Annual Report and Accounts 2025/26
For the year ended 31 March 2026

HC 489

Annual Report and Accounts 2025/26

(For the year ended 31 March 2026)

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Foreward

Helen Gillett, Interim Chair

I am proud of the progress the Government Property Agency (GPA) continues to make towards its vision of a transformed, smaller, better and greener government office estate – one that enables civil servants to work productively in every nation and region of the UK.

2025/26 has been a year of real achievement. Despite the challenging financial environment across government, the GPA has demonstrated genuine resilience, delivering meaningful results for its departmental partners and for the taxpayer.

The reduction of the London portfolio from 79 to 28 buildings, combined with meeting 80 per cent of London space demands within the existing estate footprint, reflects the kind of disciplined, value-driven approach that defines the GPA at its best. The commencement of construction at Brunswick Street, the new permanent home of the Darlington Economic Campus and the significant cost reduction achieved on Manchester Digital Campus (MDC) are further testament to the organisation's growing delivery confidence.

I am also encouraged by the improvement in client and customer satisfaction. Reaching a client satisfaction score of 67 per cent – above our target – and a five per cent increase in overall customer satisfaction are positive signs that the GPA's partnerships are strengthening. There is more to do, and the organisation knows it, but the direction of travel is clear.

Having accepted the role of Interim Chair in September 2025, I have been consistently impressed by the dedication and professionalism of GPA colleagues. The organisational changes undertaken through the Continuous Improvement Programme (CIP) and the Organisational Design and Development Programme (OD&D) have laid stronger foundations, and I have seen the results of that work reflected in improved engagement scores and a more confident, cohesive organisation.

The board has played an active role in providing oversight and challenge throughout the year and I am grateful to my fellow Non-Executive Directors (NEDs) for their commitment and expertise. As we move into 2026/27 – a year that will shift from stabilisation to large-scale delivery – I am confident the GPA has the capability and the purpose to rise to that challenge.

I would like to thank all GPA colleagues for their hard work and commitment this year. The estate they manage matters to millions of people across the country, and their efforts in delivering it well are genuinely valued.

Foreward

Mark Bourgeois, Chief Executive Officer

The 2025/26 financial year has been a significant one for the GPA, where we delivered notable benefits and further stabilised the organisation, whilst navigating a challenging operating environment.

I am proud of the milestones achieved this year, which reflect the dedication of GPA colleagues and the strength of our partnerships. A central theme has been organisational transformation. We implemented the first two phases of the OD&D, launching a new matrix operating model and leadership structure designed to increase agility and clarify accountability. Supporting this, we embedded core values – striving for excellence, empowering through respect, succeeding together and acting with integrity – which contributed to a more transparent and collaborative culture.

I was pleased to see a four per cent improvement in People Survey engagement scores to 66 per cent. We still have a way to go, but progress is evident.

Continuing with our mission to create a smaller, better, greener office estate, we closed 14 buildings across London and the regions, reducing the London portfolio from 79 to 28 buildings since the programme began. The closure of 10 Victoria Street alone will save £8.8 million per year, representing £113.7 million in net present social value over 20 years. Combined with other Plan for London (PfL) closures, The Rookery, Clive House and Temple Chambers, we have secured approximately £17.5 million in annual savings within the programme's first year.

On the capital programme, we have made progress at Brunswick Street in Darlington, where construction commenced in January 2026, marked by a groundbreaking ceremony attended by the Chancellor of the Exchequer. The 26 Whitehall Government Hub was declared ready for service in July 2025 and HM Treasury approved the Outline Business Case for MDC in March 2026. We also invested £65.0 million in our Lifecycle Replacement (LCR) programme, completing 151 LCR projects with more in train to keep the estate safe and compliant.

Continued progress has been made in enhancing digitally-enabled offices:

- GovPass now serves over 173,000 users across 73 locations.
- GovPrint has been rolled out to 244 locations this year, now totalling 355 locations.
- GovWifi supports 970,000 active users.

GPA digital maturity reached the upper threshold of "Good" within the Government Digital Service (GDS) Digital and Data Maturity Framework. Operationally, GPA colleagues have embraced the adoption of contemporary digital tools and large language models with evident improvement in agility and collaboration across the agency.

We made further progress on Net Zero targets, saving c. 550 metric tonnes of carbon dioxide equivalent (tCO_2e), implementing initiatives including the installation of 1,339 solar panels across five buildings. Whilst the target of 1,000 tCO_2e was missed, in total the team delivered 55 Net Zero projects across the estate.

Transparent and collaborative support of our department clients has been central to operational stabilisation, so it was encouraging to see the client satisfaction score of 67 per cent, represented a 10 per cent increase over three years and exceeded the 65 per cent target. I am determined that we maintain this positive trajectory as the organisation further stabilises.

While acknowledging these successes, I also recognise areas for improvement.

- The Government Internal Audit Agency (GIAA) work this year concluded with a “Limited” assurance opinion. While colleagues have worked hard to stabilise operations and drive improvement, we recognise that further work is needed to strengthen the underlying control environment, firm up governance, build resilience and further enhance our approach to risk.
- Furthermore, notwithstanding the opportunity and benefits associated with MDC, as the Infrastructure Delivery Agent, the programme presents significant risks to the GPA and I am determined to accelerate provision of sufficient capacity and capability to deliver the project, wrapped into the governance of this complex cross department programme. We are not there yet.
- We operate in a demanding and fast paced delivery environment, which can be tough for staff. In this context, wellbeing remains an area of concern. We have strengthened the Mental Health First Aider network and will launch a new People Strategy in 2026/27 to address these critical issues.
- I also acknowledge that front line FM service delivery remains inconsistent for our departmental partners and we will continue to target improvements to our FM delivery model, including considering opportunities for insourcing services in alignment with the Chancellor of the Exchequer’s announcement on ending outsourcing by default.

Whilst mindful of the risks and challenges ahead, I am excited about the prospects for the agency. As we further stabilise, adopt a transparent and more digital culture and deliver excellent working environments for our departmental partners, we are well positioned to accelerate the delivery of a smaller, better, greener, more digitally-enabled office estate for the government. In doing so we support the “re-wiring of the state” and the evolution of a more agile Civil Service.

I would like to thank our dedicated board, notably the interim board Chair Helen Gillett and every colleague for their hard work and commitment, as well as our partners for their continued collaboration and support. Together, we will continue to shape a sustainable, value-driven estate that supports government missions and the communities that we serve.

Performance overview

This section sets out a summary of the GPA's performance over the year. It outlines the mission, structure and objectives of the organisation, alongside a brief summary of the activities undertaken within the year to deliver against the GPA's ambitions and the risks identified to success.

Who we are

Established in 2018 as an Executive Agency of the Cabinet Office, the GPA is governed by a board with extensive expertise in property management, investment and development as well as customer service and public sector leadership.

GPA operating environment

2025/26 marked a further year of stabilisation for the GPA, with a focus on delivering a sustainable, high-quality service to its departmental partners through improved operational performance. Economic pressures and a constrained financial environment across HM Government and its departmental partners continued to shape funding priorities and present delivery challenges. Key areas of focus during the year to support continuing initiatives to strengthen controls and processes included an organisational design review to consider the size, skills and capabilities for the GPA to deliver its desired strategic outcomes, continuous improvement of core processes and controls, a review of governance arrangements and investment in stakeholder and customer relationships. These developments represent important steps in enhancing the GPA's operational effectiveness and resilience, providing a stronger foundation to support future strategic ambitions.

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

GPA mission
Work collaboratively with government departments to deliver a smaller, better, greener office estate, stimulating economic growth across the UK and bringing civil servants closer to the communities they serve.

How the GPA is structured

The GPA evolved its operational structure during 2025/26 to simplify its operating model and enable a move to a more matrix-management oriented model. This model is enabling more effective collaboration with teams across the GPA's parent department, the Cabinet Office, with its sponsor the Office of Government Property (OGP) and more widely with partners across government.

CEO's Office: The CEO Office actively manages the agency's priorities, serving as the functional lead to drive professional standards and digital ways of working for the entire executive support community and ensuring private offices operate with the same strategic rigour. It also manages the interface with Parliament and the public, ensuring the GPA's narrative is consistent, accurate and aligned.

Strategic Delivery and Advisory Directorate: The Strategic Delivery and Advisory Directorate ensures alignment with organisational intent, government policies and departmental priorities, providing the expert advice and evidence-based insights necessary to successfully deliver.

Investment Directorate: The Investment Directorate acts as the GPA's investment engine and corporate landlord, leading all major property decisions and transactions, and ensuring robust investment decisions that underpin project delivery and long-term asset stewardship and management.

Capital Projects Directorate: The Capital Projects Directorate is responsible for translating the organisation's approved capital investment decisions into fully designed, built, sustainable and operational assets, and maintaining them throughout their life, for the benefit of its clients.

Workplace Services Directorate: The Workplace Services Directorate operates as the agency's service operator and customer champion, managing the delivery of day-to-day facilities management, operational assurance and great workplaces.

Finance Directorate: The Finance Directorate operates collaboratively and innovatively as a centre of excellence in providing commercial, financial, legal and governance expertise, delivering across the GPA. Finance act as a vital partner to stakeholders by providing insights and constructive challenge, supporting compliance and enabling the GPA to execute on strategy while influencing future direction.

COO Directorate: The Chief Operating Office (COO) Directorate enables the GPA to operate as effectively and efficiently as possible by delivering value, adding services that empower its people, teams and GPA customers to succeed. The directorate is also responsible for driving the digitalisation of the GPA's operations and the services it provides to client partners.

Strategic partners: Strategic partners enable delivery of high-quality, cost-effective projects that generate social value by leveraging specialist services and promoting collaboration, further enhanced through the adoption of NEC4 contracts.

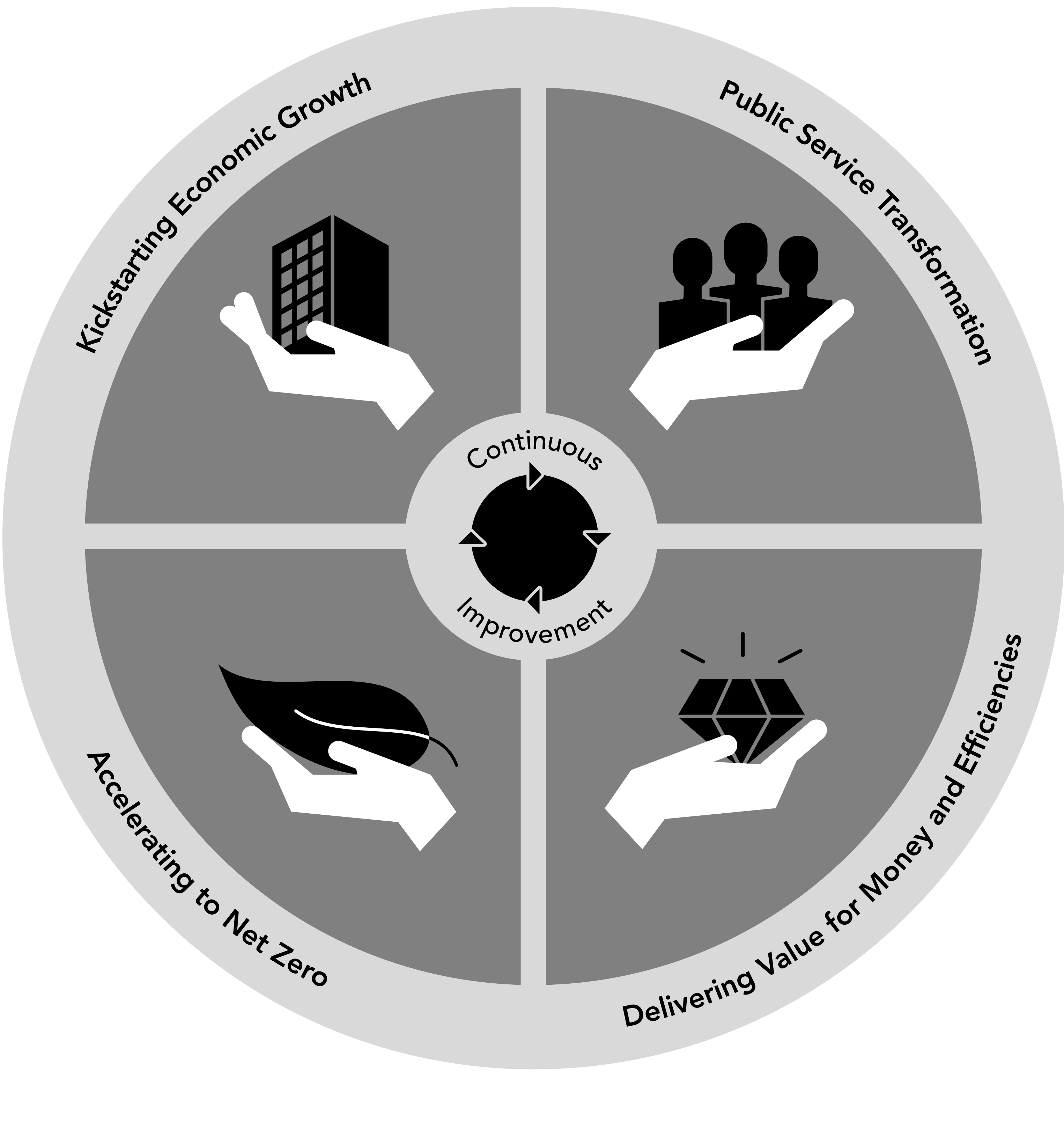
Strategic objectives

Strategic focus

The GPA continues to uphold its four strategic objectives aligning with its evolving 10-year strategy while adapting to new challenges and opportunities. The GPA's vision, mission and objectives directly align with Modernisation and Reform, and the Plan for Change.

Long-term strategic objectives

The GPA delivers its long-term strategic objectives through a portfolio of integrated initiatives and programmes. Collectively, these efforts are focused on achieving significant reductions in operating costs and carbon emissions, eliminating barriers between government departments and successfully broadening access to diverse talent across Civil Service careers through development and provision of high-quality office space across the nations and regions. The performance and delivery of this portfolio are rigorously measured and formally reported against the specific targets set out in the Business Plan and further assessed through a comprehensive suite of Key Performance Indicators (KPIs).



Business Plan Targets

The GPA's 2025/26 Business Plan includes six cross-cutting targets that support the delivery of government missions, its strategic objectives and continuous improvement ambitions as the organisation works to stabilise its controls and processes following an extended period of expansion.

These targets are:

1. Maximise value from the office estate.
2. Increase client and customer satisfaction.
3. Deliver an office estate that is sustainable and suitable.
4. Enhance technology, digital, data systems and skills.
5. High-performing, inclusive and collaborative organisation.
6. Develop better processes and systems.

The multi-faceted impact of these targets is indicated by the below icons in the performance analysis section of this report.

Icon Key

SO1 Kickstarting economic growth

SO2 Public service transformation

SO3 Accelerating to Net Zero

SO4 Delivering value for money and efficiencies

CI Continuous Improvement

Performance highlights

Business Plan Target 1 – Smaller

1

Delivered 1 Government hub

Regional hub delivery key milestones met – Neptune, Manchester First Street, Brunswick Street, Darlington

14

14 buildings closed – 4 London, 10 regional

2.6 per cent

Vacant (void) space less than 3 per cent target

7.6 per cent

Reduction in private landlord rent payable secured (target 5 per cent)

Manchester Digital Campus outline business case approved

Business Plan Targets 2 and 4 – Better

67 per cent

Client Satisfaction (target 65 per cent)

62 per cent

CRM utilisation rate (50 per cent target)

GovPass live at **73 sites** (target 69)

GovPrint delivered to **245 locations** (target 220)

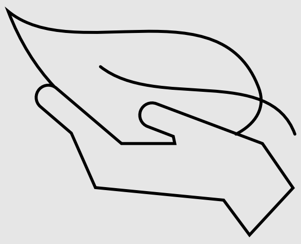
970,000

GovWifi – active users **555,000** individuals using interoperably at multiple locations

99.99 per cent

All GPA delivered Tech Services met or exceeded target

Business Plan Target 3 – Greener



Net Zero Programme – Delivery Strategy launched

Net Zero interventions yielded utility savings of

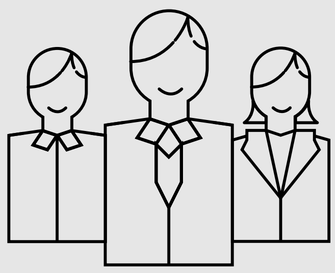
£232,000

and energy savings of **2.85 Gigawatt-hours**

220

LCR intervention projects delivered (target 170)

Business Plan Targets 4, 5 and 6 – High Performing



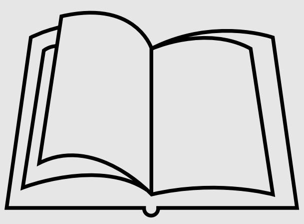
GPA values launched and embedded

1 2

Completed Phases 1 and 2 of the **OD&D**

2025/26 People Survey results key metrics improved

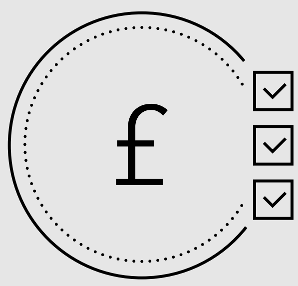
Employee engagement score improved from 62 per cent to 66 per cent



Increased required learning compliance from 34 per cent to **93 per cent**

£25.4 million

Commercial savings (target £20 million)



Operating within **10 per cent** of budget

Performance summary

Illustrative activities that contribute to each Business Plan target are presented below with further detail included in the performance analysis section.

Business Plan Target	Activities	Outcome
1 Maximise value from the office estate	• Developing a strategic approach to office estate rationalisation, guided by a comprehensive analysis of supply and demand needs of departmental partners, financial implications and the goal of securing high-quality accommodation across the UK. • Creating and updating portfolio plans that provide an overview of the government office portfolio in selected locations utilising property market intelligence, monitoring lease events and correlating with current and future headcount projections. • Engaging closely with departmental partners, local authorities and other stakeholders to explore alternative delivery routes that meet long-term planning considerations following the Spending Review 2025 (SR25) conclusion. • Creating modern accessible offices through the Government Hubs and the Westminster Campus Programmes[1].	Met
2 Increase client and customer satisfaction	• Leveraging robust engagement, collaboration and data-driven insights to enhance departmental partner experiences and deliver great places to work for civil servants. • Maintaining operational excellence supported by the client relationship management (CRM) system. • Strengthening collaboration by involving multiple government departments in co-designing solutions. • Executing key initiatives, including the PfL and the expansion of the client engagement framework.	Partially Met

[1]Formerly known as the Hubs and Whitehall Campus (WHC) Programme, this project was offboarded from the Government Major Projects Portfolio (GMPP) during 2025/26 following the WHC component being moved to the Plan for London estate rationalisation programme. As part of its annual strategic risk.

Business Plan Target	Activities	Outcome
3 Deliver an office estate that is sustainable and suitable	• Focusing on major capital investments to enhance the condition of the office estate. • Advancing strategies for long-term sustainability. • Continuing the delivery of the Net Zero and LCR programmes. • Mitigating the risk of forced labour in the solar panel manufacturing supply chain by appointing a SMETA-complaint provider for panels installed on government buildings.	Partially Met
4 Enhance technology, digital, data systems and skills	• Embedding digital and data services, aspiring to a ‘Good’ rating within the GDS Digital and Data Maturity Framework. • Strategically adopting AI, establishing it as a core intelligence layer to fundamentally enhance collaboration and productivity. • Enhancing digital and property technology services for clients and customers, improving property operations and documentation management. • Expanding key services such as GovPass (universal building access), GovWifi (multi-user wifi services) and GovPrint (multi-user print services), while maintaining high service availability.	Partially Met
5 High performing, inclusive and collaborative organisation	• Integrating new GPA values into core HR processes. • Fostering higher performance and collaboration through enhanced internal communications and major upskilling initiatives. • Progressing the strategic transition to a new target operating model by completing phases one and two of OD&D, launching a new high-level matrix-management based operating model and leadership structure.	Substantially Met

Business Plan Target	Activities	Outcome
6 Develop better processes and systems	• Driving increased efficiency, further developing processes and reducing risk through the CIP. • Boosting resilience through the completion of year one of the Security Strategy and the implementation of the ‘Secure by Design’ standard across all technology projects. • Strengthening governance by launching a revised risk policy, simplifying strategic risks and reducing legacy risks in technology projects. • Enhancing procurement and contract management processes.	Substantially Met

Summary of key risks

As part of its annual strategic risk review in 2025/26, the GPA has transitioned from tracking numerous, highly granular risks (22 in total in 2024/25) to managing nine consolidated strategic themes that address broader, more systemic issues. This shift ensures comprehensive coverage while focusing management attention on core areas of concern.

Table 1 below details the consolidation of previous strategic risks into the nine new strategic themes.

Table 1: Mapping of previous strategic risks to new strategic themes

New strategic risk theme	Previous strategic risks consolidated	Core focus
Health and safety	• No change. Direct one:one carryover from the previous "Health and Safety" risk.	• Continuing focus on the fundamental duty of care to prevent fatalities, injuries, or loss of assets.
Operational maturity	• Effectiveness and joining up of the GPA's operating model. • Key supplier insolvency. • Procurement law transactions. • Client perception. • AI and the influence of technology firms.	• The impact of long-term funding and resource constraints on the operating platform, internal systems, organisational culture and supply chain oversight.
Financial	• Inflation risks and impacts. • Control total overspend. • Forecasts and billing. • Financial risk with major projects. • Financial model. • Commercial capability and capacity.	• The challenge of uncertain funding models, specifically their mismatch with long-term commitments, financial volatility and complex project delivery requirements.
Transformation and deliverability	• MDC. • Westminster Campus. • Condition. • Strategic future of the GPA. • Client demands. • Client occupancy agreements.	• The tension between the significant scale and pace of required transformation and the capacity to sustain core operational delivery.

New strategic risk theme	Previous strategic risks consolidated	Core focus
People and wellbeing	• People, capability and capacity. • Leadership capability.	• The effect of workload pressures, wellbeing and burnout on productivity and the organisation's collaborative culture.
Strategic direction and policy alignment	• Climate change. • Geopolitical.	• How a volatile operating environment and external pressures can cause misalignment between external expectations and internal delivery capabilities.
Security	• N/A (previously part of a single risk labelled 'Security').	• Physical maturity to prevent injury and fatalities, management of assets and security of buildings.
Cyber security	• N/A (Previously part of a single risk labelled 'Security').	• Digital vulnerabilities, legacy systems and the threat of cyber attacks.
Managing GPA portfolio	• N/A (new dedicated risk as of 2025/26).	• Risks associated with inadequate property acquisition, lease management decisions and ensuring sufficient due diligence.

As with the previous strategic risks, these new themes have been mapped to Business Plan objectives to ensure the GPA is effectively managing risks to its key priorities. The Governance Statement reports in more detail on these key strategic risks, the management thereof and accountability measures.

Performance analysis

The performance analysis summarises key deliverables and progress made against the six Business Plan targets during 2025/26. The milestones highlight areas of progress and achievement, while work continues to strengthen plans and performance metrics to support effective monitoring of future delivery.

Business Plan Target 1:
Maximise value from the office estate
GPA Mission: Smaller

What we said we would do	What we did
Complete one Government Hub	• **26 Whitehall –** Ministerial space for the Department for Science, Innovation and Technology (DSIT) – achieved practical completion in May 2025, ready for service on 21 July 2025 concluding the 22-26 Whitehall hub project. • Additionally, the **Belfast and London projects** for the Independent Commission for Reconciliation and Information Recovery (ICRIR) achieved practical completion in April 2025, providing secure space for the enquiry.
Progress seven committed capital projects to agreed RIBA stages	• **Manchester First Street –** Eight-storey building for approximately 2,600 civil servants. RIBA 5 works started in February 2026, with ready for service scheduled for Q1 2027. • **Brunswick Street, Darlington –** Four-storey building for more than 1,600 civil servants, featuring dedicated campus facilities and a business engagement centre to strengthen regional ties with businesses, schools and local government. Entered into contract with Kier Group in December 2025, with RIBA 5 works started in January 2026 and ready for service scheduled for March 2028. • **York Central –** Consolidating government departments into a modern regional facility, supporting the move of roles out of London. RIBA 3 fit-out design scheduled to commence in September 2026, agreement for lease with developer scheduled for February 2028, RIBA 5 fit-out works to start December 2029, ready for service due August 2030. • **Temple Quay House, Bristol –** A large-scale refurbishment of an existing government leasehold building that will accommodate around 2,300 civil servants, bringing it up to modern office standards, resolve maintenance issues and achieve significant carbon savings by connecting the space to the Bristol District Heat Network, enabling the release of three other properties from the estate. While delays continue to be experienced, refurbishment works are progressing and ready for service is targeted for early 2027.

What we said we would do	What we did
Progress seven committed capital projects to agreed RIBA stages	• **European Centre for Medium-Range Weather Forecasts (ECMWF), Reading –** A turnkey design and construction project being delivered by the GPA for DSIT, creating a high-specification, low-carbon headquarters. The new facility will support around 300 scientists engaged in advanced weather forecasting, research and training. Procurement for the Cat C (bespoke fit-out) phase commenced in December 2025 and concluded in April 2026, with ready for service expected in early 2027. • **Project Neptune –** A departmental partner funded project, involving the delivery of a refurbished temporary headquarters facility to accommodate 1000 FTE. Neptune went into service on 1 December 2025. • **Sanctuary Buildings** (Caxton House closure phase 1) – The main building contract has been awarded, RIBA 4 design concluded and refurbishment works started on site for completion in 2026/27.
Close 10 buildings in line with the Asset Register and Disposal Strategy	Closed 14 buildings across London and the regions **London Whole Building Exits 2025/26:** • Temple Chambers – exited on lease expiry in March 2026. • 10 Victoria Street, London – exited on lease expiry in February 2026. • Clive House, London – exited on lease expiry in September 2025. • The Rookery – exited on lease expiry in September 2025. **Regional Whole Building Exits 2025/26** • Mythop Road, Blackpool – exited in March 2026. • Yorkshire & Humberside Fire & Rescue Centre, Wakefield – exited in March 2026. • Bridge House, Guildford – exited on lease expiry in August 2025. • Queensway House, Billingham – exited on lease expiry in September 2025. • Lemon Quay House, Truro – exited on lease expiry in September 2025. • Princes Court, Leicester – exited on lease expiry in March 2026. • Carmelite House, Norwich – exited on lease expiry in March 2026. • Capital Tower, Cardiff – exited on lease expiry in February 2026. • Stuart House, Peterborough – exited on lease expiry in January 2026. • 7 Park Row, Leeds – exited on lease expiry in September 2025.

