



HM Treasury

Treasury Minutes

Government Response to the Committee of Public Accounts on the Fiftieth to the Fifty-fifth reports from Session 2024-26 and BBC response to the Fifty-sixth report



Government of the United Kingdom
HM Treasury

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Government Response to the Committee of Public
Accounts on the Fiftieth to the Fifty-fifth reports from
Session 2024-26 and the BBC's response to the
Fifty-sixth report

Presented to Parliament by the Exchequer Secretary to the Treasury
by Command of His Majesty

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Government response to the Committee of Public Accounts Session 2024-26

Report Title	Page
Fiftieth report: Local Bus Services in England Department for Transport	2
Fifty-first report: The UK's F-35 stealth fighter capability Ministry of Defence	9
Fifty-second report: Resilience to threats from animal disease Department for Environment, Food & Rural Affairs	14
Fifty-third report: Cost of maintaining the FCDO's overseas estate Foreign, Commonwealth and Development Office	22
Fifty-fourth report: Afghanistan Response Route Ministry of Defence	27
Fifty-fifth report: Reducing NHS waiting times for elective care Department of Health and Social Care	31
Fifty-sixth report: BBC Accounts and Trust Statements 2024-25 BBC	40

Fiftieth Report of Session 2024-26

Department for Transport

Local Bus Services in England

Introduction from the Committee

There were around 1.8 billion bus journeys taken in England (outside London) in 2023–24, making local buses the most used form of public transport. Buses are essential for millions of people to access employment, education, shops and health services, particularly for younger people, those from lower income households, the elderly and people with disabilities. Successive governments have attempted to halt the long-term decline of bus services, but passenger numbers fell, and the size of the bus network reduced in the decade leading up to the pandemic, and ticket costs increased more quickly than rail fares and motoring costs.

The department is responsible for setting national policy for buses, and for providing guidance and funding to the bus sector. Most local bus services are run by private companies, which set routes and timetables, with some socially necessary services being supported financially by local transport authorities. The Ministry for Housing, Communities & Local Government also provides non-ringfenced funding to local authorities for buses. Local transport authorities are responsible and accountable to local people for spending on local transport, including on buses

In March 2021, the department published the first national bus strategy, explaining its ambition for making buses cheaper, more frequent and reliable and promising new funding for bus service improvements. The department no longer wanted bus services being planned on a purely commercial basis and without input or support from local transport authorities. It asked all local transport authorities to put in place a bus service improvement plan (BSIP) by October 2021, and to formalise closer working arrangements with operators or to franchise their local bus network, in order to access funding.

At time of writing, the department is sponsoring a bill through Parliament that aims to provide further powers to local transport authorities to improve bus services and grow usage. It includes measures to simplify the process for local transport authorities to pursue franchising and to allow new publicly owned bus companies to be created.

Based on a report by the National Audit Office, the Committee took evidence on Thursday 17 July 2025 from the Department for Transport. The Committee published its report on 29 October 2025. This is the government's response to the Committee's report.

Relevant reports

- NAO report: [Local bus services in England](#) – Session 2024-25 (HC 949)
- PAC report: [Local bus services in England](#) – Session 2024-26 (HC 892)

Government response to the Committee

PAC conclusion: Bus services have not been good enough for many years, particularly for people in rural areas.

1. PAC recommendation: The department should set out how it will clearly communicate its vision for bus services. This should include setting out what outcomes it wants to achieve and by when.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

1.2 The Department for Transport intends to publish a summary of its vision for, and approach to, bus services in England outside London, and the overall outcomes the department seeks to achieve by the end of this Parliament, in the next few months.

1.3 This will restate and build on Ministers' aim, as set out to the Transport Select Committee and at industry events, that more people will take the bus because:

- they have the connections they need;
- services are more reliable and they trust that their bus will turn up on time;
- buses are better integrated into the wider transport system and it's easy to make a journey using different transport modes;
- they are, and feel, safe – especially for women and girls;
- bus services are faster – particularly in towns and cities;
- they have accurate, accessible and easy to understand information when and where they need it;
- buses, bus stops and bus stations are more accessible and inclusive;
- tickets remain affordable; and
- it is an increasingly climate and environmentally friendly choice.

1.4 Buses are a public service delivered at the local level, with the actions needed to drive growth in patronage, and which of the above aspects to focus on, varying significantly between local transport authorities. That is why the department is devolving funding and powers to local transport authorities. Given this, and the wider move to greater devolution, the department does not think it would be appropriate to set quantitative targets for national outcomes, which would prejudice local choices and trade-offs. Instead, the department will be monitoring outcomes at the local level through an outcomes framework.

2. PAC conclusion: The department's funding for buses has been short-term, fragmented and poorly targeted, hindering effective investment in the sector.

2. PAC recommendation: The department should, in its Treasury Minute response to this report, update the committee on its progress towards providing longer-term, consolidated funding to the bus sector and explain when it will be able to detail its plans more fully. This should include how it will reflect the additional challenges for rural areas and how it will ensure funding for buses is spent on buses.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 Bus funding for local authorities began to be consolidated in 2025-26 with the introduction of the Local Authority Bus Grant (LABG), which combined Bus Service Improvement Plan (BSIP) funding and the Local Authority Bus Service Operators' Grant (LABSOG).

2.2 In December 2025, the department announced LABG allocations for 2026-27 to 2028-29 (and 2029-30 for capital). This fully subsumed LA BSOG outside London from 2026-27 which is no longer allocated separately. LABG will be provided to local transport authorities through a consolidated settlement; and the department anticipates:

- a) six Mayoral Strategic Authorities receiving LABG as part of their Integrated Settlement with MHCLG;
- b) Mayoral Strategic Authorities with an elected Mayor having a Mayoral Transport Fund, consolidating nearly all local transport funding, including capital and revenue LABG; and
- c) the remaining local transport authorities having:
 - a dedicated Bus Services Fund, containing the revenue LABG plus other bus revenue funding such as devolved BSOG; and
 - a consolidated Integrated Transport Fund, containing local transport capital including capital LABG and all non-bus revenue funding.

2.3 While the Bus Services Fund is not ring-fenced, funding letters will set an expectation that the funding should be spent by local authorities on eligible bus schemes, otherwise funding could be clawed back or reduced in future.

2.4 To address rural challenges, the formula for revenue LABG introduces a rural metric.

2.5 Bus funding is also provided directly to operators through BSOG and BSOGplus. The department has already transferred a share of BSOG to Greater Manchester where it is being used to support franchising; and intends to transfer an appropriate share of BSOG to other local transport authorities pursuing franchising – in addition, the department has given powers to all local transport authorities to design and pay grants to bus operators.

3. PAC conclusion: The department does not know how it will measure local transport authorities' performance on bus services.

3a. PAC recommendation: The department should, within a year, finalise a basket of measures and explain how it will use an outcomes framework to hold local transport authorities to account for their performance on bus services and support those performing less well.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2026

3.2 The department is developing a clear and consistent set of outcomes and output indicators that directly relate to ministers' aims for bus services. These will support local transport authorities in delivering better buses and help target support from the department and its partners. These are informing, to varying extents, the outcomes frameworks which are increasingly forming a core accountability mechanism for devolved funding.

3.3 Outcomes frameworks are already in place for Integrated Settlements (IS), [Greater Manchester](#) and the [West Midlands](#) and have been published on GOV.UK. IS arrangements will be rolled out for four additional Mayoral Strategic Authorities from April 2026. These frameworks are published as part of their IS agreements and set out the key measures for which they are accountable. For other local transport authorities receiving consolidated funding, the department have developed a basket of indicators that reflect the diversity of local interventions and have been testing these with authorities through a 'Bus Indicator Pilot' over the course of 2025 through to April 2026.

3.4 Several of these indicators relate to customer satisfaction. As an expectation of receiving LABG funding, local transport authorities will be expected to use a proportion of their allocation to participate in Transport Focus' 'Your Bus Journey' annual survey from 2026. This will provide a comprehensive view of customer satisfaction with bus services in England outside London, by local transport authority. In parallel, the department will work with

Transport Focus who will take an enhanced role in analysing and understanding data to support, challenge and improve local transport authority delivery.

3b. PAC recommendation: The department should develop a monitoring and evaluation plan for its portfolio of bus improvement interventions.

3.5 The government agrees with the Committee's recommendation.

Target implementation date: October 2026

3.6 The department already has a Monitoring and Evaluating (M&E) programme in place for buses, with evaluations of Bus Service Improvement Plans, Zero Emission Bus Regional Areas (ZEBRA), the Rural Mobility Fund (RMF) and £3 National Bus Fare Cap completing in 2026, and a ZEBRA round 2 evaluation completing in 2027.

3.7 This programme is being reviewed and further developed following the Bus Services Act 2025 and wider departmental changes. The updated programme will be informed by a systematic review of the department's current evidence gaps to target evaluation activity where it can add the most value.

3.8 The updated M&E plan will provide evidence across the department's portfolio of initiatives relating for example to fares, franchising, accessibility and access to information. Planned evaluations include the franchising and bus reform pilot programme launched in October 2025, an evaluation of the ending of the sale of non-zero emission buses (commencing 2027) and mandatory training on anti-social behaviour and violence against women and girls.

3.9 Future monitoring and evaluation approaches will make use of the outcomes framework indicators and planned changes in bus data collection to improve the department's access to data at local transport authority and regional levels and to provide more timely insights. Alongside targeted engagement with local transport authorities this will improve the department's ability to monitor the rollout of new initiatives.

3.10 To strengthen its approach to identifying and sharing best practice, the department is developing an enhanced role for Transport Focus to monitor bus service performance and outcomes across England using a consistent outcomes framework. This will enable systematic identification of high-performing services and effective practices. Transport Focus will work closely with the Bus Centre of Excellence to ensure these insights inform capability-building activities, training content, and peer learning networks, creating a continuous improvement cycle that helps local transport authorities learn from success and make tangible improvements for bus passengers.

4. PAC conclusion: The department has not yet provided local transport authorities with the information they need to understand the relative merits of different bus operating models, including franchising.

4. PAC recommendation: The department should support local transport authorities to understand the benefits and risks of different models for running bus services and optimise how they work, including learning from the pilots of franchising models, providing guidance based on its review of enhanced partnerships, and promoting effective low-cost and no-cost approaches.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2026

4.2 The department is committed to supporting local transport authorities to deliver better bus services and share learnings, including through the Bus Centre of Excellence. It is also supporting and working with industry partners to provide shared guidance and advice, such as a handbook and toolkit for local transport authorities on the different regulatory models for running bus services, published by the Confederation of Passenger Transport in November 2025, with the support of the department and key local authority organisations. This provides:

- an overview of the bus service regulatory models available for local authorities to choose from;
- an 8-step framework for systematically working through the options and making a decision informed by evidence, expertise and stakeholder views;
- supporting evidence and illustrations of relevant factors to consider; and
- a multi-criteria decision analysis tool to score objectively various alternative ways of regulating bus services.

4.3 The department commenced the franchising pilots programme earlier last year, with York and North Yorkshire and Cheshire West and Chester announced as participants in June 2025, and Hertfordshire, Cornwall and Cumbria announced in October 2025. The pilots aim to support local transport authorities in understanding which model of franchising is most appropriate for them, and particularly to consider what might work in rural areas.

4.4 The department is also working to provide active support and funding to local transport authorities that wish to explore franchising. This funding will support implementation of measures in the Bus Services Act 2025 and help local authorities deliver franchising in a way that is tailored to local needs, if they choose to.

4.5 The department will also provide support to local transport authorities that choose to deliver their bus services through an Enhanced Partnership (EP). Drawing on findings from the 2025 review of EPs, the department plans to publish updated guidance that sets out statutory requirements and processes, alongside actionable steps for designing, implementing, and improving EPs. The department intends to publish an EP Manual, which will provide advice on making improvements using low and no cost approaches and on the new requirements for provision of socially necessary local services and new minimum standards. It will also highlight existing best practices through case studies, examples and templates.

5. PAC conclusion: The department could do much more to support local transport authorities with the skills they need and to help them apply relevant good practice.

5a. PAC recommendation: The department should explain how it will make sure its support is targeted to the skills local transport authorities most need.

5b. PAC recommendation: The department should identify and share, through the Bus Centre of Excellence, best practice that is tailored for areas with similar characteristics.

5.1 The government agrees with the Committee's recommendations.

Target implementation date: Spring 2027

5.2 To strengthen its approach to identifying and sharing best practice, the department is developing an enhanced role for Transport Focus to monitor bus service performance and outcomes across England using a consistent outcomes framework. This will enable systematic identification of high-performing services and effective practices. Transport Focus will work closely with the Bus Centre of Excellence to ensure these insights inform capability-building activities, training content, and peer learning networks, creating a continuous improvement

cycle that helps local transport authorities learn from success and make tangible improvements for bus passengers. Work is ongoing to finalise implementation dates in consultation with Transport Focus, but to be completed within the next Spending Review.

5.3 The department is working with the Bus Centre of Excellence (BCoE) to ensure that BCoE activities and initiatives build capability and strengthen capacity across the bus sector and promote the vital role that high-quality bus services play in an integrated, inclusive, net-zero transport system. The department plan to significantly expand the role of BCoE, supported by a substantial funding uplift over the Spending Review period. This will enable BCoE to identify, develop, and share best practice tailored to what works most effectively for individual local transport authorities. The department have conducted a survey of local transport authorities to identify capability needs, and the department will use this combined with data from the outcomes framework and delivery reporting to identify where support is most needed.

6. PAC conclusion: The department does not understand why elderly and disabled people are using buses far less than they used to.

6a. PAC recommendation: The department should, within six months, write to the committee setting out the specific barriers preventing elderly and disabled passengers getting back on buses and its plans to address them.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

6.2 Concessionary bus journeys have been increasing year-on-year since Covid but remain below pre-Covid levels. As is often the case for behavioural changes, the evidence base underpinning this can be difficult to interpret and variable.

6.3 Available evidence, including feedback from local transport authorities, suggests that the key factors include:

- more journeys made by concessionary passengers being discretionary – with any changes in bus service frequency or connections made to adjust to new post-COVID travel patterns potentially having a disproportionate impact;
- the cost of living resulting in less disposable income and reduced leisure trips for some passholders; and
- partial movement to online for shopping and medical appointments.

6.4 The Bus Services Act 2025 introduced key legislative measures aimed at improving local bus services and accountability, which the department anticipates will help to remedy any impact of service stability on concessionary travel.

6.5 The department will write to the Committee with a further update on its understanding of the barriers preventing concessionary travel within six months, and details of its plans to address them.

