits since 2015.



Rapid Flood Guidance (RFG) trial **demonstrates improved response to rapid flooding** with 16,000 downloads across 55 updates and 1,700 service subscribers. Working with the Flood Forecasting Centre the RFG service trial gave short notice updates of the potential for rapid flooding.



Partnering with Scottish and Southern Electricity Networks Transmission to develop an innovative mapping solution that helps energy companies tackle the build-up of ice in cold weather. It poses significant challenges for energy infrastructure and our enhanced geographical data enables **more efficient infrastructure design and reduces unnecessary over engineering costs**.



Expansive, multi-year NATO contract secured to transform the operational environment across the main commands **providing essential weather-related capabilities** for operations and exercise planning, strengthening Defence sector partnerships.



Approximately 70m views of our presented video content on social media, web and app and over 3m social channel subscribers by January 2025, doubling the previous year's growth. Our new Citizen Engagement strategy is **increasing the reach and breadth of our services**.



World Area Forecast Centres (WAFC) achieves major aviation milestone: **automating the WAFC Significant Weather charts after 40 years of manual production**, enhancing global flight safety and efficiency. This was delivered as part of a multi-year programme of enhancements making more information available to global aviation users.



The **Met Office Space Weather Operations Centre marks 10th anniversary** with Parliamentary Secretary for the Cabinet Office, Abena Oppong-Asare highlighting its crucial role in national security and critical infrastructure protection.



# Exceptional science, technology and operations

This has been a busy year preparing for our new supercomputer and we are now running our models on the new system. Our teams have undertaken the ambitious task of re-engineering our weather and climate modelling infrastructure to harness the full potential of our next-generation supercomputing capability. There has been great progress in this enormous task over the past year. We've achieved significant milestones, including the development of new systems to integrate enhanced observational data into our models. These achievements would not have been possible without the dedication and hard work of many teams working in Science, Technology, and across the Met Office.

## AI revolution

The AI revolution is reshaping meteorological science and we're firmly focussed on this change. Our strategic deployment of AI tools to our staff, including Microsoft CoPilot and GitHub CoPilot, delivered measurable

efficiency gains - with over half our staff reporting time savings of 20 minutes daily.

We have also been exploring how AI technology can be used to predict the weather or project the climate, and how we might use this technology alongside our physical models. Our partnership with The Alan Turing Institute is delivering strong progress in co-development of the FastNet model - a Machine Learning Weather Prediction (MLWP) model for weather prediction. We are also exploring the use of AI for climate projections having built an AI-powered climate 'downscaling' model that increases the resolution of our climate projections.

We are also working closely with the ECMWF. We are one of a number of national meteorological services exploring the application of the Anemoi framework, ECMWF's open-source framework for machine learning weather forecasting. We are also participating in the WeatherGenerator project - an

ECMWF-coordinated EU Horizon 2020 consortium that aims to build a machine learning-based 'foundation model' of the Earth System that can be used and adapted for a large number of specific tasks.

## Our next-generation supercomputing capability

These technological advances, combined with our next-generation modelling capabilities, are instrumental in shaping the specifications for our next-generation supercomputing capability, which is due to be delivered in 2027. There are exciting times ahead, and the advances in our science and technology will ensure the Met Office remains at the forefront of weather and climate modelling. This will provide sustained improvements in weather and climate services that benefit the public, government, and the wider economy through more accurate, reliable and efficient forecasting capabilities.



*2024 has been the warmest year on record, underscoring the urgent need for weather and climate intelligence. Our world-leading weather and climate science is more crucial than ever in understanding and addressing the challenges posed by a changing climate.*

**Stephen Belcher**  
Chief Scientist





# Our strategy in action:

Accurate, timely and trusted weather forecasts

Customer

Public Weather  
Service  
Customer Group

End users

UK  
Citizens

Business

In a significant leap forward for UK weather forecasting, we have substantially increased the accuracy of our weather forecasts on our web and app for millions of Britons.

The innovative new system behind this is called the Met Office Blended Probabilistic Forecast. This system, developed by the Met Office over six years, represents a significant milestone in British weather forecasting technology. By intelligently blending outputs from multiple models and ensembles, it creates a single, continuously updating probabilistic forecast that's setting new standards for accuracy and reliability. This represents a fundamental shift in how we process weather data for our public forecasts. It goes beyond traditional single-location forecasting, which occasionally led to inconsistencies between forecast locations, to a sophisticated system that harnesses the power of ensemble modelling.

The impact has been dramatic. Rainfall forecasts are now significantly more accurate. The system has achieved what amounts to a 24-hour gain in forecasting skill - meaning today's rainfall forecasts 36 hours ahead are as accurate as previous forecasts 12 hours ahead.

For the public, the move away from single-location forecasting translates into more accurate and reliable forecasts exactly where they matter most - in the locations where people live and work. The Met Office's web and app users are now benefiting from this enhanced accuracy, leading to increased trust and improved user experience.



*The weather touches all our lives every day and accurate, timely and trusted weather forecasts provide a significant benefit to people and businesses across the UK. Met Office Blended Probabilistic Forecast data is a significant step forward in the Met Office's forecasting capability, which the Public Weather Service Customer Group is very pleased to see implemented.*

**Vice Admiral Duncan Potts CB**  
Chair of the Public Weather Service Customer Group





# This year's highlights



**Published 374 peer-reviewed papers, with three scientists named as highly cited researchers globally.** Dr Matthew Hort was awarded an OBE for services to atmospheric dispersion science and emergency response.



**Nearly £2bn in economic value was generated by the Met Office Hadley Centre Climate Programme (2018-2021).** The latest wave of the programme, developed with government partners, supports UK and global climate science providing essential knowledge and capabilities.



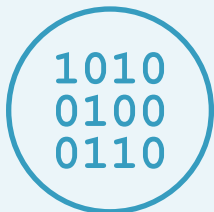
**We are taking strides in migrating to our new supercomputer.** Staff are running over 200,000 daily jobs on our new systems. Our weather model is running routinely on our new machine, and we are currently porting our climate model.



**Weather forecasting capabilities are advancing** through new satellite and airborne observations, integrated via our newly developed global observation processing system (JOPA). This streamlined system enables rapid, iterative implementation of new observations in our models.



**A major milestone has been met,** with our new Momentum Global Coupled Atmosphere Model (GC5-LFRic) showing comparable scientific performance to our current model.



**We are making our data available, discoverable and useful to different user communities.** Our data is now available through three major data platforms: Esri, Amazon Web Services, and Snowflake. This enables organizations like the NHS to access data directly, improving decision-making.



Met Office atmospheric dispersion predictions (NAME) **supported UK veterinary surveillance and farmer communications during the Bluetongue virus outbreak** that spread from continental Europe to Britain.



**Climate change risks to the English school estate have been assessed using our spatial risk assessment tool, adapted from the insurance sector.** Working with the Department for Education and UCL, we combined high-resolution climate simulations with building data to evaluate overheating risks. This approach has been adapted for the Ministry of Justice and other government departments.

# Excellent people and culture

Our strategy recognises our Excellent People and Culture, ensuring continual improvement to attract and retain a world-leading workforce.

## We are a 'Great Place to Work'

The Met Office is recognised as a great place to work. This means ensuring we are an attractive employer to future employees, whilst continuing to evolve and meet the needs of the talented people who currently work for us. We are operating in an increasingly competitive marketplace so understanding, articulating, and improving our employee offer is crucial. We listen to our people, offering bi-annual surveys, opportunities to feedback on personal experiences working for the Met Office. We also commit to taking action, acting on feedback to improve and shape our work environment.

We are proud to have reached and retained the Great Place to Work (2023 and 2024) Trust Index benchmark for Super Large organisations. It has enabled us to attain a globally recognised certification as a Best UK Workplace. We reached the benchmark for the UK's Best Workplaces for Women and UK's Best Workplace for Technology in 2023, retaining the Technology accreditation in 2024.

## We support development

We have a passion for our world changing work, a drive to deliver and a wholehearted commitment to our purpose. Our employees demonstrate this through their continued support to building active staff networks and communities of practice. We support a wide range of apprenticeship programmes. We welcome internal

and external candidates to complete apprenticeships ranging from level 3 to level 7, and we continue to see an increase in professional memberships.

## We support wellbeing

We continue to build and adapt our wellbeing provision, focusing on things that can make a difference in achieving outcomes in local areas of our organisation, whilst improving education and awareness of mental health at work. All supporting our Wellbeing Strategy and enabling us to retain our Mindful Employer Chartership.

“Our transformative year has proved what we've always believed: culture drives success. Through powerful collaboration and the unwavering dedication of staff, we've created an exceptional work culture. We're excited about the teamwork, creativity, and dedication that's flourishing throughout the Met Office. It's great to see our goals come to life and all our staff contributing to our shared success.”

**Tammy Lillie**  
Chief People Officer

Penny Endersby visits the Met Office Team in the Falkland Islands





# Our strategy in action:

The year of the manager



We are at the forefront of big data and focussed on AI and machine learning for weather and climate intelligence. With these rapid advancements, responsive staff training and development is critical. Investing in our managers will always be a priority as they shape the culture, drive performance and achieve business goals.

This reporting year has been known as 'The Year of the Manager'. We have provided our managers with time, development and support needed to thrive as effective leaders.

We hosted a conference for over 400 line managers, sharing experiences, hearing from change experts and building techniques to support wellbeing and resilience. We created a Line Managers Profession, providing access to external accreditation and

internal tools, training on how to have effective conversations on matters such as wellbeing and supporting change. Our annual Awards for Excellence now also recognises line managers who have gone the extra mile and have exemplified Met Office values.

Our line management community is stronger as a result, providing better support to individual staff members and teams. Results in the 2024 People Survey shows a really significant improvement in how well-supported our managers feel.

Jarrold Kastner, Lead Business Architect, talks about how the Year of the Manager initiative has had significant influence on his approach to leadership. He recognises the importance of leadership and management as a service to

others and has used the resources available to him to identify training opportunities for his team, enabling them and supporting them to achieve their goals. Jarrod says that The Year of the Manager has fostered a sense of community amongst the Management team, that it has been instrumental in enhancing leadership and management practices. And personally, that he has been able to lead more effectively, driving organisational success and improving service delivery.



*The year of the manager has led to much more focus around enabling delivery; from structure, tools, techniques and the positive consequences of having constructive conversations with teams. This leads to increased productivity and support to our internal customers, supporting change transformation activities in products, technology and services.*

**Jarrold Kastner**

Lead Business Architect and internal customer





# This year's highlights



Best practice recruitment guidance ensures **diverse applicant pools**.  
Selected campaigns that fail to reach a diverse and balanced pool of applicants may be paused, adjusted or re-run to improve diversity.



Year of the Manager has made a significant difference to **how well-supported our managers feel**.  
This is evidenced in our 2024 People Survey results.



New toolkit **empowers scientists in media interactions**.  
In collaboration with the Royal Meteorological Society, we've created a toolkit helping scientists confidently share expertise online and handle media interactions.



Our Employee Value Proposition ensures an **inclusive and accepting culture** by putting people first. We have held a series of energising talks from inspirational speakers, offering us their unique take on the world.



**Met Office commitment to innovation gains Civil Service recognition.** Our embrace of the government's One Big Thing initiative has produced standout innovation examples achieved by providing our staff with the knowledge, tools, time and space to innovate.



Weather GIFs **bring weather conversations to life and double our channel views to 850m**.  
Our collaboration with GIPHY to launch a collection of digital stickers and animated gifs to share online was also picked up by creative press as an innovative approach to engaging younger audiences.



**Educational resources downloaded over 84,000 times.** Our downloadable resources are developed for schools, youth groups or home educators.

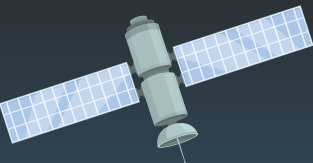


**Over 3,200 hours of meteorology and climate learning delivered** to over 1,400 learners via 50 courses.



# Our innovation and intelligence powering economic growth and resilience

An **independent economic study** by London Economics (2024) concluded that the Met Office is estimated to deliver benefits of £56bn to the UK economy over the coming decade, that's a return on investment of £19 per £1 of public money invested. Here is how:



### Observations

Building our weather story from space. 22 million observations from more than 25 different satellites every day increases accuracy and resilience.

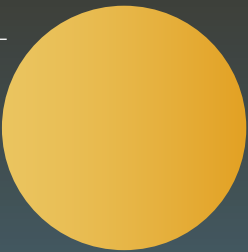
### Aviation - £12.5bn\*

Safe operations and fuel savings from efficient use of prevailing winds for 35,000 European flights per day and over 45% of flights globally per year.



### Space weather - £0.6bn\*

The financial risk of solar storms to the UK drops over 80% to £2.9bn from £15.9bn with current Met Office forecasting capabilities.



### Data - 449,000+GB of open data

~20m messages send data daily to government, international and commercial users.



### Climate mitigation and adaptation - £12bn\*

220+ climate scientists in internationally renowned Hadley Centre Climate Programme, empowering government and industry to future proof the UK programmes and economic assets.

### Defence

Sole provider of meteorological, oceanographic, space and climate data as a Specialist Geospatial Centre for the Ministry of Defence. Lead forecaster for NATO providing 24/7/365 support for planning and operations.

### Energy - 150+ customers

Met Office meteorologists have been deployed for over 1000 days over the last three years, supporting 8 renewable energy installations.

### Science 500+ scientists and engineers

400+ peer-reviewed scientific papers in 2024, co-authored with scientists from 80+ countries to push the boundaries of the science behind our weather and climate intelligence.

### International partnerships 45+ countries

Met Office WISER programme, funded by FCDO, builds resilience for millions of vulnerable people across Sub-Saharan Africa, Middle East and North Africa, and Asia Pacific through new and improved weather and climate information services.



### Health

Helping our citizens stay safe with £1.9bn in cold preventable deaths, £110m in heatwave preventable deaths and £25m in asthma preventable deaths over the next decade\*.

HOSPITAL

EMERGENCY

### Forecasting expertise

Met Office four-day forecast as accurate as one-day forecast 30 years ago.



### Public weather - £11.6bn\*

Public willing to pay c.£23 per person per year for Met Office.



### Flood and storm damage - £0.8bn\*

Flood warnings, delivered in conjunction with relevant devolved UK agencies and informed by Met Office forecasts, are effective at avoiding up to 10% of flood damage.

### Winter transport - £1.5bn\*

The RAC reported significant reduction in breakdowns during Storm Éowyn in January 2025, suggesting many drivers heeded severe weather warnings.





\*Economic value over next decade






# KPI summary

 Fully achieved  Not fully achieved



## KPI 1 - Excellent people and culture

-  **1.1**  
**Investing in our line managers**
  - a) 75% of managers to undertake compulsory learning 'Constructive Conversations' in the next FY **March 2025** (mandatory)
  - b) Ensure a standard line management objective is developed and added to all line manager performance reviews to start to cultivate and encourage recognition for good line management by end Oct 2024
-  **1.2**  
**Continuing to improve our Equality, Diversity & Inclusion**
  - a) Positive action in our recruitment process to better support improved diversity, creatively capturing a wider cognitive talent pool by taking positive talent action in our recruitment process - **March 2025**

- ## KPI 2 - Exceptional science, technology and operations
-  **2.1**  
**Improving Forecast Accuracy (Mandatory - achieve 2 out of 3):**
  - a) Long-term trend in improving skill of large-scale circulation in our global ensemble predictions. At least 8 out of 12 three-year average components to improve by 1% compared to March 2022 value.
  - b) Post-processing improving skill of weather metrics above the skill of output from the NWP model. Improved skill for 4 out of 5 components.
  - c) Identify measures to assess the skill of the seasonal prediction system. By end **November 2024** write a report making a recommendation for a measure (or set of measures) which would be suitable for monitoring the impact of scientific upgrades to the system.

- We will also track:
-  **2.2**  
**Delivering our next generation supercomputer capability**
  - a) Workloads deemed part of our Operational Suite transferred to the new Microsoft service whilst maintaining our agreed High-Performance Computing service levels – **March 2025**
  - b. Confirm the organisational requirement that allow development of updated operational requirements to meet contracted timelines – **March 2025**
-  **2.3**  
**Delivering our next generation modelling capability**
  - a) Assessment of the mid-life delivery of the project NG-Aarch to accelerate preparation of Momentum for next generation supercomputer architectures. Independently reviewed as on track by the investment board - **December 2024**
  - b. Acceptance of the scientific performance of global atmosphere configuration of Momentum - **February 2025**

## KPI 3 - Extraordinary impact and benefit

-  **EIB 3.1**  
**Excellent Customer Delivery – Accuracy (Mandatory – achieve 3 out of 4)**
  - a) Public Weather Service Customer Group (PWSCG) Warnings Outcome - Increase in quality and authority of warnings to the public and responder community
    - Accuracy of warnings should be baseline 80%, improving to a baseline of 82% by April 2026, verified by the Met Office and PWSCG (rolling 3-year average). 'Very Poor' guidance should constitute less than 20% warnings.
  - b) PWSCG Accuracy Outcome - Improvements in forecast accuracy available to all UK citizens, to help them make better decisions to stay safe and thrive.
    - Create new verification scheme for actual forecasts accuracy that are available through web and app.
  - c) Ministry of Defence (MOD) – Accuracy Outcome - Maintain terminal aerodrome forecast (TAF) Performance, including TAF Accuracy, at Green
    - All the elements (1. Performance score, 2. OTIF timeliness 3. OTIF compliance) within SDA target (95%)
  - d) Civil Aviation Authority (CAA) - To ensure airlines and pilots have accurate forecasts for planning and operational purposes.
    - TAFs verification for UK Civil airports against airport observations (4 out of 6 sub measures meeting or exceeding)
-  **3.2**  
**Excellent Customer Delivery – Availability / Usability (achieve 3 out of 5 by March 2025):**
  - a) PWSCG Direct Channels Outcome - Increase in thought leadership and innovation applied to high quality, compelling and trusted direct channels.
    - Develop a new form of measurement for demonstrating engagement via direct Met Office channels. Implement following sign-off by PWSCG.
  - b) Met Office Hadley Centre Climate Programme (HCCP) – Deliver 75% of HCCP outputs, signed-off by HCCP management group.

-  **3.3**  
**Excellent Customer Delivery – Availability / Usability (achieve 3 out of 5 by March 2025):**
  - c) CAA - Ensuring flight planning systems and pre-flight operations receive timely and reliable forecasts of en-route aviation hazards.
    - World Area Forecast Centre SIGWX charts - In no more than 3 instances per quarter (99.2%) should the transmission time of 7hrs00mins be exceeded from any of the four model runs.
  - d) MoD - Deliver high levels of front-line services to MoD users to support operations
    - Schedule A deliverables for UK and overseas stations including Joint Operations Meteorology Oceanography Centre & Non State Armed Group – Overall rating Green or Yellow
  - e) Foreign Commonwealth and Development Office - Deliver long-term research and evidence to support policy areas such as Natural Hazards and Climate Security Analysis
    - Deliver the WISER activity plans and spend profiles against agreed activities.

## KPI 4 - Effective and Responsible Business

-  **4.1**  
**Operating profit (mandatory)**
  - a) Deliver a budgeted operating profit of £13.0m
-  **4.2**  
**Environment**

Demonstrate continuing delivery of reductions in Met Office CO2e emissions as follows:

  - a) Reduction in Business Travel kilometres - 25% below 2019/20 baseline - **March 2025**
  - b) Improvement in RAG status of a basket of measures demonstrating improved emissions reduction plans for the Met Office's top 12 suppliers - **March 2025**

# Equality, diversity and inclusion

We are strongly committed to being a ‘Great Place to Work,’ and continue to focus on creating an inclusive culture where our employees feel like they belong and are valued and supported.

Over the past year, we have developed two new equality objectives, building on the foundations set by our original objectives in 2020, in support of our Public Sector Equality Duty. Legally required to review and refresh these objectives, we have used data from our annual People Survey, Great Place to Work Survey, and Investors in Diversity to create evidence-based goals. These new objectives will drive our strategic Equality Diversity and Inclusion (ED&I) efforts over the next four years.

Our new ED&I objectives:

**1: Evolve our workplace and practices to be more inclusive of people with disabilities.**

We aim to create a more inclusive workplace for our current and future disabled employees. We want to embed a culture where disabled employees feel confident that they won’t be treated unfairly or discriminated against because of their disability (visible or invisible). They should feel assured that when they ask for adjustments, their requests are considered fairly and implemented quickly.

**2: Build an inclusive environment, where all employees feel valued, respected and fairly treated.**

We are working to cultivate belonging, celebrate diversity, and address unacceptable behaviours such as harassment and discrimination.

**Key Performance Indicator (KPI) – Improving equality, diversity and inclusion**

Our KPI to improve ED&I for this last financial year has focused on improving the recruitment processes for senior hires (Grade 6 and above) and creating best practices for all those involved. For example, using proactive resourcing techniques to reach a diverse pool of candidates, including promoting job share flexibility, extending campaign length, and dedicating internal resources to support candidate search.



## Early careers

Our Early Careers Programme is a key part of our strategic workforce planning, ensuring we build a talent pipeline for long-term skills requirement which strengthen future business growth. Our Early Careers Programme offers a range of schemes that support increasing the representation of under-represented groups and skill sets and engaging with and understanding the diversity of our people. Our Gender Pay Report in 2023 highlighted that while a higher proportion of women joined the Met Office, representation at senior levels was low. In 2024 we launched a Women in Leadership apprenticeship to inspire, motivate and empower our talented women to meet their potential. A review and refresh of our approach to apprenticeship recruitment, looking at removing barriers for individuals from under-represented groups and lower socio-economic backgrounds, resulting in more inclusive recruitment, increasing diversity and equity of opportunity is under way with the intention to launch in 2026.

11

women have enrolled on Women in Leadership Apprenticeship

3

summer interns from the Cabinet Office Summer Internship Programme

2

interns from the Cabinet Office Autism Exchange Programme

12

graduates joined our 2024 Graduate Scheme

31

Industrial Placements started in July 2024

6

graduates from the 2024 scheme have obtained roles within the Met office

## Evolving our employee networks

Employee networks are a valuable voice within our organisation. At the Met office, we have eight such networks offering a safe space for employees with a shared connection to come together. Over the past year, we have collaborated with our networks to explore how they could evolve and deliver activities differently. Some networks are transitioning into communities of practice where they focus on knowledge sharing and continuous professional development. Our three neurodiverse networks will merge to form one neurodiversity network.

## Honouring Black History Month

Our EM-Power employee network organised a series of events with the aim of facilitating healthy conversations around race and ethnicity and to share the joys of black culture. As part of the celebrations, we welcomed Dr Arlene Laing, Director of the Caribbean Meteorological Organisation, Holly Hamilton, Director of Meteorology from the Turks and Caicos Islands and Kerry Powery, Chief Meteorologist at the Cayman Islands National Weather Service. All three provided an overview of meteorological services in the Caribbean.