What we said we would do	What we did
Close 10 buildings in line with the Asset Register and Disposal Strategy	Delays experienced in the complex refurbishment of Temple Quay House in Bristol resulted in a number of planned exits in the city not being completed as scheduled. These are: • 2 Rivergate – lease ends in March 2027; • Berkeley House; and • The Quorum – current expiry is September 2026. Adjustments to lease lengths are being negotiated to enable the closure of these offices once ready for service has been achieved at Temple Quay House.
Manage unused office space effectively	Over the course of the year void cost remained below three per cent of total income. This does not include the cost of temporary void space linked to space being held vacant to enable capital works to progress safely and efficiently.
Seek to reduce rent payable by 5 per cent through lease expiry, consolidation and negotiated rent reductions	Reduced rent payable by 7.6 per cent.

Throughout 2025/26, the GPA continued to demonstrate value-for-money by effectively managing the office estate, driving transformation through Government Hubs and the Westminster Campus Programmes, delivering high-quality, flexible workplaces for civil servants and working collaboratively with supply chain, departmental and wider public sector partners to pursue innovation.

Other key highlights include:

Estate and financial management

As of 31 March 2026, the GPA-managed office estate comprises 212 properties (2024/25: 221 properties), providing c. 900,000 square metres of floorspace. The GPA's portfolio comprised 91 multi-lets, giving rise to 583 occupation agreements and lease receivables.

- **Investment:** Invested £152 million (2024/25: £148 million) across 11 in-flight and completed projects which had achieved various levels of business case approval.
- **Financial savings:** Realised annual cash savings of **£8.4 million** (2024/25: £10.0 million) from routine asset management activity (as of 31 March 2026). This was achieved through negotiating lease re-gears, rent reductions, rent-free periods, rating appeals and service charge refunds. This also includes **£5.9 million of gainshare** (2024/25: £5.0 million of gainshare) where the GPA shares in the savings where it is able to use its skills to deliver workspaces at prices better than those widely available in the market.
- **Portfolio movements:** Negotiated **26 individual leases** and managed **14 lease exits** resulting in the acquisition of 18 properties (totalling 40,345 square metres) and 14 building exits (totalling 31,840 square metres). These movements resulted in a net increase in occupied space under GPA management of 8,505 square metres.
- **Asset transfer:** Completed phase two of the asset transfer of the Insolvency Service, with the remaining five assets transferred (Exeter, Birmingham, Croydon, Newcastle, Nottingham), totalling 11 assets on completion. Following the Arms Length Body (ALB) review, two UK Space Agency office assets (Harwell and Leicester) were transferred to the GPA and portfolio services were expanded to four other GPA/HMRC sites (Edinburgh, Cardiff, London and Swindon).

Rationalisation, savings and efficiencies

- **London estate consolidation:** Closed four central London buildings, as detailed in the PfL case study on page 25, saving £17.5 million in annual running costs (2024/25: six non-core building closures, realising net annual savings of £33.4 million). Actual building closures in any year are dependent on the timing of lease expiries and break clauses. As of 31 March 2026, the London portfolio has been rationalised from 79 to 28 buildings (2024/25: 32 buildings).
- **Estate efficiency:** Met **80 per cent of London space demands** from within the existing estate by identifying void space or challenging departments to better use space. In Peterborough, underused space was reorganised to avoid the need for another lease elsewhere.
- **Strategic regional investments and optimisation**: Executed a nationwide programme of regional capital investments and space rationalisation:
  - **Investments:** Signed the lease for the Great British Energy (GBE) headquarters in Aberdeen and prepared a major capital renovation in **Swindon** to consolidate and transform an asset to address vacancies.
  - **Regional hub restacking:** Drove footprint optimisation in Newcastle, Cardiff and Manchester, completing intra-building moves in Cardiff and restacks at Fletton Quays, Peterborough.

  – **In-situ reconfigurations:** Executed targeted re-stacks and workpoint changes in London and Birmingham to accommodate headcount growth within the existing footprint.
- **Efficiency and innovation:** Delivered a **GovFlex pilot in Sheffield** with the Department for Education (DfE) to test the sharing of flexible, collaborative space for policy colleagues across the UK until April 2026.

Hubs and other major projects
Manchester Digital Campus

Securing approval of the Outline Business Case in 2025/26 was a landmark achievement for the GPA on what will be its largest and most transformative project to date, where it will be developing a digitally-focused office campus to promote collaboration between public and private sectors and support the digitalisation of the UK government.

Delivery milestones:

  – Outline Business Case approved in March 2026, demonstrating confidence in the GPA and its role in delivering a cross-government transformation programme; enabling transition to the next phase of project delivery.
  – Land acquisition completed and site secured in March 2026.
  – Looking ahead, the competition to appoint the main contractor is expected in autumn 2026, followed by the full business case and Spending Review 2027 (SR27) bid in summer 2027, with the site expected to open in 2032.
- **Cost reduction:** The projected delivery cost of **MDC** was reduced from £1.5 billion to **£1.3 billion** as a result of Value Engineering (VE). Planning approval for the VE changes has been agreed.
- **Other Delivery milestones:**
  – **Brunswick Street, Darlington** – Construction commenced in January 2026 and was marked with a breaking ground ceremony that was attended by the Chancellor of the Exchequer, Rachel Reeves.
  – **36 Whitehall** refurbishment (PfL) – Design developed to RIBA 3 in readiness for the appointment of a building contractor in 2026/27.
  – **70 Whitehall** (fourth floor project) – Ready for service achieved in September 2025, bringing back into use around 50 per cent of the fourth floor.
  – **102 Petty France** closure programme (PfL) – Development of a draft Full Business Case and significant progress on constituent projects, including those at Government Offices Great George Street and 2 Marsham Street.

Supporting strategic departmental partner projects

In addition to progressing its own development activity, the GPA also applies its expertise and delivery capability to support client-funded capital programmes. Alongside the strategic client-funded projects referenced above, the GPA is supporting the relocation of staff at DWP to 1 Pilgrim Place, Newcastle, as well as further developments in Belfast, Preston and Cardiff.

Strategic achievements and milestones

Key highlights and data

28 Strategic asset management plans reviewed

22 Strategic locations identified and prioritised

10 Client estate strategy reviews undertaken

The State of the Estate report data compiled and submitted

2 Catapult mentees from other departments supported to gain promotion in the Civil Service

Case Study:

Delivering efficiency through Plan for London

Overview

Launched in May 2025, PfL is a flagship delivery programme led by the GPA. It serves as the primary vehicle for consolidating and modernising the London estate as a part of the OGP Places for Growth (PfG) Programme. It also directly supports the Government Property Strategy to create a 'smaller, better and greener' public estate. PfL aims to consolidate the government's central London office footprint to a core Westminster Campus of around 20 high-quality, interoperable buildings. This strategic rationalisation is designed to:

- **Reduce costs:** Target £94 million in total annual running cost savings by 2032.
- **Enable modern working:** Provide improved digitally-connected, flexible workspaces that support productivity.
- **Drive estate consolidation:** Making the best use of the existing government office portfolio and moving Civil Service roles out of central London by 2030.

Strategic alignment and future outlook

PfL is not only a cost-saving programme but a vital component of the wider PfG initiative. It is transforming how and where civil servants work to create a more representative Civil Service that better understands communities across the UK. London will still remain the largest single location of civil servants and government office property, but by 2030, half of UK-based Senior Civil Servants will be based outside London, creating genuine career pathways across the country.

Milestone: The closure of 10 Victoria Street

In February 2026, the GPA marked a significant milestone in PfL with the official closure of 10 Victoria Street and hand-back of property to the landlord.

- **Financial impact:** The closure of this single site will save the government £8.8 million in annual running costs, with a net present value calculated as £113.7 million over 20 years.
- **Operational transition:** Approximately 1,000 civil servants from various departments, including the Cabinet Office, were successfully relocated to other key offices such as 100 Parliament Street and 26 Whitehall, as well as some to outer London locations including 2 Ruskin Square, Croydon and 10 South Colonnade, Canary Wharf.
- **Cumulative progress:** This represented the third building closed under PfL. Combined with the previous closures of The Rookery and Clive House in September 2025, the GPA has secured approximately £17.5 million in annual cost savings within the first year of the programme. Most recently, Temple Chambers was exited in March 2026, making it the fourth building closed.

Business Plan Target 2:
Increase client and customer satisfaction
GPA Mission: Better

What we said we would do	What we did
Improved service offer, catalogue and simplified touchpoints	• **Strategic pivot:** The GPA is moving to a proactive, tech-enabled FM service model (Project Gabriel). **A delivery model assessment (DMA)**, scheduled for completion in August 2026, will validate this transformation and create a framework for future growth and collaboration with the partner network. Complying with ministerial mandates, insourcing models for frontline services are being rigorously stress-tested to ensure robust data interoperability, client department co-design, and long-term operational viability as part of completing a public interest test. • **Operational and commercial:** Service delivery is being standardised nationwide for uniformity and efficiency. Commercial strength is achieved through integration of the **integrated workplace management system (IWMS)** and a new function to link real-time metrics to supplier performance for greater accountability and value.
Improve billing and property transactions processes and leverage CRM insights	**Assurance function established** • **Health and safety standardisation:** Implemented a new health and safety management system, standardising governance and reporting processes nationwide. • **Resilience:** Established a new resilience function, aligning continuity frameworks with critical government business functions and completed critical infrastructure analysis with DEFRA (water supply impacts). • **National power outage (NPO) preparedness:** Strengthened cross-government NPO capability, developing integrated recovery strategies and partnered with HMRC and DWP to synchronise estate readiness and resilience protocols. Also optimised the London estate for mission-critical teams. • **Subject matter expertise and assurance:** Expanded assurance capabilities through integration of the Government Soft Landings (GSL) framework to support effective transition from construction to occupation and delivery of project outcomes. • **Operational efficiency:** Refined workflows through AI-driven analytics, for high-level trend capture and predictive decision-making.

What we said we would do	What we did
Improve workplace services at key London locations	• **London Reset (LR):** This CIP, co-designed with more than 17 government departments streamlines communication and reporting. The phased launch began in April 2026, scaling nationally by Q1 2026/27. LR improves process efficiencies, enhances client trust and incident clarity. • **Facilities Management (FM)**: The GPA replaced the workplace services transformation programme (WSTP) hard FM contract with Mitie (April 2026) for 3-8/55 Whitehall Place (and Quay House, Peterborough). • **Customer Service Portal (CSP):** Future deployment (in 2026/27) includes targeting Sanctuary Buildings and 10 South Colonnade with the PfL team.
Prepare for future workplace services contracts transition	• **Strategic pivot:** The GPA is moving to a proactive, tech-enabled FM service model (Project Gabriel). A delivery model assessment (DMA), scheduled for completion in August 2026, will validate this transformation and create a framework for future growth and collaboration with the partner network. Complying with ministerial mandates, insourcing models for frontline services are being rigorously stress-tested to ensure robust data interoperability, client department co-design, and long-term operational viability as part of completing a public interest test. • **Operational and commercial:** Service delivery is being standardised nationwide for uniformity and efficiency. Commercial strength is achieved through integration of the integrated workplace management system (IWMS) and a new function to link real-time metrics to supplier performance for greater accountability and value.

What we said we would do	What we did
Review and develop critical workplace services assurance functions	**Assurance function established** • **Health and safety standardisation:** Implemented a new health and safety management system, standardising governance and reporting processes nationwide. • **Resilience:** Established a new resilience function, aligning continuity frameworks with critical government business functions and completed critical infrastructure analysis with DEFRA (water supply impacts). • **National power outage (NPO) preparedness:** Strengthened cross-government NPO capability, developing integrated recovery strategies and partnered with HMRC and DWP to synchronise estate readiness and resilience protocols. Also optimised the London estate for mission-critical teams. • **Subject matter expertise and assurance:** Expanded assurance capabilities through integration of the Government Soft Landings (GSL) framework to support effective transition from construction to occupation and delivery of project outcomes. • **Operational efficiency:** Refined workflows through AI-driven analytics, for high-level trend capture and predictive decision-making.
Apply the Customer Experience Framework for smooth customer transitions and occupancy into GPA buildings	• **Customer experience and workplace change:** The GPA customer experience framework was applied during the 10 Victoria Street to 100 Parliament Street, London transition. Strategic engagement initiatives – including workplace change discovery and recommendations, familiarisation tours and targeted communications – yielded a high **customer satisfaction score of 8.2/10**. This pilot approach, including workplace change discovery, is now being applied across upcoming projects to support continuous refinement and alignment with the framework.

Service excellence and recognition
Measuring and improving departmental partner / customer experience

- **Departmental partner satisfaction:** During 2025/26 the term ‘departmental partner’ was introduced to reinforce the GPA’s commitment to true partnership with client government bodies. Key process enhancements included:
  - **Survey cadence:** Satisfaction survey transitioned from biannual to annual cadence. This change is designed to allow sufficient time for implementing substantive service improvements.
  - **Engagement:** Quarterly review meetings with departmental partners were maintained to ensure consistent engagement throughout the performance year.
  - **Feedback integration:** Following departmental partner feedback, introduction of refined scoring and guidance simplifying the approach from a one to 10 scale to a one to five scoring system.
- These combined efforts – improved client communication, strengthened relationships and enhanced delivery outcomes – have driven improvement in the client satisfaction score to 3.4/5 or 67 per cent (2024/25: 63 per cent), exceeding the 65 per cent target.
- **Customer satisfaction score was 6.7/10 (2024/25: 6.4/10)**, a five per cent increase from the previous year, progressing toward the aspirational target of 7/10. Reports are produced which highlight key areas of focus to address systemic pain points to support continuous improvement. Continuous improvement was informed by customer insight from 15,051 responses collected across seven surveys.
- **Strategic delivery:** Launched strategic initiatives including the expansion of the client engagement framework (e.g., client partnership charter) and the development of a unified experience management strategy, designed to ensure consistent, value-driven engagement across all touchpoints, which launched in Q1 2026/27, projected to deliver a significant improvement in client and customer satisfaction by Q4 2026/27. Client engagement was enhanced by implementing client and customer journey process mapping and sharing senior departmental partner engagement across GPA directorates.

Delivering service excellence and quality

- Service delivery was recognised with the Building Engineering Services Association SFG20 award for excellence in maintenance in October 2025, recognising the transition from reactive to condition-based and ultimately predictive maintenance. The ECMWF project won **‘Best Future Project’** at the Berkshire Property Awards.
- Workplace experience for relocated departments increased by up to 49 per cent due to selected property investment.
- Service delivery capability was enhanced through a strategic partnership with the Institute of Workplace and Facilities Management (IWFM), resulting in 19 per cent of the delivery team achieving the gold standard for their role, with a further 13 per cent actively pursuing this professional benchmark.
- The relocation of HM Land Registry to the established GPA hub at Quay House, Peterborough received strong commendation, marking a significant milestone in collaborative client solutions.

Enhancing operational resilience and digital capability

- The Property Response and Recovery Team (PRRT) mitigated operational risks from industrial action, ensuring smooth service delivery and preventing disruption to departmental outputs, ending the industrial action by facilitating a settlement with stakeholders, alongside contingency planning and communication. This approach will be adopted for all future disputes to ensure timely decision-making and robust continuity planning.
- The workplace change discovery model (an end-to-end evaluation process to support clients' transition into new GPA spaces), supported by the Manchester First Street 'test and learn' space (to de-risk transitions and socialise new ways of working with clients), was validated and scaled across the entire customer experience portfolio.
- Digital functionality was progressed to improve user experience, including the finalisation of ticketing functionality via API, allowing users to raise work orders directly through the CSP. Real-time communications were launched on the CSP via blog and news feed features to provide immediate site-specific updates.

Other challenges in delivering this target included high priority/high risk areas of workplace services contracts, health and safety compliance and assurance and supplier performance.

Business Plan Target 3:
Deliver an office estate that is sustainable and suitable
GPA Mission: Greener

What we said we would do	What we did
Achieve carbon reduction of 1,000 metric tonnes of carbon dioxide equivalent (tCO_2e) through targeted Net Zero interventions	• The Net Zero programme achieved carbon reduction savings of 549.95 tCO_2e (2024/25: 645 tCO_2e) through interventions delivered in 2025/26. • Realisation of a proportion of the planned carbon savings originally targeted for 2025/26 has been deferred to 2026/27 due to unforeseen delays in securing landlord consents for intrusive works. These initiatives are fully funded and remain scheduled to deliver their full projected environmental impact once completed in 2026/27. The programme has also experienced delays in executing some key solar panel projects. The 'quick win' opportunities have been largely delivered and the GPA is now focusing on delivering more complex and challenging Net Zero interventions building on its learning from completed projects.
Improve the estate condition and workplace environment, actively managing the portfolio through the LCR programme	• Throughout 2025/26, the core LCR programme invested £58.4 million (2024/25: £32.6 million) in building fabric improvements, delivered 181 interventions (2024/25: 119) and continued to target works that ensure the GPA-managed office estate remains safe, secure and compliant. The programme has also implemented several key resilience projects this year, including several energy resilience projects across Whitehall whilst delivering key maintenance works in historic buildings, such as Dover House, London and Westbridge Place, Leicester.
Progress procurement of regional contractors for future works	• The GPA issued an invitation to tender (ITT) for its latest panel of building works and associated services contractors in February 2026. This procurement aims to establish a new framework across five regions, with London designated as a separate delivery region. Pending procurement and approval processes, the contracts for this new framework are expected to be awarded in summer 2026.
Establish the Net Zero programme delivery strategy	• The GPA's sustainability committee approved this strategy in Q4 2025/26. It serves as a foundational reference point, guiding decision-making, supporting business cases and ensuring the strategic delivery of the GPA's accelerated path to Net Zero. This strategy emphasises engagement and collaboration, aligning the GPA's Net Zero ambitions directly with government priorities while delivering clear value to the taxpayer. It is designed to integrate with the GPA's estate strategy and various organisational programmes to inform all decisions across the entire GPA portfolio service offering.

The GPA continued to deliver an office estate that is sustainable and suitable.

Other key highlights include:

Net Zero initiatives and outcomes

- The deployment of Net Zero interventions yielded the following additional decarbonisation benefits:
  - Utility savings of £232,000 (2024/25: £0.7 million) per annum; and
  - Energy savings of 2.85 Gigawatt-hour (2024/25: 2.74 Gigawatt-hour).
- Award of a SMETA-compliant contract for solar panels. The procurement and contract award approach incorporated robust ethical sourcing requirements to mitigate modern slavery risks in the solar panel supply chain.

Additional evidence substantiating the achievement of this Business Plan objective, is provided in the Environment Report on page 155.

Business Plan Target 4:
Enhance technology, digital, data systems and skills
GPA Mission: Better

What we said we would do	What we did
Enhance IWMS functionality	• IWMS enhancements optimised work orders and service level agreement (SLA) processes, ensuring precise work order selection and service delivery. The statutory work orders clustering initiative (PPM-22) automated order suppression, preventing overlaps and aligning with the SFG-20 UK standard for planned preventative maintenance (PPM). • A new asset information model (AIM) – common data environment (CDE) was deployed. This unified platform manages critical asset documentation across the GPA, its performance partner (JLL), regional supply chain partners and its departmental partners. Adherence to the GPA's better building information management (B2IM) standard improves statutory compliance, PPM work orders and Capital Project handover, resulting in lower costs, reduced risk and improved asset value. • While progress was made, this target was not fully met as implementation activity was rephased to accommodate regional supply chain partner readiness and year-end delivery pressures. Consequently, the contract management module go-live date was deferred to April 2026.
Expand Customer Service Portal (CSP) rollout to eight buildings reduced from fifteen mid-year.	The CSP was launched at six sites, falling 25 per cent short of the revised target of eight. The initial target of 15 sites was revised mid-year due to resourcing and platform security issues. The shortfall was primarily caused by the need to reprioritise resources and delays in recruitment, leaving only a single resource to manage the roll-out. Sites launched included Sheffield (2 St Pauls Place) which required additional time for the GovFlex pilot along with Bristol, Norwich, Cambridge, Nottingham and Coventry. The two remaining sites, Crown Way, Cardiff and 10 South Colonnade, London were not launched. However, set-up for 10 South Colonnade is complete, with client engagement underway for a 2026/27 launch. Future 2026/27 rollouts are planned for Sanctuary Buildings, London (to support DWP teams moving from Caxton House, as part of PfL) and Piccadilly Gate, Manchester (to support the move to Manchester First Street), with additional support being provided for relocations planned for Temple Quay House, Bristol.
Expand GovPrint to 220 more locations	• The GPA exceeded the target of 220, delivering GovPrint to 244 locations in-year, totalling 355 locations. • Print volume increased by over 2.5 million, reaching 3.5 million pages per month.

What we said we would do	What we did
Enhance GovPass interoperability and roll out to eight planned locations	• Target met with GovPass deployed to eight locations in 2025/26, totalling 73 locations. • Centralised, interoperable card management via 'GovPass CHECK' and standardised setup are now default. • GovPass reached a milestone of 173,045 users across the government estate.
Achieve availability of 99 per cent availability for Audio Visual, room booking, mobile boosting and GovPrint services at GPA managed offices	• The GPA exceeded the target, achieving over 99.9 per cent annual availability across these services. • The updated Version three offering was deployed on projects, delivering a more reliable, greener, future proof platform compatible with planned AI/automation.
Achieve an average service availability of 99.9 per cent for internet and network access at GPA-managed offices	• The GPA exceeded this target, achieving over 99.9 per cent annual availability.
Explore digital and data innovation including AI user cases, to inform longer term strategy	• The GPA established AI as a core intelligence layer evidenced by 52 per cent of the workforce using Google AI tools (Gemini, NotebookLM and Deep Research) for one-two hours weekly in 2025/26. The adoption enhanced productivity by enabling real-time insight extraction, rapid summary generation, complex research, scenario planning and efficient communication drafting. The GPA also met its target of 60 per cent staff completion for the 'AI for All' training, a component of the Cabinet Office's annual One Big Thing initiative.
Improve supporting technology and equipment for GPA people	• Support for all GPA office locations is now provided through the GPA Telefonica contract.

The GPA continued to increase digital maturity, using data technologies and better collaboration tools to inform decision-making and support productivity as part of an ongoing programme of improvement. Digital and property technology services offered to clients and customers were also enhanced. The GPA developed policies and expanded its risk framework to ensure that it adopts emerging technologies safely.

Other key highlights include:

Information and data insights

- Achieved positive progress in information and data maturity, aligning closer to the Cabinet Office Data Maturity Assessment, with advancements in data protection and information management recognised through a Government Internal Audit Agency (GIAA) audit. Information management has improved through new Google Collaboration hubs, resulting in better information access, collaboration and compliance maturity.
- Matured data analytics across key areas including utilities and sustainability dashboards, occupancy, finance, customer satisfaction and property and lease management, supporting improved insights and decision-making.
- Enhanced the data protection framework, processes and governance, improving understanding of the data landscape and strengthening organisational protection, resilience and legislative compliance.
- The GPA is actively trialling Microsoft Purview (as part of its maturity in Information Protection), to identify, classify and protect sensitive information across the Microsoft 365 estate, improving data loss prevention and governance compliance.
- Improved property data quality and reliability, supporting critical data fields reducing client billing queries and contributing to higher client satisfaction, particularly in financial engagement.
- Property occupation data is now available for 247 buildings, including aggregating data on the GPA’s estate and a number of other government buildings managed by others, covering 1,810,000 square metres (2024/25: 207 buildings, covering 1,350,000 square metres).
- More granular client level reporting is in place at 36 properties, supporting occupancy analysis and strategic estate sizing.
- The IWMS continued to mature its building, condition and asset data quality to support strategic investment planning. The OGP Data Standard Maturity Assessment upgraded the GPA’s system from ‘Good’ to ‘Better’.
- CRM system progress is detailed under business plan objective two.

Digital and data evolution

- **Strategic Investment:** Invested £18.0 million (2024/25: £13.5 million) in LCR tech spend, accelerating key digital transformation projects.
- Achieved the upper threshold of a ‘Good’ rating within the GDS Digital and Data Maturity Framework, with several areas assessed as ‘Better’, resulting in more stable digital and data services, stronger enterprise architecture and more efficient and agile operations.
- Strong progress in year two of the digital strategy across all six strategic goals with significant achievements in innovation, data governance, property data, workforce transformation and secure by design collectively driving delivery of strategic objectives.

Interoperability and user growth

- Expanded user reach of GovWifi by an additional 44,000 users, totalling 970,000 active users, with 555,000 individuals using it interoperably at multiple locations. Numbers are in line with forecast and on track to meet the April 2026 target of 920,000. GovWifi was deployed at a further 20 locations, now totalling 306, maintaining a 85 per cent user satisfaction score.
- Introduced innovations to improve ticket response via a quick response (QR) service at all supported rooms and clients have been further engaged in product development via a new innovation lab.
- Led improvements in access management across the portfolio via the GovPass cross government engagement group, further improving visibility, engagement and buy-in and gaining alignment on core principles for secure interoperable access across the diverse property estate. Agreement was reached on the forward delivery plan. This work will underpin wider interoperability ambitions and support a consistent and streamlined user experience.
- Further work has progressed to improve occupancy reporting across the estate:
- Total reporting area is now 1,800,000 square metres Net Internal Area (NIA) for the GPA estate (an increase of 470,000 square metres);
- Departmental occupancy data now cover 37 buildings (increased from 20), as part of 218 buildings that are currently also providing perimeter data;
- The occupancy messaging architecture project delivered its first key milestone and is ingesting Cisco Meraki Wifi data at 23 Stephenson Street, Birmingham, to infer floor level occupancy. Further work will improve the resolution and calculate occupancy at zone-level, with more buildings planned for late 2026/27.
- A small scale trial of threshold, zone and desk sensors at 23 Stephenson Street, Birmingham, enabled the selection of two sensors for further roll-out, with the next focus being a scalable and repeatable implementation solution.

Other challenges in delivering this target included external dependencies for projects such as Microsoft365.

Business Plan Target 5:
High performing, inclusive and collaborative organisation
GPA Mission: High Performing

What we said we would do	What we did
Launch year 1 ofthe People Strategy, focusing on equality, diversity and inclusion (EDI) and wellbeing	• **People strategy**: Delayed due to new HR Director onboarding and OD&D prioritisation. The Strategy, including supporting EDI and wellbeing frameworks, will be launched in Q2 2026/27. • **Wellbeing:** Following a Q2 2025/26 audit (22 areas of celebration and four areas for improvement) a new wellbeing framework was launched in Q1 2026/27. This framework responds to the results of the 2025/26 People Survey and includes embedding wellbeing across all business functions and up-skilling line managers. Targeted campaigns and line manager training were delivered in 2025/26 and the mental health first aiders (MHFA) network was strengthened, now exceeding 30 active MHFAs. • **EDI:** Executive committee sponsorship of employee networks was refreshed in 2025/26 to champion EDI and ensure compliance with Cabinet Office guidance. Network-led campaigns were delivered (e.g., International Women's Day, learning around accessibility and volunteering opportunities). The EDI framework will be reviewed in 2026/27, aligned with the new People Strategy.
Embed the GPA values	The GPA's new values – 'striving for excellence', 'empowering through respect', 'succeeding together' and 'acting with integrity' – were launched in 2025/26 and are now fundamentally integrated into core HR processes (performance management, recruitment, induction, reward) and the organisation's operating model. This integration, supported by leadership coaching for the Senior Leadership Group (SLG) and a values champions group, has resulted in a 10 per cent increase in People Survey scores regarding the consistency of leader behaviour with GPA values. The GPA will further embed these values in 2026/27 by launching a comprehensive leadership development programme for all line managers, solidifying their role within key HR processes, including interim year appraisals (IYA's) and recruitment protocols.