6b. PAC recommendation: The department should work with local transport authorities to promote the uptake of concessionary passes.

6.6 The government agrees with the Committee's recommendation.

Target implementation date: November 2026

6.7 The government recognises the importance of ensuring that all who are eligible for a concessionary bus pass are aware of its existence and can apply easily. The department will continue to work with local transport authorities to promote the English National Concessionary Travel Scheme (ENCTS). This will include embedding the department's expectations of promotion within all relevant guidance and as a condition of local bus funding local transport authorities will be encouraged to ensure the application process is clear and easily usable by applicants with a range of access needs so that this does not present a barrier to pass uptake. The department intends to request evidence from local authorities of actions they have taken to improve promotion and accessibility.

7. PAC conclusion: Bus passenger experience is variable across the country in part due to patchy implementation of technology.

7. PAC recommendation: The department should, within six months, write to the committee explaining how it is helping all local transport authorities implement improvements for bus passengers through better use of technology.

7.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

7.2 The department is committed to supporting local transport authorities in implementing technological improvements for bus passengers. In addition to funding improvements through Bus Service Improvement Plans, the department is supporting the implementation of a national, smart ticketing solution developed in partnership with Transport for West Midlands, major bus operators, and Midlands Connect. This initiative will enable contactless pay-as-you-go travel on bus and tram services, with fares automatically capped according to the rules set by local authorities. At the core of the solution is a broker system that will process trip data from participating operators, providing a solution that every authority in England (outside London) can use.

7.3 The department is also helping local transport authorities make better use of data and technology. This includes providing access to the Analyse Bus Open Data Service (ABODS), which enables authorities to monitor service performance and make informed decisions about their networks. Further support is provided through the Bus Centre of Excellence (BCoE) which provides best practice and guidance across all aspects of bus service delivery. The department will consider opportunities to enhanced BCoE's role in providing support in this area as part of the work set out at paragraph 5.3 above.

Fifty-First Report of Session 2024-26

Ministry of Defence

The UK's F-35 stealth fighter capability

Introduction from the Committee

The F-35 is a technologically cutting-edge multirole stealth fighter aircraft. The UK is one of 8 partner nations in the global F-35 programme, although the US has by far the most influence on the programme, ordering approximately 80% of all aircraft to date. Other countries purchase F-35s as foreign military sales customers.

The UK became the first partner to the US in the Joint Strike Fighter project (the precursor to the global F-35 programme) in 1995. In January 2001, the UK committed \$2 billion (£1.7 billion) to the programme to become the first and only 'level 1' partner. The UK's level 1 status, which lasted to 2020, allowed it to input into the design and development of the aircraft, as well as gaining experience in developing stealth technology. UK industry currently manufactures at least 15% by value of every F-35 aircraft for the global programme. The UK also has a formal policy requirement that it is able to use the F-35 at any time or place of its choosing, known as 'freedom of action'. The Department planned for the new facilities required to enable this to be in place by 2021.

The Department has committed to purchasing 138 F-35 aircraft in total. In 2012, it began taking delivery of F-35Bs, a variant which can be used from land or aircraft carriers. In 2016 it announced its plan to buy 48 F-35Bs by the end of 2024, which it amended, in February 2020, to the end of 2025. By July 2025 it had received 38. One was lost in an accident in 2021, leaving 37 in service. There is currently no approved timetable for purchasing the remaining 90 aircraft.

In 2018, the Department set out in its 'Concept of Use' document that it planned to achieve Full Operating Capability (FOC) of its F-35 fleet by 2023. Amongst other things, this meant two frontline squadrons of 12 aircraft each, being able to operate simultaneously. In 2025, the Department is using the F-35 capability as part of a Carrier Strike Group deployment exercise to the Indo-Pacific, embarking up to 24 aircraft on an aircraft carrier, to help demonstrate FOC. The Department expects its F-35 fleet to remain in service until 2069.

The global programme is run by the Joint Program Office (JPO) based in Washington DC. The Department relies on the performance of the JPO, and its prime contractors—Lockheed Martin and Pratt & Whitney—for cost-effective delivery of the aircraft, engines and provision of support. The Department is fully responsible for providing all other elements of capability, such as providing trained pilots, engineers and other personnel, infrastructure, weapons, and logistics. The Department is also responsible for providing related capabilities, such as the aircraft carriers and air bases which the F-35 is designed to fly from.

Based on a report by the National Audit Office, the Committee took evidence on 8 September 2025 from the Ministry of Defence. The Committee published its report on 31 October 2025. This is the Government's response to the Committee's report.

Relevant reports

- NAO report: [The UK's F-35 capability](#) - Session 2024-25 (HC 989)
- PAC report: [The UK's F-35 stealth fighter capability](#) - Session 2024-26 (HC 1232)

Government response to the Committee

1. PAC conclusion: The Department is set to declare Full Operating Capability (FOC) for its F-35 fleet based on a subjective judgement and taking no account of a likely reduction of aircraft availability when the Carrier Strike Group has returned from deployment.

1. PAC recommendation: The Department should ensure that for future major programmes it adopts a more robust and objective definition of Full Operating Capability that takes account of capability gaps and the ability to sustain that capability consistently after its declaration.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: November 2026

1.2 Entry-into-service criteria, typically Initial Operating Capability and Full Operating Capability, are defined and approved at the point of the main (full business case) investment decision. These criteria, which focus on the capability necessary to perform core missions, should focus on the closure of key capability gaps as well as the arrangements that need to be in place to sustain the capability from the point of service entry.

1.3 The criteria should reflect the likelihood that a period of capability re-constitution will be needed, and planned for, following a significant deployment or operation. Recognising the changing nature of warfare and capability priorities, the entry-into-service criteria may evolve during a capability's delivery phase and adjustments can therefore be agreed through appropriate governance arrangements, including return to the approval authority as appropriate. Declaration of service entry (for example, Initial Operating Capability and Full Operating Capability) usually involves a combination of quantitative and qualitative assessment, including user feedback.

1.4 The Ministry of Defence will continue to strengthen its approach to declaring service entry of new capabilities as part of the work that is being taken forward under Defence Reform.

2. PAC conclusion: The UK's F-35 does not have a standoff weapon, and aircraft availability is inadequate.

2a. PAC recommendation: The Department should set out in the Defence Investment Plan how it will ensure a standoff capability in the coming years before Spear 3 is fully integrated onto the aircraft.

2.1 The government agrees with the Committee's recommendation.

Target implementation date: November 2027

2.2 The forthcoming Defence Investment Plan will set out the government's approach to delivering the Strategic Defence Review (SDR) and the investments required to deliver the Integrated Force. This will provide details of the government's balance of investment across the full range of military capabilities, including the capability requirement identified by the Committee.

2b. PAC recommendation: The Department should write to the Committee, alongside its Treasury Minute response to this report, setting out how it intends to increase F-35 availability so that its targets are consistently met.

2.3 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

2.4 The department will write to the Committee by 30 April 2026, setting out how it intends to increase F-35 availability; this longer timeline is needed to ensure that the response can draw on lessons from the recent Carrier Strike Group 25 deployment.

2.5 Aircraft availability is dependent upon a number of factors including workforce, spares, infrastructure and supporting enablers. Now the department has a better understanding of operating and maintaining a fifth-generation aircraft, the number of aircraft engineers is being increased to align with Force readiness requirements. Although the department has funded additional engineering positions, it will take time to recruit and train the necessary personnel. The UK is also supporting the US-led F-35 Joint Programme Office in efforts to reset the Global Support Solution to improve performance and increase spares availability. The department is planning further investments in F-35 technical infrastructure at RAF Marham and enhancements to supporting enablers through improvement initiatives.

3. PAC conclusion: The F-35 programme faces an unacceptable shortage of several types of personnel, including engineers, cyber specialists, pilots and qualified flying instructors.

3. PAC recommendation: The Department should produce a more radical plan to recruit and retain the highly skilled personnel necessary to work on and operate the F-35. The plan should include reference to accommodation as well as pay and other benefits that together provide an attractive offer over the long term.

3.1 The government disagrees with the Committee's recommendation.

3.2 The government agrees with the requirement to address the known recruitment and retention challenges through a holistic approach but disagrees with the recommendation to produce a plan specifically focused on the F-35 workforce. Instead, the department will address this recommendation through the ongoing RAF People Campaign that sets out challenging targets for the RAF to achieve workforce balance.

3.3 The Armed Forces continue to expect challenges recruiting for key skills where there is strong competition in the labour market including cyber, digital, healthcare & medical and engineering. Retention remains a key priority and an evidence-based approach, drawing on survey data, feedback, and wider engagement to understand the issues affecting personnel continues to be taken. A range of targeted measures have already been introduced to address immediate pressures, particularly for some specialist areas where there are workforce capability gaps. These include financial retention incentives, increased opportunities for Extensions of Service, broadened eligibility for Standard Learning Credits, and an uplift to disturbance expenses for personnel returning to the UK or moving between overseas locations.

3.4 RAF Recruitment & Selection have driven through no less than 130 adjustments to recruitment policy already, introducing education reform, fitness reform and most recently health reform to the recruitment approach, these initiatives have ensured that the RAF has seen more individuals enter Formal Training than at any time over the last 15 years.

4. PAC conclusion: Accommodation at RAF Marham is substandard, exacerbating issues with recruitment and retention. Despite the urgent need to address this, upgrades will not be completed under current plans until 2034.

4. PAC recommendation: The Department should urgently look to prioritise investment to bring forward completion of improvements to RAF Marham accommodation on a much earlier timescale than 2034. It should write to the Committee within 6 months as to how it intends to do this.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: May 2026

4.2 Following the publication of the Defence Investment Plan infrastructure requirements will be reassessed against departmental priorities. The department will write to the Committee by 31 May 2026 to advise whether the current timescale for RAF Marham accommodation can be brought forward.

5. PAC conclusion: The Department has taken a narrow and short-term approach to management and costs and has failed to realistically appraise the programme's whole-life cost.

5a. PAC recommendation: The Department should:

- **should set out in its upcoming Defence Investment Plan the expected long-term impact on costs and capability of any short-term savings measures, on both the F-35 and other major programmes.**

5.1 The government agrees with the Committee's recommendation.

Target implementation date: November 2027

5.2 As part of the production of the forthcoming Defence Investment Plan, the government is considering the long-term impacts of any savings measures on costs and capability of all major programmes. The Defence Investment Plan will prioritise spending across the whole Defence budget as voted to them by Parliament, and set out in the Spending Review settlement, to maximise value for money overall (not just in the F-35 programme). Further details will be published as part of the Defence Investment Plan.

5b. PAC recommendation: The Department should:

- **build on its recent whole-life cost analysis by including all relevant non-equipment costs to give a more complete through-life cost forecast of the programme.**

5.3 The government agrees with the Committee's recommendation.

Target implementation date: November 2026

5.4 Whole life cost analysis is undertaken during a capability's planning and delivery phase and is included as a mandated element of the capability's investment case at the point of outline and full business case approval decisions. Whole life costs are used to inform both economic assessment of investment choices and financial planning. While the department already develops whole life cost models that extend beyond equipment costs, for example covering personnel and infrastructure costs too, the department accepts that there is an opportunity to go further in developing and presenting a fuller and more complete view of through-life cost. The department will continue to strengthen its approach to whole life cost modelling as part of the work that is being taken forward under Defence Reform.

6. PAC conclusion: The Department has not set out its preferred mix of F-35As and Bs, nor forecast the costs of introducing the F-35As in their nuclear weapons role.

6. PAC recommendation: The Department should update the committee in six months on what it expects the additional whole-life costs of operating Dual Capable Aircraft will be, and how long it will take to prepare the necessary arrangements.

6.1 The government disagrees with the Committee's recommendation

6.2 Costs and timescales associated with the UK's Dual Capable Aircraft nuclear mission are classified Secret. Subject to the necessary clearances and following the Defence Investment Plan publication, a briefing to the Committee at Secret can be arranged to offer more detail on the departmental approach to the NATO nuclear mission.

Fifty-Second Report of Session 2024-26

Department for Environment, Food & Rural Affairs

Resilience to threats from animal disease

Introduction from the Committee

Animal disease outbreaks are a significant threat to the UK's farming and food security, to human health, to rural communities, to wildlife and to the economy and trade. Outbreaks can have a significant economic cost. The major foot and mouth disease outbreak of 2001 cost the public and private sectors an estimated £5.2 billion and £8.6 billion, respectively (in 2023–24 prices). The government's 2025 National Risk Register (NRR) includes four animal disease outbreaks that would have significant impacts.

Animal diseases are categorised as exotic (not normally present in the UK, such as foot and mouth disease) or endemic (already present in the UK, such as bovine tuberculosis (TB)). Factors such as climate change and antimicrobial resistance are likely to increase the rates of endemic diseases and the frequency and variety of exotic disease outbreaks.

The Department is responsible for providing policy, guidance and funding to maintain and strengthen animal disease resilience in England. APHA, an executive agency of the Department, has the lead operational role. Local authorities also have an important role, both in responding to outbreaks and reducing the risk of outbreaks happening. The management of animal diseases is a devolved issue in Northern Ireland, Scotland and Wales, although some aspects such as border controls are GB-wide.

Based on a report by the National Audit Office, the Committee took evidence on 4 September 2025 from the Department for Environment Food and Rural Affairs (Defra) and the Animal Plant Health Agency (APHA). The Committee published its report on 5 November 2025. This is the government's response to the Committee's report.

Relevant reports

- NAO report: [Resilience to animal diseases](#) – Session 2024-25 (HC 946)
- PAC report: [Resilience to threats from animal disease](#) – Session 2024-26 (HC 885)

Government response to the Committee

1. PAC conclusion: The Department and APHA are not adequately prepared for the most severe - or more serious concurrent - animal disease outbreaks.

1a. PAC recommendation: The Department and APHA must act now to improve preparedness for a major outbreak by:

- **Updating all specific exotic disease control strategies over the next year.**

1.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2027

1.2 The department and Animal Plant Health Agency (APHA) are taking action to improve preparedness for a major outbreak through a staged and prioritised approach.

1.3 The department and APHA, working with policy colleagues in the Welsh and Scottish Governments, will review and update as required the published disease control strategies for higher-risk diseases (Foot and Mouth Disease, Avian Influenza, African Swine Fever and Lumpy Skin Disease) by March 2027, based on an assessment of known threats, and review all strategies on a rolling three year cycle.

1.4 The work to update control strategies will take account of the UK and EU negotiations for a Sanitary and Phytosanitary (SPS) Agreement, which will establish a common SPS area, and in turn significantly reduce barriers to trade in relation to movements of agri food goods. This means we will work jointly with the EU on threats to the UK's biosecurity and public health from animal disease.