## Investors in Diversity

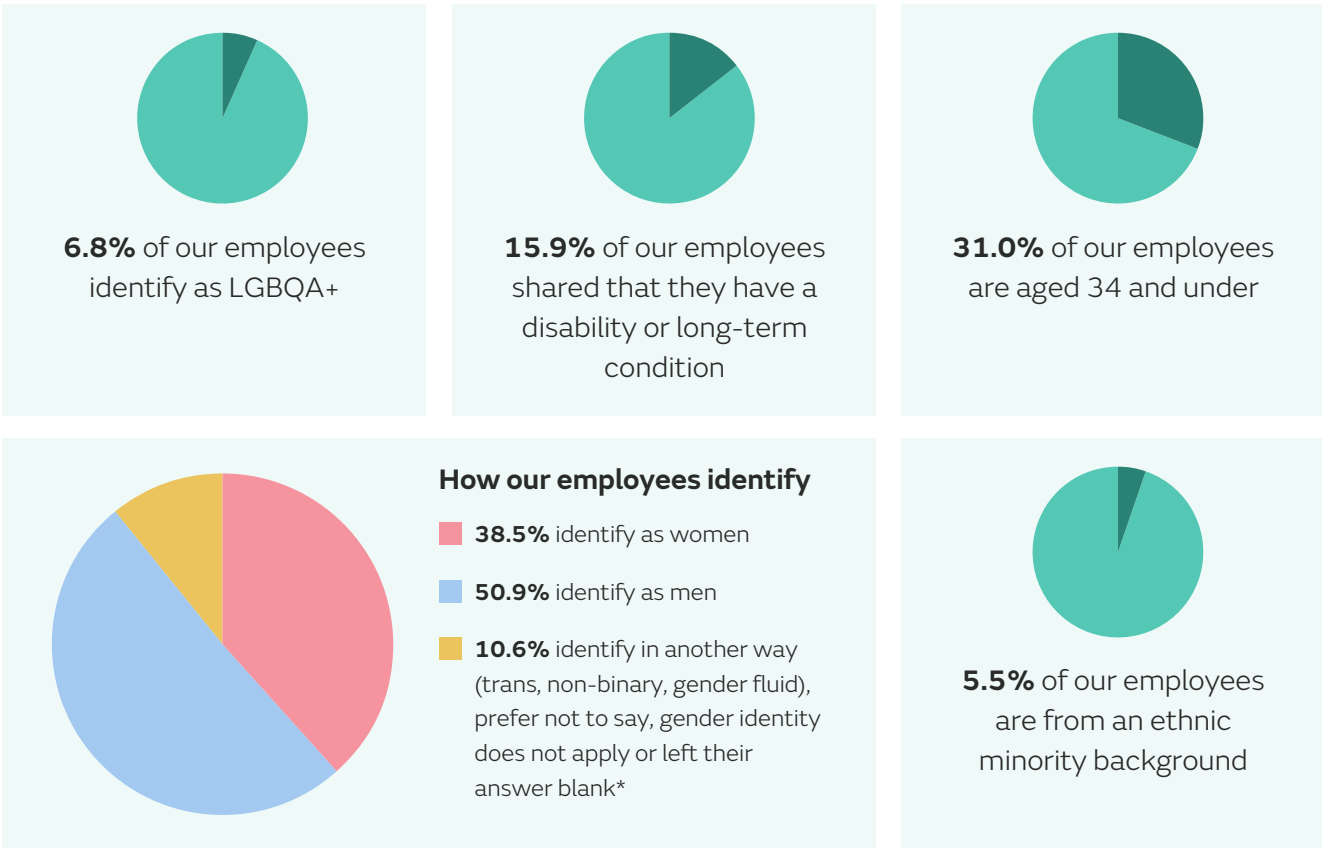
We successfully retained our Investors in Diversity award from the National Centre for Diversity, achieving Investors in Diversity Silver. We continue to make good progress in ED&I, implementing recommendations from our first awarded in 2021, including increasing the percentage of under-represented employees in ethnicity, gender, and disability. We were also recognised in the National Centre for Diversity Top 100 Inclusive UK Employers Index 2024.



Gender pay gap

The gender pay gap shows the difference in the average pay between all men and women in a workforce and is different to equal pay. The snapshot, taken on 31 March 2024, reports a mean pay gap of 5.6% in favour of men. This is an improvement of 0.3% from 5.9% in 2023 and a median pay gap of 5.3% in favour of men, which is a worsening of 0.6% from 4.7% in 2023. Our [Gender Pay Gap Report](#) provides further information.

At a glance: our diversity data for 2023-24



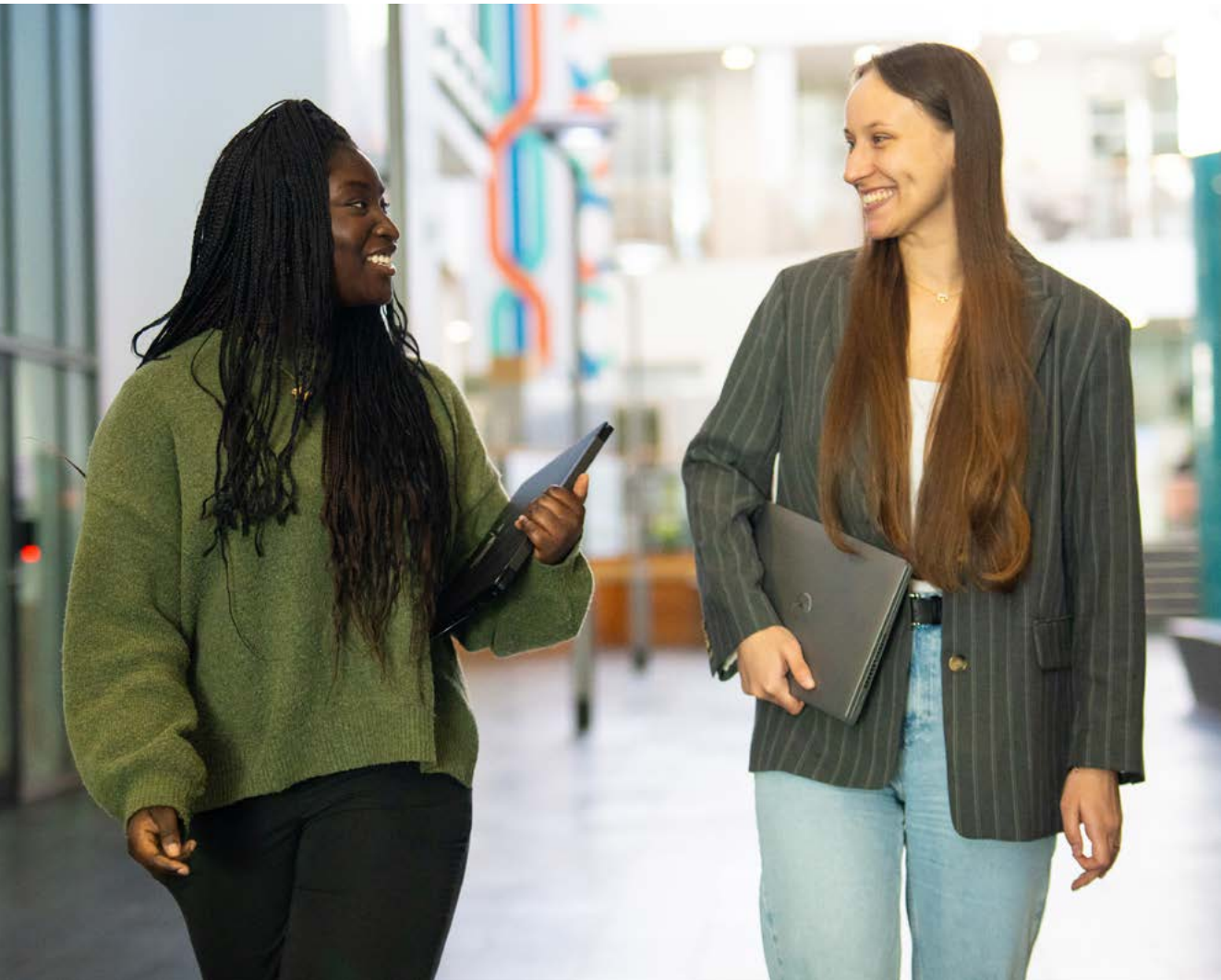
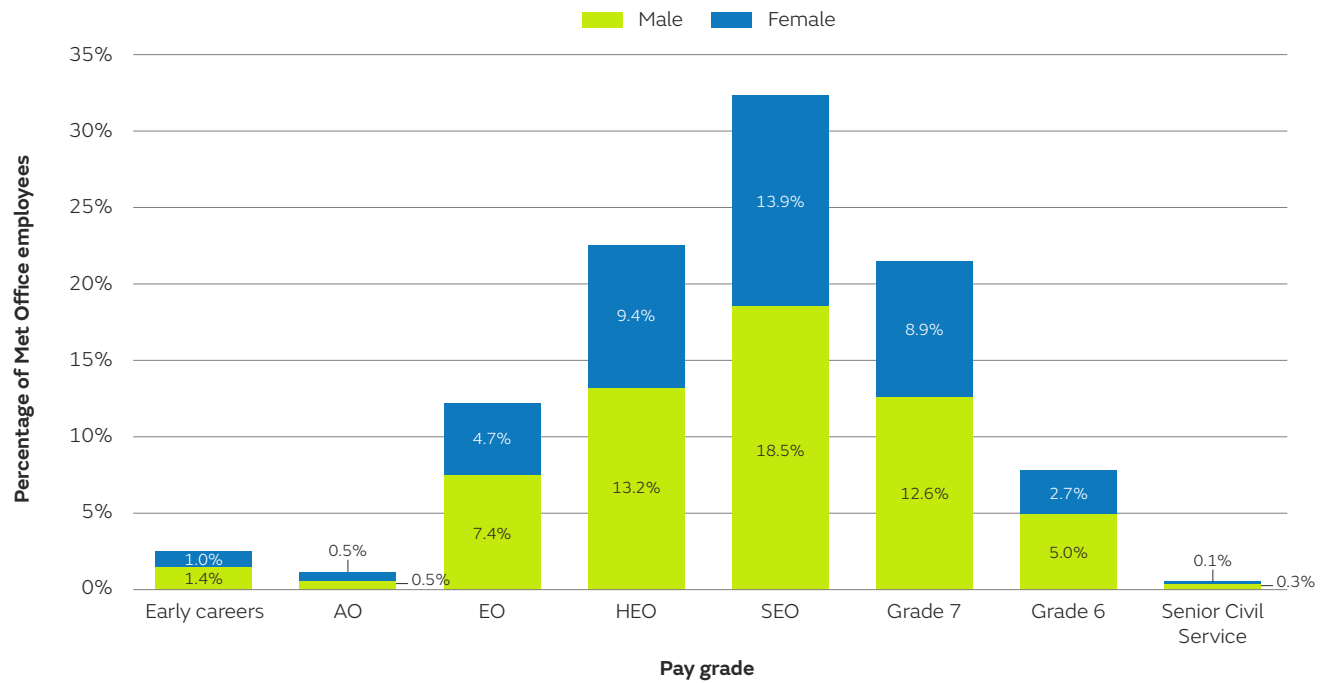
\*These are grouped together to reduce the risk of identification.

Employees' gender identity by grade

Civil Service Grades	Male	Female	Grouped (identify in another way - trans, non-binary, genderfluid; prefer not to say; gender identity does not apply or left their question blank)*
Senior Civil Servant	0.3%	0.1%	0.0%
Grade 6	4.5%	2.5%	0.5%
Grade 7	11.3%	8.6%	1.5%
Senior Executive Officer	16.0%	12.7%	3.7%
Higher Executive Officer	11.3%	9.0%	2.4%
Executive Officer	5.9%	4.1%	2.1%
Administrative Officer	0.4%	0.4%	0.2%
Administrative Assistant	1.3%	0.9%	0.2%
Total	50.9%	38.5%	10.6%

Figures are as per (1 March 2025) and are based on primary roles only. They include the following employee groups: employee, sponsored workers – tier two, apprentices, trainees, and placements. Note: table percentages are to 1 decimal place and the columns may not round to 100 percent overall.

Employees' sex by grade





# The environment and sustainability

## Working in partnership with The Wildlife Trusts

We are proud to have supported our corporate charity The Wildlife Trusts since September 2022. As we approach the end of the three-year partnership, we look back on our achievements together:

- £20,000 raised – this is equivalent to 2,000 hibernation boxes for dormice or transforming 40 school grounds for wildlife
- Initiated match funding with staff fundraising efforts for the first time
- Completed a variety of joint scientific research projects across the UK to raise awareness of the interactions between climate and nature
- The Wildlife Trusts' prestigious Biodiversity Benchmark, held since 2011

The Met Office Biodiversity Working Group is driving forward continual improvements at our headquarters in Exeter. Working with Devon Wildlife Trust has helped us develop biodiversity on site, improving our habitats and in turn increasing the species diversity on site.

*Our collaboration with the Met Office has been a tremendous success, enhancing biodiversity and encouraging a deeper connection with nature. Together, we've helped make a lasting positive impact on our local environment.*

**Nick Bruce-White**  
Devon Wildlife Trust Chief Executive



Fruit trees at our HQ to support biodiversity and serve as a lasting reminder of our partnership with The Wildlife Trusts.





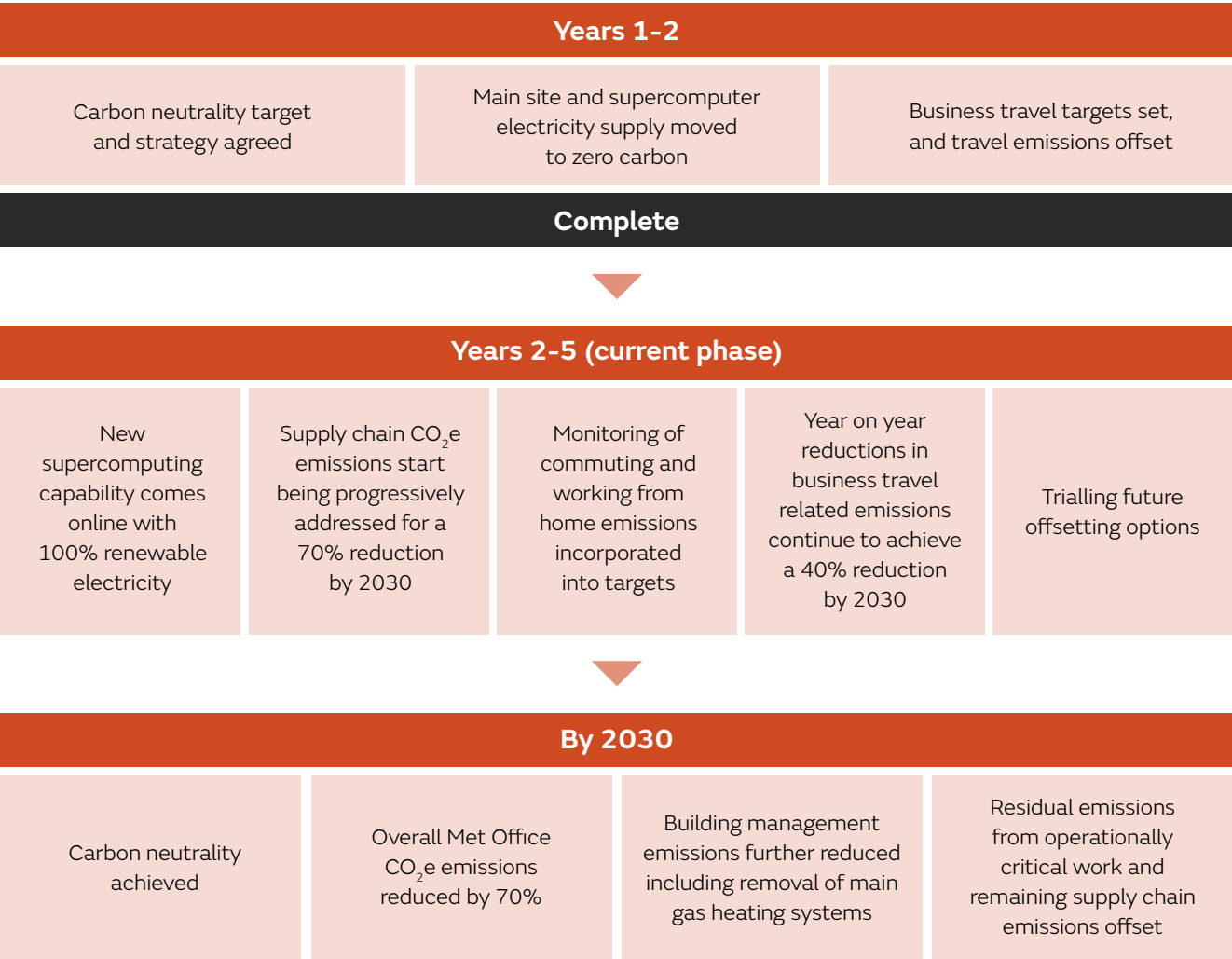
Environmental sustainability

As an organisation generating trusted, world leading research into climate change we attach great importance to the sustainability of our operations and our impact on the communities and environment around us. Our corporate value to be a ‘force for good’ matters to our staff. The report below outlines the actions we are taking to mitigate our impact on the climate by reducing our greenhouse gas emissions. This remains challenging and requires action not just by us but by our supply chain and partners; but by monitoring and measuring our emissions we can work out what action will have the most impact and greatest benefit.

As well as taking action to ‘mitigate’ our emissions, we also need to ‘adapt’ to the risks and opportunities that will be presented by a world that is already and still continues to warm. For the second year we have presented our Task Force on Climate-related Financial Disclosures (TCFD) report (see page 69). This outlines how we have assessed climate-related risks and opportunities and how we will manage them going forward.

It is now nearly five years since we first assessed our carbon footprint - the overall level of greenhouse gas emissions generated in delivering our products and services. Understanding that baseline allowed us to identify the source and scale of emissions and how easy they might be to tackle. Without a baseline, it was not realistic

to build a plan of action out to 2030, which we set as our initial milestone. Over that 5-year period, many other organisations have been through a similar process. Like others, we have learnt much in the process. We have already recalibrated our baseline to incorporate further emissions that were impossible to measure when we started. Now we have further information, particularly from our suppliers, we will in the year ahead review the pathway we projected to 2030 and beyond to ensure it remains realistic and is targeting those areas where we can make a real difference while still ensuring the delivery of our vital weather and climate services. Our ambition to tackle the issue, the thrust of our actions and the commitment of our staff has, though, remained steadfast over the period.



Environmental activity in the last year

As in previous years, we set a corporate Key Performance Indicator (KPI) to focus the delivery of our sustainability plans.

The KPI targeted further reductions in business travel – particularly air travel. Thanks to positive action by staff – conducting online collaboration, combining multiple visits in one trip abroad or travelling across Europe by train – we met the challenging KPI target of a 25% reduction from our baseline. However, with an increasing number of international commitments and against a backdrop of geopolitical change, we will take stock in the year ahead whether steady year-on-year reductions are the best way to reach our 2030 target of a 40% reduction in business travel emissions.

The KPI also targeted our engagement with our supply chain and partners. The work they do on our behalf – from launching satellites or running technology platforms in the cloud to managing the facilities in our offices – now represent some 75% of our total emissions. We need to understand their business models and work with them so they can make emissions reductions. Our advocacy has seen some real progress in this area and this half of the KPI was also met. Pleasing progress has been made by organisations ranging from the ECMWF to IBL (one of our key software suppliers) and Triad who provide us – mainly remotely – with business services. All have demonstrated a real desire to tackle the issues.

As a data driven organisation, the emissions associated with computing are central to the Met Office’s carbon footprint. There are two main components to this. First, the electricity used to power servers (and chillers) in data centres and, second, the carbon emissions ‘embedded’ in manufacturing the physical computer

hardware and the infrastructure for data centres.

In 2024 we continued to power our Exeter-based supercomputer and associated infrastructure with zero carbon nuclear power, reducing emissions significantly from our original baseline. As we move into the next financial year, the live production of our weather forecasts will transfer to Microsoft’s new data centres which are hosting our new supercomputing capability. These will be powered by 100% renewable energy and our electricity demand in Exeter will reduce as we decommission parts of the infrastructure we have used over the last decade.

However, much of the technology industry has seen their absolute level of emissions rise in recent years, despite commendable efforts to secure very significant levels of clean renewable electricity. This has been driven by the second component, the carbon ‘embedded’ in data centre construction to accommodate the increasing adoption of cloud computing and rapid growth in AI. We have been working with Microsoft to understand the impact of these emissions as we formulate plans for the second generation of our new supercomputer, which we also expect to incorporate an increasing ability to utilise AI in the production of weather forecasts and climate modelling.

However, the embedded emissions associated with the delivery and commissioning of our new supercomputer hosted in Microsoft’s dedicated datacentres mean that our overall reported emissions have risen in the last year, rather than follow a steady year-on-year reduction on our pathway to carbon neutrality.

While engagement with our supply chain remains a key focus, we also keep all the emissions associated with our premises, operations and staff activity under close review. This includes staff commuting which is now around 6% of our total emissions. We monitor

this through a biennial staff survey. A high proportion of staff continue to cycle to the office – which really helps curtail emissions as well as promote their health and fitness. However, with a predominantly rural base, many staff still commute by car, making up the vast majority of our commuting emissions. The long-term solution to this will be wider adoption of electric Vehicles (EV). We have installed a large number of further EV charging points at our offices to encourage the change, but the relatively high cost of EV cars for staff has meant this transition is progressing slowly.

In the last year we have welcomed staff from the Insolvency Service to one floorplate of our Exeter Headquarters and are in discussions with other potential sub-tenants. As well as reducing costs and sharing overheads, this improves our carbon footprint as the office’s utilities and facilities are spread across a greater number of occupants.

We always knew that our initial 2030 target on our journey to net zero would involve offsetting. The nature of our international mission and the critical services we deliver mean it would not be realistic for us to eliminate all our emissions by this date. This is also true of our suppliers. It is also an assumption that underlies the UK government’s Net Zero Strategy and the UK Climate Change Committee’s independent advice. So, while our primary focus is on reducing emissions we need to investigate offsetting options. For two years we offset a small amount of emissions using an accredited scheme. In the last year we have started to investigate UK nature-based offsetting with Beyond Zero and established projects to monitor carbon sequestration on three farms. The objective of this is to increase our understanding of this complex marketplace, help stimulate the UK market for offsetting which is likely to grow significantly and generate a range of co-benefits supporting wider government environmental objectives.



We have continued to engage with and provide regular environmental updates to staff, who value working for an organisation that is committed to reducing the impact of its operations. We had an excellent staff response to our commuting survey, and the efforts staff have made to reduce their own emissions – whether cycling to work or travelling by train for business - are commendable. Our very high recycling rates benefit from staff engagement, and we are looking to arrange further activity on recycling in the year ahead. We have also arranged initial visits to the offsetting project farms and staff groups have arranged a number of seminars and teach-ins on environmental issues.