What we said we would do	What we did
Address feedback from the People Survey and enhance internal communications	**People survey and pulse surveys** • The 2025/26 People Survey achieved a 90 per cent response rate (joint sixth across the Civil Service) and raised employee engagement by four percentage points from 62 per cent in 2024/25 to 66 per cent. • Key metrics improved, including an increase across all three areas identified from the 2024/25 survey: ‘leadership and change’ (55 per cent to 60 per cent), ‘resources and workload’ (67 per cent to 71 per cent) and ‘culture, inclusion and behaviours’ (79 per cent to 80 per cent). • Concerns remain around the Bullying/Harassment/ Discrimination (BHD) scores, which whilst reducing, sit at eight per cent (bullying and/or harassment) and seven per cent (discrimination). This is broadly in line with Civil Service averages, however, higher than the GPA objective of zero per cent. • Resources and Workload, at 71 per cent, sits below the Civil Service average. The GPA is actively tackling this with the new target operating model, alongside a focus on wellbeing. • A co-created plan, with the Executive Committee, Operations Committee and Board, alongside staff networks, People Survey Group and People Forum, targets cultural change in new focus areas: Culture, Inclusion and Behaviours; Workload, Wellbeing and Personal Development; Leadership and Managing Change. **Increase internal communications** • Staff engagement included two conferences held in July 2025 and in March 2026 (over 95 per cent positive feedback on connection opportunities). Overall, the events received strong reviews from over 330 colleagues. • New initiatives rolled out were a weekly video update from the CEO or Executive Committee member circulated to all staff, ensuring consistent engagement and high-level priority alignment; monthly all-people calls, delivering high-level organisational updates and more in-depth discussions on specific topic areas, providing an opportunity for the Board to engage directly with staff (60 per cent attendance); and monthly ‘InConversation’ bulletins, supporting leaders with consistent messaging to dismantle organisational silos.

The GPA continued to strive to deliver a high performing, inclusive and collaborative organisation, living new GPA values and shaping its culture as it transitions to a new target operating model.

Other key highlights include:

Organisational design and ways of working

The GPA has completed phases one and two of the OD&D which commenced in August 2024. A new high-level operating model and a corresponding director and deputy director level structure have been designed, launched and implemented to address key challenges experienced by agency personnel, the wider Civil Service and departmental partners. These structural changes will enable the GPA to achieve greater internal cohesion, eliminate duplication and clarify accountabilities. Furthermore, the implementation will foster client-centric mindsets, leading to enhanced working relationships with those partners.

Phase three is currently in progress, encompassing organisation-wide and directorate-level changes across people, process and culture to fully operationalise the high-level operating model. This phase includes the adaptation or realignment of certain teams and roles to fit the GPA's new model. The core focus of this stage is on defining and implementing specific details concerning roles, responsibilities, working practices and decision-making frameworks.

Workforce planning and capability

- A primary objective within the OD&D is an organisation-wide focus on comprehensive workforce planning to ensure workforce stability and strategically reduce reliance on contingent labour. Key results from the last 12 months include a net increase of approximately 65 Civil Service FTE new hires across the business, alongside a general reduction in expensive contingent labour and service contractors.
- A coaching leadership development programme has been rolled out for all GPA Senior Civil Servants to increase leadership capability for the most senior leaders. This programme is a key initiative for leadership development and supports the GPA's continuing priority of developing leaders' skills, capabilities and behaviours to embed a high-performing culture.
- Digital excellence programme – launched to over 180 Senior Civil Servants and G6 grades at the GPA to boost digital, data and AI skills and build confidence in leading digital transformation and embedding a digital culture.
- Focused initiatives on required learning have significantly increased employee compliance from 34 per cent to 93 per cent within the year, meeting the KPI with an aspirational target of 100 per cent. The GPA's required learning curriculum is essential for ensuring a secure, safe and legally compliant environment for all staff and the departmental partners that the GPA serves. This curriculum includes:
  - Security and Data Protection;
  - Health and Safety;
  - Counter Fraud, Bribery and Corruption; and
  - Civil Service Expectations (encompassing the Civil Service Code and Values and Diversity and Inclusion).

The Cabinet Office's annual One Big Thing initiative has supported upskilling and culture change across the Civil Service, equipping staff with the knowledge and tools to confidently embrace AI to deliver better public services, with over 80 per cent of the GPA taking part.

Business Plan Target 6:
Develop better processes and systems
GPA Mission: High Performing

What we said we would do	What we did
Targeted work to achieve an unqualified Annual Report Accounts (ARA)	• The GPA achieved an unqualified audit opinion for the 2024/25 financial statements by improving controls over non-current assets and lease accounting through its CIP. This prevented the recurrence of 2023/24 restatements and classification errors. The Comptroller and Auditor General of the National Audit Office (NAO) certified the financial statements with an unqualified audit opinion, without modification regarding regularity or true and fair view and removed the prior year qualification (related to assets under construction and associated transactions).
GIAA audit opinion from limited to moderate	• The audit plan for the GPA was designed to specifically focus on the most challenging areas of the business. Whilst progress was made during 2025/26, further improvement activity remains ongoing. Although some individual audit outcomes improved to ‘moderate’, several areas continued to be assessed as ‘limited’ resulting in an overall limited audit opinion for the year.
Deliver improvements to commercial compliance processes	• Monthly compliance reporting through Operations and Executive Committees commenced in September 2025, enabling timely remediation where required. This led to a review of commercial processes, with resulting improvements formalised within a commercial tool kit and embedded into the e-sourcing system, launched in October 2025. Further enhancements to commercial processes are planned in 2026/27.

What we said we would do	What we did
Mature our approach to performance and risk management frameworks, launch approach to enterprise portfolio management	**Progress was made during the year towards a more mature risk management framework** • A revised policy and strategy was launched, aligned to HM Treasury's Orange Book. • The risk appetite was refreshed to better reflect the operating and political context. • Strategic risks were scrutinised, with the number being consolidated from 23 to nine to allow for increased focus from the Executive Committee. • A Risk Assurance Framework, utilising the three lines of assurance model was completed by all teams. This will be reviewed in 2026/27 to establish any significant gaps and vulnerabilities and to identify areas requiring additional controls. • A new integrated risk management platform, allowing for increased risk ownership, transparency, more effective escalation/de-escalation and improved reporting, was developed during the year and has been scheduled for roll out early in 2026/27. • To build a culture that 'risk is everyone's responsibility' a month long awareness and education campaign was held in February. Six sessions were delivered by subject matter experts within and outside of the GPA. Total attendance across all sessions was c.400 people. **Corporate Performance and Strategic Planning** Reporting improved using AI for deeper insights. • Working with senior leadership teams has cultivated a more performance-focused culture. • KPIs were reviewed and updated to ensure suitability for the 2026/27 cycle and stronger alignment with the GPA mission. • Agreement was reached to move towards a longer-term business planning cycle during 2026/27, maintaining compliance with the Agreement Framework. **Enterprise Portfolio Management** • The Enterprise Portfolio Management (EPfM) function was created to provide a "single version of the truth" for all change and delivery across the GPA. Although still in the early phase of development, this function will ensure the individual and cumulative impact of change is clearly understood and managed, enabling a strategic and tactical approach to delivery across the GPA.

What we said we would do	What we did
Deliver year 1 of the Security Strategy and implement Secure by Design	**This target was achieved.** • The completion of year one of the three-year Security Strategy embedded standards and streamlined processes, reducing duplication and wasted effort. Furthermore, this initiative has standardised the GPA's security risk and assurance approach, ensuring full alignment with established government frameworks. • The GPA implemented the 'Secure by Design' government standard in January 2026 and it is now mandated across all chief technology office and digital, data and information delivered projects. This provides a clear governance process for defining cyber security requirements and securing appropriate resources at the business case stage, enabling security considerations to be embedded from the outset and reducing the need for costly retrospective mitigations after go-live.

The GPA continued to enhance organisational maturity and resilience, with improved processes and systems to effectively adapt to challenges.

Other key highlights include:

Organisational effectiveness and change

- The 2025/26 CIP drove continued progress by embedding continuous improvement actions within the business plan.
- The programme scope encompasses seven dedicated initiatives, one ad-hoc addition and five embedded continuous improvement plans executed at the directorate or wider team level.
- Building continuous improvement capability has delivered increased efficiency, improved value-for-money, continued strengthening of processes and reduced risk. This has enhanced the GPA’s ability to deliver high-quality services to departmental partners, improved customer and GPA people satisfaction and fostered a culture of continuous improvement and ownership. To facilitate progress, the GPA established a change management framework and a change and continuous improvement subject matter expert community, to support engagement and understanding of change management. Organisational engagement was strengthened through outreach sessions including “Leading through Change” for line managers and the second series of continuous improvement masterclasses. Key CIP initiatives not covered elsewhere in this report include the following:

  – **Building level information –** A solution for providing building level information dashboards has been scoped marking the achievement of the business plan target. This milestone was reached following the completion of discovery work to identify and map data assets and the development and agreement of a wireframe. The next steps are to digitise key datasets and test the pilot. Building information dashboards will improve the condition and performance of the GPA’s property assets, improving reputation and perception.
  – **Urgent response approach –** The GPA’s approach to urgent response incidents through PRRT was assessed and improved resulting in a fully viable solution. Approval was granted to establish a dedicated volunteer cadre from GPA staff and volunteer training has been developed. It is anticipated the model will minimise the impact of unexpected events on business-as-usual operations and increase the focus on mitigation activity rather than incident response.
  – **Official correspondence responses –** These were improved by focusing on enhancing capability and processes for responding to requests for information (Parliamentary Questions or Freedom of Information requests). The initiative team delivered process maps, written guidance and targeted training sessions for delegated grade staff and business leaders. Additionally, the GPA improved ways of working with Cabinet Office colleagues and internal stakeholders. Confidence in supporting official correspondence activity rose by 24 per cent among those who attended the training.

Procurement and contract management

- Overall controls improved as a result of the cumulative impact of strengthened processes, enhanced interoperability, clearly defined procedures and strengthened governance reporting. This has been further supported by the development of integrated e-systems aligned with Cabinet Office platforms, increased cross-government engagement through participation in working groups and the continued development of commercial teams and contract management capability.
- Introduction and implementation of E Sourcing to support the implementation of the Procurement Act and improved commercial processes, compliance and audit trails.
- Interoperability with other GPA systems building a richer understanding of the commercial and financial landscape.
- Increased numbers of GPA contract managers trained and undertaking certification.
- Improved economic and financial monitoring tools that enhance financial controls and risk management of suppliers. The GPA has commissioned an external audit of its process for assessing economic and financial standing to identify areas for improvement.

Risk, resilience and security

- Simultaneously, while delivering year one of the Security Strategy and implementing Secure by Design, the GPA continued to build a cyber security team and strengthen its security risk management approach. Progress included:
  - Merging seven risk registers into one.
  - Collaboration with chief technology office and digital, data and information teams, focusing on ownership, relevance and stakeholders.
  - Identification of risks associated with the essential services required for GPA operational delivery; work will continue to embed security into their delivery plans and reduce legacy risks that have not been addressed previously.
  - A 46 per cent reduction in legacy risk across the chief technology office and digital, data and information delivered projects since November 2025, clearing all critical risks outstanding over the last two years.
- January 2026 saw the successful delivery of the first Security Hub for the GPA, which is a vital step forward for the organisation to improve its maturity.
- Risk management is discussed in more detail in the governance section of this report on page 79.

Evolving the GPA will continue

Following completion of the Cabinet Office’s review of its ALBs, the GPA is set to maintain its critical role as a strategic enabler across government, ensuring the delivery of mission-led objectives through a more efficient, effective and sustainable government estate. To create long-term value for the public sector and the communities it serves, the GPA will continue to enhance its capacity for change and service improvement, always maintaining strict alignment with government missions and ministerial priorities set during the SR25. This sustained delivery is supported by embedding structural changes resulting from the OD&D. Building on the evolution of its operating platform, the GPA’s 2026/27 plans pivot from a sustained period of stabilisation to comprehensive, large-scale delivery.

Performance against 2025/26 KPIs

Performance against strategic objectives is also assessed through a suite of corporate KPIs, providing consistent measures of organisational outcomes alongside the annual business plan. In 2025/26, the KPI suite was expanded from eight to 27, significantly increasing coverage across all strategic outcomes and strengthening performance oversight. Against this broader framework, 66.7 per cent of KPIs were achieved in the year, with a number of the expanded measures not yet achieved, attributable to a range of factors that impacted delivery, as set out in Table 2 below.

Table 2: KPI Performance 2025/26

Focus area	Target	Results 2025/26	Results 2024/25	KPI met (yes/ no)	Commentary
Client Satisfaction	Average client satisfaction survey score 6.5/10 or above	3.4/5 (67%)	6.3/10 (63%)	Yes	
Budget	Ensure always operating within 10% of budget	5% (Resource) 2% (Capital)	Expenditure for the year outside the 10% tolerance	Yes	
Client Debt	Debtor days to be no more than 30 days	39 days	34 days	No	Whilst this target was not met, this primarily reflects the timing of the GPA billing and the Easter holiday period, which delayed receipt of major client payments into early April 2026. Underlying performance remains strong with debtor days returning to a mean of 30 in April 2026, following strong collection of fourth quarter billing.

Focus area	Target	Results 2025/26	Results 2024/25	KPI met (yes/no)	Commentary
Health and Safety	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) – Aspire to zero for reportable incidents	4 reportable incidents	1 reportable incident	No	All four incidents regrettably involved employees of subcontractors sustaining injuries on site: multiple fractures (May 2025), a head injury (June 2025), a severe eye injury (September 2025) and a broken finger (September 2025). Further detail on these incidents is set out below.
Vacant Space	Vacant (Void) space – target of less than 3%	2.6% (End Q4)	1.5% (by income)	Yes	Met the target for vacant space below three per cent total vacancy despite a rising trend due to voids at 100 Parliament St and Sanctuary Buildings.
Customer Satisfaction	Average customer satisfaction above 7/10	6.7/10	6.4/10	No	Five per cent increase in customer satisfaction in the year, marginally below the target. Satisfaction is impacted by environmental comfort issues and Wi-Fi disruptions. Low-performing buildings are being re-surveyed for targeted interventions.
Building Condition	70% of GPA-managed properties to be Condition B or better	79% (End Q4)	72%	Yes	

Focus area	Target	Results 2025/26	Results 2024/25	KPI met (yes/ no)	Commentary
Carbon Reduction	Deliver carbon reduction of 1,000 metric tonnes of carbon dioxide equivalent (tCO_2e)	549.95 $tC0_2e$	First applicable for 2025/26	No	Carbon savings are below target due to changes in the timing of project delivery from 2025/26 into 2026/27, with the shortfall against target to be realised in 2026/27. This reflects delays in landlord consent negotiations and in appointing a compliant solar supplier. The programme is actively aligning LCR benefits with HMT guidance to improve future benefit capture.
Rent Reduction	5% reduction per annum	7.6%	First applicable for 2025/26	Yes	
Property holdings	Central London Holdings – Reduce central London holdings by c16,500m²	c13,365m² delivered	First applicable for 2025/26	No	The closure of four buildings reduced the central London holdings by 13,365m²: The Rookery 223 m² Clive House 7,641 m² 10 Victoria Street 5,420 m² Temple Chambers 81 m² The 3,135m² shortfall in target set is due to 35 Great Smith Street which was scheduled to close but transferred to permanent office space when the decision was taken to retain and a new lease was signed.

Focus area	Target	Results 2025/26	Results 2024/25	KPI met (yes/no)	Commentary
Capital Projects: Delivery	Deliver 1 new hub, Progress contractually & constructively committed ‘in flight’ projects to agreed milestones/ RIBA stages	Delivered 1 new hub and met all agreed milestones / RIBA stages	First applicable for 2025/26	Yes	The 22-26 Whiltehall Government Hub was delivered to schedule (July 2025). Four in-flight projects (including one client-funded) progressed to agreed milestones/ RIBA stages, with one client-funded milestone delayed by one month, with no impact on the critical path to the ready for service date.
Building closures	Close 10 buildings	14 closed	First applicable for 2025/26	Yes	
Digital & Service Availability	Achieve 99.9% average service availability for internet/ network access	>99.9%	First applicable for 2025/26	Yes	
Digital & Service Availability	Achieve 99% availability across AV, room booking, mobile boosting and GovPrint	>99%	First applicable for 2025/26	Yes	

Focus area	Target	Results 2025/26	Results 2024/25	KPI met (yes/ no)	Commentary
Commercial	Supplier Relationships – Achieve a combined Voice of the Supplier score of 7 out of 10	7.39. Annual Survey (to be completed again in September 2026)	First applicable for 2025/26	Yes	
Commercial Performance (CCIAF Metrics)	CCIAF Metrics Achieve 72% core target	75%	First applicable for 2025/26	Yes	
Commercial Savings	£20m core target	£25.4m (end Q4)	First applicable for 2025/26	Yes	
Contract Manager Accreditation	90% trained to foundation level	100% (end Q4)	First applicable for 2025/26	Yes	
Median Gender Pay Gap	Below 8.20%	8.03% (end Q4)	First applicable for 2025/26	Yes	
Ethnicity Pay Gap	5% increase in population of colleagues from ‘Black’, ‘Asian’, ‘Mixed’ and ‘Other’ ethnic backgrounds across all pay quartiles	Lower quartile Target: 23.4% Result: 26.9% Lower middle quartile Target: 21.0% Result: 18.3% Upper middle quartile Target: 17.5% Result: 16.0% Upper quartile Target: 10.0% Result: 11.8%	First applicable for 2025/26	No	Target increase met in the lower and upper quartiles. Representation in the lower middle and upper middle quartiles was below target. The GPA will be refreshing its Equality, Diversity and Inclusion Plan during 2026-27 and will target measures to improve the Ethnicity Pay Gap in particular.

Focus area	Target	Results 2025/26	Results 2024/25	KPI met (yes/no)	Commentary
Required Learning Compliance	Achieve 90% completion rates for required learning among all employees	93% (end of Q4)	First applicable for 2025/26	Yes	
Holders of ‘Gold Standard’ skills accreditation	% of people with Gold Standards vs target of 45% Core skills stats	32% achieved gold standard status, with a further 12% progressing toward gold standard.	First applicable for 2025/26	No	Whilst this target was not met, a number of colleagues are on track to achieve the gold standard within the next 6-12 months.
Workplace Services SLAs	98% Compliance of workplace services partners against contractual SLA’s	94% (31 March 2026)	First applicable for 2025/26	No	The variance from target relates mainly to a number of completed statutory work orders awaiting final documentation and which are awaiting closure. Measures are in place to expedite documentation and closure, strengthening performance against this KPI going forward.
Workplace Services Helpdesk	WPS Helpdesk Performance (calls answered within 20 seconds and abandonment rates)	99.6% Calls (end Q4)	First applicable for 2025/26	Yes	No target was defined for this KPI

Focus area	Target	Results 2025/26	Results 2024/25	KPI met (yes/ no)	Commentary
COO Data	CO Data Maturity Assessment – Achieve 3.5 or 4 out of 5 (24/25 stood at 3.1/5)	3.7 out of 5 (end of Q4)	First applicable for 2025/26	Yes	
COO Digital	GDS Digital Maturity Framework Alignment – Achieve upper perimeter of 'Good'	"Good" rating achieved with many areas achieving "Better"	First applicable for 2025/26	Yes	
Total Cashable Benefits to Government	Total Cashable Benefits to Government (£185m target)	£141m	First applicable for 2025/26	No	Target not met due to recognition of cashable disbenefits arising from the post completion re-evaluation of 2 Ruskin Square in Croydon, primarily due to higher FM pricing structures and higher rateable building value resulting in increased business rates payable. Including non-cashable benefits, the total benefits delivered was £220 million.

Health and Safety – incident details

The GPA expresses its sadness regarding four serious incidents during the year in which employees of subcontractors sustained injuries.

One incident occurred on September 12, 2025 when a subcontractor’s employee fell from a height on a GPA project. The operative sustained a severe eye injury, resulting in the unfortunate loss of vision in the affected eye. The GPA is pleased to note that the individual has since been able to return to work. The GPA fully supported the subsequent Health and Safety Executive (HSE) investigation, with the regulator concluding its probe on 13 April 2026. HSE took action it deemed appropriate against the principal contractor as a result of its findings, which also confirmed the GPA was not at fault in the lead up to this incident.

Three other incidents were reported during the year: a subcontractor’s employee sustained multiple fractures on 13 May 2025, subsequently requiring surgery; another subcontractor’s employee sustained a fractured skull on 18 June 2025 and a third subcontractor’s employee sustained a broken finger on 6 September 2025. These three incidents were reported in line with requirements and did not require any further investigation by the HSE. The GPA is pleased to note that all individuals made a full recovery.

The joint Leicestershire Police and HSE investigation into the tragic fatality which occurred in 2024/25 remains ongoing. The GPA is committed to supporting the investigation and subsequent coroner’s inquiry once concluded along with the resulting HSE recommendations.

This is an area of focus that the GPA Health and Safety Committee continues to monitor and seek improvement on.

How the GPA is financed

The GPA is primarily funded by its client partners, being the government departments and other bodies which it charges for occupying space in GPA buildings and using services including FM and landlord services. Operating costs include rent payments for leasehold buildings, rates, utilities, people costs and supplier payments including those to the GPA's strategic partners.

The GPA also received direct funding from HM Treasury as part of the SR25. The allocation provided funding for operating expenditure shortfalls that could not be recovered from clients under the current charging model and essential costs such as investment in hubs, lifecycle maintenance, Net Zero interventions, unoccupied space and change costs for contractually committed projects.

The GPA is evaluating alternative charging options to create a more sustainable client charging policy, operating within the boundaries of its governing framework agreement and Managing Public Money. An alternative model would allow the GPA to work towards becoming 'self-sufficient' and enable exploration of new value-adding services for clients. Any prospective model will be subject to market testing, including, benchmarking of the overall cost of delivery against market standards in collaboration with HM Treasury and departmental partners.

Spending Review (SR25)

The Spending Review is a periodic budgeting mechanism providing departments and their agencies with the opportunity to bid for necessary funds to support the Government's missions and priorities over a defined period. Departmental Expenditure Limits (DEL) are divided into two principal categories:

- Resource DEL (RDEL) is for day-to-day resource and administration costs; and
- Capital DEL (CDEL) is for investments and initiatives designed to foster future growth and benefits.

SR25 was conducted in two phases. Phase 1 set RDEL and CDEL budgets for 2025/26 and Phase 2 set RDEL budgets for the three financial years from 1 April 2026 to 31 March 2029 and CDEL budgets for four financial years from 1 April 2026 to 31 March 2030. HM Treasury has advised its future intention to move to bi-annual spending reviews.

The Cabinet Office's bid secured funding for the GPA, providing sufficient resources to enable the following key objectives:

- Maintain existing levels of operation and meet current commitments;
- Accelerate the rationalisation of the central London estate (PfL);
- Progress the construction of three new hub buildings;

- Improve interoperability across government including GovPrint, GovPass and GovWifi; and
- Invest in the strengthening of its operating platform aligned to the GPA continuous improvement programme.

This funding is projected to lead to significant reductions in the cost of operating the general purpose office estate throughout the SR25 period and in subsequent years.

Financial performance

The GPA has managed its financial performance for 2025/26 to remain within delegated budgets. The outcome has been achieved through budgeting and improved forecasting and risk management and strengthening of the control environment. Improved monthly financial reporting to the GPA Executive Committee and to the Cabinet Office has allowed for timely and effective interventions.

Resource outturn

The GPA's resource budget supports the administration of its change programmes and the net property operating costs which cannot be fully recovered from departmental partners. These include costs attributed to vacant office space (voids) arising from client portfolio changes, investment projects and to provide the 'swing space' essential to reorganising the estate and delivering savings.

Resource outturn for 2025/26 was £51.7 million (2024/25: £39.7 million), representing an underspend of £8.0 million against the budget of £59.7 million delegated by the Cabinet Office (2024/25: £17.8 million underspend against delegated budget of £57.5 million). This underspend in 2025/26 (less than one per cent of the £805.5 million full year expense budget) arose principally from lower than expected voids and savings on professional services as internal capabilities improved.

Capital outturn

Capital outturn for 2025/26 is £275.8 million (2024/25: £224.7 million), representing an underspend of £6.3 million (two per cent) against a budget of £282.1 million (2024/25: £41.9 million underspend against a budget of £266.6 million).

The GPA's capital budget funds delivery of major regional hub and Westminster Campus projects, Net Zero and LCR interventions and Digital, Data and Technology projects. During the year the GPA has successfully accelerated Net Zero and LCR interventions and completed the land purchase for MDC following approval of the business case to mitigate against delays on major projects and release of unused contingency funds.

Lease accounting (IFRS 16)

Leasing is a core component of the GPA's operations. Application of the accounting standard for leases (IFRS 16) has significant impacts on the GPA's resource and capital budgets. During 2025/26 these budgets were managed as ringfenced capital and resource budgets; however, from 2026/27 onwards, these ringfences have been relaxed. The GPA continues to improve financial management of its current and planned lease portfolio, enabled by strengthened document tracking and investment appraisal. Further information on the accounting for leases can be found in the notes to the financial statements.

IFRS 16 capital outturn

IFRS 16 capital outturn for 2025/26 is £21.8 million which represents a £33.3 million underspend against a budget of £55.3 million. The variance arose principally from the deferral of planned lease extensions and the non-utilisation of capacity held to enter into leases to meet demand from departmental partners or extract value from opportunistic transactions including lease regears.

IFRS 16 resource outturn

The IFRS 16 resource outturn for 2025/26 is net income of £22.4 million against a budget of £18.5 million. The outturn includes a £16.6 million charge relating to the indexation of financing liabilities arising from the GPA's PFI contracts.

