Annual Report and Accounts 2024/25

(For the year ended 31 March 2025)

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Foreward

CEO

2024/25 has been a year of stabilisation and continuous improvement for the Government Property Agency (GPA), marked by both progress and adaptation to challenge. Despite the challenges, the GPA has remained committed to its Continuous Improvement Programme (CIP). These developments represent important steps in enhancing the GPA's capability and performance, strengthening its foundation, building resilience and ultimately improving the experience of clients.

This year we will focus on building a high-performing, collaborative and inclusive organisation, embedding new values and shaping the culture as we move towards a new target operating model. We also want to work closely with departmental partners and draw on the expertise of supply chain partners to maximise value from a sustainable office estate.

Much has happened over the past year. From a personal perspective I'm delighted to have been appointed as permanent Chief Executive Officer (CEO) in October, having led the GPA in an interim capacity since November 2023.

The GPA has delivered considerable benefits, and has much to be proud of. For 2024/25 we set an ambitious agenda against a context of uncertainty, notably a constrained financial position and the need for consolidation following rapid growth.

The GPA's leadership capability and structure has evolved through the development of a target operating model and core values, which will set us up to collaborate and deliver better for our departmental partners. The win at the Chartered Institute of Personnel and Development (CIPD) awards in October for 'Best Learning and Development Initiative' for our innovative skills builder tool emphasises a commitment to retaining and developing people, providing rewarding careers and enhancing property-related skills.

Clients and customers remain at the heart of what we do. Our client satisfaction score of 6.3/10 by year end 2024/25 (Q4 2023/24: 6.2/10) continues an upward trend over the past three years albeit I recognise there remains much more to do.

Focusing on improving ways of working has ensured we're delivering fundamentals well for government and departmental partners. By paying attention to a positive, service-led culture, we made good progress in areas such as departmental reporting, billing and improving the pace and quality of property transactions.

We were awarded the prestigious Leesman+ certification for our first new build hub, Quay House in Peterborough, recognising commitment to delivering great places to work for civil servants. We continued to enable regional growth through delivery of the Government Hubs and Whitehall Campus Programmes.

The GPA is delivering one of the most ambitious office estate transformation programmes in the UK, refining focus on the portfolio plans we maintain for the government office portfolio across 11 core cities, and in doing so managed the closure of six buildings in London with calculated savings of £33.4m per year in rent and related occupancy costs. The past year alone has seen us open a further two hubs – the refurbished 22 Whitehall as well as the largest new hub delivered to date at 2 Ruskin Square, Croydon, introducing around 10,000 civil servants into their new workplaces.

In addition, we were proud to find space to support the Infected Blood Compensation Authority (IBCA) with its vital work, as well as space for Great British Energy. The agency has also relocated seven departments to newly-refurbished offices at Loxley House in Nottingham, to provide a better workplace environment and experience for Civil Service staff.

The GPA's skills and capabilities have been recognised beyond that of delivering excellent office spaces, with clients bringing in our expertise on complex and internationally prestigious projects. Notable examples are a new headquarters for the European Centre for Medium-range Weather Forecasts (ECMWF) in Reading, and delivery of secure spaces for the Independent Commission for Reconciliation and Information Recovery (ICRIR).

We exceeded implementation targets for property technology, now capturing data from more than 1 million square metres of office space. Our position as workplace experience leaders across the public sector has strengthened through initiatives such as the Smarter Working Awards and Community of Practice which brings together specialists from across the private and public sectors.

We have made continued progress in enhancing digitally-enabled offices:

- GovPass deployed to another 11 sites (now 64 locations across the country)
- GovWifi available to 170,000 more civil servants (now 820,000 active users)
- GovPrint delivered to 70 locations in 2024/25 (now at 111 locations)

We continue to strengthen strategic relationships with private sector partners to improve service quality, generate greater efficiencies and widen capability through collaboration. As such we won the "Partners in Corporate, Public Sector" category at the PFM Awards 2024 (the premier awards for recognising excellence in the facilities management industry) for our partnership with JLL and the regional supply chain.

As announced on the 7 April 2025, the government is conducting a full review of all arm's length bodies (ALBs) such as the GPA. Each will be assessed against core principles to ensure efficiency and reduce duplication in order to create a more productive and agile state that can better serve the British public and

Whilst this brings some uncertainty, the ALB review represents an opportunity to strengthen the GPA purpose amongst stakeholders, and to work with Cabinet Office colleagues to address systematic challenges. The collective ambition is to ensure performance in delivering government missions is enhanced.

We are building a transparent, collaborative and digitally literate culture at the GPA, and I am grateful to all the dedicated teams and strategic partners for their continued hard work. The commitment and purpose of colleagues is brilliant.

I would like to thank our former GPA Chair Pat Ritchie CBE, my fellow board members, all GPA colleagues, and our partner agencies for their support and hard work. I look forward to working collaboratively together to deliver our ambitious programmes in the year ahead, shaping a smaller, better, greener office estate in support of the government missions.

Thank you.

Performance Report

Overview

This report provides a summary of the GPA's purpose, vision and objectives, it details progress made and key achievements in the year ended 31 March 2025. The Governance Statement reports on the management of key risks, noting the GPA's key strategic risks and accountability measures.

Who we are and what we do
Founded in 2018 as an Executive Agency of the Cabinet Office, the GPA is overseen by a board with broad expertise in property management, investment and development as well as customer service and public sector leadership. The GPA's mission is to create exceptional workplaces for civil servants, enabling public sector efficiency and delivering value for taxpayers through applying commercial acumen to create a smaller, better, greener government office estate.

Mission and methods
The GPA uses its Civil Service know-how and commercial expertise to:

- Deliver on government priorities;
- Help the Civil Service attract the best talent across the UK;
- Plan and deliver the government's office and warehouse portfolios;
- Act as a single landlord for government departments and agencies;
- Deliver the Government Hubs Programme; and
- Provide workplace services to its clients, where required.

Vision
The GPA's vision is to create a transformed, shared, sustainable and value-for-money government office estate, enabling civil servants to work productively in every nation and region of the UK.

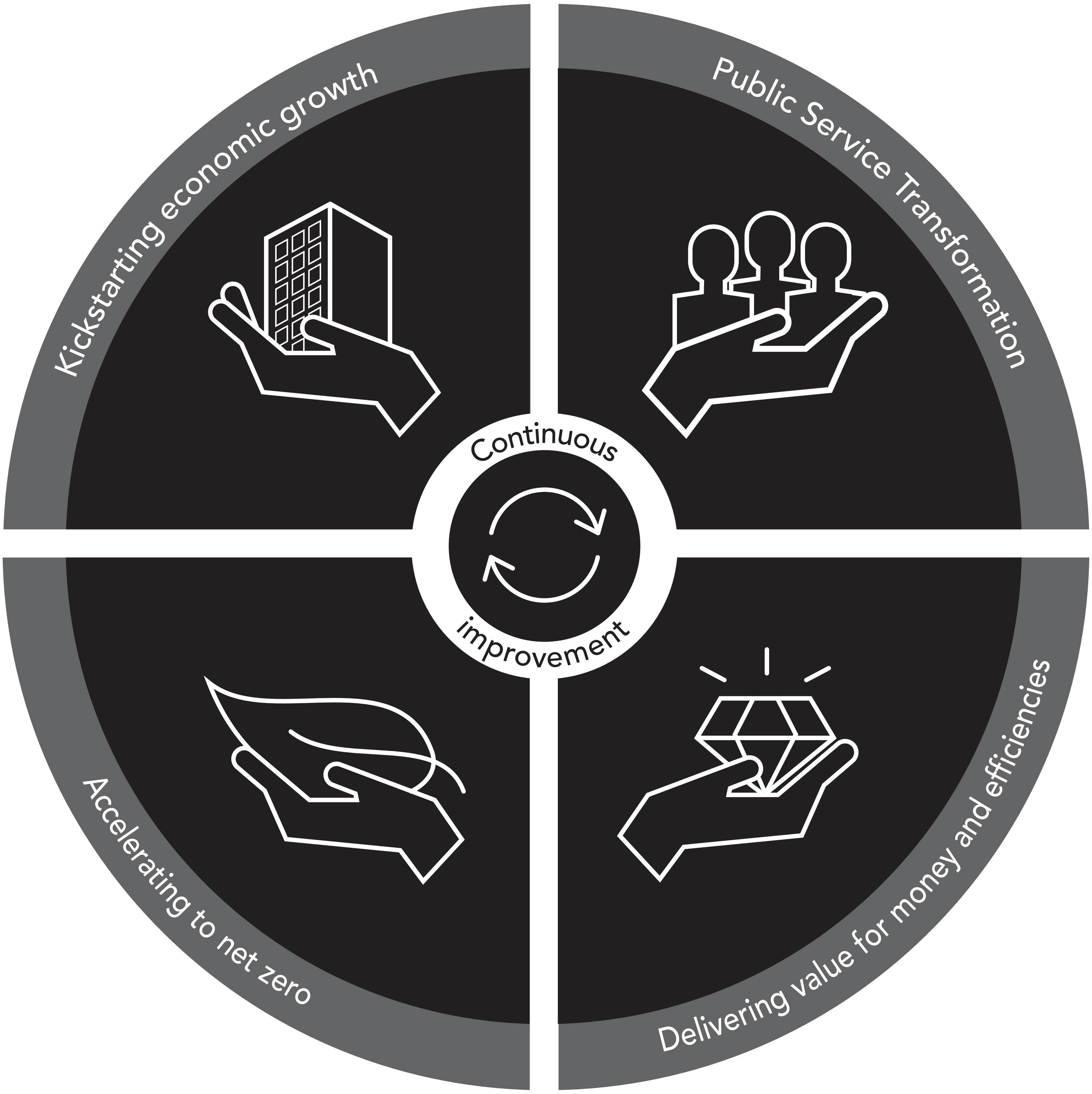
Operating environment
There has been stabilisation and continuous improvement for the GPA in 2024/25, marked by both progress and challenge. Economic pressures have continued to affect funding priorities. Alongside this, the GPA has been aligning its work with a revised set of government priorities following the general election, adapting to both a shift in policy direction / missions and a new approach to government.

Despite the inevitable impact of these factors on some aspects of delivery and performance, the GPA remained committed to continued enhancement and targeted changes, with tangible improvements across several key areas, notably from its CIP. This included improvements to key processes such as billing, assurance on capital projects, governance and structures, collaboration and engagement with clients. These developments represent important steps in enhancing the GPA's capability and performance, strengthening its foundation and building resilience.

Strategic Objectives

Strategic focus
The GPA has maintained its commitment to its four strategic objectives that influence both people and places, and are positively aligned with the underlying principles of its 10-year strategy (2020-2030), albeit priorities have been adapted to meet new opportunities and challenges. This has been a year (2024/25) where the GPA has worked in partnership to deliver a smaller, better, greener government office estate. The GPA has stimulated economic growth across the UK, bringing civil servants closer to the communities they serve.

Our long-term strategic objectives that will help us achieve our vision
The GPA's strategic objectives that will help achieve its vision, delivered through brilliant, skilled, diverse and empowered people and partners who embody its values, are set below.



Performance Against Business Plan Targets

For 2024/25, an ambitious agenda was set against the context of a changing operating environment.

To continue to improve and deliver on its vision more efficiently and effectively, the GPA focused on getting the basics right for its client departments, strengthening delivery and addressing challenges with its existing delivery model, with an emphasis on stabilisation, continuous improvement and preparing for the future. The plan contained focussed, cross-cutting targets which contributed to delivering its strategic objectives and continuous improvement ambitions, which were delivered through the CIP.

The work of 2024/25 has established a strong foundation to be built on in future years. Overall, 11 out of 15 business plan targets were met, with significant progress made against all business plan objectives.

Notable business plan achievements include:

- Enabling regional growth through delivery of the Government Hubs and Whitehall Campus Programmes and awarded the prestigious Leesman+ certification for the first GPA new build hub, Quay House in Peterborough;
- Delivered a more sustainable office estate for the government through effective portfolio planning. Driven by an understanding of partner departments' demand for space and wider government policy requirements, the GPA mitigated voids across the estate at less than three per cent;
- Developed and tested options for a more sustainable client charging policy within the boundaries of the existing GPA model;
- Delivered improved city and regional property strategies across 11 UK core cities;
- Provided effective and efficient workplace services to customers, stabilising contracts and delivering a collaborative response to address the impacts of strike action; and
- Exceeded implementation targets for property technology, delivering interoperable solutions for partner departments across the GPA estate.

Significant progress was made against the GPA's CIP business plan targets, including:

- Improvements to financial billing processes – 95 per cent of invoices are now paid within 30-60 days, indicating improved client trust and data accuracy;
- Improved pace and quality of property transactions – the backlog of property documentation was substantially cleared and documentation volumes are now stabilised;
- Improved client reporting – Service Level Agreements (SLAs) and Key Performance Indicators (KPIs) were introduced into quarterly reporting and the client plans used to manage the GPA's services for the first time, bringing visibility to performance metrics;

- Improved risk maturity against key capital projects through stronger risk analysis;
- Delivering workplace service improvement plans for key London locations;
- Introduced a more effective and streamlined governance structure; and
- Delivered targeted organisation structure changes and made significant progress against the GPA's ambition to be a high-performing, inclusive organisation through the development of new values.

Performance Against KPIs

Performance at a glance against 2024/25 KPIs

A much stronger performance culture has been set throughout the GPA during 2024/25. Enhanced insight through improved governance structures has enabled more visible performance and risk management, engagement and review by the GPA's Senior Leadership Group, departmental partners and clients. Good progress has been made on the development of an improved yet challenging suite of KPIs and risk management processes.

Those KPIs are designed to support delivery of ambitious targets for performance improvement, and despite having met the majority of business plan objectives recorded and made significant progress in improving the services it provides, the GPA's KPIs highlight the further work required to optimise its operating model. Through the year the GPA monitored performance with a refined and focused set of eight metrics (2023/24: 15). Performance against these KPIs is highlighted in Table 1 below.

Table 1: KPI Performance 2024/25

Focus Area	Target	Results 2024/25	Results 2023/24	KPI Met (Yes/No)	Commentary
Client Satisfaction	Average client satisfaction survey score 6.5/10 or above	6.3/10	6.2/10	No	Although KPI target not met, client satisfaction scores continued their long term upward trend.
Budget	Ensure always operating within 10% of budget	Expenditure for the year within control totals	First applicable for 2023/24	No	Expenditure was less than delegated budgets, however project delays and headroom held to cover risks resulted recorded expenditure falling outside the 10% tolerance.
Client Debt	Debtor days to be no more than 30 days	34 days	22 days	No	Althought KPI target was not met, the long-term trend remains a reduction in debtor days to below target.

Focus Area	Target	Results 2024/25	Results 2023/24	KPI Met (Yes/No)	Commentary
Health and Safety	RIDDOR – Aspire to zero for reportable incidents	1 reportable incident	First applicable for 2023/24	No	This incident involved a sub-contractor's employee in January 2025 who was injured on site and later died in hospital. Further detail on this incident is set out below.
Vacant Space	Vacant space – target of less than 3%	1.5% (by income)	0.30% (by income)	Yes	
Customer Satisfaction	Average customer satisfaction above 7/10	6.4/10	6.8/10	No	Successful data gathering has taken place and the feedback from surveys will feed into Workplace Services action plans, with the expectation of improved scores in 2025/26.
Building Condition	60% of GPA-managed properties to be Condition B or better	72%	68%	Yes	

Focus Area	Target	Results 2024/25	Results 2023/24	KPI Met (Yes/No)	Commentary
Project Delivery	Capital projects to be 90% on track, delivered to time and cost as defined in the Full Business Case (FBC)	0% projects on track or delivered to cost	33% of projects on track or delivered to cost	No	All three major projects experienced cost overruns and time delays against a backdrop of unprecedented global events that drove significant inflation in material prices and constrained the availability of some key products. Adjustments to attendance assumptions further increased costs, while contractual complexities and backlog issues contributed to delays. Value engineering and a review of the Design Guide principles were implemented to help to reduce costs. Two of the three projects have now been completed.
		0% on track or delivered to time	66% on track or delivered to time		

Health and Safety – incident details
The GPA was saddened to learn, and expresses its condolences, to the family and colleagues of an employee of one of its subcontractors who was injured whilst working on a GPA project and later died in hospital. The GPA has supported the joint Leicestershire Police and Health and Safety Executive investigation into this incident and will be engaging with any recommendations that are made as a result.

Supporting Clients

Performance Summary & Key Achievements
Clients and client satisfaction

Clients overview
The GPA serves a portfolio of c.130 clients including ministerial departments, agencies, public bodies and selected non-government occupiers. It focuses on establishing genuine partnerships, flexing its services to meet the distinct needs of each client.

Elevating client satisfaction
The GPA's efforts go beyond simply managing the existing government office portfolio; they also include integrating new hubs and taking on properties and contracts from its clients. Despite resource pressures and an expectation gap, this comprehensive approach has led to an overall satisfaction score of 6.3/10 by year end 2024/25 (Q4 2023/24: 6.2/10). Maintenance of overall client satisfaction is considered a positive outcome, given the level of change within the GPA. Clients are reporting seeing some positive improvements with a need to consistently embed these in performance across the agency.

Client-related KPIs and SLAs were revised in 2024 to ensure they accurately reflect the GPA's performance and aligned with clients' expectations. In addition, the GPA changed client satisfaction reporting in 2024/25 from quarterly to biannually, whilst retaining a quarterly programme of engagement with clients as well as more regular partnering, to include strategic review meetings, progress review against client priorities and progress against KPIs. Demonstrating performance against agreed deliverables and KPIs should lead to a more rounded client assessment of the GPA's performance. The GPA is also considering a different and more comprehensive approach to assessing its performance for 2025/26 onwards.

The focus throughout 2024/25 centred on continuous improvement, delivered through streamlined processes and automated reporting. Progress is evident, with clients mostly recognising improved delivery and increased accuracy of financial forecasts and positive feedback on regional workplace services delivery. Despite significant effort, client satisfaction has remained relatively static throughout 2023/24 and 2024/25 and work is still required to achieve the target (6.5/10) and stretch (7/10) Client Satisfaction KPI.

The GPA is addressing areas of priority for clients including:

- Clients feel relationship and attitude is generally good and improving, but overall satisfaction often reduced as the GPA has not been able to deliver at the pace expected;
- Unifying the delivery approach for GPA-led projects, learning from exemplar projects;
- Managing the risks of key projects visibly; and
- Focus on workplace services within London.

Innovations in client engagement

The GPA's Customer Relationship Management (CRM) tool, Salesforce, continues to transform how it manages client information, workflow and requests, with improved efficiency and a better quality of data helping to deliver the agency's client-centric vision. By using this system, the GPA is able to better understand existing client relationships, with information in one place and quick wins more easily identifiable. The introduction of case/query dashboards in 2024/25 has provided live dynamic reporting, creating a dependable single source of truth. In parallel, the GPA has strengthened the suite of reporting provided to clients via the GPA Client Portal, which includes visibility on key compliance documentation.

Fostering dialogue and collaboration

The GPA established a new Strategic Client Committee in October 2024. Operating as a sub-committee of the board and with client representatives from six departments, it ensures clients have board-level strategic insight and dialogue. To support this, a Client Working Group, replacing the previous Client Committee, has also been established to bring together clients and GPA Business Areas to discuss issues or concerns, whilst taking an active part in any new GPA initiatives. To provide even greater transparency on the GPA's performance and commitment to understanding and enhancing the client experience, clients are now invited to join the GPA's internal Operations Committee on a regular basis.

Delivering for Customers

Evolution of the customer experience

The GPA strives to deliver great places to work for civil servants, visitors, contractors and other building users. This year the agency has implemented a number of people-focused initiatives to continue that journey.

Key to the GPA's success is ensuring a deep understanding of what its partners and building users need from their workplace to have an excellent experience, using this knowledge and insight to shape products and services offered.

The GPA uses two main platforms to gather workplace experience data; a customer satisfaction survey and an ongoing partnership with Leesman, a global leader in measuring workplace experience. The results of both surveys inform the design of buildings and services, ensuring customers make the most of their workplaces to be productive and efficient.

In the current year, the GPA surveyed 199 buildings across government, gaining over 25,500 responses from civil servants. The average customer satisfaction score was 6.4/10 (2023/24: 6.8/10). While this represents a reduction from the previous year, this is a more comprehensive figure as the GPA has successfully surveyed more of the government estate, creating a better baseline. The GPA recognises this as a priority area, in particular those buildings which received low satisfaction scores, and is committed to implementing targeted improvements to restore and enhance the customer experience.

Quay House, Peterborough, became the second GPA building to achieve Leesman+ certification with a score of 70.6 out of 100, placing it in the top spot in the UK's public sector for workplace experience. It is the sixth public sector building globally in history to achieve this, out of around 9,300 buildings surveyed by Leesman to date.

Thirty-one mystery shop site visits were undertaken to assess the levels of customer service delivered by regional supply partners across all aspects of customer touchpoints in GPA buildings. Respondents expressed high levels of satisfaction with building maintenance and support requests, scoring on average 7.6/10.

Through a combination of the mystery shops, work order satisfaction survey analysis and building user feedback, the GPA has identified a need for its regional supply partners to adopt a more holistic workplace experience mindset. By expanding its focus from purely operational considerations to thinking about how actions impact the overall workplace experience, the agency aims to deliver services which not only meet basic needs but also inspire, engage and support the diverse requirements of the Civil Service workplace environment. The GPA has refined its workplace experience programme to support this, by introducing regional supply collaboration meetings, along with enhanced data insights and recommendations.

Workplace relocations and enhancements
The GPA continued to support clients and customers in their preparation ahead of moving into and occupying its managed hubs. Agency teams used the customer experience framework to help clients and customers realise the full benefits of their new workplaces, reflecting the significant investment, totalling £226.7m (2023/24: £298.5m) in creating more efficient and productive working environments.

During 2024/25, the GPA supported the occupation of 22 Whitehall Place and 2 Ruskin Square, Croydon, introducing around 10,000 civil servants into their new workplaces. In addition, the agency repurposed existing accommodation including in Nottingham, leasing space at Loxley House which was refurbished to provide a better workplace environment and experience for building users who moved to these premises.

The GPA supported and will continue to support departments moving into hubs in locations including London, Bristol and Manchester when they open throughout 2025/26 and beyond.

Workplace services transformation
Workplace services activity is driving efficiencies and fostering leaner processes. The ambition of being a provider of client/customer-centric service in multiple locations remains the focus for continuous improvement.

A strategic programme is being established for the evolution of the Workplace Services Transformation Programme (WSTP) post 2027/28. This initiative aims to align services and delivery with organisational objectives and customer/client expectations, while ensuring value for money.

The programme will evaluate current service delivery models, identify opportunities for further improvement and develop a roadmap for future enhancements. It will also engage with key stakeholders and use data-driven insights to support a modern, efficient and user-focused workplace experience.

The Pilgrim digital platform was designed and built to serve as the GPA's Integrated Workplace Management System (IWMS). It consolidates data across operating systems, enabling effective service delivery by providing a unified system for its performance partner and its regional supply chain partners. As a single source of truth for supplier performance and client reporting, it enhances transparency and strengthens client relationships.

Pilgrim is being integrated with the GPA's customer service portal which will provide customers with a simple way of raising service requests via ticketing functionality. All Application Programming Interfaces (APIs) with the agency's Regional Supply Chain Partners (RSCPs) are now fully operational. Serving as the central repository for over 100,000 assets across the GPA-managed estate, it conforms to government and Better Building Information Management (B2IM) Standards. Pilgrim enables informed lifecycle replacement and strategic investment planning. This will be further enhanced by the delivery of phases two (by end of Q2 2025/26) and three (by end of Q4 2025/26) of the Pilgrim programme, which are currently in development.

The GPA was honoured with the **"Partner in Corporate, Public Sector"** accolade at the PFM awards 2024, acknowledging successful collaboration with performance partners and the regional supply chain to enhance service delivery for its clients.

Accessibility, inclusivity, workplace design, office of the future
The GPA's 10-year strategy commits to the delivery of well-located, well-designed, sustainable, inclusive and digitally-enabled spaces for a modern Civil Service. Updates to its Inclusive Design Guide have been developed following the endorsement of the agency's first Inclusive Design Strategy in 2024 which sets out short, medium and long-term goals for supporting the delivery of exemplar accessibility in government buildings. These updates form part of a wider exercise which is looking at the GPA's design standards holistically, in response to changing demands across the government office estate, placing accessibility at the heart of delivery.

Following the landmark Supreme Court ruling (16 April 2025) on gender in respect of the Equalities Act 2010, the GPA is working with colleagues across government to ensure that the facilities it provides across the government office estate comply with legislative requirements.

The agency achieved organisational level CIC accreditation for inclusive environments in 2023, followed by project level recognition for 23 Stephenson Street, Birmingham, in 2024. The GPA is now seeking accreditation for other recently completed projects including Fletton Quays, Peterborough and 22-26 Whitehall, London.

Asset and Property Management

Evolution and modernisation of the estate

Asset Optimisation
The GPA-managed office estate comprises 221 properties at 31 March 2025 (2023/24: 228 properties), providing c.930,000sqm of floorspace. Of the 221 managed properties, 93 are multi-let, giving rise to 621 occupation agreements and lease receivables.

The agency has realised annual cash savings of £10m from routine asset management activity (as at 31 March 2025) for the government office estate through effectively negotiating rent reductions, rent-free periods, rating appeals, service charge refunds and outsourcing the cost of planned investment work to third-party landlords. The total savings include £5m of gainshare. Gainshare represents the element of a financial benefit that exceeds market expectation and generates real income and savings for the GPA and its departmental partners in which the GPA shares.

Efficiency and transformation of working practices
The GPA has made continued progress in enhancing digitally-enabled working offices that support Civil Service transformation; creating modern, interoperable spaces that enable cross public sector collaboration within local communities, improving efficiency, accessibility, space sharing and the user experience.

A key focus has remained on service standards to customers, achieving over 99.9 per cent average service availability across technology products over the year, while enhancing communications and incident management processes.

Technology product development is now incorporating improved tooling to support effective delivery, including automation, simplified connectivity, digital user guidance, improved power efficiency and enhanced hardware life. The next iteration of AV under development incorporates AI for self-checks and diagnosis, removing manual burden, reducing costs and improving the user experience.

GovPass
GovPass has been deployed to an additional 11 sites, now totalling 64 locations across the country. GovPass stabilisation has strengthened service management, operating principles and cross-government collaboration to provide a more robust service and improved experience to customers.

GovWifi
The GPA has delivered GovWifi to an additional 170,000 civil servants, totalling 820,000 active users of the service. GovWifi is now used by 550,000 individuals across multiple locations, enabling interoperability between locations, reducing manual burden, encouraging collaboration and enhancing productivity.

Building level occupancy data
Further improved maturity of Property Occupancy data, with richer and more accurate data, has continued to provide the GPA with improved reporting and analysis of building utilisation. Occupation data is now available at 207 buildings covering 1,350,000sqm of the estate, with more granular client level reporting in place at 14 properties. This provides valuable insights for making strategic decisions regarding the size of the estate and supports clients in making better use of offices. Preparation is underway for more granular internal space usage pilots in 2025, to drive further value.

GovPrint
GovPrint has been delivered to 70 locations in 2024/25, now at 111 locations in total, with print volume increasing more than 20 times to 8.5 million pages per month. This onboarding has improved interoperability for customers and delivered value across government by streamlining burdensome commercial processes.

Digital and Data Innovations
The GPA's first three-year Digital Strategy has aided progress across Digital and Data to improve the agency's Digital and Data maturity within the 'Good' rating of the Government Digital Service (GDS) Digital and Data Maturity Framework, and Digital Functional Standard. The GPA has improved its information management maturity rapidly over the course of the year, which demonstrates strong progress towards supporting compliance and reducing risk.

The GPA is beginning to leverage Generative AI services from central government with services, such as Redbox, which is helping to improve the organisation's productivity. With the highest participation rates in the Gemini trial across the Cabinet Office, the GPA's commitment to embracing emerging technologies is evident.

An Asset Information Model and Common Data Environment using Microsoft SharePoint and PowerApps, fully compliant with ISO-19650 standard, has also been developed. Storing more than 50,000 documents per year, this will enable more efficient handover of documents.

Working with strategic partner BNPPRE, the GPA has significantly improved the data accuracy across its current leases and headleases. This enhances the accurate apportionment of space to strengthen and augment client billing processes.

Development of a Power BI Sustainability dashboard will provide oversight of the energy performance of GPA-managed buildings to enable portfolio level reporting, inform improvement plans and help the sustainability team provide client apportionment carbon reporting.

Enhanced stability and improved use of Proactis has improved the GPA's commercial processes and supply chain analysis across more than 286 active contracts, with a total contract value of £3.75bn.

Lifecycle Replacement Programme
The GPA has continued to deliver on its annual programme of investment to improve the condition and reduce dilapidation liabilities of its buildings through the Lifecycle Replacement (LCR) Programme. Throughout 2024/25, the LCR Programme (excluding LCR Tech) invested £32.6m (2023/24: £57.2m) replacing over 90 building assets / systems in the GPA managed estate, reducing future maintenance costs and completing a total of 119 projects (2023/24: 240 projects).

Prioritising delivering safe, secure and compliant spaces, the GPA LCR Programme invested £7.3m (2023/24: £3.3m) in fire safety systems and £6m (2023/24: £3.5m) in building elevations and externals.

Net Zero Programme
The GPA continues to accelerate the delivery of net zero, investing in energy efficiency measures to decarbonise its managed portfolio.

The GPA's Net Zero Programme (NZP) successfully delivered investment across all four regions, realising utility savings of £0.7m (2023/24: £1.4m), carbon savings of 645 tCO_2e (2023/24: 1,208 tCO_2e) and 2.74 GWh (2023/24: 5.99 GWh) saved per annum. Targeted carbon savings of 1,200 tCO_2e were not met due to the NZP being unable to deliver planned solar projects on ethical grounds. Production of Photovoltaic (PV) assets and associated supply chains bear a high risk of the involvement of modern slavery. The agency sets exemplary standards and deferred the procurement of PV assets until a highly robust auditing programme could be put in place to ensure all aspects of the supply chain could be audited. The GPA is hopeful of delivering a pipeline of solar projects in the upcoming fiscal year.

Amongst the delivery of 65 net zero projects in 2024/25, the GPA implemented delivery of its first decarbonisation scheme at South Colonnade, London, installing the latest air source heat pump technology, which will deliver green energy to this building, whilst lowering utility costs and carbon emissions.

Asset transfer and strategic estate management

Growth and strategy
Fifty-three per cent (2023/24 53 per cent) of the central government office portfolio, covering c.1,100,000 sqm has been transferred to the GPA. This year, the agency made a strategic decision to substantially reduce its onboarding programme, resulting in the transfer of 16 properties with a combined Net Internal Area (NIA) of c.23,000sqm, (2023/24: 9 properties with NIA of 98,504 sqm). This includes the successful onboarding of six Insolvency Service properties, with the four remaining office spaces used by this client planned for onboarding by the end of Q2 of 2025/26 as well as York, Kings Pool, which is key to delivering the York plan. The reduced onboarding programme provided the GPA with the opportunity to pause and focus on evolving its platform whilst working in collaboration with government departments to deliver a smaller, better, greener office estate.