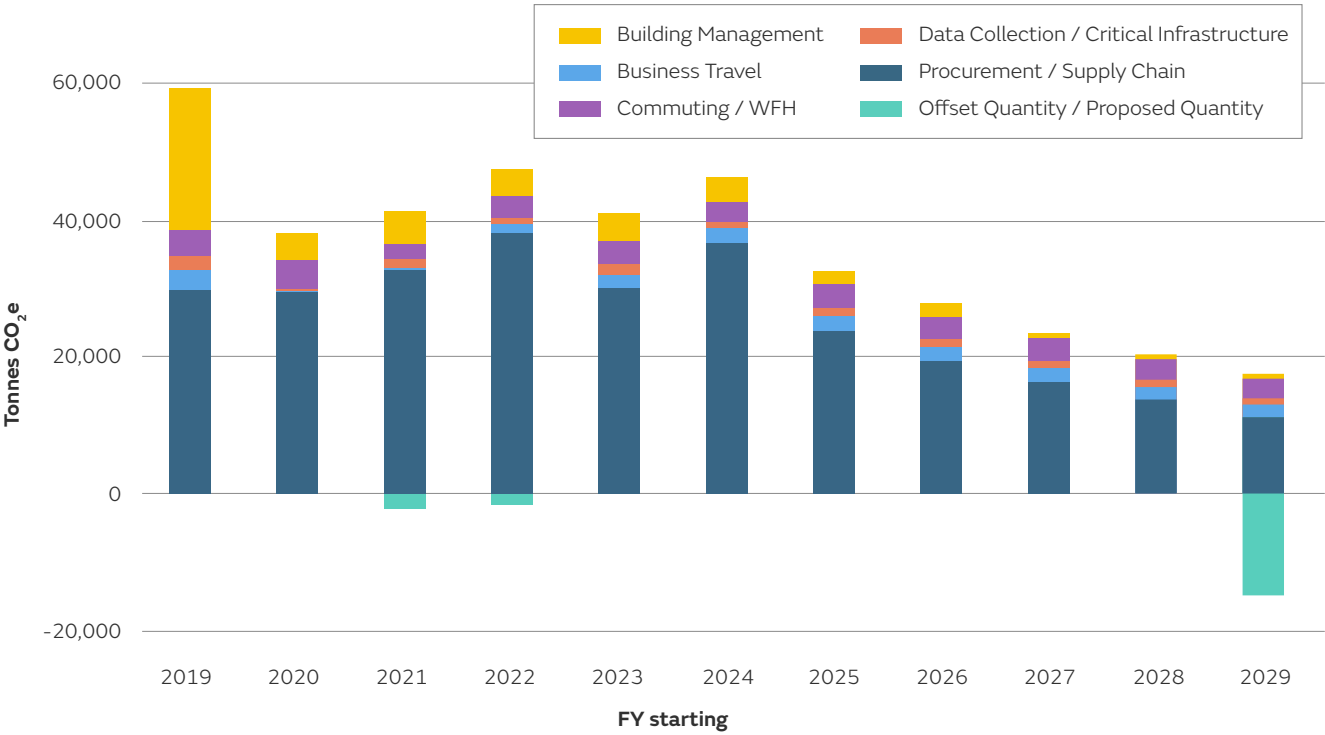
We have continued to promote our actions and raise awareness of the challenges of tackling climate change across a wide range of stakeholders. We have contributed to work by HM Treasury and our owning department DSIT, as well as other cross government networks. We have provided information and held seminars with a wide range of partners and private sector organisations. Our Climate Services team has provided advice to the financial services regulator and industry on assessing and adapting to the range of potential climate-change scenarios.

We have continued our focus on maintaining a sustainable environment right across our estate. We once

again retained our Wildlife Trusts' Biodiversity Benchmark Award for our Exeter site. The long-term commitment to our own environment was rewarded with over 600 species identified on site. This includes the purple hairstreak butterfly, green woodpeckers and hazel dormouse. The bee orchids on site are thriving and numbers have grown from 1 recorded in 2008 to 367 recorded in 2024. Our relationship with The Wildlife Trusts continues to blossom, they have been our corporate charity since 2022. Our successful three year partnership was marked by the planting of 2 trees, the Dittisham Ploughman and the Merryweather Damson, both chosen for their nectar and fruit for insects and birds.



## Met Office journey to carbon neutrality by 2030



Despite this positive progress and the enthusiastic commitment of our staff, meaningful emissions reductions require difficult questions to be tackled across all parts of business supply chains.

As other organisations have, like us, learned more about their emissions and started to assess the practical options of how best to tackle them, we have seen a number of organisations refine and reassess their targets and timescales. This in turn impacts the projections and timescales of the organisations that rely on them for their own outputs.

The benefit of intermediate milestones and relatively short-term targets is that they galvanise and accelerate action – often before full and robust data is available. As a result, we have a better understanding of the issues and more data than we did five years ago. We now need to further refine our calculations and revise some of the assumptions we have made. We also recognise that achieving our goals will depend on funding availability and the priorities and actions of our suppliers and partners as they evolve their own plans. Therefore, we will continue

to learn from the experience of our partners and the rapid changes in the world around us. We remain steadfast though, together as an organisation and as individual members of staff, in our ambition to tackle these challenges, to make a real difference in a world that is still warming rapidly and to be a force for good for the planet.

Further details of our actions are included in the sustainability report overleaf.



# Sustainability report

We are committed to meeting our objectives in a sustainable way, as outlined above. As well as minimising our environmental impact, we endeavour to act in a positive way in our dealings with our staff, customers and suppliers and maximising our contribution to the wider community.

During the year we have continued on our pathway to achieve carbon neutrality by 2030. Our overall approach is outlined above; below we provide more detail on emissions, energy consumption, waste management and water usage as well as more information on our

biodiversity work and sustainable procurement.

We are also committed to meeting the Greening Government Commitments (GGC) 2021-2025 and progress is reported centrally in the GGC Annual Report.

Greenhouse gas emissions (GHG) – Exeter and frontline sites		FY21/22	FY22/23	FY23/24	FY24/25
Non-financial indicators (tCO <sub>2</sub> e)	Total gross emissions for scopes 1 & 2 (including white fleet)	13,375	12,263	13,202	12,470
	Fugitive emissions (refrigerant gas leaks from cooling units/systems)	55	0	182	1
	Gross emissions scope 3 - business travel (less white fleet)	280	1,025	1,598	1,910
Related energy consumption (MWh)	Electricity: non-renewable – see Performance Commentary	57,745	58,670	58,607	56,061
	Electricity: renewable – see Performance Commentary	0	0	0	0
	Electricity: Good Quality Combined Heat and Power (GQCHP)	0	0	0	0
	Self-generated renewable (solar PV installation at HQ site)	252	244	245	238
	Natural gas	5,196	4,396	4,263	4,445
	Gas oil (diesel)	12	24	17	11
Financial indicators (£)	Expenditure on energy	7,991,965	9,695,403	11,834,693	13,431,717
	Expenditure on accredited offset purchases	17,935	18,750	N/A*	N/A*
	Expenditure on business (administrative) travel	389,054	1,396,825	1,692,380	1,846,787

\* We are now investing in the development of UK nature-based offsetting solutions

## Energy

The energy consumed by our headquarters-based High-Performance Computer (HPC) accounts for most of our energy consumption and associated emissions. Electricity consumption for our Exeter offices and IT halls is at steady state. We seek to reduce our energy consumption where we can but could not avoid the significant electricity requirements of the HPC which underpins our work.

For the last five years we have used a mix of renewable and zero carbon nuclear tariffs available to us through our Crown Commercial Services supplier EDF. Since FY22/23 this has been the EDF Zero Carbon for Business 100% which is 100% nuclear. For our overall emissions monitoring we use standard industry (market based) definitions for monitoring our energy consumption. However, as a central government funded body, for the purposes of GGC and this annual report we report our energy usage

using standard UK electricity grid (location based) emissions factors.

Our fugitive gas emissions relate to losses from our air conditioning units and chillers which we use to cool our IT. The losses are from instances when, despite regular maintenance taking place, the equipment, which is now near end of life, has suffered unexpected failures.

Our gas consumption has remained relatively steady having reduced since FY21/22 when a full refurbishment of

our gas boilers was completed, making them more efficient, and also due to stopping using gas for cooking in our restaurant.

The gas oil (diesel) consumption this year was for maintenance work.

Our solar PV installation at our Exeter site continues to meet its projected outputs.

## Travel

Travel continued to increase during this financial year after the reduction due to the COVID restrictions. However, it remains significantly down on our pre-COVID baseline as we have put in place measures to reduce air travel and continued to use technology to facilitate virtual meetings.

If travel is required, our travel policy encourages staff to question whether their planned travel is essential. Where

a business trip is necessary, then staff are encouraged to use the most sustainable form of transport and must consider rail before booking a flight.

As well as being one of our Net Zero KPIs, a reduction in staff business travel is a focus of the GGC. We have significantly increased the number of electric charging points both at our Exeter HQ and at UK sites we own in order to facilitate the move to an all-electric vehicle fleet by end of 2027 (in line with the GGC).

Previously, as part of our Net Zero Strategy, we offset our expected business travel emissions through Climate Impact Partners’ certified scheme facilitated by our travel provider Clarity. However, we are now investing in the development of UK nature-based offsetting solutions which will provide carbon offsets in the coming years.

## Waste and recycling

Our total waste arising at our Exeter site has decreased since last financial year. We have continued to achieve high recycling and recovery rates though this was down on previous years. We have consistently achieved less than 5% of our waste going to landfill in line with the GGC. The landfill waste in this financial year was the disposal of old carpet tiles for which, due to their age, there were no re-use, recycling or recovery options.

We continue to work to reduce our total waste through initiatives such as reducing or removing Consumer Single Use Plastics in our catering and stationery supplies and ensuring that all our IT waste is either re-used or recycled.

Waste		FY21/22	FY22/23	FY23/24	FY24/25
Non-financial indicators (t)	Total waste arising	121.1	166.8	124.8	112.8
	Recycled and re-used	99.2	128.4	95.9	83.7
	Information communication technology waste recycled and re-used (externally)	9.5	10.8	9.7	5.4
	Composted	17.5	12.5	15.4	11.1
	Anaerobic digestion	3.6	8.5	12.4	14.8
	Incinerated/energy recovery	17.0	18.2	11.6	11.9
	Landfill	0.9	3.7	1.3	4.5
Financial indicators (£)	Total disposal cost	40,754	40,754	39,313	53,174

## Finite resources (water)

We have metering at our headquarters to monitor and record our onsite water usage, most of which goes to cool our HPC. We use a mix of mains water and softened borehole water for this purpose. We continue to reduce total water use at our headquarters.

In July 2020, our borehole enhancement project was completed, increasing our water softening capability to enable us to meet a higher proportion of the demand from the borehole. A portion of the incoming mains cold water is still used to mix with the softened borehole water in order to prevent corrosion issues occurring with the cooling

towers as advised by our water treatment specialist. The reduction in the borehole water consumption is due to two new chillers being installed. These chillers have adiabatic cooling systems which use significantly less water compared with traditional cooling towers.



Water		FY21/22	FY22/23	FY23/24	FY24/25	
Non-financial indicators (m³)	Water consumption	Imported (potable)	17,330	23,631	17,252	15,510
		Abstracted (borehole)	28,209	28,514	35,053	19,723
		Grey water (harvested rainwater)	0	0	0	0
		Recycled water (discharge from cooling towers)	2,279	1,999	2,513	3,657
Financial indicators (£)	Water supply costs	35,480	47,479	35,054	33,367	

ICT and digital

We have adopted the ‘Greening Government: ICT and Digital Services Strategy’ and associated targets and provide membership to the Sustainable Technology Advice and Reporting team, who manage and deliver the Greening Government Commitments ICT reporting. We deliver an annual ICT and digital footprint, waste and best practice data.

Highlights include all our data bearing IT assets being data cleansed and then refurbished for re-use or, where this is not possible, being dismantled and recycled.

Biodiversity action planning

Our staff-led Biodiversity Working Group continues to work closely with colleagues in our Property Management team to protect and enhance biodiversity on our estate. In FY24/25 we reached 600+ species of flora and fauna in our Exeter grounds. This includes the identification of a hazel dormouse nest at our headquarters. In FY25/26 we will be installing 12 dormouse nest boxes around our headquarters to encourage more dormice to the site.

We continue to hold The Wildlife Trusts’ Biodiversity Benchmark Award for our Exeter site. We manage our grassland to benefit different butterfly species and to promote botanical diversity. We collect observational data from our regular butterfly transects, plant, bird, bat and fungi surveys, and reptile refugia checks.

Sustainable procurement

The Commercial team, along with our stakeholders, continues to work closely with Small and Medium-sized Enterprises (SMEs) wherever possible. Our goal is to deliver benefits that match market capacity and to encourage SME engagement in the competitive process. We’ve been providing lotted or unaggregated contracts to attract SMEs, ensuring that we deliver added value, innovation, and flexibility. Interestingly, our expenditure with SMEs averaged 27% of the spend over the last 3 quarters which covered 357 different SME organisations, and 33% of the contracts live during 2024/25 were met by an SME supplier.

Our Met Office Social Value Strategy aligns with the Met Office values and strategic objectives, setting out a clear purpose that we follow across all commercial activities. We remain committed to engaging with our suppliers through our commercial processes to help them understand how to deliver social value for the organisation and maximise their efforts. As previously outlined, the environmental performance of our suppliers is crucial to our own sustainability targets. Simultaneously, we aim to foster improvements in training and diversity, aligning with our objectives as a sustainable business.

The Commercial team is also making steady progress with the Met Office social value actions and plans, which are aligned with best practice and reflect government guidance. We have developed a comprehensive framework of tools and templates in our commercial processes, including a social value register that reports the measurable and tangible benefits of social value in our contracts.

Task Force on Climate-related Financial Disclosures

As a world-leading center of climate change science, we provide information to customers in HM Government, the UK private sector and around the world helping to target effective climate mitigation and adaptation action. Understanding climate change is core to our purpose.

The potential implications of climate change are being integrated into decision making at all levels within the Met Office. The process of assessing future climate-related risks and opportunities helps us to plan strategically, build resilience and adapt to the physical and wider business changes which climate change may cause.

In line with HM Treasury guidance, we have completed a Task Force on Climate-related Financial Disclosures (TCFD) report. The report considers the whole Met Office and aligns with our wider work on environmental sustainability.

The table below shows our compliance and maturity when reporting the four TCFD pillars, highlighting key actions from the last year.

Governance	Strategy	Risk Management	Metrics and Targets
a. Board oversight	a. Climate-related risks and opportunities	a. Process for identifying climate-related risks	a. Metrics used to assess climate risks
b. Management’s role	b. Impact on strategy and financial planning	b. Process for managing climate risks	b. Scope 1,2 and 3 emissions
	c. Resilience under different climate-related scenarios	c. Integration into overall risk management	c. Targets used to manage climate risks
<b>Action taken:</b> Governance responsibilities confirmed and incorporated into Terms of Reference	<b>Action taken:</b> Physical and transition risk assessments completed for incorporation in strategic, operational and financial planning	<b>Action taken:</b> Risk management process for climate-related risks and opportunities agreed and adopted	<b>Action taken:</b> Reporting of full Scope 1,2 and 3 emissions in line with Greenhouse Gas protocol

Compliant	Working towards HM Treasury future compliance requirements
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## Compliance Statement

We have reported on climate-related financial disclosures consistent with HM Treasury’s TCFD-aligned disclosure application guidance. The guidance interprets and adapts the framework for the UK public sector. The Met Office is currently assessing whether climate is a principal risk (these are outlined in the Risk review on page 78). We have complied with the TCFD recommendations covering:

- Governance
- Risk Management
- Metrics & Targets (b)

We have provided a voluntary report on Strategy (a, b & c) based on the assessment we have completed in the last year. We will provide a fully compliant report for the year to March 2026 in line with the public sector implementation timeline. Based on our analysis and assessment of climate-related risks we have not at this point identified any physical or transition risks that are sufficiently material to be classified as principal risks. Therefore, Metrics and Targets (a & c) falls under the materiality threshold for fully compliant reporting. We are continuing to review appropriate metrics and targets to assess and monitor climate risks and would plan to make a fully compliant disclosure, whether voluntary or mandatory, for the year to March 2026.

## Governance

Our governance structure is outlined in the Accounting Officer’s Governance Statement on page 82. Climate-related oversight is incorporated into this structure and ensures the Met Office Board and Executive Board consider climate-related issues when guiding strategy, risk management, budgets and performance objectives.

The Met Office Board’s Audit and Risk Assurance Committee (ARAC) has been allocated responsibility for oversight of climate-related risk and TCFD reporting. It has reviewed this disclosure and in November received an interim report on TCFD. ARAC considers climate-related risks and opportunities as part of its wider remit to oversee the Met Office’s risk management process. A report on the Met Office’s broader environmental strategy and carbon neutrality target is submitted to the Board on an annual basis.

As part of its remit overseeing the Met Office’s environmental and social responsibility activities, the Responsible Business Committee (RBC) takes an overarching role in assessing and managing climate-related risks. This has been incorporated into its Terms of Reference. The Committee can call on resource and expertise from across the Met Office, or externally, to inform and support its work. It reports to the Executive Board ensuring senior management are well informed and can incorporate its findings into the organisation’s planning and strategy.

## Strategy

To assess the potential impact of climate-related risks on the Met Office’s operations and strategic planning, we have conducted both physical and transition risk analyses – assessing both the potential threats from negative outcomes but also the positive benefits that might arise from new opportunities. Physical risks – for example heatwaves, extreme rainfall or flooding – can have direct impacts on business operations. Transition risks cover second order implications resulting from policy, regulatory and behavioural changes that can impact prices and taxes, funding availability, market dynamics and supply chain resilience. There could also be significant reputational implications from changes in the perceptions and level of trust of the Met Office’s stakeholders and customers.

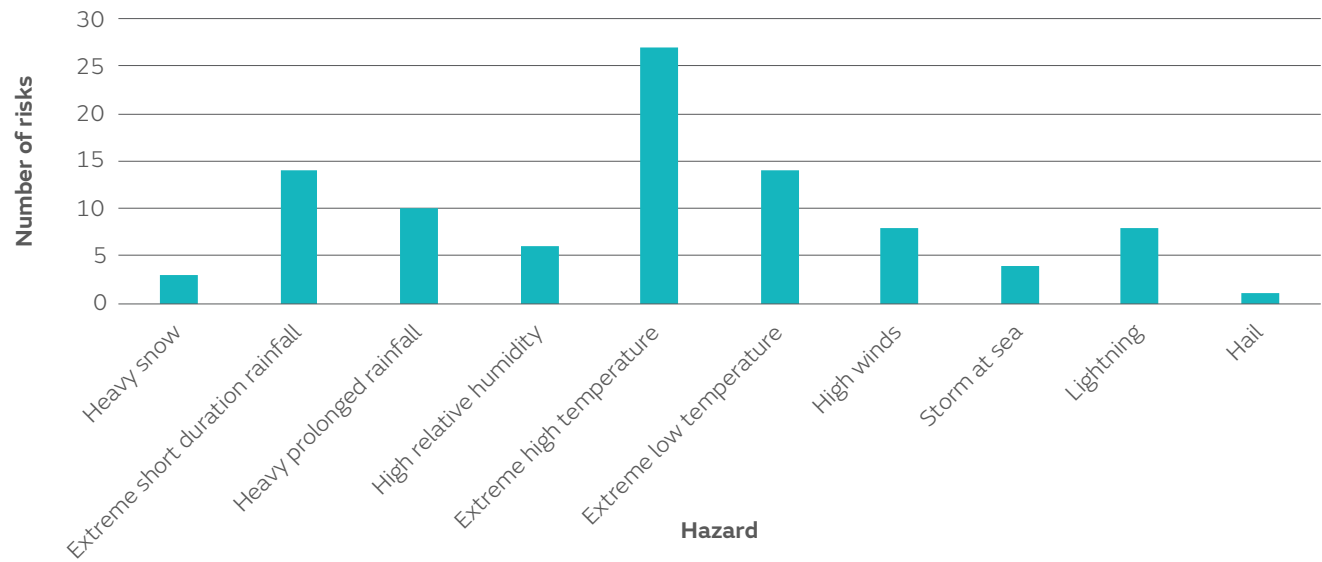
The risk assessments were conducted using three scenarios aligning with the Climate Financial Risk Forum’s ABC Framework, to which the Met Office contributed. The scenarios, are:

- **A.** Aiming to limit warming to 1.5°C – through rapid action delivering strong mitigation
- **B.** Building and budgeting for warming of ~2.0°C in 2050 – through moderate action
- **C.** Contingency planning for warming in 2050 of 2.5°C – as a result of policy backtracking

The physical risk assessment identified a wide range of potential impacts. The most prevalent risks related to extreme temperatures but by themselves none of these risks were considered principal risks.



Number of physical risks associated with each hazard type

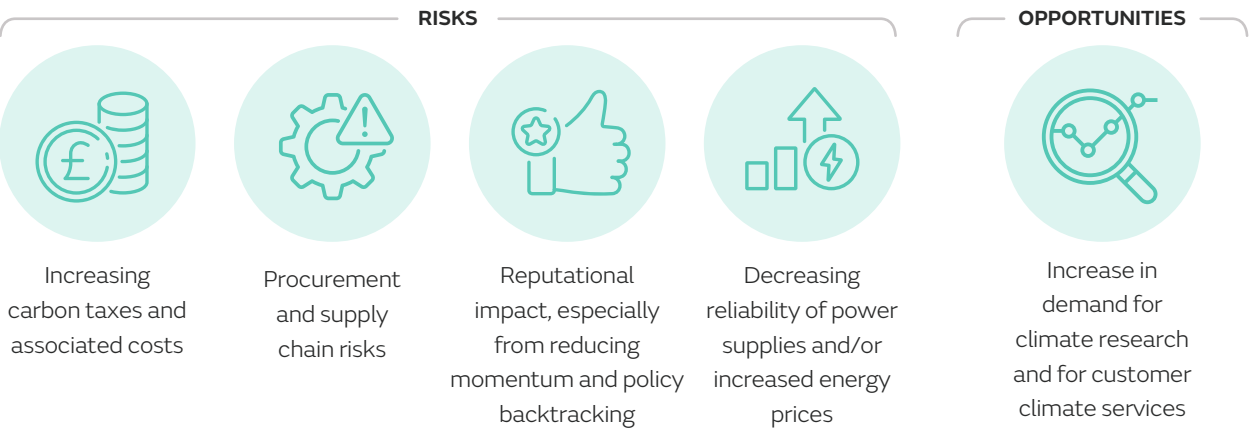


The largest transition risk impacts were assessed to be reputational and financial, especially under scenario C (policy backtracking). There could be potential reputational impacts for the Met Office and the perceived need for its services which could lead to a reduction in funding or demand for customer services. This risk will be assessed further and considered for inclusion as part of a principal risk included on the corporate risk register.

Significant opportunities were identified for the development of the Met Office’s climate services, especially under scenario A (strong mitigation).



Most significant climate-related risks and opportunities



Ownership of any material risks has been transferred to the relevant business areas, ensuring that operational and financial planning processes incorporate these considerations. The risk analysis has coincided with a strategy refresh for the whole Met Office; valuable insights from this work have been fed into the strategy refresh. While the potential scale of financial impacts of all the material risks was considered, to date the Met Office has not made specific financial commitments relating to Net Zero. Financial considerations will be reviewed in financial year 2026/27 and incorporated into future planning.

As the climate change scenarios extend out to the end of the 21st century, they do not rely purely on climate projections; additional uncertainty is introduced by the interplay of policy and mitigating action around the world to alter the path of climate change. The wide range of potential outcomes means their impact on the resilience of our operations and business model will continue to be reviewed over future iterations of the risk assessment process and climate adaptation planning.