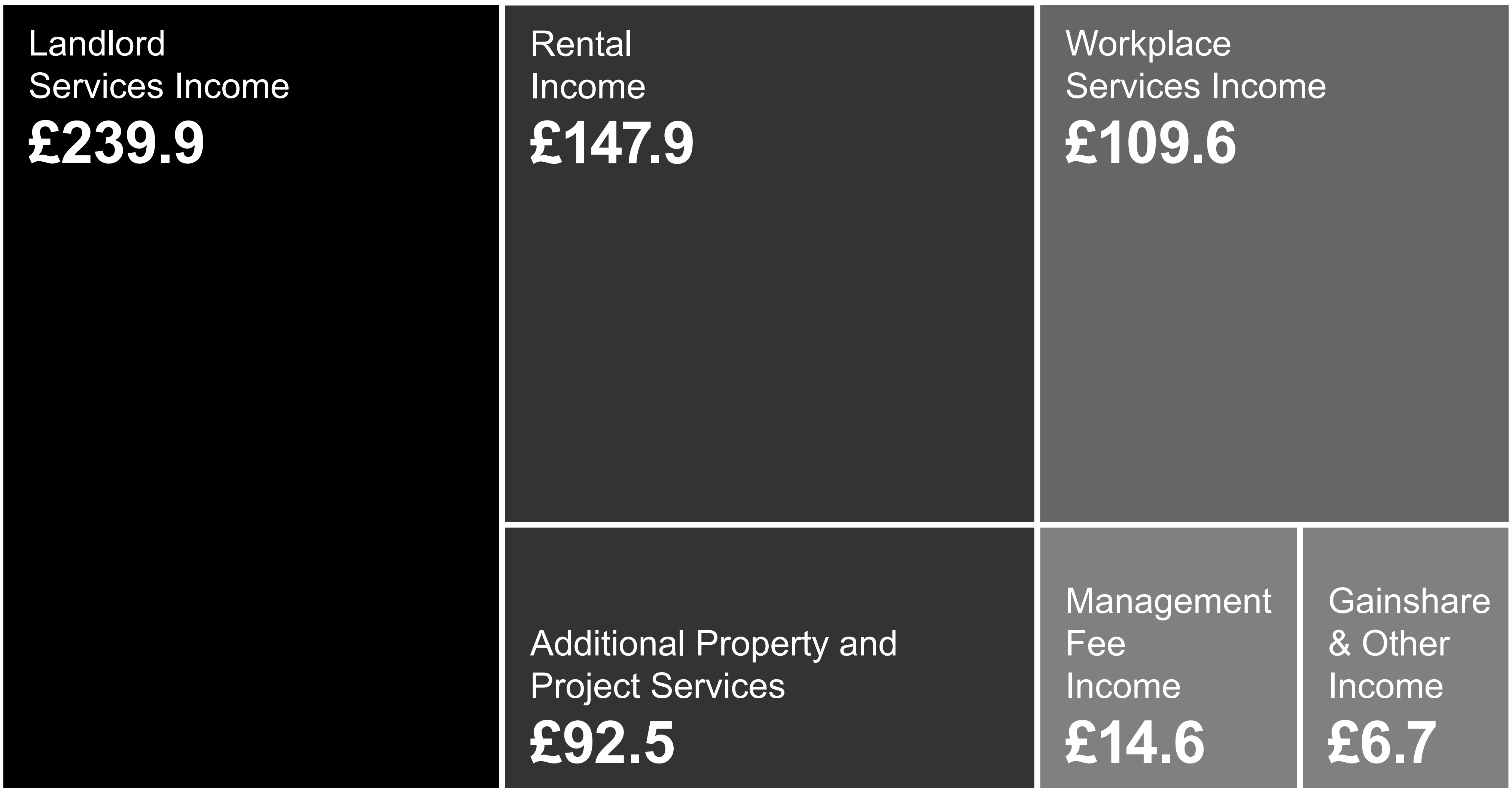
Financial statement analysis

Operating income £611.2 million (2024/25: £563.8 million)

The key components of the £611.2 million total operating income are summarised in the diagram below, highlighting the primary income categories for the year.

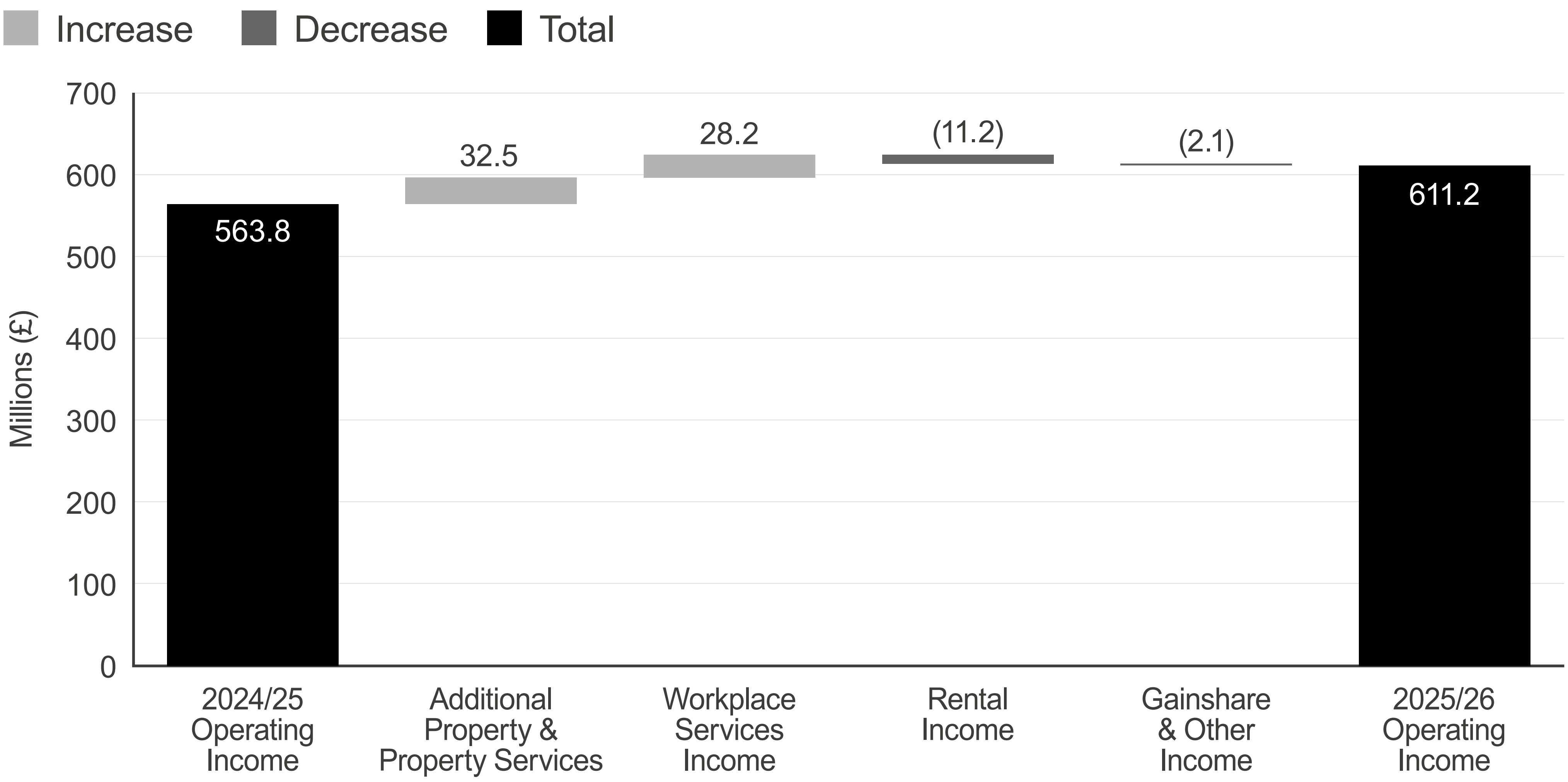
Landlord services represent the largest revenue stream, contributing £239.9 million (39 per cent) of total income. This includes the recovery of property service costs such as property head lease service charges, business rates, utility costs and PFI unitary payments. Rental income is the second largest category, contributing £147.9 million (24 per cent), followed by Workplace Services, which covers Hard and Soft FM, operational security and Workplace ICT, contributing £109.6 million of income (18 per cent). Additional Property and Project Services contributed £92.5 million (15 per cent), primarily through the recovery of construction fees for client transformational and project delivery services such as ECMWF.

GPA income – Financial Year 2025/26 (£millions)



Income increased by £47.4 million in the year from £563.8 million to £611.2 million. The increase arose principally from client funded property and project services income of £32.5 million, which reflected progress in constructing ECMWF in 2025/26. The increase in workplace services revenue of £28.2 million was primarily due to two major new properties which became operational during 2025/26. There has also been an increase in the number of properties serviced by GPA ‘s IT technology services, as well as a growth in client requested Hard FM services. This was marginally offset by a reduction in rental income of £11.2 million primarily due to backdated rent reviews following the onboarding of new head leases and changes in accounting estimate on IFRS 16. Gainshare income, representing the GPA’s share of the financial benefits generated for clients, remained broadly in line with the prior year.
Changes in income between years are shown in figure 1 below.

Figure 1. Changes in operating income between 2024/25 and 2025/26



Operating expenditure £650.7 million (2024/25: £607.3 million)

The key components of the £650.7 million total operating expenditure are summarised in the diagram below, highlighting the primary cost categories for the year:

GPA operating expenditure – Financial Year 2025/26 (£millions)

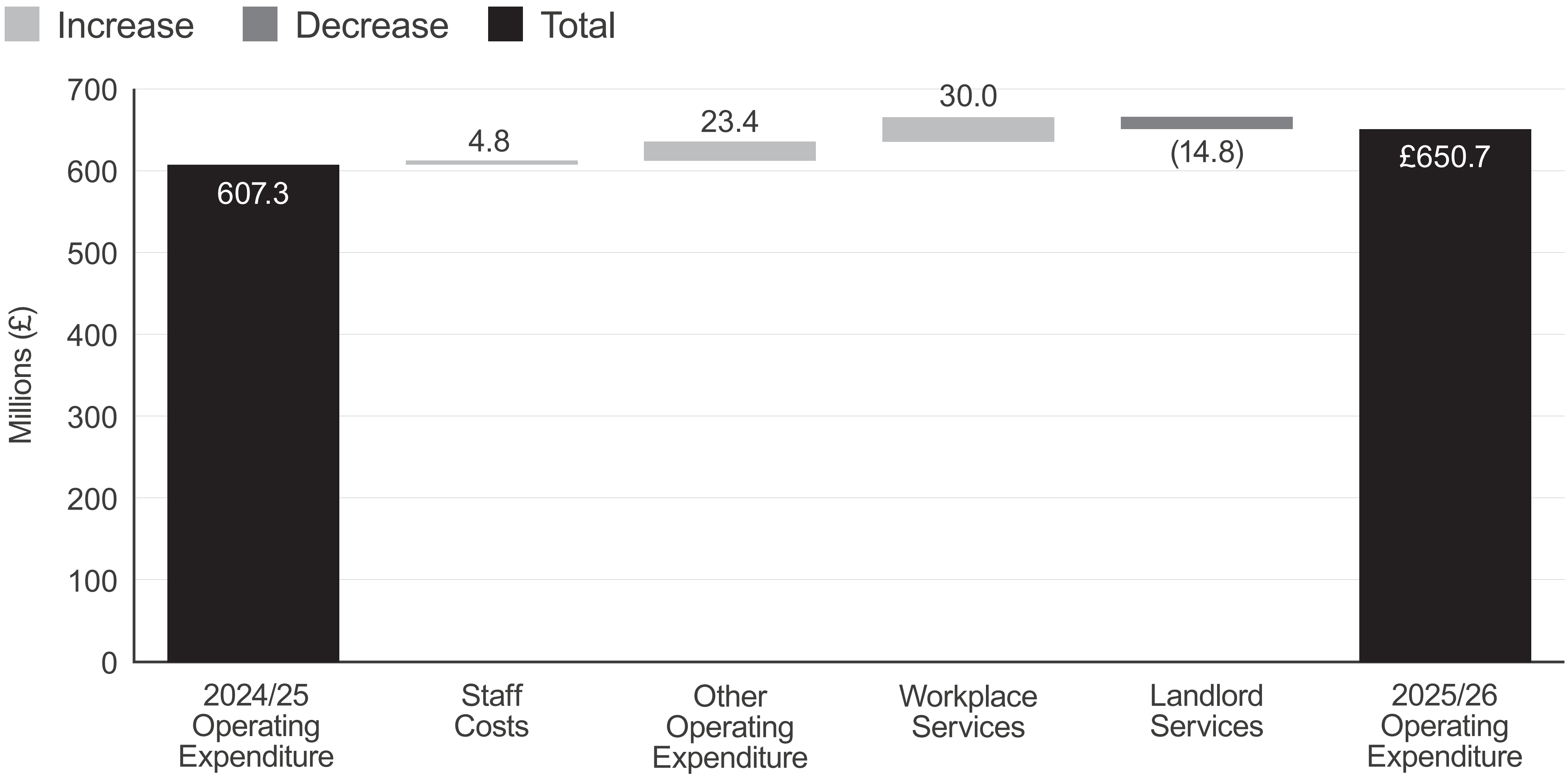
Operating expenditure exceeded operating income, with the shortfall funded by HM Treasury via the Cabinet Office. Total operating expenditure increased by £43.4 million in the year from £607.3 million to £650.7 million.

Workplace Services experienced a £30.0 million year-on-year growth, primarily driven by the launch of two new major properties, noted above. Across the wider estate, costs rose as more properties transitioned to the GPA's IT service management. The cost of providing Workplace Services was also impacted by the settlement of industrial action in early 2025/26, which increased hourly rates for Soft FM and Security. Additionally, expenditure rose in response to higher client demand for Hard FM, increased operational security and a higher volume of workplace ICT and project-related work.

Other operating expenditure increases were driven by higher professional services costs, due to the client-funded ECMWF project progressing further into the construction phase. These costs were partially offset by savings in IT and capital grants. Landlord Services expenditure decreased by £14.8 million, primarily due to favourable settlements on backdated rent reviews following the onboarding of new head leases and change in accounting estimate on IFRS 16. Staff costs increased by £4.8 million, reflecting the GPA's transition toward a more established and stable employment model during the year.

Operating expenditure excludes non-cash expenditure which is recorded in note 3c to the financial statements. Non-cash expenditure includes depreciation, amortisation and impairment of non-current assets and remeasurement of financing liabilities. Changes in expenditure between years are shown in Figure 2 below, which is more clearly illustrated by excluding non-cash expenditure, as shown.

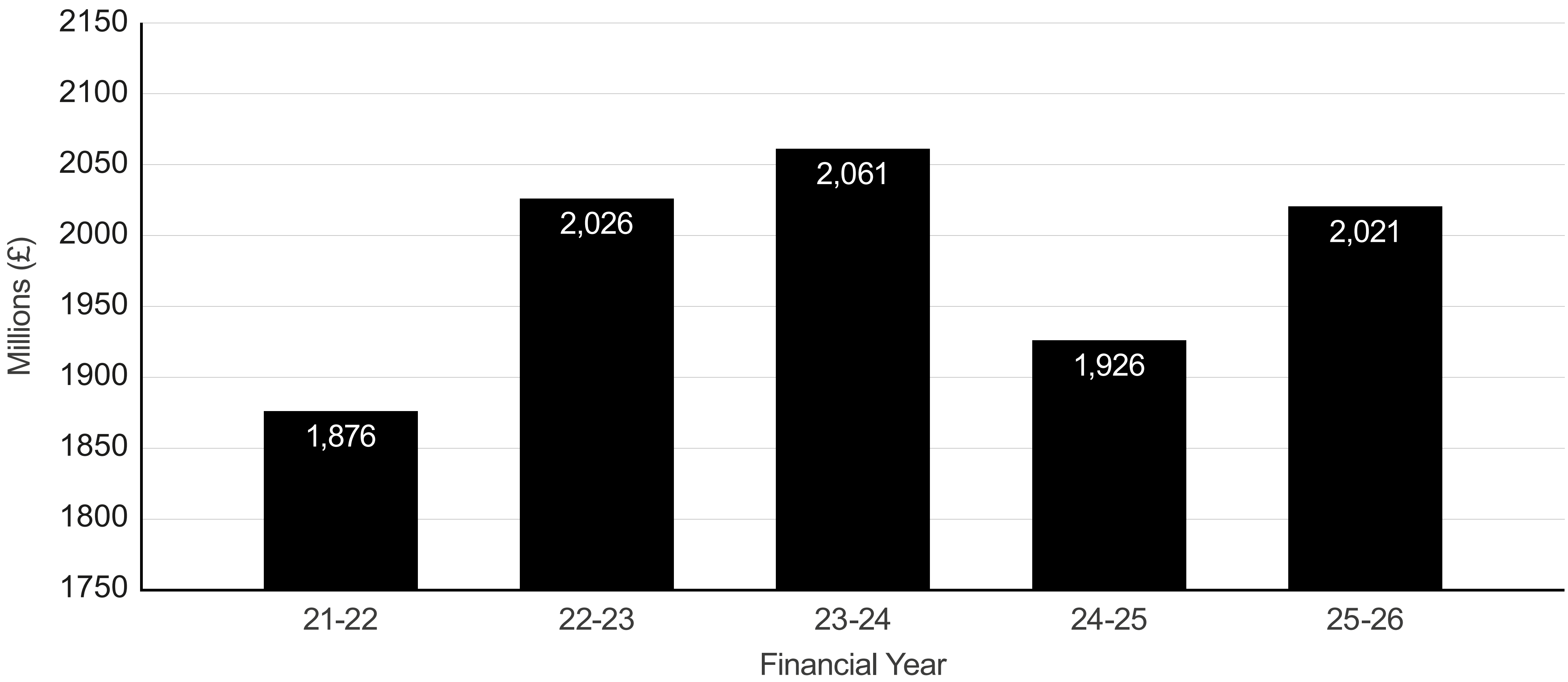
Figure 2. Changes in operating expenditure excluding non-cash items between 2024/25 and 2025/26



Property assets

The Statement of Financial Position as at 31 March 2026 reports property assets valued at £2.0 billion (2024/25: £1.9 billion), as shown below. These assets comprise property, plant and equipment (PPE) assets of £1.8 billion (2024/25: £1.7 billion) and IFRS 16 right of use assets of £0.2 billion (2024/25: £0.2 billion). Property assets increased in the year by £0.1 billion, following a fall in 2024/25. The increase was principally due to PPE additions of £0.3 billion and right of use asset additions of £0.1 billion offset by disposals and transfers of £0.1 billion and depreciation and impairment charges of £0.2 billion respectively.

Figure 3. Property assets growth



Amounts receivable from clients

The GPA’s underlying performance in billing and collections improved again during 2025/26. Total billing volume remained stable at £816.3 million (2025: £810.0 million), reflecting a stable property portfolio. At 31 March 2026, amounts receivable from clients was £96.6 million (2025: £94.0 million). The increase in the year arose from significantly improved billing timelines, with 98 per cent of invoices issued by their due date (2025: 86 per cent), which resulted in £2.6 million of charges relating to 2026/27 financial year being recognised in 2025/26, earlier than in previous cycles and a primary driver of the year-on-year increase in receivables at the year end date.

The average period that total amounts receivable were outstanding (“debtor days”) improved to 70 days as at 31 March 2026 (2025: 78 days). When amounts billed but not yet due for payment at 31 March 2026 are excluded, debtor days are 39 days (2025: 34 days).

The increase in adjusted debtor days reflects the timing of GPA billing and of the Easter Bank Holiday, which delayed receipt of major client payments until early April. Long-term debt outstanding for over 150 days has decreased by 40 per cent year-on-year. The underlying trend remains positive, with historical disputed arrears continuing to be resolved complemented by a higher proportion of current, high-quality receivables.

Supplier payment performance

The average percentage of supplier payments paid to term across the financial year was 78.1 per cent (2025 78.9 per cent). Performance exceeded 80 per cent in six months, coinciding with quarter-end and year-end periods. While performance varied across the year, the majority of payments were made within agreed terms.

Training sessions are regularly run and additional quick guides are being created, to help enable swift action for payment related actions. In addition, payment performance has now been escalated to a more senior management level to help improve resource and prioritisation of payment activities in any business units where performance is particularly low.

Cash and cash equivalents

The GPA keeps to a £50 million bank balance buffer to meet liabilities as they fall due, in accordance with Managing Public Money requirements. The cash at bank at 31 March 2026 was £52 million (2025: £83 million). Cash and cash equivalents at the reporting date were £47.5 million.

The GPA is working towards a target variance of 10 per cent between the actual and forecast position. Payment forecasts are generally within tolerance, with an average variance of 3.2 per cent over the year. Receipts are more difficult to forecast and subject to greater fluctuation. Total payments over the year, comprising RDEL, CDEL and applicable taxes exceeded £1.3 billion (2025: £1.1 billion).

Benefits

A key focus for the GPA has been the continued realisation of benefits to the taxpayer from rationalising the government office estate it manages and driving value from the portfolio including through using its buying power effectively.

These outcomes have been achieved by delivering on strategic objectives across a range of programmes including the Government Hubs and Westminster Campus Programme and LCR and Net Zero. As well as delivery against these key programmes, a number of other efficiencies/benefits have been realised through the successful optimisation of the GPA's operational footprint which have created value for money for the taxpayer.

Cashable and non-cashable benefits are set out below for the period from 1 July 2024 to 31 March 26. This is an extended reporting period (21 months) which now aligns the benefits reporting year to the GPA financial year.

Benefits are split between two reporting categories:

Realised: benefits are considered realised once the relevant activity has been completed or delivered and reviewed to determine the actual outcome.

Booked: benefits are booked when the relevant budgetary approval has been granted and has a relevant business case attached signalling the project is in delivery. In the case of leasing and commercial activity these are booked and realised in the year the event occurs.

In Period Benefits (£'m – NPSV)	FY 2025/26 (21 Month Period)			FY 2024/25 (12 Month Period)		
	Realised	Booked	Total	Realised	Booked	Total
Cashable	780	115	895	939	(236)	703
Non-Cashable	79	(69)	10	(313)	(59)	(372)
Total	**859**	**46**	**905**	**626**	**(295)**	**331**

Basis of preparation

The GPA reports those benefits recognised within the benefits period. Benefits are measured on a Net Present Social Value (NPSV) basis in accordance with HM Treasury's Green Book. This means that when a benefit is determined to have been Realised, the original benefit initially recognised as Booked is reversed within the Booked category with the actual benefits being recorded in the Realised category, with the difference being the total benefit to be reported for the period for that activity. Benefits reported for the period therefore comprise a combination of:

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

Analysis of benefits

The collective impact of initiatives across GPA increased the benefits achieved throughout the reporting period by £905 million as shown in the table below.

	FY 2025/26 (21 Month Period)		
Benefits (£'m – NPSV)	**Realised**	**Booked**	**Total**
Cashable			
Government Hubs & Westminster Campus Programme	576	150	**726**
Property	63	0	**63**
Commercial	28	(36)	**(8)**
LCR/NZ	113	0	**113**
Total	**780**	**115**	**895**
Non-cashable			
Government Hubs & Westminster Campus Programme	79	(69)	**10**
Property	(0)	(0)	**(0)**
Total	**79**	**(69)**	**10**
Total	**859**	**46**	**905**

Cashable benefits (£895 million)

Cashable benefits reported for the period were £895 million underpinned by realising £780 million of benefits.

Benefits confirmed as booked and realised in 2025/26 include: £788 million from the continued rationalisation of the London Estate as part of the Government Hubs and Westminster Campus Programme with a total of nine building closures recognised in the 21-month period (comprising Dawson Hall, London Wall, Albany House, Windsor House, The Rookery, 10-18 Victoria Street, Clive House, Temple Chambers and 151 Buckingham Palace Road).

£180 million of Realised benefits arose from activities including property asset management, commercial activity and from implementing the LCR and Net Zero Programme. These benefits were partially offset by cashable disbenefits of £186 million arising from the re-evaluation of Croydon, 2 Ruskin Square as part of the post evaluation review. The £186 million disbenefit comprises £101 million in additional implementation costs and £85 million in 20-year running costs. When compared to the projected benefits for this project on initial recognition this represents a £61 million increase in the cashable disbenefit. Driven by factors outside of the GPA's control, the primary drivers of this increased cost include a £42 million increase in FM fees due to new pricing models and wage adjustments i.e., living wage, alongside £12 million from upward business rate revaluations. Implementation costs were further impacted by £14 million in inflationary supply chain shocks and partially mitigated by £7 million from lower decommissioning costs.

Within the period a number of key projects moved into the delivery phase across both London and the Regions resulting in £115 million of cashable benefits being recognised within the booked category. These include: £189 million from the planned exit from Caxton House (Whitehall); partially offset by £167 million net disbenefit in the Regions where two Hubs (Darlington Economic Campus and Manchester, First Street) moved into the delivery phase. Booked benefits also increased when £93 million of benefits Booked in prior years were transferred to the Realised category. This increase principally comprised the reversal of disbenefits of £129 million on Croydon, 2 Ruskin Square, partially offset by £36 million of benefits from the Workplace Services Transformation Programme that are now transferred into Realised.

Non-cashable benefits (£10 million)

Non-cashable benefits recognised in the year were £10 million. The realised benefits of £79 million are principally attributable to Croydon, 2 Ruskin Square, partially offset within the booked category by disbenefits of (£69 million). Disbenefits principally comprise: the reversal of £83 million for Croydon which has now been successfully delivered with the final result being reported within the realised category; a £41 million net disbenefit reflecting the valuation of the socio-economic benefits as a result of an estimated 981 roles moving from London to regional hubs; and £55 million of societal and smarter working benefits attributed to Bristol, Temple Quay House, Darlington Economic Campus and Manchester, First Street.

Non-financial benefits

In addition to the cashable and non-cashable benefits reported by the GPA in 2025/26, the GPA has contributed to delivering a broader range of outcomes in delivering a smaller, better and greener government office estate. These benefits represent the long-term, structural impact on regional regeneration, sustainability, and modernising Civil Service working practices.

Socio-economic benefits and social value

The GPA's investment acts as a strategic anchor for regional regeneration (such as the Croydon and Darlington hubs). By de-risking local development and driving high-street footfall, the GPA supports the government's objective of distributing Civil Service careers across the UK. Furthermore, capital projects and FM contracts actively generate social value through the supply chain – creating local apprenticeships, engaging SME suppliers and promoting ethical procurement.

Operational agility and civil service excellence

The GPA is enhancing Civil Service efficiency by creating spaces that enable cross-departmental working through creating and operating multi-tenanted, interoperable environments. This model provides the agility to more effectively respond to Machinery of Government changes, allowing departmental footprints to more readily scale down or up, minimising the need for costly unplanned lease events and capital works. Additionally, these modern, neuro-inclusive and wellbeing-focused workspaces foster cross-government collaboration and are critical to attracting and retaining high-quality talent.

Smart estates and data-driven insights

By progressively embedding 'Smart Building' technology across the portfolio, the GPA is transforming how its estate is managed. This investment yields rich, real-time utilisation and environmental data, enabling predictive maintenance, optimised energy consumption and evidence-based decision-making for future footprint planning.

Environmental leadership and resilience

The GPA is supporting the public sector's transition to Net Zero by modernising heritage assets and delivering high-efficiency new build spaces. This work provides a scalable blueprint for sustainable estate management, significantly reducing the long-term carbon footprint and operational costs of the government office portfolio it manages. Crucially, GPA's strategy also integrates climate adaptation and biodiversity, ensuring its buildings remain safe, operational and resilient against future environmental challenges.