Despite operating in a challenging environment, the agency continued to deliver successes in driving down costs, improving the quality of the government office estate, effectively managing dilapidations and delivering flexibility for occupiers whilst proactively managing the risk of carrying void space.

The GPA has led the development of location strategies across government for core locations including Birmingham, Manchester, Bristol, Glasgow, Cardiff, Leeds and Sheffield. These strategies have been used to drive refreshed portfolio plans across the regions, supporting departmental strategic needs, Machinery of Government changes and the Places for Growth programme. This strategic planning, working in collaboration with the Office of Government Property (OGP), has helped to inform the GPA's 2025 Spending Review submission, highlighting priority projects that support and enable ministerial priorities, such as the Plan for London (PfL), and the new Government Missions (set out in the Plan for Change) focusing on regeneration and economic growth, making the UK a clean energy superpower, as well as driving Civil Service reform.

The agency continues to focus on integrating and enhancing services to improve client satisfaction, including through improved due diligence on assets to be onboarded. This enables it to have a better understanding of each property and its risks, including Reinforced Autoclaved Aerated Concrete (RAAC) and asbestos assessments, consideration of void risk, dilapidation exposure and other aspects of building condition. The GPA uses this information to inform its asset management plans, underscoring the agency's commitment to strategic, responsible growth.

In the past year, the GPA has continued to shape the government estate's future, optimising its efficiency and location. This includes developing new locations and engaging in the commercial market to acquire or lease properties ranging from serviced offices to BREEAM Outstanding new builds. The GPA has been able to secure advantageous terms that underscore the strength of the government's covenant and the GPA's commitment to environmental sustainability.

Estate rationalisation

The GPA has taken a strategic approach to rationalising its estate, guided by a comprehensive analysis of supply and demand, departmental needs and location strategies, financial implications, impacts of government policy changes and the goal of retaining high-quality accommodation across the UK. Portfolio plans provide an overview of the government office portfolio (and wider public sector occupied estate) within the relevant area, together with property market intelligence. Lease events are summarised by year, by government occupier, with current and future headcount projections and their broad operational and estate requirements set out. In 2024/25, the GPA adopted or approved revised portfolio plans for 17 locations.

Rationalisation has been partly facilitated by the delivery of government hubs in larger cities. However, these changes require incremental funding to enable the GPA to drive wider efficiency, progress building closures, adapt and respond to the evolving demands of the government estate. Further rationalisation of the estate, notably in central London, continues to progress.

Supporting Regional Economic Growth

The GPA is supporting regional growth and contributing to a more distributed and efficient government presence across the UK, through the disposal and exit from surplus buildings in London, facilitating the relocation of roles out of the capital. Its estate planning, in collaboration with departmental partners, aims to optimise the government's office estate, leveraging regional growth opportunities and supporting the development of thematic campuses. In 2024/25, consolidation of the London estate enabled the closure of six non-core buildings. These strategic closures produced annual net savings of £33.4m, with additional admin savings to follow and 11 further closures planned through to 2029/30, including three core buildings Caxton House, 102 Petty France and 39 Victoria Street. Table 2 below details the principal future closures. As of 31 March 2025, the London Portfolio has already been rationalised from 79 to 32 buildings.

Table 2: London Closures 2024/25 and Beyond

Closures in 2024/25	Future Closures
Windsor House, Victoria Street	Clive House, Petty France (2025/26)
Albany House, 94-98 Petty France	10 Victoria Street (2025/26)
3 Grosvenor Gardens	Caxton House, Tothill St, Westminster (2026/27)
Nobel House, Smith Square	102 Petty France (2028/29)
Dawson Hall	39 Victoria Street (2029/30)
125 London Wall	

Collaboration and future focus

The agency's regional strategy emphasises collaboration with strategic advisors and stakeholders across the UK. By focusing on place-based planning and regional thematic campuses, the GPA aims to enhance the government's operational effectiveness and contribute to regional economic growth. The GPA has strengthened relationships with local authorities and Heads of Place, obtaining planning permission for planned regeneration projects in Darlington, Manchester and York.

Progress on Development Pipeline

Progress in GPA's development pipeline

The GPA is at the forefront of one of the UK's most ambitious office estate transformation programmes, where in addition to its progress in taking on the management of existing government offices and warehouses, the agency has opened a further two hubs in 2 Ruskin Square, Croydon – the largest, new hub delivered to date – and the refurbished 22-26 Whitehall, London.

Impactful hub developments
In 2024/25, the GPA invested £148m (2023/24: £183m) in capital projects across 13 in-flight and completed projects which had achieved various levels of business case approval.

The Government Hubs and Whitehall Campus Programme is supporting economic growth across the UK while supporting rationalisation of the government campus in London and supporting Places for Growth. The programme involves the redevelopment of brownfield sites or repurposing of existing buildings to create efficient, sustainable and productive workplaces across the nations and regions. The government hubs created through this development activity are helping to transform the way the Civil Service works, while supporting local economies through significant investments in projects which are expected to deliver considerable economic benefits and support the government's wider ambitions of urban renewal.

Croydon, 2 Ruskin Square
The Croydon, 2 Ruskin Square Hub developed by GPA opened for Home Office occupation in September 2024, allowing existing leasehold sites to be vacated. The building was designed and constructed to allow the client to consolidate a number of existing offices into one location with amenities to support both public facing and operationally specific delivery. This modern, digitally enabled workplace brings together around 5,000 colleagues in an environment designed to increase productivity and collaboration. In addition, the Croydon Hub project has generated wider social benefits including training opportunities, environmental conservation support, work placements and significant local economic spend.

Darlington Economic Campus
Following the GPA's refurbishment of Feethams House in Darlington in 2022, it has now embarked on the development of the Brunswick Street Hub. Having secured ownership of the land in September 2023, this will be the GPA's first freehold development. Planning permission was granted in August 2024 for a four-storey building which will house circa 1,700 civil servants. Currently the GPA is undertaking investigative and enabling works to prepare the ground ahead of the main construction work which is scheduled to commence in early 2026, with completion planned for early 2028 when the hub will enhance the identity

established around the HM Treasury-led Economic Campus. The building will feature dedicated facilities that support a wide range of campus roles, including a business engagement centre aimed at strengthening relationships with regional businesses, schools and local government.

York Central
York Central is one of the largest brownfield development sites in the UK and is planned to host a GPA hub. Located next to the city's railway station, the scheme is being brought forward by a partnership between Homes England, Network Rail, the City of York Council and the National Railway Museum. This hub is intended to consolidate existing government departments into a modern facility, further supporting the government's commitment to move roles out of London and into the regions.

Planning permission to construct the hub has been granted which the GPA plans to lease from the master developer of the York Central site and then fitout. Designs are being developed in collaboration with government departments and wider partners to deliver a modern, sustainable and digitally connected office space in the city.

Bristol Temple Quay House
Bristol Temple Quay House Hub is a large-scale refurbishment of an existing Government leasehold building. The refurbishment will bring the building up to modern office standards whilst also addressing significant backlog maintenance issues and poor client satisfaction. The building will be connected to the Bristol District Heat Network removing gas from the building and delivering large scale carbon savings. The Hub will accommodate circa 2,300 FTE from 18 Departments and on opening will allow the release of 2 leasehold and 1 freehold premises from the estate. Construction commenced on site in late 2022 however, has been prolonged due to previously undiscovered backlog issues which need rectification before the building will be safe to occupy. Ready for Service is now expected to be late 2026 / early 2027.

Manchester First Street
The Manchester First Street Hub is an eight storey building designed to accommodate circa 2,600 civil servants in Manchester city centre. The building reached practical completion of its Category A (Cat A) fit out and the lease commenced in January 2025, with the re-tendered CATB Fit-Out PCSA secured in March 2025 following the original CAT B contractor going into administration. The contractor-led RIBA Stage 4 design is well underway to support the initiation of internal fit-out in 2026. The design recognises that different types of work require different spaces to enable collaboration, creativity and community regardless of how people choose to work.

22-26 Whitehall Place
The 22-26 Whitehall project is a full refurbishment of 2 connected Grade I Listed buildings for the Department for Science Innovation and Technology. Both buildings have been fully upgraded to suit modern and flexible ways of working, providing open plan workspaces with new furniture and interoperable technology. Historically significant rooms, dating back to 1725, have been sensitively restored with new

secondary glazing throughout, providing improvements to energy efficiency and security in this heritage location – 22 Whitehall, Kirkland building, which has been occupied since June 2024 and 26 Whitehall, Ripley Building, which achieved Ready for Service in July 2025. These are the last buildings of four to be handed over as part of the 1 Victoria Street Disposal Programme, which saves the taxpayer circa £311m over 20 year NPSV.

Manchester Digital Campus (MDC)
The new digital campus in Manchester is being developed to unlock the UK's digital and security potential, drive economic growth in the North West and save the taxpayer several billion pounds in long term estate costs. MDC will foster trust, collaboration and community, growing civil service expertise within Manchester's vibrant artificial intelligence and innovation ecosystem. Due to its complexity and risk profile, MDC is part of the Government Major Projects Portfolio.

During the year, progress has continued to be made on design, the site has been secured and planning permission has been granted. Bespoke governance is being implemented to ensure the GPA and the departments with which it is working to deliver and operate MDC, remain in alignment and realise the benefits from all aspects of the programme. A decision on the project's future was deferred to autumn 2025, to allow the Business Case for the programme to be further matured.

Supporting Strategic client projects
In addition to progressing its own development activity, the GPA uses its expertise to support clients with their capital programmes.

The GPA is leading the design and construction of The European Centre for Medium-range Weather Forecasts (ECMWF) at the University of Reading on behalf of the Department for Science, Innovation and Technology (DSIT). ECMWF has been designed by the GPA to consider ECMWF's identity as an internationally renowned organisation, with a high specification yet natural low carbon philosophy throughout, and has been tailored to support its forecasting, research and training functions for 300 scientists. The project achieved main contract award for construction in December 2024 with construction commencing on site in February 2025. This world leading centre is expected to be Ready for Service in early 2027.

Other client-funded projects the GPA is supporting include the relocation of staff at the Department for Work and Pensions (DWP) from its current offices to 1 Pilgrim Place, Newcastle and building dedicated and special purpose buildings for other clients.

Approach to delivering capital programmes
The Government Hubs and Whitehall Campus Programmes aim to improve workplaces for civil servants nationwide, fostering a sense of community and pride. To achieve this the GPA utilises strategic partnerships and portfolio management to deliver high-quality, cost-effective projects that generate social value. Focus areas include promoting economic equality, creating employment, and advancing sustainability through net zero initiatives across the estate.

As the agency continues to implement its ambitious estate transformation programme, it remains committed to leveraging strategic partnerships and design innovations, with portfolio risks continuing to be evaluated and used to inform decision-making surrounding programme delivery. The commitment to sustainability aims to create an estate that not only meets the current needs of government but is also adaptable to future requirements.

The GPA operates a thin client model, partnering with firms like WSP, Gleeds, and Tetra Tech for design, cost management and specialist services. Enhancements in strategic alignment include establishing a portfolio management function to better deliver objectives, manage risks and inform decision-making, with the adoption of NEC4 contracts further promoting collaboration with strategic partners and system improvements.

Positively impacting the environment in which the GPA operates

Integrating sustainability, social responsibility, and transparent governance into all aspects of its operations and property development activities is a priority for the GPA. Its Environmental, Social and Governance (ESG) framework is designed to deliver long-term economic, social, and environmental benefits, and is aligned with national and international standards and the government's mission to make Britain a clean energy superpower.

The GPA's approach emphasises that protecting the environment is fundamental, not an optional add-on. It actively contributes to the UK Government's sustainability objectives, including achieving net zero greenhouse gas emissions and supporting the UN Sustainable Development Goals (SDGs). The agency's strategic focus covers key areas such as climate change mitigation, energy efficiency, waste reduction, biodiversity enhancement, water conservation, social value creation, staff wellbeing, diversity and inclusion and ethical procurement.

Since publishing its first ESG report in July 2023, the GPA has made tangible progress. Initiatives include certifying new and refurbished buildings to high BREEAM standards, implementing an ISO 14001-accredited Environmental Management System (EMS) and setting ambitious targets such as reducing Scope 1 and 2 emissions and increasing the reuse and circularity of materials. The agency has invested over £13m in 2024/25 (2023/24: £19.8m) across numerous projects to reduce carbon emissions, improve energy resilience and enhance biodiversity on its estates.

The GPA's climate risk management incorporates an adaptation strategy and proactive assessments, including screening existing properties for flood and overheating risks and ensuring new developments incorporate climate considerations from the outset. The agency's climate-related disclosures are aligned with government standards, setting targets for emission reductions and resource efficiency and reporting progress annually. The GPA's mandatory disclosures under the Task Force on Climate-related Financial Disclosures are included within a separate Environment Report included in this annual report and accounts.

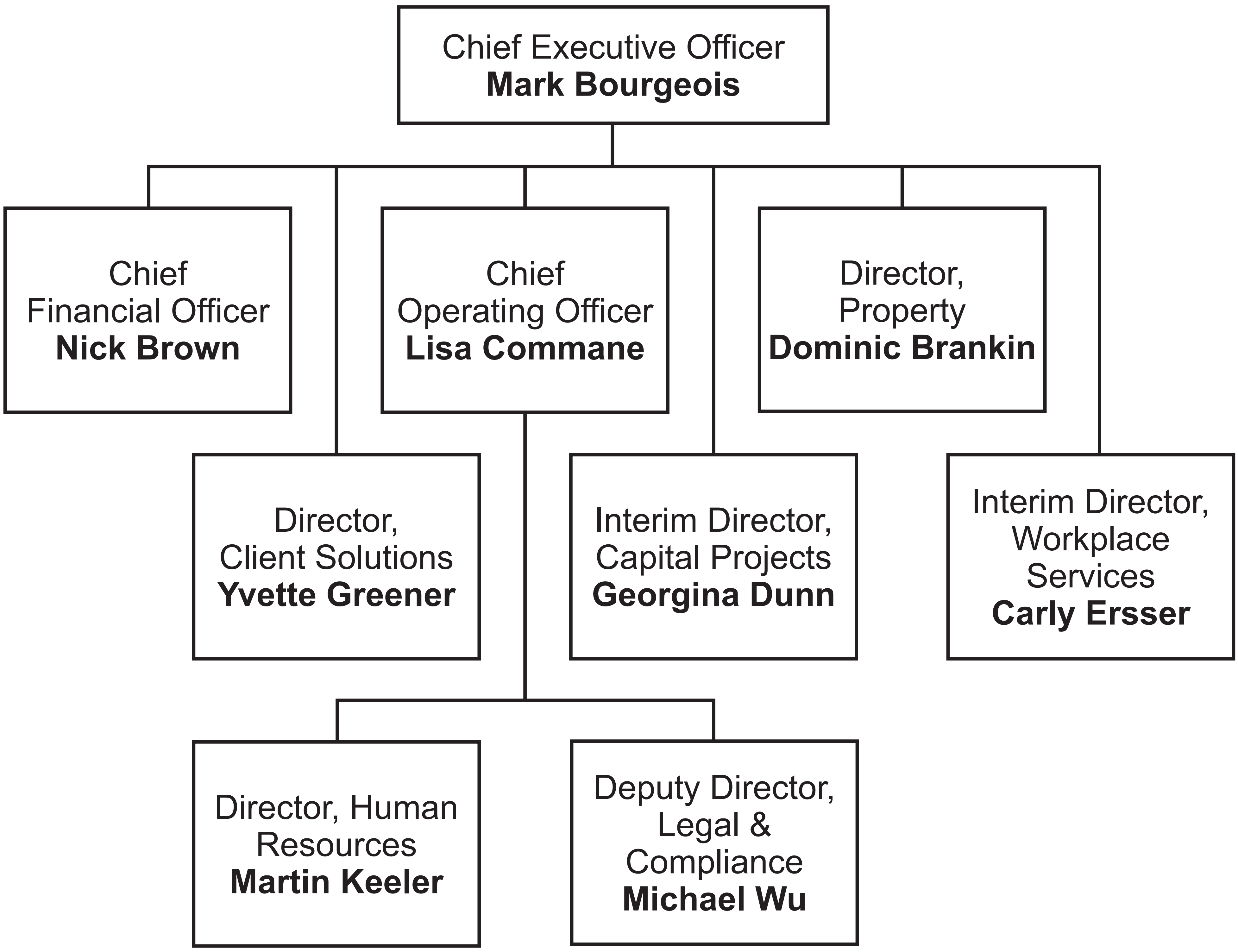
Leadership responsibility rests with the agency's Accounting Officer and CEO and Executive Committee, supported by a dedicated sub-committee overseeing environmental performance. The GPA also promotes a culture of sustainability among staff through accredited training and professional development courses, fostering organisational commitment at all levels.

Building Capability and Capacity

People

The GPA continues to build on its commitment to be a great place to work, evolving its culture and continuing to deliver smaller, better, greener government offices across the UK. Working together and in partnership with clients, customers and wider government, the GPA is dedicated to being a collaborative enabler of Civil Service transformation and government missions.
The structure of the Executive Committee is set out below, with information on how decisions are made detailed in the Governance Report.

Executive Committee Governance Structure (as at 31 March 2025)



Strengthening leadership and ways of working
Following the permanent appointment of Mark Bourgeois as CEO on 1 October 2024, work has been underway to review the GPA's Target Operating Model to strengthen delivery and create a high-performing organisation. This review is being undertaken in a staged approach, with Phase 1 focusing on the executive team structure. These structural changes will enable the GPA to evolve into a higher performing, more collaborative and inclusive organisation that is better equipped to deliver on its commitments.

A significant amount of work, to which every employee of the GPA was invited to contribute, has also been undertaken to develop the GPA's new values and behaviours. With both these now clarified, work will commence on embedding the GPA's new values and behaviours into ways of working throughout 2025/26 and beyond.

Employee engagement and people survey outcomes
The annual Civil Service People Survey is a key tool for understanding civil servants' attitudes to, and experience of, working in the GPA. It is a key area of focus for the board and the Executive Committee. The GPA remains in the top five Civil Service organisations for response rate, with 97 per cent in 2024. Although good progress has been made in some key focus areas, the organisation's Employee Engagement Index score decreased marginally to 62 per cent in 2024/25 (2023/24: 64 per cent). The overall trend since 2020 shows positive movement in several metrics, including My Manager, Learning and Development and Inclusion and Fair Treatment. The GPA uses these measures to ensure it is in tune with the feelings of its workforce and is introducing regular pulse surveys to measure progress in priority areas more frequently.

Following an analysis of the 2024 People Survey results, a corporate action plan was developed in consultation with the Executive Committee and Operations Committee. The plan highlights three main focus areas: Leadership and Change; Resources and Workload; and Culture, Inclusion, and Behaviours. Work to address these priorities is progressing across the organisation, including the establishment of GPA's inaugural people survey working group.

Skills, specialisms and career development
The GPA's award-winning Skills and Specialisms Programme empowers employees with self-directed learning and career development. This commitment to continuous growth, evidenced by the GPA's Core Skills Programme winning the Chartered Institute of Personnel and Development People Management Award for Best Learning and Development Initiative, fosters a culture of professionalisation and inclusivity. In 2024/25, extensive updates were made to the GPA's Skills Builder Tool for enhanced usability for individuals to access their own interactive dashboard and track their skills growth over previous years.

The GPA's professions are being advanced by its Specialism Leads and their Communities of Practice through multiple channels, including Viva Engage. In particular, Projects, Programmes and Portfolio Management (P3M) and IT &

Data Management are actively supporting upskilling and accreditation across the GPA , recognising the impact these essential skills will have across all roles. Accreditation is also growing with 39 per cent of the GPA currently holding an accreditation within their specialism, with a further 10 per cent working towards a relevant accreditation. In addition, six GPA people were successful on the Government Property Profession's sponsored Property Accreditation Programme. The GPA will continue to build on these successes.

The GPA continued to actively support talent development and participation in cross-government initiatives this financial year. It secured places on the Civil Service Future Leaders Scheme and on the Civil Service Senior Leaders Scheme for high potential employees. The GPA also participates in the Civil Service Fast Stream Scheme, hosting 16 fast streamers in 2024/2025, with eight participating in the Property Scheme. The agency also engaged in various talent programmes to support growth and talent development across the organisation and the wider Civil Service, including apprenticeships, the Government Property Leadership Programme, the Major Projects Leadership Academy Programme and Beyond Boundaries. The GPA is proud of the opportunities that it provides to support its people on upskilling and career progression.

The executive team commenced its coaching programme, engaging in constructive activities and discussions that provided valuable opportunities to strengthen team dynamics and enhance overall performance.

EDI and purpose – progress and successes

The GPA has continued to make progress on its Equity, Diversity, and Inclusion (EDI) plan. This includes continued awareness campaigns, further embedding of the GPA's staff networks and the introduction of an Inclusive Leadership Development Programme for all people managers, with circa 80 per cent participation rate, demonstrating a strong organisational commitment.

Tackling pay gaps has continued to be a key area of focus, with positive movement seen in the GPA's gender and ethnicity pay gaps (based on 31 March 2024 data, published by 31 March 2025).

Progress against the GPA's three-year EDI plan continues as it seeks to broaden its market appeal and realise the benefits of having a truly diverse workforce in the property market.

The GPA marked International Women's Day with an impactful 'All People' call and conference organised by our EmpowHer women's network, celebrating diversity and empowering women within the organisation.

Other people innovations

The GPA experienced a high uptake of its masterclass programme, aimed at bolstering continuous improvement capabilities and productivity, with 43 per cent attendance across nine sessions. The agency's activities in support of the 'One Big Thing' initiative gained cross-government recognition, highlighting its role in driving innovation.

There has been a continued focus on employee engagement through regular updates on all people calls, the introduction of new platforms such as Viva Engage and an 'InConversation' monthly engagement newsletter. In addition, the all staff conference in November was attended by over 330 colleagues, with 89 per cent saying that the event helped them gain a clear understanding of the GPA's priorities.

The GPA has successfully introduced a scheme allowing employees to buy and sell annual leave, promoting flexibility and work-life balance.

Other award recognition
At the 2024 Government Property Awards, a GPA Project Director won the Leadership category. Quay House, Peterborough, received a Highly Commended in the Project of the Year award, and the PropTech team was Highly Commended in the Transforming Places category for their work on GovWifi installations at the Government Offices Great George Street (GOGGS).

The Civil Service Sports Council (CSSC) presented an award to a Delivery Manager for their exemplary delivery of well-being initiatives at 23 Stephenson Street, Birmingham, reflecting dedication to foster a supportive and engaging workplace culture.

Industrial action
In October 2024 the Public and Commercial Services (PSC) Union called members employed by GPA workplace services partners, G4S, ISS and OCS out on strike in a dispute over pay, terms and conditions. This affected workers in security and facilities services roles in buildings across London. A similar but smaller dispute had begun in East Kilbride, Scotland, a month earlier.

The industrial action lasted more than eight months during which there were several mass walk-outs with picket lines outside key Whitehall buildings as well as Abercrombie House in East Kilbride.

The GPA supported negotiations with the unions and the dispute was concluded in June 2025. Throughout this time, the GPA worked with affected suppliers to keep buildings safe, secure and operational, continuing services without interruption.

Evolving the GPA will continue

Following continuous growth since its formation (onboarding of 53 per cent of the general purpose office estate from a zero base), progressing the Government Hubs Programme and delivering considerable cashable and non-financial benefits, 2024/25 has been a year of consolidation and stabilisation for the agency, whilst navigating the challenges of a tight budgetary environment and with many planned on-boardings being deferred.

Progress has been made in evolving the operating platform, with a revised governance structure. Re-design has begun on the new Target Operating Model to enhance the GPA's capability to:

- Provide an improved client experience;
- Remove duplication;
- Work more effectively and smoothly to enable improved outcomes; and
- Deliver larger development projects currently in planning and future growth.

Notwithstanding the challenging operating environment, the GPA has established a strong foundation for future work with significant progress against an ambitious plan, whilst acknowledging not all targets were achieved. Implementation of its CIP has delivered a year of stabilisation, continuous improvement and preparing for the future. The organisation has strengthened its approach to digital, data and security; governance and risk arrangements have been reviewed and restructured with improvements in contract management preparing for the new Procurement Act. Improved client reporting and billing processes have led to an increase in reported client satisfaction rates for this activity, from 5.7 to 6.2, whilst enhanced transaction processes and contingency management have augmented both the pace and quality management of development projects.

The GPA has implemented a number of improvements to its controls over non-current assets and lease accounting, including more robust systems and processes and timely reviews, as part of the GPA's CIP. These improvements address the causes of the restatements and classification errors in 2023/24, and aim to prevent recurrence.

Looking ahead, the GPA continues to play a critical role as a strategic enabler across government, supporting the delivery of mission-led objectives through a more efficient, effective and sustainable government estate. Maintaining alignment with government missions and ministerial priorities, the GPA's focus will continue on enhancing its capacity to deliver change, improve services and create long-term value for the public sector and the communities it serves.

The property onboarding programme will only recommence once its operating platform has been evolved to be sufficiently robust to support future growth.

Finances

Financial review

How the GPA is financed
The GPA is primarily funded by client partners, being the government departments and others who take space in GPA buildings and use services including facilities management and landlord services. Costs incurred in delivering these services include rent payments for leasehold buildings, rates, utilities, people costs and supplier payments including to the GPA's delivery partners.

The GPA received funding directly from HM Treasury as part of SR21 (the Spending Review covering the three year period ended 31 March 2025). The GPA's SR21 funding settlement enabled investment in the estate including hubs, lifecycle costs and net zero interventions. It also funded operating expenditure which could not be charged in full to clients under its current charging model and improvements to the efficiency and quality of the estate to provide a safe, productive and cost effective working environment for civil servants aligned to GPA's 'smaller, better, greener' vision for its portfolio.

The GPA is actively evaluating alternative charging options for delivering a more sustainable client charging policy within the boundaries of the existing GPA framework agreement and the constraints of Managing Public Money. An alternative model will allow the GPA to work towards becoming 'self-sufficient' and explore new value-adding services it can deliver to clients. Any new model will undergo market testing, including, benchmarking of the overall cost of delivery against market standards with collaboration and support from HM Treasury and clients.

Outcome of the 2025 Spending Review (SR25)
The Spending Review is a periodic budgeting review and provides the opportunity for the GPA to bid for funds needed to support the Government's missions and priorities over a set period of time. Spending Review 2025 (SR25) was split into two phases. Phase 1 set departmental budgets for 2025-26 and Phase 2 set departmental RDEL budgets for the three financial years from 1 April 2026 to 31 March 2029 and CDEL budgets for four financial years from 1 April 2026 to 31 March 2030. HM Treasury has advised its future intention to move to bi-annual spending reviews.

The Cabinet Office's bid secured funding for the GPA at a level sufficient to enable it to:

- Maintain its existing level of operations and meet current commitments;
- Accelerate the rationalisation of the central London estate (PfL);
- Progress the construction of three new hub buildings;
- Improve interoperability across government including GovPrint, GovPass and GovWifi; and
- Invest in the strengthening of its operating platform aligned to the GPA continuous improvement programme.

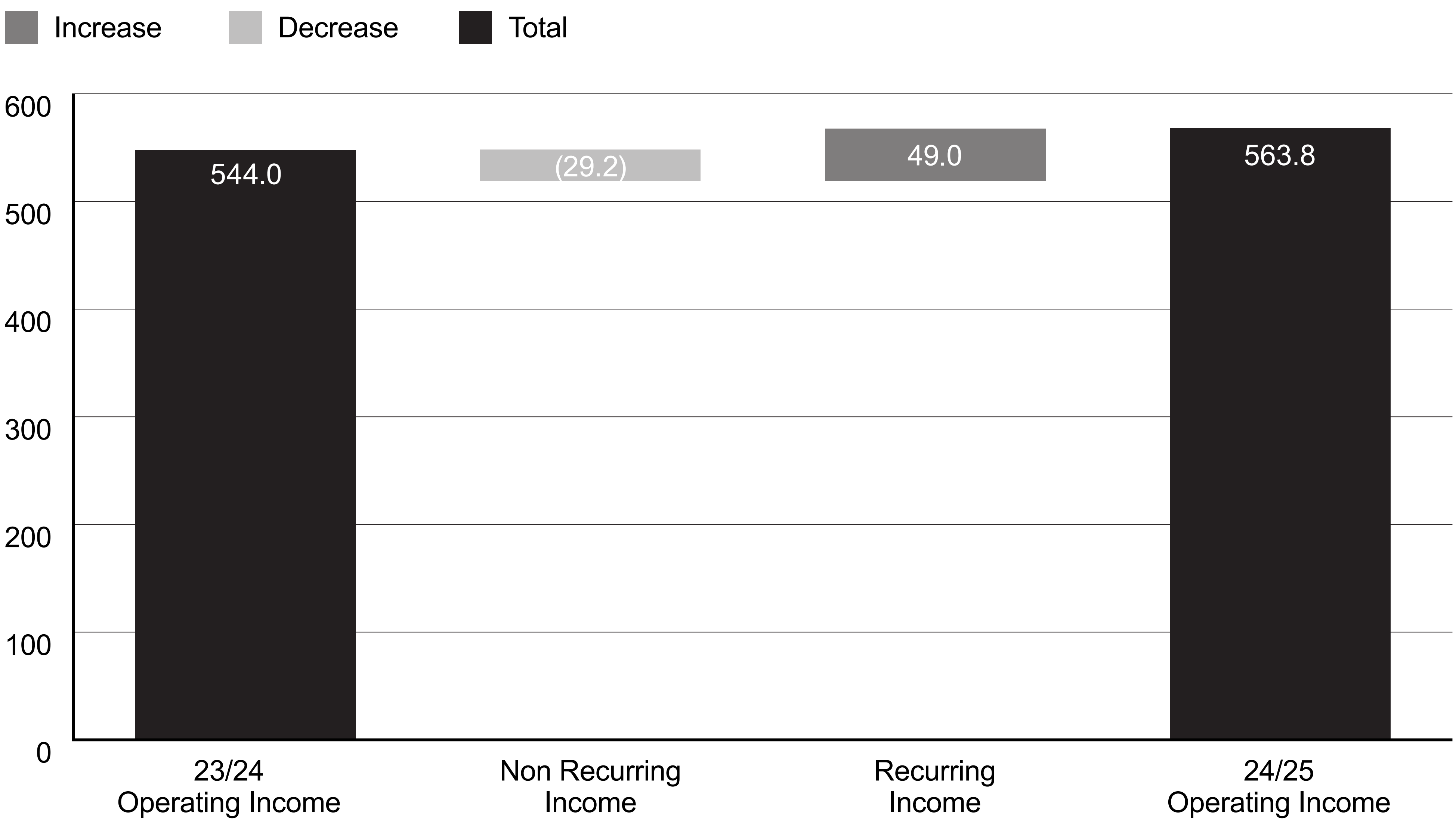
This funding is projected to lead to significant reductions in the cost of operating the general purpose office estate over the SR25 period and beyond for the benefit of GPA's partner clients.