1. PAC conclusion: The Department and APHA are not adequately prepared for the most severe - or more serious concurrent - animal disease outbreaks.

1b. PAC recommendation: The Department and APHA must act now to improve preparedness for a major outbreak by:

- **Working with local resilience forums to understand barriers to preparedness, and provide support to overcome these.**

1.5 The government agrees with the Committee's recommendation.

Target implementation date: February 2027

1.6 The department and APHA, working with Ministry of Housing, Communities and Local Government, will use the findings from the recent Local Capabilities Assessment to develop a plan of engagement with Local Resilience Forums (LRFs) to share information, including planning assumptions, to assist with local response planning.

1.7 APHA is taking steps to strengthen engagement with LRFs and improve coordination. This includes supporting exercises and risk assessments for animal disease threats, trialling new incident management systems, and providing input during multi-agency planning activities. At a national level, APHA is establishing a central liaison function, securing access to Resilience Direct (the UK's secure platform for exercising, planning, response and recovery) and refreshing key contacts at each LRF secretariat. Additionally, coordinating with LRFs, APHA is assessing risks and considering Category 1 or 2 responder status under the Civil Contingencies Act. Processes have been implemented to improve coordination of LRF queries and APHA attends relevant LRF meetings and forums to maintain visibility and provide updates.

1. PAC conclusion: The Department and APHA are not adequately prepared for the most severe—or more serious concurrent—animal disease outbreaks.

1c. PAC recommendation: The Department and APHA must act now to improve preparedness for a major outbreak by:

- **Using upcoming exercises to fully evaluate the UK's preparedness for severe outbreaks, including the scenario where the response becomes overwhelmed.**

1.8 The government agrees with the Committee's recommendation.

Target implementation date: February 2027

1.9 Two exercises to fully evaluate the UK's preparedness for severe outbreaks were run during 2025 and the department and APHA will apply the lessons from these:

- A cross-government exercise (Exercise Pegasus), including the Devolved Governments, was carried out between September and October 2025 to test the UK government's response to a pandemic which had a zoonotic component. The exercise consisted of three stages (1. Emergence, 2. Containment and 3. Mitigation) each involving a day of live play including Ministerial COBR meetings to test decision making. The government has committed to communicating the findings and lessons of the exercise as recommended by the Covid-19 inquiry and a post-exercise report will be delivered in due course. Further work will be carried out within Defra to ensure that lessons identified through Exercise Pegasus are addressed and applied to strengthen future preparedness.
- In Autumn 2025, APHA designed and delivered Exercise ASPEN. A legislative requirement that took account of past recommendations and those contained within the NAO report 2025, the exercise explored the readiness of the United Kingdom to respond to, and recover from, a national outbreak of Foot and Mouth Disease. Exercise ASPEN involved over 500 participants engaging in a "real time" simulated outbreak. Participants included key partner agencies (including, but not limited to National Farmers Union, Ministry of Defence, Crown Dependencies and Food Standards Agency) and devolved governments. The exercise provided a thorough evaluation of current plans and capabilities and capacity to deliver them. A draft report will be submitted to APHA by external contractors based on an independent evaluation of the exercise by end January 2026 with a final version report to be produced by end March 2026.

1.10 From January 2026 APHA will launch a new approach to internal preparedness assurance, embedding exercising as a core component. Since January 2025, APHA has implemented tiered preparedness ratings, internally referred to as indices (strategic, tactical, and operational) covering disease, pest, and invasive species threats. These indices provide a living record of response capability and capacity. Under the new model, all business units with a response role will enter a 12-month rolling exercise programme to validate preparedness against their index ratings.

2. PAC conclusion: Not enough is being done to tackle the high level of vet vacancies within APHA, which limits its ability to respond to an outbreak.

2. PAC recommendation: APHA should in the next year produce a veterinary workforce strategy to address vet vacancies. This should set out its understanding of the underlying issues, and how it will make most effective use of tools/solutions including: using other technical staff; learning from previous schemes; and how other countries are approaching this issue.

2.1 The government agrees with the Committee's recommendation

Target implementation date: March 2027

2.2 Current vet capacity challenges are being managed through initiatives such as pay allowances for vets. These allowances are used by certain departments to support recruitment and retention within the Civil Service, including APHA. The Home Office underwent a regulatory reform programme last year, recruiting a small cadre of temporary inspectors loaned from Other Government Department veterinary teams to temporarily fill vacancies – a model that will be looked at in the Defra/AHPA led workforce strategy.

2.3 The department is establishing a government veterinary services working group to create a workforce strategy in line with this recommendation. The strategy will support the vet profession particularly in government and ultimately the delivery against animal health and welfare objectives. It aims to build cross-departmental collaboration around veterinary recruitment and retention.

2.4 In addition, and as announced in the 2025 Autumn Budget, the department will consult on reform of the Veterinary Surgeon's Act. Proposed reforms will bolster veterinary workforce capacity by widening the professional team, through the introduction of regulation for Allied Veterinary Professionals and legal protection for the title of Veterinary Nurses which will also allow vets to focus on more specialist tasks and provide better understanding for both the profession and the public of the veterinary profession.

3. PAC conclusion: APHA's surveillance activities to detect disease outbreaks early are not sufficiently comprehensive or risk-based.

3. PAC recommendation: To ensure its surveillance activities provide the maximum benefits from the resources available, APHA should set out in the next six months a clear plan and milestones for delivering the updates to its surveillance processes that are needed to ensure they are risk-based, efficient and supported by good management information.

3.1 The government agrees with the Committee's recommendation

Target implementation date: May 2026

3.2 APHA's surveillance activities are undertaken in accordance with the following definition - the systematic ongoing collection, collation, and analysis of information related to animal health and the timely dissemination of information so that action can be taken.

3.3 Current initiatives to deliver risk-based and efficient surveillance activities supported by good management information include:

- An Animal By-Product (ABP) Risk Matrix Review to ensure premises visit frequency aligns with risk levels. ABP inspections follow a risk-based approach informed by this matrix. A complementary dashboard is being developed to track completed and outstanding visits and monitor non-compliance.
- A Private Veterinary Laboratory Project that adds to and strengthens APHA data and intelligence about animal disease threats through data-sharing agreements with the private sector, with completion due by 31 March 2026.
- Development of 'The Data Orchestration Tool', aligned with the Delivering Sustainable Futures Programme (APHA's digital transformation programme) to integrate and harmonise surveillance data, reducing manual intervention and improving efficiency.

3.4 The APHA surveillance strategy combines daily global scanning of emerging animal diseases by the International Disease Monitoring Team, epidemiological support from the National Emergency Epidemiology Group, monthly UK-wide risk analysis by the Veterinary Risk Group, and participation in the Human Animal Infections and Risk Surveillance (HAIRS) group to evaluate zoonotic threats; Together these efforts provide early detection, evidence-based policy advice, and coordinated risk management, while continuous improvement of scanning systems and strengthening of the national veterinary network enhance frontline support, biosecurity, and resilience against evolving global risks.

3.5 APHA will have a clear plan and milestones set out within the next six months to track delivery of audit recommendations. By February 2027, APHA will review all surveillance activities to ensure that there is a targeted, risk-based approach. Monitoring and tracking of this will be incorporated into APHA's audit response plans.

4. PAC conclusion: APHA has not made fast enough progress with modernising its systems and processes, to allow it to better deploy its resources.

4. PAC recommendation: APHA should ensure that modernising its systems and processes for animal diseases is a key strategic objective. This needs to be supported by a clear delivery plan and milestones for when new services will be phased in and when the transformation will be completed.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: February 2027

4.2 The Delivering Sustainable Futures (DSF) Programme has a £10.9 million funding provision for 2025-26 and approximately the same year on year until 2029-30, totalling £62.8 million over the six years. The programme provides APHA with a clear plan for transforming end-to-end disease and pest management processes and systems.

4.3 This programme of work enables innovation, using automation, self-service and modern digital tools to streamline and standardise APHA's services and improve efficiency of delivery and statutory duties such as inspections.

4.4 DSF Programme focus in 2025-26 is on building core capabilities and will pivot to commence end-to-end services from 2026-27. Due to complete by spring 2026, a digital customer contact form is being designed and developed, which will replace approximately 36 external APHA mailboxes, and enable the collation of customer data insights whilst improving customer contact.

4.5 From spring 2026 APHA will have a strategic platform for endemic and exotic licencing capability.

4.6 From summer 2026 APHA will commence workforce management and in field data capture for a priority animal inspection service.

4.7 From autumn 2026 APHA will commence risk-based determination of disease movement licence applications.

4.8 In the 2026-27 development of a customer-facing portal will commence, which will allow customers to update and maintain their data and view licence application status.

4.9 Progress toward these milestones is dependent on future funding arrangements, and additional funding may be required.

5. PAC conclusion: The Department has secured vital funding for the National Biosecurity Centre at Weybridge, but must manage significant interim risks until the redevelopment is completed in 10 years.

5. PAC recommendation: Given the strategic importance of the National Biosecurity Centre redevelopment at Weybridge, the Department should publish a 10-year plan against which it should provide the Committee with an annual update on its progress. This should include how interim risks are being managed and mitigated, and any key risks to delivering the redevelopment programme on time and budget.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 The department [wrote to the Committee](#) on 18 September 2025 setting out the programme's strategic plan. The department will provide the Committee with an annual update on its progress.

6. PAC conclusion: The Department's progress delivering a multi-species livestock tracing system has been extremely slow and may not provide an integrated system for the UK.

6. PAC recommendation: The Department should ensure that progress against its revised timetable is maintained, and that its approach to developing its multi-species livestock tracing system is fully aligned across all devolved administrations.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2027

6.2 The work to develop a multi-species livestock tracing system is making progress according to the revised timetable.

6.3 From summer 2026, the department will introduce changes to cattle identification, registration and reporting that will improve the government's ability to respond effectively to disease. These changes will also simplify regulations and support industry to boost productivity, food security and international trade.

6.4 New requirements will see Electronic Identification (EID) mandatory for all new-born calves from 2027, using low frequency (LF) technology. This means animals with EID ear tags can be scanned when animals are moved, rather than a visual read and manual input of the tag number. Electronic cattle traceability will strengthen the UK's ability to prevent, detect, and respond to animal disease outbreaks, protecting farmers and the rural economy.

6.5 This will be supported by a new cattle movement reporting system which will be easier to use for farmers, markets, abattoirs and regulators alike.

6.6 From 2027 onwards there will be expansion to cover additional species: sheep, goats, deer and pigs.

6.7 Animal ID and traceability policy is devolved. The Livestock Information Transformation Programme (LITP) is working closely with devolved governments to work towards an aligned approach to livestock traceability across the UK, so that systems and processes are compatible.

7. PAC conclusion: Controls at the border to prevent a new disease arriving in the UK via illegal meat imports are insufficient to the level of risk.

7. PAC recommendation: The Department should:

- **undertake research to understand the reasons for the apparent increase in illegal meat imports to the UK to inform future policy and funding decisions; and**
- **when determining the resources made available to DPHA and Border Force at Dover to tackle illegal meat imports, weigh this against the significant costs a major disease outbreak could have if introduced through the port of Dover.**
- **the Department should set out what more can be done to educate travellers not to bring illegal food products into the UK and that high fines are imposed on those that do.**

7.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2026

7.2 The department has set out a plan to address concerns around illegal imports in the government response to the recent EFRA Select Committee report 'Britain's illegal meat crisis'. [Biosecurity at the border: Britain's illegal meat crisis: Government Response](#)

7.3 The department has noted calls to do more to educate travellers about the consequences of bringing illegal food products into the United Kingdom. In recent months, it has worked with travel operators and other government departments to step up communications informing travellers of the restrictions on personal imports of food products, including via GOV.UK, posters and social media channels. This includes the reasons for the restrictions and the consequences of non-compliance. The department's communications team conducts regular surveys to assess awareness of its public communications.

7.4 The department is focussing on developing its relationship with Dover Port Health Authority and establishing a revised strategic approach to the issue of illegal meat imports via the Short Straits. As part of this, the department will draw on the expertise of the operational staff at Dover to better understand the seizure data. The department is now actively considering increases to the funding for Dover Port Health Authority to improve operational coverage to tackle illegal meat imports. Funding decisions will take account of preventing the costs of major disease outbreaks. Border Force is funded by the Home Office.

7.5 APHA sought views and opinions from relevant experts in 2025, to improve estimates of illegal meat imports. It aims to publish details of the new methodology in early 2026 with data analysis to follow at the end of 2026.

8. PAC conclusion: The Department does not have a strategy to tackle shortages in animal vaccines.

8. PAC recommendation: Building on the Veterinary Medicines Directorate's Statement of Intent, the Department should, working with the Veterinary Medicines Directorate and other stakeholders, develop over the next year a longterm strategy and plan for securing adequate animal vaccine supply to the UK.

8.1 The government agrees with the Committee's recommendation.

Target implementation date: November 2026

8.2 The Veterinary Medicines Directorate's (VMD) [Statement of Intent](#) for UK veterinary vaccine availability outlines a strategic framework for cross-sector action. VMD is continuing cross-sector engagement to identify ways to improve supply and enable future innovation (involving government, pharmaceutical manufacturers, vet groups and broader animal health community). A five-year multi-stakeholder Action Plan will be published late 2026. Defra will work with VMD as the plan is developed. In parallel, mitigations for urgent availability issues are being identified and actioned.

8.3 Action has already been taken to secure animal vaccine supply to the UK. For example, in 2024, Defra worked with manufacturers, industry and the VMD to expedite emergency use of a Bluetongue 3 vaccine and subsequently to manage supply challenges.

8.4 Defra supported the joint industry-government avian influenza vaccine taskforce (the Taskforce) to look at the emerging use of HPAI vaccines. A report published by the Taskforce on 24 July 2025 provisionally recommends a future species-specific vaccination strategy, and a trial in turkeys. The Taskforce has committed to publish a subsequent report in Summer 2026.

8.5 In relation to vaccine development work for Bovine TB, an application for approval of the Cattle BCG vaccine was made in September 2025 and is being assessed by the Veterinary Medicines Directorate according to published timelines. APHA continues work towards generation of data for the bovine TB cattle vaccine skin test which involves a commercial contract and tender exercise.

9. PAC conclusion: The Department does not have an overarching long-term strategy for strengthening resilience to the increasing risk from animal diseases.

9. PAC recommendation: The Department should provide the Committee with an update in 18 months' time on its progress in developing a long-term strategy for animal diseases. The strategy should be sufficiently comprehensive and reflect interdependencies with the other areas of the Department's work, such as on plant health and honeybees.