Risk Management

The RBC has overseen a process to assess these climate-related risks and opportunities centrally and then ensure they are monitored and managed appropriately by the risk owners in the relevant parts of the business.

To manage physical climate risks, a series of cross-organisational workshops were led by our internal Applied Science Consultancy team, who provide similar advice to a wide range of government and other external businesses. In parallel, we employed Frazer Nash Consultancy to facilitate a similar process to identify and assess transition risks that could affect the business.

The outputs from these two processes were collated and ownership of the key risks passed back to the relevant business risk owners to monitor and manage in line with the Enterprise Risk Management policy. This ensures risks are not treated in isolation but that the relevant business area or 'first line of defence' takes responsibility and considers appropriate climate impacts in their strategic planning, budgeting and performance.

The RBC will conduct annual reviews of the physical and transition risks to ensure that all emerging and potential climate impacts continue

to be assessed. In many cases the assessment of the impact, likelihood, severity and proximity of climate-related risks was a 'first cut'. As management understanding deepens and matures, ongoing reviews will lead to better definition of the risks and prioritisation of key mitigations. Scenario based risk assessment, using the latest information, will be carried out every three to five years.

Where RBC conclude a risk is deemed of sufficient potential impact, highly likely to occur and not aligned to our risk appetite, the risk will be considered for escalation in accordance with Met Office Enterprise Risk Management Policy. While no climate-related risk has yet been escalated, the reputational impacts associated with climate change were identified as being of particular note and are part of a wider assessment of risks that could impact trust in the Met Office.

Our analysis has also revealed compelling opportunities for the Met Office to expand our climate services portfolio, particularly in an environment that stimulates rapid action on climate mitigation and adaptation. The potential value of these was identified in the recent London Economics report and has been a key element incorporated into the development of the Met Office's strategy.

Metrics and targets

Physical and transition related risks have been assessed using the Met Office's standard risk metrics. These metrics evaluate the expected likelihood of the outcome (under the different scenarios) against the potential impact should the risks or opportunities arise. We have examined the potential impacts from multiple perspectives – financial, operational, reputational, compliance and people-focused considerations. Like other public sector organisations, we consider a wider range of socio-economic benefits beyond purely financial impacts. As climate change scenarios extend to 2100, we carefully assess the anticipated proximity of risks as an important metric to inform our risk response.

Following this initial review of risks, further iterations will help to confirm how accurately risk metrics have been calibrated – and if we have the right risk response and tolerance levels

aligned to our risk appetite. While high level financial impacts have been considered, the plans outlined below anticipate more detailed financial analysis in 2026/27.

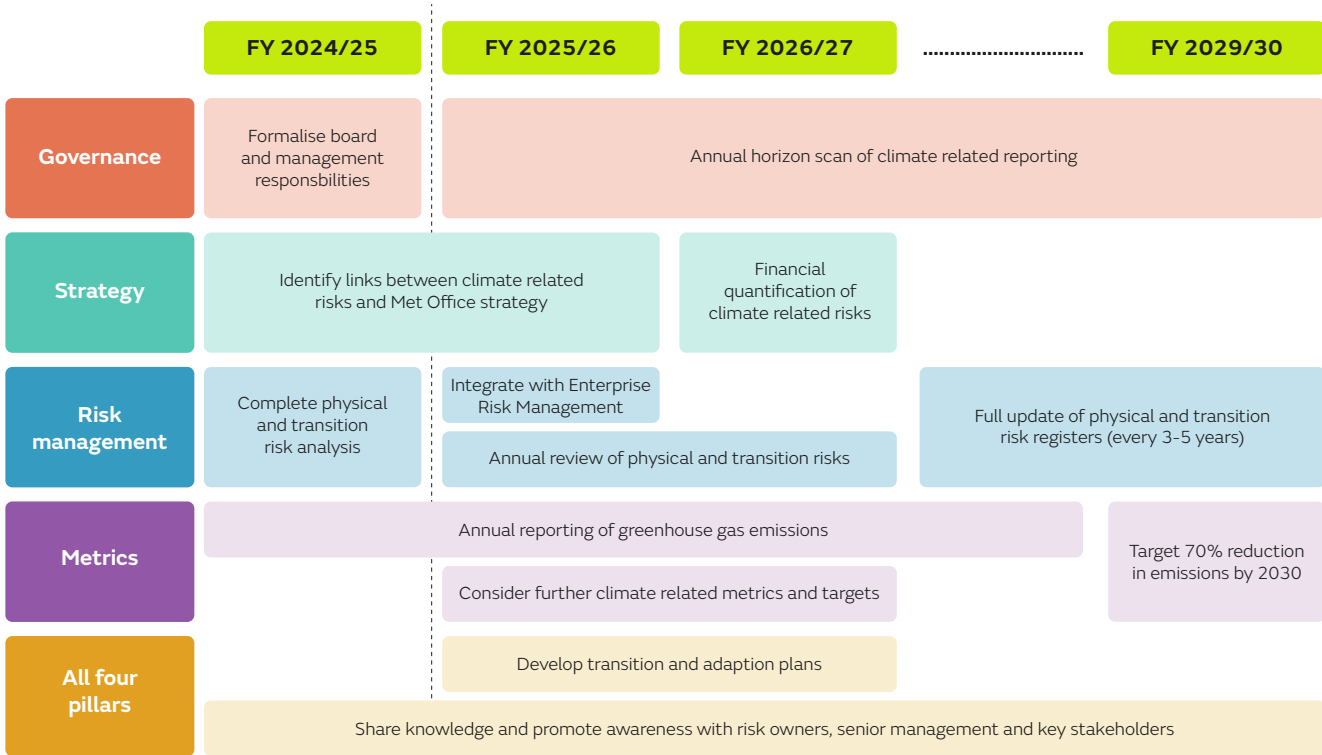
In 2020 we completed a comprehensive baseline analysis of Scope 1, 2 and 3 emissions in line with the Greenhouse Gas (GHG) Protocol, setting a pathway for emissions reductions and a target of carbon neutrality in 2030. Progress has been reported every year and is covered in pages 62 to 68 of this annual report. To ensure staff and senior management alignment, corporate KPIs have been set for two important components, business travel and supply chain emissions.

As our emissions are dominated by indirect emissions produced by other organisations (Scope 3), a transition risk has been identified around achieving these commitments. The Met Office's emissions reduction pathway will be

further reviewed in FY 2025/26 in the light of technology, supplier and policy developments.

Plans to manage climate risks in the year ahead include:

- Ensuring ownership and responsibility for climate-related risks and opportunities is taken in the requisite business area;
- Establishing the appropriate risk response and any associated targets;
- Setting a timetable for further climate risk assessment and adaptation planning in line with the table below;
- Targets for developing scalable climate services will be integrated into the Met Office's corporate strategy.





## Empowering financial resilience: Working with the finance sector to understand and quantify physical risks

The impacts of climate change – from flooding to extreme heat – are becoming increasingly apparent to businesses across the UK. In the finance sector there is a growing urgency to understand and quantify the physical risks on assets, investments and operations.

This year we have been building our scientific engagement with the finance sector to understand how our expertise and data can help. A major outcome has been our contribution to the Climate Financial Risk Forum's adaptation working group, helping to devise new best practice guidance on how to quantify physical risks.

The new guidance draws on our understanding of uncertainty in future climate predictions and projections and highlights the benefits of our world leading, fine-scale UK climate simulations. It is helping firms better prepare for the climate change that

has already occurred and the future change we are locked into.

Engaging with this important group, mandated by the Financial Conduct Authority, has enabled us to learn from and help colleagues from banking, insurance and investment.

This collaboration continues into 2025, and we are exploring how we might expand our offering more broadly to finance firms. We are also working closely with the Bank of England to enhance understanding of physical risks from extreme weather.

*“The Met Office provided essential expertise to help the CFRF frame an approach to quantifying physical climate risks on the finance sector. This led to new guidance which will be used widely by the sector and help it to become more resilient to past and future climate changes.”*

**Sheldon Mills**

Executive Director of Consumers and Competition,  
Financial Conduct Authority

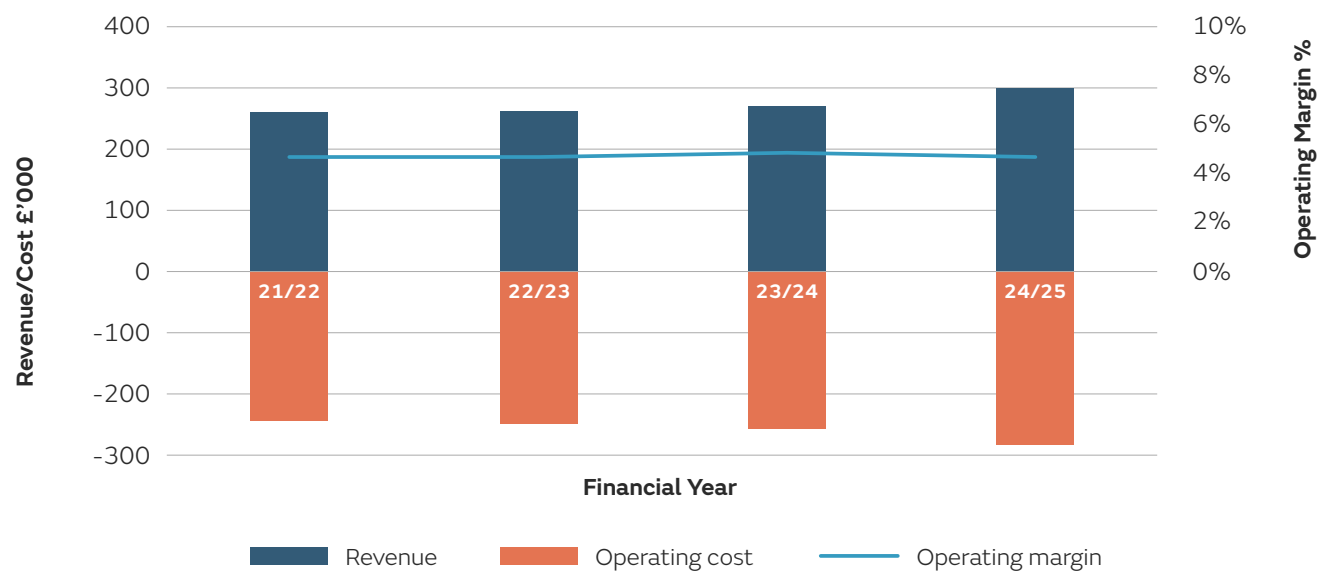


# Financial review

## Summary

Operating profit in 2024/25 was £13.9m which is a £0.7m increase on 2023/24 of £13.2m and is £0.9m above the Key Performance Indicator (KPI) target of £13.0m.

Trends for revenue, operating costs and operating margin are shown below. Margins are kept at a consistent level to allow for interest and dividend costs to be met.



## Revenue

Revenue saw significant growth in 2024/25 and is £27.7m higher than in 2023/24. Revenue can be broken down by sector:

	2024/25	2023/24	Change
	£'000	£'000	£'000
Citizen and Media	146,802	131,613	15,189
Defence	39,063	38,749	314
Energy and Environment	11,757	12,482	(725)
International	35,861	25,898	9,963
Transport	30,497	27,711	2,786
Other UK government	33,968	33,758	210
Total revenue	297,946	270,211	27,737

The increase to Citizen and Media reflects additional Public Weather Service revenue, and is as a result of increased investment in underpinning national capability and the Meteosat Third Generation - Imager 1 Satellite becoming operational in December 2024.

International development and business work also increased in 2024/25. Work on behalf of the DSIT funded International Science Partnerships Fund (ISPF) increased by £8.5m. This is due to both new work such as the Advancing Arctic Capabilities Programme to enhance the UK Arctic Meteorological and Oceanographic capabilities, and existing work on the Weather and Climate Science for Services Programme (WCSSP) increasing.

## Operating costs

Operating costs are also £27m higher than 2023/24. The most significant cost change is £16.6m increase in staff costs which reflects the final year of the 3 year pay deal approved in June 2023, as well as a 141 increase in FTE across the year needed to deliver the revenue growth noted above. In addition to internal resources, we have used external partners to deliver some of the revenue growth, and this is contributing to the operating cost increase. Amortisation costs for EUMETSAT satellite programmes also increased by £6m due to the Meteosat Third Generation - Imager 1 Satellite becoming operational in December 2024.

## Dividend

Total dividend payable to our owner, the Department for Science Innovation and Technology (DSIT), is £8.5m (2023/24 £8.5m).

## Cashflows and liquidity

The Met Office holds cash balances primarily to meet short-term commitments as they fall due. In the medium- to long-term the Met Office also meets commitments to EUMETSAT for the funding of meteorological satellite programmes.

Cash balances held reduced from £23.5m to £10.8m. The Met Office generated £60m in cash from operating activities, largely due to grant receipts of £100m offset by grant funded costs of £55m. The development of the new Supercomputer under a contract with Microsoft generated the majority of grant receipts and costs. £54m was invested in capital assets, including UK contributions to EUMETSAT programmes of £47m. Net borrowing also reduced by £15m.

Continued investment in EUMETSAT programmes was partly funded by loan funding received of £25.0m. Repayments and interest on previous loans totalled £40.1m. The agreed 2023/24 dividend of £8.5m was also paid.

## Borrowing

Under the Met Office Trading Fund Order and Framework Document, the sole provider of loan funding is the Met Office's sponsor department, DSIT. Therefore, exposure to liquidity risk is limited to these arrangements. As at 31 March 2025, £224m in loans were outstanding (31 March 2024, £232.8m). Loan funding requirements are anticipated to continue in future years to finance the UK contribution to the EUMETSAT satellite programmes. The total amount of borrowing is expected to reduce as new programmes become operational and their costs can be recovered from customer charges.




# Risk review

The following table outlines the risks from our Corporate Risk Register that have been our focus during the year. We explain how they impact our strategic priorities and how we respond to each risk in line with our risk appetite. We set a path to tolerance for each corporate risk, monitoring the impact of mitigating actions to date and progress towards achieving a tolerable risk position.

As well as tracking our corporate risks, we monitor our wider risk landscape. We are alert to new and emerging corporate risks. We continue to monitor the risk around AI very closely, particularly AI technology driven market disruption, though we have in the last year taken action to mitigate the specific risks involved with the use of AI technology in Numerical Weather Prediction. Other emerging risk areas include the ever increasing day-to-day ‘run’ costs in the organisation and the shifts in geo-political relationships and priorities that could impact our resilience and our own priorities.

Corporate Risk	Risk commentary
<b>Red risks (after mitigations): HIGH PROBABILITY AND/OR IMPACT</b>	
Cyber security	We are entirely dependent on technology infrastructure to complete our mission. Cyber security threats (both internal and external) leave infrastructure at risk of major disruption and potentially unable to deliver our life critical services. The threat risk is ever present and known to be fast moving and increasing. Our mitigation effort is focused on achieving consistently good levels of compliance with security standards and improving accountability for managing cyber risk across our all our systems and security infrastructure, including third parties.
Strategic resourcing	There is a risk we are unable to deliver both our baseline workload and our strategic ambition because we are unable to retain or recruit the necessary skills. We are pursuing strategies and enabling our managers to outsource effectively, whilst building our internal capabilities and our attractiveness as an employer within the constraints of government pay limits.
Supercomputer implementation and benefits realisation, Next Generation Modelling systems (NGMS)	Risks to the successful implementation of the new supercomputer have been managed successfully, greatly improving the resilience and potential impact of our forecasting services. We continue to manage risks of any future delay or issues with future enhancement and rising costs that could impact full benefits realisation. In doing so, mitigating actions are joined up across programmes and projects for maximum impact.
<b>Amber risks (after mitigations): MEDIUM PROBABILITY AND/OR IMPACT</b>	
Service resilience	If we do not ensure that appropriate steps are taken to protect and maximise our resilience there is a risk that we fail to deliver critical services to customers. This would result in deep reputational and financial impacts for the Met Office. To minimise our risk exposure we have acted to strengthen our customer Service Level Agreements and service acceptance procedures and will continue to maintain, test and assure our business continuity management arrangements and major incident management processes.
Health and safety	If we do not take appropriate steps to ensure our organisational Health & Safety Strategy, governance and accountabilities are robust and effective, the safety of Met Office employees or other key stakeholders could be at risk. Our new Health & Safety Strategy and Policy better defines our commitments and responsibilities. Work continues, as part of our Health & Safety Improvement Plan, to refine and embed a risk-based approach.
Change readiness	If we do not have the collective ability and culture to keep pace and embrace changes at the rate required, then we may not be able to achieve our strategic ambitions. This could result in a lower return on our investments and an inability to realise our corporate visions through and with our people. Our Change Readiness Programme aims to grow our ability to embrace and drive change. Actions to date are having a positive impact and will contribute to raising levels of enterprise change maturity.



  
**Professor Penelope Endersby**  
Chief Executive  
10 July 2025



# Corporate governance report

## Directors' report

The following items, required as part of the Directors' report, are included in the Governance statement on page 82:

- Composition of the Met Office Board.
- Disclosure of other interests held by members of the Met Office Board.
- Disclosure of personal data-related incidents.

## Statement of the Met Office and Accounting Officer's responsibilities

Under section 4(6)(a) of the Government Trading Funds Act 1973, HM Treasury has directed the Met Office to prepare a statement of accounts for the 2024/25 financial year in the form and on the basis set out in the Accounts Direction issued on 19 December 2024 and in guidance on accounting for grants received during 2017.

Accounts are prepared on an accruals basis and must give a true and fair view of the Met Office's state of affairs as at 31 March 2025 and of the income and expenditure, changes in taxpayers' equity and cash flows for the financial year. In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed, and disclose and explain any material departures in the financial statements;

- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

HM Treasury has appointed the Chief Executive of the Met Office as the Accounting Officer for the Trading Fund. Her responsibilities as Accounting Officer, including responsibility for the propriety and regularity of the public finances, for which she is answerable, for keeping of proper records and for safeguarding the Met Office's assets, are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Met Office's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.





# Governance statement

Professor Penelope Endersby CBE, FREng, Hon FInstP

## Scope of responsibility and purpose of the Governance statement

As Accounting Officer, it is my responsibility to ensure that there is a sound system of governance, risk management and internal control in place. The Met Office operates in accordance with the Framework Document agreed with our owning government department. Our business is conducted in accordance with Managing Public Money to ensure public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Met Office complies with the provisions of Corporate Governance in Central Government Departments: Code of Good Practice.

The ‘Governance statement’, for which I, as Accounting Officer, take personal responsibility, gives a clear understanding of the dynamics of the Met Office. Its control structures provide an adequate insight into the business and resources of the Met Office to enable me to make informed decisions about progress towards our strategic objectives and, if necessary, steer performance back on track. In doing this, I am supported by a governance structure that includes the Met Office Board, its Executive and Senior Management and a robust assurance framework.

This statement explains how we have complied with the principles of good governance and reviews the effectiveness of these arrangements.

## The Met Office governance structure

### Role of owning department and Sponsorship Team

The Met Office is an Arm’s Length Body (ALB) of the Department for Science, Innovation & Technology (DSIT). We also maintain strong links with the Department for Energy Security and Net Zero (DESNZ), which oversees the Met Office Hadley Centre Climate Programme.

An owning department’s Sponsorship Team is central to ensuring an ALB’s focus and activities are aligned with government objectives and advises Ministers on the management of the government’s interest in the Met Office. The Met Office has developed strong relationships with its Sponsorship Team in DSIT. A very positive assessment of the Met Office’s role as an ALB and relationship with DSIT was published in 2023 as part of the Public Bodies Review Programme. This year we have worked with our Sponsorship Team to update the Met Office Framework Document, which outlines our purpose, role and responsibilities and our governance framework as an ALB, with both Trading Fund and Public Sector Research Establishment (PSRE) status. HM Treasury have reviewed this and endorsed it, pending final publication.

### Role of the Met Office Board

The Met Office Board challenges and supports the Executive team, carefully scrutinising its proposals and performance, particularly in relation to the development of the Met Office’s long-term business strategy and delivery of its Corporate Plan. It monitors performance against agreed Key Performance Indicators

that are aligned with the strategy. In addition, the Met Office Board takes an overview of corporate risk and works with the Executive Board to agree the organisation’s risk appetite.

The Non-Executive Chair is responsible for leading the Board and ensuring that it is effective in discharging its role. He is supported by additional independent Non-Executive Directors (NEDs), chosen to bring diverse insights and relevant skills. The Met Office Board is supported by three committees – the Audit and Risk Assurance Committee, the Remuneration Committee and the Security Issues Committee, each chaired by a Non-Executive Board member.

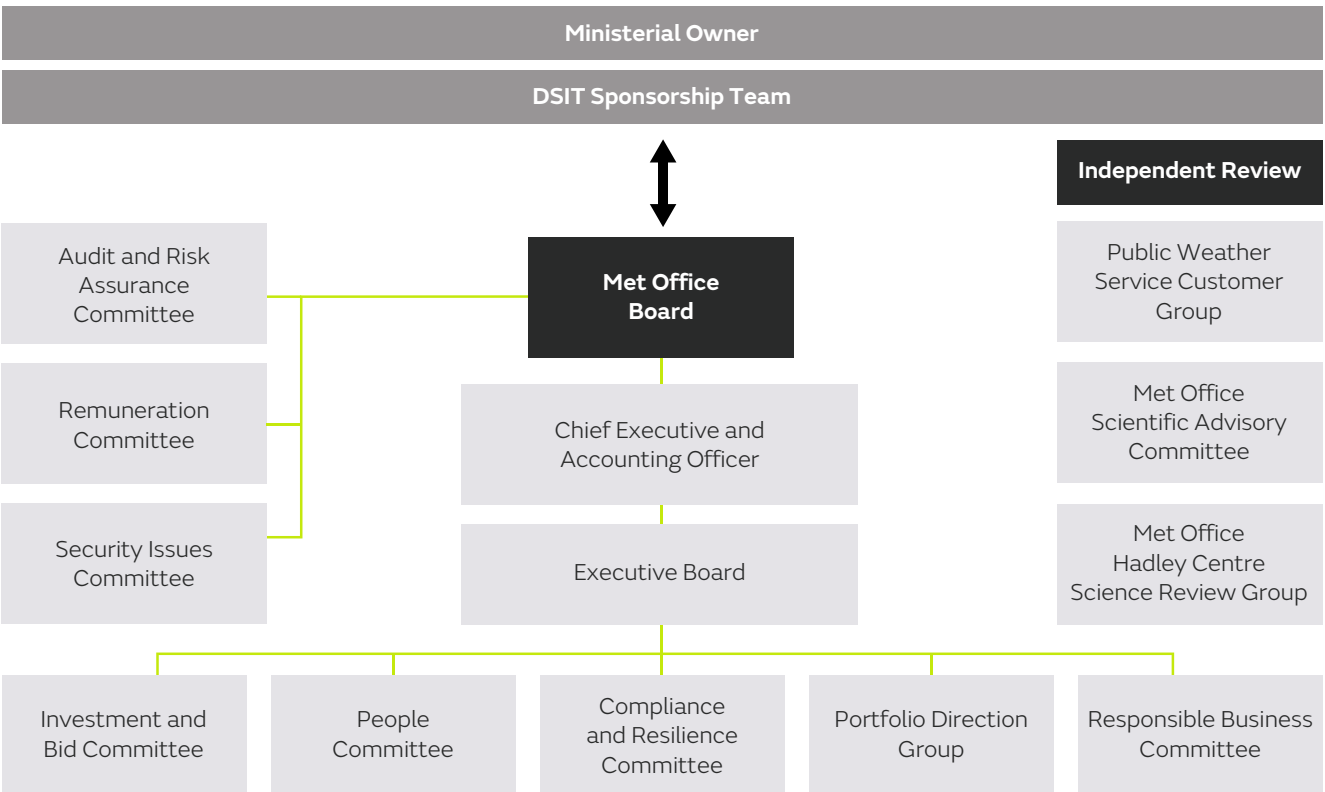
### Role of Chief Executive and Accounting Officer

In my role as Chief Executive and Accounting Officer, I am responsible for the day-to-day leadership and management of the Met Office. I am accountable to the Ministerial Owner and the Met Office Board (acting, where appropriate, on the Ministerial Owner’s behalf) for the performance of the Met Office. As Accounting Officer, I am personally responsible and accountable to Parliament for the organisation and quality of management in the Met Office, including its use of public money and the stewardship of its assets. As Chief Executive, I chair the Executive Board, which is responsible for supporting me in the implementation of the strategy agreed with the Met Office Board.