Financial Review
The GPA has successfully managed its finances during the year to remain within the delegated limits set by the Cabinet Office. This has been achieved by detailed financial planning, monthly monitoring and forecasting, and identification and management of risks and opportunities.

Operating income £563.8m (2023/24: £544.0m)
Operating income includes income earned from clients from rent and from charges levied for rates, utilities and other services, and increased by £19.8m in 2024/25. This is illustrated in Figure 1 below. The increase arose principally from inflationary increases in rates, landlord services and facilities management compared to 2023/24 and from the full year effect of properties onboarded in 2022/23. Income from gainshare increased by £6.2m compared to 2023/24. Gainshare income arises where the GPA shares in the benefits it creates for its clients. Recorded amounts are dependent on activities and vary between years. These increases were partially offset by a reduction in income from property and project services of £35.7m due to completion of a client funded project.

Operating income comprises recurring and non-recurring income. Non-recurring income principally arose from client requested projects including delivery of the European Centre for Medium-range Weather Forecasts (ECMWF) at the University of Reading. Recurring income comprised rent, rates, management fees and other service derived income. The recurring income has increased predominantly due to inflation and the impact of onboarding new properties in the current and prior year.

Figure 1: Changes in operating income 2023/24 and 2024/25



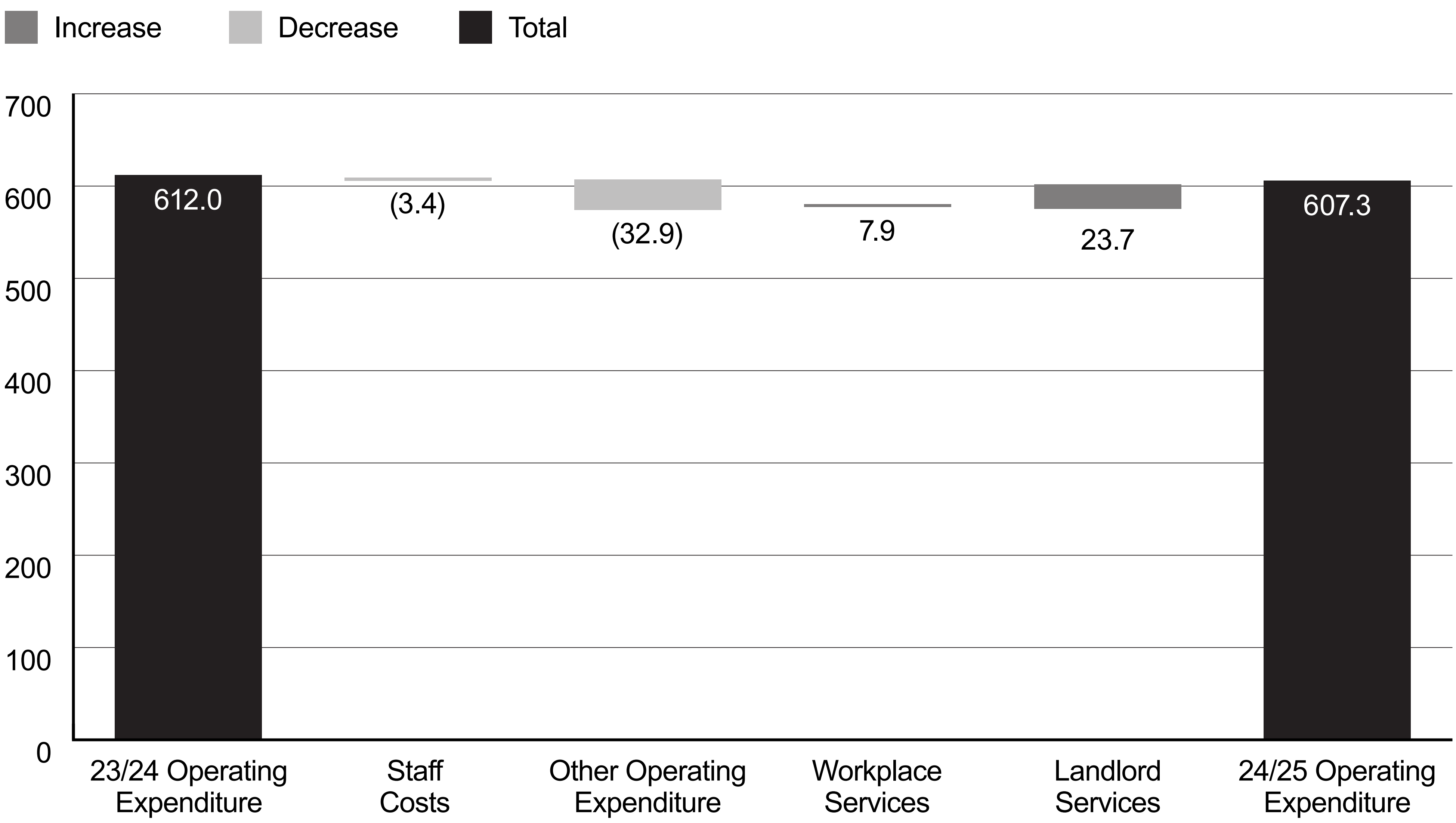
Operating expenditure £607.3m (2023/24: £612.0m)
Operating expenditure exceeds operating income with the shortfall being funded by HM Treasury via the Cabinet Office. Total operating expenditure decreased by £4.7m in 2024/25 to £607.3m. This is due to a decrease in other operating expenditure (principally professional services) of £32.9m and a decrease in staff costs of £3.4m partially offset by increases in the cost of Landlord Services of £23.7m and Workplace Services costs of £7.9m.

Landlord Services expenditure increased by £23.7m, largely due to increases in rent and rates payable due to inflation and onboarding of new properties. The cost of Workplace Services provided to clients increased by £7.9m compared to prior year, largely due to an increase in operational security staff costs.

Other operating expenditure decreased by £32.9m principally due to a reduction in professional services costs of £28.4m. This is due to major one-off projects reaching completion. GPA staff costs have decreased by £3.4m due to a concerted effort to reduce contingent labour costs and delays in permanent recruitment.

Operating expenditure excludes non-cash expenditure which is recorded in note 4c to the financial statements. Non-cash expenditure includes depreciation, amortisation and impairment of non-current assets, and remeasurement of financing liabilities. Changes in expenditure between years is shown in Figure 2 opposite and is more readily illustrated by excluding non-cash expenditure as shown.

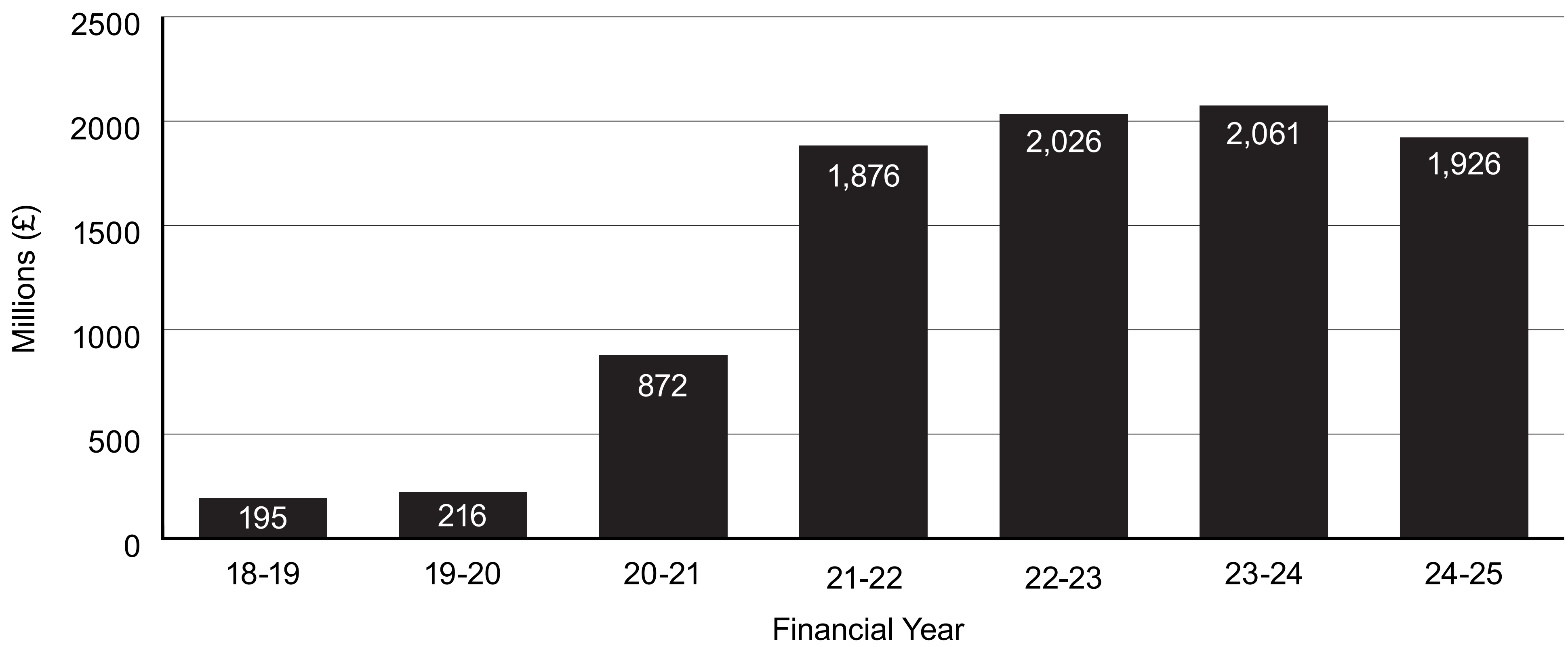
Figure 2: Changes in operating expenditure 2023/24 and 2024/25



Property assets

The Statement of Financial Position, as at 31 March 2025, reports the GPA had property assets valued at £1.9bn (2023/24: £2.1bn) and is shown in Figure 3 below. These comprise property, plant and equipment (PPE) assets of £1.7bn and right of use assets under IFRS 16 of £0.2bn. The decrease of £0.2bn is principally due to PPE additions of £0.2bn and right of use asset additions of £0.2bn being lower than in prior years as on-boarding activity was deferred in the year, and is more than offset by downward revaluations of £0.1bn, disposals and transfers of £0.3bn and depreciation and impairment charges of £0.2bn.

Figure 3: Evolution of property assets since formation of the GPA

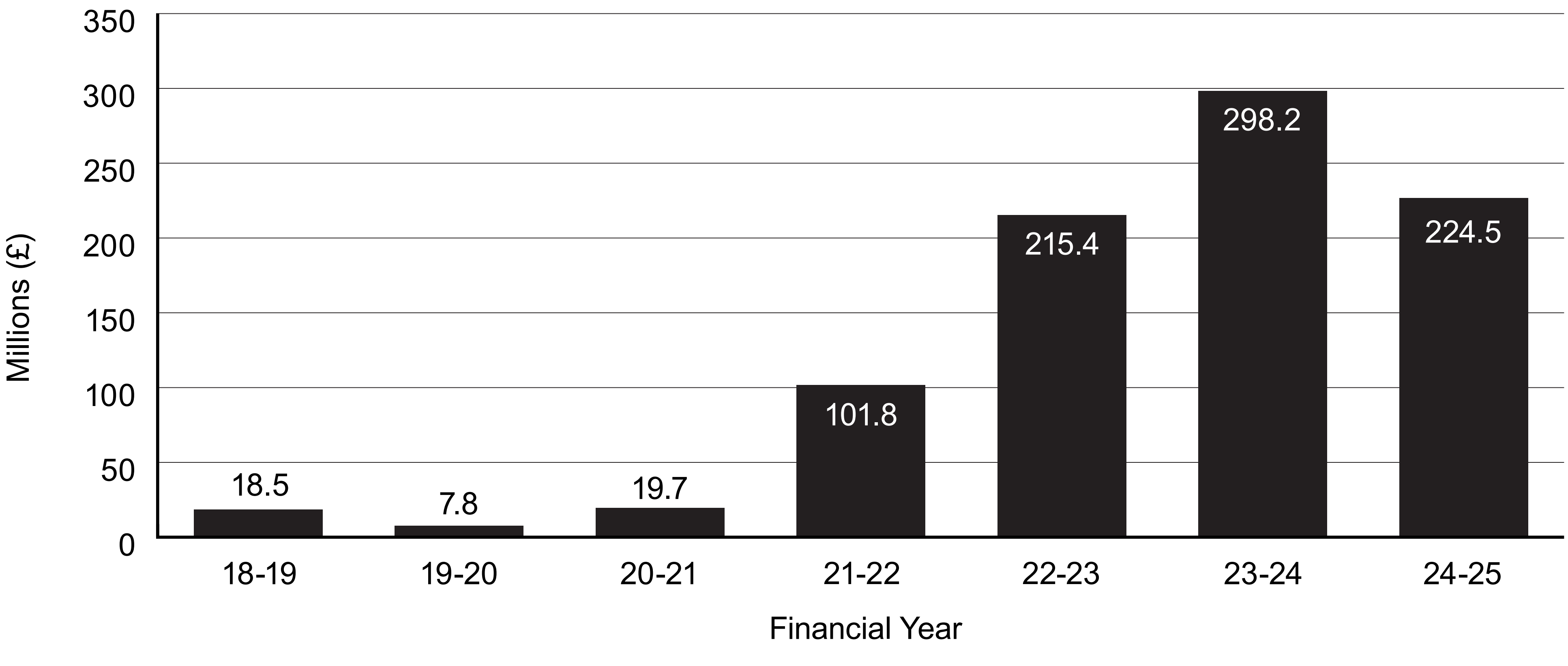


Capital investment £224.5m (2023/24: £298.2m)
Capital investment in 2024/25 was £224.5m, excluding right of use asset additions of £152.3m recorded under IFRS 16. The reduction shown in Figure 4 opposite is due to completion of projects allocated funding under SR21 and a decision to reduce the level of new properties on-boarded to GPA management.

£142.3m was invested in 2024/25 in major development projects. The six largest projects accounted for 92% of expenditure and comprised; Croydon, 2 Ruskin Square (£68.7m); Manchester Digital Campus (MDC) (£17.1m); London, 22-26 Whitehall (£16.3m); Bristol, Temple Quay House (£14.2m); London, Caxton House exit (part of PfL) (£8.1m); and Darlington, Brunswick Street (£6.8m).

£57.6m was invested in life cycle replacement and net zero projects, with the objective of ensuring building statutory compliance, making progress in addressing the longstanding maintenance backlog, improving condition, and to improve environmental performance of the estate. A further £24.6m of investment was made in improved hardware and technological equipment at GPA and across its estate to make office spaces more interoperable and productive for partner clients and customers, and reduce environmental impact.

Figure 4: Capital investment by financial year



Amounts receivable from clients
Underlying performance in collecting amounts due from clients has been consistent throughout the year whilst billing volume has increased by 11% to £810m, in part due to the full-year effect of properties on-boarded to the GPA during 2023/24. At 31 March 2025, amounts receivable from clients was £94.0m (2024: £82.5m), the increase arising due to accelerated billing and successful completion of outstanding lease agreements.

The average period amounts receivable were outstanding (‘debtor days’) was 78 days as at 31 March 2025 (2024: 78 days). When amounts billed but not due for payment at 31 March 2025 are excluded, the GPA debtor days fall to 34 days (2024: 22 days).

Accelerated billing, coupled with the successful completion of a significant volume of outstanding lease agreements shortly before the year end, are the principal causes of the increase in amounts receivable at 31 March. However, the underlying trend for debtor days is positive, averaging 31 days across 2024/25, compared to 44 days for 2023/24 as a result of earlier billing and strengthening relationships with clients.

Benefits generated for the taxpayer by the GPA

A key focus for the GPA has been the continued realisation of benefits for the taxpayer, arising from rationalising the government estate and driving value from managing and operating its portfolio. This has been achieved by delivering on its strategic objectives across the Government Hubs, Whitehall Campus, LCR and Net Zero Programmes. As well as delivery against these key programmes, there have been a number of efficiencies and benefits achieved through the successful optimisation of the GPA operational footprint.

Cashable and non-cashable benefits are set out in Table 3 below for the period from 1 July 2023 to 30 June 2024 (GPA's benefits reporting year). Benefits reported for this period are analysed between cashable and non-cashable and into two further categories:

Booked: benefits are booked when the relevant budgetary approval has been granted and has a relevant business case attached.

Realised: benefits are considered realised once the relevant activity has been completed or delivered and reviewed to determine the actual outcome. When benefits from an activity are recognised as 'realised', any benefits previously recorded as 'booked' are derecognised.

Table 3: Cashable and non-cashable benefits for the year ended 30 June 2024

In year benefits	Booked	Realised	Total
Cashable	(236)	939	703
Non Cashable	(59)	(313)	(372)
Total	**(295)**	**626**	**331**

Basis of preparation
As set out in the 2023/24 annual report and accounts, the GPA demonstrated that cumulative benefits to 30 June 2023 had met the initial New Property Model business case. For its 2024/25 Annual Report and Accounts, the GPA has moved to report those benefits recognised within the benefits year. This means that when a benefit is determined to have been Realised, the original benefit recorded as Booked is reversed within the Booked category and the actual benefits recorded in the Realised category, with the difference being the total benefit to be reported for the year. Benefits reported for the year therefore comprise a combination of:

- Benefits first Booked in the period that remain in this category at the benefits year end;
- Benefits Booked and Realised in the same benefits year; and
- The difference between benefits recorded as Booked in prior years and the actual benefits Realised in the year.

While the GPA reported a Forecast benefits category in 2023/24, when the financial climate was more predictable, following the general election, the appointment of a new government with different priorities and the completion of two spending reviews (which are expected to be conducted biannually in future), confidence in reporting Forecast benefits has declined. Consequently, Forecast benefits are no longer recorded.

Analysis of benefits
The collective impact of initiatives across the GPA in the benefits year, ended 30 June 2024, resulted in benefits reported for the year at £331m, reflecting the continuing progress made by the agency.

Cashable benefits reported for the year were £703m, underpinned by £939m of benefits being recognised as Realised, of which £862m is driven by the continued rationalisation of the London estate as part of the Whitehall Campus and Government Hubs Programmes.

One Victoria Street, having received business case approval, was recognised as Booked as of 30 June 2023. The project completed in the current benefits year and therefore was derecognised from the Booked category and transferred to Realised at 30 June 24. This project contributes £311m to cashable benefits, representing an increase of £40m from the amount recognised when the benefit was Booked. The remaining items within the Realised category arise from the closure of 3 Grosvenor Gardens, Nobel House, 120 Holborn, Finlaision House, Globe House and Stewart House, which generated cashable savings of £551m, all of which were recorded as Booked and then Realised in the benefits year.

The remaining £77m of cashable savings were generated across the LCR and Net Zero Programmes, and from Property and Commercial transaction activity that has taken place and was Realised in the year.

Non-cashable benefits reduced by £372m in the year, predominantly reflecting the socio-economic impact of roles moving from London to regional hubs. The recorded amount of £313m includes the £124m socio-economic impact from 12,049 roles being relocated in the year to support the delivery of PfL and Places for Growth initiatives. This impact arises from the increased focus on economic development in the nations and regions under PfG. The GPA has continued to evolve its benefits reporting and methodology, which has resulted in a downward revision to benefits being reported that relate to the prior year at £189m.

As the GPA's benefits methodology matures, commencing with the year ending 31 March 2026, the agency will look to align its benefits reporting year to the financial year and will report benefits recognised in the 21-month period ending 31 March 2026.

Conclusion

Conclusion

The focus remains to work with our departmental partners and customers to create great places to work.The GPA's leadership capability and structure have evolved through the development of a target operating model and core values, enabling better collaboration and delivery for departmental partners.

As with many government organisations and following SR25, the GPA will continue to operate in a challenging environment with constrained finances. Building on the work done so far, the GPA must strive to find new levels of innovation, collaboration and adaptability.

The GPA has however continued to grow, evolve and build on the achievements and milestones in previous years. There has been change at all levels of the organisation, including at Board level where Pat Ritchie CBE left her role as Board Chair in May 2025. Pat worked tirelessly for the GPA since joining in January 2020 and along with Jonathan Thompson who left the board in July 2025, made a huge contribution as the agency experienced rapid growth where it now manages more than 53 per cent of the government office estate.

While 2024/25 presented a series of challenges, the GPA continued to make progress on its strategic and long-term objectives through the enhancement of digitally-enabled offices, the refurbishment of existing sites and an improved client experience, with 11 out of 15 business plan targets being met. In addition to this, the GPA continued to strengthen its relationships with key partners and sponsor, OGP, underlining the agency's aim to work collaboratively on its priorities.

The GPA remains committed to supporting the government's aims to develop a Civil Service that is connected with the communities it serves and delivering public service transformation, while supporting its missions such as the Plan for Change. The challenges of 2024/25 have provided the dedicated team at the GPA with greater experience and confidence to deliver on its commitments, entering 2025/26 on a positive trajectory as it strives to create a smaller, better, greener government office estate.

Mark Bourgeois
Chief Executive Officer and Accounting Officer
11 September 2025

Accountability Report

Accountability report

Introduction
The purpose of this report is to meet key accountability requirements to Parliament. The Accountability Report has three sections:

- Corporate Governance Report;
- Remuneration and Staff Report; and
- Parliamentary Accountability and Audit Report.

The Corporate Governance Report explains the composition and organisation of the GPA's governance structures and how they support the achievement of the agency's objectives. The Corporate Governance Report comprises:

- The Statement of Accounting Officer's responsibilities;
- The Directors' Report; and
- The Governance Statement.

The Remuneration and Staff Report sets out the GPA's remuneration policy for board members and how it has been implemented. In addition, the report provides details on remuneration and staff numbers that are fundamental to demonstrating transparency and accountability.

The Parliamentary Accountability and Audit Report includes the key parliamentary accountability disclosures, the Certificate of the Comptroller and Auditor General to the House of Commons and their respective report.

Statement of Accounting Officer's Responsibilities

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000 (the GRAA), HM Treasury has directed the GPA to prepare a statement of accounts for each financial year in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the GPA and its income, expenditure, Statement of Financial Position and cash flows for the financial year.

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

- Observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimate 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 accounts;
- Prepare the accounts on a going concern basis;
- 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.

The GPA accounts have been prepared on a statutory basis in accordance with the requirements of HM Treasury. They are designed to comply with generic Accounts Directions issued to agencies by HM Treasury under Section 7 (1 and 2) of the GRAA.

HM Treasury has appointed the Principal Accounting Officer of the Cabinet Office as Accounting Officer of the GPA. The Principal Accounting Officer of the Cabinet Office has sub-delegated their Accounting Officer responsibilities for the GPA to the GPA CEO and Accounting Officer. The responsibilities of an Accounting Officer, which include responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the GPA's assets, are set out in Managing Public Money, published by the HM Treasury.

The financial statements are audited by the Comptroller and Auditor General, who is appointed under statute and reports to Parliament on the audit examination.

Statement on the disclosure of relevant audit information

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 GPA'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.

Corporate Governance Report

Director's Report

Composition of Board

The GPA board is made up of two internal government Non-Executive Directors (NEDs), one of whom is the UK Government Investments (UKGI) Shareholder Representative Director, as well as six external independent NEDs, one of whom is the GPA's Chair. The CEO and Chief Financial Officer (CFO) are appointed as Executive Members of the board.

The NEDs of the GPA during 2024/25 are listed below. They bring external experience and expertise to the GPA, providing advice, challenge and scrutiny to support the Accounting Officer in the discharge of their duty. Independent non-executive board members are appointed through a fair and open competition process, requiring approval from the Minister for the Cabinet Office. Their initial term is three or four years, with the possibility of a three or four-year extension.

The GPA Board Independent Members at 31 March 2025 were:

Pat Ritchie (Chair)
Jonathan Thompson (Deputy Chair)
Carol Bernard
Roger Blundell
Helen Gillett
Hannah Gray
Ronen Journo
Anna Strongman

After five years as Chair of the GPA, Pat Ritchie left the role on 30 April 2025. Jonathan Thompson, the Deputy Chair, acted as interim Chair from 1 June 2025 until his contract expired on 31 July, while the process to appoint a permanent chair is progressed. Additionally, Robert Razzell's term of appointment as the UKGI Shareholder Representative Director expired on 11 June 2024. Hannah Gray was appointed in his place for three years, with her term expiring on 9 June 2027. Following the departure of Jane Hamilton on 30 July 2024, a successful recruitment campaign resulted in the appointment of Anna Strongman, for a term of four years, commencing from 1 October 2024. Reappointment was also approved for Carol Bernard, with her term expiring on 30 November 2025. Mark Chivers was appointed as Government NED, commencing 15 May 2025.

Dates of appointment for the Board are as follows:

Name	Title	Start Date	End Date
Pat Ritchie	GPA Chair	1 January 2020	30 April 2025
Jonathan Thompson	Non-Government NED (Deputy Chair) Interim Chair	1 August 2021 1 June 2025	31 July 2025
Anna Strongman	Non-Government NED	1 October 2024	30 September 2028
Carol Bernard	Government NED (CO Representative)	1 June 2022	30 November 2025
Hannah Gray	Shareholder Representative	10 June 2024	9 June 2027
Helen Gillett	Non-Government NED	1 April 2023	31 March 2027
Jane Hamilton	Non-Government NED	27 April 2018	30 July 2024
Mark Chivers	Government NED	15 May 2025	N/A
Robert Razzell	Shareholder Representative	27 April 2018	11 June 2024
Roger Blundell	Non-Government NED	1 April 2023	31 March 2027
Ronen Journo	Non-Government NED	1 April 2023	31 March 2026
Mark Bourgeois	Interim Chief Executive Officer Chief Executive Officer	27 November 2023 1 October 2024	30 September 2024
Nick Brown	Chief Financial Officer	15 May 2023	N/A

Composition of the Executive team
Mark Bourgeois holds the position of CEO of the GPA and serves as the designated Accounting Officer. Initially appointed as interim CEO from 27 November 2023 until 30 September 2024, he assumed the permanent role on 1 October 2024.

The GPA Executive team as of 31 March 2025 were as follows:

Mark Bourgeois – Chief Executive Officer
Nick Brown – Chief Financial Officer
Lisa Commane – Chief Operating Officer
Dominic Brankin – Director, Property
Yvette Greener – Director, Client Solutions
Georgina Dunn – Interim Director, Capital Projects
Carly Ersser – Interim Director, Workplace Service
Michael Wu – Deputy Director, Legal & Compliance
Martin Keeler – Director, Human Resources

Alan Whitelaw stepped down from the Executive Committee on 2 April 2024. He was replaced in his role as Director of Property by Dominic Brankin. Dominic Brankin was initially replaced in his Director of Workplace Services role by Louis Roberts (from 2 April 2024 to 1 November 2024) and then by Carly Ersser as Interim Director from 4 November 2024, assuming the permanent role from 24 June 2025. Clive Anderson retired on 7 August 2024, with Georgina Dunn joining the Executive Committee as Interim Director of Capital Projects on the same date through to 31 July 2025. She was replaced by Simon Hulme MBE for a period of 12 months, commencing 1 September 2025.

Dates of appointment for the Executive Committee are as follows:

Name	Title	Start Date / (Finish date)
Mark Bourgeois	Interim Chief Executive Officer Chief Executive Officer	27 November 2023 (30 September 2024) 1 October 2024
Nick Brown	Chief Financial Officer	15 May 2023
Lisa Commane	Chief Operating Officer	31 October 2023
Clive Anderson	Director, Capital Projects	1 December 2021 (7th August 2024)
Georgina Dunn	Interim Director, Capital Projects	29 July 2024 (1 September 2025)
Simon Hulme MBE	Interim Director, Capital Projects	1 September 2025
Yvette Greener	Director, Client Solutions	1 December 2021 (1 September 2025)
Alan Whitelaw	Director, Property	16 June 2018 (2 April 2024)
Dominic Brankin	Director, Property	2 April 2024
Dominic Brankin	Director, Workplace Services	14 January 2019 (2 April 2024)
Louis Roberts	Interim Director, Workplace Services	2 April 2024 (1 November 2024)
Carly Ersser	Interim Director, Workplace Services Director, Workplace Services	4 November 2024 (23 June 2025) 24 June 2025
Martin Keeler	Director, Human Resources	1 December 2021
Michael Wu	Deputy Director, Legal & Compliance	2 May 2022

Conflicts of interest

It is GPA Policy, which aligns with the Civil Service Code, that all directors and staff must ensure there is no conflict of interest, or apparent conflict of interest, between their official positions and any financial or non-financial interests which they or those close to them may have. The policy provides guidance on matters that could be construed as a conflict of interest.

Register of Interests

All Senior Civil Service (SCS) grades and non-executive board members are required twice yearly to consider the guidance and make a declaration on whether any such conflict may exist. These details are maintained in a register of interests to ensure that any perceived or real conflicts of interest can be identified. Relevant information is held by the GPA in a central register alongside mitigation measures taken. The board member conflicts of interest register is published on the GPA's – GOV.UK web pages and can be found in its entirety here: **www.gov.uk/government/publications/government-property-agency-register-of-board-members-interests**.

Business appointment rules

All staff are required to comply with the Civil Service Code and the Civil Service Management Code. In support of them is a dedicated policy and process which emphasises the importance of declaring interests / secondary employment as well as following the business appointment rules.