9.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2027

9.2 The department will provide an update on progress with this recommendation as requested by the Committee, noting that the negotiations for a Sanitary and Phytosanitary (SPS) agreement with the EU, and timescales involved, will need to be integrated into development of this work. The department will examine strategic themes to determine how to strengthen long-term resilience to animal disease.

9.3 The review will take account of other strategic interdependencies such as the livestock ID and traceability reforms, APHA's systems reforms, upgrades to the National Biosecurity Centre, Veterinary Workforce and Vaccine Availability strategies and the UK Biological Security Strategy.

Fifty-Third Report of Session 2024-26

Foreign, Commonwealth and Development Office

Cost of maintaining the FCDO's overseas estate

Introduction from the Committee

The Foreign, Commonwealth & Development Office (FCDO) manages around 6,500 properties overseas, most of which are located in 282 posts in 180 countries and territories. Properties FCDO manages include Embassies, High Commissions, Consulates, offices, official Residences and accommodation for staff and their families, and amenities such as sports facilities. FCDO's total overseas estate portfolio was valued at £2.5 billion in March 2024.

FCDO uses its estate to carry out the UK's diplomatic, development and consular work around the world. As at December 2024, FCDO had more than 2,200 UK staff based overseas, and it employed 9,143 country-based staff. FCDO's overseas estate also hosts 5,200 staff from other UK government departments and bodies. FCDO provides the 'One HMG Overseas' platform, which provides services including HR, transport, accommodation and finance and to more than 35 other UK government departments, devolved administrations and other bodies. For example, the Department for Business and Trade (DBT) bases staff overseas to support UK trade, exports and investment. Aside from the estate's functional use as office or residential space, the overseas estate is important for delivering diplomatic and wider government objectives and is a signal of the importance of the UK's relationship with the host country.

We have reported before on the many challenges government encounters in managing property in the UK, such as difficulties capturing estate data, its declining condition and being unable to fund preventative maintenance.⁴ FCDO faces additional challenges to these in managing its overseas estate. FCDO staff work in some of the most vulnerable locations worldwide and extra security arrangements can be needed, and FCDO also has to adapt to a wide range of different environments, local laws and standards, supplier and labour markets. As a result, FCDO's estates maintenance approach varies between posts: 84% of posts either have their own in-house estate teams or outsource locally, with the remaining 16% (in Europe and Asia) maintained through regional facilities management contracts.⁵ FCDO's overseas posts are responsible for managing their own operations, including their estates. Within FCDO, the Estates, Security and Network Directorate (ESND) supports posts to manage their estate by setting corporate standards, providing guidance and providing technical assistance.⁶ ESND is also responsible for managing large capital estate projects, such as those completed recently in Washington D.C. and Ottawa.⁷ FCDO spent around £263 million in total on estate maintenance, projects and support in 2023–24.

Based on a report by the National Audit Office, the Committee took evidence on Thursday 10 July 2025 from the Foreign Commonwealth & Development Office. The Committee published its report on Wednesday 12 November 2025. This is the Government's response to the Committee's report.

Relevant reports

- NAO report: [Managing FCDO's overseas estate](#) – Session 2024-25 (HC 878)
- PAC report: [Cost of maintaining the FCDO's overseas estate](#) – Session 2024-25 (HC 884)

Government response to the Committee

1. PAC conclusion: FCDO does not have a coherent overall strategy for getting the most out of its £2.5 billion overseas estate.

1a. PAC recommendation:

- **FCDO should ensure that its new overseas estates strategy sets out the size, shape and location of the estate it needs to support UK government objectives, including the requirements of other government departments.**

1.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2026

1.2 In March 2025, the Foreign, Commonwealth & Development Office (FCDO) launched FCDO2030, a reform agenda to become a more modern, open, delivery and outcome-focused organisation. The aim is that, by 2030, the FCDO will make the UK stronger, safer and more prosperous and will lead and integrate delivery of the government's objectives abroad, enabled by highly skilled staff, stronger partnerships and world-class technology. The FCDO's estate is a key enabler of the FCDO2030 programme.

1.3 An FCDO Overseas Network Review (ONR), which fully launches in January 2026, will look at the overall size and shape of the FCDO footprint. This will inform the FCDO in rationalising the overseas estate, which is comprised of around 6,500 properties, and examining whether there are assets to release.

1.4 Currently, the FCDO prioritises investment in its overseas estate according to a methodology that assesses most urgent need based on criteria agreed by the Executive Committee. The current emphasis is on interventions that tackle health and safety requirements and staff security, to ensure the FCDO fulfils its common law duty of care to staff and visitors.

1.5 Pending the outcome of the ONR, the estate strategy will continue to focus on creating a safer, smaller, and more secure estate, reducing costs and carbon emissions, and collaborating with other diplomatic services. The estates strategy is due to be updated next in Spring 2026.

1b. PAC recommendation:

- **Alongside its Treasury Minute response, FCDO should write to the Committee setting out progress in delivering its estates strategy, including milestones and timescales for implementation.**

1.6 The government agrees with the Committee's recommendation.

Recommendation implemented

1.7 The FCDO has written to the Committee alongside the publication of this Treasury Minute.

2. PAC conclusion: Much of FCDO's overseas estate is in poor condition, and its estates maintenance backlog would cost an estimated £450 million to resolve.

2a. PAC recommendation: The FCDO should:

- ***Ensure that it builds upon the more certain funding for its overseas estate it received in the 2025 Spending Review to put its overseas estate onto a sustainable footing.***

2.1 The government agrees with the Committee's recommendation.

Target implementation date: by end March 2029, in line with the Spending Review period.

2.2 To ensure that funding from the 2025 spending review and future allocations is both sustainable and focused on areas of greatest need, the Overseas Estate Department (OED) is developing a more robust approach for its annual programme of works. This new methodology leverages data from the Forward Maintenance Register global survey, enabling informed decisions on property maintenance. This approach will outline how the maintenance budget each year will be allocated to the needs of the overseas estate, based on risk and value for money.

2b. PAC recommendation: the FCDO should:

- ***Alongside its Treasury Minute response, write to the Committee setting out its plans for reducing its maintenance backlog, prioritising its resource and capital funding, and achieving efficiencies from its estate.***

2.3 The government agrees with the Committee's recommendation.

Recommendation implemented

2.4 The FCDO has written to the Committee alongside the publication of this Treasury Minute.

2c. PAC recommendation: the FCDO should: write to the Committee within six months categorising which buildings:

- ***pose a risk to health and safety;***
- ***pose a risk to FCDO operations;***
- ***require urgent maintenance.***

2.5 The government agrees with the Committee's recommendation.

Target implementation date: May 2026

2.6 The FCDO will write to the Committee within 6 months of the report's publication date.

3. PAC conclusion: FCDO's central estate function does not have adequate oversight of estate activities, both at overseas posts and across its project portfolio.

3. PAC recommendation: FCDO should implement its plans to improve its governance model, including establishing a new estates governance board and publishing a new maintenance strategy for posts. FCDO should update the Committee in its Treasury Minute response on its progress in improving central oversight of its overseas estate.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2026

3.2 To improve estates governance, the Director of Estates, Security & Network established a new Estates Committee in October 2025, which will review strategically the operations and investments in the FCDO's overseas and UK estates. The Estates Committee will meet quarterly and receive comprehensive reports on strategic estate and maintenance planning, standardised KPIs and performance management, compliance, risk and major capital projects to ensure oversight of the entire estates' portfolio and informed decision-making. The Estates Committee will report on estates matters to a refreshed Corporate Committee, chaired by the FCDO Chief Operating Officer and comprising Directors-General and Non-Executive Directors of the FCDO.

3.3 In addition to the Estates Committee, Overseas Estates Department (OED) is widening the remit of its former Asset Management Portfolio Board (AMPB), which previously only reviewed large capital projects. Going forward, the new board will look across all aspects of the overseas platform and be a sub-committee of the newly formed Estates Committee. These changes will help streamline decision making across the primary areas of the overseas estate.

3.4 To further strengthen effective working, the Head of OED has commissioned an external review to recommend improvements to the departmental operating model and project delivery function, using industry best practice. The final report is due in Spring 2026. This work will also suggest ways to enhance delivery, governance, and make the best use of limited financial, survey, and engineering resources.

4. PAC conclusion: FCDO does not have all the data it needs to manage its estate effectively.

4. PAC recommendation: Alongside its Treasury Minute response, FCDO should write to the Committee setting out the progress it has made:

- **ensuring that the collection of good quality estates data is embedded into the standard work of its overseas posts, including when it expects all its overseas posts to have a complete asset register that is updated regularly;**
- **implementing its integrated data management system; and**
- **to ensure that it is using the latest digital technology to monitor and manage its estate, including actions it is taking related to this.**

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 The FCDO has written to the Committee alongside the publication of this Treasury Minute.

5. PAC conclusion: Some FCDO high-profile estate projects have run significantly over time and budget.

5. PAC recommendation: FCDO should immediately restart centrally collecting and analysing lessons learned from its estate capital projects, to ensure it has appropriate oversight of project risks and can manage delivery effectively. FCDO should update the Committee in its Treasury Minute response on its progress, including the impact of its new design authority and gateway review processes.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2026

5.2 The FCDO recognises the importance of systematically capturing, analysing, and applying lessons learned across its capital programme to strengthen organisational oversight, improve risk management, and ensure that investment decisions benefit from the work of previous projects.

5.3 The FCDO is re-establishing a comprehensive lessons-learned process across all capital projects, that will draw on the contributions of posts, project teams, internal and external suppliers and the FCDO's internal assurance functions. Coupled with a renewed focus on Project Evaluation Reviews in the aftermath of project completion, the process will allow the FCDO to identify recurring risks, highlight good practice, and identify the root causes of issues such as cost escalation, schedule slippage, and scope change. Findings will now be shared across delivery teams to develop a consistent, structured approach across all stages of the project lifecycle.

5.4 The Department's Design Authority and strengthened gateway review processes form a key part of this approach. The Design Authority provides technical and professional leadership and is a key part in ensuring that lessons from previous projects are embedded into design specifications, standards, and early-stage approvals. Gateway reviews conducted at completion of the Royal Institute of British Architects (RIBA) Stages 2, 3 and 4, now include reviews of cost, procurement and contract strategies, alongside design outputs, ensuring better challenge, assurance, and alignment with the FCDO's strategic objectives. This is expected to contribute to more consistent and predictable delivery outcomes across project delivery.

6. PAC conclusion: FCDO's ability to manage its estate is hampered by a lack of staff with the necessary skills and experience.

6. PAC recommendation: FCDO should complete its estate workforce strategy, which should set out:

- ***the staff and skills it needs and where they should be best located;***
- ***the staff and skills it currently has; and***
- ***a delivery plan explaining how it will close any gaps found by for example, training existing staff, moving staff or external recruitment.***

FCDO should update the Committee on this alongside its Treasury Minute response

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 The FCDO has written to the Committee alongside the publication of this Treasury Minute.

Fifty-Fourth Report of Session 2024-26

Ministry of Defence

Afghanistan Response Route

Introduction from the Committee

Since 2010, the UK government has operated schemes which offered the possibility of resettlement in the UK for eligible Afghan citizens. These schemes primarily focused on people who were employed to assist British forces while the UK had a military presence in Afghanistan over a 20-year period, from October 2001 to August 2021. These roles sometimes came with significant risk to those Afghan citizens and their families, who feared reprisals from the Taliban.

On 1 April 2021, amidst a deteriorating security situation in Afghanistan, the Department launched the Afghan Relocations and Assistance Policy (ARAP) scheme. This was for Afghan citizens who worked for or with the UK government in exposed or meaningful roles, and followed the Intimidation Policy and Ex-gratia scheme which had been in place since 2010 and 2013, respectively.⁴ Amidst a deteriorating security situation in Afghanistan, the Department was working at pace to help Afghan citizens at high risk, through the ARAP and the previous Ex-gratia scheme. The Department has overall accountability for the ARAP scheme, and is responsible for processing applications, assessing eligibility and relocating eligible Afghan citizens and their families to the UK. The Home Office is responsible for issuing UK visas and granting entry clearance.

On 15 July 2025, the Defence Secretary announced the lifting of a super-injunction which had prevented reporting on the existence of a significant data breach relating to the Department's Afghan resettlement schemes. The super-injunction also covered the ARR scheme, which the Department had set up to resettle individuals put at high risk as a result of the data breach.⁷ The data breach occurred in February 2022, and the Department said that it first became aware of it in August 2023 when personal details of 10 individuals were posted online on Facebook. In September 2023, the High Court granted the Department a super-injunction.⁸

The breach occurred when a Defence official emailed a spreadsheet of applicants to the ARAP and Ex-gratia schemes, to a trusted source outside the Department. The official intended to send information relating to around 150 applicants to gather information to assess their eligibility but inadvertently shared 33,345 lines of data which contained information relating to 18,700 applicants and, in some instances, their family members. This was because the spreadsheet contained embedded data which was not evident to the sender.

Based on a report by the National Audit Office, the Committee took evidence on 8 September 2025 from the Ministry of Defence. The Committee published its report on 14 November 2025. This is the Government's response to the Committee's report.

Relevant reports

- NAO report: [The Afghanistan Response Route](#) – Session 2024-26 (HC 1288)
- PAC report: [Afghanistan Response Route](#) – Session 2024-26 (HC 1391)
- Home Office [Quarterly immigration system statistics - September 2025](#)

Government response to the Committee

1. PAC conclusion: The Department's poor management of personal information put the lives of many thousands of Afghans at risk.

1. PAC recommendation: The Department should write to the Committee by March 2026 and every six months to provide an update on resettlement activity through the ARR.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: every six months from March 2026 until the completion of the ARR.

1.2 Part of the information requested by the Committee is published by the Home Office on GOV.UK in their release of [quarterly immigration system statistics](#) with the most recent publication on 27 November 2025, [which gives statistics to the end of September 2025](#). The next iteration of immigration system statistics will be published online in February 2026 and will provide figures to end of December 2025. These publications include a breakdown by schemes under the Afghan Resettlement Programme (ARP).

1.3 The department will sign-post to this information and, where possible, will provide a broader update on ARR relocation and resettlement activity that is within MOD's remit. It may not always be possible to provide a precise breakdown by scheme due to certain methods of operating, or the way that data has been captured.

2. PAC conclusion: The Department did not have appropriate systems and controls in place at the time of the February 2022 breach to manage personal data in a high-risk environment.