Mark Bourgeois
Chief Executive Officer and Accounting Officer
8 July 2026

Accountability report

Introduction

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

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

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

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

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

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

Statement of Accounting Officer's Responsibilities

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

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

- Observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimate on a reasonable basis;
- State whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed and disclose and explain any material departures in the accounts;
- Prepare the accounts on a going concern basis;
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable; and
- Take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

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

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

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

Statement on the disclosure of relevant audit information

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

Corporate Governance Report

Director's Report

Composition of the board

The GPA board that served during 2025/26 is made up of three internal NEDs, one of whom is the UK Government Investments (UKGI) Shareholder Representative Director, as well as five external independent NEDs, one of whom is the GPA's Chair. The CEO and Chief Financial Officer (CFO) are appointed as Executive Members of the board.

The NEDs of the GPA during 2025/26 are listed below. They bring external experience and expertise to the GPA, providing advice, challenge and scrutiny to support the Accounting Officer in the discharge of their duty. Independent non-executive board members are appointed through a fair and open competition process, requiring approval from the Minister for the Cabinet Office. Their initial term is three or four years, with the possibility of a three or four-year extension.

The GPA Board Members at 31 March 2026 were:

Helen Gillett Interim Chair, SCC Chair
Roger Blundell IC Chair, ARC
Hannah Gray IC, ARC, NRC
Carol Bernard NRC Chair
Ronen Journo NRC, SCC
Maura Sullivan ARC Chair, IC
Anna Strongman IC
Mark Chivers

Key
IC Investment Committee
ARC Audit and Risk Committee
NRC Nomination and Remuneration Committee
SCC Strategic Client Committee

The following Non-Executives left the GPA Board during 2025/26

- **Pat Ritchie,** Chair – until 30 April 2025
- **Jonathan Thompson,** Deputy Chair until 31 May and acting Interim Chair from 1 June 2025 – until 31 July 2025
- **Hannah Gray,** Shareholder Representative – until 31 March 2026

The following Non-Executives joined the GPA Board or were appointed to new Board roles during 2025/26

- **Mark Chivers,** Government NED – from 15 May 2025
- **Maura Sullivan,** Non-Government NED – from 1 September 2025
- **Helen Gillett,** Interim Chair – from 1 September 2025 (having previously served as a NED)

Dates of appointment for the Board are as follows:

Name	Title	Start date	End date
Pat Ritchie	GPA Chair	1 January 2020	30 April 2025
Jonathan Thompson	Non-Government NED (Deputy Chair) Interim Chair	1 August 2021 1 June 2025	31 July 2025
Helen Gillett	Non-Government NED Interim Chair	1 April 2023 1 September 2026	31 March 2027 28 February 2027
Anna Strongman	Non-Government NED	1 October 2024	30 September 2028
Carol Bernard	Government NED (CO Representative)	1 June 2022	31 July 2026
Hannah Gray	Shareholder Representative Director	10 June 2024	31 March 2026
Mark Chivers	Government NED	15 May 2025	N/A
Roger Blundell	Non-Government NED	1 April 2023	31 March 2027
Ronen Journo	Non-Government NED	1 April 2023	31 March 2029
Maura Sullivan	Non-Government NED	1 September 2025	28 February 2029
Mark Bourgeois	Chief Executive Officer	1 October 2024	N/A
Nick Brown	Chief Financial Officer	15 May 2023	N/A

Following Hannah Gray's departure from the board, the responsibilities of shareholder representative have transferred to the OGP which is represented on the Board by Mark Chivers.

Composition of the Executive team

Mark Bourgeois holds the position of CEO of the GPA and serves as the designated Accounting Officer. The executive team was restructured with effect from 1 October 2025 in line with OD&D.

The GPA Executive team as of 31 March 2026 was as follows:

Mark Bourgeois Chief Executive Officer
Nick Brown Chief Financial Officer
Lisa Commane Chief Operating Officer
Dominic Brankin Director of Strategy
Michael Wu General Counsel
Carly Ersser Director, Workplace Services
Simon Hulme MBE Director, Capital Projects
Lorraine Wall Director, Human Resources
John Duckworth Chief Investment Officer

The principal change was Dominic Brankin, now in the substantive position as the new Director of Strategy, will serve as the principal interface with the Civil Service. This strategic positioning enables the GPA to act as a collaborative driver for Civil Service transformation and the delivery of government missions. To ensure continuity in executive leadership during a period in which the GPA's Chief Operating Officer (COO) was not undertaking the duties of the role, Dominic Brankin is currently acting as the interim COO since 9 March, with Alex Morley appointed as the interim Director of Strategy from the same date.

The following left the GPA Executive team during 2025/26

- Yvette Greener, Director of Client Solutions – until 1 September 2025
- Georgina Dunn, Interim Director of Capital Projects – until 1 September 2025
- Martin Keeler, Deputy Director of Human Resources – until 29 September 2025

The following were appointed to the GPA Executive Committee during 2025/26

- **Jane Hunt** as interim Chief Investment Officer – from 01 September 2025 to 30 June 2026.
- **Simon Hulme MBE,** Director of Capital Projects – from 01 September 2025
- **Lorraine Wall,** Director, Human Resources – from 01 October 2025
- **John Duckworth,** Chief Investment Officer – from 16 March 2026. Jane Hunt continued as a member of the Executive Committee for 15 weeks following the appointment of Mr Duckworth to provide continuity.

Senior Leadership and Key Appointments

In parallel with the Executive changes, a new Senior Responsible Owner (SRO) for MDC, Philippa Harvey, commenced on 1 April 2025. She reports to the MDC Sponsor Board that oversees delivery of the programme, attends the Executive Committee and is responsible for ensuring the MDC Programme meets its stated objectives and delivers its projected benefits.

Dates of appointment for the Executive Committee are as follows:

Name	Title	Start date	End date
Mark Bourgeois	Chief Executive Officer	1 October 2024	N/A
Nick Brown	Chief Financial Officer	15 May 2023	N/A
Lisa Commane	Chief Operating Officer	31 October 2023	N/A
Georgina Dunn	Interim Director, Capital Projects	29 July 2024	1 September 2025
Simon Hulme MBE	Director, Capital Projects	1 September 2025	31 August 2026
Yvette Greener	Director, Client Solutions	1 December 2021	1 September 2025
Dominic Brankin	Director, Strategy	1 October 2025	N/A
Dominic Brankin	Director, Property	2 April 2024	30 September 2025
Dominic Brankin	Director, Workplace Services	14 January 2019	1 April 2024
Carly Ersser	Interim Director, Workplace Services Director, Workplace Services	4 November 2024 24 June 2025	23 June 2025 N/A
Martin Keeler	Director, Human Resources	1 December 2021	29 September 2025
Lorraine Wall	Director, Human Resources	1 October 2025	30 September 2027
Michael Wu	General Counsel	2 May 2022	N/A
Jane Hunt	Interim Chief Investment Officer	1 September 2025	30 June 2026
John Duckworth	Chief Investment Officer	16 March 2026	N/A

Conflicts of interest

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

Register of interests

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

Business appointment rules

All staff are required to comply with the Civil Service Code and the Civil Service Management Code. In support of this, the GPA operates a dedicated compliance process that emphasises the importance of declaring interests and secondary employment during service. This framework extends to the application of the Cabinet Office policy on Business Appointment Rules (BAR), which requires relevant employees leaving Crown service to secure approval before taking up outside appointments.

The GPA implements and monitors BAR applications for SCS staff subject to the rules through HR procedures, with awareness maintained via accessible intranet guidance and standard exit management processes. The ARC provides overarching oversight of the GPA's risk and compliance frameworks; no BAR breaches or material exceptions required escalation to the ARC during 2025/26.

Governance Statement

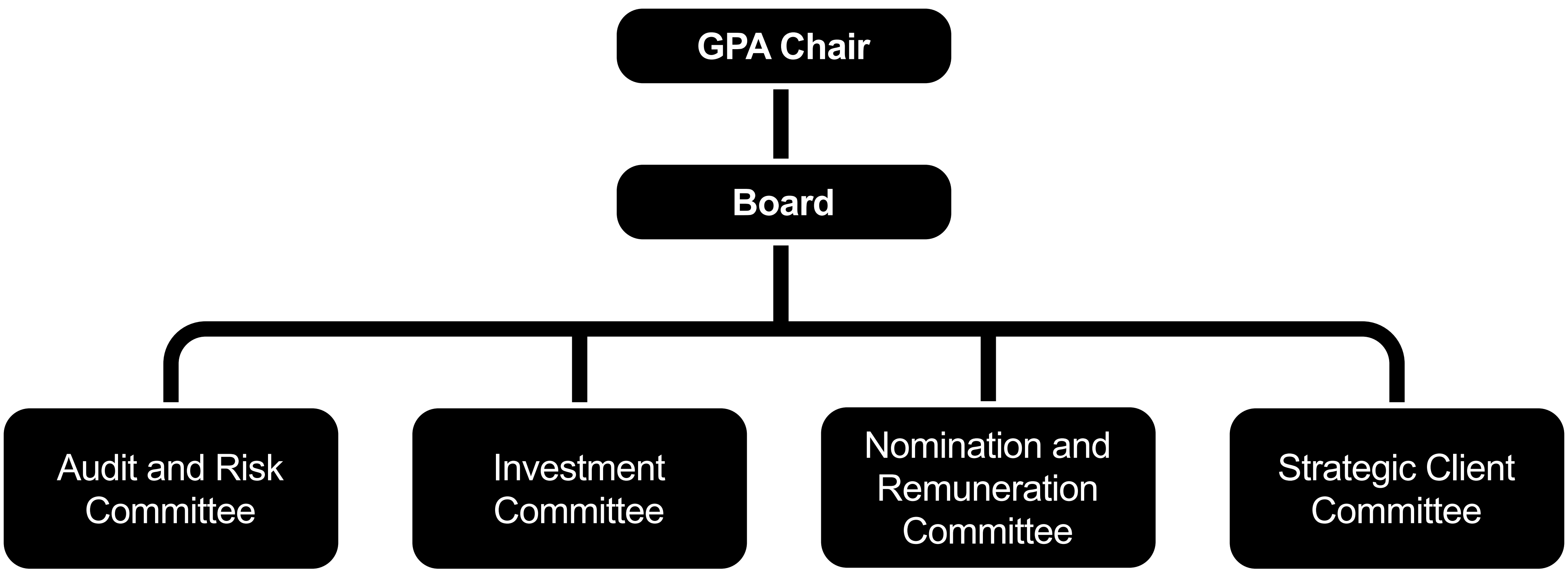
Scope of responsibility

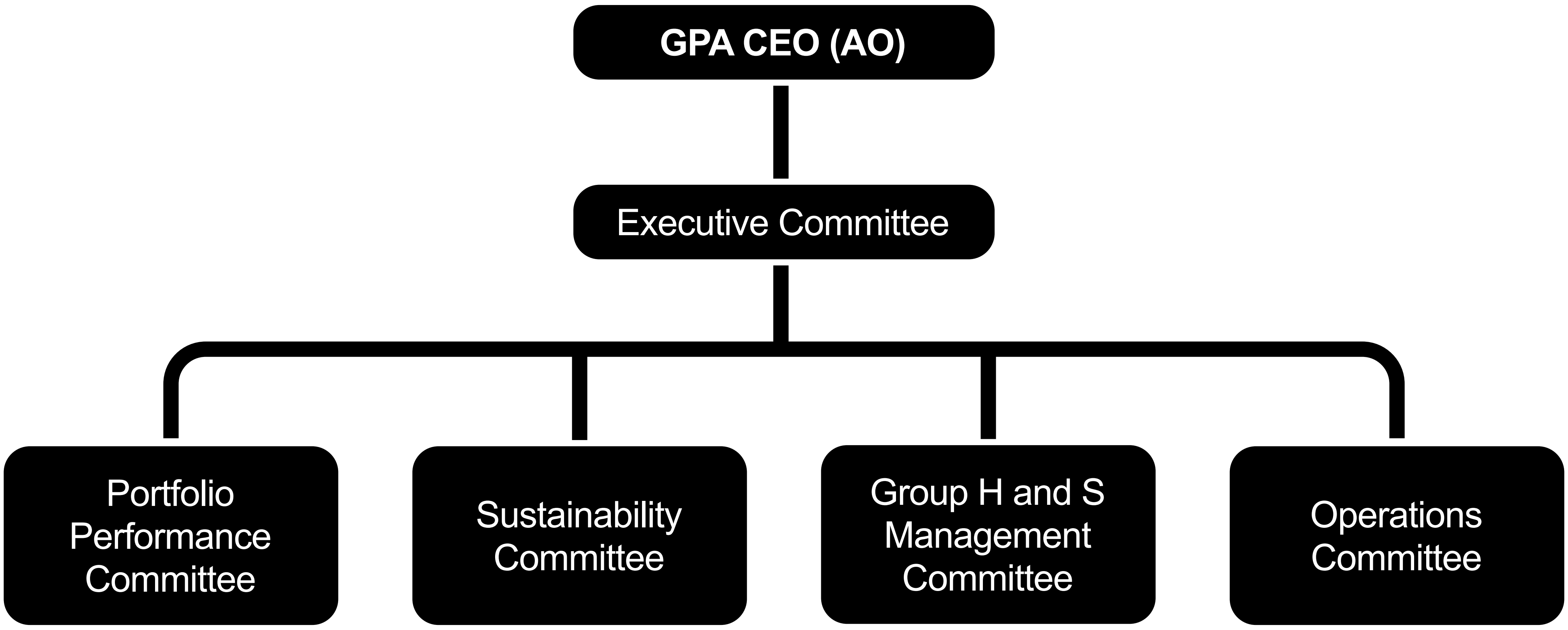
As Accounting Officer, the CEO of the GPA ensures that the agency adheres to the principles and standards set out in HM Treasury's Managing Public Money guidance, including requests over governance, decision-making and financial management. The GPA continues to monitor and evolve the quality of information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

GPA governance structure

The GPA is an Executive Agency of the Cabinet Office and reports to Cabinet Office Ministers through the Chair of the board. The Director General of Government Property in OGP is the Senior Sponsor, is a member of the GPA Board and has oversight of the policy objectives that the GPA is required to deliver. Until 31 March 2026, UKGI undertook the role of Shareholder Representative on behalf of the Cabinet Office. UKGI is responsible for promoting corporate governance and financial best practice across government with a representative of UKGI serving as a member of the GPA board. From 1 April 2026 the Shareholder Representative role will be performed by OGP. To ensure transparency, Cabinet Office finance representatives sit on the investment committee, with a government representative currently from the Department of Culture, Media and Sport (DCMS) independent of the GPA sitting on the ARC. The GPA also adheres to HM Treasury guidance on Managing Public Money, Risk Management, Internal Audit, Remuneration and Financial Delegation. Following the outcome of the ALB review, the GPA's Framework Document will be revised in 2026/27 to reflect any updated governance requirements.

The GPA's governance structure was revised during the year so as to deliver a governance model appropriate to the GPA's increased scale of operations and to provide a robust system that follows the principles of good governance in HM Treasury and Cabinet Office guidance.





The GPA board

The board formally met six times in 2025/26.

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

To ensure it is equipped for this role, the GPA follows best practice for corporate governance, in line with the 'Corporate governance in central government departments: code of good practice' guidance. The GPA's board composition was designed in line with this code, which has allowed for the appointment of a mixture of non-executives with substantial experience in the public sector as well as independent and executive members with strong private sector real estate, technology, client focus and commercial expertise. These areas of expertise are used collaboratively to set the GPA's strategic direction, drawing on experience from both sectors to capitalise on opportunities whilst managing risks and holding the GPA to account for delivery against set targets. As part of its commitment to closer client alignment, the board began inviting departmental partners to its meetings during the year, strengthening understanding of departmental priorities and opportunities and enhancing transparency of the government estate strategy.

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

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

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

The 2025/26 financial year presented a challenging landscape for the board, notably with the ongoing ALB review and the appointment of an Interim Chair in September. Despite these transitions, board members have continued to engage constructively with the business, providing robust strategic oversight and challenge. A major focus and key achievement this year was supporting the executive committee in removing the qualification from the annual report and accounts. The board has also continued to drive forward the continuous improvement programme and ensure the delivery of the strategic objectives for a smaller, better, greener government office estate. To further strengthen this oversight, the reporting dashboards shared with the board have been reviewed and refined. The board now receives regular KPI and business plan performance dashboards, alongside dedicated health and safety and Capital Projects dashboards, ensuring it is equipped with comprehensive data to monitor performance.

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

The investment committee

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

The role of the investment committee is to:

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

It also oversees GPA procurement and contracting activity.

The audit and risk committee

The ARC was chaired by Jonathan Thompson, until he became interim GPA Chair from 1 June 2025 until his term ended on 31 July 2025. Roger Blundell acted as interim Chair of ARC from 1 June 2025 until 31 August 2025. Maura Sullivan was confirmed as ARC Chair from 1 September 2025. This committee supports the board and Accounting Officer by ensuring that governance, risk management, internal controls and financial accounts are comprehensive and effective. It formally met five times in 2025/26.

Representatives from the NAO and GIAA attend these committee meetings as non-members. GIAA conducts a programme of internal audits each year informed by key GPA risks.

The Chair of the ARC and other GPA executives are invited to attend CO ARC at least once a year to discuss GPA’s performance and any matters for escalation.

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

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

The nomination and remuneration committee

The nomination and remuneration committee is chaired by Carol Bernard. It provides independent scrutiny of the executive and senior staff performance, management and succession planning. The committee met four times in 2025/26.

The role of the committee is to:

- Advise the Chair on the CEO recruitment, remuneration and the associated performance bonus;
- Agree performance objectives for the CEO and support the GPA in setting performance objectives for its senior staff;
- Advise the CEO on the remuneration of senior staff in accordance with the GPA SCS pay rules;
- Determine parameters and payments for senior staff relating to pay anomalies, higher starting salaries for external recruits and pivotal role allowances ahead of approval by the relevant profession;
- Oversee the development and implementation of initiatives aimed at retaining and developing key talent within the organisation;
- Consider the balance of skills, knowledge, experience and succession planning for NED Board Members and identify gaps and opportunities; and
- Support and advise the GPA Board Chair on the NED recruitment process.

The strategic client committee

The strategic client committee is chaired by the GPA's Interim Chair Helen Gillett. The committee provides strategic insight, feedback and recommendations to the GPA. Six senior representatives from departmental partners are members of the committee. It met once in 2025/26 and further meetings have been paused while a review of its purpose is completed and the findings of the ALB review recommending increased client partner representation in the governance of the GPA considered.

The role of the committee includes:

- Supporting development of the future direction and development of the GPA to ensure it prioritises and meets departmental partners' needs whilst being sustainable as an entity;
- Understanding the current and anticipating the future property and service needs of departmental partners;
- Identifying and recommending new service provisions or improvements to existing services; and
- Supporting the GPA in enhancing communication with departmental partners and key stakeholders, serving as ambassadors where appropriate.

Executive committee

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

The responsibilities of the executive committee include:

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

The Accounting Officer sub-delegates budget and other responsibilities to each director and monitors compliance.

Executive governance

The executive committee meets weekly and has four subcommittees that report directly to it:

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

Attendance Record for Board and its Committees in 2025/26

Board Member	Role	GPA Board	Nomination and Remuneration Committee	Audit and Risk Committee	Investment Committee	Strategic client Committee
Pat Ritchie	Chair, GPA	N/A	1/1	N/A	N/A	N/A
Jonathan Thompson	Deputy Chair and Independent Non – Executive Director	2/2	N/A	1/2	2/4	N/A
Anna Strongman	Independent Non – Executive Director	6/6	N/A	N/A	7/11	N/A
Carol Bernard	Non-Executive Director (Cabinet Office)	5/6	4/4	4/5	N/A	N/A
Hannah Gray	Non-Executive Director (UKGI)	5/6	4/4	4/5	9/11	N/A
Helen Gillett	Interim Chair and Independent Non – Executive Director	6/6	4/4	N/A	N/A	1/1
Roger Blundell	Independent Non – Executive Director	6/6	N/A	4/5	11/11	N/A
Ronen Journo	Independent Non – Executive Director	6/6	4/4	N/A	4/11	1/1
Mark Chivers	Government NED	5/6	N/A	N/A	N/A	N/A
Maura Sullivan	Non-Government NED	3/4	N/A	3/3	5/5	N/A
Mark Bourgeois	Chief Executive Officer	6/6	4/4	N/A	9/11	1/1
Nick Brown	Chief Financial Officer	6/6	N/A	N/A	11/11	N/A
Andrew Pattison	Other government department representative independent of the GPA	N/A	N/A	4/5	N/A	N/A
Leslie Gilbert	Cabinet Office Finance representative	N/A	N/A	N/A	11/11	N/A

Governance Effectiveness Reviews

Assessment of board effectiveness

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

An external review of the GPA's board effectiveness, including its subcommittees, took place in 2024/25 and is next due in 2027/2028. A further review of board governance was discussed at an extraordinary board meeting in January 2026 to consider what actions and activities would make the board more efficient and effective. Recommendations focussed on:

- Shifting the focus of the board and its subcommittees from operational detail towards high-level strategic matters and risks;
- Improving the quality and quantity of papers, that include concise, two-page executive summaries; and
- Optimising committee membership and attendance to ensure the appropriate balance of skills for technical discussion.

Work is currently underway to review broader governance arrangements, implement these recommendations and ensure that both the Board and the wider GPA governance structure are fully optimised to support effective strategic decision-making.

Risk management framework

During 2025/26, the GPA continued its proactive management of risks across all organisational levels. Adhering to its established Risk Management Strategy and Policy, the GPA maintains mechanisms for identifying, assessing, responding to and mitigating risks threatening the achievement of its Business Plan objectives. Building on prior achievements, the GPA continually reviews and refines its risk management approach to enhance the effectiveness of its strategic delivery, processes and controls. This sustained effort includes ensuring the GPA's risk processes are fully aligned with the current version of HM Treasury's Orange Book and providing assurance that risks are managed within the agency's defined risk appetite. The GPA's risk management systems and processes remained in place throughout 2025/26 and up to the date of approval of the ARA.

Risk maturity and the three lines of defence

The 2025/26 period demonstrated continued enhancement in the maturity of the GPA's risk and assurance framework, particularly concerning oversight, challenge and accountability. Senior leaders took an active role in risk management and assurance, driving critical discussions on the organisation's risk appetite. As a sign of its growing maturity, the GPA is progressing work to establish a 'three lines of defence' model, including the documentation and assessment of internal control and assurance arrangements. This framework will continue to evolve, incorporating relevant feedback from audits conducted by the GIAA.

Governance and Oversight

The board retains ultimate accountability for risk management, including the critical responsibility of agreeing the risk appetite statement. To maintain consistent visibility, strategic risk updates are provided to the board bimonthly. The ARC advises the board on the effectiveness of risk management. At each meeting, the ARC receives updates on evolving risk and assurance activities and provides robust scrutiny over the management of strategic risks. This ensures major risks are identified and appropriate mitigation strategies and assurance levels are in place. Since its establishment, the GPA continues to strengthen its second line of defence through the introduction of several new key committees – the portfolio performance committee, operations committee and health and safety committee, thereby enhancing its capacity for oversight and challenge of risk management activities.

Investment in capability

The GPA continues its significant investment in risk management capacity and capability. A key milestone was the introduction of a new risk database, which facilitates enhanced risk analysis. This development is expected to provide greater visibility of risk management information, ultimately supporting more robust and risk-informed decision-making across the GPA.

Key strategic risks

A horizon scanning workshop was conducted to identify significant areas of future concern. This initiative included an annual risk review, which evaluated the existing 22 strategic risks and consolidated them into a revised set of nine strategic risks, which have been subsequently aligned with the existing strategic framework and take into account feedback from the ARC, board and GIAA. Each strategic risk is owned by an executive committee director and all strategic risks are reviewed monthly by the executive committee. A further enhancement made in the year was the development of better linkage between business plan objectives and the strategic risks.
Table 4: GPA Key strategic risks

Risk category	Risks	Expected risk management outcome
Strategic Execution and Operations	Strategic direction and policy alignment	Prevention of inefficient systems, poor delivery outcomes, disenfranchised GPA staff and stakeholders and a general loss of organisational purpose.
	Transformation and deliverability	Avoidance of the under-performance or failure of key programmes, service disruption, unmet client expectations, change fatigue, employee disengagement and a failure to achieve strategic objectives due to execution overload.
	Operational maturity	Ensuring the avoidance of operational disruption, qualified accounts, eroded trust, reputational damage and diminished credibility as a government delivery body.
Financial and Asset Management	Financial	The prevention of cost overruns, service degradation and a failure to deliver value for money. Mitigation will also avoid a systemic decline in operational resilience, breaching control totals and the subsequent loss of freedom and increased scrutiny that comes with financial mismanagement.
	Managing GPA portfolio	Prevention of increased void costs, greater liabilities for repairs and dilapidations, under-performance of property assets and ultimately, poor value for money for the government.

Risk category	Risks	Expected risk management outcome
People, Health and Safety	People and Wellbeing	Preventing staff burnout, diminished productivity and a weakened collaborative approach. Mitigation of this risk will also ensure the organisation doesn’t fail to execute the transformational change required to deliver a smaller, better, greener government office estate.
	Health and Safety	Ensure personal tragedies resulting from injuries or fatalities are avoided, as well as the corporate and personal criminal actions that would follow.
Security and Resilience	Security	Ensure alignment with Government Security Standards to avoid loss of life or injury, financial losses, operational disruption, reputational damage and falling short of legal and regulatory requirements.
	Cyber Security	The prevention of cyber attacks that result in the loss of critical services and government data, which would otherwise damage the organisation’s reputation and its ability to support and provide vital services for the government.

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

Effectiveness of risk management

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

Statement of internal control

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

The GPA internal control processes are designed to:

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

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

Cabinet Office controls

The GPA was in scope of the Cabinet Office spend controls throughout the year. These are designed to help organisations to reduce unnecessary spend and encourage cross-government collaboration. Central government organisations, including departments and the bodies they sponsor, must obtain Cabinet Office approval when they want to spend money on specified activities. Cabinet Office spend controls are part of the wider government financial delegations and approvals process set out in Managing Public Money and an important part of the mandate of government functions. The Cabinet Office operates the spend controls on behalf of HM Treasury. From 1 April 2026 the GPA's delegated authority of £15 million (inc VAT) remained unchanged.

The principal controls affecting the GPA during 2025/26 were:

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

Commitments by the GPA to spend more than £15 million (including VAT), or where such expenditure is novel contentious or repercussive (NCR) also require approval from HM Treasury and Cabinet Office; however this is expected to change as a result of Project Reset.

General Data Protection Regulations

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

There have been no records of personal data losses since the launch of the GPA in April 2018 that were required to be reported to the Information Commissioner's Office (ICO). Subsequent to the financial year end, in June 2026, a data incident was identified. This is currently under investigation, however advice received from the ICO is that this does not require formal reporting.