Governance Statement

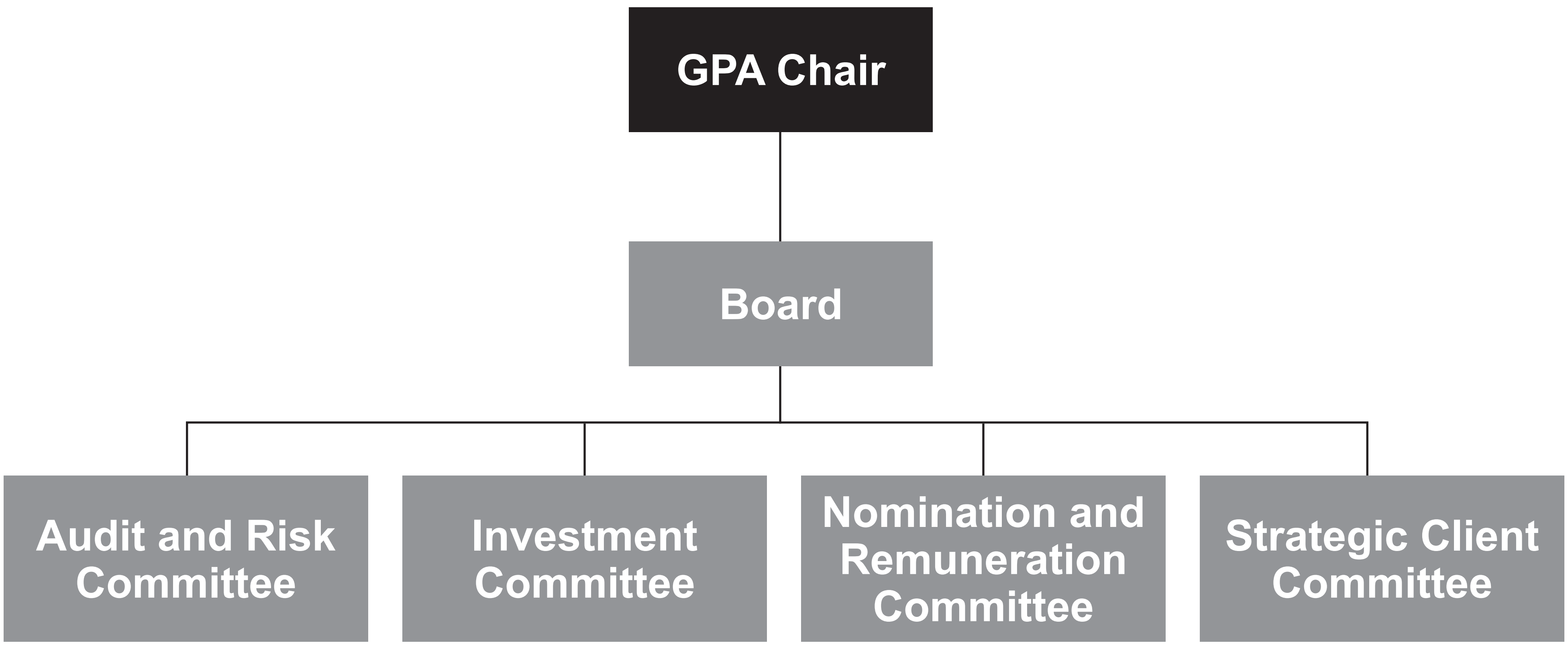
Scope of responsibility

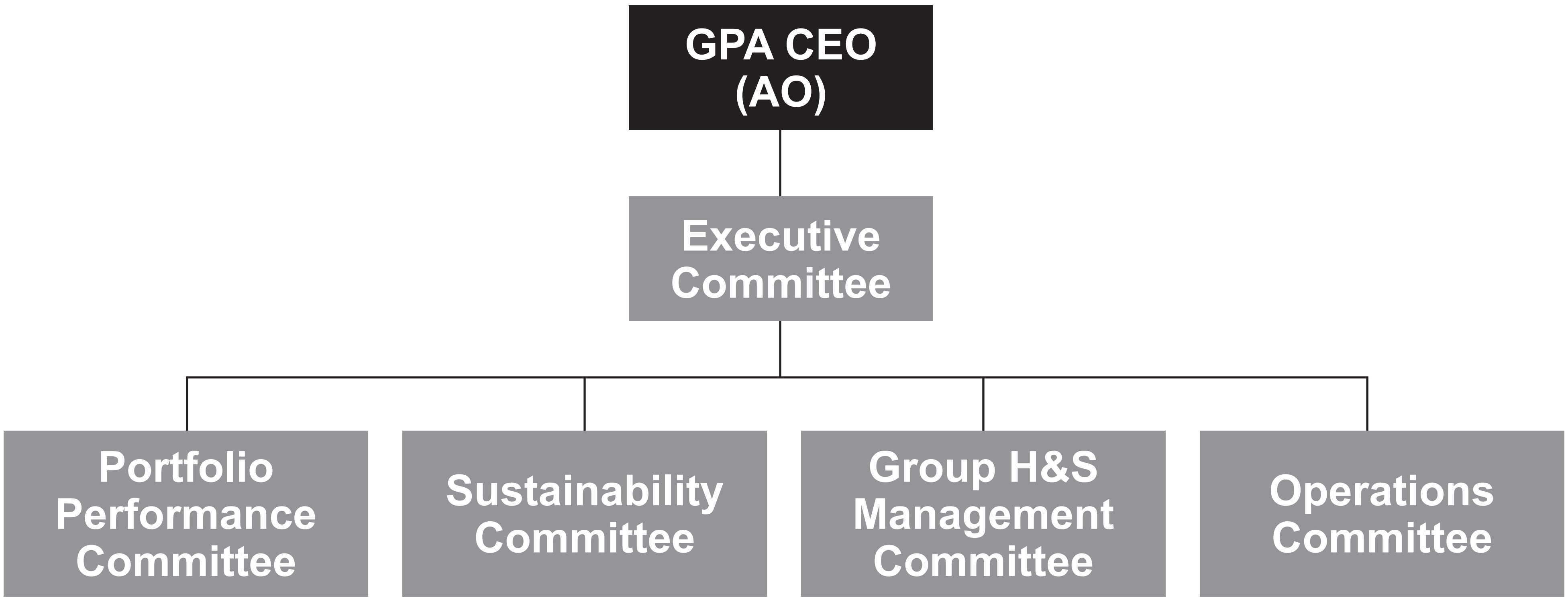
As Accounting Officer, the CEO of the GPA ensures that they adhere to the principles and standards set out in HM Treasury's Managing Public Money guidance, including requests over governance, decision-making and financial management. The GPA continues to monitor and evolve the quality of information provided to the board and its executive committee to support effective decision-making. This governance statement sets out frameworks, processes and supporting evidence to provide assurance on how the GPA has managed risks and complied with good corporate governance.

GPA governance structure

The GPA is an Executive Agency of the Cabinet Office and reports to Cabinet Office Ministers through the Chair of the board. The Director General Government Property in the OGP is the Senior Sponsor and has oversight of the policy objectives that the GPA is required to deliver. UKGI undertakes the role of Shareholder Representative on behalf of the Cabinet Office. UKGI is responsible for promoting corporate governance and financial best practice, across government. A representative of UKGI is a member of the GPA board. To ensure transparency, Cabinet Office finance representatives sit on the investment committee, with an independent finance representative from the Department of Culture, Media and Sport (DCMS) sitting on the audit and risk committee (ARC). The GPA also adheres to HM Treasury guidance on Managing Public Money, Risk Management, Internal Audit, Remuneration and Financial Delegation.

From September 2024, a revised governance structure has been implemented, designed to deliver a governance model appropriate to the GPA's increased scale of operations and to provide a robust system that follows the principles of good governance in HM Treasury and Cabinet Office guidance.





The GPA Board
The board formally met seven times in 2024-25.

The board sets the strategic direction of the GPA and helps it to deliver on its vision and mission. The board's remit is advisory and supervisory with a broad purpose to steer and scrutinise the GPA's strategy, performance and capability, assisting the Accounting Officer to effectively discharge their duties. In order for the board to fulfil its role, key reports and other information are provided in advance of each meeting. This includes an executive report, finance report, performance dashboard including monthly reporting on KPIs, and standing board items, such as health and safety and risk. At each meeting there are strategic 'deep dive' discussions on critical areas that give the board an opportunity to provide strategic guidance.

To ensure it is equipped for this role, the GPA follows best practice for corporate governance, in line with the 'Corporate governance in central government departments: code of good practice' guidance. The GPA's Board composition was designed in line with this code, which has allowed for the appointment of a mixture of Non-Executives with substantial experience in the public sector as well as independent members with strong private sector real estate, technology, client focus and commercial expertise. These areas of expertise are used collaboratively to set the GPA's strategic direction, drawing on experience from both sectors to capitalise on opportunities whilst managing risks and holding the GPA to account for delivery against set targets.

Throughout the year, the board has been provided with high-quality data that is:

- **Accurate** – Drawn from reliable internal systems with appropriate controls in place to ensure data integrity;
- **Timely** – Delivered within required timeframes, enabling the board to address matters proactively;
- **Relevant and Comprehensive** – Tailored to the board's strategic oversight role, with sufficient detail to support informed decisions; and
- **Validated** – Subject to regular review, audit processes, and cross-functional checks to ensure credibility.

The board is satisfied with the quality of data provided and considers it fit for purpose in fulfilling its governance responsibilities. This confidence is underpinned by strong internal reporting processes, continual improvements in data management, and a culture of transparency and accountability.

Throughout 2024-25, the board has provided strategic oversight and constructive challenge with a particular focus on guiding the organisation's response to the Spending Review, driving forward the continuous improvement programme, and ensuring the delivery of our strategic objectives for a smaller, better, and greener government estate.

The board had three subcommittees throughout the year, which report directly to it: the investment committee, the ARC and the nomination and remuneration committee, with a fourth strategic client committee established from September 2024. Terms of reference undergo regular scrutiny to ensure they remain relevant and contain up-to-date information.

The Investment Committee
The investment committee is chaired by the GPA Non-Executive Director Roger Blundell. It meets monthly and more frequently when required. This committee provides regular updates to the GPA board and will refer any novel or contentious matters to the Cabinet Office approvals board.

The role of the investment committee is to:

- Advise the Accounting Officer on the discharge of their obligations;
- Review proposed projects to ensure they:
  - Align with government priorities and the GPA's 10-Year Strategy;
  - Deliver value for money;
  - Meet regularity and propriety requirements; and
  - Are affordable and sustainable.
- Consider and endorse investment decisions over £3m and up to £15m; and
- Consider investment decisions above £15m and make a recommendation to the GPA board, who will then recommend whether the case should go forward to Ministers and HM Treasury.

It also oversees GPA procurement and contracting activity.

The Audit and Risk Committee
The ARC Chair during 2024/25 was the Non-Executive Director, Jonathan Thompson. This committee supports the board by ensuring that governance, risk management, internal controls and financial accounts are comprehensive and effective. It met six times in 2024/25.

Representatives from the National Audit Office (NAO) and Government Internal Audit Agency (GIAA) attend these committee meetings as non-members. GIAA conducts a programme of internal audits each year informed by key GPA risks.

The Chair of the ARC, supported by the GPA CEO and either the GPA's CFO or Chief Operating Officer, attends the Cabinet Office ARC meetings once or twice per year to ensure risks that might impact the Cabinet Office are managed effectively.

The role of the ARC is to make effective use of the assurance mechanisms at its disposal and to target areas the committee considers are the greatest risk, particularly in regards to:

- Governance and assurance;
- Risk management;
- Internal and external controls; and
- Financial assurance.

The Nomination and Remuneration Committee
The culture and remuneration committee became the nomination and remuneration committee in September 2024. This committee was chaired by Jane Hamilton until July 2024 and then by Carol Bernard. It provides independent scrutiny of the executive and senior staff performance, management and succession planning. The committee met five times in 2024-25.

The role of the committee is to:

- Agree and advise the CEO on the remuneration of senior staff in accordance with the GPA SCS pay rules;
- Determine the remuneration of the CEO;
- Review the GPA SCS Pay Rules to ensure they remain fit for purpose and support the target culture;
- Agree performance objectives for the CEO and support the GPA in setting performance objectives for its senior staff;
- Determine parameters and payments for senior staff in accordance with the GPA Annual Bonus Scheme; and
- Support and advise the Chair on CEO recruitment.

The Strategic Client Committee
The strategic client committee was created by the board in September 2024. This committee is chaired by the Non-Executive Director, Helen Gillett. The committee provides strategic insight, feedback and recommendations to the GPA. Six senior representatives from clients are members of the committee. It met two times in 2024-25.

The role of the committee includes:

- Supporting development of the future direction and development of the GPA to ensure it prioritises and meets clients' needs whilst being sustainable as an entity;
- Understanding the current and anticipating the future property and service needs of clients;

- Identifying and recommending new service provisions or improvements to existing services; and
- Supporting the GPA in enhancing communication with clients and key stakeholders, serving as ambassadors where appropriate.

Attendance Record for Board and its Committees in 2024-25

Board Member	Role	GPA Board	Nomination & Remuneration Committee	Audit and Risk Committee	Investment committee	Strategic Client Committee
Pat Ritchie	Chair, GPA	7/7	3/5	N/A	N/A	N/A
Jonathan Thompson	Deputy Chair and Independent Non – Executive Director	7/7	N/A	6/6	11/11	N/A
Anna Strongman	Independent Non – Executive Director	3/4	N/A	N/A	4/6	N/A
Carol Bernard	Non-Executive Director (Cabinet Office)	7/7	5/5	4/6	N/A	N/A
Hannah Gray	Non-Executive Director (UKGI)	4/6	2/3	4/4	9/9	N/A
Helen Gillett	Independent Non – Executive Director	7/7	5/5	N/A	N/A	2/2
Jane Hamilton	Independent Non – Executive Director	2/2	3/3	N/A	N/A	N/A
Leslie Gilbert	Cabinet Office Finance representative	N/A	N/A	N/A	10/12	N/A
Robert Razzell	Non-Executive Director (UKGI)	1/1	2/2	1/2	1/2	N/A
Roger Blundell	Independent Non – Executive Director	7/7	3/3	1/1	11/11	N/A
Ronen Journo	Independent Non – Executive Director	6/7	5/5	N/A	4/5	2/2
Mark Bourgeois	Interim Chief Executive Officer, Chief Executive Officer	7/7	5/5	N/A	8/11	2/2
Nick Brown	Chief Financial Officer	7/7	N/A	N/A	8/11	N/A
Andrew Pattison	Chief Financial Officer, DCMS – independent member of GPA ARC	N/A	N/A	3/6	N/A	N/A

Governance Effectiveness Reviews

Assessment of Board effectiveness

The Chair completes annual appraisals for each board member. The board also conducts an annual review of its effectiveness to assess progress against recommendations from previous reviews and to ensure there is continuous improvement in its effectiveness and impact.

An external review of the GPA's board effectiveness, including its subcommittees, was completed by Socia between January and March 2025, which included meeting observation and interviews with board members. Analysis of the final report was undertaken by the board in March, with no material concerns noted and recommendations focussed on:

- Supporting the board to develop its profile, reputation and influence over stakeholders;
- Ensuring that the board meeting has the appropriate information and the time to address its strategic agenda;
- Developing the board dynamic by building more effective NED and executive collaboration; and
- Ensuring that the board, and its subcommittees have the capability and the support needed to operate effectively.

Executive Committee
The executive committee is chaired by the CEO and currently meets weekly. This committee has a collective responsibility for leading and managing the GPA to deliver the strategic direction set by the board whilst prioritising the delivery of high-quality services for clients. It also has a responsibility to support the CEO in discharging his responsibilities as CEO and Accounting Officer, in particular ensuring that the GPA is run on the basis of the standards set out in Managing Public Money including, but not limited to, regularity, propriety, value for money and feasibility.

The responsibilities of the executive committee include:

- Lead and manage the implementation of the GPA's strategy;
- Oversee the operational management of the GPA;
- Develop the annual business and financial plans;
- Review performance across the GPA and ensure the agency provides value for money and high-quality services to its clients;
- Oversee and actively manage the GPA's strategic risk register to ensure that appropriate controls, accountability and mitigating actions are in place;
- Ensure the GPA operates within its budget and in line with the standards set out in Managing Public Money;
- Oversee the size, capability, development and deployment of the GPA's workforce; and
- Encourage a fully diverse and inclusive workforce.

Executive governance review
From September 2024 and following a review by the executive committee under its CIP, its subcommittees were restructured to strengthen governance, operational efficiency and empowering our senior leaders in more decision making forums as follows:

- Operations committee (meets fortnightly);
- Portfolio performance committee (meets fortnightly);
- Sustainability committee (meets quarterly); and
- Group health and safety management committee (meets quarterly).

Risk management framework
Risk management is essential for good governance and informs decision-making at all levels. The GPA continually reviews and refines how it manages risk, so it can understand and keep improving the effectiveness of its strategic delivery, processes and controls. The GPA's Risk Management Strategy and Policy sets out the process for identifying, managing and mitigating risks across the organisation. It is aligned with and follows HM Treasury's Orange Book guidance. As best practice both the Risk Management Policy and Strategy and the Risk Appetite Statement undergo an annual review with the executive team and are scrutinised by the ARC. The ARC oversees the risk management process and evaluates its effectiveness, providing assurance to the board.

During 2024/25, the executive committee carried out a horizon scanning exercise and detailed review of the GPA's risk landscape to develop a refreshed understanding of the risks it now faces. The executive committee brought forward the prior strategic risks that remained relevant and combined them with newly identified risks to produce a new, comprehensive set of 22 strategic risks, as detailed in Table 4 below. The table notes the expected outcome the GPA is seeking to achieve, through effective management of each risk. The Executive Committee review, on a monthly basis, to ensure it remains relevant.

Key strategic risks and organisational risk appetite
Risk registers are maintained at a strategic, directorate and team level supported by a risk appetite statement across 15 categories. Strategic risks are overseen by the Executive Committee. The risk appetite statement sets out the level of risk the GPA is willing to accept to meet its strategic objectives. It is reviewed, refreshed and agreed on an annual basis, by the Executive Committee, with scrutiny, support and steer from the ARC and the Board. It remains dynamic, reflecting the often changing and complex landscape in which the GPA operates. During 2024/25, the GPA risk appetite statement was published in cross-government guidance as a good practice case study.

Table 4: GPA Key Strategic Risks

Risk Category	Risks	Expected risk management outcome
People	**Leadership Capability**	The GPA attracts and retains a strong top team, ensuring stability and preventing poor leadership and loss of staff and client confidence
	People, Capability & Capacity	By recruiting, training and retaining high-calibre staff, the GPA builds capability and capacity fast enough to deliver on expectations and therefore retains client confidence and develops a culture that enables people to thrive
Financial	**Inflation Risks & Impacts**	Ensuring an understanding of costs and monitoring inflation so the GPA's services remain affordable
	Control Total Overspend	Implementing processes to ensure the GPA s meets financial targets and has adequate tools in place to prevent a loss and reliance on unplanned HM Treasury funding
	Financial Model	The GPA ensures its financial model generates sufficient income to cover costs
	Forecast and Billing	The GPA delivers timely and accurate financial forecasts and billing to clients via processes for tracking occupancy and/or costs
Stakeholders	**Client Perception/ Reputation**	Maintain the GPA's reputation for providing high-quality advice to clients effectively and efficiently and ensure services match evolving client needs
	Client Requirements	The GPA effectively manages external and environmental factors that could influence client requirements in order to deliver capital programmes, office moves and any planned closures
	Client Occupancy Agreements	The GPA is able to bill, recover and accurately account for all income accurately to ensure no financial loss or reputational damage
Portfolio	**Condition**	The maintenance costs for all new assets onboarded by the GPA are fully funded
	Whitehall Campus	The GPA delivers the London rationalisation plans as set out in the Whitehall Campus Plan

Risk Category	Risks	Expected risk management outcome
Operational performance	**Commercial Capability and Capacity**	The GPA delivers procurement solutions and manages contracts in a manner compliant with applicable laws and regulations that deliver value for money
	Effectiveness of GPA Operating Model	The GPA's systems, processes, policies, procedures and governance arrangements will be fit for purpose, leading to efficient change management and improvement
	Security Maturity	The GPA will endeavour to improve security maturity and align with government standards across the business
	Strategic Future of GPA	The GPA's operating model gives full clarity of its purpose and role as it aspires towards achieving its vision, mission and strategic objectives
	Health and safety	The GPA does not fail in its duty of care and works to deliver all health and safety, and compliance controls adequately
Capital Programmes	**Key Supplier Insolvency**	The GPA is able to effectively manage any insolvency risks with contractors and deliver key programmes
	Financial risk associated with MDC	The GPA will have implemented appropriate governance and reporting arrangements to deliver the Manchester Digital Campus programme to the agreed time, cost and quality.
External influences	**Geopolitical**	The GPA keeps abreast of any fluctuation of local and global financial and economic outlooks which could impact demand, the budgets of both the agency and its clients and the cost to delivering core activity
	Climate change	Extreme weather events brought about by climate change do not affect the GPA's ability to provide office space for clients and good customer experience
	AI and Big Tech influence	The GPA embraces the advantage that AI brings whilst ensuring its adoption is in line with organisational maturity and there is sufficient data and security governance in place
	Procurement law transaction risk	The GPA meets all legal procurement requirements when undertaking transactions

Each strategic risk is owned by an executive committee Director and all strategic risks are reviewed by the committee monthly. A further enhancement made in the year was the development of better linkage between business plan objectives and the strategic risks. The GPA is also working on the introduction of a database to support the maturity of its risk process.

The GPA has continued to benefit from the support of the GIAA and its sponsors in developing its risk management process.

Effectiveness of risk management
As part of the Comply or Explain model for managing risk, the GPA has carried out a self-assessment based on the questions in the Orange Book assurance tool. An improvement plan has been developed and is being implemented.

Statement of internal control
The GPA follows HM Treasury guidance on internal control, intended to provide reasonable assurance and maintain propriety and regularity of expenditure. This is a proportionate approach and not intended to eliminate all risk of failure, so the Accounting Officer can only provide reasonable, not absolute, assurance.

The GPA internal control processes are designed to:

- Identify and prioritise the risks affecting its business aims and objectives;
- Evaluate the likelihood of those risks occurring and their potential impact; and
- Manage those risks efficiently and effectively.

The GPA has a finance delegations framework. Budgetholders are required to complete training covering themes, such as financial forecasting and risk management, investment appraisal and public spending standards. Once the training has been completed, the budgetholder must sign a declaration of accountability before being issued with a ‘licence to operate’. A delegation letter will then be issued setting out the financial, contractual and workforce delegations. This is an area kept under regular review to ensure that these controls remain operationally effective as the GPA grows.

Cabinet Office controls
The GPA is in scope of the Cabinet Office spend controls. These are designed to help organisations to reduce unnecessary spend and encourage cross-government collaboration. Central government organisations, including departments and the bodies they sponsor, must obtain Cabinet Office approval when they want to spend money on specified activities. Cabinet Office spend controls are part of the wider government financial delegations and approvals process set out in Managing Public Money and an important part of the mandate of government functions. The Cabinet Office operates the spend controls on behalf of HM Treasury.

The principal controls affecting the GPA are:

- National Property Control – for expenditure over £100,000, control approval is required for property acquisitions (freehold, leasehold or licences) and to continue tenancy (non-exercise of breaks, extension or renewal of leases);
- Contingent Labour Control – for contracts with a daily charge rates exceeding £1,000;
- Digital and Technology Control – for public facing services above £100,000 and all other digital and technology spend over £1m. For any cases involving Crypt-Key a £0 threshold applies;
- Consultancy Control – for contracts above £600,000 or longer than nine months;
- Facilities Management Control – for expenditure over £500,000, control approval is required for all new, extended or variations to Facilities Management contracts; and
- Commercial Control – for expenditure over £20m, control approval is required for all future commercial spend activity, framework agreements or material changes to service.

Commitments by GPA to spend more than £15m also require approval from HM Treasury.

Regularity breach
A regularity breach derived from the award of four regional operational security contracts in 2022/23 as part of the GPA's WSTP; with the expenditure which occurred in 2023/24 considered irregular as Cabinet Office commercial approval was not given. There has been no further breaches of commercial controls identified for new contracts entered into during 2024/25 and following further control improvements confidence has greatly improved.

The GPA has continued to work closely with the central controls team providing a pipeline of future projects in scope, meeting with them regularly to discuss forthcoming projects and seeking their advice on control requirements. This expedites the approval process and, in some cases, based on an assessment of risk and complexity assurance, is delegated to the GPA.

Prior period adjustments and accounts qualification
In early 2024, the GPA identified that a small number of material transactions had not been properly accounted for in prior years following the implementation of IFRS 16 Leases. This resulted in prior period adjustments being recorded in the 2023/24 financial statements and prompted a review of the appropriateness of other accounting treatments.

Further examination of the Assets Under Construction (AUC) category indicated errors in the classification of assets (some of which are already in use, rather than in the process of being built). This resulted in both prior period reclassification adjustments and a limitation of scope audit qualification of some asset categories in the 2023/24 financial statements.

The NAO recommended to the Comptroller and Auditor General (C&AG) that he should certify the 2024-25 financial statements with an unqualified audit opinion, without modification in respect of both regularity and the true and fair view on the financial statements. This recommendation includes removing the prior year qualification on the 2023-24 comparatives in respect of assets under construction and related transactions.

The GPA has implemented a number of improvements to its controls over non-current assets and lease accounting, including more robust systems and processes and timely reviews, as part of the GPA's CIP. These improvements address the causes of the restatements and classification errors identified in 2023/24, to prevent recurrence.

To allow sufficient time to implement these improvements and undertake work to remove the prior year qualification, the timetable to publish the 2024/25 annual report and accounts has been extended.

Continuous Improvement Programme

The CIP is about shaping a smarter, more efficient and future-ready GPA. The CIP is being implemented during a pause on onboarding new property to the GPA, and is focused on shaping a future ready GPA, capable of operating its current portfolio more efficiently and supporting future expansion.

By embedding a culture of collaboration, innovation and efficiency, the programme has to date delivered:

- Improvements to financial billing processes – 95 per cent of invoices are now paid within 30-60 days, indicating improved client trust and data accuracy;
- By improving the pace and quality of property transactions, the outstanding backlog is cleared and documentation volumes are now stabilised at 50 active cases;
- Improved client reporting – SLAs and KPIs introduced into quarterly reporting and client plans for the first time, bringing visibility to performance metrics;
- Improved risk maturity against key capital projects through stronger risk analysis and developed workplace service improvement plans for key London locations;
- Delivered significant progress on the development of a new charging model, introduced a more effective and streamlined governance structure, made good progress on the development of improved KPIs and risk management processes; and
- Ensured targeted organisation structure changes and made significant progress against the GPA's ambition to be a collaborative and high-performing inclusive organisation through the creation of a people strategy framework and new values.

The CIP will remain high on the agenda in 2025/26, improving critical services such as property transactions and billing, enhancing technology, digital and data systems and embracing new ways of working.

General Data Protection Regulations

Processes and procedures used to identify, manage and resolve personal data breaches align with the General Data Protection Regulations (GDPR). These processes and procedures ensure the definition of a personal data breach used by the GPA is aligned with regulatory guidance and that a robust and consistent approach to the centralised reporting of such breaches is adopted; and consequently, that the GPA approach is compliant with the legislation.

There have been no records of personal data losses since the launch of the GPA in April 2018 that were required to be reported to the Information Commissioner's Office (ICO).

Whistleblowing

The GPA adheres to the whistleblowing policy applicable to all civil servants, including adherence to the Civil Service Code. Information regarding this policy is available for all staff on the GPA's intranet. The ARC is regularly informed if any cases have been raised.

Counter fraud and bribery

The GPA, in adherence to the Fraud Functional Standard, has a counter fraud policy, strategy and a fraud action plan which details planned work across all areas of the organisation and reinforces the agency's commitment to countering fraud. Mandatory Civil Service e-learning training on this topic is carried out by all staff every 12 months. A counter fraud reporting route is available for staff to make confidential reports of suspected fraud.

External assurance

Assurance over GPA financial information and activities is provided through independent audit of the annual financial statements by the NAO and the internal audit reports delivered by the GIAA. The NAO provides its annual audit opinion and also reports to the ARC and the board on areas for improvement identified from its work.

Every year the GIAA develops the GPA's risk-based audit plan following review of the strategic and directorate risk registers and interviews with GPA directors. The Accounting Officer approves the audit plan after review at the ARC. The GIAA updates the committee on audit progress, provides completed reports and monitors agreed management actions. The reports form the basis for the annual assurance opinion. The opinion for 2024/25 is limited*, albeit with an upward trend reported reflecting the significant focus on strengthening controls and processes, and the ongoing implementation of GPA's continuous improvement programme.

* Limited means there are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.

The 2024-25 internal audit plan covered the following areas:

- Business continuity – follow-up;
- Information management;
- Budgeting and forecasting;
- Project initiation (including client requested projects);
- Mobilisation of new service contracts;
- Health and safety;
- Payroll and interim staff;
- Property partner; and
- Interaction.

Remuneration and Staff Report

Overview
This report sets out information on remuneration for staff that Parliament considers key to accountability. The following sections are subject to audit:

- Remuneration (salary, benefits in kind and pensions) of officials who are board members;
- Fair pay disclosure;
- Fees paid to non-executive board members;
- Pension benefits of official board members;
- Staff costs;
- Average number of persons employed; and
- Reporting of compensation schemes and exit packages.

Remuneration report

Remuneration policy
The pay of SCS is set by the Prime Minister following independent advice from the Senior Salaries Review Body (SSRB).

The SSRB takes a variety of factors into consideration when formulating its recommendations. These include:

- The need to recruit, retain and motivate suitably able and qualified people;
- Regional and local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving the public services, including the requirement on departments to meet the output targets for the delivery of departmental services;
- The funds available to departments as set out in the government's departmental expenditure limits;
- The government's inflation target; and
- The evidence it receives about wider economic considerations and the affordability of its recommendations.

The SSRB website contains further information about its work.

The performance management system for SCS is common across all government departments. Pay awards are made in two parts:

- Non-consolidated variable payments, which are used to reward members of staff who demonstrate exceptional performance; and
- Base pay progression, to reward growth in competence.

Non-consolidated payments are paid one year in arrears, so those paid to the GPA's staff in 2024/25 relate to their performance during fiscal year 2023/24.

The Cabinet Office end-of-year bonus scheme for SCS is applicable to those within the GPA. Awards of up to £11,000 were made for exceptional contributions. The Cabinet Office has also given the GPA delegated responsibility for a SCS in-year bonus scheme to recognise corporate values and behaviours. Rewards of up to £4,000 are available for SCS under this scheme.

Service contracts
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 below, the officials covered in 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.

GPA Non-Executive Directors 2024/25
Non-Executive Directors who served during 2024/25 and their contract end dates are as follows:

Name	Type	NED Contract End Date
Pat Ritchie (Chair)	Non-Government	30 April 2025
Anna Strongman	Non-Government	30 September 2028
Carol Bernard	Government	30 November 2025
Hannah Gray	Government	9 June 2027
Helen Gillett	Non-Government	31 March 2027
Jane Hamilton	Non-Government	30 July 2024
Jonathan Thompson	Non-Government	31 July 2025
Robert Razzell	Government	11 June 2024
Roger Blundell	Non-Government	31 March 2027
Ronen Journo	Non-Government	31 March 2026

Further information about the work of the Civil Service Commission can be found at **www.civilservicecommission.independent.gov.uk**.

Remuneration (including salary) and pension entitlements
The following sections provide details of the remuneration and pension interests of the most senior officials (i.e. board members) of the GPA for their services during 2024/25. In accordance with HM Treasury guidance, all entities are required to prepare a remuneration report containing certain information about the directors' remuneration. Directors, in this context, means persons in senior positions having authority or responsibility for directing or controlling the major activities of the entity. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or operations within the entity. The Accounting Officer and the ARC have decided that this requirement encompasses

the two posts shown below (CEO and CFO), whose emoluments and pension details are disclosed. The GPA considers that no other key management staff details need to be disclosed under this guidance for 2024/25.