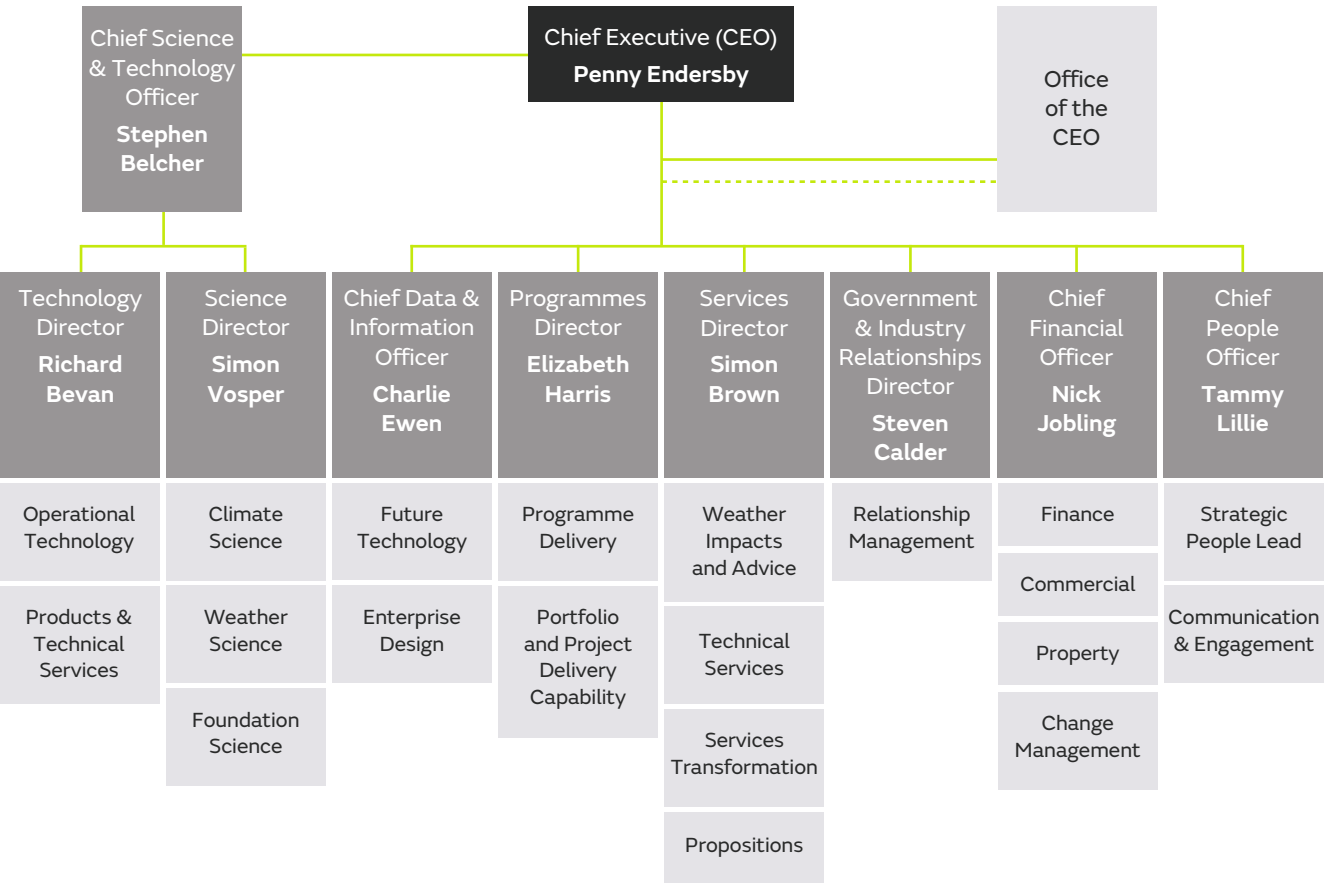
### Role of the Executive Board

My colleagues and I, as members of the Executive Board, remain accountable to (and open to challenge, advice and scrutiny from) the Met Office Board, with whom we are responsible for formulating, developing and agreeing

## The Met Office governance structure



NOTE: The Audit and Risk Assurance Committee provides advice and assistance to both the Board and the Accounting Officer; it also receives relevant reports from the Accounting Officer.





the Met Office’s strategy. In turn, both the Executive Board and the Met Office Board are accountable to, and act under delegated authority from, our Ministerial Owner at the Department for Science, Innovation & Technology (DSIT).

The Executive Board is the primary management forum for the Met Office. It brings together the Executive Directors who are responsible for implementation of our strategic objectives and delivery of our customer services.

We have ensured there is a clear allocation of roles and responsibilities across the Executive Directors to facilitate the effective operation of the organisation and delivery of Key Performance Indicators which encapsulate our strategic objectives. The directorate structure is designed to ensure the outputs of our science and technology research flow - as we develop new programmes and infrastructure - into the delivery of operational products and services to meet the needs of, and provide real impact and benefit to, our users and customers.

The Executive Board co-ordinates and provides oversight of the activities of the Directorates which deliver our business operations. Five Executive Committees (Investment & Bids, People, Compliance & Resilience, Portfolio Direction and Responsible Business) support the Executive Board in the management and implementation of its responsibilities, facilitating communication and decision-taking for issues that cut across directorates.

The following bodies provide additional independent review of Met Office activities:

**Public Weather Service Customer Group (PWSCG)** – oversees the Public Weather Service, ensuring the quality, suitability and value for money of the service provided. The PWSCG comprises independent members and

representatives from government departments, agencies, emergency responders, local authorities, the Scottish and Welsh Governments and the Northern Ireland Assembly. The PWSCG is chaired by Vice Admiral Duncan Potts and its Annual Report is available through the Met Office website.

**Met Office Scientific Advisory Committee (MOSAC)** – provides an independent assessment of the quality and relevance of the Met Office’s Research and Innovation strategy which underpins our weather, climate and oceanographic services. The Committee comprises independent experts in the fields of science and technology, drawn from UK and overseas universities and climate and meteorological institutions. MOSAC is chaired by Dr Gilbert Brunet.

**Met Office Hadley Centre Science Review Group (SRG)** – provides an independent review, on behalf of DESNZ, of the climate research carried out by the Met Office Hadley Centre. The SRG is chaired by Professor Hayley Fowler.

**Supercomputer programme** – the programme to develop our new supercomputer in partnership with Microsoft is part of the Government Major Projects Portfolio (GMPP) and subject to independent scrutiny and assurance from the Infrastructure and Projects Authority (IPA). The Complex Transactions Team at Cabinet Office have provided independent support and challenge as part of the process to specify requirements for the second generation of this 10-year programme.

## Work of the Met Office Board and its committees

### Met Office Board composition

The Board’s membership aims to incorporate a diverse and appropriate range of leadership experience,

business backgrounds, technical skills and viewpoints to help guide the Met Office’s strategy. Board members’ expertise ranges from meteorology, science and data, through to finance and business transformation. Appointments are made through the government’s Public Appointments process and approved by the Minister. A sponsor department representative sits alongside the Non-Executive Directors. In addition, a Trade Union representative has right of attendance at Board meetings.

During the year Rob Woodward, who had expertly chaired the Met Office for over six years, retired from the role. I benefited hugely from his wide-ranging experience, his outstanding leadership and the personal support he gave me. We are pleased to welcome Simon Thompson, previously chair of Rio Tinto, as our new chair from 29 November 2024. He brings a wealth of experience from the finance, energy and natural resources sectors in executive and Non-Executive roles. Simon has completed an extensive induction programme and joined us just as we prepare a new five-year strategy.

Hunada Nouss also stepped down after serving two full terms as Chair of the Audit and Risk Assurance Committee (ARAC). Her insight and sound judgement in this role made a significant contribution to ensuring the Met Office’s assurance framework remained robust and fit for purpose. Lynn Mawdsley has been appointed as our new ARAC Chair. She has extensive financial and commercial expertise across a broad range of industry sectors, also currently serving as Chair of Audit and Risk for Ordnance Survey Limited.

### Met Office Board business

During 2024/25, the Met Office Board held six regular Board meetings. A summary of each Board meeting is published on the Met Office website.

The Board also held a dedicated strategy day and several follow-up sessions as part of the process to

refresh our 2019-2024 strategy. This has allowed the Directors - supported by an internal work stream and feedback from external stakeholders - to debate and help formulate the next phase of the Met Office’s strategy, setting our strategic priorities and objectives for the next five years. A paper with a final draft of the refreshed strategy was presented to the last Board meeting of the year; following Board endorsement and review by DSIT we will start to communicate and roll out our plans to deliver it. It maintains our clear purpose to help people make better decisions to stay safe and thrive by delivering the most trusted weather and climate intelligence in a radically changing world. It identifies three themes – being customer driven, delivering purposeful data and intelligence and working with agility and innovation – to focus on and help prioritise our objectives.

With the induction and transfer of responsibilities to our new Board and ARAC Chairs, we have held more Board meetings than in recent years at our headquarters and operational hub in Exeter. We remain keen to develop positive relationships with our key external stakeholders in government, our partners and our customers. The final Board meeting of the year was held at The Cabinet Office. During the year we have enjoyed Board sessions with:

- Vice Admiral Duncan Potts, Chair of PWSCG our largest customer
- Jean Innes, the Chief Executive of the Alan Turing Institute, with whom we have an AI collaboration
- Dr Dave Smith FIET FRAeS, the UK’s National Technology Adviser

The Board receive comprehensive management information in the form of dashboards and financial reports, allowing the Directors to monitor business performance effectively and objectively.

Regular reports at each meeting include:

- My Chief Executive’s report, covering key operational achievements and issues as well as updates on Key Performance Indicators and strategic progress
- A financial update and report from the Chief Financial Officer
- An update from our DSIT Sponsorship Team representative, ensuring we are informed about and aligned with government requirements and priorities

Other topics addressed on a quarterly, half-yearly or annual basis include:

- The progress of our supercomputer programme
- Reviews of the performance of our weather forecasting over the previous season
- A report from the Chief People Officer
- A report from the Chair of the Met Office Science Advisory Group alongside an update from the Chair of the Science Review Group
- Reports on cyber security, on health and safety, on equality, diversity and inclusion and on net zero and sustainability

In addition, a range of topics are tabled providing timely engagement and scrutiny of business cases and strategic initiatives. This year they included:

- Plans for data exploitation and to deliver reliable and accessible data to customers in the future
- The rapid advances in the field of artificial intelligence (AI) and our collaboration to develop AI for numerical weather prediction
- The future satellite programmes and approach to funding the European consortium EUMETSAT, as well as other objectives in the Met Office Space Roadmap

- The opportunities to develop our Climate Services and support the increasing interest in climate security
- A variety of business cases, including to continue and expand the international programmes we undertake on behalf of the Foreign, Commonwealth and Development Office

### Audit and Risk Assurance Committee (ARAC)

The Audit and Risk Assurance Committee supports the Board and Accounting Officer in assuring that the organisation’s risk management, control and governance systems are appropriately designed and effective. The ARAC met four times during the year, receiving reports from senior management, risk owners, Internal Audit and the Corporate Risk Manager. The Committee reviewed the nature and status of key corporate risks, along with details of mitigating actions being taken. Key risk areas were reviewed in detail to better understand the management of those risks, particularly organisational resilience, cyber and capacity and capability risks. The ARAC reviewed the work of external audit, which was delivered by the National Audit Office. The Internal Audit team reported their audit findings and assurance ratings, and progress of the implementation of management actions, to the Committee monthly and at each meeting. The Chair of ARAC reported to the Met Office Board after each meeting.

### Remuneration Committee (RemCom)

The role of the Remuneration Committee is to ensure that the Chief Executive’s and senior management remuneration arrangements are appropriate and based upon achieving stretching objectives. It also approves the corporate performance award scheme and provides advice on wider Met Office reward issues. The



Board and Committee attendance for the period 1 April 2024 to 31 March 2025<sup>1</sup>

Board or committee member	Dates served	Met Office Board	Audit and Risk Assurance Committee (ARAC)	Remuneration Committee (RemCom)	Security Issues Committee (SIC)
Total meetings during period		6	4	2	2
Non-Executive Directors					
Rob Woodward Chair	Until 30 Nov 2024	3/4	3/3	2/2	1/1
Simon Thompson Chair	From 29 Nov 2024	3/3	2/2	-	-
Adam Jackson DSIT Appointed Director		5/6	4/4	0/2	2/2
Professor Alan Thorpe		6/6	4/4	-	-
Hunada Nouss Chair of ARAC	Until 30 Sep 2024	3/3	2/2	2/2	1/1
Lynn Mawdsley Chair of ARAC	From 1 Oct 2024	3/3	2/2	-	1/1
Professor Jordan Giddings Chair of SIC		6/6	-	1/2	2/2
Anusha Shah		6/6	-	2/2	-
Catherine Bremner Chair of Remuneration Committee		6/6	-	2/2	2/2
Andy Samuel		6/6	4/4	2/2	-
Executive Directors					
Professor Penelope Endersby Chief Executive		6/6	4/4	2/2	2/2
Nick Jobling Chief Financial Officer		6/6	4/4	-	-
Professor Stephen Belcher Chief Science and Technology Officer		6/6	-	-	-
Tammy Lillie Chief People Officer		6/6	-	2/2	-
Simon Brown Services Director		5/6	-	-	-
Charlie Ewen Chief Data and Information Officer		6/6	-	-	-

1. The Met Office Board holds 6 regular Board meetings during a financial year. The final meeting for this year was held on 1 April 2025 and has been included in the data above.

2. Two dedicated Board strategy sessions were also held on 28 June 2024 and 30 January 2025.

3. Lisa Browne attended 5 out of 6 Board meetings as the Prospect Union Representative.

4. Rob Woodward, Simon Thompson, Adam Jackson, Penelope Endersby and Nick Jobling are not members of the Audit & Risk Assurance Committee (ARAC) but are regular attendees and are therefore included for completeness.

5. Penny Holt (Chief Financial Officer at the National Physical Laboratory) remained as a co-opted member of ARAC to continue the provision of additional financial expertise and attended 2 meetings.

6. The National Audit Office appointed agents are invited to attend ARAC meetings where applicable and have attended 4 of the 4 meetings.

7. Lindsay Jamieson attended the Board Meeting as the DSIT representative on behalf of Adam Jackson in July 2024.

8. There are 2 scheduled Remuneration Committee meetings a year. In addition, an extra meeting was held on 28 February 2025. Lindsay Jamieson attended both scheduled meetings as the DSIT representative.

9. Andy Samuel was invited to attend the Security Issues Committee meeting on 11 March 2025.

Committee had two regular meetings, to approve awards for 2023/24 and to set objectives for 2024/25. A further meeting took place to review the structure of the Executive prior to the launch of our refreshed strategy.

Security Issues Committee (SIC)

The Security Issues Committee met twice. It has oversight of those Met Office operations that operate at higher levels of security and help support government agencies with responsibility for national security, using Met Office expertise in weather and climate change to make a highly valued contribution to wider government. The Committee brings oversight and accountability to this work which has become increasingly important in the context of rising geopolitical tension and disruptive extreme weather events.

Evaluation of Board performance

The performance of the Met Office Board and the Audit and Risk Assurance Committee (ARAC) is evaluated each year. The timing of

the evaluation was deferred slightly while the new Board and ARAC Chairs stepped into position. It was decided not to conduct an external review on the normal three-year cycle; instead, we completed an internal assessment with a focussed set of question to take stock after the changes in Board membership. The evaluation confirmed that Simon Thompson has taken on a Board that is working effectively and continues to demonstrate positive boardroom dynamics and engage constructively with the Met Office Management team. Both the Board and ARAC reviews expressed confidence there remained effective oversight of the organisation’s financial position, risk management and assurance framework. The importance of strategic debate had been highlighted in previous reviews and the Board was pleased with their engagement with the development of the new Met Office strategy. There was a desire to ensure that Board debate continued to focus on key strategic issues, including the associated risks and opportunities at a time of heightened geopolitical tension and rapid technological change. Also flagged was the ongoing need for Board and ARAC training as well as

succession planning that was alert to the breadth of skills and experience of Board members.

Reviews of the Executive Board and its Committees are also conducted each year to assess their performance and effectiveness. Feedback is collated and actions for improvement identified.

Conflicts of interest

The Met Office maintains a public Register of Interests that details company directorships and other significant interests held by Board members which may conflict with their responsibilities. The register has been reviewed at every Met Office Board meeting. Where appropriate, conflicts of interest were declared during 2024/25 and, if there was any perceived conflict, the member in question was excluded from the relevant conversation and any decisions made on that subject. The register of significant interests is available to view on the Met Office’s website. [www.metoffice.gov.uk/about-us/governance/non-executive-directors/conflicts-of-interest](https://www.metoffice.gov.uk/about-us/governance/non-executive-directors/conflicts-of-interest).





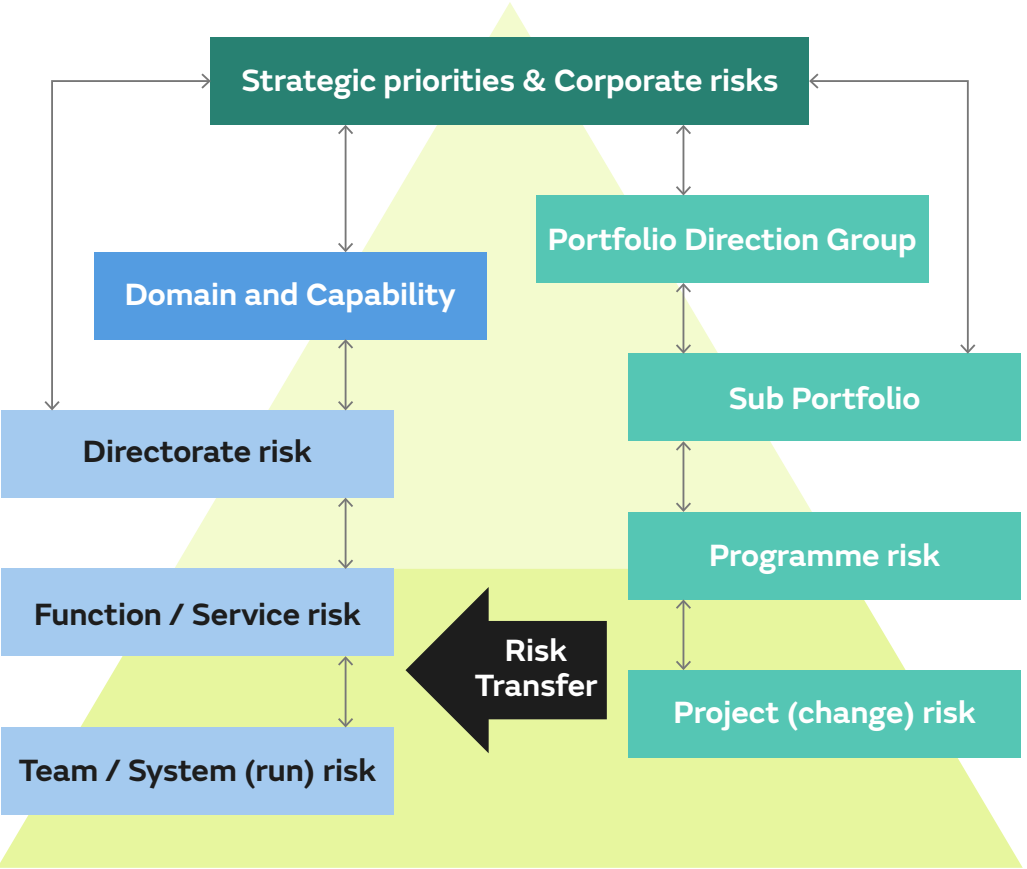
Risk management

We manage risks in order to facilitate the achievement of our strategic priorities, at all levels and across all areas of our change portfolio and business as usual activity. We have adopted an integrated risk management model, closely aligned to our organisational structure, to manage risks at the most appropriate level of ownership and oversight.

Our Integrated Risk Management Model

The delivery of the Met Office’s largest programme, the new supercomputer contract with Microsoft UK, remains critical to our strategic and operational effectiveness. The impact of delays to this programme has been reflected in the risks relating to delivery, benefits realisation, business continuity and Next Generation Modelling System,

and there have been timely mitigation responses on each of these elements. We continued to work with Microsoft to achieve operational readiness and with HPE-Cray to ensure the resilience of the existing machine. As we approached live implementation, it was pleasing to receive a delivery confidence rating of “green” from an independent Infrastructure and Projects Authority (IPA) Gate 4 review for service readiness.



Our Enterprise Risk Management policy applies a four lines of assurance approach to the governance of risk, placing 1st and 2nd line risk control and assurance, at the heart of the integrated model.

Risk management lines of assurance

Ownership 1st Line: Identifying, assessing and responding to risks	Oversight and challenge 2nd Line: Oversight of corporate and aggregated risk reporting and assurance assessments.	Assurance (internal) 3rd Line	Assurance (external) 4th Line
Executive and Senior Leadership teams, Programme and Project Boards.	Executive Board (reporting assurances to Met Office Board and ARAC stakeholders) and Executive Sub Committees	Internal audit	External assessors

Compliance with the Orange Book

We have assessed our risk management approach against the government’s Orange Book Management of Risk principles, <https://www.gov.uk/government/publications/orange-book>, using the published assurance tool. In doing so, we can confirm areas where risk management practice is assessed as being at a good level of maturity and working well:

- We have a complete and unified suite of risk management policy and processes that encompass our risk management approach, a standard methodology, guidance and practical training accessible to all our people with risk management responsibilities.
- We understand well the nature and extent of our principal risks. Our process for managing, reporting and monitoring these risks is thorough, risk owner led and includes risk deep dives.
- The Executive collectively consider our strategic and corporate risk landscape and risk experience, identifying new and emerging risks, critical risk themes across government and trends that influence how we respond to changes in our risk exposure.
- We have defined thirteen primary risk categories, each of which has a defined risk appetite statement. These risk appetite statements provide consistent guidance for decision-making throughout the Met Office, supporting a positive risk aware culture.
- The delivery of the Met Office’s largest programme, implementation and deployment of the new supercomputer, faced significant delays with associated risks relating to delivery, benefits realisation and business continuity. Risks have been actively managed

in partnership with Microsoft and the programme benefits remain within approval tolerances.