Whistleblowing

The GPA follows and uses the Cabinet Office Raising Concerns policy for whistleblowing, ensuring adherence to the Civil Service Code. This policy is managed centrally by the Cabinet office rather than the GPA. Information regarding the policy is available for staff on the GPA's intranet, and the ARC is regularly informed if any cases have been raised.

Counter fraud and bribery

The GPA, in adherence to the Fraud Functional Standard, has a counter fraud policy, strategy and a fraud action plan which details planned work across all areas of the organisation and reinforces the agency's commitment to countering fraud. Mandatory Civil Service e-learning training on this topic is carried out by all staff every 12 months. A counter fraud reporting route is available for staff to make confidential reports of suspected fraud. During 2025/26, the GPA expanded its focus to include the prevention of other aspects of financial crime such as the prevention of money laundering and compliance with government sanctions.

External assurance

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

Every year, the GPA and GIAA work together to develop an appropriate risk-based internal audit plan following a review of strategic and directorate risk registers, through interviews with GPA Directors as well as through understanding of known areas of continuous improvement. The GIAA updates the ARC on audit progress, provides completed reports and monitors agreed management actions. The reports form the basis for the annual assurance opinion. While some individual audits reported 'moderate' outcomes, the overall opinion for 2025/26 is limited*. Themes of note include immature business resilience and risk management, unclear governance and accountabilities particularly in the physical and cyber security control environment.

Remuneration and Staff Report

Overview

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

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

Remuneration report

Remuneration policy

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

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

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

The SSRB website contains further information about its work.

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

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

Non-consolidated payments are paid one year in arrears, so those paid to the GPA's staff in 2025/26 relate to their performance during fiscal year 2024/25.

The Cabinet Office end-of-year bonus scheme for SCS is applicable to those within the GPA. Awards of up to £12,500 were made for exceptional contributions. The Cabinet Office has also given the GPA delegated responsibility for an SCS in-year bonus scheme to recognise corporate values and behaviours. Rewards of up to £4,000 are available for SCS under this scheme.

Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition.

The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise. Unless otherwise stated below, the officials covered in this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

GPA Non-Executive Directors 2025/26

Non-Executive Directors who served during 2025/26 and their contract end dates are as follows:

Name	Type	NED contract end date
Pat Ritchie (Chair)	Non-Government	30 April 2025
Helen Gillett (Interim Chair)	Non-Government	31 March 2027
Anna Strongman	Non-Government	30 September 2028
Carol Bernard	Government	31 July 2026
Hannah Gray	Government	31 March 2026
Jonathan Thompson	Non-Government	31 July 2025
Maura Sullivan	Non-Government	28 February 2029
Mark Chivers	Government	–
Roger Blundell	Non-Government	31 March 2027
Ronen Journo	Non-Government	31 March 2029

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

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior officials (i.e. board members) of the GPA for their services during 2025/26. In accordance with HM Treasury guidance, all entities are required to prepare a remuneration report containing certain information about the directors' remuneration. Directors, in this context, means persons in senior positions having authority or responsibility for directing or controlling the major activities of the entity. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or operations within the entity. The Accounting Officer and the ARC have decided that this requirement encompasses the two posts shown below (CEO and CFO), whose emoluments and pension details are disclosed. The GPA considers that no other key management staff details need to be disclosed under this guidance for 2025/26.

Salary

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

Benefits in kind

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

Remuneration of officials who were board members during 2025/26 (to be audited)

Single total figure of remuneration

Board member officials	Salary (£'000)		Non-consolidated payments (£'000)		Benefits in kind (to nearest £100)		Pensions benefits (to nearest £1,000)		Total (£'000)	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Mark Bourgeois	220-225	340-345	0	0	0	0	84,000	42,000	300-305	380-385
Nick Brown	160-165	165-170	3	0	0	0	62,000	62,000	225-230	230-235

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

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

Non-consolidated payments

Non-consolidated payments are based on performance levels attained and are awarded as part of the appraisal process. They are not accrued or provided for at 31 March 2026, because the appraisal process is not complete until the summer and entitlement is not agreed until after the process is complete. As a result, the payments reported in 2025/26 relate to performance in 2024/25 and may include where entitlement arose for performance where employees have transferred between departments.

Fair pay disclosure

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

At the GPA, as of 31 March 2026, the highest paid Director was the CEO.

Remuneration (audited)

	2025/26	Restated** 2024/25	Restated** Change
Band of highest paid director’s total remuneration (£’000)*	220-225	220-225	–
25th percentile remuneration of the workforce (£)	46,684	47,023	(339)
Ratio of highest paid director’s total remuneration to 25th percentile of workforce	4.77	4.73	0.04
Median remuneration of the workforce (£)	62,798	64,220	(1,442)
Ratio of highest paid director’s total remuneration to median of workforce	3.54	3.46	0.08
75th percentile remuneration of the workforce (£)	79,282	82,315	(3,033)
Ratio of highest paid director’s total remuneration to 75th percentile of workforce	2.81	2.71	0.10

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

Salary (audited)

	2025/26	Restated* 2024/25	Restated* Change
Band of highest paid director’s salary (£’000)	220-225	220-225	–
25th percentile salary of the workforce (£)	43,856	44,043	(187)
Ratio of highest paid director’s salary of 25th percentile of workforce	5.07	5.05	0.02
Median salary of the workforce (£)	57,307	58,277	(970)
Ratio of highest paid director’s salary to median of workforce	3.88	3.82	0.06
75th percentile remuneration of the workforce (£)	70,296	72,437	(2,142)
Ratio of highest paid director’s salary to 75th percentile of workforce	3.17	3.07	0.10

*Restated to reflect correct banding: ratios adjusted accordingly.

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

The annualised remuneration bands of the GPA's workforce, including agency vacancy cover, but excluding the CEO, ranged from £25,000-£30,000 to £295,000-£300,000 (2024/25: £25,000-£30,000 to £265,000-£270,000). In line with fair pay disclosure guidance, remuneration for agency workers has been annualised to arrive at the figures disclosed and does not reflect actual remuneration payments made to agency staff in 2025/26. In 2025/26, there were four agency workers whose annualised remuneration was in excess of the highest paid Director (2024/25: one). There were nil directly-employed GPA staff members in 2025/26 who received remuneration in excess of the highest-paid director (2024/25: nil).

The 25th percentile, median and 75th percentile of the workforce for both remuneration and salary has decreased since 2024/25. This is due to a significant drop in the number of agency workers covering vacancies, who are generally engaged at much higher rates of pay than directly-employed GPA staff. These decreases have also led to higher ratios for each of the measures when compared to the highest paid director's salary and remuneration.

Fair pay disclosure (audited)

Highest paid director and all staff average	% change from previous year
Highest paid director's salary and allowances	0.00
All staff average salary and allowances	(2.54)
Highest paid director's Performance Related Pay (PRP) and bonuses	0.00
All staff average PRP and bonuses	35.23

As with the Salary and Remuneration tables, the decrease in average salary and allowances has been caused by a significant reduction in agency workers covering vacancies. The average PRP and bonus figures have increased since 2024/25 due to a greater number of GPA AO-G6 staff who received end-of-year awards for marks of ‘High Performing’ and ‘Exceeded’, as well as increased amounts and numbers of recipients for GCO bonuses and SCS end of year performance awards for marks of ‘High Performing’ and ‘Exceeded’.

Fees paid to Non-Executive Board members (audited)

Non-executive board members	Annual fee entitlement (£)	Fees paid 2025/26 (£)	Fees paid 2024/25 (£)
Pat Ritchie	60,000*	5,000	60,000
Helen Gillett	60,000**	45,417	25,000
Anna Strongman	25,000	25,000	12,500***
Carol Bernard	–	–	–
Mark Chivers****	–	–	–
Hannah Gray	–	–	–
Jonathan Thompson	25,000	8,333*****	25,000
Maura Sullivan	25,000	14,583******	–
Roger Blundell	25,000	25,000	25,000
Ronen Journo	25,000	25,000	25,000
Robert Razzell*******	–	–	–
Jane Hamilton	25,000	–	8,266********

* Pat Ritchie left the GPA on 30 April 2025
** Helen Gillett has been Interim Chair from 1 September 2025
*** Anna Strongman joined the GPA on 1 October 2024
**** Mark Chivers joined the GPA on 15 May 2025
***** Jonathan Thompson left the GPA on 31 July 2025
****** Maura Sullivan joined the GPA on 1 September 2025
******* Robert Razzell left the GPA on 11 June 2024
******** Jane Hamilton left the GPA on 30 July 2024

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

Carol Bernard and Mark Chivers are not entitled to an annual fee as they are already members of the Civil Service and paid by their current department. Hannah Gray and Robert Razzell, the Shareholder Representative Directors from UKGI, received no fees for their roles as NEDs of the GPA.

Pension benefits of official Board members (audited)

Board member official	Accrued pension at pension age as at 31 March 2026 and related lump sum (£'000)	Real increase in pension and related lump sum at pension age (£'000)	CETV at 1 March 2026 (£'000)	CETV at 1 March 2025 (£'000)	Real increase in CETV (£'000)
Mark Bourgeois	5-10	5-7.5	120	39	62
Nick Brown	10-15	2.5-5	182	116	49

Cash equivalent transfer value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2026.

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age. From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on career average earnings (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and five months from their normal pension age on 1 April 2012 switched into alpha between 1 June 2015 and 1 February 2022. All members who switched to alpha have their PCSPS benefits ‘banked’, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes). Members joining since October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution scheme with an employer contribution (partnership pension account).

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

At the end of the scheme year (31 March), the member’s earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32 per cent. In all cases, members may opt to give up (commute) their pension for a lump sum up to the limits set by the Finance Act 2004.

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

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate.

Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages).

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2025/26 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

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

Cash equivalent transfer value (CETV)

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

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

Real increase in CETV

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

Spending on consultancy and temporary staff

Expenditure on consultancy and temporary staff not included within staff costs was £0.6 million in 2025/26 (2024/25: £0.3 million).

Expenditure on consultancy and the need for temporary staff within the GPA is largely dependent on the nature of the projects being undertaken.

Reporting of off-payroll appointments

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

Highly paid off-payroll worker engagements as at 31 March 2026, earning £245 per day or greater	
No. of existing engagements as of 31 March 2026	49
Of which, number that existed:	
for less than one year.	24
for between one and two years.	15
for between two and three years.	5
for between three and four years.	2
for four or more years at time of reporting.	3

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

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2026, earning £245 per day or greater	
No. of temporary off-payroll workers engaged during the year ended 31 March 2026	43
Of which:	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	43
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
Number of engagements reassessed for consistency or assurance purposes during the year	16
Of which: number of engagements that saw a change to IR35 status following the consistency review	0

For any off-payroll engagements of Board members and/or, senior officials with significant financial responsibility between 1 April 2025 and 31 March 2026	
No. of off-payroll engagements of board members and/or, senior officials with significant financial responsibility, during the financial year	0
Total number of individuals on payroll and off-payroll that have been deemed “Board members and/or senior officials with significant financial responsibility”, during the financial year	10

Staff Report

Staff costs (audited)

	2025/26 £’m		2024/25 £’m	
	Permanently employed staff	**Others**	**Permanently employed staff**	**Others**
Wages, salaries and fees*	27.0	–	23.6	–
Social security costs	3.6	–	2.7	–
Apprenticeship levy	0.1	–	0.1	–
Other pension costs	7.0	–	6.0	–
Untaken annual leave	(0.3)	–	0.1	–
Agency staff	–	7.0	–	10.3
Sub total	**37.4**	**7.0**	**32.5**	**10.3**
Inward secondments**	–	1.8	–	1.6
Total staff costs	**37.4**	**8.8**	**32.5**	**11.9**
Less staff engaged on capitalised projects	(9.2)	(2.1)	(10.7)	(3.6)
Total net staff costs	**28.2**	**6.7**	**21.8**	**8.3**

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

Staff pensions

For 2025/26, aggregate employers' contributions of £7.0 million were payable to the PCSPS and alpha (2024/25: £6.0 million) at one of four rates in the range of 26.6 per cent to 30.3 per cent of pensionable earnings, based on salary bands. Contributions paid to the partnership pension providers between 1 April 2025 and 31 March 2026 were £71,690 (2024/25: £45,007). Contributions prepaid at that date were £nil (2024/25: £nil). Contributions due to the partnership pension providers that were paid on 31 March 2026 were £6,359 (31 March 2025: £5,425). There were nil early retirements on ill-health grounds in 2025/26 (2024/25: nil).

Average number of persons employed (audited)

	2025/26			2024/25		
	Permanent	Temporary	Total	Permanent	Temporary	Total
Directly employed	273*	9**	282	243*	13**	256
Others	11***	39****	50	0***	45****	45
Staff engaged on capitalised projects	161*****	26	187	159*****	27	186
Total	**446**	**74**	**519**	**402**	**85**	**487**

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

Senior civil servants

The table below shows the number of SCS employed by the GPA, either directly or through the GCO, as of 31 March 2026.

	Headcount	
	31 March 2026	31 March 2025
Chief Executive, Director General (SCS3)	1	1
Director (SCS2)	7	5
Deputy Director (SCS1)	23	22
Commercial Specialist (SCS1)	3	3
Total Senior Civil Servants working in GPA	**34**	**31**

Staff composition – Gender diversity

The below tables provide an analysis by gender of all staff employed by the GPA, either directly or through the GCO, as of 31 March 2026. Diversity data on contingent workers and Non-Executive Directors is not currently collected.

	31 March 2026			31 March 2025		
	Male headcount	Female headcount	Total	Male headcount	Female headcount	Total
Board members*	2	0	2	2	0	2
Senior civil servants	16	16	32	17	14	31
All other staff	239	224	463	207	172	379
Total	257	240	497	226	186	412

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

	31 March 2026		31 March 2025	
	Male (%)	Female (%)	Male (%)	Female (%)
Board members*	100	0	100	0
Senior civil servants	50	50	55	45
All other staff	52	48	55	45

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

Sickness absence

There were 7.49 (2024/25: 2.57) average working days lost per member of staff in the year. This average working days lost is close to but lower to the Civil Service average of 8.2, based on most recent reports from 31 March 2025.

Two main factors have contributed to this increase. Firstly there has been a push from within the business to ensure that all sickness absence data is correctly recorded. Secondly this year has seen increased absence lengths for a small number of staff in comparison to previous years. The GPA works hard to support the attendance of all its staff and provide assistance to both them and their line managers.

Staff turnover

The staff turnover figure for the 12 months to 31 March 2026 was 11 per cent (2025/26: 10 per cent). The number of employees who have left the GPA and the Civil Service is too low to report on their reasons individually, but those reasons include resignation, retirement and end of temporary appointments.

People survey engagement

The GPA achieved an increase in its Employee Engagement Index score, rising from 62 per cent in 2024 to 66 per cent in 2025. Although the People Survey response rate decreased from 96 per cent (2024) to 90 per cent (2025), the GPA remains in the top six Civil Service organisations for response rate.

The organisation achieved notable improvements across key themes, including ‘leadership and change’ (55 per cent to 60 per cent), ‘resources and workload’ (67 per cent to 71 per cent) and ‘culture, inclusion and behaviours’ (79 per cent to 80 per cent).

Areas identified for improvement include BHD scores (8 per cent) and Resources and Workload, which sits below the Civil Service average. The People Survey Action Plan has established key focus areas with specific interventions identified to improve Culture, Inclusion & Behaviours; Leadership & Managing Change & Workload; Wellbeing; and Personal Development.

Employment, training and advancement of disabled persons

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

The GPA mandates training for all staff on Civil Service behaviours, which focuses on inclusion in the workplace. The GPA has also implemented a suite of organisational values, including Empowering through Respect, which are dedicated to making GPA a great place to work for all. In addition, the GPA’s disability network founded in 2023, Ability+, provides a platform for GPA people to share their experiences, influence policy and champion inclusivity within the GPA. Ability+ raises awareness through regular campaigns to create a better understanding of various conditions. Ability+ is open to disabled & neurodiverse colleagues and carers. Ability+ is sponsored by Executive Committee member Dominic Brankin, who along with the co-chairs, sets the direction of the network.

The GPA participates in a number of cross-government talent programmes including apprenticeships (open to staff at all grades), Beyond Boundaries (open to EOs-SEOs), the Future Leaders Scheme (for Grades 7s and 6s) and the Senior Leaders Scheme (open to Deputy Directors). All schemes offer reasonable adjustments and there are opportunities to request these upon confirmation of place. There are further support programmes within the Future Leaders Scheme for participants with disabilities or long-term health conditions and from ethnically diverse backgrounds. The GPA also supports the Civil Service Fast Stream Scheme; in 2025 the agency hosted 12 fast streamers, six of which were on the Property Scheme.

The GPA has previously provided Inclusive Line Manager training in line with our EDI plan and ongoing Line Manager sessions to ensure individuals are not discriminated against, as well as ensuring any reasonable adjustments are offered as part of our recruitment and onboarding process.

Reporting of compensation schemes and exit packages (audited)

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972. The table below shows the total cost of exit packages agreed and accounted for in 2025/26 was £163,461 (2024/25: £69,911). Where the GPA has agreed early retirements, the additional costs are met by the GPA and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

	2025/26			2024/25		
	Number of compulsory redundancies	**Number of other departures agreed**	**Total number of exit packages by cost band**	**Number of compulsory redundancies**	**Number of other departures agreed**	**Total number of exit packages by cost band**
Exit package cost band						
<£10,000	0	0	0	0	0	0
£10,000-£25,000	0	0	0	0	0	0
£25,001-£50,000	0	1	1	0	0	0
£50,001-£100,000	0	0	0	0	1	1
£100,001-£150,000	0	1	1	0	0	0
£150,001-£200,000	0	0	0	0	0	0
£200,001-£250,000	0	0	0	0	0	0
£250,001-£300,000	0	0	0	0	0	0
Total number of packages	0	2	2	0	1	1
Total cost (£)	**0**	**£163,461**	**£163,461**	**0**	**£69,911**	**£69,911**

Parliamentary Accountability and Audit Report

Overview

This section contributes to the GPA's accountability to Parliament and is subject to audit. Regularity of expenditure reports losses and special payments – regularity refers to the principle that all consumption of resources should be made in accordance with the legislation authorising them – any applicable delegated authority and the principles set

out in Managing Public Money. Disclosures on fees and charges and remote contingent liabilities are required by Managing Public Money.

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

The following sections are subject to audit:

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

Regularity of expenditure (audited)

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

HM Treasury's Managing Public Money guidance requires a statement showing losses and special payments by value and by type to be shown where they exceed £300,000 in total and those individually that exceed £300,000. There are no significant losses and special payments that need to be reported in accordance with Managing Public Money.

Fees and charges (audited)

The GPA has been established to support better utilisation of the government estate. As part of its ordinary course of business, the GPA charges fees to other government bodies to recover its costs. Details are included within the operating income analysis in note three to the accounts. The charging arrangements for 2025/26 are structured as follows:

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

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

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

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

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

Remote contingent liabilities (audited)

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

Dilapidations – The GPA is party to Memorandum of Terms of Occupation (MOTO) payable lease agreements on behalf of clients. A liability for dilapidations exists upon exit of the lease, contingent on the landlord pursuing a successful claim against the GPA. The GPA considers that the likelihood of dilapidations liabilities accruing to the GPA under MOTO payables to be remote. Using floor areas of the lease agreements and industry standard rates, the GPA has reliably estimated this remote contingent liability to be £10.3 million. Where dilapidation settlements are made against MOTO payable lease agreements, it is the GPA's policy to seek cost recovery from the underlying client.

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

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

Government functional standards

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

Mark Bourgeois
Chief Executive Officer and Accounting Officer
8 July 2026

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

Opinion on financial statements

I certify that I have audited the financial statements of the Government Property Agency for the year ended 31 March 2026 under the Government Resources and Accounts Act 2000.

- The financial statements comprise the Government Property Agency's
- Statement of Financial Position as at 31 March 2026;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and the related notes including the significant accounting policies.

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

In my opinion, the financial statements:

- give a true and fair view of the state of the Government Property Agency's affairs as at 31 March 2026 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

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

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of the Government Property Agency in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Government Property Agency's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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

Other information

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

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

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

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

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000.

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

the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;

the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Government Property Agency and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

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

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

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive as Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Government Property Agency from whom the auditor determines it necessary to obtain audit evidence;

- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view and are in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Government Property Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Government Property Agency will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

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

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

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

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

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Government Property Agency's accounting policies.

- inquired of management, the Government Property Agency's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Government Property Agency's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Government Property Agency's controls relating to the Government Property Agency's compliance with the Government Resources and Accounts Act 2000 and Managing Public Money.
- inquired of management, the Government Property Agency's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud; and
- discussed with the engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

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

I obtained an understanding of the Government Property Agency's framework of authority and other legal and regulatory frameworks in which the Government Property Agency operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Government Property Agency. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2025, employment law and tax legislation.

Audit response to identified risk

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

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports;

- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I addressed the risk of fraud in revenue recognition through testing a sample of operating income transactions to assess the appropriateness of the recognition of income and accuracy of calculations. I also reviewed a sample of accrued income recognised as at 31 March 2025 to assess the reasonableness of management's estimates.

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

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

Other auditor's responsibilities

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

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

Report

I have no observations to make on these financial statements.

Gareth Davies
10 July 2026
Comptroller and Auditor General

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

Financial Statements

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2026

	Note	2025/26 £'m	2024/25 £'m
Operating income	2	(611.2)	(563.8)
Grants	2	(0.8)	(2.1)
Capital Grant-in-Kind	18	–	(2.8)
Total operating income		**(612.0)**	**(568.7)**
Staff costs	3a	34.9	30.1
Other operating costs	3b	615.8	577.2
Capital Grant-in-Kind transfers of assets to other government departments	3c, 18	–	144.3
Non-cash costs	3c	218.2	209.1
Total operating expenditure		**868.9**	**960.7**
Net operating expenditure		**256.9**	**392.0**
Finance income	4	(54.4)	(34.8)
Finance expenditure	4	22.8	19.9
Net expenditure for the year		**225.3**	**377.1**
Other comprehensive expenditure			
Net loss on revaluation of property, plant and equipment (PPE)	SoCTE	(0.3)	5.6
Net loss on revaluation of right of use assets (ROU)	SoCTE	(1.1)	0.7
Total comprehensive net expenditure for the year		**223.9**	**383.4**

All income and expenditure relate to continuing operations.
The notes on pages 115 to 154 form part of these financial statements.

Statement of Financial Position

As at 31 March 2026

	Note	31 March 2026 £'m	31 March 2025 £'m
Non-current assets			
Property, plant and equipment	5	1,777.3	1,680.1
Right of use assets	6	238.5	245.9
Intangible assets	7	57.0	44.9
Trade and other receivables	9a	106.1	132.1
Lease receivables	9a	706.1	745.8
Total non-current assets		**2,885.0**	**2,848.8**
Current assets			
Assets classified as held for sale	8	1.9	2.9
Trade and other receivables	9a	176.6	173.3
Lease receivables	9a	155.7	106.6
Cash and cash equivalents	10a	47.5	79.2
Total current assets		**381.7**	**362.0**
Total assets		**3,266.7**	**3,210.8**
Current liabilities			
Trade and other payables	11	(191.0)	(136.8)
Finance lease element of PFI contract	17	(89.7)	(87.1)
Lease liabilities	12	(135.0)	(173.1)
Provisions	14a	(22.6)	(38.8)
Total current liabilities		**(438.3)**	**(435.8)**
Total assets less current liabilities		**2,828.4**	**2,775.0**
Non-current liabilities			
Finance lease element of PFI contract	17	(575.6)	(600.6)
Lease liabilities	12	(1,011.2)	(985.9)
Provisions	14a	(118.3)	(112.9)
Total non-current liabilities		**(1,705.1)**	**(1,699.4)**
Total assets less liabilities		**1,123.3**	**1,075.6**
Taxpayers' equity and other reserves			
General fund	SoCTE	541.6	483.6
Revaluation reserve	SoCTE	581.7	592.0
Total equity		**1,123.3**	**1,075.6**

Mark Bourgeois
Chief Executive Officer and Accounting Officer
8 July 2026
The notes on pages 115 to 154 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2026

	Note	2025/26 £'m	Restated* 2024/25 £'m
Cash flows from operating activities			
Net operating expenditure	SoCNE	(256.9)	(392.0)
Adjustment for non-cash items			
Adjustments for non-cash income	19	–	(2.8)
Adjustments for non-cash expenditure	19	218.2	353.4
Movements in working capital			
Decrease in trade and other receivables	19	22.7	47.5
Less movements in receivables relating to items not passing through the SoCNE or related to non-cash items*	19	(20.8)	(11.3)
Increase / (decrease) in trade and other payables	19	54.2	(48.7)
(Decrease) / increase in capital accruals		(0.2)	19.5
Capital Element of Finance Lease Receipts*		96.8	95.4
Net cash inflow from operating activities		**114.0**	**61.0**
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(255.2)	(207.8)
Purchase of intangible assets	7	(22.2)	(15.0)
Proceeds from disposal of assets held for sale	8, 3c	0.8	–
Decrease / (increase) in capital accruals		0.2	(19.5)
Net cash outflow from investing activities		**(276.4)**	**(242.3)**
Cash flows from financing activities			
Cabinet Office funding	SoCTE	271.0	253.0
Capital element of payments in respect of PFI contracts	10b	(38.9)	(34.5)
Capital element of payments in respect of leases	10b	(133.0)	(100.1)
Interest paid	4	(22.8)	(19.9)
Interest received	4	54.4	34.8
Net cash inflow from financing activities		**130.7**	**133.3**
Net increase / (decrease) in cash in the period			
Net decrease in cash in the year		(31.7)	(48.0)
Cash and cash equivalents at the beginning of the period	SoFP	79.2	127.2
Cash and cash equivalents at the end of the period		**47.5**	**79.2**

* The 2024/25 figures have been restated within the operating activities section. The overall total for this section remain unchanged.

The notes on pages 115 to 154 form part of these financial statements.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2026

	Note	General Fund £'m	Revaluation Reserve £'m	Total Reserves £'m
Balance at 1 April 2024		**597.3**	**608.2**	**1,205.5**
Cabinet Office funding	SoCF	253.0	–	253.0
Net expenditure for the year	SoCNE	(377.1)	–	(377.1)
Non-cash adjustments				
Auditor's remuneration	3c	0.5	–	0.5
Movements in reserves				
Net loss on revaluation of PPE	5	–	(5.6)	(5.6)
Net loss on revaluation of right of use assets	6	–	(0.7)	(0.7)
Transfer between reserves		9.9	(9.9)	–
Balance at 31 March 2025		**483.6**	**592.0**	**1,075.6**
Cabinet Office funding	SoCF	271.0	–	271.0
Net expenditure for the year	SoCNE	(225.3)	–	(225.3)
Non-cash adjustments				
Auditor's remuneration	3c	0.6	–	0.6
Movements in reserves				
Net loss on revaluation of PPE	5	–	0.3	0.3
Net loss on revaluation of right of use assets	6	–	1.1	1.1
Transfer between reserves		11.7	(11.7)	–
Balance at 31 March 2026		**541.6**	**581.7**	**1,123.3**

The notes on pages 115 to 154 form part of these financial statements.