Salary
Salary includes gross salary, recruitment and retention allowances and any other allowance to the extent that it is subject to UK taxation.

Benefits in kind
The monetary value of benefits in kind covers any benefits provided by the GPA and treated by HMRC as a taxable emolument. The disclosed benefits in kind include income tax and national insurance liabilities that are met by the GPA.

Remuneration of officials who were Board members during 2024/25 (audited)

Single total figure of remuneration										
Board member officials	**Salary (£'000)**		**Non-consolidated payments (£'000)**		**Benefits in kind (to nearest £100)**		**Pensions benefits (to nearest £1,000)**		**Total (£'000)**	
	2024-25	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**	**2024-25**	**2023-24**
Mark Bourgeois	340-345	135-140	0	0	0	0	42,000	0	380-385	135-140
Nick Brown	165-170	140-145	0	0	0	0	62,000	55,000	230-235	195-200
Steven Boyd	0	160-165	0	0	0	0	0	17,000	0	180-185

Mark Bourgeois was the interim CEO, engaged on a contingent worker basis from 27 November 2023 until 30 September 2024. From 1 April 2024 to 30 September 2024, the actual amount paid to Mark as a contingent worker was in the range £230,000-£235,000: for comparison purposes the full year annualised amount as a contingent worker would have been in the range £330,000-£335,000.

Mark became the permanent CEO from 1 October 2024 with a full year equivalent salary in the range £220,000-£225,000. The range presented for Mark for 2024/25 is therefore the total of the actual amount paid when he was a contingent worker (range £230,000-£235,000) plus his salary for the six months he was permanently employed as the CEO (range £105,000-£110,000).

The 2023/24 figure disclosed for Mark is the actual amount paid as a contingent worker from 27 November 2023 to 31 March 2024: for comparison purposes the full year annualised amount as a contingent worker would have been £395,000-£400,000.

Nick Brown became the CFO on 15 May 2023. For 2023/24 his full year equivalent salary was in the range £160,000-£165,000.

Steven Boyd was CEO until 31 December 2023. His 2023/24 figure includes compensation in lieu of notice (CILON). Full year equivalent salary was in the range £145,000-£150,000.

Non-consolidated payments

Non-consolidated payments are based on performance levels attained and are awarded as part of the appraisal process. They are not accrued or provided for at 31 March 2025, because the appraisal process is not complete until the summer and entitlement is not agreed until after the process is complete. As a result, the payments reported in 2024/25 relate to performance in 2023/24 and may include where entitlement arose for performance where employees have transferred between departments.

Fair pay disclosure

This section contributes to the GPA's accountability to Parliament and is subject to audit.

At the GPA, as of 31 March 2025, the highest paid director was the CEO. Previously, Mark Bourgeois had been engaged on a temporary basis as a result of a competitive recruitment exercise. The CEO was initially engaged as a contingent worker so given a higher rate of pay in lieu of pension or any other kind of benefit.

A Civil Service Commission recruitment process, led by the Chair of the board and UKGI appointed Mark Bourgeois as the permanent CEO with effect from 1 October 2024. The banded remuneration of the permanent CEO is now £215,000-£220,000: this figure has been used below instead of the amount disclosed in the remuneration of officials who were board members (table above). This is so that the ratios below can be calculated on the same basis and are comparable with the previous year.

Remuneration (audited)

	2024/25	2023/24	Change
Band of highest paid director's total remuneration (£'000)*	215-220	215-220	–
25th percentile remuneration of the workforce (£)	47,023	43,303	3,720
Ratio of highest paid director's total remuneration to 25th percentile of workforce	4.63	5.08	(0.46)
Median remuneration of the workforce (£)	64,220	61,700	2,520
Ratio of highest paid director's total remuneration to median of workforce	3.39	3.57	(0.18)
75th percentile remuneration of the workforce (£)	82,315	78,899	3,416
Ratio of highest paid director's total remuneration to 75th percentile of workforce	2.64	2.79	(0.15)

* For the fair pay disclosures 'total remuneration' includes salary, allowances, non-consolidated performance-related pay and benefits-in-kind allowances but excludes pension figures. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. 'Salary' refers to salary alone.

Salary (audited)

	2024/25	2023/24	Change
Band of highest paid director's salary (£'000)	215-220	215-220	–
25th percentile salary of the workforce (£)	44,043	40,735	3,308
Ratio of highest paid director's salary of 25th percentile of workforce	4.94	5.40	(0.46)
Median salary of the workforce (£)	58,277	56,267	2,010
Ratio of highest paid director's salary to median of workforce	3.73	3.91	(0.18)
75th percentile remuneration of the workforce (£)	72,437	68,840	3,597
Ratio of highest paid director's salary to 75th percentile of workforce	3.00	3.20	(0.20)

Pay for employees on delegated grades (GPA AO – GPA Grade 6) is revised each year in accordance with the national Civil Service Pay Remit Guidance. Pay for SCS employees is updated each year in accordance with the recommendations of the SSRB. The median salary of the workforce is within the GPA Grade 7 National range which is representative of the grade with the majority of the GPA's employees on the capture date.

The annualised remuneration bands of the GPA's workforce, including agency vacancy cover, but excluding the CEO, ranged from £25,000-£30,000 to £265,000-£270,000 (2023/24: £25,000-£30,000 to £225,000-£230,000). In line with fair pay disclosure guidance, remuneration for agency workers has been annualised to arrive at the figures disclosed and does not reflect actual remuneration payments made to agency staff in 2024/25. In 2024/25, there was one agency worker covering a vacancy whose annualised remuneration was in excess of the highest paid director (2023/24: 1). There were no directly-employed GPA staff members in 2024/25 who received remuneration in excess of the highest-paid director (2023/24: nil).

Fair pay disclosure (audited)

Highest paid director and all staff average	% change from previous year
Highest paid director's salary and allowances	–
All staff average salary and allowances	4.93
Highest paid director's Performance Related Pay (PRP) and bonuses	–
All staff average PRP and bonuses	(1.94)

For all staff, the 2024 pay awards (delegated grades and SCS) account for the overall increase in salary from 2023/24. The average PRP and bonus figures have increased since 2023/24 due to higher performance awards for GPA AO-G6 staff who received end-of-year marks of 'High Performing' and 'Exceeded', along with the introduction of a GPA SCS in-year bonus scheme (previously governed by the Cabinet Office).

Fees paid to Non-Executive Board members (audited)

Non-executive board members	Annual fee entitlement (£)	Fees paid 2024/25 (£)	Fees paid 2022/23 (£)
Pat Ritchie	60,000*	60,000	43,125
Anna Strongman	25,000	12,500**	–
Carol Bernard	–	–	–
Hannah Gray	–	–	–
Helen Gillett	25,000	25,000	25,000
Jane Hamilton	25,000	8,266***	25,000
Jonathan Thompson	25,000	25,000	25,000
Robert Razzell	–	–	–
Roger Blundell	25,000	25,000	25,000
Ronen Journo	25,000	25,000	25,000

* The annual fee for Pat Ritchie changed from £37,500 to £60,000 in December 2023 in recognition of the increased number of days she is working as GPA Chair.
** Anna Strongman joined the GPA on 1 October 2024
*** Jane Hamilton left the GPA on 30 July 2024

Non-Executive board members (with the exception of the chair) are offered a fee of £25,000 per annum. Individual board members may waive all or part of their fee entitlement. Fees paid or accrued are included within professional services.

Carol Bernard was not entitled to an annual fee as she is already a member of the Civil Service and paid by her current department. Robert Razzell and Hannah Gray, the Shareholder Representative Directors from UKGI, received no fees for their roles as NEDs of the GPA.

Pension benefits of official Board members (audited)

Board member official	Accrued pension at pension age as at 31 March 2025 and related lump sum (£'000)	Real increase in pension and related lump sum at pension age (£'000)	CETV at 1 March 2025 (£'000)	CETV at 31 March 2024 (£'000)	Real increase in CETV (£'000)
Mark Bourgeois	0-5	2.5-5	39	–	30
Nick Brown	5-10	2.5-5	116	52	47

Cash equivalent transfer value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2025.

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. 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 career average earnings (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. 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 five months from their normal pension age on 1 April 2012 switched into alpha between 1 June 2015 and 1 February 2022. All members who switched 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 since October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution scheme with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6 per cent and 8.05 per cent 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 scheme 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 their 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 per cent 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 is 2.32 per cent. In all cases, members may opt to give up (commute) their pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between eight per cent and 14.75 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of three per cent of pensionable salary (in addition to the employer’s basic contribution). Employers also contribute a further 0.5 per cent 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).

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2024/25 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

PCSPS and alpha are unfunded multi-employer defined benefit schemes but the GPA is unable to identify its share of the underlying assets and liabilities. Further details about the Civil Service pension arrangements can be found at the website **www.civilservicepensionscheme.org.uk**

Cash equivalent transfer value (CETV)
A 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 of 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.

Real increase in CETV
This reflects the increase in CETV that is funded by the employer. It excludes increases due to inflation and contributions paid by the employee. It is worked out using common market valuation factors for the start and end of the period.

Spending on consultancy and temporary staff
Expenditure on consultancy and temporary staff not included within staff costs was £0.3m in 2024/25 (2023/24: £1.8m).

Expenditure on consultancy and the need for temporary staff within the GPA is largely dependent on the nature of the projects being undertaken and the in-year reduction reflects the removal of the Cabinet Office-imposed headcount caps for employed staff on 29 July 2024 and the expertise required.

Reporting of off-payroll appointments
The GPA provides information about appointments of consultants or staff that last longer than six months and where the individuals earn more than £245 per day, where the GPA pays an invoice rather than through the payroll. The GPA only utilises these arrangements where it cannot avoid them and minimises their use.

Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater.	
No. of existing engagements as of 31 March 2025	66
Of which, number that existed:	
for less than one year.	35
for between one and two years.	20
for between two and three years.	5
for between three and four years.	4
for four or more years at time of reporting.	0

New off-payroll working rules for public sector organisations called ‘IR35’ were put in place from April 2017 to make sure that where an individual would have been an employee if they were providing their services directly, they pay broadly the same tax as an employee, with the requirement for the employer to deduct tax at source.

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater	
No. of temporary off-payroll workers engaged during the year ended 31 March 2025	39
Of which:	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	37
Subject to off-payroll legislation and determined as out-of-scope of IR35	2
Number of engagements reassessed for consistency or assurance purposes during the year	39
Of which: number of engagements that saw a change to IR35 status following the consistency review	0

As referred to in the remuneration of officials who were in the board members section, Mark Bourgeois was engaged on a contingent basis as the interim CEO between 27 November 2023 and 30 September 2024.

For any off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025	
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	1
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	12

Staff Report

Staff costs (audited)

	2024/25 £'m		**2023/24 £'m**
	Permanently employed staff	**Others**	
Wages, salaries and fees*	23.6	–	22.5
Social security costs	2.7	–	2.6
Apprenticeship levy	0.1	–	0.1
Other pension costs	6.0	–	5.5
Untaken annual leave	0.1	–	(0.1)
Agency staff	–	10.3	12.4
Sub total	**32.5**	**10.3**	**43.0**
Inward secondments**	–	1.6	1.5
Total staff costs	**32.5**	**11.9**	**44.5**
Less staff engaged on capitalised projects	(10.7)	(3.6)	(11.0)
Total net staff costs	**21.8**	**8.3**	**33.5**

* This includes the following: salaries, allowances, bonuses, overtime, Statutory Sick Pay, Statutory Maternity Pay and Childcare Vouchers.
** This includes GPA staff on Government Commercial Function terms and conditions.

Staff pensions
For 2024/25, aggregate employers' contributions of £6.0m were payable to the PCSPS and alpha (2023/24: £5.5m) at one of four rates in the range of 26.6 per cent to 30.3 per cent of pensionable earnings, based on salary bands. Contributions paid to the partnership pension providers between 1 April 2024 and 31 March 2025 were £45,007 (2023/24: £80,754). Contributions prepaid at that date were £nil (2023/24: £nil). Contributions due to the partnership pension providers that were paid on 31 March 2025 were £5,425 (31 March 2024: £4,464). There were no early retirements on ill-health grounds in 2024/25 (2023/24: two).

Average number of persons employed (audited)

	2024/25			2023/24		
	Permanent	Temporary	Total	Permanent	Temporary	Total
Directly employed	243*	13**	256	251*	17**	268
Others	0***	45****	45	12***	61****	73
Staff engaged on capitalised projects	159*****	27	186	133	32	165
Total	**402**	**85**	**487**	**396**	**110**	**506**

* Those employed on the Government Property Agency payroll.
** Those on loan or fixed term appointments with the Government Property Agency.
*** Those employed permanently through the Government Commercial Organisation (GCO).
**** Contingent labour.
***** Staff engaged on capital projects includes both directly employed and others.

Senior civil servants
The table below shows the number of SCS employed by the GPA, either directly or through the GCO, as of 31 March 2025.

	Headcount	
	31 March 2025	31 March 2024
Chief Executive, Director General (SCS3)	1	0
Director (SCS2)	5	5
Senior Commercial Specialist (SCS2)	0	1
Deputy Director (SCS1)	22	23
Commercial Specialist (SCS1)	3	3
Total Senior Civil Servants working in GPA	**31**	**32**

Staff composition – Gender diversity

The below tables provide an analysis by gender of all staff employed by the GPA, either directly or through the GCO, as of 31 March 2025.

	31 March 2025			31 March 2024		
	Male headcount	Female headcount	Total	Male headcount	Female headcount	Total
Board members*	2	0	2	1	0	1
Senior civil servants	17	14	31	19	12	31
All other staff	207	172	379	211	164	375
Total	**226**	**186**	**412**	**231**	**176**	**407**

* Refers to the Executive Directors only (excludes NEDs).

	31 March 2025		31 March 2024	
	Male (%)	Female (%)	Male (%)	Female (%)
Board members*	100	0	100	0
Senior civil servants	55	45	61	39
All other staff	55	45	56	44

* Refers to the Executive Directors only (excludes NEDs).

Sickness absence

There were 2.57 (2023/24: 1.45) average working days lost per member of staff in the year.

Staff turnover

The staff turnover figure for the 12 months to 31 March 2025 was 10 per cent (2024/25: 17 per cent). The number of employees who have left the GPA and the Civil Service is too low to report on their reasons individually, but those reasons include resignation, retirement and end of temporary appointments.

People Survey engagement score

The GPA achieved a People Survey response rate of 97 per cent in 2024/25. This has decreased from the previous four years' 100 per cent response rate, however, the GPA remains in the top five Civil Service organisations for response rate. The organisation's Employee Engagement Index score decreased slightly from 64 per cent in 2023 to 62 per cent in 2024/25. This meant the GPA did not meet the 2024/25 business plan KPI and now falls slightly below organisations of a similar size (two per cent lower). Action is being taken to improve levels of staff engagement.

Employment, training and advancement of disabled persons
The GPA applies the recruitment principles of the Civil Service Commission, appointing candidates based on merit through fair, open competition. Recruitment and selection training, which has a core focus of raising awareness of unconscious bias, is mandatory for all chairs of the GPA's recruitment panels.

The GPA mandates training for all staff on Civil Service behaviours, which focuses on inclusion in the workplace. In addition, the GPA's disability network founded in 2023, Ability+, provides a platform for GPA people to share their experiences, influence policy and champion inclusivity within the GPA. Ability+ raises awareness through regular campaigns to create a better understanding of various conditions.

The GPA participates in a number of cross-government talent programmes including apprenticeships (open to staff at all grades), Beyond Boundaries (open to EOs-HEOs), the Future Leaders Scheme (for Grades 7s and 6s) and the Senior Leaders Scheme (open to Deputy Directors). There are further support programmes within the Future Leaders Scheme for participants with disabilities or long-term health conditions and from ethnically diverse backgrounds. The GPA also supports the Civil Service Fast Stream Scheme; in 2024 the agency hosted 16 fast streamers, eight of which were on the Property Scheme. Additionally, the GPA offered all line managers a place on the Inclusive Leadership Development Programme, designed and delivered alongside Green Park as part of the GPA's EDI Plan. This was attended by 85 per cent of managers in January 2025.

Reporting of compensation schemes and exit packages (audited)
Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972. The table below shows the total cost of exit packages agreed and accounted for in 2024/25 was £69,911 (2023/24: £150,750). Where the GPA has agreed early retirements, the additional costs are met by the GPA and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

	2024/25			2023/24		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Exit package cost band						
<£10,000	0	0	0	0	1	1
£10,000-£25,000	0	0	0	0	0	0
£25,001-£50,000	0	0	0	0	0	0
£50,001-£100,000	0	1	1	0	0	0
£100,001-£150,000	0	0	0	0	1	1
£150,001-£200,000	0	0	0	0	0	0
£200,001-£250,000	0	0	0	0	0	0
£250,001-£300,000	0	0	0	0	0	0
Total number of packages	0	1	1	0	2	2
Total cost (£)	**0**	**£69,911**	**£69,911**	**0**	**£150,750**	**£150,750**

Trade union facility time
The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation.

The GPA has a Recognition Agreement with the PCS Union, Prospect and the FDA for the purpose of negotiation and consultation. No facilitation time was required for the period between 1 April 2024 and 31 March 2025 as the representatives are currently full-time trade union officials rather than employees of the GPA.

Parliamentary Accountability and Audit Report

Overview

This section contributes to the GPA's accountability to Parliament and is subject to audit. Regularity of expenditure reports losses and special payments – regularity refers to the principle that all consumption of resources should be made in accordance with the legislation authorising them – any applicable delegated authority and the principles set out in Managing Public Money. Disclosures on fees and charges and remote contingent liabilities are required by Managing Public Money.

In their certificate and report to the House of Commons, the Comptroller and Auditor General provides their opinion on regularity and whether the Remuneration and Staff Report and Parliamentary Accountability Disclosures have been properly prepared and are consistent with the financial statements, and whether the information given in the Performance Report and Accountability Report is consistent with the financial statements.

The following sections are subject to audit:

- Regularity of expenditure;
- Fees and charges; and
- Remote Contingent Liabilities.

Regularity of expenditure (audited)
Where they occur, the Statement of Comprehensive Net Expenditure includes losses, such as write-offs of irrecoverable debts and fruitless payments. The Statement of Comprehensive Net Expenditure also includes extra contractual special payments where they occur.

The Statement of Comprehensive Net Expenditure includes constructive losses:

	2024/25	2023/24
Total number of losses	–	1
Total value of losses (£000)	–	371

The GPA incurred a constructive loss for sunk costs relating to the cessation of a London building exit project.
The table above includes the below losses over £300,000:

	2024/25	2023/24
Constructive losses incurred on a London building exit project	–	371

Fees and charges (audited)
The GPA has been established to support better utilisation of the government estate. As part of its ordinary course of business, the GPA charges fees to other government bodies to recover its costs. Details are included within the operating income analysis in note 3 to the accounts. The charging arrangements for 2024/25 are structured as follows:

- **Landlord Services** – The GPA approach is to let space in accordance with the Rent Setting Policy which is the rate that a client would expect to pay for a property of the same quality for the same term had they sourced that property from the open market. The GPA passes through the costs of Business Rates, head lease service charge, insurance and utility costs for the space occupied and any agreed vacant space, plus a management fee at a set rate per occupation above 200 m^2 and for below 200 m^2.

- **Workplace Services** – The GPA passes through the costs of facilities management and operational security service contracts. The rate of fees to cover GPA management costs is based on the area of space occupied. For Workplace ICT services on hubs, the GPA charges using a fixed rate per square metre which varies by property.

- **Portfolio Services** – The GPA charges a flat rate per occupation for managing GPA onboarded clients' assets as a single portfolio.

- **Additional property and project services** – The GPA passes through contract costs with a percentage fee added to cover putting these contracts in place and managing them. The GPA also charges for the time the respective team spends on this work. There are discounts for clients who have onboarded to recognise that a closer working relationship allows the GPA to plan ahead and avoid extra costs.

The GPA's charging policy is subject to ongoing review to ensure cost recovery and compliance with Managing Public Money.

Remote contingent liabilities (audited)
The GPA reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability under IAS 37.

Dilapidations
The GPA is party to Memorandum of Terms of Occupation (MOTO) payable lease agreements on behalf of clients. A liability for dilapidations exists upon exit of the lease, contingent on the landlord pursuing a successful claim against the GPA. The GPA considers that the likelihood of dilapidations liabilities accruing to the GPA under MOTO payables to be remote. Using floor areas of the lease agreements and industry standard rates, the GPA has reliably estimated this remote contingent liability to be £10.0 million. Where dilapidations settlements are made against MOTO payable lease agreements, it is the GPA's policy to seek cost recovery from the underlying client.

Commercial sensitivity
The GPA has entered into contingent liabilities in the ordinary course of business by offering contractual guarantee limitations to supplier liabilities. The details of these liabilities are not given due to reasons of commercial sensitivity, of which the likelihood of a future outflow of economic resources is considered remote and unquantifiable.

Legally privileged
The GPA has contingent liabilities entered into in the ordinary course of business which are subject to legal privilege for which details are not given to avoid prejudicing the position of the GPA. The likelihood of future outflow of economic resources is considered remote.

Government Functional Standards
The GPA aims to comply with all applicable functional standards while meeting business needs and priorities. There are senior managers aligned to each applicable function who are responsible for monitoring and improving compliance.

Mark Bourgeois
Chief Executive Officer and Accounting Officer
11 September 2025

The Certificate and Report of the Comptroller and Auditor General to the House of Commons.

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS

Opinion on financial statements

I certify that I have audited the financial statements of the Government Property Agency for the year ended 31 March 2025 under the Government Resources and Accounts Act 2000.

The financial statements comprise the Government Property Agency's:

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

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

In my opinion, the financial statements:

- give a true and fair view of the state of the Government Property Agency's affairs as at 31 March 2025 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 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 for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (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 2024. I am independent of the Government Property Agency 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 Government Property Agency'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 Government Property Agency'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 Government Property Agency 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 Annual 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 Resources and Accounts Act 2000.

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 Resources and Accounts Act 2000;
- 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 Government Property Agency 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 Government Property Agency 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 Accounting Officer's Responsibilities, the Chief Executive as 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 Government Property Agency 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 Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Government Property Agency'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 Government Property Agency 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 Resources and Accounts Act 2000.

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 Government Property Agency's accounting policies.
- inquired of management, Government Property Agency's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Government Property Agency'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 Government Property Agency's controls relating to the Government Property Agency's compliance with the Government Resources and Accounts Act 2000, and Managing Public Money;

- inquired of management, Government Property Agency's head of internal audit and those charged with governance whether:

  – they were aware of any instances of non-compliance with laws and regulations;
  – they had knowledge of any actual, suspected, or alleged fraud,

- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

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

I obtained an understanding of the Government Property Agency's framework of authority and other legal and regulatory frameworks in which the Government Property Agency 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 Government Property Agency. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2024, 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 and the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports;
- 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 addressed the risk of fraud in revenue recognition through testing of a sample of property reconciliations, non-rental income and rental income to assess the appropriateness of the recognition of income and accuracy of calculations. I also reviewed a sample of accrued income recognised as at 31March 2025 to assess the reasonableness of management's estimates; and
- I tested a sample of expenditure contracts that had been entered into by the Government Property Agency during the year ended 31 March 2025 and were above the Government Property Agency's delegation limits to ensure appropriate approvals had been obtained.

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

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

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

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

Report

I qualified my opinion on the financial statements for the year ended 31 March 2024 in respect of limited evidence available to support £28m of the £214m of Assets Under Construction represented in the Government Property Agency's Statement of Financial Position at 31 March 2024, and £127m of the £213m Assets Under Construction at 31 March 2023. The evidence available during the prior year was also insufficient to support £108m of reclassifications and £27m of impairments from Assets Under Construction for the year ended 31 March 2024 and £22m of reclassifications and £8m of impairments from Assets Under Construction for the year ended 31 March 2023, into the operational asset categories of Intangible Assets, IT, Plant and Machinery and Leasehold Improvements. Consequently, I was also unable to assess the completeness and accuracy of the depreciation, amortisation and impairment transactions in the Government Property Agency's Statement of Comprehensive Net Expenditure for the years ended 31 March 2024 and 31 March 2023. My report on the financial statements for the year ended 31 March 2024 provided further details of these matters.

During 2024-25, the Government Property Agency has completed a project to review all of its Assets Under Construction transactions and provided further audit evidence to support both the current year and prior year balances and further adjustments made. I have reviewed this information as part of my audit of the financial statements for the year ended 31 March 2025 and considered that sufficient appropriate evidence is now available to support the valuation of the Government Property Agency's Assets Under Construction and the reclassification and other adjustments made to operational asset categories as at 31 March 2025, 31 March 2024 and 1 April 2023. I have also obtained sufficient assurance over the depreciation, amortisation and impairment transactions within the Statements of Comprehensive Net Expenditure for the years ended 31 March 2025 and 31 March 2024. I have therefore not needed to qualify my opinion on the financial statements for the year ended 31 March 2025.

Gareth Davies
15 September 2025
Comptroller and Auditor General

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

Financial Statements

STATEMENT OF COMPREHENSIVE NET EXPENDITURE – For the year ended 31 March 2025

	Note	2024/25 £'m	2023/24 £'m
Operating income	3	(563.8)	(544.0)
Grants	3	(2.1)	(10.0)
Capital Grant-in-Kind	19	(2.8)	(7.9)
Total operating income		**(568.7)**	**(561.9)**
Staff costs	4a	30.1	33.5
Other operating costs	4b	577.2	578.5
Capital Grant-in-Kind transfers of assets to other government departments	19	144.3	0.0
Non-cash costs	4c	209.1	285.9
Total operating expenditure		**960.7**	**897.9**
Net operating expenditure		**392.0**	**336.0**
Finance income	5	(34.8)	(35.3)
Finance expenditure	5	19.9	16.8
Net expenditure for the year		**377.1**	**317.5**
Other comprehensive expenditure			
Net loss on revaluation of property, plant and equipment (PPE) & intangible assets	SoCTE	5.6	84.9
Net loss on revaluation of right of use assets (ROU)	SoCTE	0.7	2.4
Total comprehensive net expenditure for the year		**383.4**	**404.8**

All income and expenditure relate to continuing operations.
The notes on pages 93 to 135 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION – As at 31 March 2025

	Note	31 March 2025 £'m	31 March 2024 £'m
Non-current assets			
Property, plant and equipment	6	1,680.1	1,761.4
Right of use assets	7	245.9	299.3
Intangible assets	8	44.9	40.9
Trade and other receivables	10a	132.1	149.0
Lease receivables	10a	745.8	746.0
Total non-current assets		**2,848.8**	**2,996.6**
Current assets			
Assets classified as held for sale	9	2.9	1.0
Trade and other receivables	10a	173.3	203.9
Lease receivables	10a	106.6	99.5
Cash and cash equivalents	11a	79.2	127.2
Total current assets		**362.0**	**431.6**
Total assets		**3,210.8**	**3,428.2**
Current liabilities			
Trade and other payables	12	(136.8)	(185.5)
Finance lease element of PFI contract	18	(87.1)	(83.8)
Lease liabilities	13	(173.1)	(165.9)
Provisions	15a	(38.8)	(7.3)
Total current liabilities		**(435.8)**	**(442.5)**
Total assets less current liabilities		**2,775.0**	**2,985.7**
Non-current liabilities			
Finance lease element of PFI contract	18	(600.6)	(615.8)
Lease liabilities	13	(985.9)	(1,017.0)
Provisions	15a	(112.9)	(147.4)
Total non-current liabilities		**(1,699.4)**	**(1,780.2)**
Total assets less liabilities		**1,075.6**	**1,205.5**
Taxpayers' equity and other reserves			
General fund	SoCTE	483.6	597.3
Revaluation reserve	SoCTE	592.0	608.2
Total equity		**1,075.6**	**1,205.5**

Mark Bourgeois
Chief Executive Officer and Accounting Officer
11 September 2025
The notes on pages 93 to 135 form part of these financial statements.

STATEMENT OF CASH FLOWS – For the year ended 31 March 2025

	Note	2024/25 £'m	Restated* 2023/24 £'m
Cash flows from operating activities			
Net operating expenditure	SoCNE	(392.0)	(336.0)
Adjustment for non-cash items			
Adjustments for non-cash income	20	(2.8)	(7.9)
Adjustments for non-cash expenditure	20	353.4	285.9
Movements in working capital			
Decrease / (increase) in trade and other receivables	20	47.5	(101.1)
(Increase) / decrease in receivables which offset dilapidation provision	20	(12.3)	37.2
Decrease / (increase) in provision for expected credit losses	20	1.0	(2.5)
Increase in IFRS 16 lease receivables	20	(6.9)	(73.3)
(Decrease) / increase in trade and other payables	20	(48.7)	19.6
Increase / (decrease) in capital accruals		19.5	(14.9)
Increase in IFRS 16 lease liabilities		102.3	195.2
Net cash inflow / (outflow) from operating activities		**61.0**	**2.2**
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(207.8)	(268.7)
Purchase of intangible assets	8	(15.0)	(34.7)
Proceeds from disposal of assets held for sale	9	–	4.2
Decrease / (increase) in capital accruals		(19.5)	14.9
Net cash inflow / (outflow) from investing activities		**(242.3)**	**(284.3)**
Cash flows from financing activities			
Cabinet Office funding	SoCTE	253.0	450.0
Capital element of payments in respect of PFI contracts	11	(34.5)	(40.8)

	Note	2024/25 £'m	Restated* 2023/24 £'m
Capital element of payments in respect of leases	11	(100.1)	(85.7)
Interest paid	5	(19.9)	(16.8)
Interest received	5	34.8	35.3
Net cash inflow / (outflow) from financing activities		**133.3**	**342.0**
Net increase / (decrease) in cash in the period			
Net (decrease) / increase in cash in the year		(48.0)	59.9
Cash and cash equivalents at the beginning of the period	SoFP	127.2	67.3
Cash and cash equivalents at the end of the period		**79.2**	**127.2**

* The 23/24 figures have been restated within the investing and operating activities sections. The overall totals for these sections remain unchanged. In the Operating activities, additional headings have been introduced to provide more clarity on the nature of the transactions. For Investing activities, the purchase of Property, Plant, and Equipment (PPE) and Intangibles have now been separated into two distinct lines.

The notes on pages 93 to 135 form part of these financial statements.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY – For the year ended 31 March 2025

	Note	General Fund £'m	Revaluation Reserve £'m	Total Reserves £'m
Balance at 1 April 2023		**668.8**	**705.3**	**1,374.1**
Opening impact of IFRS 16 adoption		(214.2)	–	(214.2)
Cabinet Office funding	SoCF	450.0	–	450.0
Net expenditure for the year	SoCNE	(317.5)	–	(317.5)
Non-cash adjustments				
Auditor's remuneration	4c	0.4	–	0.4
Movements in reserves				
Net loss on revaluation of PPE	6	–	(84.9)	(84.9)
Net loss on revaluation of right of use assets	7	–	(2.4)	(2.4)
Transfer between reserves		9.8	(9.8)	–
Balance at 31 March 2024		**597.3**	**608.2**	**1,205.5**
Opening impact of IFRS 16 adoption		–	–	–
Cabinet Office funding	SoCF	253.0	–	253.0
Net expenditure for the year	SoCNE	(377.1)	–	(377.1)
Non-cash adjustments				
Auditor's remuneration	4c	0.5	–	0.5
Movements in reserves				
Net loss on revaluation of PPE	6	–	(5.6)	(5.6)
Net loss on revaluation of right of use assets	7	–	(0.7)	(0.7)
Transfer between reserves		9.9	(9.9)	–
Balance at 31 March 2025		**483.6**	**592.0**	**1,075.6**

The notes on pages 93 to 135 form part of these financial statements.