2. PAC recommendation: The Department should provide confirmation to the Committee that it is now managing all Afghan resettlement schemes through its new case working system and provide us with assurance that this would prevent a recurrence of the February 2022 breach or similar.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The Defence Afghan Relocations Assistance Policy (ARAP) Casework System (DACS) was introduced in May 2022. It is used for ARAP and Afghan Response Route eligibility case-working. DARR have recently included a limited number of ACRS details into DACS to assist with cross-government resettlement work however the majority of ACRS data is managed on Home Office systems.

2.3 The introduction of DACS addressed many of the vulnerabilities, including stricter access controls, audit logs, and protocols to limit data sharing outside secure systems. DACS undergoes maintenance and improvements on a regular basis to mitigate against the risk of a future data incident.

2.4 While sharing personal data with trusted third parties outside of central Government remains crucial in verifying applications, the completion of data sharing agreements and data protection impact assessments enables the department to manage the associated risks. There are numerous data sharing agreements in place to facilitate this and in January 2025, the department introduced new software that enhances our ability to securely share data with partners for the purposes of administering the ARP.

2.5 The department continues to enhance technical controls that seek to address the likely causes of a data incident as part of its cyber security programme. Through these technical improvements, the department is equipped with the right tools to minimise the risk of a recurrence of the February 2022 data incident or similar.

3. PAC conclusion: The Department did not do enough to learn the lessons from previous data breaches.

3. PAC recommendation: Alongside its Treasury Minute response, the Department should write to the Committee to provide details of:

- **its policies, processes and guidance to prevent data protection breaches relating to personal information;**
- **how the Department assures itself that these are being followed, including the level of attendance at related mandatory training; and**
- **the changes to policies, processes and guidance the Department has made in response to previous data breaches.**

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 In 2023, the department's Executive Committee commissioned an independent, MOD-wide Data Protection Review in response to several high-profile and sensitive data protection incidents within the department and across government. This included the discovery of the February 2022 incident. Neil Mclvor, the Chief Data Officer at the Department for Education, was appointed to lead this comprehensive review.

3.3 The resulting report, finalised in 2024, included a number of recommendations aimed at strengthening data protection practices across MOD. Requested details relating to the department's data protection policies and processes are covered in the department's response to the Committee set out in the [letter dated 7 October 2025](#) which includes an update on how the recommendations in the Mclvor Review have been implemented.

3.4 In addition to the Mclvor Review, the department will provide a report showing the percentage of staff who have completed the mandatory data protection and information governance training within the first six-monthly update to the Committee referenced at recommendation 1.

4. PAC conclusion: The Department failed in its responsibility to enable effective scrutiny by the Public Accounts Committee and the National Audit Office.

4a. PAC recommendation The Department should agree with the Committee and the Comptroller and Auditor General how it will ensure they have sufficient and timely information to enable them to undertake their roles in the context of any similar situations in the future.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

4.2 The department will continue to work with the Committee to ensure they have sufficient and timely information to enable them to undertake their roles in the context of any similar situations in the future. The department is keeping under review how this is done in the most extreme cases where secrecy poses a challenge to the normal processes. This will be covered by the new guidance issued by the Treasury Officer of Accounts on how to act in the event of a super-injunction.

4b: PAC recommendation: The Treasury Officer of Accounts should issue new guidance on how Accounting Officers should act in the event of super-injunctions.

4.3 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

4.4 The Treasury will issue a [Dear Accounting Officer letter](#) to provide guidance on this issue. This will include guidance on the principles and practicalities of sharing information with the Comptroller and Auditor General (C&AG) in the event of a super-injunction, with particular consideration of the statutory duty to give assistance, information and explanation to the C&AG to enable them to meet their statutory duty to examine government department's accounts. The guidance will then be incorporated into the next update of [Managing Public Money](#).

5. PAC conclusion: The Department did not put in place a mechanism to accurately identify and account for the costs of resettling individuals who were at high risk due to the data breach.

5. PAC recommendation: In its Treasury Minute response to this report, the Department should explain how it is ensuring that the resettlement costs related to the ARR are now being captured separately and accurately in its accounting system.

5.1 The government disagrees with the recommendation.

5.2 The Afghanistan Response Route (ARR) and Afghan Relocations Assistance Policy (ARAP) offers are largely identical and utilise shared services (including for relocation, support and accommodation), differing only in qualifying criteria. While the department appreciates the importance of capturing costs relating to the data incident, to account for the ARR scheme separately would be disproportionately complex and resource intensive. The department instead proposes an alternative approach for costs incurred which will allow for a more accurate allocation of costs and meets reporting requirements, without introducing unnecessary complexity.

5.3 In order to support the Committee, the department can provide an indicative cost allocation at the end of each financial year. This would involve aggregating the total costs associated with both schemes at the end of each financial year and dividing this figure by the total number of individuals resettled under both schemes. The resulting average cost per person would then be multiplied by the number resettled under each scheme, providing an estimate of their respective costs. These updates will be included with the relevant six-monthly update, referenced at recommendation 1.

Fifty-Fifth Report of Session 2024-26

Department of Health and Social Care

Reducing NHS waiting times for elective care

Introduction from the Committee

Since 2013, the standard, statutory, waiting time for elective care has been that for 92% of elective care pathways, treatment should begin within 18 weeks of patients being referred. This target was last achieved in September 2015. At January 2025, around 6.25 million patients were waiting for elective care on 7.43 million different elective care pathways. Patients waited for up to 18 weeks on 4.37 million pathways (59% of the total) and for more than 18 weeks on 3.06 million pathways.² By July 2025 nearly 192,000 patients were waiting for over one year.³ NHSE is responsible for managing waiting times in the NHS, with oversight and overall policy direction being provided by the Department.

In February 2022, NHSE published its recovery plan for tackling the COVID-19 backlog of elective care, setting out how it planned to recover elective and cancer care over the three years up to March 2025.⁵ The aim of the plan was to reduce waiting times by increasing capacity, prioritising patients who were waiting the longest and improving information and support for patients. The plan also included changes to how care is delivered through three transformation programmes covering diagnostics, surgery and outpatients.

The diagnostic transformation programme aimed to build new Community Diagnostic Centres (CDCs) and equipment to move patients through diagnostic services more quickly. By 10 September 2025 just over £2.2 billion of capital spending had been drawn down, around 98% of the amount that had been allocated.

The surgical transformation programme planned to build or create surgical hubs to carry out low complexity operations more efficiently.⁷ By 10 September 2025, £1.04 billion had been drawn down for surgical hubs.

The outpatients programme aimed to free up capacity by reducing the number of referrals made and reducing the number of follow-up appointments.⁹ Outpatient make up the majority of the elective pathways waiting list, and 80% of elective care pathways end through an outpatients appointment.

Based on a report by the National Audit Office, the Committee took evidence on Thursday 11 September 2025 from the Department for Health and Social Care and NHS England. The Committee published its report on Wednesday 19 November. This is the government's response to the Committee's report.

Relevant reports

- NAO report: [NHS England's management of elective care transformation programmes](#) – Session 2024-25 (HC 766)
- PAC report: [Reducing NHS waiting times for elective care](#) – Session 2024-26 (HC 820)

Government response to the Committee

1. PAC conclusion: Too many people are still waiting too long for diagnostic tests and treatment, and the pace of change to meet recovery targets is too slow.

1a. PAC recommendation: NHS England and the Department for Health and Social Care should:

- ***set out their plans to reach the 1% operational standard for six week waits for diagnostic tests.***

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 Six-week waits' performance improvement targets have been provided in [NHS Medium Term Planning Framework](#) for 2026-27 to 2027-28, requiring all systems to achieve 1% by 2028/29. The Department of Health and Social Care (DHSC) is supporting systems and trusts to deliver that target through a plan that includes funded capacity increases, productivity improvements (through service optimisation and digital investments) and demand optimisation. Capacity growth will also be supported through building partnerships with the independent sector. This combination of funded capacity increases, productivity improvements and demand optimisation provides a clear plan for reaching the 1% operational standard for six week waits for diagnostic tests by March 2029

1.3 Systems' revenue allocations will support the growth required for the constitutional diagnostic standard to be achieved as well as enabling diagnostic backlog clearance and optimal running of Community Diagnostic Centres (CDCs).

1.4 The National Diagnostics Programme will continue to fund progress in diagnostic digitisation to drive further productivity gains in diagnostic services. This includes piloting and scaling innovations in diagnostics such as AI that supports faster diagnosis and optimises diagnostic appointment scheduling, and national test registries that reduce unnecessary repeat testing.

1.5 Wider work to optimise diagnostic demand is being delivered in collaboration with the Association of Royal Medical Colleges and through the funding and implementation of the Royal College of Radiologists' clinical decision support tool. Pathway transformations in CDCs will optimise diagnostics to provide faster access for patients and enable a new planned care model.

1b. PAC recommendation: [NHS England and the Department for Health and Social Care should:]

- ***set out the actions they have taken to monitor and address risks associated with long waits and on disparities in waits between groups of patients.***

1.6 The government agrees with the Committee's recommendation.

Recommendation implemented

1.7 The [Elective Reform Plan](#) (ERP) set out several commitments aimed at tackling health disparities in access to and waiting time for elective care, including the publication of waiting list information disaggregated by demographic information, improving use of transport, accessible and alternative language templates, prioritisation tools.

1.8 In July 2025, NHS England published waiting list information broken down by age, sex, ethnicity and deprivation for the first time, updated monthly. This means waiting list information can be used nationally and locally to identify and address disparities in waits between groups of patients.

1.9 The ERP reiterated the importance of every locality and service provider examining waiting list information, as health inequalities vary geographically. Systems and providers are

expected to routinely analyse waiting list information alongside local data, and report on identified inequalities and actions to mitigate these within board level reporting.

1.10 NHS England has implemented comprehensive actions to manage risks associated with long waits including where trusts are materially off track, targeted management interventions, building on the successful cohort management approach.

1.11 To maintain accurate waiting lists and identify patients at risk of harm, trusts are expected to review and validate patients waiting over 12 weeks at least every three months. NHS England has also carried out validation sprints throughout 2025-26, ensuring consistency and quality in data management.

1.12 NHS England have introduced a tiering system for trusts with sizeable long-waits. This ensures that support is proportionate to need and prioritised for challenged providers.

1.13 All providers have harm review processes to ensure patient safety, including systematic reviews for long waits, with escalation routes where clinical risk is identified.

2. PAC conclusion: NHS England's plans to transform outpatient services were not credible, even though it had already acknowledged that more efficient outpatient services would make a material difference to the waiting list.

2. PAC recommendation: NHS England should set out what it has learned from the failure of the outpatients programme and use this to inform its plans for the future of the programme. These plans should include, at a minimum, the setting of meaningful targets for which it has clinical support, ensuring it has senior clinical leadership in place to secure clinical engagement, and strong governance and reporting arrangements.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 DHSC and NHS England undertook a review of programme governance to ensure the right structures are in place to deliver the ERP, which was published in January 2025. This included integrating outpatient transformation work within the elective care programme into refreshed programme governance, as well as improved reporting on performance, programme delivery and outcome tracking to the Programme Board and relevant sub-groups.

2.3 In order to deliver the commitment to improve the percentage of patients waiting no longer than 18-weeks from referral to treatment to 92% nationally by March 2029, it is essential to transform outpatient care. Outpatient care accounts for the majority of pathways on the elective waiting list, with 80% of elective pathways ending (for example through treatment or being discharged) in an outpatient setting (that is without an admission). That is why the Medium Term Planning framework (2026-27 to 2028-29) has set out ambitious proposals for the further use of Advice and Guidance (A&G) asking systems to ensure all referrals go through a single point of access, this delivers a more robust approach to triage, so patients are cared for closer to home and there are fewer outpatient appointments in secondary care. The framework requires a significant reduction in the number of clinically unnecessary follow-ups, which will be supported by Getting it Right First Time (GIRFT) and potential changes to payment for follow-up activity. This is part of a new model of planned care which will deliver the ambitions of the [10 Year Health Plan](#). Further details will be published in due course.

3. PAC conclusion: NHS England's approach to transformational change was deeply flawed in both monitoring of progress and the delivery of intended outcomes.

3a. PAC recommendation: The Department of Health and Social Care and NHS England should:

- ***set up data collections or processes for tracking costs and benefits as early as possible when setting up new services or transforming existing services including the recent extension of specialist telephone advice to GPs.***

3.1 The government agrees with the Committee's recommendation.

Target implementation date: October 2026

3.2 Both NHSE and DHSC recognise the importance of incorporating monitoring and evaluation from the outset of policy development, supported by a robust evidence base where possible, and regular data for monitoring performance.

3.3 'Specialist telephone advice to GPs' is commonly referred to as A&G and can be utilised via telephone and other communication methods, increasingly through digital channels.

3.4 The department has established data collections that provide regular performance information on A&G. This is used to monitor performance, assure delivery and support evaluation.

3.5 To support data collections and governance of A&G, NHS England is investing in the Electronic Referral Service (e-RS).

3.6 From July 2026, where A&G requests are managed within the e-RS user interface, all referral pathways must support the option to provide A&G, and from October 2026 where a third-party service is used. To support this change during 2026-27 e-RS will be enhanced to provide a breakdown of the types and forms of requests submitted, thus supporting the tracking of costs and benefits of A&G.

3.7 NHSE commissioned North of England Care System Support to produce a detailed review of the costs and benefits of A&G delivery. This report evidences the benefits to patients, clinical teams and health economies.

3.8 Data collections or processes for tracking costs and benefits for the national diagnostics programme have been in place since 2021 and continue to be used to demonstrate progress and value for money as the department works towards delivering the 1% operational standard for six week waits for diagnostic tests.

3b. PAC recommendation: The Department of Health and Social Care and NHS England should:

- ***focus reporting on the achievement of policy aims (expected outcomes for patients) to ensure that the capital funding provided delivers intended outcomes.***

3.9 The government agrees with the Committee's recommendation.

Target Implementation date: January 2026

3.10 DHSC and NHSE wish to note the importance of also reporting on the delivery of physical capital assets. There are several capital elements to planned care: an electives programme and a cancer and diagnostics programme.

3.11 Currently the National Diagnostic Board and the groups feeding into it play an important assurance role in the delivery of diagnostic capital projects and report on delivery

milestones as well as their impact on performance targets and alignment with policy objectives.

3.12 The monthly Elective Capital Programme Board has an important assurance function in the oversight of elective capital projects. This receives and scrutinises monthly reports on scheme completions, planned vs actual additional activity enabled from completed schemes and receipt of scheme post project evaluations.

3.13 Additionally, the monthly Elective Hubs Oversight Group receives performance reports for all surgical hubs, including on capped theatre utilisation (a measure of theatre productivity). It also receives reports from the national GIRFT hubs accreditation programme.