Information on reserves

General Fund reserve

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

Revaluation reserve

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

Notes to the Financial Statements

1. Accounting policies, key accounting estimates and judgements

1.1 Statement of accounting policies

These financial statements have been prepared under the Government Resources and Accounts Act 2000 and in accordance with the 2025/26 Government Financial Reporting Manual (FReM) issued by HM Treasury (HMT). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. The financial statements have been prepared under an accounts direction issued by HMT. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the GPA for the purpose of giving a true and fair view has been selected. The particular policies adopted by the GPA are described below. They have been applied consistently in dealing with items that are considered material to the financial statements.

1.2 Basis of preparation

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

1.3 Going concern

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

Parliament has authorised spending for 2026/27 in the Central Government Main Supply Estimates 2026/27 (HC 1855). In addition to the receipt of funding from the Cabinet Office, the GPA invoices property and related costs to its tenant occupiers and the costs of construction services to the recipients of those services.

1.4 Employee benefits

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

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

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

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

1.5 Revenue

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

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

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

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

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

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

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

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

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

Capital Grant-in-Kind income is the fair value of assets transferred to the GPA for nil consideration. Income is recognised on the date of asset transfer. See note 1.22a.

1.6 Finance income and expenses

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

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

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

1.7 Taxation

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

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

1.8 Property, plant and equipment

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

Property, plant and equipment is recognised initially at cost and thereafter carried at fair value less depreciation and impairment charged subsequent to revaluation.

The cost of an asset comprises its value when onboarded by the GPA or the amount of cash paid to acquire it and includes any costs necessary to bring the asset into working condition for its intended use.

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

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

In order to identify any such significant components, the GPA has made a number of assumptions with regards to materiality and the proportion of the cost of the overall asset made up by the individual components.

For all relevant asset categories, the GPA reviews material components whereby the main property asset has a gross book value of £5 million or greater. Individual components are only recognised where they represent a significant proportion (20 per cent or greater) of the main asset and the component asset life must be less than 75 per cent of the main asset life.

Any revaluation surplus is credited to the revaluation reserve except to the extent that it reverses a decrease in the carrying value of the same asset previously recognised in the SoCNE, in which case the increase is recognised in the SoCNE. A revaluation deficit is recognised in the SoCNE, except to the extent of any existing surplus in respect of that asset in the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE.

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

1.9 Depreciation and impairment of property, plant and equipment

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

If an item of property, plant and equipment comprises two or more significant components, with substantially different useful lives, each component is treated separately for depreciation purposes and depreciated over its individual useful life.

Useful lives and residual values are reviewed annually and, where adjustments are required, these are made prospectively. Asset lives are in the following ranges:

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

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

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

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

1.10 Revaluation of property, plant and equipment

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

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

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

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

The GPA requires each property to be physically inspected for valuation purposes on a rotational basis within a five-year cycle, with desktop valuations being provided in intervening years. Leasehold improvements, plant and machinery, IT hardware and fixtures and fittings assets are all revalued each year using relevant BCIS and ONS indices.

1.11 Donated assets

Donated assets which are held for their operational capacity are capitalised at current value in existing use.

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

1.12 Intangible assets

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

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

Following initial recognition, intangible assets are subsequently recorded at historical cost. Expenditure that does not meet the criteria for capitalisation is treated as an operating cost in the year in which it is incurred.

1.13 Amortisation of intangible assets

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

1.14 Assets classified as held for sale

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

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, for an asset to be classified as held for sale, it must be available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets; its sale must be highly probable; and it must genuinely be expected to be sold, not abandoned. Items of property, plant and equipment that are classified as held for sale are written down to fair value less costs to sell if lower than their carrying value, and are not depreciated further.

1.15 Leases

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

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

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

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

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

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

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

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

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

The lease term comprises the non-cancellable period specified in the lease agreement. However, if the GPA is reasonably certain to exercise a break clause, the lease term shall be adjusted to reflect the period from the commencement date to the effective break date.

For leases involving commercial third party landlords, the GPA recognises the commencement date as the date of formal lease execution or signature, as commercial practice typically prohibits possession or control of a property until an agreement is finalised.

For occupations involving other government departments or Crown bodies, which are generally governed by a Memorandum of Terms of Occupation, the GPA recognises the right of use asset from the commencement date which is the date of physical occupation.

A holding over lease is defined as a lease which has reached expiry, but the GPA are still in occupation. If a decision has been made to extend, the GPA applies the anticipated new head lease term, ensuring that the lease remains in scope of IFRS 16.

The GPA as a lessor
The GPA classifies its subleases as finance leases or operating leases. A sublease is classified as a finance lease if it transfers substantially all the risks and rewards of ownership of the underlying asset. If the sublease does not transfer substantially all the risks and rewards of ownership then the lease is classified as an operating lease. Where it is determined that as lessor, a finance lease is the appropriate treatment, the right of use asset (or in some cases freehold property asset) has been derecognised and a lease receivable asset recognised in its place, which is amortised in a similar manner to the lease liability but with interest recognised as finance income in the SoCNE. A gain or loss on disposal of the right of use or freehold property asset is recognised in the SoCNE at the time of the recognition of the lease receivable.

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

1.16 Financial assets

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

Trade receivables
In accordance with IFRS 9, trade and other receivables are initially recognised at the fair value of the recoverable amount, with subsequent measurement at amortised cost.

Impairments for these receivables arise from expected credit loss (ECL) provisions and bad debt write-offs. A credit loss is recorded in the SoCNE, where a loss allowance is determined for specific debts based on historical payment performance relative to settlement terms and anticipated future payments. If credit risk rises significantly and is no longer deemed low, the full lifetime expected credit losses are recognised within the SoCNE.

IFRS 9 Financial Instruments necessitates the recognition of “expected” losses as opposed to “incurred” losses. Consequently, an allowance for ECL is established for all financial assets, taking into account forecasted economic conditions.

The IFRS 9 impairment model consists of three stages based on changes in credit risk since the initial recognition of a debt instrument:

- Stage 1: Where credit risk has not increased significantly, a provision is maintained for expected credit losses resulting from potential default events over the upcoming 12 months.
- Stage 2: Where credit risk has increased significantly, the provision covers expected credit losses from potential default events over the asset's expected life.
- Stage 3: When there is objective evidence of impairment, a provision for full impairment is held.

Under a FReM adaptation, balances with core central Government Departments and their executive agencies are exempt from Stage 1 and Stage 2 impairment recognition; however, ALBs do not qualify for this exemption.

1.17 Cash and cash equivalents

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

1.18 Financial liabilities

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

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

1.19 Provisions

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

For dilapidations, a provision is made for estimated costs based on valuations where the likelihood of settlement is material and imminent or via the use of industry standard calculations/methodologies. See note 1.22g.

HMT discount rates for general provisions are applied where appropriate.

1.20 Contingent liabilities and contingent assets

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

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

1.21 PFI service concessions

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

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

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

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

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

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

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

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

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

The GPA recognises a liability for the capital value of the contract. That liability does not include the interest charge and service elements, which are expensed annually to the SoCNE. On initial recognition of Public-Private partnership arrangements or PFI contracts under IFRS, the GPA measures the non-current asset in the same way as other non-current assets of that generic type. A liability is recognised for the capital value of the contract at its fair value at the period end, which will normally be the outstanding liability in respect of the asset (that is, excluding the interest and service elements), discounted by the interest rate implicit in the contract. Assets are revalued in accordance with the revaluation policy for property, plant and equipment and intangible assets.

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

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

1.22 Judgements and key sources of estimation uncertainty

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

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

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

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

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

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

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

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

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

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

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

GPA cannot ordinarily determine the implicit rate of interest inherent within its leases and uses the Government incremental borrowing rate as promulgated by HM Treasury. For leases that commenced or are remeasured on or after 1 January 2026, the HM Treasury discount rate is 5.32 per cent. For leases that commenced or are remeasured during the period 1 January 2025 to 31 December 2025, the HM Treasury discount rate is 4.81 per cent. For previous years this is in line with applicable HMT rates.

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

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

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

If a sub-lease is in holding over, and there is intention to extend the corresponding headlease, the GPA will endeavour to mirror the headlease and sublease terms.

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

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

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

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

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

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

The GPA applies the RICS Red Book definition of a property being considered specialised if they are rarely, if ever, sold in the market due to the uniqueness arising from their specialised nature, design, configuration, size, location or otherwise. The RICS Red Book requires such assets to be carried at depreciated replacement cost (DRC).

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

At 31 March 2026 the GPA held 4 freehold land and building assets with a valuation of £42.9m (3 per cent of total portfolio) which were measured on a DRC basis.

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

Freehold land and building valuations are derived from independent professional valuers' estimates of market rental values and expected yields for each freehold land and building. While holding all other assumptions constant, if the average market rental value was 10 per cent higher (lower), the value of the GPA's land and buildings assets would increase (decrease) by £128.0 million.

The GPA's net valuation losses for 2025/26 totalled £71.2 million (6 per cent of net book value). Approximately 9 per cent of the loss (£6.5 million) has been absorbed by the Revaluation Reserve, it being offset against revaluation gains recorded in previous financial years. The remaining 91 per cent (£64.7 million) has been expensed.

£19.4 million of the total revaluation losses have arisen due to functional obsolesence being considered in Depreciated Replacement Cost valuations. Voids within these buildings have resulted in smaller modern equivalent assets and hence lower replacement costs.

£23.3 million of the total revaluation losses have stemmed from the first valuation of a Whitehall building following major refurbishment. It is common for not all of the cost of capital works to improve building condition and extend economic life adding value to the asset.

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

g) Dilapidation provisions

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

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

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

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

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

During 2025/26, approximately £132.2 million (87 per cent) of the total dilapidation provision as at the start of the year was subject to indexation. Therefore each additional 1 per cent of indexation adds £1.3 million to the existing provision. Likewise each 1 per cent reduction in the indexation rate reduces the increase in the provision by £1.3 million. The movement in the BCIS Tender Price Index during 2025/26 was an increase of 2.8 per cent.

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

In total, desktop valuations accounted for £137.2 million (97 per cent) of the total dilapidation provision as at 31 March 2026, these being either new desktop valuations or uplifted prior year valuations. These are based mostly on a dilapidation rate of £323 per square metre.

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

Dilapidation provisions based on desktop exercises will be sensitive to changes in the rate per square metre used within the calculations. Should all desktop valuations have been costed at £323 per square metre, a £10 increase/(decrease) in the rate used would result in a corresponding increase/(decrease) of around £13.5 million in the provision.

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

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

1.23 Changes in accounting policy and disclosures

a) Changes in accounting policies

The 2025/26 FReM includes amendments to the valuation of intangible assets from 1 April 2025. The option to measure intangible assets using the revaluation model is withdrawn. The carrying values of intangible assets at 31 March 2025 will be considered the historical cost at 1 April 2025. The revised valuation approach will be applied prospectively with no restatement of comparative information.

References to assets being held for their ‘service potential’ have been removed from the 2025/26 FReM. Non-investment assets are instead described as assets held for their ‘operational capacity’. This change has no impact on the valuation basis of the GPA’s property, plant and equipment, which remains at existing use value.

The FReM adaptation to IAS 16 requiring revaluation of property, plant and equipment where its fair value materially differs from its carrying value has been withdrawn. The FReM now requires assets to be valued using the one of the following processes:

- a five-yearly revaluation supplemented by annual indexation
- a rolling programme of valuations over a five-year cycle, with annual indexation applied to assets during the four intervening years
- for non-property assets only, appropriate indices
- in rare circumstances where an index is not available, a five-yearly revaluation supplemented by a desktop revaluation in year three

The GPA is continuing to undertake desktop inspections rather than applying indexation in intervening years between five-yearly physical inspections, given the scale of the property portfolio, the volume of properties that are heritage buildings and to provide higher assurance for decisions based on the economic value of assets under its stewardship.

b) New and amended standards adopted
IFRS 17 Insurance Contracts (IFRS 17) has been applied by HM Treasury in the Government Financial Reporting Manual (FReM) from 1 April 2025.

IFRS 17 sets out the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of IFRS 17 and replaces the previous standard IFRS 4 Insurance Contracts.

This standard has not had any impact on the GPA.

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

IFRS 18 Presentation and Disclosure in Financial Statements
IFRS 18 Presentation and Disclosure of Financial Statements will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 18 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.

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

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

2. Operating income

	Note	2025/26 £'m	2024/25 £'m
Rental income		147.9	159.1
Revenue from contracts with customers			
Landlord services income		239.9	244.7
Workplace services income		109.6	81.4
Management fee income		14.6	13.3
Additional property & project services		92.5	60.0
Consultancy services		0.7	0.6
Gainshare income		6.0	4.7
Total operating income		**611.2**	**563.8**
Capital grants			
Capital grant income (recharges)		0.8	2.1
Capital Grant-in-Kind transfers of assets from other government departments	18	–	2.8
Total		**612.0**	**568.7**

3a. Staff expenditure

	Note	2025/26 £'m	2024/25 £'m
Wages & salaries*		27.0	23.6
Agency staff		7.0	10.3
Untaken annual leave		(0.3)	0.1
Other pension costs		7.0	6.0
Social security costs		3.6	2.7
Apprenticeship levy		0.1	0.1
Inward secondments		1.8	1.6
Staff engaged in capital projects**		(11.3)	(14.3)
Total		**34.9**	**30.1**

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

3b. Operating expenditure

	Note	2025/26 £’m	2024/25 £’m
Landlord services			
Rent		41.7	56.3
Rates		116.2	113.2
Head lease service charge		48.5	43.5
Insurance		1.1	2.4
Utilities		29.9	32.0
PFI service charge		72.8	76.4
PFI interest charges		53.9	55.6
Other property related costs		7.0	6.5
Workplace services			
Fixed FM		50.9	43.8
Variable FM		21.5	20.5
Operational security		23.4	18.5
Workplace ICT		17.3	6.1
Workplace projects		22.0	16.2
Other operating expenditure			
Professional services		96.6	64.4
Other staff-related costs		1.8	2.2
IT costs		7.5	11.1
Supplies and services		1.0	2.6
Travel, subsistence and hospitality		2.0	1.2
Consultancy		0.6	0.9
Capital grant expenditure		0.1	3.8
Total		**615.8**	**577.2**

3c. Non-cash expenditure

	Note	2025/26 £'m	2024/25 £'m
Depreciation – property, plant and equipment	5	83.1	71.7
Depreciation – right of use assets	6	17.6	27.5
Non-cash PFI adjustments	10b	16.5	22.6
Movement in provisions	14	10.6	9.3
Auditor's remuneration	SoCTE	0.6	0.5
Amortisation – intangible assets	7	10.2	9.5
Impairment – property, plant and equipment	5	74.6	66.5
Impairment – right of use assets	6	0.6	(0.8)
Impairment – intangible assets	7	–	1.5
Change in provision for expected credit losses	9b	(0.6)	(1.0)
Write off – Bad debt	9b	–	0.1
Loss on disposal of property, plant and equipment	5	0.2	–
Capital Grant-in-Kind transfers of assets to other government departments	18	–	144.3
Loss on remeasurement of lease liability-IFRS 16		4.8	1.7
Total		**218.2**	**353.4**
Total expenditure		**868.9**	**960.7**

Auditor's remuneration
The costs of the audit performed by the National Audit Office on behalf of the Comptroller and Auditor General are recognised as a non-cash charge. The cost comprises £565,000 (2024/25: £505,000) for the audit of the GPA Annual Report and Accounts.

During the year, the GPA purchased non-audit services which relates to landlord services. The GPA rents accommodation from the NAO on behalf of a client.

4. Finance income and expenditure

	Note	2025/26 £'m	2024/25 £'m
Finance income			
Interest on leases		54.4	34.8
		54.4	**34.8**
Finance expenditure			
Interest on obligations under leases		22.8	19.9
		22.8	**19.9**

5. Property, plant and equipment

	Land £'m	Buildings excl. Dwellings	Dwellings £'m	IT £'m	Plant & Machinery £'m	Leasehold	Furniture & Fittings £'m	Heritage Assets £'m	Assets under	Total £'m
Cost or valuation										
At 1 April 2025	526.0	718.6	5.5	33.3	8.0	339.5	27.0	0.1	162.7	1,820.7
Additions	22.7	–	–	0.1	–	–	–	–	232.4	255.2
Impairment	(2.4)	(60.0)	(2.3)	(0.4)	(0.2)	(33.2)	(0.7)		0.4	(98.8)
Reclassifications	–	54.8	–	11.8	0.2	28.9	1.4	–	(98.1)	(1.0)
Asset transfer (to) / from other government bodies	–	–	–	–	–	–	–	–	–	–
Transfer to assets held for sale	–	–	–	–	–	–	–	–	–	–
Revaluations	7.7	(43.3)	–	0.3	0.1	9.4	0.3	–	–	(25.5)
At 31 March 2026	**554.0**	**670.1**	**3.2**	**45.1**	**8.1**	**344.6**	**28.0**	**0.1**	**297.4**	**1,950.6**
Depreciation										
At 1 April 2025	–	0.1	–	15.4	2.7	110.5	11.9	–	–	140.6
Charged in year	–	29.1	0.1	11.2	0.3	38.7	3.7	–	–	83.1
Impairment	–	–	(0.1)	(0.3)	(0.2)	(23.4)	(0.2)	–	–	(24.2)
Reclassifications	–	(0.1)	–	–	(0.3)	–	–	–	–	(0.4)
Asset transfer (to) / from other government bodies	–	–	–	–	–	–	–	–	–	–
Revaluations	–	(29.4)	–	0.2	–	3.2	0.2	–	–	(25.8)
At 31 March 2026	**–**	**(0.3)**	**–**	**26.5**	**2.5**	**129.0**	**15.6**	**–**	**–**	**173.3**

	Land £'m	Buildings excl. Dwellings	Dwellings £'m	IT £'m	Plant & Machinery £'m	Leasehold	Furniture & Fittings £'m	Heritage Assets £'m	Assets under	Total £'m
Carrying amount										
Net book value at 31 March 2025	526.0	718.5	5.5	17.9	5.3	229.0	15.1	0.1	162.7	1,680.1
Net book value at 31 March 2026	**554.0**	**670.4**	**3.2**	**18.6**	**5.6**	**215.6**	**12.4**	**0.1**	**297.4**	**1,777.3**
Asset financing:										
Owned	554.0	438.7	3.2	18.6	5.6	215.6	12.4	0.1	297.4	1,545.6
PFI and other service concession arrangements	–	231.7	–	–	–	–	–	–	–	231.7
Net book value at 31 March 2026	**554.0**	**670.4**	**3.2**	**18.6**	**5.6**	**215.6**	**12.4**	**0.1**	**297.4**	**1,777.3**
Cost or valuation										
At 1 April 2024	587.0	657.7	7.5	31.8	21.0	330.6	20.1	0.1	211.9	1,867.7
Additions	–	–	–	–	–	–	–	–	207.8	207.8
Impairment	(5.0)	(46.1)	(1.3)	(1.9)	–	(6.5)	–	–	(12.5)	(73.3)
Reclassifications	(0.5)	88.8	–	3.9	(13.0)	146.4	17.0	–	(244.5)	(1.9)
Asset transfer (to) / from other government bodies	–	2.8	–	(0.5)	–	(137.0)	(10.1)	–	–	(144.8)
Transfer to assets held for sale	(0.8)	(1.1)	–	–	–	–	–	–	–	(1.9)
Revaluations	(54.7)	16.5	(0.7)	–	–	6.0	–	–	–	(32.9)
At 31 March 2025	**526.0**	**718.6**	**5.5**	**33.3**	**8.0**	**339.5**	**27.0**	**0.1**	**162.7**	**1,820.7**
Depreciation										

	Land £'m	Buildings excl. Dwellings	Dwellings £'m	IT £'m	Plant & Machinery £'m	Leasehold	Furniture & Fittings £'m	Heritage Assets £'m	Assets under	Total £'m
At 1 April 2024	–	–	–	9.0	3.7	85.2	8.4	–	–	106.3
Charged in year	–	26.3	0.2	8.1	1.5	31.5	4.1	–	–	71.7
Impairment	–	–	–	(1.7)	–	(5.1)	–	–	–	(6.8)
Reclassifications	–	2.5	–	–	(2.5)	–	–	–	–	–
Asset transfer (to) / from other government bodies	–	–	–	–	–	(2.7)	(0.6)	–	–	(3.3)
Revaluations	–	(28.7)	(0.2)	–	–	1.6	–	–	–	(27.3)
At 31 March 2025	**–**	**0.1**	**–**	**15.4**	**2.7**	**110.5**	**11.9**	**–**	**–**	**140.6**
Carrying amount										
Net book value at 31 March 2024	587.0	657.7	7.5	22.8	17.3	245.4	11.7	0.1	211.9	1,761.4
Net book value at 31 March 2025	**526.0**	**718.5**	**5.5**	**17.9**	**5.3**	**229.0**	**15.1**	**0.1**	**162.7**	**1,680.1**
Asset financing:										
Owned	526.0	517.4	5.5	17.9	5.3	229.0	15.1	0.1	162.7	1479.0
PFI and other service concession arrangements	–	201.1	–	–	–	–	–	–	–	201.1
Net book value at 31 March 2025	**526.0**	**718.5**	**5.5**	**17.9**	**5.3**	**229.0**	**15.1**	**0.1**	**162.7**	**1,680.1**

6. Right of Use Assets

	Buildings £'m
Cost or valuation	
At 1 April 2025	327.5
Additions	82.2
Disposals	(72.9)
Revaluations	(0.3)
Impairment	(0.6)
Reclassifications	0.8
As at 31 March 2026	**336.7**
Depreciation	
Accumulated Depreciation as at 1 April 2025	81.6
Charged in year	17.6
Revaluations	(1.4)
Reclassifications	0.4
As of 31 March 2026	**98.2**
Carrying amount	
Net book value at 31 March 2025	245.9
Net book value at 31 March 2026	**238.5**
Cost or valuation	
At 1 April 2024	355.0
Additions	152.3
Disposals	(180.4)
Revaluations	(2.3)
Impairment	0.8
Reclassifications	2.1
As at 31 March 2025	**327.5**
Depreciation	
Accumulated Depreciation as at 1 April 2024	55.7
Charged in year	27.5
Revaluations	(1.6)
As at 31 March 2025	**81.6**
Carrying amount	
Net book value at 31 March 2024	299.3
Net book value at 31 March 2025	**245.9**

Lease expenses recognised in the SoCNE	2025/26	Restated* 2024/25
Interest on leases	22.8	19.9
Depreciation – right of use assets	17.6	27.5
Rent expenditure not recognised as a liability	21.4	36.7
Irrecoverable VAT on rent expenditure	20.3	19.6
Total lease expenses	**82.1**	**103.7**

*Prior year has been restated to more accurately reflect the different types of expenses. Amounts previously classified as Irrecoverable VAT on rent expenditure and Rent expenditure on short-term leases have been reclassified between Rent expenditure not recognised as a liability and Irrecoverable VAT on rent expenditure.

7. Intangible assets

	Software £'m	Assets under Construction £'m	Total £'m
Cost or valuation			
At 1 April 2025	51.3	3.8	55.1
Additions	–	22.2	22.2
Impairment	–	–	–
Reclassifications	16.6	(16.5)	0.1
As at 31 March 2026	**67.9**	**9.5**	**77.4**
Amortisation			
At 1 April 2025	10.2	–	10.2
Charged in year	10.2	–	10.2
Indexation	–	–	–
Impairment			–
As at 31 March 2026	**20.4**	**–**	**20.4**
Carrying amount			
Net book value at 31 March 2025	41.1	3.8	44.9
As at 31 March 2026	**47.5**	**9.5**	**57.0**
Cost or valuation			
At 1 April 2024	39.7	1.9	41.6
Additions	–	15.0	15.0
Impairment	(1.1)	(0.4)	(1.5)
Reclassifications	12.7	(12.7)	–
As at 31 March 2025	**51.3**	**3.8**	**55.1**

	Software £'m	Assets under Construction £'m	Total £'m
Amortisation			
At 1 April 2024	0.7	–	0.7
Charged in year	9.5	–	9.5
As at 31 March 2025	**10.2**	**–**	**10.2**
Carrying amount			
Net book value at 31 March 2024	39.0	1.9	40.9
As at 31 March 2025	**41.1**	**3.8**	**44.9**

All of the intangible assets are owned by the GPA.

8. Assets held for sale

	Note	31 March 2026 £'m	31 March 2025 £'m
Balance at 1 April 2025		2.9	1.0
Disposal		(1.0)	–
Transfer from property, plant and equipment	5	–	1.9
Balance at 31 March 2026		**1.9**	**2.9**

Assets held for sale comprises of surplus freehold properties. The properties are available for sale in their present condition, are being actively marketed and are expected to be disposed of within twelve months of the reporting date. One asset was held as an asset for sale on 31 March 2025, but the sale did not complete within 12 months as had been previously expected.

9a. Trade and other receivables

	Note	31 March 2026 £'m	31 March 2025 £'m
Amounts falling due within one year			
Trade and other receivables		88.8	88.5
Prepayments		34.3	27.3
Accrued income		30.9	41.5
Other taxation and social security		2.7	–
Amounts from OGDs to offset GPA provisions		19.9	16.0
Total trade receivables within one year		176.6	173.3
Lease receivables IFRS 16		155.7	106.6
Total lease receivables within one year		**155.7**	**106.6**
Total receivables within one year		**332.3**	**279.9**
Amounts falling due after one year			
Amounts from OGDs to offset GPA provisions		97.0	122.3
Lease incentive receivables		9.0	7.5
Deposits and advances		0.1	2.3
Total trade receivables after one year		**106.1**	**132.1**
Lease receivables IFRS 16		706.1	745.8
Total lease receivables after one year		**706.1**	**745.8**
Total receivables after one year		**812.2**	**877.9**
Total receivables		**1,144.5**	**1,157.8**

Trade receivables in respect of contracts with clients amounted to £54.6 million (2024/25: £51.4 million).

Accrued income in respect of contracts with clients amounted to £24.3 million (2024/25: £36.6 million).

Trade receivables are non-interest bearing and generally on 30 days' terms and are shown net of any provision for impairment. Included in trade receivables is a provision for impairment of £3.4 million (2024/25: £4 million) against receivables which are assessed annually for likelihood of recoverability and expected credit losses. See note 9b.