There are areas where our risk maturity is either developing or variable and require more attention to be properly effective. In particular, the management of operational risk when ownership is embedded in directorates and cross cutting functional services. Priority actions started this year, in response to internal audit findings, and to be taken forward next year are:

- Governance and leadership: Continuing to implement the governance requirements and roles and responsibilities set out in the Enterprise Risk Management Policy. Providing senior leaders, risk owners and functional leads with greater visibility of corporate and directorate risk information to support them with risk control and assurance responsibilities.
  - Risk culture and behaviours: Increasing levels of engagement with all our people who have risk management responsibilities through regular risk Special Interest Group forums and topic-based discussions. A future capability led review of our risk management training offer.
- Where we have lower levels of maturity and need to enhance compliance with Orange Book principles, we are acting in three key improvements areas over the next 12 months:
- Integration and collaboration: Using risk information in decision making and assurance processes at Board and Committee level. Including processes for risk assessment in operational demand management decisions, investment options appraisals, business planning and performance management.
  - Risk information and reporting: The development of aggregated and disaggregated risk reporting tools

to present a complete top-down Met Office risk profile with clear links to our strategic priorities.

- Lines of assurance: Using the Orange Book Risk and Control Framework to assist with mapping key control assurances to our principal risks. In doing so, understanding better our current risk management capability against our risk management improvement roadmap and assurance needs.

Other control and governance structures

Functional Standards

Actions delivered during the year have improved compliance with the Functional Standards issued by the Cabinet Office. However, enhanced requirements in revised versions of the Standards have created new areas for compliance which are the focus of plans currently being delivered.

Information/cyber security

The Met Office recognises cyber security as our highest corporate risk, owing to the rapidly escalating threat landscape, the scale, complexity and criticality of our information systems and the challenges of recruiting and retaining sufficient skilled personnel within the constraints of government pay scales – even for contractors. We have initiated a further programme of cyber improvements with investment of £4.3 million.

Our efforts are concentrated on maintaining robust cyber hygiene through timely patching, perimeter fortification and securing end-user devices. We are also committed to expanding our cyber workforce and enhancing their skills. Although we have not experienced any significant cyber or personal data breaches this year, we remain dedicated to continuous improvement.



Our Chief Information Security Officer (CISO), who reports to the Chief Data and Information Officer, is responsible for overseeing security architecture, cyber governance risk and compliance, security testing and security operations. The Security and Resilience Management Group (SRMG) meets monthly to provide comprehensive governance and oversight of cyber security, physical security, business continuity, information management and personnel security. This group reports to the Compliance and Resilience Committee.

The Met Office is committed to supporting the broader government cyber strategy through key initiatives such as GovAssure and Secure by Design and is dedicated to delivering improvement plans that enhance our alignment and resilience to cyber-attack.

**Research ethics and integrity**

As recommended by the Government Chief Scientific Advisor, the Met Office adheres to the UK Concordat to Support Research Integrity and our annual statement of compliance is published on our website. This promotes best practice and the highest standards of research, ensuring the Met Office retains the trust of the public, the partners we collaborate with and other key stakeholders. We have increased the focus on research ethics and integrity this year – and also on research security – in a period when we have seen heightened geopolitical tensions. We have seen increasing levels of misinformation and potential challenge to our use of data and independent scientific research. Therefore, we have strengthened our work in this area and will launch an updated Research Integrity Policy so we can demonstrate the integrity, rigour and transparency of our work, while ensuring it is conducted ethically and with due respect to ownership of intellectual property.

**Counter fraud**

We have used the Cabinet Office ‘Government Functional Standard GovS 013: Counter Fraud Annual Assurance Checklist’ to evidence our full compliance with the mandatory elements of the standard. We continue to strive to improve proportionately our counter fraud measures and to remain compliant with all mandatory requirements.

All staff can now access improved counter fraud and anti-bribery training on the Government Campus website. New joiners will receive this as part of their induction training, and current staff are encouraged to refresh their knowledge regularly.

Additionally, we have published more 'Be a Met Office Fraud Fighter' news items on our Intranet, including content related to International Fraud Awareness Week 2024.

**Quality Management Systems**

To ensure the provision of robust and reliable services to our customers, the Met Office implements a Quality Management System (QMS) in line with international standard (ISO9001). The QMS is subject to surveillance assessments by external auditors Lloyd’s Register Quality Assurance (LRQA) every six months and a full re-certification assessment every three years. A full recertification took place in July 2023. Our most recent surveillance audit was March 2025 with only one minor non-conformity identified.

**Business-critical models**

The Met Office follows the HM Treasury Aqua Book: Guidance on Producing Quality Analysis for Government. Quality Assurance is a fundamental part of our development processes for all our business-critical models (for example, the Unified Model and its supporting applications delivering outputs to weather and climate science and services).

During 2025 we will deploy our business-critical workflows onto a new supercomputer with objective validation and verification processes already in place to ensure a smooth transition and the necessary assurance to support a go live decision. Work is ongoing to redevelop our weather and climate prediction systems to enable us to exploit future generations of supercomputer. This work will be implemented in phases, commencing soon after adopting our new supercomputer and spanning several years.

Quality analysis/assurance is at the heart of what we do. Throughout all development, from test driven development of new codes to validation of the modelling system outputs, we ensure our models and codes are effective, efficient and safe to deploy, to preserve operational resilience. Our ‘Parallel Suite’ process maintains a secure segregated development process, between our research and development and operational activities.

**Governance of data, knowledge and information assets**

Governance and policy making for data, information and knowledge assets is managed under delegated authority from the Executive Board by the Chief Data and Information Officer (CDIO) who is also the Senior Information Risk Owner (SIRO). The CDIO is also the Executive Lead for Data, with overall accountability for the organisation’s data and information assets, including its environmental data.

The Heads of Knowledge and Information Management (KIM) and of Data have responsibility for setting the direction, defining principles and implementing policies and processes in relation to knowledge, information and environmental data management. These roles support the Information Asset Owners (IAOs) who collectively have accountability to ensure data

and information across all domains is fit for purpose, and used, shared and managed in accordance with its risk and criticality to the delivery of Met Office business objectives. Information Asset Guardians (IAGs) provide subject matter expertise and support the IAOs in discharging their responsibilities..

**Monitoring governance performance and effectiveness**

**Head of Internal Audit’s annual opinion**

The Head of Internal Audit has given Moderate Assurance over the adequacy and effectiveness of the Met Office’s systems of governance, risk management and internal control. The moderate assurance rating is stronger than the prior year, following a decrease in low assurance rated audit reports and a significant decrease in higher tariff findings, impacting upon governance, risk management and internal control. Management Actions are in place to address issues found, which are tracked by the internal audit team.

The opinion is based upon all the internal audit work performed (assurance and advisory), engagement with other assurance providers such as the National Audit Office (NAO) and KPMG, Lloyd’s Register Quality Assurance (LRQA) reviews of International Organisation for Standardisation (ISO) compliance, information from the Executive Board and supporting Committees, the Corporate Risk Manager and staff in general. The opinion considers new findings as well as action taken by Management over the last year to address issues.

The Directors’ annual statements, which provide director personal assurances on the operation of controls

in their areas of responsibility, continue to evolve and align to the Risk and Control framework, which forms part of the Orange Book. The Directors’ questionnaires create a clear line of sight between Accounting Officer responsibilities, set out in multiple handbooks, and individual Director accountabilities.

Annual Functional Standard assessments have been rolled into the usual governance mechanisms for the Met Office and good progress has been made in ensuring compliance.

Internal audit assessed the systems of governance, risk and control through a planned programme of assurance generating work throughout the year. All audits are risk based and the annual opinion draws attention to themes arising from the results. This year’s theme relates to risk management.

**Accounting Officer review**

I have based my opinion of our system of governance, risk management and internal control on a number of lines of evidence. These include the Internal Audit annual opinion, findings of external audits including the National Audit Office and LRQA ISO9001 and ISO14001 surveillance audits during the year, Directors’ annual assurance statements, the view of our Audit and Risk Assurance Committee and routine monitoring of performance and control systems through our Executive Board’s oversight of Directorate and Corporate KPIs.

I agree with the Head of Internal Audit’s opinion that we have moderate control overall and I am pleased to see an improved rating from last year. There are actions underway to address all improvement areas raised, most especially our risk management processes.

**Significant governance and control issues**

No governance or internal control issues have been identified during the year that are considered to be material in relation to the Met Office’s overall governance framework. Specific opportunities for improvement identified as part of the assurance processes detailed above have been addressed or are included in action plans for the relevant manager.

**Accounting Officer’s conclusion**

Taking into consideration all of the evidence provided with regards to the production of the Annual Governance Statement, I conclude that the organisation’s overall governance, risk management and internal control structures are effective.

**Professor Penelope Endersby**  
Chief Executive  
10 July 2025

# Remuneration and staff report

## Remuneration report

### Remuneration policy

The remuneration of those who serve on the Met Office Board is disclosed within this report.

The following Executive members of the Met Office Board were members of the Senior Civil Service:

- **Professor Penelope Endersby, Chief Executive**
- **Nick Jobling, Chief Financial Officer**

- **Professor Stephen Belcher, Chief of Science and Technology**
- **Simon Brown, Services Director**
- **Charlie Ewen, Directory of Technology**
- **Tammy Lillie, Chief People Officer**

The Constitutional Reform and Governance Act 2010 requires civil service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made

otherwise. Unless otherwise stated, the officials covered by this report hold appointments which are open ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. Further information about the work of the Civil Service Commissioners can be found at <http://civilservicecommission.independent.gov.uk>.

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind and severance payments. It does not include employer pension contributions and the Cash Equivalent Transfer Value (CETV) of pensions.

## Remuneration (audited)

2024/25						2023/24					
	Salary	Other taxable allowances	Performance - related pay	Pension benefits <sup>1</sup>	Total	Salary	Other taxable allowances	Performance - related pay	Pension benefits <sup>1</sup>	Total	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Penny Endersby	145-150	0-5	20-25	106	275-280	135-140	-	10-15	45	195-200	
Nick Jobling	125-130	-	15-20	86	225-230	115-120	5-10	10-15	60	190-195	
Stephen Belcher	155-160	-	15-20	56	225-230	145-150	-	10-15	58	215-220	
Tammy Lillie	105-110	-	10-15	42	160-165	100-105	-	10-15	40	155-160	
Simon Brown	105-110	-	15-20	42	170-175	100-105	-	10-15	40	150-155	
Charlie Ewen	120-125	-	15-20	47	180-185	110-115	5-10	10-15	43	170-175	

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

2. P Endersby's performance related pay is set under Senior Civil Service arrangements. Amounts reported in 2023/24 were earned in 2022/23 and paid in 2023/24.

Salary includes gross salary, overtime, non-consolidated pay, recruitment and retention allowances. Performance-related payments reflect performance levels attained as assessed during the appraisal process. Payments are non-consolidated and

non-pensionable and represent part of Executive remuneration, which is at risk and must be re-earned each year. Amounts shown opposite relate to the performance attained in the relevant year and are paid in the following year.

### Fair pay disclosures (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

	2024/25	2023/24
25 <sup>th</sup> percentile pay ratio	4.6	4.3
Median pay ratio	3.7	3.6
75 <sup>th</sup> percentile pay ratio	3.0	3.0

	2024/25		2023/24	
	Total remuneration	Salary and allowances excluding performance related pay	Total remuneration	Salary and allowances excluding performance related pay
	£'000	£'000	£'000	£'000
Highest paid Director (banded)	170-175	155-160	160-165	145-150
75 <sup>th</sup> percentile employee	57	54	54	52
Median employee	46	43	43	43
25 <sup>th</sup> percentile employee	37	35	38	35

2024/25		Highest paid director (banded)	Average for other employees
2024/25			
Salary and allowances (£'000)		155-160	44
% change		6.8%	2.2%
Performance related pay (£'000)		15-20	3
% change		40.0%	0.1%
2023/24			
Salary and allowances (£'000)		145-150	43
Performance related pay (£'000)		10-15	3

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. The above disclosures do not take account of amounts paid to contractors as it is not possible to distinguish the amount received by individuals from the cost to the Met Office. The annualised costs of some contractors exceed the amount paid to the highest paid director above. This includes contractors who were also Directors and their cost to the Met Office has been disclosed elsewhere in the remuneration report.

No employees received remuneration in excess of the highest-paid director in either 2024/25 or 2023/24. The lowest staff remuneration in 2024/25 was £22,000 (2023/24: £17,000).



	Accrued pension at pension age as at 31 March 2025 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2025	CETV at 31 March 2024	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Penelope Endersby	65 - 70 plus a lump sum of 170 - 175	5 - 7.5 plus a lump sum of 5 - 7.5	1,546	1,391	92
Nick Jobling	45-50	2.5-5	1,016	911	79
Stephen Belcher	45-50	2.5-5	798	688	43
Tammy Lillie	10-15	0-2.5	172	126	27
Simon Brown	10-15	0-2.5	146	106	23
Charlie Ewen	35-40	2.5-5	685	590	36

Civil service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member’s State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65. These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under

classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015.

Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into alpha sometime between 1 June 2015 and 1 February 2022.

Because the government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below).

All members who switch to alpha have their PCSPS benefits ‘banked’, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate.

Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member’s earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the

accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate in 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member).

The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer’s basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement). The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha.

(The pension figures quoted for officials show pension earned in PCSPS or alpha –as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk).

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member’s accrued benefits and any contingent spouse’s pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The real increase in CETV, reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Staff report

Staff numbers as at 31 March 2025 (audited - totals only)

	Full time equivalents			
	Male	Female	31 March 2025	31 March 2024
Directors	7	3	10	10
Other permanent staff	1,394	953	2,347	2,242
Met Office employees total	1,401	956	2,357	2,252
Temporary/agency staff			116	79
Total			2,473	2,331

Staff costs (audited)

	2024/25	2023/24
	£ '000	£ '000
Salaries, performance-related pay and allowances	113,212	105,515
Social security	13,576	11,744
Pension contributions	28,860	24,946
Early retirement and exit costs	530	151
Temporary/agency labour costs	13,745	10,998
Total staff costs	169,923	153,354

Sickness and absence data

In 2024/25 the average working days lost per person was 5.1 (2023/24 5.9 days).

Consultancy expenditure

In 2024/25 the Met Office had expenditure of £257,000 (2023/24 - £nil).

Staff turnover

In 2024/25 the Met Office had a staff turnover rate of 6.2%. Staff turnover is calculated as the number of leavers within the financial year divided by the average of staff in post during the financial year.

Off-payroll engagements

No of existing engagements as of 31 March 2025, for more than £245 per day and that last for longer than six months.	69
Of which...	
Number that have existed for less than one year at time of reporting.	27
Number that have existed for between one and two years at time of reporting.	18
Number that have existed for between two and three years at time of reporting.	22
Number that have existed for between three and four years at time of reporting.	1
Number that have existed for four or more years at time of reporting.	1
New off-payroll engagements, or those that reached six months in duration, between 1 April 2024 and 31 March 2025, for more than £245 per day and that last for longer than six months.	37
Of which...	
Number assessed as in scope of IR35.	37
Number assessed as out of scope of IR35.	-
Number engaged directly (via Personal Service Companies contracted to DSIT) and are on the Met Office payroll.	-
Number of engagements reassessed for consistency/assurance purposes during the year.	n/a
Number of engagements that saw a change to IR35 status following the consistency review.	n/a
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025.	-
Total number of individuals on payroll and off-payroll that have been deemed 'board members, and/or, senior officials with significant financial responsibility', during the financial year.	10



Fees paid to Non-Executive directors (audited)

2024/25		2023/24
£'000		£'000
Rob Woodward (Until 30 November 2024)	20-25 (35-40 full year equivalent)	35-40
Simon Thompson (From 29 November 2024)	10-15 (35-40 full year equivalent)	-
Hunada Nouss (Until 30 September 2024)	5-10 (15-20 full year equivalent)	15-20
Lynn Mawdsley	10-15 (25-30 full year equivalent)	-
Catherine Quinn (Until 4 July 2023)	-	10-15 (15-20 full year equivalent)
Professor Alan Thorpe	15-20	15-20
Professor Jordan Giddings	15-20	15-20
Christine Ourmières-Widener	-	0-5 (15-20 full year equivalent)
Anusha Shah	15-20	15-20
Catherine Bremner	15-20	10-15 (15-20 full year equivalent)
Andy Samuel	15-20	10-15 (15-20 full year equivalent)

Exit packages (audited)

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
£0 - £10,000	0	0	0	0	0	0
£10,000 - £25,000	0	0	0	1	0	1
£25,000 - £50,000	0	0	2	1	2	1
£50,000 - £100,000	0	0	4	1	4	2
£100,000 - £150,000	0	0	0	0	0	0
£150,000 - £200,000	0	0	0	0	0	0
Total number of exit packages by type	0	0	6	3	6	4
Total cost £'000	0	0	311	129	311	129

# Parliamentary accountability and audit report

Remote contingent liabilities (audited)

The Met Office owns a 5% share of Mercator Ocean at a cost of €100,000. Mercator Ocean is the coordinating entity for Copernicus Marine Services, in which the Met Office participates.


The organisation is a ‘société civile’ (a not-for-profit organisation) under French law, meaning it has unlimited liability. As a shareholder the Met Office is exposed to liability risk in proportion to the shareholding. The organisation protects its shareholders through contractual mechanisms and through insurance. Also, any residual claim would first be met from the assets of the organisation. Any contingent liability is considered to be extremely remote. In addition, any contingent liability will cease to exist should the Met Office dispose of the shares, which it is able to do with six months notice.

Gifts, losses and special payments

During 2024/25 the Met Office made no reportable gifts and incurred no reportable losses.

Functional Standards

Actions delivered during the year have improved compliance with the Functional Standards issued by the Cabinet Office. However, enhanced requirements in revised versions of the Standards have created new areas for compliance which are the focus of plans currently being delivered.



Professor Penelope Endersby  
Chief Executive  
10 July 2025

# The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

## Opinion on financial statements

I certify that I have audited the financial statements of the Met Office for the year ended 31 March 2025 under the Government Trading Funds Act 1973.

The financial statements comprise the Met Office’s:

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Taxpayers’ Equity for the year then ended; and
- the related notes including the significant accounting policies.

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

In my opinion, the financial statements:

- give a true and fair view of the state of the Met Office’s affairs as at 31 March 2025 and its retained profit for the year then ended; and
- have been properly prepared in accordance with the Government Trading Funds Act 1973 and HM Treasury directions issued thereunder.

## Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial

transactions recorded in the financial statements conform to the authorities which govern them.

## Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council’s Revised Ethical Standard 2019. I am independent of the Met Office in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

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

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Met Office’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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

## Other information

The other information comprises information included in the Performance Report and the Accountability Report but does not include the financial statements and my auditor’s certificate and report thereon. The Accounting Officer is responsible for the other information.

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

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

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Trading Funds Act 1973.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Government Trading Funds Act 1973;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## Matters on which I report by exception

In the light of the knowledge and understanding of the Met Office and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

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

- adequate accounting records have not been kept by the Met Office or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury’s Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or

- the Governance Statement does not reflect compliance with HM Treasury’s guidance.

## Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of the Met Office and Accounting Officer’s Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Met Office from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view and are in accordance with HM Treasury directions issued under the Government Trading Funds Act 1973;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Trading Funds Act 1973; and
- assessing the Met Office’s ability to continue as a going concern,

disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Met Office will not continue to be provided in the future.

## Auditor’s responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Trading Funds Act 1973.

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

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

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

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

In identifying and assessing risks of material misstatement in respect



of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Met Office’s accounting policies;
- inquired of management, the Met Office’s head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Met Office’s policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Met Office’s controls relating to the Met Office’s compliance with the Government Trading Funds Act 1973, Managing Public Money and the Meteorological Office Trading Fund Order 1996.
- inquired of management, the Met Office’s head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations; and
  - they had knowledge of any actual, suspected, or alleged fraud.
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and

incentives that may exist within the Met Office for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Met Office’s framework of authority and other legal and regulatory frameworks in which the Met Office operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Met Office. The key laws and regulations I considered in this context included Government Trading Funds Act 1973, Managing Public Money, Meteorological Office Trading Fund Order 1996 and relevant employment law and tax legislation.

**Audit response to identified risk**

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

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on

estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

**Other auditor’s responsibilities**

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

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

**Report**

I have no observations to make on these financial statements.

**Gareth Davies**  
**Comptroller and Auditor General**  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP  
14 July 2025





# Accounts

## Statement of comprehensive income for the year ended 31 March 2025


		2024/25	2023/24
	Notes	£ '000	£ '000
Revenue	3	297,946	270,211
Operating costs	4	(284,001)	(257,018)
Operating profit		13,945	13,193
Finance income	5	2,400	1,702
Finance expense	6	(6,225)	(5,149)
Net finance expense		(3,825)	(3,447)
Profit for the financial year		10,120	9,746
Dividend payable to Department for Science, Innovation and Technology	12	(8,500)	(8,500)
Retained (loss) / profit for the year		1,620	1,246
Other comprehensive income / (expenditure):			
Net gain on revaluation of property, plant and equipment		3,302	3,282
Net gain on revaluation of intangible assets		42,574	905
Revaluation reserve realised on impairment of non-current assets		(17)	-
Net gain / (loss) on cash flow hedges	15	133	(2,823)
Other comprehensive income		45,992	1,364
Total comprehensive income for the year		47,612	2,610

The notes on pages 108-127 form part of these accounts.

## Statement of financial position as at 31 March 2025

		31 March 2025		31 March 2024	
	Notes	£ '000	£ '000	£ '000	£ '000
Non-current assets					
Property, plant and equipment	7		133,848		133,387
Intangible assets	8		477,881		404,842
Trade and other receivables	10		35,767		9,092
Derivative financial assets	15		34		-
Other financial assets	21		91		91
Total non-current assets			647,621		512,463
Current assets					
Inventories	9		1,218		1,624
Trade and other receivables	10		102,361		74,435
Derivative financial assets	15		26		0
Cash and cash equivalents	11		10,757		23,459
Total current assets			114,362		99,518
Total assets			761,983		646,932
Current liabilities					
Trade and other payables	12		(137,845)		(93,940)
Borrowings	14		(35,770)		(32,995)
Lease liabilities	19		(15)		(37)
Derivative financial liabilities	15		(1,872)		(1,535)
Provisions for liabilities and charges	16		(978)		(780)
Total current liabilities			(176,480)		(129,287)
Non-current assets plus net current assets			585,503		517,645
Non-current liabilities					
Trade and other payables	12		(46,482)		(14,397)
Borrowings	14		(188,073)		(199,828)
Lease liabilities	19		(2,219)		(2,022)
Derivative financial liabilities	15		(134)		(545)
Provisions for liabilities and charges	16		(2,082)		(1,953)
Total non-current liabilities			(238,991)		(218,744)
Assets less liabilities			346,511		298,901
Capital and reserves					
Public dividend capital			58,867		58,867
Revaluation reserve			100,767		60,316
General reserve			188,824		181,798
Hedging reserve			(1,947)		(2,080)
Total government funds			346,511		298,901

The notes on pages 108-127 form part of these accounts.