Information on reserves

General Fund reserve
The balance of this reserve represents the aggregate accumulated surpluses and deficits, since formation of the GPA.

Revaluation reserve
Increases in individual asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are reversed in operating expenses, to the extent of the amount charged to the operating expense. Downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised with any excess recognised in operating expenses. Where the downward movement represents a clear consumption of economic benefit or a reduction in service potential, it is charged to the operating expense as an impairment.

Notes to the Financial Statements

1. Accounting Policies, key accounting estimates and judgements

1.1 Statement of accounting policies
These financial statements have been prepared under the Government Resources and Accounts Act 2000 and in accordance with the 2024/25 Government Financial Reporting Manual (FReM) issued by HM Treasury (HMT). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. The financial statements have been prepared under an accounts direction issued by HMT. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the GPA for the purpose of giving a true and fair view has been selected. The particular policies adopted by the GPA are described below. They have been applied consistently in dealing with items that are considered material to the financial statements.

1.2 Basis of preparation
These financial statements have been prepared on an accruals basis under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and right of use assets. The GPA's financial statements, as an Executive Agency of the Cabinet Office, are consolidated within the Cabinet Office Group. The GPA has no subsidiaries.

1.3 Going concern
The financial statements for the GPA have been prepared on the basis that the GPA is a going concern. Financial provision for its activities was included in the Spending Review 2025 which set out budgets for day to day spending until 2028/29, and until 2029/30 for capital investment.

Parliament has authorised spending for 2025/26 in the Central Government Main Supply Estimates 2025/26 (HC 871). In addition to the receipt of funding from the Cabinet Office, the GPA invoices property and related costs to its tenant occupiers and the costs of construction services to the recipients of those services.

1.4 Operating segments

Operating segments are based on the main areas of business activity and align with performance reporting. They are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance. The CODM has been identified as the Accounting Officer supported by the Board.

1.5 Employee benefits

Short-term benefits

Where an employee has rendered service to the GPA during the financial year, the GPA recognises as an expense the undiscounted amount of short-term employee benefits expected to be paid wholly in exchange for that service before 12 months after the end of the reporting period.

Annual leave

Annual leave earned but not taken by year-end is recognised on an accruals basis.

Performance non-consolidated payments

Performance non-consolidated payments are recognised when the appraisal process that determines those payments has been finalised.

Pensions

The majority of past and present employees within the GPA are covered by the provisions of the Civil Service pension arrangements. The Civil Service Pensions arrangements are multi-employer defined benefit pension schemes and it is not possible to identify GPA’s share of assets and liabilities. In accordance with IAS 19, GPA therefore accounts for the annual contributions to the schemes, similar to the approach on defined contribution schemes.

1.6 Revenue

Revenue is the gross inflow of economic benefits to the GPA which arises from rental income, income from operating leases, contract income and capital grants.

Rental income from operating leases

Rental income, including fixed rental uplifts, is recognised in accordance with IFRS 16 on a straight-line basis over the term of the lease which is considered to be the date of the lease commencement to the earliest termination date. A rent adjustment based on open market estimated rental value is recognised from the rent review date in relation to unsettled rent reviews and adjusted once the outcome of a rent review is known. Lease incentives, such as rent-free periods and contributions towards tenant costs are recognised evenly over the lease term.

Incentives for the agreement of a new or renewed operating lease given to tenants are recognised as a reduction of the rental income over the lease term, irrespective of the incentive's nature or form, or the timing of payments.

Contract income
Income from contracts outside the scope of IFRS 16 is recognised in accordance with IFRS 15 Revenue from Contracts with Customers. The GPA applies the term 'client' to the IFRS 15 definition of customer. The GPA recognises revenue when it satisfies a performance obligation by transferring a promised good or service to a client.

Income has been disaggregated by major service lines. The GPA typically satisfies performance obligations as services are rendered. There are no significant financing components of any contracts carried out with cash flows matching the provision of services and a receivable recognised when the amount can be reliably measured and it is probable that future economic benefits will flow to the GPA.

Income from Landlord Services and Workplace Services arise from lease arrangements with clients which provide for the recovery of the operating expenses incurred by the GPA as well as management fees based on the GPA charging policy. The non-rental element of the contract is separated from the lease rental element and assessed by reference to the operating costs incurred in relation to each lease and rental space. Clients are invoiced quarterly in advance based on estimated annual budgets. Performance obligations are assumed to be satisfied evenly over the period of the quarterly charge and income recognised on a straight line basis. A contract liability is recognised for income relating to performance obligations which have not yet been satisfied. Within four months of the annual service period ending, the GPA will reconcile estimated annual budget to actual cost of service provision and issue balancing charges or refunds as appropriate.

Additional Property & Project Services, Consultancy Services and Logistics Services contracts tend to be ad hoc and relate to specific goods or services. The transaction price is determined in the contract and is recognised at the point in time when the client takes possession of the asset. Cash flows match the provision of services and a receivable is recognised when the amount can be reliably measured and it is probable that future economic benefits will flow to the GPA.

Gainshare income is recognised where the GPA achieves savings on behalf of clients through commercial advisory work such as service charge challenges. The GPA receives a share of savings as set out in client Managed Services Agreements. Income is recognised when the amount can be reliably measured and it is probable that future economic benefits will flow to the GPA.

Capital grants
Capital grant income is recognised where the GPA receives grants from clients to carry out capital investment on their behalf. Income is recognised in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. The income is recognised in a pattern equal to the consumption of value of the capital investment created by the grant.

Capital Grant-in-Kind income is the fair value of assets transferred to the GPA for nil consideration. Income is recognised on the date of asset transfer. See note 1.23a.

1.7 Finance income and expenses
Finance income is mainly comprised of interest income on lease receivables arising from the application of IFRS 16.

Finance expense is mainly comprised of interest expense on leases arising from the application of IFRS 16.

Interest income and interest payable are recognised in the Statement of Comprehensive Net Expenditure as they accrue using the effective interest method.

1.8 Taxation
Some of the activities of the GPA are outside the scope of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT. The net amount due from/to HM Revenue and Customs (HMRC) in respect of VAT is included within receivables and payables in the SoFP as appropriate.

The GPA being a Crown body is not subject to corporation, income and capital gains tax or stamp duty land tax.

1.9 Property, plant and equipment
The GPA classifies and measures its Property, Plant and Equipment in accordance with IAS 16: Property, Plant and Equipment as adapted by the FReM.

Property, plant and equipment is recognised initially at cost and thereafter carried at fair value less depreciation and impairment charged subsequent to revaluation. The cost of an asset comprises its value when onboarded by the GPA or the amount of cash paid to acquire it and includes any costs necessary to bring the asset into working condition for its intended use.

The capitalisation threshold for expenditure on property, plant and equipment is £5,000. Expenditure below this threshold is scored as RDEL. Some heritage assets such as artwork and decorations have been transferred to the GPA. Heritage assets are held at historic cost less any impairments. They are not depreciated, revalued or indexed.

IAS 16 requires that the GPA depreciates separately any part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item.

In order to identify any such significant components, the GPA has made a number of assumptions with regards to materiality and the proportion of the cost of the overall asset made up by the individual components. For all relevant asset categories, the GPA reviews material components whereby the main property asset has a gross book value of £5m or greater. Individual components are only recognised where they represent a significant proportion (20% or greater) of the main asset and the component asset life must be less than 75% of the main asset life.

Any revaluation surplus is credited to the revaluation reserve except to the extent that it reverses a decrease in the carrying value of the same asset previously recognised in the SoCNE, in which case the increase is recognised in the SoCNE.

A revaluation deficit is recognised in the SoCNE, except to the extent of any existing surplus in respect of that asset in the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE.

Assets under construction are capitalised during the period of construction and on completion (either of the whole project, or at defined milestones where the contract has separate deliverables) balances are transferred to the appropriate asset category. On completion of the project or on delivery of an asset with phased deliveries the costs are transferred to the asset register.

1.10 Depreciation and impairment on property, plant and equipment
Property, plant and equipment are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives.

If an item of property, plant and equipment comprises two or more significant components, with substantially different useful lives, each component is treated separately for depreciation purposes and depreciated over its individual useful life. Useful lives and residual values are reviewed annually and, where adjustments are required, these are made prospectively. Asset lives are in the following ranges:

Freehold buildings, including dwellings	2 to 50 years
Leasehold building improvements	10-25 years or remaining lease term if shorter
Information technology and office equipment	2 to 7 years
Plant and machinery	1 to 20 years
Furniture and fittings	2 to 7 years
Freehold Land	Not depreciated
Heritage Assets	Not depreciated

Assets in the course of construction are not depreciated until the assets are available for use. No depreciation is provided on freehold land and heritage assets since they have unlimited or very long estimated useful lives, nor on non-current assets held for sale which meet IFRS 5 Non-current Assets Held for Resale and Discontinued Operations criteria. Assets continue to depreciate to their residual value until they are derecognised.

The carrying values of Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. If an asset is determined to be impaired, the asset is written down immediately to its recoverable amount.

Where there is no reasonable certainty that the GPA will obtain ownership of an asset at the end of a lease which provides for the transfer of an asset to the GPA on satisfaction of certain criteria – the asset is depreciated over the shorter of the lease term or the life of the asset.

1.11 Revaluation of property, plant and equipment
Freehold land, buildings and dwellings are revalued to fair value each year by independent qualified valuers in accordance with current Royal Institution of Chartered Surveyors (RICS) valuation standards (the Red Book). Valuations are prepared on the basis of the IFRS 13 definition of Fair Value, that being the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Properties that are held for their service potential are valued using an Existing Use Value (EUV) approach and estimated using the investment method with key inputs and assumptions including floor areas, estimated market rent and yield. Assumptions are made based on an analysis of comparable freehold transactions and in accordance with relevant RICS guidance.

Where properties are deemed to be specialised, i.e. where no active market exists, a Depreciated Replacement Cost (DRC) approach is adopted, where DRC is defined as the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and any obsolescence.

These properties will tend to be those that are rarely sold, if ever, for various reasons, for example being located in areas of excessively low demand.

The GPA requires each property to be physically inspected for valuation purposes on a rotational basis within a five-year cycle, with desktop valuations being provided in intervening years.

Leasehold improvements, plant and machinery, IT hardware, and fixtures and fittings assets are all revalued each year using relevant BCIS and ONS indices.

1.12 Donated assets
Donated assets which are held for their service potential are capitalised at current value in existing use.

The value of donated assets is recognised as capital grant-in-kind income. Any subsequent revaluation surplus is credited to the revaluation reserve except to the extent that it reverses a decrease in the carrying value of the same asset previously recognised in the SoCNE, in which case the increase is recognised in the SoCNE. A revaluation deficit is recognised in the SoCNE, except to the extent of any existing surplus in respect of that asset in the revaluation reserve.

1.13 Intangible assets
The GPA recognises and measures software assets in accordance with IAS 38 Intangible Assets as adapted by the FReM.

Intangible assets are defined as identifiable non-monetary assets without physical substance. Intangible assets are measured on initial recognition at cost. The capitalisation threshold for expenditure on intangible assets for the GPA is £5,000. Intangible assets under construction include the cost of configuring and customising software for the exclusive use of the GPA.

Following initial recognition, where an active market exists, intangible assets are carried at fair value in the SoFP. Where no active market exists, the GPA uses published indices to assess the depreciated replacement cost. Expenditure that does not meet the criteria for capitalisation is treated as an operating cost in the year in which it is incurred.

1.14 Amortisation of intangible assets
Intangible assets are currently assessed to have a finite life of between three and six years and are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Assets in the course of construction are not amortised until the assets are brought into use. Externally acquired computer software is amortised over the shorter of the term of the licence and the useful economic life of three to six years.

1.15 Assets classified as held for sale
Assets held for sale are assets where the carrying amount will be recovered principally through a sale transaction rather than through continuing use.

For an asset to be classified as held for sale, it must be available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets; its sale must be highly probable; and it must genuinely be expected to be sold, not abandoned. Items of property, plant and equipment that are classified as held for sale are written down to fair value less costs to sell if lower than their carrying value, and are not depreciated further.

1.16 Leases
The GPA accounts for leases in accordance with IFRS 16 Leases.

The GPA as a lessee
For arrangements where the GPA is the lessee and the lease is in scope of IFRS 16, the GPA recognises a right of use asset and corresponding lease liability.

The right of use asset is initially measured at cost, which comprises the present value of unavoidable future lease payments, adjusted for any initial direct costs, prepayments or incentives and an estimate of any repair or restoration costs. The right of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Depreciation expenditure is recorded in the SoCNE.

Right of use assets are subsequently measured at fair value, with depreciated cost being used as a proxy for fair value in the vast majority of cases.

For a small portion of leases, depreciated cost is assessed to not be an appropriate proxy for fair value, for example in the case of long leases with peppercorn rents. These leases are subject to professional valuation in accordance with current RICS valuation standards.

Right of use assets are tested for impairment in accordance with IAS 36 Impairment of Assets.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications. The GPA recognises interest on the lease liability as a finance cost in the SoCNE.

The measurement of lease payments excludes any VAT payable, and irrecoverable VAT is expensed at the point it falls due in line with the International Financial Reporting Interpretations Committee (IFRIC) 21 Levies.

The GPA has applied the exemption for short-term leases (less than 12 months) and low value assets. In these cases, the leases are accounted for as short-term leases and the lease payments associated with them are recognised as an expense from short-term leases.

The GPA as a lessor
The GPA classifies its subleases as finance leases or operating leases. A sublease is classified as a finance lease if it transfers substantially all the risks and rewards of ownership of the underlying asset. If the sublease does not transfer substantially all the risks and rewards of ownership then the lease is classified as an operating lease.

Where it is determined that as lessor, a finance lease is the appropriate treatment, the right of use asset (or in some cases freehold property asset) has been derecognised and a lease receivable asset recognised in its place, which is amortised in a similar manner to the lease liability but with interest recognised as finance income in the SoCNE. A gain or loss on disposal of the right of use or freehold property asset is recognised in the SoCNE at the time of the recognition of the lease receivable.

Where it is determined that as lessor, an operating lease is the appropriate treatment, the GPA recognises rental income in the SoCNE on a straight-line basis over the lease term. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

1.17 Financial assets
IFRS 9 Financial Instruments reflects the business model in which assets are managed and their cash flow characteristics and contains three principal classification categories for financial assets: measured at amortised cost, Fair Value through Other Comprehensive Income (FVOCI) and Fair Value through Profit and Loss (FVTPL) or net operating expenditure as interpreted by the FReM.

Trade receivables
Trade and other receivables are recognised in line with IFRS 9 initially at fair value of the recoverable amount and subsequently measured at amortised cost.

Impairments of trade and other receivables comprise expected credit loss provisions and the write off of bad debt. A credit loss is recognised in the SoCNE and a loss allowance is established against specific debts by reference to payment history against settlement terms and the expectancy of future payments. Refer to note 1.23g.

1.18 Cash and cash equivalents
Cash in the SoFP comprises cash at bank. The GPA is funded by Parliamentary Funding drawn down through the Cabinet Office as part of the Supply process – GPA has recorded all draw downs of Supply from the Cabinet Office department as financing in the Statement of Cash Flows and to the General Fund. Drawdowns are not treated as Income.

1.19 Financial liabilities
Financial liabilities are held at amortised cost. A Financial liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Trade payables and accruals
Trade payables and accruals are recognised initially at cost, which is deemed to be materially the same as the fair value and subsequently measured at amortised cost.

1.20 Provisions
A provision is recognised when the GPA has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

For dilapidations, a provision is made for estimated costs based on valuations where the likelihood of settlement is material and imminent or via the use of industry standard calculations/methodologies. See note 1.23h.

HMT discount rates for general provisions are applied where appropriate.

1.21 Contingent liabilities and contingent assets
Contingent assets and liabilities are treated in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, where they meet the criteria.

The GPA discloses a contingent asset where it is probable that there will be an inflow of economic benefits from an event whose outcome is uncertain. An estimate of the financial effect is indicated where possible.

1.22 PFI Service concessions

The GPA is party to private finance initiative (PFI) arrangements. The classification of such arrangements as service concession arrangements requires the GPA to determine, based on an evaluation of the terms and conditions of the arrangements, whether it controls the property assets.

The GPA accounts for PFI transactions on a control approach based on the FReM, which uses IFRIC 12 Service Concession Arrangements to inform its treatment. The GPA is considered to control the property assets in a public-to-private service concession arrangement if both of the below conditions are satisfied:-

- the GPA controls or regulates the services that the operator must provide using the property assets, to whom it must provide them, and at what price, (and)
- the GPA controls any significant residual interest in the property assets at the end of the concession term through ownership, beneficial entitlement or otherwise.

Where it is determined that such arrangements are not in scope of IFRIC 12, the GPA assesses such arrangements under IFRIC 4 Determining Whether an Arrangement Contains a Lease.

Where it is identified that the arrangement conveys a right to use an asset in return for a payment or series of payments, the lease element is accounted for as either an operating lease or finance lease in accordance with the risk and reward-based approach set out in the section of this note on Leases.

Where it is determined that arrangements are in scope of IFRIC 12, the GPA recognises the property assets as non-current assets.

Where the contract is separable between the service element, the interest charge and the property asset, the asset is measured under IFRS16. The assets are measured initially at the present value of the minimum lease payments.

In determining the interest rate implicit in the contract, the GPA applies the risk-free market rate at the time the contract was signed. The rate is not changed unless the property element or the whole contract is renegotiated. The risk-free rate is determined by reference to the real rate set by HM Treasury.

The nominal rate is then calculated by adjusting this real term rate by the UK inflation rate.

The GPA recognises a liability for the capital value of the contract. That liability does not include the interest charge and service elements, which are expensed annually to the SoCNE.

On initial recognition of Public-Private partnership arrangements or PFI contracts under IFRS, the GPA measures the non-current asset in the same way as other non-current assets of that generic type. A liability is recognised for the capital value of the contract at its fair value at the period end, which will normally be the outstanding liability in respect of the asset (that is, excluding the interest and service elements), discounted by the interest rate implicit in the contract.

Assets are revalued in accordance with the revaluation policy for property, plant and equipment and intangible assets.

Liabilities are measured using the appropriate discount rate. From 2023/24, the GPA records indexation linked payments in PFI financing liabilities in accordance with IFRS 16. The liability is remeasured when there is a change in future capital payments resulting from a change in an index/rate used to determine those payments. The increase in the liability is recorded as a finance expense in the SoCNE. The liability does not include estimated future indexation linked increases.

Revenue received under any revenue sharing provision in the service concession arrangement is recognised when all the conditions set by IFRS 15 Revenue from Contracts with Customers have been satisfied.

1.23 Judgements and key sources of estimation uncertainty
The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Accounting Date and amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

In the process of applying the GPA's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements.

a) Transfer of assets to and from other government departments
Assets and liabilities transferred to and from the GPA have been assessed in accordance with the FReM.

Where individual assets have been transferred without a function, these have been transferred at fair value from the date of transfer and recorded in Property, plant and equipment with an equal and opposite operating Capital Grant-in-Kind (CGiK) recognised in the Statement of Comprehensive Net Expenditure. This treatment aligns with that applied under International Accounting Standard (IAS) 20 Accounting for Government Grants and Disclosure of Government Assistance to assets funded by way of grant, and where assets transferred for nil consideration are considered to be donated assets in kind.

Where individual liabilities have been transferred without a function, these have been transferred at fair value from the date of transfer with an equal and opposite operating loss on acquisition recorded in the Statement of Comprehensive Net Expenditure.

Freehold properties transferred in from other Government entities are subject to valuations by professional valuers following guidance set by RICS and the value agreed with the transferring department.

b) IAS 16 treatment for Property, plant and equipment
IAS 16 Property, Plant and Equipment has been applied to all of the Property, plant and equipment held by the GPA. Under IAS 16, Property, Plant and Equipment assets are initially measured at cost, subsequently measured using the revaluation model as required under the FReM, and depreciated so that the depreciable amount is allocated on a systematic basis over the useful life.

The prime objective of the GPA is to facilitate the efficient use of government estate assets and these assets are therefore not ordinarily held to generate a return or for capital appreciation. The adoption of IAS 40 Investment Property is therefore not considered appropriate where the dominant use of an asset is occupation by governmental bodies for operational purposes. The budgeting consequences of adopting IAS 16 will be no different than if properties had remained on individual departments' books. On this basis, HMT has agreed to the GPA adopting IAS 16 in these circumstances.

c) GPA as a lessee
The GPA follows IFRS 16 Leases in determining whether an arrangement contains a lease. The GPA makes a judgement about the classification of long-term arrangements as containing a lease based on an evaluation of the terms and conditions of each arrangement, whether the arrangement depends on a specific asset or assets and whether the arrangement conveys a right to use the asset. If the supplier or landlord has substantive substitution rights then the asset is not identified.

For leases of newly constructed building assets, the GPA considers that it has the right to use the asset in situations where it has designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

For arrangements where the GPA is the lessee and the lease is in scope of IFRS 16, the GPA recognises a right of use asset and corresponding lease liability. The GPA determines the fair value of its lease liabilities and its associated right of use assets based on judgements on the appropriate discount rate to use and the applicable lease term.

GPA cannot ordinarily determine the implicit rate of interest inherent within its leases and uses the Government incremental borrowing rate as promulgated by HM Treasury. For leases that commenced or are remeasured on or after 1 January 2025, the HM Treasury discount rate is 4.81%. For leases that commenced or are remeasured during the period 1 January 2024 to 31 December 2024, the HM Treasury discount rate is 4.72%. For previous years this is in line with applicable HMT rates.

The lease term for each lease liability is derived based on an assessment of whether each break and renewal option is reasonably certain to be exercised. This assessment is determined with consideration of the GPA's estate strategy as informed by engagement with clients.

The GPA makes a judgement in determining the fair value of right of use assets for subsequent measurement. Depreciated cost is used as a proxy for fair value in the vast majority of cases. The GPA leases properties for their sub-leasing potential, generally on terms matching the head lease. Where properties are vacant due to refurbishment through the hubs programme, the GPA expects future sub-lease rent to exceed head lease rent to reflect improved condition.

For long leases with peppercorn rents, depreciated cost is assessed to not be an appropriate proxy for fair value. These leases are subject to professional valuation in accordance with current RICS valuation standards.

d) GPA as a lessor
The GPA makes a judgement as to whether a lease should be classified as a finance or operating lease under IFRS 16 based on whether or not the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset.

While other factors are considered, the main criterion is whether the lease term accounts for the majority of the useful economic life of the underlying asset. A lease term in excess of 75% of the expected useful economic life of the underlying asset would typically be assessed as a finance lease, but this could be overridden by assessment of other relevant factors set out under IFRS 16. For example, where the GPA has substantive substitution rights meaning it retains the right to direct the use of the asset.

Where a lease is assessed as a finance lease, the GPA values its associated lease receivable asset using the interest rate implicit in the lease.

The lease term for the lease receivable asset is derived based on an assessment of whether each break and renewal option is reasonably certain to be exercised. This assessment is determined with consideration of the GPA's estate strategy as informed by engagement with clients and the Office of Government Property.

e) Leasehold improvements
Where leasehold improvements have taken place, a review of the head lease and the Terms of Occupation (TOA) in relation to the property is undertaken by the GPA. If the majority of the property improvements are to space occupied by a single tenant and the occupant's tenancy is for the life of the head lease then the tenant is deemed to be in receipt of economic benefit and therefore the asset is recognised by the tenant rather than GPA. Where the improvements are deemed to be for the benefit of all tenants and/or the life of those improvements extends past individual tenancies, the GPA recognises the leasehold improvements within property, plant and equipment.

f) Freehold land and building valuations
Freehold land and buildings held by the GPA are shown at fair value as calculated by independent qualified valuation experts. Valuations are based on a number of key assumptions including the market rent for each freehold land and building and an appropriate yield. These are derived based on an analysis of comparable freehold land and building transactions and in accordance with relevant RICS guidance.

Freehold land and buildings are considered specialised if they are rarely, if ever, sold in the market due to the uniqueness arising from their specialised nature, design, configuration, size, location or otherwise. The RICS Red Book requires such assets to be carried at depreciated replacement cost (DRC).

DRC is defined as the current cost of replacing an asset with its modern equivalent asset, less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

Valuations are prepared based on level 2 inputs – inputs that can be corroborated by observable market data – as per the IFRS 13 Fair Value Measurement hierarchy of inputs. In preparing these valuations, consideration is given also to some level 3 unobservable inputs; rent free periods and other inducements and interpretation of observable rents and yields which can be applied to the subject freehold land and building.

Freehold land and building valuations are derived from independent professional valuers' estimates of market rental values and expected yields for each freehold land and building. While holding all other assumptions constant, if the average market rental value was 10 per cent higher (lower), the value of the GPA's land and buildings assets would increase (decrease) by £130.3m.

The GPA's net valuation losses for 2024/25 totalled £62.4m (4.8% of net book value).

Approximately 16% of the loss (£10.0m) has been absorbed by the Revaluation Reserve, it being offset against revaluation gains recorded in previous financial years. The remaining 84% (£52.4m) has been expensed.

The two main drivers for current valuation losses are the uncertainty of the impact of wars in the Middle East and Ukraine, and the still relatively high (although falling) interest rates and inflation across the economy. These have continued to dampen demand for leased office space, causing continued downward pressure on real estate values.

g) Expected credit losses
Impairments of trade and other receivables stem from doubtful debt provisions and bad debt write offs. A credit loss is recognised in the SoCNE and a loss allowance is established against specific debts by reference to payment history against settlement terms and expected future payments. Where the credit risk increases significantly and the risk is no longer considered low the full lifetime expected credit losses are recognised in the SoCNE.

IFRS 9 Financial Instruments requires recognition of 'expected' losses rather than 'incurred' losses.

An allowance for expected credit loss is determined for all financial assets in the context of forecast future economic conditions. IFRS 9 introduces a 3-stage Expected Credit Loss (ECL) impairment model which requires different levels of provision based on relative changes in the credit risk of a debt instrument since its initial recognition.

An adaptation to the FReM allows that balances with core central Government Departments (including their executive agencies) are excluded from recognising stage 1 and stage 2 impairments. Arm's Length Bodies (ALBs) are excluded from this exemption.

Stage 1 – Credit risk has not increased significantly since initial recognition of the asset. Provision is held for an expected credit loss resulting from possible default events over the next 12 months.

Stage 2 – Credit risk has significantly increased since initial recognition of the asset. Provision is held for expected credit losses from possible default events over the expected life of the asset.

Stage 3 – Objective evidence of impairment exists. Provision is held for full impairment.

GPA takes the 'simplified' approach permitted under the standard which eliminates the need to calculate a 12 month ECL and to assess when a significant increase in credit risk has occurred.

GPA estimates ECL by classifying categories of trade and other receivables by risk and applying an impairment based on judgement on expectancy of future payments, historic experience of write-offs and age of the debt.

The GPA has assessed its lease receivables, which are recognised where it acts as a lessor and that lease is a finance lease, for lifetime expected credit losses and in management's view no impairment to these receivables is required. These payments are regularly received without delinquency.

h) Dilapidation provisions
Provisions for dilapidation charges are based on the best estimate of the amount required to settle the obligation following an assessment of risks and uncertainties, terms of legal agreements, and where appropriate, independent professional valuation reports.

A provision is made for estimated costs based on valuations where the likelihood of settlement is material and imminent or via the use of industry standard calculations and methodologies. Where a corresponding receivable is due from the occupier under a sublease, this is calculated on the same basis and also recognised in the SoFP. Any difference from the established liability arising from unleased space at the time the liability crystalises is either recognised in the SoCNE, if the sublease is a finance lease, or capitalised in the SoFP as part of the head lease right of use asset, if the sublease is an operating lease.

Landlord intentions are a significant source of uncertainty when estimating these provisions. The final amount settled can vary significantly depending on a landlord's future intentions for the property and whether they actually serve a dilapidations claim. The GPA assumes that a dilapidation provision is required for each building where relevant unless specifically notified otherwise, hence does not make any allowance in the provision for potential non-claims.

Each individual property dilapidation provision is subject to a desktop valuation every five years. Indexation is applied in the intervening years to report valuations at present value. A physical valuation is obtained within two years of planned building exit.

Dilapidation provisions for each property are reported at present values using current prices. They are indexed each year using the Building Cost Information Service (BCIS) Tender Price Index where physical inspections and desktop valuations are not yet due.

During 2024/25, approximately £118.5m (76.7%) of the total dilapidation provision as at the start of the year was subject to indexation. Therefore each additional 1% of indexation adds £1.2m to the existing provision. Likewise each 1% reduction in the indexation rate reduces the increase in the provision by £1.2m. The movement in the BCIS Tender Price Index during 2024/25 was an increase of 3.5%.

BCIS indices are produced by the RICS, and as such, are seen as an industry standard. The GPA considers indices to be appropriate for maintaining dilapidation provisions at current prices.

In total, desktop valuations accounted for £123.5m (81.4%) of the total dilapidation provision as at 31 March 2025, these being either new desktop valuations or uplifted prior year valuations. These are based mostly on a dilapidation rate of £323/sqm.

The £323/sqm rate is considered to be an average rate for an internal repairing and reinstatement obligation for a typical government building that should allow sufficient provision for the dilapidations claim. The rate includes general strip out of the fit out, making good to ceilings, walls and floors, general repairs, decoration, new floor coverings, reinstatement of building services, updating statutory testing and manuals, contractor's preliminary items, professional fees in connection with the work and an element of contingency. The rate is varied if the building is more complex, or if a schedule of condition applies to the obligations that clearly shows that the liability is likely to be reduced.

Dilapidation provisions based on desktop exercises will be sensitive to changes in the rate per square metre used within the calculations. Should all desktop valuations have been costed at £323/sqm, a £10 increase/(decrease) in the rate used would result in a corresponding increase/(decrease) of around £3.8m in the provision.

The GPA uses expert property advice to consider alternative dilapidation rates where the default rate of £323/sqm is considered inappropriate for a specific property. For example, a reduced rate of £250/sqm has been applied where a Cat B fit out does not need to be reinstated, and higher rates of £500/sqm and £592/sqm used where reinstatement costs are high due to the age or location of building.