3.14 A National Institute for Health and Care Research (NIHR) Policy Research Programme evaluation of 2022-2025 Targeted Investment Fund schemes that are non-hubs will start in January 2026 and report in 2028.

3.15 From January 2026, the Diagnostic and Elective capital boards will merge to form a single Planned Care Capital Assurance Board, which will also monitor the delivery of capital projects which support cancer. This will consolidate existing work done within programmes to monitor outcomes and benefits and to report on the achievement of policy aims.

4. PAC conclusion: We are not confident that the Department is being realistic about the immense effort needed to reduce NHS elective care waiting times, and see a significant risk that digital solutions are being treated as a 'cure-all' as the 10 Year Plan is being implemented.

4a. PAC recommendation: NHSE and the Department should set out:

- **how the elective care transformation programmes are practically affected by the 'analogue to digital' shift in the 10 Year Plan;**

4.1 The government agrees with the Committee's recommendation

Recommendation implemented

4.2 The shift from analogue to digital underpins elective care transformation by enabling new models of care, operational change and improved use of data. Achieving this requires organisational and cultural change, not just technology. Digital adoption will continue to support efficiency gains, including improved waiting list validation and reduced Did Not Attend (DNAs).

4.3 Progress depends on replacing legacy systems, deploying interoperable Electronic Patient Records (EPRs), strengthening cyber security and ensuring transparent data governance. A secure, scalable infrastructure will also enable more care to be delivered in the community.

4.4 Digital diagnostics are increasing connectivity within and between networks, enabling shared requests, tests and results, improving productivity and supporting seamless pathways. The Federated Data Platform is helping optimise theatre use and accelerate discharge of long-stay patients. The AI Diagnostic Fund, active in over half of trusts, is advancing AI-enabled imaging. Ambient AI will reduce administrative burden for clinicians, increasing available capacity.

4.5 Transformation of the e-Referral Service will expand Advice and Guidance and Single Point of Access models to reduce unnecessary referrals and speed up triage in support of elective care. It will also introduce "any-to-any" referral capability across all care settings. Full connection of acute hospitals to the NHS App by April 2026 will support a shift away from

default in-person appointments, enabling wider use of remote monitoring, Patient Initiated Follow-Up (PIFU) and automated rescheduling.

4.6 Digital change will reinforce implementation of best-practice pathways, reducing unwarranted variation in follow-ups and freeing capacity, delivered alongside clinical and operational transformation rather than as a stand-alone solution.

4b. PAC recommendation: NHSE and the Department should set out:

- ***how it will solve the problem of legacy IT equipment and ensure that the IT systems used in different parts of the NHS are properly connected; and...***

4.7 The government agrees with the Committee's recommendation

Target implementation date: April 2026

4.8 NHSE and DHSC will publish the most recent outcomes from the Digital Maturity Assessment (DMA) in the near future. That work demonstrates the progress made over the course of the last year to improve the quality of infrastructure, but the government acknowledges the system is not where it needs to be.

4.9 Through the DMA the department is assessing the status of each organisation against a standardised set of key capabilities and will be working to tackle the gaps identified through a range of programmes, to start delivery in April 2026. This will include the Frontline Productivity programme which will focus on driving productivity gains through the effective implementation of systems as well as addressing legacy and cyber security remediation risks.

4.10 However, ultimately system and provider leadership teams are responsible for ensuring they maintain a compliant and appropriately modern technology stack, in conjunction with the national team where shared services are used. To that end, the government is looking to use existing and new oversight mechanisms to ensure digital maturity is appropriately considered by provider leaderships and at key touchpoints with DHSC and NHSE and will set out further detail in forthcoming publications.

4.11 To ensure IT systems are properly connected, Parliament recently passed the Data (Use & Access) Act which requires the department to set and to mandate the adoption of technical standards. The government is currently working through the implementation and enforcement approach to enact those regulations in order to drive compliance among the supplier base.

4c. PAC recommendation:

- ***.... whether the 10 Year Plan itself has sufficient funding to deliver the digital transformation required by the plan.***

4.12 The government agrees with the Committee's recommendation

Recommendation implemented

4.13 The government is providing record investment in the health and social care system. The 10 Year Health Plan is affordable within the Department of Health and Social Care's Spending Review 25 settlement and sets out the reforms to make the most of this investment.

4.14 In total the department is supporting the NHS to shift from analogue to digital with up to £10 billion in NHS technology and digital transformation by 2028-29, an almost 50% increase from 2025-26.

4.15 At Autumn Budget 2025, the government announced an additional £300m capital investment for vital NHS technology to drive NHS productivity and improve patient outcomes.

4.16 Productivity improvement is an integral part of the plan. For the next three years, the government has set the NHS an ambitious target to deliver 2% annual productivity growth, delivering £17 billion of savings for reinvestment in front-line services.

4.17 Departmental budgets beyond 2028-29 for Resource Departmental Expenditure Limits (RDEL) and 2029-30 for Capital Departmental Expenditure Limits (CDEL) will be announced at future spending reviews.

5. PAC conclusion: NHS England's performance to date has not demonstrated that it can secure the clinical engagement that will be necessary to transform waiting lists.

5. PAC recommendation: The Department should set out what it plans to do differently to secure clinical engagement on the outpatients transformation programme to improve waiting times.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2026

5.2 Securing clinical support, including royal colleges and specialist societies, is essential for successful outpatient transformation and has been the main challenge in previous transformation efforts. DHSC and NHS England are strengthening clinical engagement and ensuring clinicians are delivery partners in transforming planned care, as set out in the Elective Reform Plan, 10 Year Health Plan and Medium-Term Planning Framework. This transformation will deliver significant elements of outpatient care remotely or in community settings. This ambition aligns with the Royal College of Physicians' [Prescription for Outpatients](#) report, published in April 2025.

5.3 This engagement will strengthen the evidence base for reforms, foster broad clinical endorsement, and identify and resolve barriers to implementation. NHS England and DHSC have already begun engaging with clinicians to secure their support, holding a ministerial launch event at Downing Street and a summit on Urgent and Emergency Care and Outpatients, hosted by the Royal College of Surgeons. At these events Royal College leaders and National Clinical Directors of several medical and surgical specialties pledged their support with delivering transformed planned care. This is critical to delivery.

5.4 DHSC and NHS England will continue to use existing forums with Royal Colleges and Getting It Right First-Time specialty leads to test delivery, attend national specialty events and webinars to reach a wider set of clinicians and set up new forums as appropriate to work more closely with frontline clinical staff.

6. PAC conclusion: We are concerned that the Department for Health and Social Care and NHS England are still announcing major reforms without either delivery plans or secured funding.

6a. PAC recommendation: The Department should:

- **confirm to us that it will not announce unfunded commitments;**

6.1 The government agrees with the Committee's recommendation

Recommendation implemented

6.2 The government is prioritising record investment in the health and social care system, such that all the reforms and commitments that have been announced are affordable within the Department of Health and Social Care's settlement.

6.3 The NHS in England is receiving an over £15 billion real-terms increase in annual resource budgets by 2028-29 compared to 2025-26. As announced at the Autumn Budget 2025, the government is increasing DHSC's capital budgets to £15.2 billion by the end of the Spending Review period (2029-30), to invest in the NHS and wider health infrastructure.

6.4 DHSC has worked closely with Treasury to ensure that plans for merging NHSE and DHSC are affordable and deliverable, with the Autumn Budget 2025 announcing £860 million of funding reprofiled from later to earlier years to support ICB and organisational integration, while maintaining the overall RDEL envelope over the SR25 period. The merger of NHS England into DHSC provides an opportunity to strengthen accountability and align strategic financial planning with delivery of the 10-Year Health Plan.

6.5 Announcements from the department, and at the Autumn Budget, support the core ambitions of the 10-Year Health Plan. The government will aim to ensure that announcements are accompanied by a clear plan for delivery and affordability wherever possible and appropriate, recognising that detailed funding arrangements cannot always be made publicly available at the time of announcement.

6b. PAC recommendation: [The department should:]

- **set out the likely costs, with associated funding, together with an impact assessment, for the ICB redundancies and the absorption of NHS England; and...**

6.6 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

6.7 The department accepts the Committee's recommendation and will deliver a modernised health system through the integration of NHS England into DHSC and the associated restructuring of Integrated Care Boards (ICBs).

6.8 The department is committed to transparent, responsible, evidence-based policy making. The government will publish proportionate assessments to support the scale of reforms, to enable scrutiny.

6.9 The department plans to publish an impact assessment to support the required primary legislation. This impact assessment will focus on legislative changes to enable the transfer of functions from NHS England to the centre, or wider system.

6.10 The department is developing the operating model for the new centre at pace, together with the plans for transfer of people, functions and responsibilities. These secondary policy decisions and impacts, related to headcount reductions or structural changes, will be considered separately to the impact of the legislative changes. The decisions will be made in slower time and are dependent on the end-state agreed in Parliament.

6.11 ICBs will focus on strategic commissioning and move to the new operating model described in the model ICB blueprint.

6.12 The department's ambition is to halve headcount across DHSC, NHS England, and ICBs, by approximately 18,000 posts, saving over £1 billion annually by the end of Parliament. Further financial information will be disclosed in line with reporting and transparency commitments.

6.13 In the Autumn Budget 2025, the Chancellor announced that the Treasury would bring forward £860 million of the department's Spending Review 2025 (SR25) settlement to support with the upfront costs.

6c. PAC recommendation: [The department should:]

- ***set out how organisational changes at local level relate to, and are properly linked with, other partner organisations such as local authorities.***

6.14 The government agrees with the Committee's recommendation.

Recommendation implemented

6.15 ICBs are designing their new staffing structures – within the £19 per weighted head of population served – so that they can deliver the ambitions of the 10 Year Health Plan. Central to the Plan is a neighbourhood health service.

6.16 Local neighbourhoods, where care will be delivered around individuals, will come together under the strengthened Health and Wellbeing Board co-ordinating the different parties necessary to the improvement of the health and wellbeing of the local population, including the upper tier local authority itself and the ICB as the commissioners.

6.17 As local government reform progresses, there may be more beneficial consistency in the scale of Health and Wellbeing Board footprints as the whole of England moves towards having unitary/metropolitan borough authorities.

6.18 While there is currently uncertainty on future local government footprints in some part of the country, ICBs understand that they must have the future flexibility to operate effectively with local partners to deliver neighbourhood health together.

6.19 The department's [letter to the Committee](#) of 11 December 2025, providing further answers to the evidence session of 20 November 2025, addresses how the possible future delegation of ICB functions to local partners is being managed.

Fifty-Sixth Report of Session 2024-26

BBC

BBC Accounts and Trust Statement 2024-25

Introduction from the Committee

The BBC is a public corporation established by Royal Charter.² It is operationally and editorially independent of government, sponsored by the Department for Culture, Media & Sport (DCMS) and regulated by Ofcom. The current Charter runs from 1 January 2017 to 31 December 2027 and is due for review.³ The Charter sets the BBC's mission "to act in the public interest, serving all audiences through the provision of impartial, high quality and distinctive output and services which inform, educate and entertain." The BBC delivers television, radio and online services across the UK and internationally. It is primarily funded by the licence fee, supplemented by commercial income (including BBC Studios and global content sales).

The BBC publishes two statutory annual accounts audited by the NAO: the Television Licence Fee Trust Statement covering licence fee collection; and the BBC Group Annual Report and Accounts (ARA) outlining the BBC Group performance and finances, including how it spends income derived from the licence fee. For 2024–25, the NAO issued unqualified opinions on both sets of accounts, confirming that the financial statements were true and fair and complied with the relevant standards. The C&AG's report on the Trust Statement noted licence fee income trends, evasion levels and changes to licence fee administration in 2024–25.

In 2024–25, the BBC collected £3.8 billion of licence fee income and 23.8 million licences were in force at year end (2023–24: 24.1 million). The licence fee payable in 2024–25 was £169.50. The BBC generated other income of £2.1 billion in 2024–25, mainly from its commercial activities, and the BBC Group reported an in-year deficit of £132 million.⁶

The BBC World Service is included in the BBC Group accounts. Since 2016–17, it has been funded mainly by the licence fee, supplemented by grant funding from the Foreign, Commonwealth & Development Office (FCDO). In 2024–25, FCDO provided a grant of £104 million towards BBC World Service operating costs of £262 million.⁷ The BBC World Service plays a vital role in countering disinformation and supporting democracy and we plan to examine the World Service at a future session.

The governance, regulation and funding arrangements described above provide the framework for this report. The Committee's examination focuses on the licence fee: its level, how it has changed over time and non-payment, including reasons and consequences. We also consider the BBC's income from commercial and other sources, and how the overall funding mix affects what the BBC can deliver in terms of programmes and services for audiences.

Based on a report by the National Audit Office, the Committee took evidence on 15 September 2025 from the BBC. The Committee published its report on Friday 21 November. This is the BBC's response to the Committee's report.

Relevant reports

- NAO report: [BBC Group Accounts 2024-25](#)
- PAC report: [BBC Accounts and Trust Statement 2024-25](#) – Session 2024-26 (HC 1230)
- [BBC Group Annual Report and Accounts 2024-25](#)
- Ofcom report: [Media Use and Attitudes 2025](#)

BBC's response to the Committee

1. PAC conclusion: The BBC is not doing enough to enforce collection of the licence fee, which is unfair to the vast majority of households who do pay for a licence.

1a. PAC recommendation: The BBC should:

- **modernise licence fee collection and enforcement by developing and implementing approaches suited to monitoring online viewing.**

1.1 The BBC agrees with the Committee's recommendation.

1.2 This is an ongoing project, and while the BBC agrees with the end goal, it is not currently practical to set a firm timeline as it is highly dependent on consumer behaviour and other factors. TV Licensing (TVL) reports on its modernisation projects in the annual Licence Fee Trust Statement, and the Comptroller and Auditor General comments on our activities.

1.3 The key objective of TVL is to maximise the long-term licence fee revenue in a way which sustains public support.

1.4 The BBC welcomes the publication of the Government's Green Paper and the start of the public consultation on the future of the BBC. The BBC wants change, so it can continue to deliver for the UK for generations to come, and to secure a public service BBC that is independent, sustainably funded for the long-term, and meets audience needs.

1.5 The Comptroller and Auditor General includes the following opinion in his report: *'while recognising that no collection system can ensure that everyone meets their obligation to purchase a licence, I conclude that in 2024-25 the BBC had framed adequate regulations and procedures to secure an effective check on the assessment, collection and proper allocation of licence fee revenue, and that these regulations and procedures are being duly carried out.'*

1.6 The BBC notes that it publishes a sales target in the [Annual Plan](#) which is published in March each year as required by the Charter. This sets out the licence fee revenue budgeted for the year ahead. The 2025/26 budget reflects the licence fee price increase to £174.50. Combined with forecasts on household growth, TV penetration (the number of households that require a licence) and evasion, the BBC projects licence fee income for the year to be £3,899 million.