 Professor Penelope Endersby  
Chief Executive  
10 July 2025



Statement of cash flows for the year ended 31 March 2025

		2024/25	2023/24
Notes		£ '000	£ '000
<b>Cash flows from operating activities</b>			
Operating profit		13,945	13,193
Adjustments for non-cash transactions:			
Depreciation charges (net of capital grants)	4, 7	10,573	11,002
Loss / (gain) on property plant and equipment	4	82	69
Amortisation	4, 8	16,841	10,736
Deferred grants released		(55,191)	(46,868)
Operating grants received		100,218	52,701
Decrease / (increase) in inventories		405	(101)
(Increase) / decrease in trade and other receivables		(90,871)	(8,371)
(Decrease) / increase in trade and other payables		67,233	2,116
(Decrease) / increase in provisions for liabilities and charges		165	457
<b>Net cash inflow from operating activities</b>		<b>63,400</b>	<b>34,932</b>
<b>Cash flows from investing activities</b>			
Payments to acquire satellite data		(47,209)	(48,568)
Payments to acquire property, plant and equipment		(7,024)	(4,404)
Government grants received	13	-	-
Proceeds from sale of property, plant and equipment		-	39
Payments to acquire intangible assets (excluding satellite data)		(97)	(205)
Payments to acquire other financial assets		-	-
Interest received		2,400	1,702
<b>Net cash outflow from investing activities</b>		<b>(51,930)</b>	<b>(51,435)</b>
<b>Cash flows from financing activities</b>			
Dividends paid		(8,500)	(8,500)
Loan advance received		25,000	29,000
Loan repayments		(40,139)	(36,329)
Payments on IFRS 16 leases		(533)	(425)
<b>Net cash (outflow) / inflow from financing activities</b>		<b>(24,172)</b>	<b>(16,254)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>11</b>	<b>(12,702)</b>	<b>(32,757)</b>
<b>Cash and cash equivalents at 1 April</b>		<b>23,459</b>	<b>56,216</b>
<b>Cash and cash equivalents at 31 March</b>	<b>11</b>	<b>10,757</b>	<b>23,459</b>

The notes on pages 108-127 form part of these accounts.

Statement of changes in taxpayers' equity for the year ended 31 March 2025

		Public dividend capital	Revaluation reserve	General reserve	Hedging reserve	Total
Notes		£ '000	£ '000	£ '000	£ '000	£ '000
<b>Balance at 1 April 2023</b>						
		<b>58,867</b>	<b>47,453</b>	<b>189,228</b>	<b>743</b>	<b>296,290</b>
<b>Comprehensive income</b>						
Profit for the financial year		-	-	9,746	-	9,746
Dividend		-	-	(8,500)	-	(8,500)
<b>Retained profit for the year</b>		<b>-</b>	<b>-</b>	<b>1,246</b>	<b>-</b>	<b>1,246</b>
<b>Other comprehensive income</b>						
Movement on foreign currency cash flow hedge		-	-	-	(2,823)	(2,823)
Net gain on revaluation of satellite data	8	-	905	-	-	905
Net gain on revaluation of property, plant and equipment	7	-	3,282	-	-	3,282
Transfers between reserves		-	8,677	(8,677)	-	-
<b>Total other comprehensive income</b>		<b>-</b>	<b>12,864</b>	<b>(8,677)</b>	<b>(2,823)</b>	<b>1,364</b>
<b>Total comprehensive income for 2023/24</b>		<b>-</b>	<b>12,864</b>	<b>(7,431)</b>	<b>(2,823)</b>	<b>2,610</b>
<b>Balance at 31 March 2024</b>						
		<b>58,867</b>	<b>60,316</b>	<b>181,798</b>	<b>(2,080)</b>	<b>298,901</b>
<b>Comprehensive income</b>						
Profit for the financial year		-	-	10,120	-	10,120
Dividend		-	-	(8,500)	-	(8,500)
<b>Retained profit for the year</b>		<b>-</b>	<b>-</b>	<b>1,620</b>	<b>-</b>	<b>1,620</b>
<b>Other comprehensive income</b>						
Movement on foreign currency cash flow hedge		-	-	-	133	133
Net gain on revaluation of satellite data	8	-	42,574	-	-	42,574
Net gain on revaluation of property, plant and equipment	7	-	3,302	-	-	3,302
Released on impairment of property, plant and equipment	7	-	(17)	-	-	-
Transfers between reserves		-	(5,408)	5,408	-	-
<b>Total other comprehensive income/(expenditure)</b>		<b>-</b>	<b>40,451</b>	<b>5,408</b>	<b>133</b>	<b>45,991</b>
<b>Total comprehensive income/(expenditure) for 2024/25</b>		<b>47,610</b>	<b>40,451</b>	<b>7,026</b>	<b>133</b>	<b>47,610</b>
<b>Balance at 31 March 2025</b>		<b>58,867</b>	<b>100,767</b>	<b>188,824</b>	<b>(1,947)</b>	<b>346,511</b>

A description of the nature and purpose of each reserve is provided in Note 1.

The notes on pages 108-127 form part of these accounts.

Notes to the accounts

01 Accounting policies

Basis of preparation

These financial statements have been prepared on a going concern basis and in compliance with an Accounts Direction dated 10 January 2025 and in accordance with Section 4(6) (a) of the Government Trading Funds Act 1973. These statements also comply with the principles laid out in the 2024/25 Government Financial Reporting Manual (FReM) issued by HM Treasury, including additional guidance on the treatment of capital grants issued to the Met Office on the 20 February 2015.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Met Office for the purpose of giving a true and fair view has been selected.

The particular policies adopted by the Met Office are described below.

They have been applied consistently in dealing with items that are considered material to the accounts.

The accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

Accounting developments and changes IFRSs, amendments and interpretations in issue but not yet effective or adopted

There are a number of IFRSs, amendments and interpretations that have been issued by the International Accounting Standards Board that are effective for financial statements after this reporting period. The Met Office has not adopted any of these revised standards early and none are anticipated to have a future material impact on the financial statements of the Met Office.

Critical accounting policies and key judgements

Revenue from contracts with customers

Revenue comprises the accrued value of services (net of VAT) supplied to the private sector, government departments and the wider public sector.

Most Met Office revenue is recognised against performance obligations delivered over time. These obligations are either simultaneously received and consumed by customers (e.g. forecast services or data sales), or are specialised, with no alternative use and an enforceable right to income for work performed to date (e.g. research).

A smaller number of performance obligations are recognised at a point in time where appropriate (e.g. training). Revenue for these obligations is recognised on completion of the service.

Revenue is either recognised on a cost-plus basis or based on the proportion of total services to be provided where the price is fixed.

Where payments received from customers are greater than the revenue recognised under the contract, the amount in excess of the revenue recognised is treated as a contract liability and included within trade and other payables. Where revenue is recognised as contract activity progresses and subject to the contractual arrangements, revenue is accrued. To the extent that the revenue is in advance of an invoice being raised, the amount is shown as a contract asset within trade and other receivables.

Other revenue

The Met Office receives revenue from funders where an agreement does not meet the requirements of IFRS 15 to be classified as revenue from contracts with customers. The agreements provide for funding to be given where agreed criteria are met or services performed. However, they do not contain an enforceable right for these services and so cannot be considered performance obligations.

Revenue for these agreements is recognised as the agreed criteria are met or services performed. The amount of funding is fixed and so revenue is recognised based on the proportion of criteria/services which have been met.

Supercomputing services

In September 2021 the Met Office signed a ten-year agreement with Microsoft for the provision of supercomputing services. This has been judged to be a service contract and no lease or intangible asset has been identified. Milestone payments due under the contract are prepaid and released over the contract term. Periodic service charges are expensed as incurred.

Valuation of property, plant and equipment (note 7)

All property, plant and equipment are carried at fair value. In arriving at fair value a number of methods are used dependent on the nature of the asset.

Freehold land and buildings

Freehold land and buildings in continuing use are revalued by qualified valuers every five years, in accordance with the Practice Statements and Guidance Notes set out in the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors.

Valuations are based on fair values for existing use from market-based evidence, except where the asset is considered specialised. These are assets where due to their location and/ or specification, market-based evidence is either not available or does not reflect the full characteristics of the asset.

Specialised assets are valued on the basis of depreciated replacement cost.

The quinquennial valuations are supplemented by a ‘desk based’ review carried out by a qualified valuer for the Exeter headquarters building and Science Park properties and for other assets by annual indexation using appropriate price indices.

Assets classed as Information Technology use historical cost as a proxy for fair value due to the shorter lives of these assets.

Depreciation on revaluation

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

EUMETSAT satellite data (note 8)

The UK is a member of a member of the European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT) and the Met Office, as the UK National Meteorological Service, has the right to receive all EUMETSAT data, products and services to fulfil its official duty. The Met Office uses the data to generate its weather forecasts and climate predictions used to deliver services to its customers.

The Met Office makes contributions to satellite programmes operated by EUMETSAT. This share is determined by the UK’s Gross National Income (GNI) compared to other member states. Each programme consists of multiple identical satellites over the life of the programme. These contributions are capitalised as intangible assets as a right to access and utilise data generated by the programme over its useful life.



Satellite programme life cycle and treatment of contributions

Programme stage	Activity	Treatment of contributions
Research	Scoping and design.	Expensed.
Development and construction	Development, construction, launch and commissioning of first satellite in programme.	Capitalised as intangible assets in the course of construction.
Operational	Becomes primary programme. Data received from first satellite. Remaining satellites in programme constructed, launched and commissioned.	Reclassified as satellite data assets and amortised. Additional contributions capitalised.
Post-operational	No longer primary programme. Data continues to be received as satellites maintained as ‘hot-spares’ or repurposed until final decommissioning.	Expensed.

Treatment of contributions to satellite programmes generating operational data

Contributions are treated differently at each stage of a programme’s lifecycle (above).

Valuation

Intangible assets in the course of construction are valued at historic cost. Progress reports provided by EUMETSAT are used to identify any impairments and ensure that the programmes are still viable.

Once a programme becomes operational, it is revalued annually at the lower of depreciated replacement cost (DRC) and value in use. Both Polar Satellite (EPS) Data and Meteosat Third Generation (MTG) Data are valued at Value in Use.

The value in use calculation measures the expected future cashflows generated from the use of EUMETSAT satellite data and discounts this at an appropriate rate to determine a value that will be generated from the use of the data.

Calculation of Value in Use is sensitive to the discount rate used, particularly as assessments made in the early operational life of programmes cover up to 20 years of cashflows. The rate used for MTG data is based on discount rate provided by HM Treasury on 3 December 2024 for discounting long-term liabilities. This provides different rates for the short,

medium and long-term cash flows being assessed and reflects remaining risks in the MTG programme for future satellite launches. This reflects the more mature nature of this programme, where all satellites have been launched and are operational. The shorter remaining life of this programme also means that a single rate for all cashflows is judged as more appropriate. A change in the discount rates used of 1% would change the valuation of the MTG asset by £5.4m.

From 1 April 2025, following a change to the Financial Reporting Manual, all intangible assets will cease being measured using the revaluation model and will instead be measured at historic cost. The carrying values at the transition date will be considered historical cost.

Amortisation

EUMETSAT satellite data assets are amortised using the straight-line method to allocate the costs of the programmes over their estimated useful lives. The amortisation charged in a period is calculated as the net book value of contributions made to date, plus the estimated amount of contributions over the remainder of the programme’s operational life divided by the number of years remaining in the programme’s operational life. This method reflects the principle that the economic benefit of satellite data remains constant between individual satellites and over the programme’s life.

Judgements and uncertainty in estimating future contributions

The value of contributions by the UK is determined by the UK’s GNI relative to other member states. The share is fixed for three year periods based on an average GNI in the previous three years.

As contributions are paid in Euros, the value of future payments is also sensitive to future changes in exchange rates. Where contributions are hedged, the sterling contract value is used. For unhedged commitments a single planning rate is used. This rate is reviewed at least annually.

Judgements and uncertainty in estimating useful life

The useful lives of operational satellite programmes are initially based on design lifetimes specified by EUMETSAT. On successful launch of the final satellite in a programme, the useful life of the programme is reviewed and adjusted based on:

- actual lifetime of previous satellites in the programme,
- any issues experienced with existing satellites in a programme,
- expected operational dates for satellites in any successor programme.

Actual useful lives have historically exceeded design lifetimes and programmes have continued to produce data beyond the point where a successor programme has

Current and successor programmes and their life/planning assumptions

Programme	METEOSAT (Geostationary)	EUMETSAT Polar System
Current primary programme	Third Generation (MTG)	First Generation (EPS)
Remaining life at 31 March 2024	N/A	1.75 years
Remaining life at 31 March 2025	19.67 years	1.75 years
Successor programme	Non approved	Second Generation (EPSSG)
Planned to be operational	N/A	Q2 2026/27

become operational. The useful life of a programme is therefore usually extended to match the expected operational date of its successor programme.

The lifetime is reviewed at least annually as planning assumptions for successor programmes are updated. These planning assumptions are subject to a high degree of uncertainty as the design and construction of the first satellite in the programme carries a high degree of risk.

De-recognition of satellite data assets

Once a programme has been replaced by its successor, its satellites may continue to generate useful data for open ended period. Individual satellites may be used as ‘hot-spares’ and provide backup to the new primary programme or may be repurposed to provide additional data.

Whilst a programme continues to generate data a programme asset is retained in the statement of financial position at a nil net book value. An asset is only de-recognised when the final satellite in that programme has been decommissioned.

Computer software and software licences

Assets classed as computer software or software licences use historical cost as a proxy for fair value due to the shorter lives of these assets.

Capital grants

Grant funded property, plant and equipment assets are capitalised at their fair value on receipt. Where the donor has imposed a condition on how the future economic benefits embodied in the grant are to be consumed, the grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met. This will usually result in the grant being deferred until the asset is completed and in active use.

The grant is then released to the income statement to match depreciation costs associated with the asset. Where no condition is imposed, the grant is recognised immediately in the income statement.

Grant-funded assets are otherwise accounted for in the same way as other property, plant and equipment.

Key accounting policies

Research and development

The Met Office receives funding for a variety of research and development activities. This funding is treated as revenue attributable to the relevant business programme. Externally funded research and development costs are recognised based on the stage of completion of the project. Related revenues are recognised on an equivalent basis and in accordance with the revenue recognition

policy outlined above. All research expenditure is charged to the income statement. Development expenditure is recognised in the income statement in the period in which it is incurred unless it is probable that economic benefits will flow to the Met Office from the asset being developed, the cost of the asset can be reliably measured and technical feasibility can be demonstrated. Where these criteria are met, it is capitalised as an intangible asset.

Retirement benefits

Met Office staff are covered by civil service pensions arrangements. These are unfunded multi-employer defined benefit schemes. However, since the Met Office is unable to identify its share of the underlying assets and liabilities they are accounted for as defined contribution schemes.

Contributions are paid at rates determined from time to time by the scheme’s actuary. The Government Actuary’s Department conducted a full actuarial valuation as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)).

Full provision for early retirements is normally made in the year of retirement.

Property, plant and equipment

Recognition

Plant, equipment and information technology expenditure is capitalised where the useful life exceeds three years and the cost of acquisition and installation exceeds £10,000 (excluding VAT).

Depreciation

Freehold land and assets in the course of construction are not depreciated.

Depreciation on other assets is calculated to write off the cost, or value, by equal instalments over the asset’s estimated useful life. The lives assigned to the principal categories of assets are as follows:

Plant and equipment  
3-30 years

Information technology  
2-12 years

Intangible assets

Computer software and licences

Where computer software forms an integral part of any hardware equipment (e.g. an operating system) this is capitalised under the hardware asset as a tangible asset.

Computer software and licences are capitalised where the useful life exceeds three years and the cost of acquisition and installation exceeds £10,000 (excluding VAT).

Amortisation is calculated using the straight-line method to allocate the cost of software and licences over their estimated useful lives of three to five years.

Leases

The option under IFRS 16 to reassess whether a contract is, or contains, a lease at the date of initial application has not been used.

The definition of a contract is expanded to include intra-UK government agreements where non-performance may not be enforceable by law. This includes, for example, Memorandum of Terms of Occupation (MOTO) agreements.

The Met Office has elected not to recognise right of use assets and lease liabilities for the following leases:

- intangible assets;
- non-lease components of contracts where applicable;
- low value assets (these are determined to be in line with capitalisation thresholds on Property, Plant and Equipment); and
- leases with a lease term of 12 months or less

Financial assets

Trade and other receivables

Financial assets within trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount or transaction price, and are subsequently carried at amortised cost adjusted for loss allowances for expected credit losses. Loss allowances are measured using lifetime expected credit losses under IFRS 9’s simplified model.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with banks and qualifying institutions, which are readily convertible to cash and are subject to insignificant risk of changes in value and have an original maturity of three months or less.

Cash also includes any surplus funds held by EUMETSAT that are attributable to the Met Office.

Other financial assets

The Met Office holds an interest in Mercator Ocean. Mercator Ocean is a not-for-profit entity and co-ordinates the Copernicus marine services, which provides free and open access to constantly updated information about the global ocean and the seas of the European region. The Met Office has a right to dispose of the interest at the same value as purchased. The interest is therefore held at amortised cost.

Financial liabilities

Trade and other payables

Financial liabilities within trade and other payables are initially recognised at fair value, which is usually the original invoiced amount, and subsequently carried at amortised cost.

Borrowings

Borrowings are recognised initially at the proceeds received. After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derivative financial instruments and hedge accounting

The Met Office uses derivative financial instruments such as foreign currency contracts to hedge the risks associated with changes in foreign exchange rates in relation to amounts payable to certain international bodies. The payments are in respect of annual subscriptions and contributions, including payments for satellite programmes.

The Met Office policy is to buy forward foreign currency for payments to international bodies as soon as amounts can be reliably estimated. The use of financial derivatives is governed by the Met Office’s hedging strategy, approved by the Met Office Executive Board, which provides written principles on the use of financial derivatives consistent with the Met Office’s risk management strategy. There is no trading activity in derivative financial instruments.

All the Met Office’s derivative financial instruments are designated as cash flow hedging instruments. At the start of a hedging transaction, the Met Office documents the relationship between the hedged item and the hedging instrument together with its risk management objective and the strategy underlying the proposed transaction.

The Met Office also documents its assessment, both at the start of the hedging relationship and on an ongoing basis, of the effectiveness of the hedge in offsetting movements in the cash flow of the hedged items.

To the extent that the hedge is effective, changes in the fair value of the hedging instrument arising from the hedged risk are recognised directly in other comprehensive income rather than in the income statement. The ineffective portions of any gain or loss on the hedging instrument are recognised in the income statement.

Derivative financial instruments are initially measured at fair value on the contract date and are remeasured to fair value at subsequent reporting dates.

Capital and reserves

Public dividend capital

Public dividend capital represents the capital invested by the Ministry of Defence in the Met Office on becoming a Trading Fund on 1 April 1996.

Following a machinery of government change during 2011/12, the public dividend capital held by the Ministry of Defence was transferred to the Department for Business, Innovation and Skills. In 2016 the Department for Business, Energy and Industrial Strategy was created from the Department for Business, Innovation and Skills and the Department of Energy and Climate Change.

Public Dividend Capital is not an equity instrument as defined in IAS 32 Financial Instruments: Presentation.

General reserve

The general reserve represents the cumulative retained net income (after dividends) since the Met Office became a Trading Fund.

Revaluation reserve

The revaluation reserve reflects the unrealised element of the cumulative balance of indexation and revaluation adjustments to assets. Increases arising on revaluation are taken to the revaluation reserve. A revaluation decrease is charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the income statement.

Hedging reserve

The hedging reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges.



02 Operating segments

The Met Office has no separate reportable business segments.

More than 80% of Met Office revenue is derived from UK sources. The Met Office Executive do not review the business on a geographical basis. A geographical analysis would not be necessary to aid users' understanding of these financial statements.

03 Revenue

A. Disaggregation of revenue from contracts with customers

	2024/25	2023/24
	£'000	£'000
Revenue from contracts with customers		
Citizen and Media	146,802	131,613
Defence	39,063	38,749
Energy and Environment	11,757	12,482
International	35,861	25,898
Transport	30,497	27,711
UK government	33,968	33,758
Total revenue from contracts with customers	297,947	270,211

All revenue relates to products and services transferred over time.

B. Assets and liabilities related to contracts with customers

	2024/25	2023/24
	£'000	£'000
Receivables included in trade receivables	62,903	26,861
Contract assets included in accrued income	19,704	19,306
Contract liabilities included in deferred income	83,825	19,603

Contract assets relate to amounts owed for work undertaken but for which no invoice has been raised at the reporting date. Contract assets are transferred to receivables when an invoice is raised.

Contract liabilities are amounts received in advance from customers. Revenue is recognised and amounts transferred as work against these contracts is completed.

Receivables balances increased due to an invoice for the Public Weather Service contract. This invoice is for services to be provided in 2025/26 and so has also been included in contract liabilities.

Contract liabilities also include other amounts deferred under the PWS contract including amounts associated with delays to satellite programmes becoming operational.

During the period £19,603,000 (2023/24: £10,419,000) of revenue was recognised that had been included in the contract liability at the start of the period.

C. Transaction price allocated to remaining performance obligations

The majority of Met Office revenue is derived from agreements with Departments or other bodies within the UK government. Even where agreed for multiple years the amounts are subject to review as part of the UK government

Budget and Comprehensive Spending Review processes. The actual revenue recognised in each year will depend on performance against priorities agreed with customers during each financial year, and the Met Office's progress against them.

In accordance will the practical expedient in IFRS 15, the Met Office does not disclose information on unsatisfied performance obligations where the original underlying agreement is of less than 12 months duration.