Other variables that can impact on the calculation of forecast dilapidation costs for a property include the accuracy of floor area measurements and the assessment of property condition. Property listings (Grade I and Grade II) are also considered where buildings have architectural or historical features considered to be of national importance, although the impact of this on dilapidations is minimal.

1.24 Changes in accounting policy and disclosures

a) Changes in accounting policies
There have been no changes in accounting policies in 2024/25.

b) New and amended standards adopted
There have been no new and amended standards adopted in 2024/25.

c) Impending application of newly issued accounting standards not yet effective
The following standards and amendments are expected to be applied in future accounting periods as directed by the Financial Reporting Manual.

IFRS 17 Insurance
IFRS 17 Insurance is expected to be applied in 2025/26. It is not envisaged that this standard will have any impact on the GPA.

IFRS 18 Presentation and Disclosure in Financial Statements
IFRS 18 Presentation and Disclosure of Financial Statements was issued in April 2024 and applies to annual reporting periods beginning on or after 1 January 2027 (subject to UK and Financial Reporting Advisory Board (FRAB) endorsement). IFRS 18 sets out general and specific requirements for the presentation and disclosure of information in general purpose financial statements. The objective of IFRS 18 is to improve comparability of financial performance between organisations applying IFRS. Once effective, it will replace IAS 1 Presentation of Financial Statements. The GPA does not intend to early adopt IFRS 18.

IFRS 19 Subsidiaries without Public Accountability: Disclosures
IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024 and applies to annual reporting periods beginning on or after 1 January 2027 (subject to UK and FRAB endorsement). The Standard permits certain eligible subsidiaries to apply reduced disclosure requirements when preparing their financial statements. The GPA does not intend to early adopt IFRS 19.

There are no other IFRS or IFRIC interpretations not yet effective that would be expected to have a material impact on the GPA

Non-investment asset valuations
The 2025/26 FReM includes amendments to the valuation of non-investment assets from 1 April 2025. Non-investment assets comprise property, plant and equipment and intangible assets. The revised valuation approach will be applied prospectively with no restatement of comparative information.

References to assets being held for their 'service potential' and the terms 'specialised / non-specialised' assets are being removed from the FReM. Non-investment assets are instead described as assets held for their 'operational capacity'. This change has no impact on the valuation basis of non-investment assets, which remains Existing Use Value (EUV).

The option to measure intangible assets using the revaluation model is withdrawn. The carrying values of intangible assets at 31 March 2025 will be considered the historical cost at 1 April 2025.

These changes are not expected to have a material impact on the GPA.

2. Segmental analysis
In accordance with IFRS 8 Operating segments, the GPA is required to report financial and descriptive information about its operating segments. These are components about which separate financial information is available. Financial information is required to be reported on the same basis as is used internally by the GPA decision makers. These are the Board and the Executive Committee who evaluate performance regularly using operating segments. The GPA summarises its activities into three main segments as set out below.

Investment
Investment comprises the Capital Projects directorate which is responsible for delivering GPA's office development and optimisation programme through investment in a transformed, sustainable and value for money office estate for civil servants.

Operate
Operate comprises the Property and Workplace Services directorates. The Property directorate asset manages the GPA's property portfolio, in association with the Property Partner, while the Workplace Services Directorate supports occupiers in moving to and using the GPA's supplied workplaces.

Support
Support comprises the CEO's Office, Client Solutions, Chief Operating Officer and Finance Directorates. Client Solutions leads all client-related and business development activity. Chief Operating Officer coordinates performance and provides support in commercial, legal, data and technology, security, HR and marketing and communications. Finance is responsible for the GPA stakeholder financial budgetary reporting, and planning and analysis transaction processing and the financial control framework.

There are no significant transactions between segments and where costs relate to more than one segment they are apportioned appropriately with reference to the underlying substance of the transaction.

Table 2a presents resource expenditure, which is reported to the Board by segment. Table 2b reconciles this total to the SoCNE, which also includes Annually Managed Expenditure (AME) and SoCNE expenditure which counts towards capital for budgeting purposes. The Board does not receive a SoFP analysed by operating segment and therefore such an analysis is not presented here.

Any shortfall in cost recovery is funded by the HMT.

2a. Total net resource expenditure as reported to the Board

	Gross expenditure £'m	Income £'m	2024/25 Net £'m	2023/24 Net £'m
Investment	51.6	(46.2)	5.4	14.4
Operate	536.1	(548.6)	(12.5)	(6.0)
Support	38.2	(3.7)	34.5	32.4
Total	**625.9**	**(598.5)**	**27.4**	**40.8**

2b. Reconciliation between operating segments and SoCNE

	Gross expenditure £'m	Income £'m	2024/25 Net £'m	2023/24 Net £'m
Total net expenditure by operating segment as reported to the Board	625.9	(598.5)	27.4	40.8
Capital Grant-in-Kind	144.3	(2.8)	141.5	(7.9)
Capital income and expenditure	3.8	(2.1)	1.7	(1.3)
PFI onboarding liability transfer	22.6	–	22.6	65.7
Depreciation, amortisation and impairment	108.7	–	108.7	100.4
Accounting treatment of provisions and AME impairments	75.5	–	75.5	119.8
Other adjustments	(0.2)	(0.1)	(0.3)	–
Total net expenditure per SoCNE	**980.6**	**(603.5)**	**377.1**	**317.5**

Major clients
The GPA's three largest clients, excluding Capital Grant-in-kind transactions, are the Home Office, The Cabinet Office, and the Department for Education (DfE). Income from the Home Office was £72.4m (2023/24: 67.1m), The Cabinet Office £69.1m (2023/24: 69.3m), and the Department for Education £57.2m (2023/24: £33.9m) for the year ended 31 March 2025 and is reported in the Operate segment. Other major clients of the GPA are: Crown Prosecution Service (CPS), Department for Energy Security and Net Zero (DESNZ) and Department for Science, Innovation and Technology (DSIT), Ministry of Defence (MoD), and Ministry of Housing, Communities and Local Government (MHCLG).

3. Operating income

	Note	2024/25 £'m	Restated* 2023/24 £'m
Rental income		159.1	163.1
Revenue from contracts with customers			
Landlord services income*		244.7	196.7
Workplace services income		81.4	76.3
Management fee income		13.3	11.8
Additional property & project services		60.0	95.7
Logistics services		–	1.6
Consultancy services		0.6	0.3
Gainshare income		4.7	(1.5)
Total operating income		**563.8**	**544.0**
Capital grants			
Capital grant income (recharges)		2.1	10.0
Capital Grant-in-Kind transfers of assets from other government departments	19	2.8	7.9
Total		**568.7**	**561.9**

* From 1 April 2024, income from pass through of Rates expenditure is included within consolidated Landlord services billing. For comparability, 2023/24 Landlord services income has been restated by £93.5m to include amounts previously disclosed as Rates income.

4a. Staff expenditure

	Note	2024/25 £'m	2023/24 £'m
Wages & salaries*		23.6	22.5
Agency staff		10.3	12.4
Untaken annual leave		0.1	(0.1)
Other pension costs		6.0	5.5
Social security costs		2.7	2.6
Apprenticeship levy		0.1	0.1
Inward secondments		1.6	1.5
Staff engaged in capital projects**		(14.3)	(11.0)
Total		**30.1**	**33.5**

* Further detail is available in the Remuneration and Staff Report.

** The capitalisation of staff engaged in capital projects and contractor costs is based on time spent directly attributable to capital projects. Staff may be full-time dedicated to a project or their time part-apportioned to a project.

4b. Operating expenditure

	Note	2024/25 £'m	Restated* 2023/24 £'m
Landlord Services			
Rent		56.3	44.0
Rates		113.2	100.3
Head lease service charge		43.5	36.7
Insurance		2.4	1.0
Utilities*		32.0	28.4
PFI service charge		76.4	72.3
PFI interest charges		55.6	56.4
Other property related costs		6.5	23.1
Workplace Services			
Fixed FM		43.8	38.6
Variable FM		20.5	22.1
Operational security		18.5	15.2
Workplace ICT		6.1	5.4
Workplace projects		16.2	15.8
Fixture & fittings		–	0.1
Other Operating Expenditure			
Professional services		64.4	92.8
Other staff-related costs		2.2	1.8
IT costs		11.1	9.8
Supplies and services		2.6	1.0
Logistics expenditure		–	1.5
Travel, subsistence and hospitality		1.2	1.7
Consultancy		0.9	1.8
Capital grant expenditure		3.8	8.7
Total		**577.2**	**578.5**

* From 1 April 2024, expenditure on Whitehall systems heating (Workplace Services) is included within Utilities (Landlord Services). For comparability, 2023/24 Utilities expenditure has been restated by £4.9m to include amounts previously disclosed as Whitehall systems heating.

4c. Non-cash expenditure

	Note	2024/25 £'m	2023/24 £'m
Depreciation – property, plant and equipment	6	71.7	68.0
Depreciation – right of use assets	7	27.5	32.3
Non-cash PFI adjustments	11b	22.6	65.7
Movement in provisions	15	9.3	0.3
Auditor's remuneration	SoCTE	0.5	0.4
Amortisation – intangible assets	8	9.5	0.1
Impairment – property, plant and equipment	6	66.5	106.6
Impairment – right of use assets	7	(0.8)	5.6
Impairment – intangible assets	8	1.5	1.0
Change in provision for expected credit losses	10b	(1.0)	2.5
Write off – Bad debt	10b	0.1	–
Loss / (gain) on disposal of property, plant and equipment	6	–	(0.6)
Capital Grant-in-Kind transfers of assets to other government departments	19	144.3	–
Loss on remeasurement of lease liability-IFRS 16		1.7	4.0
Total		**353.4**	**285.9**
Total expenditure		**960.7**	**897.9**

Auditor's remuneration
The costs of the audit performed by the National Audit Office on behalf of the Comptroller and Auditor General are recognised as a non-cash charge. The cost comprises £505,000 (2023/24: £440,000) for the audit of the GPA Annual Report and Accounts.

During the year, the GPA purchased non-audit services which relates to landlord services. The GPA rents accommodation from the NAO on behalf of a client. The cost comprises £248,000 (2023/24: Nil) for this non-audit service.

5. Finance income and expenditure

	Note	2024/25 £'m	2023/24 £'m
Finance income			
Interest on leases		34.8	35.3
		34.8	**35.3**
Finance expenditure			
Interest on obligations under leases		19.9	16.8
		19.9	**16.8**

6. Property, plant and equipment

Carrying amount	Land £'m	Buildings excl. Dwellings £'m	Dwellings £'m	IT £'m	Plant & Machinery £'m	Leasehold Improvements £'m	Furniture & Fittings £'m	Heritage Assets £'m	Asset under Construction £'m	Total £'m
Cost or valuation										
At 1 April 2024	587.0	657.7	7.5	31.8	21.0	330.6	20.1	0.1	211.9	1,867.7
Additions	–	–	–	–	–	–	–	–	207.8	207.8
Disposals	–	–	–	–	–	–	–	–	–	–
Impairment	(5.0)	(46.1)	(1.3)	(1.9)	–	(6.5)	–	–	(12.5)	(73.3)
Reclassifications	(0.5)	88.8	–	3.9	(13.0)	146.4	17.0	–	(244.5)	(1.9)
Asset transfer (to) / from other government bodies	–	2.8	–	(0.5)	–	(137.0)	(10.1)	–	–	(144.8)
Transfer to assets held for sale	(0.8)	(1.1)	–	–	–	–	–	–	–	(1.9)
Revaluations	(54.7)	16.5	(0.7)	–	–	6.0	–	–	–	(32.9)
As at 31 March 2025	**526.0**	**718.6**	**5.5**	**33.3**	**8.0**	**339.5**	**27.0**	**0.1**	**162.7**	**1,820.7**
Depreciation										
At 1 April 2024	–	–	–	9.0	3.7	85.2	8.4	–	–	106.3
Charged in year	–	26.3	0.2	8.1	1.5	31.5	4.1	–	–	71.7
Disposals	–	–	–	–	–	–	–	–	–	–
Impairment	–	–	–	(1.7)	–	(5.1)	–	–	–	(6.8)
Reclassifications	–	2.5	–	–	(2.5)	–	–	–	–	–
Asset transfer (to) / from other government bodies	–	–	–	–	–	(2.7)	(0.6)	–	–	(3.3)
Revaluations	–	(28.7)	(0.2)	–	–	1.6	–	–	–	(27.3)
As at 31 March 2025	**–**	**0.1**	**–**	**15.4**	**2.7**	**110.5**	**11.9**	**–**	**–**	**140.6**
Carrying amount										
Net book value at 31 March 2024	587.0	657.7	7.5	22.8	17.3	245.4	11.7	0.1	211.9	1,761.4
Net book value at 31 March 2025	**526.0**	**718.5**	**5.5**	**17.9**	**5.3**	**229.0**	**15.1**	**0.1**	**162.7**	**1,680.1**
Asset financing										
Owned	526.0	517.4	5.5	17.9	5.3	229.0	15.1	0.1	162.7	1,479.0
PFI and other service concession arrangements	–	201.1	–	–	–	–	–	–	–	201.1
Net book value at 31 March 2025	**526.0**	**718.5**	**5.5**	**17.9**	**5.3**	**229.0**	**15.1**	**0.1**	**162.7**	**1,680.1**

Valuations of land and buildings are completed by Jones Lang LaSalle Ltd, in accordance with the RICS Appraisal and Valuation Manual and the FReM. The most recent valuations were carried out on 31 March 2025. Indexation is applied to all other classifications of property, plant and equipment, as well as for intangible assets.

6. Property, plant and equipment (continued)

	Land £'m	Buildings excl. Dwellings £'m	Dwellings £'m	IT £'m	Plant & Machinery £'m	Leasehold Improvements £'m	Furniture & Fittings £'m	Heritage Assets £'m	Asset under Construction £'m	Total £'m
Cost or valuation										
At 1 April 2023	640.5	723.1	7.3	15.8	10.6	198.0	14.7	0.1	208.7	1,818.8
Additions	5.5	–	–	–	–	–	–	–	263.2	268.7
Disposals	–	–	–	–	–	(1.1)	–	–	–	(1.1)
Impairment	(3.8)	(70.7)	–	–	–	(6.5)	–	–	(28.2)	(109.2)
Reclassifications	–	64.0	–	16.1	10.7	130.4	5.9	–	(231.8)	(4.7)
Asset transfer (to) / from other government bodies	–	3.9	–	–	–	3.9	0.1	–	–	7.9
Transfer of function	–	–	–	–	–	–	–	–	–	–
Transfer to assets held for sale	–	–	–	–	–	–	–	–	–	–
Revaluations	(55.2)	(62.6)	0.2	(0.1)	(0.3)	5.9	(0.6)	–	–	(112.7)
As at 31 March 2024	**587.0**	**657.7**	**7.5**	**31.8**	**21.0**	**330.6**	**20.1**	**0.1**	**211.9**	**1,867.7**
Depreciation										
At 1 April 2023	–	–	0.2	5.5	2.3	56.0	5.9	–	–	69.9
Charged in year	–	28.5	0.2	3.5	1.4	31.7	2.7	–	–	68.0
Disposals	–	–	–	–	–	(1.1)	–	–	–	(1.1)
Impairments	–	–	–	–	–	(2.7)	–	–	–	(2.7)
Reclassifications	–	–	–	–	–	–	–	–	–	–
Asset transfer (to) / from other government bodies	–	–	–	–	–	–	–	–	–	–
Revaluations	–	(28.5)	(0.4)	–	–	1.3	(0.2)	–	–	(27.8)
At 31 March 2024	–	**–**	**–**	**9.0**	**3.7**	**85.2**	**8.4**	–	–	**106.3**
Carrying amount										
Net book value at 31 March 2023	640.5	723.1	7.1	10.3	8.3	142.0	8.8	0.1	208.7	1,748.9
Net book value at 31 March 2024	**587.0**	**657.7**	**7.5**	**22.8**	**17.3**	**245.4**	**11.7**	**0.1**	**211.9**	**1,761.4**
Asset financing										
Owned	587.0	454.8	7.5	22.8	17.3	245.4	11.7	0.1	211.9	1,558.5
PFI and other service concession arrangements	–	202.9	–	–	–	–	–	–	–	202.9
Net book value at 31 March 2024	**587.0**	**657.7**	**7.5**	**22.8**	**17.3**	**245.4**	**11.7**	**0.1**	**211.9**	**1,761.4**

7. Right of use assets

	Buildings £'m
Cost or valuation	
At 1 April 2024	355.0
Additions	152.3
Disposals	(180.4)
Revaluations	(2.3)
Impairment	0.8
Reclassifications	2.1
As at 31 March 2025	**327.5**
Depreciation	
Accumulated Depreciation as at 1 April 2024	55.7
Charged in year	27.5
Revaluations	(1.6)
As at 31 March 2025	**81.6**
Carrying amount	
Net book value at 31 March 2024	299.3
Net book value at 31 March 2025	**245.9**

	Restated Buildings £'m
Cost or valuation	
At 1 April 2023	301.8
Additions	270.5
Disposals	(212.7)
Revaluations	(3.7)
Impairment	(5.6)
Reclassifications	4.7
As at 31 March 2024	**355.0**
Depreciation	
Accumulated Depreciation as at 1 April 2023	24.7
Charged in year	32.3
Revaluations	(1.3)
As at 31 March 2024	**55.7**
Carrying amount	
Net book value at 31 March 2023	277.1
Net book value at 31 March 2024	**299.3**

Lease expenses recognised in the SoCNE

	2024/25 £'m	2023/24 £'m
Interest on leases	19.9	16.8
Depreciation – right of use assets	27.5	32.3
Irrecoverable VAT on rent expenditure	55.4	43.7
Rent expenditure on short-term leases	0.9	0.3
Total lease expenses	**103.7**	**93.1**

8. Intangible assets

	Software £'m	Assets under Construction £'m	Total £'m
Cost or valuation			
At 1 April 2024	39.7	1.9	41.6
Additions	–	15.0	15.0
Impairment	(1.1)	(0.4)	(1.5)
Reclassifications	12.7	(12.7)	–
As at 31 March 2025	**51.3**	**3.8**	**55.1**
Amortisation			
At 1 April 2024	0.7	–	0.7
Charged in year	9.5	–	9.5
As at 31 March 2025	**10.2**	–	**10.2**
Carrying amount			
Net book value at 31 March 2024	39.0	1.9	40.9
As at 31 March 2025	**41.1**	**3.8**	**44.9**

	Software £'m	Assets under construction £'m	Total £'m
Cost or valuation			
At 1 April 2023	3.9	4.0	7.9
Additions	–	34.7	34.7
Impairment	–	(1.0)	(1.0)
Reclassifications	35.8	(35.8)	–
As at 31 March 2024	**39.7**	**1.9**	**41.6**
Amortisation			
At 1 April 2023	0.6	–	0.6
Charged in year	0.1	–	0.1
As at 31 March 2024	**0.7**	–	**0.7**
Carrying amount			
Net book value at 31 March 2023	3.3	4.0	7.3
As at 31 March 2024	**39.0**	**1.9**	**40.9**

All of the intangible assets are owned by the GPA.

9. Assets held for sale

	Note	31 March 2025 £'m	31 March 2024 £'m
Balance at 1 April 2024		1.0	4.6
Disposal		–	(3.6)
Transfer from property, plant and equipment	6	1.9	–
Balance at 31 March 2025		**2.9**	**1.0**

Assets held for sale comprises of surplus freehold properties. The properties are available for sale in their present condition, are being actively marketed and are expected to be disposed of within twelve months of the reporting date. One asset was held as an asset for sale on 31 March 2021, but the sale did not complete within 12 months as had been previously expected.

10a. Trade and other receivables

	Note	31 March 2025 £'m	31 March 2024 £'m
Amounts falling due within one year			
Trade and other receivables		88.5	58.6
Prepayments		27.3	29.0
Lease incentive receivables		–	1.1
Accrued income		41.5	108.0
Amounts from OGDs to offset GPA provisions		16.0	7.2
Total trade receivables within one year		**173.3**	**203.9**
Lease receivables IFRS 16		106.6	99.5
Total lease receivables within one year		**106.6**	**99.5**
Total receivables within one year		**279.9**	**303.4**
Amounts falling due after one year			
Amounts from OGDs to offset GPA provisions		122.3	143.4
Lease incentive receivables		7.5	5.6
Deposits and advances		2.3	–
Total trade receivables after one year		**132.1**	**149.0**
Lease receivables IFRS 16		745.8	746.0
Total lease receivables after one year		**745.8**	**746.0**
Total receivables after one year		**877.9**	**895.0**
Total receivables		**1,157.8**	**1,198.4**

Trade receivables in respect of contracts with clients amounted to £51.4m (2023/24: £42.9m).

Accrued income in respect of contracts with clients amounted to £36.6m (2023/24: £83.6m).

Trade Receivables are non-interest bearing and generally on 30 days' terms and are shown net of any provision for impairment. Included in trade receivables is a provision for impairment of £4.0m (2023/24: £5.1m) against receivables which are assessed annually for likelihood of recoverability and expected credit losses. See note 10b.

10b. Provision for expected credit losses

	31 March 2025 £'m	31 March 2024 £'m
At 1 April 2024	(5.1)	(2.6)
Provided in the year	(5.5)	(7.6)
Provisions utilised in the year	0.1	–
Provisions written back in the year	6.5	5.1
As at 31 March 2025	**(4.0)**	**(5.1)**

An allowance for expected credit loss is determined by reference to payment history against settlement terms. The GPA has a policy of internally reviewing aged debt using specific criteria for write-off. Trade receivables are non-interest bearing and are generally on 30 days' terms and are shown net of a provision for impairment. Movements in the provision for impairment of receivables is as above.

10c. Lease receivables IFRS 16

The GPA received finance lease income from finance lease contracts in which it acts as a lessor against a lease receivable held. The following sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date. The GPA has recognised £132.5m finance income from sub-leasing right of use assets.

Lease income received as a lessor 31 March 2025 Lease receivables maturity analysis	31 March 2025 £'m	31 March 2024 £'m
Less than one year	106.6	99.5
One to two years	128.3	144.5
Two to three years	125.1	124.0
Three to four years	112.3	117.5
Four to five years	91.9	100.1
More than five years	767.4	596.9
Discount	(479.2)	(337.0)
	852.4	**845.5**

10d. Operating leases

During 2024/25 the GPA received £286.9m (2023/24: £163.1m) of lease income (including service charges) from operating lease contracts in which it acts as a lessor. The following sets out a maturity analysis of lease payments to be received after the reporting date. This excludes service charges which are dependent on usage.

Operating leases with clients	31 March 2025 £'m	31 March 2024 £'m
Less than one year	2.9	3.4
One to two years	4.8	10.8
Two to three years	1.4	13.0
Three to four years	2.3	12.1
Four to five years	5.5	0.6
More than five years	1,184.5	1,354.1
Total operating leases with clients	**1,201.4**	**1,394.0**

11a. Cash and cash equivalents

	31 March 2025 £'m	31 March 2024 £'m
Balance at 1 April 2024	127.2	67.3
Net change in cash and cash equivalent balances	(48.0)	59.9
Balance at 31 March 2025	**79.2**	**127.2**
The following balances were held at:		
Government Banking Service	79.2	127.2
Balance at 31 March 2025	**79.2**	**127.2**
The balance is held for use in respect of:		
Government Property Agency	79.2	127.2
Balance at 31 March 2025	**79.2**	**127.2**

11b. Reconciliation of liabilities arising from financing activities

	2023/24 £'m	Cash flows £'m	Non-cash changes £'m	2024/25 £'m
Lease liabilities	1,182.9	(100.1)	76.2	1,159.0
PFI liabilities	699.6	(34.5)	22.6	687.7
Total liabilities from financing activities	**1,882.5**	**(134.6)**	**98.8**	**1,846.7**

12. Trade and other payables

	31 March 2025 £'m	31 March 2024 £'m
Amounts falling due within one year		
Trade payables	6.2	29.4
Other payables	3.9	3.2
Deferred income	32.6	18.7
Accruals	92.3	131.7
Other taxation and social security	0.8	1.7
Accrual for untaken annual leave	1.0	0.8
Total payables within one year	**136.8**	**185.5**
Total payables	**136.8**	**185.5**

13. Lease liabilities

	31 March 2025 £'m	31 March 2024 £'m
Current		
Lease liabilities	173.1	165.9
Non Current		
Lease liabilities	985.9	1,017.0
Total lease liabilities	**1,159.0**	**1,182.9**

31 March 2025 lease liabilities maturity analysis

	31 March 2025 £'m	**31 March 2024 £'m**
Less than one year	173.1	165.9
One to two years	72.5	123.0
Two to three years	5.2	114.9
Three to four years	60.2	111.0
Four to five years	38.2	101.6
More than five years	883.5	749.0
Discount	(73.7)	(182.5)
	1,159.0	**1,182.9**

With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the SoFP as a right of use asset and a lease liability. The nature of the GPA's activities, both as a freeholder and as a lessee, is that of managing properties to let to clients within central government.

The GPA manages the liquidity risk inherent in the maturity analysis through entering into agreements which transfer substantially all of the risk and rewards of ownership to clients through formal sub-leasing to clients. The GPA also seeks to match terms for the assets and liabilities, when entering into arrangements which create finance lease receivables, with those of the head lease.

The GPA is committed to lease hub buildings which are under construction. The leases will commence when the construction reaches practical completion.

14. Financial instruments
The GPA is not exposed to significant financial risk factors arising from financial instruments. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change by the risks facing the entity in undertaking its activities.

Fair value of financial instruments
The fair value of the financial instruments is equivalent to the carrying amount disclosed in the SoFP. Financial instruments not measured at fair value include cash and cash equivalents, trade and other receivables, and trade and other payables. Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables and trade and other payables approximates their fair value.

Credit risk
Credit risk is the risk that a third party will default on its obligations causing the GPA to incur a loss.

In general, exposure to credit risk arises from cash held by banks and trade and other receivables. For each of these, the maximum credit exposure is best represented by the carrying amounts in the SoFP.

The GPA's cash assets are held within the Government Banking Service only and are therefore not exposed to significant credit risk.

Other government funded entities make up 99% of the GPA's receivables and it has been assessed these are low risk due to being government funded. However, where there is doubt over the recoverability of debt, the GPA will recognise a provision for impairment of trade receivables.

Liquidity risk
Liquidity risk is the risk that the GPA will encounter difficulty in raising liquid funds to meet commitments as they fall due.

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding from the Cabinet Office including continuously monitoring forecast cash flow requirements and reporting these to the Cabinet Office.

Market risk
Market risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk reflects interest rate risk, currency risk and other price risks.

The GPA's transactions are all undertaken in sterling so it is not exposed to foreign exchange risk. The GPA holds only cash balances and does not have any borrowings and as such operating cash flows are independent of changes in market interest rates.

The GPA is exposed to movements in the property market as its assets consist predominantly of land and buildings. The GPA is not exposed to significant market risk in relation to rents because rent costs are passed through to clients. The risks associated with vacant space and onboarded shortfalls are mitigated in a number of ways:

- wherever possible monthly headlease and sublease terms where a client's lease term is less than the head lease term, the GPA charges a rent premium to offset the void liability.
- clients are obliged to provide at least 1 year's notice of termination which provides the opportunity to re-let.
- clients remain liable for the void cost as part of their occupation agreement if they exit early.

- clients transferring properties to the GPA remain liable for voids and shortfalls until the earlier of:
  - the date the space is re-let.
  - the date that is three years after the date of the property transfer or the date the next Spending Review period expires (31 March 2029), whichever is the later.
  - the date that the GPA disposes of the transferred property.

The GPA retains some of the risks for hubs and Whitehall Campus. The GPA expects to have a small level of vacant space during 2025/26. The expected vacant space mainly relates to properties where there is ongoing major transformation and refurbishment works which will deliver long term savings for the GPA and its clients.

15a. Provisions

	Dilapidations 31 March 2025 £'m	Dilapidations 31 March 2024 £'m
Balance at 1 April 2024	154.6	117.2
Provided in the year	18.6	68.6
Provisions not required written back	(20.2)	(8.1)
Provisions utilised in the year	(1.3)	(23.0)
Balance at 31 March 2025	**151.7**	**154.7**

	Dilapidations 31 March 2025 £'m	Restated* Dilapidations 31 March 2024 £'m
Analysis of expected timings of discounted flows		
Not later than one year	38.8	38.4
Later than one year but not later than five years	46.1	42.6
Later than five years	66.8	73.7
Balance at 31 March 2025	**151.7**	**154.7**

* The discounted flows for March 31, 2024, have been restated. They are now categorised under the correct year. Please note that the total amount remains unchanged.

Receivable recognised in respect of provisions

	31 March 2025 £'m	31 March 2024 £'m
Balance at 1 April 2024	150.6	113.4
Provided in the year	13.7	66.5
Provisions not required written back	(24.7)	(29.3)
Received in the year	(1.3)	–
Balance at 31 March 2025	**138.3**	**150.6**

The calculation of the GPA's provision for property dilapidations is mostly based on estimated rates per square metre of floor space. These rates reflect historic settlements of dilapidations on expired occupations of similar properties. Detailed physical inspections are carried out where leases are close to expiry. This method of measurement produces a direct correlation between total floor space and the provision. Hence, assuming all other assumptions remain constant, a 10 per cent increase (or decrease) in floor space will result in approximately 10 percent increase (or decrease) in the provision (£12.3m).

Reconciliation of provisions movement to the SoCNE

	31 March 2025 £'m	31 March 2024 £'m
(Decrease) / increase in provision	(3.0)	37.5
Increase / (decrease) in receivable recognised in respect of provisions	12.3	(37.2)
Net movement in provisions during the year	**9.3**	**0.3**

16. Capital commitments

Future capital expenditure contracted at the end of the reporting period but not included in these financial statements is as follows:

	31 March 2025 £'m	31 March 2024 £'m
Property, plant and equipment	74.6	105.9
Total capital commitments	**74.6**	**105.9**

The GPA has entered into non-cancellable contracts (which are not leases or PFI contracts) for capital goods and services. The commitments relate to property modernisation and IT projects.

Capital commitments at 31 March 2025 comprise of the following £27.3m in relation to the Government Hubs and Whitehall campus programme, £37.7m in relation to workplace project design and delivery, and £9.6m for property technology projects.

17. Other financial commitments

Other financial commitments relate to facilities management in buildings owned or leased by the GPA. This excludes financial commitments generated where the GPA is acting as agent for an asset owner where the asset owner will record the financial commitment.

	31 March 2025 £'m	31 March 2024 £'m
Not later than one year	113.8	83.4
Later than one year and not later than five years	216.8	201.8
Later than five years	–	0.8
Total other financial commitments	**330.6**	**286.0**

Facilities Management charges, where relating to properties occupied by clients, are recharged as appropriate to the underlying clients. Construction charges where the properties are built for the client, are recharged as appropriate to the underlying clients.

As at 31 March 2025 other financial commitments comprise of the following material contracts: £112.8m in relation to facilities management, £82.8m on client funded construction projects, and £57.4m with GPA's operational security provider.