1.7 TVL's digital strategy has been focused on trying to drive digital engagement with customers, and that is also helping to control the cost of communicating. In 2024/25 the percentage of customers receiving an e-licence went up by 3% to 60%. The website is currently being upgraded. Within the business-as-usual operational plan (that is overseen by the BBC Board and reviewed by the National Audit Office (NAO)), improvements are sought in the customer journey to make sure it is as straightforward and efficient as it can be. TVL encourages engagement with customers on that digital journey.

1.8 Online viewing through a BBC account is based on an individual, whereas the TV Licence covers a whole household. The BBC is working on projects to link individual BBC accounts into households to better understand viewing habits.

1.9 General online viewing audience information is provided to the retentions team to facilitate conversations with customers. Agents are able to discuss programming that households may be enjoying and therefore need to stay licensed.

1.10 In terms of enforcement the BBC has used third party data to understand where there may be evasion to send targeted communications to households or addresses where there may be unlicensed use.

1b. PAC recommendation: The BBC should:

- **Report annually in the Television Licence Fee Trust Statement progress against targets for reducing “no-licence needed” declarations and evasion.**

1.11 The BBC disagrees with the Committee’s recommendation.

1.12 The focus of the Licence Fee Unit at the BBC is to ensure that operations are efficient, appropriate and proportionate and in that the Unit is overseen by the BBC Board and reported on by the NAO. The Unit has a statutory duty to collect the Licence Fee under the law, and for this reason it does take action against evaders in support of the vast majority who pay.

1.13 As noted by the NAO in section 1.4 of their report, ‘*Licence fee sales are impacted by wider trends in customer behaviours that are not within the BBC’s direct control*’. This means there is a rising population consuming no licensable content, which under the current arrangements means they do not need a licence. While the BBC seeks to deliver value to all households through provision of engaging licensable content, there is no activity that TVL can carry out to require a licence from a household that does not legally require one.

1.14 Currently there is no legal requirement compelling a household to register No Licence Needed (NLN) if they are not licensed. The NLN declaration made by some households can be a helpful mechanism, because it means correspondence can be paused for a period of time. This means that a higher number of genuine NLNs can improve efficiency of TVL operations.

1.15 The total number of NLN and new NLN claims are reported and monitored, but there is no target set for the number of customers who choose to make this declaration or not. The NLN volume is affected by the TVL policy of cancelling them after a year if they are not renewed which can distort trends.

1.16 In 2024-25, the overall number of premises (domestic and business) claiming ‘no licence needed’ was 3.64 million representing a 350k/10% increase. This was lower than the 16.2% increase the previous year.

1.17 The slower increase year-on-year in NLN declarations can be attributed in part to a change in TVL policy - households are now required to reconfirm their NLN declarations after one year to ensure that there has not been a change in viewing at the premises. Previously, this was every two years, however research indicated that habits can change more regularly.

1.18 The BBC therefore does not believe a target for NLNs would be appropriate.

1.19 TVL focuses on Licences in Force and implicit in that is minimising evasion. Reducing evasion is a focus of TVL activity in a very challenging environment. The BBC carries out trend modelling to forecast changes in licensable consumption and trends in evasion. Evasion is driven by a number of factors that are not in the direct control of TVL, so an evasion target is not considered appropriate. The BBC’s activities on collection and enforcement focus on availability of service and fair and proportionate treatment of customers.

2. PAC conclusion: The BBC has not adopted opportunities to digitise the licence fee, resulting in missed opportunities for cost efficiency and more customer engagement.

2a. PAC recommendation: To achieve cost savings and improve customer engagement, the BBC should in its response to this report:

- ***set a timeframe for moving to digital licences to further reduce reliance on costly paper licences and letters***

2.1 The BBC agrees with the Committees recommendation.

2.2 As noted by the NAO in section 1.10 of their report, '*The BBC is taking steps to minimise collection costs, for example by issuing 60.2% of licences electronically as of March 2025 – an increase from 57.2% in 2023-24.*'

2.3 The BBC currently sends Licences by email where the customer has opted in to an e-licence and has been increasing this number through communications to customers.

2.4 The BBC will consider the regulatory aspects and practicalities of making an e-licence the default position and will give an update on this in the Licence Fee Trust Statement for 2025/26.

2.5 The sending of paper licences is a small proportion of overall mailings. If all were removed this would lead to a saving of £200k p.a.

2.6 Bankers' Automated Clearing Services (BACS) regulations require letters to be sent to Direct Debit customers who have not signed up for digital communications when their payment plan changes. There are nearly 5million customers who are in this category who have not agreed to moving to digital communications.

2.7 The majority of letters sent are to unlicensed households and these mailings generate more in revenue than they cost to send, so more money can be spent on programmes and services. All mailings are managed in order to be sent at the lowest possible Royal Mail tariff.

2.8 Physical letters are required to correspond with unlicensed households where no contact details are held.

2b. PAC recommendation: the BBC should:

- ***set out its plans to capture and use customer email addresses to enhance digital engagement and streamline customer communications***

2.9 The BBC agrees with the recommendation.

Recommendation implemented

2.10 There is not currently any legal requirement for households to provide an email address to TVL. Digital engagement depends on encouraging take-up of digital communications which has been done with success, including an on-air 'go paperless' promotion, and an award-winning marketing campaign which encouraged households to sign up for digital communications.

2.11 TVL operates different schemes to provide customers with a range of ways to pay. Some of the smaller schemes (for example, cash schemes) do not have the systems capability to link email addresses with customer records. This could be adapted but would require expensive technology development for limited benefit. The BBC is open to considering scheme simplification where this might be helpful and this could be carried out as part of the Charter review.

2.12 For those schemes that do have system capability, TVL includes reminders to join digitally and provides QR codes in correspondence to make it easy to sign up.

2.13 In addition, the TVL operations teams ask customers to add email details to their TVL record in the following interactions:

- Front Office calls from the licence holder
- Simple Payment Plan signups in Field
- Back Office change of ownership requests where customer has asked to update the licence with a new email address
- Back Office Licence setup requests via email
- Back Office NLN setup

2.14 TVL has recently rolled out a process where visiting officers attempt to capture email addresses on interview so that the customer can receive a digital copy of the Record of Interview. It remains the case that a customer can decline to provide an email address.

2.15 TV Licensing continues to explain to households what they need a licence for, how to get licensed, and the support available for people in the form of concessions and easy ways to pay.

2.16 In partnership with the Department for Work and Pensions, TVL delivered a streamlined process for the application for a free licence in 2024/25 which enhanced the digital application process for eligible customers as well as driving efficiency in the TVL's own operation.

2c. PAC recommendation: the BBC should:

- ***outline the lessons learned from managing the Capita licence fee contract and how it will establish clear milestones and incentives in all areas of the business to increase income and reduce evasion.***

2.17 The BBC partially agrees with the recommendation.

2.18 Lessons learned from the Capita contract are shared across TVL and the wider BBC through a joined up strategic approach to procurement and contract management.

2.19 The main Capita contract delivers well on service levels for TVL, and a regime of continuous improvement is in place across the range of services.

2.20 The IT upgrade element of the contract has experienced delays, leading to the project being rated as a red risk. However, the contract provided for escalation to executives of the respective companies, and this occurred regularly over the last year. The NAO report stated, '*the BBC has continued to monitor Capita's IT upgrade work closely and to renegotiate payment schedules based on delivery of contracted commitments.*' As part of milestone payments there is a detailed set of acceptance criteria that are agreed and closely monitored.

2.21 As the upgrade programme progresses and other work is carried out; payment is on delivery and there is strong governance and oversight. External expertise is brought in where helpful to setting milestones to incentivise delivery.

2.22 Other contracts include payment based on success measures, also related to deliverables of projects and programmes of work.

2.23 However, the BBC does not believe that incentives on income or evasion reduction would be appropriate. Past contracts where this has been the case have led to concerns about fairness and proportionality of collection.

3. PAC conclusion: The BBC does not provide clear information about its commercial investments, or targets and actual returns from its commercial activities.

3. PAC recommendation: In addition to its commitment to report transparently in its Annual Report and Accounts on its current commercial returns target, the BBC should report annually on its returns on investment from commercial activities and how it has optimised use of its debt limit and cash reserves.

3.1 The BBC partially agrees with the Committee's recommendation.

Target implementation date: 2026 aligned with Ofcom and BBC Annual Report and Accounts publication.

3.2 The BBC is committed to report whatever is required under accounting regulations. While the BBC already also provides a substantial amount of information on its commercial activities in its Annual Report and Accounts, it will ensure that BBC Commercial's overall returns including dividends to the BBC Group are published annually in its Annual Report and Accounts.

3.3 The BBC Group already reports annually to Ofcom who monitor its commercial activities. Annual reporting to Ofcom includes detailed financial performance of BBC Studios and BBC Studioworks, its two core commercial businesses, including revenue, direct and common costs, and therefore both Gross Profit and percentage profit margin (Earnings Before Interest, Taxes, Depreciation, and Amortisation). The BBC Group's reporting obligations to Ofcom are detailed in the BBC's Annual Report and Accounts, along with its other general duties in relation to commercial activities.

4. PAC conclusion: Progress in developing new IP remains behind target, which in turn will limit sustainable long-term revenue streams.

4a. PAC recommendation: The BBC should:

- **set out in its response to this report how it will prioritise generation of new IP given its importance in delivering viewers and generating sustainable long-term returns**

4.1 The BBC agrees with the Committee's recommendation.

Recommendation implemented

4.2 BBC Studios makes and distributes some of the world's most sought-after content, as well as nurturing well-known brands and formats - both for the BBC, but also for other partners and platforms globally. Its mixed model means it is focused on developing new IP as well as nurturing existing IP and creating formats from it that are sold globally (for example, *Strictly Come Dancing* for the BBC, and *Dancing with the Stars* for the US market with Disney/ABC; or *Death Valley* which was one of the biggest Comedy launches in the UK in the last five years and which has now been sold to 100 markets globally). It also takes on work for hire with major international platforms and broadcasters, such as the award-winning *Baby Reindeer* and *Conclave*. The BBC operates under fair trading and has no internal quotas, so BBC Studios wins business with the BBC as part of a fair and competitive process. It is worth noting that the entire commissioning market has fallen over the last few years, which affects all producers.

4.3 BBC Studios is committed to developing long-term Intellectual Property (IP), which remains central to its strategy for growing the Global Content Studio. BBC Studios' mandate to drive long term sustainable returns means we will develop all IP which delivers value, albeit the BBC remains our biggest single customer.

4.4 Alongside BBC Studios-created IP, it also invests in and exploits third-party IP (for example, *Bluey* – the most-streamed show in the USA for two years running) to diversify the business and build future value, targeting opportunities and investing in sources that can ultimately generate Owned IP.

4b PAC recommendation: The BBC should:

- **report clearly on progress against its IP target in its Annual Report and Accounts, to support accountability.**

4.5 The BBC partially agrees with the Committee's recommendation

4.6 Revenue generated from IP is closely monitored by BBC Studios' management teams to assess performance and understand the contribution of its IP blend. BBC Studios already regularly reports on the success of its Owned IP and impact on profits in the BBC's Annual Report and Accounts, and it will continue to provide this level of transparency going forward but will not split out a specific IP target.

5. PAC conclusion: The BBC's mission to 'serve all audiences' is at risk as younger audiences choose other media providers, while the BBC's digital-first strategy could risk alienating non digital audiences.

5. PAC recommendation: The BBC should set out clearly in its response to this report how it will ensure access and engagement with all audiences, including innovation in digital access.

5.1 The BBC agrees with the Committee's recommendation.

Recommendation implemented

5.2 The BBC is committed to delivering outstanding value to all audiences as a universal public service, and to serving younger digital-first audiences and making services available to unconnected audiences. The BBC's digital-first strategy aims to serve all audiences, while keeping in line with its commitment to universality.

5.3 The BBC is the only UK brand in the top five most used for media by UK young people between the ages of 16-34. In 2024/25, 70% of under-16s used BBC TV/iPlayer, Radio or Online each week on average (69% in 2023/24). Half of under 16s used the BBC's children's and education services on average per week in 2024/25.

5.4 In the news market, BBC News is the most used provider, reaching 74% of UK adults on average per week in 2024/25 and peaking in the week of the UK General Election at 82% of adults overall and 71% of 16-34s.

5.5 2024/25 saw a 23% year on year increase in time spent with iPlayer. However, the BBC takes very seriously the risk of declining consumption among younger audiences and is exploring ways of delivering value to these audiences on popular third-party platforms (such as YouTube and TikTok) as well as on the BBC's own destinations (such as BBC One and BBC iPlayer). Engaging in these activities does not, however, necessitate closures to the BBC's broadcast portfolio of TV and radio services, which remain well-funded and delivering huge value to unconnected audiences who are among the BBC's heaviest users.

5.6 UNBOXD is the BBC's new engagement campaign for 16–24-year-olds. The campaign focuses on listening to what matters to young people and ensuring their needs are met as plans for the BBC's future evolve. The BBC will be publishing results of this in early February 2026, which will inform its future strategic planning for younger audiences.

5.7 The BBC Next Generation Committee (NGC) was established by the Director General in late 2017 to advise the BBC Executive Committee and Senior Leaders, ensuring younger people's voices and ideas are heard at executive level. The NGC is composed of 15-20 younger members of staff from across the organisation for a period of 12-18 months. In 2023/24, the Committee developed proposals on improving audience data literacy in content teams, expanding the BBC's online gaming offer, and developing the internal structures for staff communication and teamwork.

5.8 Collectively BBC Local platforms reach over 20 million people every week, alongside record downloads on BBC Sounds. The BBC's local cross-media reach (combining TV, radio and online) is currently 43.1%. The BBC's increased focus on BBC Local online services also reflects changing audience behaviour. Ofcom reported that 70% UK adults are now consuming news via online sources. And now for the first time, more people access BBC Local services online than listen to BBC Local Radio services. This is the result of a long-term trend, and the shift is not exclusive to the BBC.

5.9 The BBC shares, alongside the other UK Public Service Broadcasters, the government's ambition that any future digital transition is as smooth and equitable as possible for audiences. The BBC is fully engaged with the Department for Culture, Media and Sport's Future of TV Distribution process.