04 Operating costs

	2024/25		2023/24
	Note	£ '000	£ '000
<b>Staff costs</b>			
Salaries, performance-related pay and allowances		113,212	105,515
Social security		13,576	11,744
Pension contributions		28,860	24,946
Early retirement and exit costs		530	151
Temporary/agency labour costs		13,745	10,998
<b>Total staff costs</b>		<b>169,923</b>	<b>153,354</b>
Equipment and services		91,577	82,839
International services and subscriptions		20,523	19,538
Depreciation		10,573	11,002
Amortisation		16,841	10,736
Accommodation		21,869	20,121
Travel and subsistence		4,245	3,861
Other operating costs		3,639	2,434
Release of government grants		(55,191)	(46,868)
<b>Total operating costs</b>		<b>284,001</b>	<b>257,018</b>
<b>Operating costs include the following:</b>			
Audit fees		134	122
Apprenticeship levy		520	517
Lease payments on short-term or low value assets		324	338
Foreign currency (gains)/loss		231	105
Net loss / (gain) on disposal of non-current assets		82	69
Supercomputer programme		53,538	45,319
Research and development expenditure		81,393	60,929
<b>International services and subscriptions comprise the following:</b>			
European Organisation for the Exploitation of Meteorological Satellites (EUMETSAT)		6,199	5,282
European Centre for Medium-Range Weather Forecasts (ECMWF)		10,133	10,267
World Meteorological Organisation (WMO)		2,765	2,459
Network of European Meteorological Services (EUMETNET)		858	942
Other international services and subscriptions		568	589
		20,523	19,538
Membership of these organisations enables the Met Office, on behalf of the UK, to engage in and benefit from, the European meteorological satellite programme and to receive support in its provision of medium-range weather forecasts and associated research. Membership also enables the Met Office, on behalf of the UK, to promote and benefit from co-operations between members in the exchange of observational data and forecasts, together with a widening range of environmental programmes.			
<b>Government grants are analysed as follows:</b>			
DSIT Future Supercomputer		53,538	45,318
DSIT Current Supercomputer		1,240	1,180
DSIT Polar Satellite Transfer		138	167
Environment Agency Weather Radar Network Renewal		243	203
DSIT Radiosonde Grant		31	-
		55,191	46,868

05 Finance income

	2024/25	2023/24
	£ '000	£ '000
Interest receivable	2,400	1,702
<b>Total finance income</b>	<b>2,400</b>	<b>1,702</b>

06 Interest payable and similar charges

	2024/25		2023/24
	Note	£ '000	£ '000
On Department for Science Innovation and Technology loans	14	6,193	5,125
On overdue payments		3	-
On lease liabilities		29	24
<b>Total interest payable and similar charges</b>		<b>6,225</b>	<b>5,149</b>

07 Property, plant and equipment

The movements in each class of assets were:

	Land and buildings	Assets held for sale	Right of use assets land and buildings	Fixtures and fittings	Plant and equipment	Right of use assets vehicles	Information technology	Total
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
<b>Cost or valuation:</b>								
At 1 April 2024	94,567	-	4,625	16,923	101,809	388	109,542	327,853
Additions	-	-	376	1,150	2,720	428	3,154	7,829
Transfers	(1,150)	1,150						
Disposals	-	-	(377)	(5)	(998)	(291)	(3,665)	(5,337)
Revaluation	(38)	-	-	12	2,248		-	2,222
<b>At 31 March 2025</b>	<b>93,379</b>	<b>1,150</b>	<b>4,624</b>	<b>18,080</b>	<b>105,779</b>	<b>525</b>	<b>109,031</b>	<b>332,567</b>
<b>Depreciation:</b>								
At 1 April 2024	157	-	1,402	11,910	74,857	290	105,853	194,469
Charged during year	2,841	-	533	1,059	4,057	107	1,977	10,574
Impairment				25	54			79
Disposals	-	-	(377)	(2)	(998)	(280)	(3,665)	(5,322)
Revaluation	(2,793)	-	-	14	1,699	-	-	(1,080)
<b>At 31 March 2025</b>	<b>205</b>	<b>-</b>	<b>1,557</b>	<b>13,006</b>	<b>79,669</b>	<b>118</b>	<b>104,165</b>	<b>198,719</b>
<b>Net book value:</b>								
<b>At 1 April 2024</b>	<b>94,409</b>	<b>-</b>	<b>3,223</b>	<b>5,013</b>	<b>26,952</b>	<b>98</b>	<b>3,689</b>	<b>133,384</b>
<b>At 31 March 2025</b>	<b>93,174</b>	<b>1,150</b>	<b>3,066</b>	<b>5,074</b>	<b>26,110</b>	<b>407</b>	<b>4,866</b>	<b>133,848</b>



Property, plant and equipment (continued)

	Land and buildings	Right of use assets land and buildings	Fixtures and fittings	Plant and equipment	Right of use assets vehicles	Information technology	Total
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
<b>Cost or valuation:</b>							
At 1 April 2023	93,882	4,637	16,613	100,840	237	109,444	325,653
Additions	-	372	753	1,767	158	1,883	4,934
Transfers							
Disposals	-	(384)	(443)	(775)	(7)	(1,785)	(3,395)
Revaluation	685	-	(1)	(23)		-	661
At 31 March 2024	94,567	4,625	16,923	101,809	388	109,542	327,853
<b>Depreciation:</b>							
At 1 April 2023	75	1,221	11,296	71,694	192	104,913	189,391
Charged during year	2,715	564	1,037	3,863	106	2,717	11,002
Disposals	-	(384)	(423)	(695)	(7)	(1,778)	(3,287)
Revaluation	(2,636)	-	-	(5)	-	-	(2,640)
At 31 March 2024	154	1,402	11,910	74,857	290	105,853	194,465
<b>Net book value:</b>							
At 1 April 2023	93,807	3,415	5,317	29,146	45	4,531	136,262
At 31 March 2024	94,413	3,223	5,013	26,952	98	3,689	133,387

All land and buildings are held as freehold. The net book value of freehold land and buildings includes £18m of freehold land, which has not been depreciated. Freehold buildings are depreciated in full over their estimated life (not exceeding 50 years).

The freehold assets which comprise the Met Office’s property portfolio were subject to a quinquennial valuation for financial reporting purposes in 2021/22 (values as at 31 March 2022), in accordance with the RICS Valuation Standards (6th Edition) by external valuers the Valuation Office Agency, who are regulated by the RICS.

The bases of valuation adopted is Existing Use Value as defined in the Standards. In carrying out the valuation, a number of the assets were identified as specialised as a result of their location and/or specification. As a result they are considered to be assets which would rarely, if ever, sell on the open market. For these assets the Depreciated Replacement Cost methodology has been used.

The sources of information and assumptions made in producing the various valuations are set out in the valuation report.

For further details of valuation and depreciation assumptions refer to Note 1 Accounting Policies. For further details of assets held under leases see note 19. The following net book values are included above that are assets associated with housing the previous supercomputer. The supercomputer asset is fully depreciated.

	2024/25 £'000	2023/24 £'000
Land and buildings	23,930	24,016
Information technology	-	-
Total	23,930	24,016

These assets are funded by capital grant.

Land and buildings include £1.1m of assets classified as held for sale, that were previously held as operational assets. There has been no change in value following reclassification.

08 Intangible assets

	EUMETSAT satellite data	Computer software	Software licences	EUMETSAT payments on account	Total
	£ '000	£ '000	£ '000	£ '000	£ '000
<b>Cost or valuation:</b>					
At 1 April 2024	415,137	3,497	-	399,657	818,291
Additions	24,503	97	-	22,706	47,307
Transfers	188,185	-	-	-188,185	-
Disposals	-	(196)	-	-	(196)
Revaluation	52,418	-	-	-	52,418
At 31 March 2025	680,243	3,398	-	234,178	917,819
<b>Amortisation:</b>					
At 1 April 2024	410,263	3,185	-	-	413,448
Charged during year	16,706	136	-	-	16,841
Transfers	-	-	-	-	-
Disposals	-	(196)	-	-	(196)
Revaluation	9,844	-	-	-	9,844
At 31 March 2025	436,813	3,125	-	-	439,938
<b>Net book value:</b>					
At 1 April 2024	4,874	312	-	399,657	404,842
At 31 March 2025	243,430	273	-	234,178	477,881

	EUMETSAT satellite data	Computer software	Software licences	EUMETSAT payments on account	Total
	£ '000	£ '000	£ '000	£ '000	£ '000
<b>Cost or valuation:</b>					
At 1 April 2023	386,036	3,093	535	357,360	747,023
Additions	6,271	205	-	42,297	48,773
Transfers	-	535	(535)	-	-
Disposals	-	(336)	-	-	(336)
Revaluation	22,831	-	-	-	22,831
At 31 March 2024	415,137	3,497	(0)	399,657	818,291
<b>Amortisation:</b>					
At 1 April 2023	377,721	2,894	508	-	381,123
Charged during year	10,616	119	-	-	10,735
Transfers	-	508	(508)	-	-
Disposals	-	(336)	-	-	(336)
Revaluation	21,926	-	-	-	21,926
At 31 March 2024	410,263	3,185	(0)	-	413,448
<b>Net book value:</b>					
At 1 April 2023	8,314	199	27	357,360	365,900
At 31 March 2024	4,874	312	0	399,657	404,842

Intangible assets (continued)

The EUMETSAT satellite data intangible asset represents the value of all EUMETSAT observational data used in generating Met Office forecasts. This principally includes data from both the Meteosat geostationary satellite and polar orbiting satellite. The Met Office, as the UK’s national meteorological service, has the right to access and use this data to generate its weather forecasts and climate predictions in fulfilling it’s Public Task. The Met Office makes contributions on behalf of the UK to EUMETSAT’s programmes.

EUMETSAT payments on account represent the contributions made by the Met Office, on behalf of the UK, to the Meteosat Third Generation and Polar Second Generation satellite programmes. The Meteosat Third Generation programme was declared operational by EUMETSAT on 31 October 2024. This asset was transferred from payments on account to EUMETSAT satellite data. The Polar Second Generation programme is currently in the build phase and is not expected to provide operational data until mid 2026.

Further information on the assumptions made and sensitivity of satellite asset data values to those assumptions is included in note 1 accounting policies.

09 Inventories

	31 March 2025	31 March 2024
	£ '000	£ '000
Meteorological equipment	1,182	1,584
Reserve equipment	13	14
Consumable stores	23	26
<b>Total inventories</b>	<b>1,218</b>	<b>1,624</b>

10 Trade and other receivables

	31 March 2025	31 March 2024
	£ '000	£ '000
<b>Amounts falling due within one year:</b>		
Trade receivables	26,700	26,908
Less: provision for impairment of receivables	(69)	(47)
	29,931	26,861
Other receivables	51	74
VAT	3,531	-
Accrued income	19,704	19,306
Prepayments	52,144	28,195
<b>Total trade and other receivables</b>	<b>102,361</b>	<b>74,435</b>
<b>Amounts falling due after more than one year:</b>		
Prepayments	35,767	9,092
Total non-current trade and other receivables	35,767	9,092
<b>Total trade receivables and other current receivables</b>	<b>138,128</b>	<b>83,527</b>

The carrying amount of receivables and current assets is a reasonable approximation to fair value.

Prepayments includes £57,625,000 (2023/24 - £11,629,000) of milestone payments made under the Met Office's contract with Microsoft.

Accrued income includes £560,000 relating to EU funding (£238,000 at 31 March 2024).

11 Cash and cash equivalents

		31 March 2025	31 March 2024
	Note	£ '000	£ '000
Balance at 1 April		23,459	56,216
Net change in cash and cash equivalent balances	18	(12,702)	(32,757)
<b>Balance at 31 March</b>		<b>10,757</b>	<b>23,459</b>
Cash held at commercial banks and in hand		3,703	3,585
Cash held with Government Banking Service		7,054	19,874
<b>Balance at 31 March</b>		<b>10,757</b>	<b>23,459</b>

The Met Office holds two Euro bank accounts on behalf of third parties, with nil balances as at 31 March 2025 (31 March 2024, two accounts totalling £122,322).

The Met Office Board have ring fenced £5m (2023/24 £5m) to meet the costs of any claims covered by the Met Office’s decision to self-insure against professional indemnity claims.

12 Trade and other payables

		31 March 2025	31 March 2024
	Note	£ '000	£ '000
Amounts falling due within one year:			
Trade payables		4,134	3,246
VAT		-	6,388
Other taxation and social security		5,643	5,045
Accruals		33,477	25,564
Dividend payable		8,500	8,500
Deferred income		47,555	19,603
Government grants	13	38,536	25,594
Total amount falling due within one year		137,845	93,940
Amounts falling due after more than one year:			
Government grants	13	46,482	14,397
Total non-current trade and other payables		46,482	14,397
Total trade and other payables		184,327	108,337



13 Government grants

		31 March 2025	31 March 2024
Note	£ '000	£ '000	£ '000
Government grants at 1 April		39,991	34,158
Deferred funding reclassified as grants		100,218	52,701
Grants recognised through the Statement of Comprehensive Income	4	(55,191)	(46,868)
<b>Government grants at 31 March</b>		<b>85,018</b>	<b>39,991</b>
<b>Amounts falling due within one year</b>		38,536	25,594
<b>Amounts falling due after more than one year</b>		46,482	14,397
<b>The following balances are included in government grants:</b>			
DSIT - Future supercomputer		70,617	23,937
DSIT - Current supercomputer		11,334	12,574
DSIT - Autosonde Network		1,669	1,700
DSIT - Polar Satellite Transfer		103	241
Environment Agency Weather Radar Network Renewal (WRNR)		1,296	1,539
		85,018	39,991

14 Borrowings

Loans from the Department for Science, Innovation and Technology by instalments and bearing interest between 1.04% and 4.68% per annum.

		31 March 2025	31 March 2024
	£ '000	£ '000	£ '000
<b>Loans due:</b>			
Within one year		35,770	32,995
Between one and five years		143,081	126,868
Over five years		44,992	72,960
<b>Total</b>		<b>223,843</b>	<b>232,823</b>

15 Derivative financial instruments

		Assets	Liabilities	Total
	£ '000	£ '000	£ '000	£ '000
Forward foreign currency contracts - cash flow hedges				
<b>As at 31 March 2024</b>		<b>0</b>	<b>2,080</b>	<b>(2,079)</b>
Movement on fair value		<b>60</b>	<b>(73)</b>	<b>133</b>
<b>As at 31 March 2025</b>		<b>60</b>	<b>2,007</b>	<b>(1,946)</b>
Analysed between:				
Current		26	1,872	
Non-current		34	134	
		60	2,007	

The following table details the forward purchase currency contracts outstanding at the year end:

Contract maturity date	Commitment hedged	Foreign currency	Foreign currency value	Contract value	Forecast spot rate on maturity	Fair value	Assets
			'000	£ '000	Currency/£	£ '000	£ '000
29 April 2025	EUMETSAT	EURO	9,000	8,040	1.1936	(500)	-
29 August 2025	EUMETSAT	EURO	7,500	6,745	1.1850	(416)	-
29 April 2025	EUMETSAT	EURO	10,000	8,793	1.1936	(415)	-
29 August 2025	EUMETSAT	EURO	8,000	7,080	1.1850	(329)	-
5 January 2026	WMO	CHF	2,984	2,770	1.1020	(62)	-
15 January 2026	EUMETSAT	EURO	10,000	8,661	1.1751	(151)	-
29 April 2026	EUMETSAT	EURO	10,000	8,696	1.1680	(134)	-
29 April 2025	EUMETSAT	EURO	2,798	2,337	1.1936	7	-
29 August 2025	EUMETSAT	EURO	3,981	3,351	1.1850	8	-
15 January 2026	EUMETSAT	EURO	6,000	5,095	1.1751	11	-
29 April 2026	EUMETSAT	EURO	6,000	5,126	1.1680	11	-
1 September 2026	EUMETSAT	EURO	14,000	12,047	1.1599	23	-
				<b>78,741</b>		<b>(1,946)</b>	<b>-</b>

Forecast spot rates are provided by the Debt Management Office of HM Treasury.

All cash flow hedges are in respect of forecast transactions. In line with IFRS 9, gains or losses on effective cash flow hedges are held in equity; material gains or losses relating to the ineffective portion of the hedge will be recognised in the Income Statement when the forecast transaction occurs.

16 Provisions for liabilities and charges

	Early retirement and exits	Dilapidations	Other	Total
	£ '000	£ '000	£ '000	£ '000
Balance at 1 April 2023	14	1,812	450	2,276
Provided in the year	22	206	328	556
Written back in the year	-	(97)	-	(97)
Utilised in year	(2)	-	-	(2)
Balance at 31 March 2024	34	1,921	778	2,733
Provided in the year	-	166	198	364
Written back in the year	-	(31)	-	(31)
Utilised in year	(1)	(5)	-	(6)
Balance at 31 March 2025	33	2,051	976	3,060

The Early Retirement and Exit Provision represents the outstanding liability for pension and severance costs as at 31 March 2025. For staff offered early retirement, the provision represents the full cost of meeting each individual’s pension payments to normal retirement age.

The Dilapidations Provision relates to contractual future costs of making good leasehold properties when they are vacated. There is no uncertainty as to the timing of amounts but the final amounts may change during final negotiations with the relevant landlord at the end of the lease.

The commitments provided for fall due in the following periods:

	Early retirement and exits	Dilapidations	Other	Total
	£ '000	£ '000	£ '000	£ '000
Amounts payable:				
Within one year	2	-	976	978
Between one and five years	6	-	-	6
Over five years	25	2,051	-	2,076
Total	33	2,051	976	3,060

17 Related parties

The Met Office's parent department is the Department for Science, Innovation and Technology (DSIT). DSIT is considered to be a related party and during the year, the Met Office had material transactions with DSIT and with other entities for which DSIT is regarded as parent department. In addition, the Met Office had material transactions with a number of other public bodies, government departments and their agencies, the Department for Environment, Food and Rural Affairs, the Cabinet Office, the Civil Aviation Authority, the Maritime and Coastguard Agency, the Environment Agency and the UKRI. None of the Met Office Board members, key managerial staff or other related parties undertook any material transactions with the Met Office during the year.

The Met Office manages the UK’s membership of a number of international organisations: EUMETSAT, ECMWF, WMO, EUMETNET and ECOMET. As part of this, it sits on the relevant governing body of those organisations. The Met Office had material transactions with these entities during the year and these are disclosed in note 3 to the financial statements. There were no material outstanding balances with these organisations as at 31 March 2025 (31 March 2024 - nil). The Met Office holds a 5% interest in Mercator Ocean. The Met Office participates in the Copernicus Marine programme, which Mercator ocean co-ordinates. During the year the Met Office recognised £0.1m in revenue (2023/24 £0.5m) from Mercator Ocean. There were no material balances outstanding with Mercator Ocean as at 31 March 2024 (2023 - nil).

Our Owning Department (DSIT) also appoint a Non-Executive Director to the Met Office Board. This role was filled by A Jackson during the year. Further details can be found in the Governance Statement.

18 Notes to the cash flow statement

Reconciliation of cash and cash equivalents to movement in net funds.

	At 1 April 2024	Cash flows	At 31 March 2025
	£ '000	£ '000	£ '000
Cash at bank and in hand	23,459	(12,702)	10,757
Borrowings due within one year	(32,995)	(2,775)	(35,770)
Borrowings due after one year	(199,828)	11,755	(188,073)
Total net funds	(209,363)	(3,723)	(213,086)

19 Lease commitments

Expected future lease obligations

	Land and buildings		Other	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	£ '000	£ '000	£ '000	£ '000
Leases expiring:				
Within one year	15	12	-	25
Between one and five years	225	216	319	68
Over five years	1,896	1,920	-	-
Undiscounted future lease obligations	2,136	2,148	319	93
Interest element	(221)	(183)	-	-
Discounted future lease obligations	1,915	1,965	319	93

The amounts above include liabilities where the Met Office expects to exercise an option to extend a lease, or expects not to exercise a lease break.



## 20 Capital commitments

	31 March 2025	31 March 2024
	£ '000	£ '000
<b>Contracted but not provided for:</b>		
Equipment	960	1,065
Contributions for satellite data	31,832	34,876
<b>Total</b>	<b>32,792</b>	<b>35,941</b>

The commitment for satellite data represents the unpaid portion of the UK approved contribution to EUMETSAT programmes for the current calendar year. The amounts included above includes only contributions that are expected to be capitalised. An additional £7,746k (2023/24 £3,991k) is also committed for non-capital contributions.

## 21 Other financial commitments

	In less than 1 year	2 - 5 years	In more than 5 years
	£ '000	£ '000	£ '000
<b>Commitments due:</b>			
Supercomputer contract	122,755	452,257	180,903

In September 2021 the Met Office signed a ten-year agreement with Microsoft for the provision of Supercomputing services. The maturity of commitments under the contract dependant on the timing of contractual milestones prior to delivery of services.

## 22 Other financial assets and remote contingent liabilities

The Met Office owns a 5% share of Mercator Ocean at a cost of €100,000 (£91,000). Mercator Ocean is the co-ordinating entity for Copernicus marine Services in which the Met Office participates.

The organisation is a “société civile” (a not-for-profit organisation) under French law, meaning it has unlimited liability, and its shareholders are exposed to liability risk in proportion to their shareholding. A remote contingent liability will therefore exist as long as the Met Office retains a shareholding in Mercator Ocean.

The organisation protects its shareholders through contractual mechanisms and through insurance. Also any residual claim would first be met from the assets of the company. Any contingent liability is considered to be extremely remote. In addition any contingent liability will cease to exist should the Met Office dispose of the shares, which it is able to do so at cost at any point within the first three years of ownership, and with six months’ notice after this point.

## 23 Financial instruments and financial risk management

The Met Office's treasury operations are governed by the Met Office Trading Fund Order 1996, under the Government Trading Funds Act 1973 as supplemented by the Met Office's Framework Document. The Met Office's financial instruments comprise cash deposits, receivables, payables, loans and foreign currency forward exchange contracts. The main purpose of these financial instruments is to finance the Met Office's operations. The Met Office has limited powers to borrow or invest surplus funds. The main risks arising from the Met Office's financial instruments are foreign currency, liquidity and interest rate risks. The Met Office's policies for managing these risks are set to achieve compliance with the regulatory framework including the rules contained within Managing Public Money.

### Credit risk

The Met Office is subject to some credit risk. The carrying amount of trade receivables, which is net of impairment losses (bad debt provision), represents the Met Office’s maximum exposure to credit risk. Trade and other receivables consist of a large number of diverse government and non-government customers spread over a diverse geographical area.

Receivables are impaired where there is sufficient knowledge to indicate that recovery is improbable including the probability that customers will enter bankruptcy or financial reorganisation, that the customer is facing financial difficulties or that economic conditions are likely to lead to non-payment.

### Liquidity risk

The Met Office maintains short-term liquidity throughout the year by management of its cash deposits. The Met Office aims to maintain cash levels to allow it to meets its short-term obligations.

The Met Office holds cash deposits within the Government Banking Service.

Under the Met Office Trading Fund Order and Framework Document, the sole provider of loan funding is the Met Office’s sponsor department, the Department for Science, Innovation and Technology.

Therefore, exposure to liquidity risk is limited to these arrangements. Loan funding requirements are anticipated to increase over forthcoming years to finance the UK contribution to the EUMETSAT satellite programme, and additional supercomputing investment, in line with our current corporate plan.

### Foreign currency risk

The Met Office makes significant foreign currency payments for subscriptions and contributions to international meteorological organisations including payments for satellite programmes. These costs are funded by the Public Weather Service. In order to manage foreign exchange risk the Met Office policy is to buy forward foreign currency for payments to international bodies as soon as amounts can be reliably estimated. The forward currency contracts are in hedging relationships under IFRS 9 and the Met Office has elected to adopt IFRS 9 hedge accounting rules.

Details of forward contracts held can be found in note 15.

£27.5 million of expenditure was undertaken in foreign currencies which are not funded through the forward purchase contracts.

### Interest rate risk

The Met Office finances its operations through retained profits. Amounts retained in the business but surplus to immediate requirements are held in our Government Banking Service account from where they earn overnight interest through being automatically swept up into the National Loans Fund. A higher rate of interest is earned on the ring-fenced £5 million cash balance (see Note 11) which is usually held on longer term deposit at the National Loans Fund. The Met Office may also be funded by additional monies from its sponsor department to fund specific strategic requirements.

Details of cash on deposit are included in note 11. The fair values of cash and cash equivalents approximate to book value due to their short maturities.

### Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial instrument are disclosed in Note 1 to the financial statements.

## 24 Events after the reporting period

The accounts were authorised for issue on the date the accounts were certified by the Comptroller and Auditor General. There are no events after the reporting period to report on.