18a. On-balance sheet (SoFP) PFI contracts and other service concession arrangements

Property	Onboarded date	Original contract start date	Duration (years)	Description
London, 2 Marsham Street	01/08/2021	March 2002	29	PFI contract covering construction and maintenance of 2 Marsham Street. The contract is for 29 years, expiring in 2032. At the end of the concession period (2032) Home Office/GPA, will pay the lower of £137.5m (residual value) or the adjusted open market value to acquire the long lease.
London, 1 Horse Guards Road	01/10/2021	March 2000	35	PFI contract covering refurbishment and maintenance of 1 Horse Guards Road. Initial contract with HMT and PFI provider was signed in March 2000 for a 35 year term.
London,	01/10/2021	January 2005	32	PFI contract covering refurbishment and maintenance of 100 Parliament Street. Initial contract with HMRC and PFI provider was signed in January 2005 for a 32 year term.

18b. Commitments under PFI and other service concession contracts

Details of the imputed finance lease charges under PFI service concession arrangements recognised on the SoFP are given in the table below for each of the following periods:

	31 March 2025 £'m	31 March 2024 £'m
Rentals due not later than one year	90.3	86.8
Rentals due later than one year but not later than five years	363.3	349.6
Rentals due later than five years	567.7	641.3
	1,021.3	**1,077.7**
Less interest element	(333.6)	(378.1)
Present value of obligations	**687.7**	**699.6**

The present value of liabilities under service concession arrangements recognised on the SoFP are given in the table below for each of the following periods:

	31 March 2025 £'m	31 March 2024 £'m
Rentals due not later than one year	87.1	83.8
Rentals due later than one year and not later than five years	288.4	277.4
Rentals due later than five years	312.2	338.4
Present value of obligations	**687.7**	**699.6**

Details of the minimum service charge under service concession arrangements recognised on the SoFP are given in the table below for each of the following periods:

	31 March 2025 £'m	31 March 2024 £'m
Not later than one year	35.5	44.0
Later than one year but not later than five years	142.6	176.5
Later than five years	146.0	235.1
Total service element	**324.1**	**455.6**

Future commitments are estimates based on assumptions, using the best information available.

18c. Charge to the consolidated statement of comprehensive net expenditure
The total amount charged in the SoCNE in respect of on-balance sheet PFI service concession arrangements was £154.6 million for the period to 31 March 2025 (2023 to 2024: £194.3 million). Of this total the fixed and variable service charge element was £39.2 million (2023 to 2024: £38.8 million restated), the interest charges were £55.6 million (2023 to 2024: £56.4 million) and the remeasurement of financing liability charges were £22.6 million (2023 to 2024: £65.7 million). The remaining balance relates to non-contract specific costs.

19. Asset transfers

	Note	31 March 2025 £'m	31 March 2024 £'m
Statement of Financial Position (Decrease) / increase in non-current assets			
Home Office		(144.3)	–
Companies House		2.8	–
Department of Work and Pensions (DWP)		–	4.0
Office for National Statistics (ONS)		–	3.9
Total (decrease) / increase in non-current assets	**6**	**(141.5)**	**7.9**
Recognition of these non-current assets is fully supported by Capital Grant in Kind Income/Expenditure recognised in the SoCNE **Statement of Comprehensive Net expenditure**			
Capital Grant-in-Kind income	3	(2.8)	**(7.9)**
Capital Grant-in-Kind expenditure	4c	144.3	–
Total Capital Grant-in-Kind		**141.5**	**(7.9)**

During the year the GPA was donated assets with a gross value of £2,800,000 (2023/24: £7,850,000). No restrictions have been placed on these assets by the donors. During the year GPA transferred out assets with a gross value of £144,328,984 (2023/24: Nil).

20. Cash flows reconciliations

	Note	2024/25 £'m	Restated* 2023/24 £'m
Capital Grant-in-Kind asset transfer	3 & 19	(2.8)	(7.9)
Total non-cash income		**(2.8)**	**(7.9)**

	Note	2024/25 £'m	2023/24 £'m
Movement in short term receivable	10a	38.4	(59.0)
Movement in long term receivable	10a	(4.2)	(2.4)
Movement in lease receivable	10a	(6.9)	(73.3)
Non-cash movement in dilapidation provisions recharged to tenants (ST & LT)	10a	12.3	(37.2)
Non-cash movement on trade receivables	10b	1.0	(2.5)
Change in trade and other receivables		**40.6**	**(174.4)**
Movement in short term payables	12	(48.7)	19.6
Change in trade and other payables		**(48.7)**	**19.6**
Depreciation and amortisation	6,7, & 8	108.7	100.4
Provisions	15a	9.3	0.3
Other non-cash	4c	1.8	3.4
External auditor's remuneration	4c	0.5	0.4
Non-cash movements from PFI's	4c	22.6	65.7
Non-cash movement of impairment – PPE	4c	66.5	106.6
Non-cash movement of impairment – ROU	4c	(0.8)	5.6
Non-cash movement of impairment – Intangible assets	4c	1.5	1.0
Non-cash movement of impairment – Trade receivables	4c	(1.0)	2.5
Capital Grant-in-Kind asset transfer	4c & 19	144.3	–
Total non-cash expenditure		**353.4**	**285.9**

* For the 2023/24 period, the movement in lease receivables has been updated. This change was made to accurately reflect the breakdown of transaction types directly on the face of statement of cash flows.

21. Related party transactions

The GPA is an executive agency of and sponsored by the Cabinet Office, in whose financial statements the GPA is consolidated, which is regarded as a related party. During the year, GPA has had material transactions with the Cabinet Office and other entities for which the Cabinet Office is regarded as the parent Department including Crown Commercial Services.

In addition, the GPA has received transferred assets, rental income and non-rental income from onboarded clients. Assets have been transferred from Companies House. The most significant income has been received from the Home Office, Cabinet Office, Department for Education (DfE), Crown Prosecution Service (CPS), Department for Energy Security and Net Zero (DESNZ) and Department for Science, Innovation and Technology (DSIT), Ministry of Defence (MoD), and Ministry of Housing, Communities and Local Government (MHCLG). The GPA has also transferred assets to the Home Office. The FReM does not require disclosure of information about transactions with other entities within the government boundary.

No guarantees were given or received for any of the outstanding balances.

Details of remuneration for Board members can be found in the Remuneration Report section of the Accountability Report. Non-Executive and Executive Board members must declare to the Accounting Officer and Board any personal or business interest which may, or may be perceived to, influence their judgement as a Board member.

As referred to in the Directors' report, the GPA holds a register of interests for Board members and each interest is assessed to determine whether this represents a conflict. During the year no Board member, key manager or other related parties, other than those mentioned below, have undertaken any material transactions with the GPA.

Pat Ritchie served as a Board member of Homes England from March 2022 to 30 April 2025. Homes England is a client of the GPA within the government boundary.

The GPA Board comprises a Shareholder Representative from UK Government Investments Ltd, which is a supplier to GPA within the government boundary. Robert Razzell filled this role until June 2024. Hannah Gray has filled this role since June 2024.

Jane Hamilton, who was a non-executive director of the GPA until July 2024, was also Chair of the Board of NHS Property Services Ltd. NHS Property Services Ltd is a client of GPA within the government boundary.

A close relative of Jane Hamilton is a Board member of the Crown Estate, which is a supplier to GPA outside the government boundary. Total expenditure with the Crown Estate in the period up to July 2024 amounted to £162,500.

22. Events after the reporting date

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue by the Accounting Officer. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

As at the date of the Audit Certificate and Report, there were no reportable events to disclose.

Environmental Report

Environmental Report

The GPA's ESG principles embed the responsibility to operate in an environmentally sustainable and socially responsible manner governed with integrity and transparency. This means protecting the environment is not an 'add on', it is central to the economic and social value at the heart of the agency's mission and runs through its strategic objectives.

With its nationwide footprint and significant operating scale, the GPA is uniquely positioned to act as a placemaker and positively impact the communities in which it operates.

The GPA has continued to focus on 14 material topics contained in the UN Sustainable Development Goals, progressing enablers and delivering impact. The agency published its first ESG report in July 2023 and is using its learning to develop future reporting. The GPA is actively working to embed this community-centred, place-making approach into every stage of project life cycles. This holistic approach will embed ESG principles within its operations, supply chain, amongst clients and the wider industry which has been commented on.

The GPA's ESG ambition is to be an exemplar in government for delivering sustainable outcomes. The agency continuously assesses its performance, innovates its approach and establishes new ways of working to meet its ambition. Prioritising ESG considerations creates long-term value for stakeholders and contributes to a more sustainable future.

The GPA's ESG strategy supports the UN Sustainable Development Goals (SDGs) and the Government Greening Commitments (GGCs). It aligns those priorities with the global agenda and enables the UK Government's mission to – Accelerate to Net Zero.

The maturity of the 14 material topics assessed as most relevant to its stakeholders and where the GPA will continue to make measured progress, are set out in Table 5 opposite.

Table 5: Priority areas for the GPA

	Priority topics for the GPA	SDG 3	SDG 5	SDG 8	SDG 10	SDG 11	SDG 12	SDG 13	SDG 16
Greening Government Commitments	Climate change mitigation							•	
	Energy management							•	
	Waste reduction and circularity						•	•	
	Climate change adaptation				•	•		•	
	Nature recovery	•				•		•	
	Water management					•			
Creating Social Value	Social value	•		•		•			
	Wellbeing	•		•	•				
	Equity, diversity and inclusion	•	•		•				
	Human rights	•			•				
	Workplace health and safety	•		•					
Governance	Sustainable procurement				•		•	•	•
	Business ethics and compliance				•				•
	Data security				•				•

SDGs Key: 3 Good health and wellbeing; 5 Gender equality; 8 Decent work & economic growth; 10 Reduced inequalities, 11 Sustainable cities & communities; 12 Responsible consumption & production; 13 Climate action; and 16 Peace, justice and strong institutions.

The GPA's environmental work is underpinned by industry standards, highlighted by its membership of the UK Green Buildings Council, Better Building Partnership (BBP) and the Institute of Sustainability and Environmental Professionals (ISEP). This enables the GPA to support the GGCs including actively participating in their recent refresh. The Performance Report, Capability & Capacity Report, Corporate Governance Report and this Environmental Report collectively detail information on the GPA's ESG performance including on employees, suppliers, customers, the communities where the GPA operates and health and safety.

Task Force on Climate-related Financial Disclosures (TCFD)
The GPA has reported climate-related financial disclosures aligned with HM Treasury's TCFD guidance, covering governance (disclosures a and b), risk management (disclosures a to c), and metrics and targets (disclosures a to c). This complies with the central government's Phase 2 TCFD implementation timetable. Future reports will include planned disclosures on strategy in accordance with the timetable.

- **Governance –** Ultimate responsibility for the GPA's ESG lies with its Accounting Officer and CEO, Mark Bourgeois, and is overseen by the Executive Committee (ExCo). ExCo has delegated strategic responsibility for all environmental-related matters to its sustainability sub-committee (SusCo).

  a. The board's oversight of climate-related issues is exercised through SusCo. SusCo oversees and guides the GPA's environmental and sustainability strategies, ensuring their integration into operations, decision-making, and culture. It is responsible for coordinating input into the ESG report, with a focus on areas such as climate change mitigation, adaptation, energy management, waste reduction, nature recovery, and water management. They monitor progress against sustainability targets, manage ESG risks, and ensure compliance with relevant commitments and regulatory standards, providing assurance to the ExCo.

  b. Management is conducted through the GPA's Sustainability Function. Their role in assessing and managing climate-related issues involves implementing the strategies and priorities established by SusCo, managing environmental risks via the GPA's ISO14001-compliant EMS, and delivering against sustainability, net zero, and environmental targets. They also ensure compliance with reporting requirements and evolving regulations, support SusCo's activities with operational and technical expertise, and report on progress through regular updates to the ExCo.

- **Risk Management –** The GPA has set out its process for identifying, assessing and managing climate-related risks in its Climate Change Adaptation Strategy.

  a. The GPA's processes for identifying and assessing climate-related risks include conducting a comprehensive climate change risk assessment across its estate, using OGP's adaptation framework and aligning with the UK Climate Change Risk Assessment (CCRA). The process involves scoping the portfolio, screening risks against CCRA themes, and summarising key risks such as flooding, overheating, water scarcity and storm damage. Risks are prioritised and assessed based on their potential impact over medium to long-term horizons (up to 2100), considering future climate scenarios like 2°C and 4°C pathways, and leveraging external expertise and climate data from sources like the UK Met Office.

b. The GPA's processes for managing climate-related risks involve developing an adaptation action plan prioritising high-risk areas. Actions include improving resilience through infrastructure upgrades, water efficiency measures, flood protections and heating/cooling innovations. They integrate stakeholder engagement, including clients and external experts, to inform risk mitigation strategies. Ongoing reviews of risks and adaptation actions are scheduled annually, with building-level assessments planned for high-risk sites to determine specific interventions, and all actions are reviewed and updated as new information becomes available.

c. The processes for identifying, assessing, and managing climate-related risks are embedded within the GPA's broader risk management framework through established governance structures. The Climate Change Adaptation workstream reports to SusCo, overseeing risk assessment updates, strategic planning, and stakeholder engagement. Climate risks are integrated into the GPA's ESG reporting, and asset management processes. This ensures climate risks are considered alongside other property and operational risks in decision-making, lifecycle planning, and ongoing risk reviews, supporting proactive adaptation and resilience building as part of organisational risk oversight.

- **Metrics and Targets –** The GPA assesses climate-related risks and opportunities for itself and clients through Greening Government Commitments tracking of GHG emissions across scopes, energy and water consumption metrics, and performance on sustainability standards. Targets focus on achieving net -zero emissions by 2032, high standards in building certifications, resource efficiency, waste reduction, and enhancing biodiversity. Progress is monitored annually, with ongoing efforts to meet or exceed these objectives.

  a. Metrics used by the GPA to assess climate-related risks and opportunities in line with its strategy and risk management process

  - Greenhouse Gas Emissions: The GPA monitors Scope 1 (direct emissions), Scope 2 (indirect emissions from energy use), and Scope 3 (value chain emissions, including business travel and other indirect sources). Data is collected annually for operational control buildings and campus-wide energy use.
  - Energy Consumption: Measured in MWh for electricity, gas, district heating, and biomass. The data includes both operational buildings and asset-level consumption.
  - Water Usage: Quantified in cubic metres (m^3), tracking total water consumption across facilities.
  - Waste Generation and Recycling: Metrics include total waste tonnes, percentage recycled, and waste sent to landfill.
  - Operational Space: Estate metrics such as total square metres (sqm) under operational control, allowing correlation of emissions and energy use to estate size.
  - Progress against specific environmental standards: Such as BREEAM, NABERS UK, and ISO14001 compliance, which serve as indicators of sustainability performance.

b. Scope 1, 2, and 3 greenhouse gas (GHG) emissions, and the related risks are disclosed in the GGCs section below.

c. Targets used by the organisation to manage climate-related risks and opportunities and performance against targets

- **Emissions Reduction Targets:**
  - Scope 1 and 2 emissions: Zero emissions by 2032 (net zero target).
  - Scope 3 emissions: Reduction with specific measures, including managing business travel emissions.

- **Energy Efficiency:**
  - Achieve five-star NABERS ratings for new buildings and four-star for refurbishments.
  - Maintain or improve energy use intensity (e.g., kWh/m²/year) with a target of less than 100 kWh/m²/yr for space heating.

- **Building Certifications:**
  - 100 per cent of new builds to achieve BREEAM Excellent.
  - 100 per cent of refurbishments aimed at achieving BREEAM Very Good.
  - All new buildings to attain EPC A ratings.
  - All refurbished buildings to attain EPC B ratings.

- **Waste Management:**
  - Reduce waste generated by more than 15 per cent from baseline.
  - Recycle at least 70 per cent of waste.
  - Reduce waste to landfill to below 5 per cent.
  - Achieve zero procurement of Single-Use Plastic (CSUP).

- **Water use:**
  - Reduce total water consumption by over 50% from the baseline.
  - Achieve a drop of over 40 per cent in water use across onboarded estate.

- **Biodiversity and Nature Recovery:**
  - Attain a 10 per cent net gain in biodiversity.
  - Achieve a native species percentage of 100 per cent, and urban greening factors consistent with targets.

- **Performance Against Targets:**
  - The organisation reports progress annually, with energy consumption decreasing while estate size increases, and emissions heading toward the net-zero goal.
  - Achievements include carbon savings (e.g., over 645 tCO_2e in 2024/25), building certifications, and waste/resource reduction milestones.

Table 6: TCFD Metrics and Targets

No.	Objective	Metric	Target	Reporting	Frequency	GGC	BREEAM	NABERS UK	ISO14001
1	**Climate Change Mitigation – Reducing impact on the climate**	Reducing Scope 1 emissions (% tCO_2e from base year)	Zero	ARA (GGC)	Annual	Yes	N/A	N/A	Yes
2		Reducing Scopes 1 & 2 emissions (% tCO_2e from base year)	Zero	ARA (GGC)	Annual	Yes	N/A	N/A	Yes
3		New builds BREEAM	100% Excellent	SusCo	Monthly	Yes	Yes	N/A	Yes
4		Refurbished building BREEAM	100% Very Good	SusCo	Monthly	Yes	Yes	N/A	Yes
5		New builds EPC	100% A	SusCo	Monthly	Yes	N/A	N/A	Yes
6		Refurbished buildings EPC	100% B	SusCo	Monthly	Yes	N/A	N/A	Yes
7	**Energy Management – Using energy wisely**	Operational energy (NABERS)	5* (new build) 4* (Refurbishment)	SusCo	Monthly	Yes	Yes	Yes	Yes
8		Space heating ($kWh/m^2/yr$ NIA)	< 100	SusCo	Developing	Yes	Yes	Yes	Yes
9	**Waste Reduction and Circularity – Maximising resource efficiency**	Reduction in waste generated (% tonnes from base year)	> 15%	ARA (GGC)	Quarterly	Yes	N/A	N/A	Yes
10		Waste recycled from overall waste (%)	> 70%	ARA (GGC)	Quarterly	Yes	Yes	Yes	Yes
11		Waste to landfill from overall waste (%)	< 5%	SusCo & GGC	Quarterly	Yes	Yes	Yes	Yes
12		CSUP items procured	Zero	ARA (GGC)	Quarterly	Yes	N/A	N/A	Yes
13		Food waste from overall food (%)	< 20%	ARA (GGC)	Quarterly	Yes	N/A	N/A	Yes
14		Reduction in office paper consumption (% A4 reams equivalent)	> 50%	ARA (GGC)	Quarterly	Yes	N/A	N/A	Yes
15		Building materials (A1-A5)	50% (reused) 80% (reusable)	Project Board	Monthly	Yes	Yes	N/A	N/A
16	**Nature Recovery – Enhancing Biodiversity**	Nature net gain (%)	10%	SusCo	Monthly	Yes	N/A	N/A	Yes
17		Urban Greening Factor	0.3	SusCo	Monthly	Yes	N/A	N/A	Yes
18		Native Species (%)	100%	SusCo	Monthly	Yes	N/A	N/A	Yes
19		BREEAM Ecology Credits (%)	100%	SusCo	Monthly	Yes	N/A	N/A	Yes

No.	Objective	Metric	Target	Reporting	Frequency	GGC	BREEAM	NABERS UK	ISO14001
20	**Water Management – Only using what is needed**	Reduction in water use (% m^3 from base year)	> 50%	ARA	Monthly	Yes	N/A	N/A	Yes
21		Onboarded estate reduction in water use (% m^3 from base year)	> 40%	ARA (GGC)	Quarterly	Yes	Yes	Yes	Yes
22		Onboarded estate water use – CIRIA W11 (m^3)	$4m^3$/fte/yr, 16 l/fte/day or 0.55 m^3/m^2 NIA	ARA (GGC)	Quarterly	Yes	Yes	Yes	Yes
23	**Climate Adaptation – Adjusting to a changing climate**	GPA Action Plan for Climate Change Adaptations	Compliance	SusCo	Monthly	Yes	N/A	N/A	Yes
24	**Project Delivery – Reducing impact on the environment**	Management	BREEAM requirement	Project Board	Monthly	Yes	Yes	N/A	Yes
		Transport	Modern Methods of Construction	Project Board	Monthly	Yes	Yes	N/A	Yes
		Health & Wellbeing	Well standard for Core and Shell	Project Board	Monthly	Yes	Yes	N/A	Yes
		Resources	BREEAM requirement	Project Board	Monthly	Yes	Yes	N/A	Yes
		Resilience	BREEAM requirement	Project Board	Monthly	Yes	Yes	N/A	Yes
		Land Use	BREEAM requirement	Project Board	Monthly	Yes	Yes	N/A	Yes
		Pollution	BREEAM requirement	Project Board	Monthly	Yes	Yes	N/A	Yes
		Innovation	BREEAM requirement	Project Board	Monthly	Yes	Yes	N/A	Yes
		Materials ($kgCO_2e/m^2$)	< 500 (A1-A5) < 250 (A1-A3)	Project Board	Monthly	Yes	Yes	N/A	Yes
		Internal Environmental Quality	Well Standard	Project Board	Monthly	Yes	Yes	N/A	Yes

Sustainable Project Delivery

In March 2024, the GPA published an updated Net Zero and Sustainability Annex of the Government Workplace Design Guide and a new Biodiversity and Nature Recovery Annex on GOV.UK. Both publications demonstrate the GPA's commitment to protecting the environment. They outline the key actions the GPA is taking to comply with legal requirements and demonstrate its desire to be seen as the flagship agency in delivering on the GGCs.

To do this credibly the GPA has developed an EMS that is accredited to the internationally agreed standard, ISO 14001, from June 2024. The EMS will enable the GPA to fulfil its compliance obligations, enhance environmental performance and achieve its environmental objectives.

The GPA is nurturing a “Sustainability First” culture where staff are a crucial part of achieving its goals. As a result, the agency has now become a corporate member of ISEP and an ISEP-registered Training Centre, offering courses to ensure its people and clients acquire sustainability expertise. To date it has delivered over 1,500 hours of accredited continuous professional development to over 200 staff, representing 30 per cent of the workforce. The GPA will continue to upskill employees to Workforce, Management, Leadership and the gold standard of Chartered Environmentalist through ISEP-accredited training as appropriate.

The GPA’s ESG achievements include:

- Formally embedding sustainability into the governance structure of the organisation – i.e. SusCo, a sub-committee of the executive committee, that provides strategic leadership;
- Publication of an environmental policy statement;
- A net zero programme that has already made positive progress and forecasts a 50 per cent overall reduction in carbon emissions across its portfolio by 2032. In total, £13.2m was invested in 65 projects during 2024/25, delivering carbon savings of over 645 tCO_2e across the government estate through 2024/25;
- Significant progress has been made to ensure that all solar photovoltaic panels procured have been ethically produced. Five-thousand fully audited panels have been ordered which are important to delivering energy resilience, low-cost energy and low-carbon energy to the GPA portfolio.
- Since its launch, the EMS has been independently certified to ISO 14001 twice and is subject to a continuous plan-do-check-act cycle to align it with best practice;
- Continuous decarbonisation of its estate reducing greenhouse gas (Scope 1 and 2) emissions;
- Completing the build of 2 Ruskin Square in Croydon to BREEAM “Outstanding” and NABERS Design for Performance Pioneer;
- Completing the refit of 3-8 and 55 Whitehall, two heritage buildings, and a floor of 10 South Colonnade to BREEAM “Very Good”;
- Completing the build of Feethams House, Darlington, to BREEAM “Excellent”;
- Delivering a net zero and LCR programme to ensure all of its buildings are compliant with MEES regulations before 2030 (rated EPC C or better);
- Supported various district heat networks via asset connection and decarbonisation works, such as new heat exchangers and lower operational temperatures;
- Introducing new waste management practices including circularity for construction waste and material reuse via audit and design of capital projects;
- Delivered landscaping enhancements to comply with the Biodiversity Net Gain (BNG) component of the Environment Act 2021;
- Installed EV charging points for client fleets;

- Creating a "Sustainability first" culture through ISEP training to create an environment where all GPA employees are contributing towards the ESG agenda;
- Delivered ongoing commitments to equality, diversion and inclusion (ED&I) and embedded inclusive and accessible standards into our workplace designs; and
- The GPA is finding ways to reduce use of single use plastics and offering segregated recycling. Pathways have been established for the reuse and recycling of furniture and computer systems at the end of their use in GPA buildings.

The GPA continues to evolve its roadmaps for how it will achieve its ESG goals. The agency continues to pursue high standards for its buildings that are fossil fuel-free and achieve the relevant level of BREEAM certification in line with the Government Buying Standards. The GPA will continue to work with partners to ensure that its standards are met by communicating the targets set out in the Sustainability and Net Zero annex of the Design Guide.

Greening Government Commitments

TCFD and Sustainability Data Tables

Data Table 1: Emissions from GPA operations and staff – derived from the space occupied by GPA and its staff for conducting operations and determined in accordance with the Greening Government Commitments

Greenhouse Gas Emissions and Energy		2021/22	2022/23	2023/24	2024/25
Non-financial indicators (tCO^2e)	Total Gross Scope 1 (Direct) GHG emissions	22.20	19.69	15.15	14.20
	Total Gross Scope 2 (Energy indirect) emissions	36.38	37.39	31.43	28.90
	Total Gross Scope 3 (Official business travel) emissions*	25.27	3.42	159.39	117.78
	Total emissions – Scope 1, 2 & 3	83.85	53.67	205.97	160.88
Financial indicators (£000)	Expenditure on official business travel	309.56	1,060.59	1,070.28	1,467.00
Non-financial indicators (MWh)	Electricity: non-renewable*	171.34	193.66	151.76	139.58
	Gas	121.20	70.05	82.80	77.66
	Total energy	292.54	263.71	234.57	217.24
Financial indicators (£000)	Expenditure on electricity	24.15	33.68	27.56	46.57
	Expenditure on gas	2.82	3.60	4.69	5.23
	Total expenditure on energy	26.97	37.28	32.25	51.80**

Waste			2021/22	2022/23	2023/24	2024/25
Non-financial indicators (tonnes)	Non-hazardous waste	Landfill	0.29	0.02	0.00	0.00
		Reused / recycled	3.02	7.46	5.28	5.40
		Composted	0.15	0.14	0.06	0.49
	Incinerated with energy from waste		1.01	0.82	1.04	1.38
	Total waste (tonnes)		4.48	8.44	6.38	7.30
Financial indicators (£000)	Total expenditure on GPA occupied space apportioned waste disposal**		3.90	4.20	No data available	1.14
Water			**2021/22**	**2022/23**	**2023/24**	**2024/25**
Non-financial indicators (m^3)	Total water consumption (m^3)		330.12	397.00	372.00	478.00
Financial indicators (£000)	Total expenditure on water supply		0.50	1.00	0.60	1.15
Estate metrics			**2021/22**	**2022/23**	**2023/24**	**2024/25**
Estimated space used by GPA operations (sqm)			939	939	939	939

* Scope 3 includes the distribution losses from electricity.

** Costs reflect expectations but are slightly higher than previous periods, due to the onboarding of void space at Companies House, Cardiff. Utility and waste costs have been apportioned across all the properties in the GPA estate pro rate (floor area related to the financial related figures is 693sqm total) irrespective of occupation status or void designations.

Energy consumption, as well as Scope 1 and Scope 2 emissions, have decreased in 2024/25 compared to 2023/24 and 2022/23, reflecting year-on-year changes in weather and improved data accuracy as reliance on estimates has declined over time. Despite the reduction in energy use, energy costs have risen during this period. Scope 3 emissions from business travel increased in 2023/24, reflecting changes in travel patterns notably from increased flight use compared to 2021/22, when Covid-19 restrictions and reduced staffing levels resulted in lower travel activity. Scope 3 emissions decreased in 2024/25. Waste generation and water usage have increased driven by increasingly higher occupancy levels as staff have progressively returned to the office post pandemic. However, waste disposal costs have declined, reflecting changes in contract arrangements.

In addition to the information set out above, there has been further utilities consumption at a building which is only partially occupied. The unoccupied areas of the building are unable to have their heating deactivated. For completeness, the data for this use has been calculated on an apportioned basis as there are no submeters. In 2024/25 consumption has been estimated of electricity 1,186 MWh, gas 193 MWh, biomass 204 MWh and water 3,141 m^3. Water is also required in these areas for flushing systems. It has not been included in the table above, to ensure a comparable scope to measure trends each year.

Data Table 2: Emissions from the portfolio under GPA's operational control (workplace services and utilities) determined in accordance with Greenhouse Gas Protocol

Greenhouse Gas Emissions and Energy		2023/24	2024/25
Non-financial indicators (tCO_2e)	Total Gross Scope 1 (Direct) GHG emissions	1,876	1,725
	Total Gross Scope 2 (Energy indirect) emissions	9,892	10,508
	Total Gross Scope 3 emissions*	783	835
	Total emissions – Scope 1, 2 & 3	12,551	13,068
Non-financial indicators (MWh)	Electricity	43,350	45,598
	Gas	10,254	9,400
	District heating	3,661	4,037
	Biomass	–	467
	Total energy	57,265	59,502
Water		**2023/24**	**2024/25**
Non-financial indicators (m^3)	Total water consumption (m^3)	86,361	124,976
Estate metrics		**2023/24**	**2024/25**
Average space under GPA energy usage operational control (sqm)		295,013	315,579

* GPA Scope 3 emissions include distribution losses from electricity. To also note, GPA's business travel bookings including information on flights is included in Cabinet Office's GGC Reporting.

For the first time in 2023/24, the GPA calculated operational control greenhouse gas emissions. These relate to buildings where the GPA has full operational control over energy use for the whole building. This was the first year the GPA gathered this data, which has now been repeated in 2024/25. As a fuller dataset emerges, the GPA expects this will aid understanding of the impact of the emissions arising from use of the GPA's property services by its clients. These datasets are not included in the GPA's GGC return. Where actual data was unavailable, estimates were made based on historic or typical values.
During 2024/25, the amount of space under GPA's operational control increased, leading to higher electricity and water consumption and waste production being reported. However, as a portion of this additional space was heated using electricity instead of gas, overall gas usage declined during the year.

Reducing environmental impacts from ICT and digital
From a digital and data perspective, the GPA's utilisation of SaaS solutions such as Salesforce, ServiceNow and AWS plays a pivotal role in its commitment to reducing environmental impacts and supporting sustainable government objectives. By leveraging cloud-based platforms, the agency minimises on-premises infrastructure, optimises energy efficiency, and enables flexible, remote working arrangements. These digital efficiencies not only contribute to its goal of achieving zero waste to landfill but also support carbon reduction through the deployment of environmentally responsible and energy-efficient cloud services. The GPA's data-driven approach ensures continuous monitoring of its ICT footprint, fostering transparency, accountability, and ongoing improvement in our sustainable digital practices.

All GPA IT equipment (laptops, mobiles) is managed through the Cabinet Office and information on the environmental routes for these items would be provided by them.

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