6. PAC conclusion: The BBC is a trusted institution but its relevance across the UK is under pressure.

6. PAC recommendation: As part of its response to this report, and in its Annual Report and Accounts, the BBC should clearly communicate how its Across the UK programmes and other initiatives will lead to better representation of the UK's local communities, to sustain trust and relevance in the future.

6.1 The BBC agrees with the recommendation.

Target implementation date: 2026 aligned with BBC Annual Report and Accounts publication, and to expand further in subsequent years.

6.2 The BBC welcomes the view of the Committee that it has responded to its past recommendations and that the key benefits of the programme are now clearly quantified. The BBC has responded in full to the Committee's previous recommendations.

6.3 Improving the audience portrayal is one of the key driving forces and benefits of the Across the UK programme. To date, the BBC has moved significant network programming and commissioning to the devolved nations and regions of England. The BBC believes that this has led to a greater diversity of voice and perspective in its content, representing more regions from across the UK, as well as investment in regional creative economies. The BBC intends to build on this as it develops its future plans.

6.4 The BBC has also increased the level of content commissioning from the Nations and Regions for Network services which has ensured greater representation of all parts of the UK on BBC services. In December 2025, the BBC announced it will reprioritise its budget to double investment in portrayal content from 2027/28. Improving audience portrayal and relevance is a long-term process, but the BBC is encouraged by early improvements in the Midlands and across the North of England as noted by the Committee. It has seen audiences to Nations' content grow as the portrayal commissioning builds in its impact and value.

6.5 However, there is further work to do to ensure that the BBC increases its relevance, reach and impact across every Nation and Region in the UK. The BBC will use audience measurement developed as part of the Across the UK programme to inform future

commissioning priorities and decision-making, as well as the BBC's corporate priorities in the longer-term. The BBC has also announced in December 2025 that it plans to move more Commissioners to bases across the UK.

6.6 The BBC can commit to sharing further information on an annual basis as part of the BBC Annual Report and Accounts which identifies the level of investment in its content from the Nations and Regions of the UK as well as audience data.

6.7 The BBC notes the Committee's comments on changes within BBC Local and the importance of smaller communities staying connected to the BBC. While the BBC Local strategy differs from Across the UK: Local Value for All, both share the goal of improving audience performance and ensuring BBC content remains relevant to all licence fee payers.

6.8 The BBC recognises that change can be challenging, particularly as content evolves to meet shifting audience habits in a digital world. All Local Radio stations continue to provide bespoke weekday Breakfast and Mid-Morning programmes - where audiences are strongest - alongside local news bulletins and sports coverage. The BBC remains fully committed to serving local communities and strengthening the performance of its services.

Treasury Minutes Archive¹

Treasury Minutes are the Government's response to reports from the Committee of Public Accounts. Treasury Minutes are Command Papers laid in Parliament.

Session 2024-26

Committee Recommendations: 452
 Recommendations agreed: 428 (95%)
 Recommendations disagreed: 24

Publication Date	PAC Reports	Ref Number
April 2025	Government response to PAC reports 1-4, 6-9	CP 1306
May 2025	Government response to PAC reports 5,10-17	CP 1328
June 2025	Government response to PAC reports 18-22	CP 1341
July 2025	Government response to PAC reports 23-26	CP 1367
August 2025	Government response to PAC reports 27-34	CP 1382
September 2025	Government response to PAC reports 35-42	CP 1404
December 2025	Government response to PAC reports 43-46 48 and 49	CP 1469
January 2026	Government response to PAC reports 50-55 (and 56 BBC)	CP 1488

Session 2023-24

Committee Recommendations: 271
 Recommendations agreed: 252 (93%)
 Recommendations disagreed: 19

Publication Date	PAC Reports	Ref Number
February 2024	Government response to PAC reports 1-6 [80 Session 22-23]	CP 1029
March 2024	Government response to PAC reports 7-11	CP 1057
April 2024	Government response to PAC reports 12-18	CP 1070
May 2024	Government response to PAC reports 19-24	CP 1085
September 2024	Government response to PAC reports 26-29, 31, 33-38	CP 1151
October 2024	Government response to PAC reports 25, 26, 30 and 32	CP 1174

Session 2022-23

Committee Recommendations: 551
 Recommendations agreed: 489 (89%)
 Recommendations disagreed: 62

Publication Date	PAC Reports	Ref Number
July 2022	Government response to PAC reports 1, 3 & 10	CP 722
August 2022	Government response to PAC reports 2, 4-8	CP 708
September 2022	Government response to PAC reports 9, 13-16	CP 745
November 2022	Government response to PAC reports 11, 12, 17	CP 755
December 2022	Government response to PAC reports 18-22	CP 774
January 2023	Government response to PAC reports 23-26	CP 781
February 2023	Government response to PAC reports 27-31	CP 802

¹ List of Treasury Minutes responses for Sessions 2010-15 are annexed in the government's response to PAC Report 52

Publication Date	PAC Reports	Ref Number
March 2023	Government response to PAC reports 32-36	CP 828
May 2023	Government response to PAC reports 37-41	CP 845
June 2023	Government response to PAC reports 42-47	CP 847
July 2023	Government response to PAC reports 48-54	CP 902
August 2023	Government response to PAC reports 55-60	CP 921
September 2023	Government response to PAC reports 62-67	CP 941
November 2023	Government response to PAC reports 68-71	CP 968
January 2024	Government response to PAC reports 72-79	CP 1000
February 2024	Government response to PAC reports 80 [1-6 Session 23-24]	CP 1029

Session 2021-22

Committee Recommendations: 362
Recommendations agreed: 333 (92%)
Recommendations disagreed: 29

Publication Date	PAC Reports	Ref Number
August 2021	Government response to PAC reports 1-6	CP 510
September 2021	Government response to PAC reports 8-11	CP 520
November 2021	Government response to PAC reports 7, 13-16 (and TM2 BBC)	CP 550
December 2021	Government response to PAC reports 12, 17-21	CP 583
January 2022	Government response to PAC reports 22-26	CP 603
February 2022	Government response to PAC reports 27-31	CP 631
April 2022	Government response to PAC reports 32-35	CP 649
April 2022	Government response to PAC reports 36-42	CP 667
July 2022	Government response to PAC reports 49-52	CP 722

Session 2019-21

Committee Recommendations: 233
Recommendations agreed: 208 (89%)
Recommendations disagreed: 25

Publication Date	PAC Reports	Ref Number
July 2020	Government responses to PAC reports 1-6	CP 270
September 2020	Government responses to PAC reports 7-13	CP 291
November 2020	Government responses to PAC reports 14-17 and 19	CP 316
January 2021	Government responses to PAC reports 18, 20-24	CP 363
February 2021	Government responses to PAC reports 25-29	CP 376
February 2021	Government responses to PAC reports 30-34	CP 389
March 2021	Government responses to PAC reports 35-39	CP 409
April 2021	Government responses to PAC reports 40- 44	CP 420
May 2021	Government responses to PAC reports 45-51	CP 434
June 2021	Government responses to PAC reports 52-56	CP 456

Session 2019

Committee Recommendations: 11
Recommendations agreed: 11 (100%)
Recommendations disagreed: 0

Publication Date	PAC Reports	Ref Number
January 2020	Government response to PAC report [112-119] 1 and 2	CP 210

Session 2017-19

Committee Recommendations: 747
Recommendations agreed: 675 (90%)
Recommendations disagreed: 72 (10%)

Publication Date	PAC Reports	Ref Number
December 2017	Government response to PAC report 1	Cm 9549
January 2018	Government responses to PAC reports 2 and 3	Cm 9565
March 2018	Government responses to PAC reports 4-11	Cm 9575
March 2018	Government responses to PAC reports 12-19	Cm 9596
May 2018	Government responses to PAC reports 20-30	Cm 9618
June 2018	Government responses to PAC reports 31-37	Cm 9643
July 2018	Government responses to PAC reports 38-42	Cm 9667
October 2018	Government responses to PAC reports 43-58	Cm 9702
December 2018	Government responses to PAC reports 59-63	Cm 9740
January 2019	Government responses to PAC reports 64-68	CP 18
March 2019	Government responses to PAC reports 69-71	CP 56
April 2019	Government responses to PAC reports 72-77	CP 79
May 2019	Government responses to PAC reports 78-81 and 83-85	CP 97
June 2019	Government responses to PAC reports 82, 86-92	CP 113
July 2019	Government responses to PAC reports 93-94 and 96-98	CP 151
October 2019	Government responses to PAC reports 95, 99-111	CP 176
January 2020	Government response to PAC reports 112-119 [1 and 2]	CP 210

Session 2016-17

Committee Recommendations: 393
Recommendations agreed: 356 (91%)
Recommendations disagreed: 37 (9%)

Publication Date	PAC Reports	Ref Number
November 2016	Government responses to PAC reports 1-13	Cm 9351
December 2016	Government responses to PAC reports 14-21	Cm 9389
February 2017	Government responses to PAC reports 22-25 and 28	Cm 9413
March 2017	Government responses to PAC reports 26-27 and 29-34	Cm 9429
March 2017	Government responses to PAC reports 35-41	Cm 9433
October 2017	Government responses to PAC reports 42-44 and 46-64	Cm 9505

Session 2015-16

Committee Recommendations: 262
Recommendations agreed: 225 (86%)
Recommendations disagreed: 37 (14%)

Publication Date	PAC Reports	Ref Number
December 2015	Government responses to PAC reports 1 to 3	Cm 9170
January 2016	Government responses to PAC reports 4 to 8	Cm 9190
March 2016	Government responses to PAC reports 9 to 14	Cm 9220
March 2016	Government responses to PAC reports 15-20	Cm 9237
April 2016	Government responses to PAC reports 21-26	Cm 9260
May 2016	Government responses to PAC reports 27-33	Cm 9270
July 2016	Government responses to PAC reports 34-36; 38; and 40-42	Cm 9323
November 2016	Government responses to PAC reports 37 and 39 (part 1)	Cm 9351
December 2016	Government response to PAC report 39 (part 2)	Cm 9389

Treasury Minutes Progress Reports Archive

Treasury Minute Progress Reports provide government updates towards the implementation of recommendations from the Committee of Public Accounts. These reports are Command Papers laid in Parliament.

Publication Date	PAC Reports	Ref Number
December 2025	Session 2017-19: updates on 2 PAC reports Session 2019-21: updates on 1 PAC report Session 2021-22: updates on 5 PAC reports Session 2022-23: updates on 24 PAC reports Session 2023-24: updates on 30 PAC reports Session 2024-26: updates to 25 PAC reports	CP 1453
March 2025	Session 2017-19: updates on 3 PAC reports Session 2019-21: updates on 1 PAC report Session 2021-22: updates on 9 PAC reports Session 2022-23: updates on 41 PAC reports Session 2023-24: updates on 36 PAC reports	CP 1284
May 2024	Session 2017-19: updates on 5 PAC reports Session 2019-21: updates on 1 PAC report Session 2021-22: updates on 10 PAC reports Session 2022-23: updates on 53 PAC reports Session 2023-24: updates on 6 PAC reports	CP 1102
December 2023	Session 2017-19: updates on 9 PAC reports Session 2019-21: updates on 2 PAC reports Session 2021-22: updates on 18 PAC reports Session 2022-23: updates on 48 PAC reports	CP 987
June 2023	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 11 PAC reports Session 2019-21: updates on 5 PAC reports Session 2021-22: updates on 29 PAC reports Session 2022-23: updates on 27 PAC reports	CP 847
December 2022	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 16 PAC reports Session 2019-21: updates on 14 PAC reports Session 2021-22: updates on 38 PAC reports Session 2022-23: updates on 8 PAC reports	CP 765
June 2022	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 27 PAC reports Session 2019-21: updates on 34 PAC reports Session 2021-22: updates on 30 PAC reports	CP 691
November 2021	Session 2013-14: updates on 1 PAC report Session 2016-17: updates on 3 PAC reports Session 2017-19: updates on 33 PAC reports Session 2019: updates on 2 PAC reports Session 2019-21: updates on 47 PAC reports Session 2021-22: updates on 5 PAC reports	CP 549
May 2021	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 1 PAC report Session 2016-17: updates on 4 PAC reports Session 2017-19: updates on 47 PAC reports Session 2019: updates on 2 PAC reports Session 2019-21: updates on 28 PAC reports	CP 424

Publication Date	PAC Reports	Ref Number
November 2020	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 1 PAC report Session 2016-17: updates on 7 PAC reports Session 2017-19: updates on 73 PAC reports Session 2019: updates on 2 reports	CP 313
February 2020	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 1 PAC report Session 2015-16: updates on 3 PAC reports Session 2016-17: updates on 14 PAC reports Session 2017-19: updates on 71 PAC reports	CP 221
March 2019	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 4 PAC reports Session 2014-15: updates on 2 PAC reports Session 2015-16: updates on 7 PAC reports Session 2016-17: updates on 22 PAC reports Session 2017-19: updates on 46 PAC reports	CP 70
July 2018	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 4 PAC reports Session 2014-15: updates on 2 PAC reports Session 2015-16: updates on 9 PAC reports Session 2016-17: updates on 38 PAC reports Session 2017-19: updates on 17 PAC reports	Cm 9668
January 2018	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 5 PAC reports Session 2014-15: updates on 4 PAC reports Session 2015-16: updates on 14 PAC reports Session 2016-17: updates on 52 PAC reports	Cm 9566
October 2017	Session 2010-12: updates on 3 PAC reports Session 2013-14: updates on 7 PAC reports Session 2014-15: updates on 12 PAC reports Session 2015-16: updates on 26 PAC reports Session 2016-17: updates on 39 PAC reports	Cm 9506
January 2017	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 5 PAC reports Session 2014-15: updates on 7 PAC reports Session 2015-16: updates on 18 PAC reports	Cm 9407
July 2016	Session 2010-12: updates on 6 PAC reports Session 2012-13: updates on 2 PAC reports Session 2013-14: updates on 15 PAC reports Session 2014-15: updates on 22 PAC reports Session 2015-16: updates on 6 PAC reports	Cm 9320
February 2016	Session 2010-12: updates on 8 PAC reports Session 2012-13: updates on 7 PAC reports Session 2013-14: updates on 22 PAC reports Session 2014-15: updates on 27 PAC reports	Cm 9202
March 2015	Session 2010-12: updates on 26 PAC reports Session 2012-13: updates on 17 PAC reports Session 2013-14: updates on 43 PAC reports	Cm 9034
July 2014	Session 2010-12: updates on 60 PAC reports Session 2012-13: updates on 37 PAC reports	Cm 8899
February 2013	Session 2010-12: updates on 31 PAC reports	Cm 8539