9b. Provision for expected credit losses

	31 March 2026 £'m	31 March 2025 £'m
At 1 April 2025	(4.0)	(5.1)
Provided in the year	(3.4)	(5.5)
Provisions utilised in the year	–	0.1
Provisions written back in the year	4.0	6.5
As at 31 March 2026	**(3.4)**	**(4.0)**

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

9c. Lease receivables

The GPA received finance lease income from finance lease contracts in which it acts as a lessor against a lease receivable held. The following sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Lease income received as a lessor 31 March 2026 Lease receivables maturity analysis	31 March 2026 £'m	31 March 2025 £'m
Less than one year	155.7	106.6
One to two years	148.2	128.3
Two to three years	134.6	125.1
Three to four years	108.7	112.3
Four to five years	100.9	91.9
More than five years	755.7	767.4
Discount	(542.0)	(479.2)
	861.8	**852.4**

9d. Operating leases

During 2025/26 the GPA received £141.9 million (2024/25: £154.4 million) of lease income (including service charges) from operating lease contracts in which it acts as a lessor. The following sets out a maturity analysis of lease payments to be received after the reporting date. This excludes service charges which are dependent on usage.

Operating leases with clients	31 March 2026 £'m	Restated* 31 March 2025 £'m
Less than one year	132.6	130.7
One to two years	127.1	126.7
Two to three years	122.5	123.7
Three to four years	121.4	119.2
Four to five years	120.7	117.8
More than five years	955.0	1,050.0
Total operating leases with clients	**1,579.2**	**1,668.2**

* Prior year operating leases with clients has been restated to include additional leases identified as being in scope. Additionally, the GPA has updated the presentation to show undiscounted lease payments to be received on an annual basis.

The GPA had 603 sub-leases with clients as at 31 March 2026 (31 March 2025: 689 sub-leases). The end dates for remaining sub leases range between April 2026 and June 2265. The average remaining sub lease term is 6.9 years.

10a. Cash and cash equivalents

	31 March 2026 £'m	31 March 2025 £'m
Balance at 1 April 2025	79.2	127.2
Net change in cash and cash equivalent balances	(31.7)	(48.0)
Balance at 31 March 2026	**47.5**	**79.2**

All cash balances are held at the Government Banking Service for use in respect of the GPA.

10b. Reconciliation of liabilities arising from financing activities

	2024/25 £'m	Cash flows £'m	Non-Cash Change £'m	2025/26 £'m
Lease liabilities	1,159.0	(155.8)	143.0	1,146.2
PFI liabilities	687.7	(38.9)	16.5	665.3
Total liabilities from financing activities	**1,846.7**	**(194.7)**	**159.5**	**1,811.5**

11. Trade and other payables

	31 March 2026 £'m	31 March 2025 £'m
Amounts falling due within one year		
Trade payables	40.5	6.2
Other payables	4.2	3.9
Deferred income	63.1	32.6
Accruals	82.5	92.3
Other taxation and social security	–	0.8
Accrual for untaken annual leave	0.7	1.0
Total payables within one year	**191.0**	**136.8**
Total payables	**191.0**	**136.8**

12. Lease Liabilities

Operating leases with clients	31 March 2026 £'m	31 March 2025 £'m
Current		
Lease liabilities	135.0	173.1
Non-current		
Lease liabilities	1,011.2	985.9
Total lease liabilities	**1,146.2**	**1,159.0**

31 March 2026 lease liabilities maturity analysis	31 March 2026 £'m	31 March 2025 £'m
Less than one year	135.0	173.1
One to two years	7.9	72.5
Two to three years	39.7	5.2
Three to four years	38.0	60.2
Four to five years	13.6	38.2
More than five years	997.2	883.5
Discount	(85.0)	(73.7)
	1,146.2	**1,159.0**

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

GPA had 181 finance head leases as at 31 March 2026 (31 March 2025: 182). The end dates for these head leases range between April 2026 and March 2074. The average remaining head lease term is 6.6 years.

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

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

13. Financial instruments

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

Fair value of financial instruments

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

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

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

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

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

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

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

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

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

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

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

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

The GPA retains some of the risks for hubs and Whitehall Campus. The GPA expects to have a small level of vacant space during 2026/27. The expected vacant space mainly relates to properties where there is ongoing major transformation and refurbishment works which will deliver long term savings for the GPA and its clients.

14a. Provisions

	Dilapidations 31 March 2026 £'m	Dilapidations 31 March 2025 £'m
Balance at 1 April 2025	151.7	154.6
Provided in the year	7.5	18.6
Provisions not required written back	(16.1)	(20.2)
Provisions utilised in the year	(2.2)	(1.3)
Balance at 31 March 2026	**140.9**	**151.7**
Analysis of expected timings of discounted flows		
Not later than one year	22.6	38.8
Later than one year but not later than five years	29.8	46.1
Later than five years	88.5	66.8
Balance at 31 March 2026	**140.9**	**151.7**

	31 March 2026 £'m	31 March 2025 £'m
Receivable recognised in respect of provisions		
Balance at 1 April 2025	138.3	150.6
Provided in the year	6.3	13.7
Provisions not required written back	(25.5)	(24.7)
Received in the year	(2.2)	(1.3)
Balance at 31 March 2026	**116.9**	**138.3**

The calculation of the GPA's provision for property dilapidations is mostly based on estimated rates per square metre of floor space. These rates reflect historic settlements of dilapidations on expired occupations of similar properties. Detailed physical inspections are carried out where leases are close to expiry. This method of measurement produces a direct correlation between total floor space and the provision. Hence, assuming all other assumptions remain constant, a 10 per cent increase (or decrease) in floor space will result in approximately 10 percent increase (or decrease) in the provision (£13.7 million).

14b. Reconciliation of provisions movement to the SOCNE

	31 March 2026 £'m	31 March 2025 £'m
Decrease in provision	(10.8)	(3.0)
Decrease in receivable recognised in respect of provisions	21.4	12.3
Net movement in provisions during the year	**10.6**	**9.3**

15. Capital commitments

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

	31 March 2026 £'m	31 March 2025 £'m
Property, plant and equipment	71.1	74.6
Total capital commitments	**71.1**	**74.6**

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

As at 31 March 2026 the £71.1 million is made up of the following contracts: £61.3 million in relation to government hubs, Whitehall Campus programmes and workplace project design and delivery and £9.8 million for property technology projects.

16. Other financial commitments

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

	31 March 2026* £'m	31 March 2025* £'m
Not later than one year	173	113.8
Later than one year and not later than five years	244.9	216.8
Later than five years	–	–
Total Other Financial Commitments	**417.9**	**330.6**

* Included within these commitments are amounts relating to contracts let under call off arrangements (including framework agreements). Amounts disclosed for call off contracts reflect management's best estimate of the most likely expenditure based on forecast service demand and delivery plans

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

As at 31 March 2026 the £417.9 million is made up of the following material contracts: £162.3 million in relation to facilities management, £144.9 million on client funded construction projects, and £59.0 million with our operational security provider.

17a. On-balance sheet (SoFP) PFI contracts and other service concession arrangements

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

17b. Commitments under PFI and other service concession contracts

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

	31 March 2026 £'m	31 March 2025 £'m
Rentals due not later than one year	93.0	90.3
Rentals due later than one year but not later than five years	374.4	363.3
Rentals due later than five years	484.9	567.7
	952.3	**1,021.3**
Less interest element	(287.0)	(333.6)
Present value of obligations	**665.3**	**687.7**

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

	31 March 2026 £'m	31 March 2025 £'m
Rentals due not later than one year	89.7	87.1
Rentals due later than one year and not later than five years	297.2	288.4
Rentals due later than five years	278.4	312.2
Present value of obligations	**665.3**	**687.7**

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

	31 March 2026 £'m	31 March 2025 £'m
Not later than one year	41.2	35.5
Later than one year but not later than five years	165.8	142.6
Later than five years	142.7	146.0
Total service element	**349.7**	**324.1**

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

17c. Charge to the consolidated statement of comprehensive net expenditure

The total amount charged in the SoCNE in respect of on-balance sheet PFI service concession arrangements was £143.2 million for the period to 31 March 2026 (2024/25: £154.6 million). Of this total the fixed and variable service charge element was £40.3 million (2024/25: £39.2 million), the interest charges were £53.9 million (2024/25: £55.6 million) and the remeasurement of financing liability charges were £16.5 million (2024/25: £22.6 million). The remaining balance relates to non-contract specific costs.

18. Asset transfers

	Note	31 March 2026 £’m	31 March 2025 £’m
Statement of Financial Position (Decrease) / increase in Non-current assets			
Home Office		–	(144.3)
Companies House		–	2.8
Total (decrease) / increase in non-current assets	5	**–**	**(141.5)**
Recognition of these non-current assets is fully supported by Capital Grant in Kind Income/Expenditure recognised in the SoCNE **Statement of Comprehensive Net Expenditure**			
Capital Grant-in-Kind income	2	–	(2.8)
Capital Grant-in-Kind expenditure	3c	–	144.3
Total Capital Grant-in-Kind		**–**	**141.5**

During the year the GPA was donated assets with a gross value of £Nil (2024/25: £2,800,000). No restrictions have been placed on these assets by the donors. During the year GPA transferred out assets with a gross value of £Nil (2024/25: £144,328,984).

19. Cash flows reconciliations

	Note	2025/26 £’m	Restated* 2024/25 £’m
Capital Grant-in-Kind asset transfer	2 & 18	–	(2.8)
Total non-cash income		**–**	**(2.8)**
Movement in short term receivable	9a	–	38.4
Movement in long term receivable	9a	0.7	(4.2)
Non-cash movement in dilapidation provisions recharged to tenants (ST & LT)	9a	21.4	12.3

	Note	2025/26 £'m	Restated* 2024/25 £'m
Non-cash movement on trade receivables	9b	0.6	1.0
Change in trade and other receivables		**22.7**	**47.5**
Movement in short term payables	11	54.2	(48.7)
Change in trade and other payables		**54.2**	**(48.7)**
Depreciation and amortisation	5, 6 & 7	110.9	108.7
Provisions	14b	10.6	9.3
Other non-cash	3c	5.0	1.8
External auditor's remuneration	3c	0.6	0.5
Non-cash movements from PFI's	3c	16.5	22.6
Non-cash movement of impairment – PPE	3c	74.6	66.5
Non-cash movement of impairment – ROU	3c	0.6	(0.8)
Non-cash movement of impairment – Intangible assets	3c	–	1.5
Non-cash movement of impairment – Trade receivables	3c	(0.6)	(1.0)
Capital Grant-in-Kind asset transfer	3c & 18	–	144.3
Total non-cash expenditure		**218.2**	**353.4**

* The 2024/25 figures have been restated within the change in trade and other receivables section.

20. Related party transactions

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

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

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

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

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

Pat Ritchie, who was a board member of the GPA until 30 April 2025, is also a board member of Homes England. Homes England is a client of the GPA within the government boundary.

Until 31 March 2026, the GPA Board included a Shareholder Representative from UK Government Investments Ltd (UKGI). UKGI is a supplier and customer to GPA within the government boundary. Hannah Gray served in this role from June 2024 to 31 March 2026.

From 21 October 2025 Hannah Gray was appointed as a Director of UK National Nuclear Laboratory Limited (UKNNL). UKNNL is wholly owned by DESNZ.

21. Events after the reporting date

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

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

Environmental report

The GPA has positioned Environmental, Social and Governance (ESG) principles at the core of its mission. This commitment ensures the GPA operates in an environmentally sustainable and socially responsible manner, underpinned by integrity and transparency. Environmental protection is not an ‘add-on’; rather, it is central to the economic and social value driving the GPA’s strategic objectives. Given its nationwide footprint and significant operating scale, the GPA is uniquely positioned to be a placemaker, positively influencing the communities where it operates. By embedding a community-centred, place-making approach throughout the project life cycle, the agency ensures its ESG principles effectively influence its operations, supply chain, clients and the wider industry.

The GPA’s overarching strategy focuses on 14 material topics aligned with the UN Sustainable Development Goals (SDGs), which include climate change mitigation, nature recovery and sustainable procurement. The agency is committed to serving as a government exemplar, aspiring to be the flagship agency for delivering the Greening Government Commitments (GGCs). This environmental work is underpinned by industry-leading standards and supported by an ISO 14001-accredited Environmental Management System (EMS). The EMS ensures the GPA can systematically enhance its environmental performance, fulfil its compliance obligations and achieve its objectives.

Crucially, the GPA’s environmental ambitions are aligned with stringent, science-based Net Zero targets. The GPA is actively driving the decarbonisation of the government estate, aiming to minimise climate change by achieving a 78 per cent reduction in carbon emissions by 2035 and reaching Net Zero by 2050. Near-term targets include achieving zero Scope 1 and 2 emissions by 2032 and actively pursuing carbon reductions each year through targeted Net Zero interventions that not only look to save metric tonnes of carbon dioxide equivalent (tCO_2e) but also represent value for money to the taxpayer. Guided by its updated Net Zero and Sustainability Annex and Biodiversity and Nature Recovery Annex, the GPA is taking decisive, data-driven action to protect the environment while delivering a smaller, better, greener government office estate.

Task Force on Climate-related Financial Disclosures (TCFD)

TCFD compliance statement

The GPA confirms its adherence to the Taskforce on Climate-related Financial Disclosures (TCFD) framework, with past reporting aligned with HM Treasury’s TCFD guidance.

GPA’s current disclosures encompass:
- **Governance:** Disclosures (a) and (b).
- **Risk management:** Disclosures (a) through (c); and
- **Metrics and targets:** Disclosures (a) through (c).

For the 2025/26 reporting year and in compliance with the central government's Phase 3 TCFD implementation timetable, the GPA has expanded its disclosures to include climate-related risks and opportunities. This expansion incorporates an analysis of their impact on the GPA's business (including operations, strategy and financial planning) and a dedicated assessment of organisational resilience via 2°C and 4°C pathway scenarios. Planned disclosures pertaining to the Strategy pillar will be integrated into subsequent reports in accordance with the timetable.

Governance

The ultimate responsibility for the GPA's ESG performance rests with its Accounting Officer and CEO, Mark Bourgeois, under the oversight of the Executive Committee (ExCo). Strategic responsibility for all environmental matters has been delegated by the ExCo to the Sustainability Sub-Committee (SusCo).

a. Board oversight (SusCo):
SusCo is mandated to oversee and guide the GPA's environmental and sustainability strategies, ensuring their full integration into operations, decision-making and organisational culture. It also has oversight of reporting, focusing on key areas such as climate change mitigation, adaptation, energy management, waste reduction, nature recovery and water management. It monitors progress against sustainability targets, actively manages ESG risks and ensures compliance with relevant commitments and regulatory standards, providing assurance to ExCo and ultimately the GPA board.

b. Management (sustainability function):
In compliance with the GPA's Governance Statement, the day to day-to-day assessment and management of climate-related issues is conducted by the GPA's dedicated Sustainability Function. This function is responsible for implementing the strategies and priorities set by SusCo, managing environmental risks through the GPA's ISO14001-compliant EMS and driving performance against sustainability, net zero and environmental targets. It ensures adherence to evolving regulations and reporting requirements, provides operational and technical expertise to support SusCo and reports on performance through regular updates to ExCo.

Risk management

The GPA's approach to identifying, assessing and managing climate-related risks is formally documented in its Climate Change Adaptation Strategy.

a. Risk identification and assessment:
The GPA conducts a comprehensive, estate-wide climate change risk assessment, using the OGP's adaptation framework and aligning with the UK Climate Change Risk Assessment (CCRA). This process involves portfolio scoping, screening risks against CCRA themes and pinpointing critical vulnerabilities such as flooding, overheating, water scarcity and storm damage. Risks are systematically prioritised and evaluated based on their potential impact across medium-to-long-term horizons (up to 2100). The assessment incorporates future climate scenarios, specifically 2°C and 4°C pathways and is supported by external expertise and authoritative climate data from sources like the UK Met Office.

b. Risk management and adaptation:
The management of these risks is guided by an adaptation action plan that strategically prioritises high-risk areas. Key actions include enhancing resilience through essential infrastructure upgrades, implementing water efficiency measures, bolstering flood defenses and adopting innovative heating and cooling technologies. Mitigation strategies are informed by extensive stakeholder engagement, incorporating input from both clients and external specialists. The GPA maintains a schedule of annual reviews for all risks and adaptation actions, with site-specific building-level assessments planned for high-risk locations to define targeted interventions. All actions are subject to continuous review and updating as new climatic information emerges.

c. Governance and integration:
The identification, assessment and management processes for climate-related risks are fully embedded within the GPA’s comprehensive risk management framework, underpinned by established governance structures. The Climate Change Adaptation workstream reports directly to SusCo, providing oversight for risk assessment updates, strategic planning and stakeholder engagement activities. Climate risks are integrated into the GPA’s ESG reporting and asset management protocols. This ensures that climate risks are deliberated alongside other property and operational risks during all decision-making, lifecycle planning and ongoing risk reviews, thereby fostering proactive adaptation and building organisational resilience.

Metrics and targets

The GPA evaluates climate-related risks and opportunities for both itself and its clients. This is accomplished through tracking of greenhouse gas (GHG) emissions across all scopes, energy and water consumption and adherence to established sustainability standards, aligning with the GGCs. Targets are focused on achieving Net Zero emissions by 2050, high standards for building certifications, resource efficiency, reducing waste and actively enhancing biodiversity. Performance is monitored on an annual basis, with continuous efforts to not only meet but exceed these objectives. The GPA is working on developing further relevant metrics and will include detailed disclosures in future years.

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

- Greenhouse Gas Emissions: The GPA monitors:
  - Scope 1 (direct emissions);
  - Scope 2 (indirect emissions from energy use); and
  - Scope 3 (value chain emissions, including business travel and other indirect sources).
- Data: Collected annually for operational control buildings and portfolio-wide energy use.
- Energy Consumption: Measured in MWh for electricity, gas, district heating and biomass. The data includes both operational buildings and asset-level consumption.
- Water Usage: Quantified in cubic metres (m^3), tracking total water consumption across facilities.

- Waste Generation and Recycling: Metrics include total waste tonnes, percentage recycled and waste sent to landfill.
- Operational Space: Estate metrics such as total square metres under operational control, allowing correlation of emissions and energy use to estate size.
- Progress against specific environmental standards: such as BREEAM, NABERS UK, EPC and ISO14001 compliance, which serve as indicators of sustainability performance.

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

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

- GHG Emissions and Energy: the GPA actively monitors:
  - Scope 1 (direct emissions);
  - Scope 2 (indirect emissions from energy); and
  - Scope 3 (value chain emissions, including business travel), alongside total energy consumption (MWh) and space heating intensity, to drive the target of achieving Net Zero direct emissions by 2032.
- Building Certifications: The environmental sustainability and operational energy efficiency of the GPA's portfolio are assessed using BREEAM, NABERS UK and Energy Performance Certificate (EPC) ratings, targeting 'Excellent' BREEAM, 5-star NABERS and A EPC ratings for all new builds and 'Very Good' BREEAM, 4-star NABERS and B EPC ratings for refurbishment projects.
  - Feethams House: New build BREEAM "Excellent", EPC A
  - 22-26 Whitehall: Refurbishment BREEAM "Very Good", EPC A
  - Manchester First St CAT A: New build BREEAM "Excellent", NABERS 5.5* DfP, EPC A
- Waste and Water Efficiency: The GPA quantifies total water usage (m^3) and tracks waste generation, recycling rates and landfill diversion percentages, aiming to reduce total water consumption by over 50 per cent and recycle at least 70 per cent of waste.
- Nature Recovery: Biodiversity impacts across the estate are measured through nature net gain targets, native species integration and the Urban Greening Factor.

No.	Objective	Metric	Target	Reporting	Frequency	GGC	BREEAM	NABERS UK	ISO 14001
1	Climate Change Mitigation	Reducing Scope 1 & 2 emissions (% tCO_2e from base year)	Net Zero by 2032	ARA (GGC)	Annual	Yes	N/A	N/A	Yes
2		New & Refurbished Building Standards	100% BREEAM Excellent/ Very Good & EPC A/B	SusCo	Monthly	Yes	Yes	N/A	Yes
3	Energy Management	Operational Energy	NABERS 5*/4* & meet UKNZCBS EUI limit for works date of commencement	SusCo	Monthly	Yes	Yes	Yes	Yes
4	Waste Reduction & Circularity	Waste reduction, recycling & landfill diversion	>15% reduction, >70% recycled, <5% landfill	ARA (GGC)/ SusCo	Quarterly	Yes	Yes	Yes	Yes
5		Building materials circularity (A1-A5)	Meet UKNZCBS Upfront embodied carbon limit for works date of commencement	Project Board	Monthly	Yes	Yes	N/A	N/A
6	Nature Recovery	Nature net gain & Urban Greening Factor	10% biodiversity net gain, 0.3 factor, 100% native species	SusCo	Monthly	Yes	N/A	N/A	Yes
7	Water Management	Reduction in total water use (% m³ from base year)	>50% from base year	ARA (GGC)	Monthly / Quarterly	Yes	Yes	Yes	Yes
8	Climate Adaptation	GPA Action Plan for Climate Change Adaptations	100% Compliance	SusCo	Monthly	Yes	N/A	N/A	Yes

Business strategy

In alignment with the UK government's Phase 3 TCFD implementation timetable, the GPA has expanded its disclosures for 2025/26 to cover the strategic impacts of climate change. Following the principles of the TCFD scenario analysis guidance, the GPA evaluates climate-related risks and their financial impacts to inform strategic decision-making and ensure the long-term viability of the government office estate.

a. Climate-related risks and strategic opportunities
The GPA conducts comprehensive asset-specific climate risk assessments across short, medium (to the 2050s) and long-term (2070 to 2100) horizons. Following rigorous screening against the UK Climate Change Risk Assessment (CCRA3), the agency prioritised 12 summary risks from an initial 91.

- **Priority risks:** The most significant physical risks to the estate are multi-source flooding (fluvial, pluvial, groundwater and coastal), which threatens core physical and basement infrastructure. Further key risks include the impact of rising temperatures on public health, productivity and building systems, as well as operational vulnerabilities from water scarcity and drought. The GPA also actively manages the critical risk of cascading infrastructure failures across interdependent utility and transport networks, alongside climate-related supply chain disruptions.
- **Strategic opportunities:** The decrease in extreme cold events allows for space heating reductions, less reliance on secondary heating systems and lower overall maintenance expenditure. Furthermore, warmer conditions present an opportunity to enhance workplace well-being by increasing the utility of outdoor communal areas.

b. Integration into operations, strategy and financial planning
Climate change adaptation is cited on the corporate risk register as a threat to business continuity because it profoundly affects the GPA's core operations, impacting the daily functioning of buildings, the resilience of ICT and energy infrastructure and the ability of staff and customers to safely access sites.

- **Operations and adaptation:** To ensure operational continuity, the GPA is integrating essential adaptation measures, such as water harvesting, waterless urinals, advanced leak detection technologies and enhanced thermal insulation, into building services and major refurbishments.
- **Strategic alignment:** Climate risk assessment and management are weighted equally alongside other property risks in all critical decision-making, including the acquisition of new premises, lease agreements and portfolio exit planning. This commitment is formalised in the GPA's core Design Guide, which mandates that climate resilience, including space heating, cooling requirements and operating tolerances, be built into all new developments.

- **Financial commitment:** The GPA is committed to a proactive, planned asset replacement programme, acknowledging that this approach offers superior financial returns compared to a reactive strategy. To directly mitigate the severe economic damages projected by CCRA3 (where annual non-residential flooding costs could rise by 27 per cent by 2050 under a 2°C scenario), the GPA invested significantly in 2025/26, allocating £55.9 million for lifecycle replacement and £25.8 million for carbon Net Zero interventions (2024/25: £13.4 million and £19.8 million respectively).

c. Strategic resilience under climate scenarios
To maintain a robust and highly resilient strategy the GPA considers climate adaptation and resilience, as well as climate change avoidance, when considering Metrics and Targets. The GPA's multidisciplinary climate change adaptation working group conducted risk assessments against the Representative Concentration Pathways (RCPs) for both 2°C and 4°C global warming scenarios. This methodology directly adheres to HM Treasury Green Book guidance and CCRA3, which advises preparedness for warming up to 4°C, despite the UK's 1.5°C goal.

The strategy's resilience is built on a multi-tiered approach combining scoping, screening and portfolio-level risk assessments to identify priority interventions. By deploying scenario analysis that models asset exposure against future hazard intensity, the GPA develops flexible, adaptive management plans. Current strategic actions include:

- Climate-adjusted desktop flood risk prioritisation reviews;
- Robust business continuity planning for cascading supply chain risks; and
- Detailed building-level reviews targeting the highest-risk assets.

This data-driven, iterative approach ensures the GPA's long-term strategic objectives remain viable across a diverse range of plausible climate futures. The GPA is yet to quantify the impact of the climate-related scenarios and will include detailed disclosures in future years.

UK Sustainability Reporting Standards (SRS)

The GPA recognises the introduction of the UK Sustainability Reporting Standards (SRS), which were created by assessing and endorsing the global corporate reporting baseline of the IFRS Sustainability Disclosure Standards. The GPA notes that UK SRS S1 sets out the general framework and requirements for disclosing material information on sustainability-related risks and opportunities while UK SRS S2 focuses specifically on disclosures concerning climate-related physical and transition risks, alongside climate-related opportunities. Building upon its TCFD reporting and comprehensive ESG framework, the GPA is actively reviewing these new standards to ensure its future disclosures transparently communicate how sustainability and climate matters impact its strategy, operations and financial planning across the short, medium and long term.

UN sustainable development goals

Environmental, social and governance report

The GPA continues to focus on the 14 material topics, contained in its ESG report of July 2023, aligned to the UN Sustainable Development Goals. The GPA is actively working to embed this community-centred, place-making approach into every stage of project life cycles. This holistic approach will embed ESG principles within its operations, supply chain, amongst clients and the wider industry which has been commented on.

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

The GPA's ESG strategy supports the UN SDGs and the GGCs. It aligns those priorities with the global agenda and enables the UK Government's mission to "Accelerate to Net Zero".

The maturity of the 14 material topics assessed as most relevant to its stakeholders and where the GPA will continue to make measured progress, are set out in Table 3.

Table 3: Alignment of the GPA’s environmental social and governance report to the UN sustainable development goals

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

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

Sustainable project delivery

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

To do this credibly the GPA has developed an EMS that is accredited to the internationally agreed standard, ISO 14001, achieving re-accreditation in May 2025. The EMS will enable the GPA to fulfil its compliance obligations, enhance environmental performance and achieve its environmental objectives.

The GPA is nurturing a "Sustainability First" culture where staff are a crucial part of achieving its goals. As a result, the agency has now become a corporate member of Institute for Sustainability and Environmental Professionals (ISEP) and an ISEP-registered Training Centre, offering courses to ensure its people and clients acquire sustainability expertise. To date it has delivered over 2,100 hours of accredited continuous professional development to 267 staff, representing 60 per cent of the workforce. The GPA will continue to upskill employees to Workforce, Management, Leadership and the gold standard of Chartered Environmentalist through ISEP-accredited training as appropriate.

The GPA's ESG achievements include:

- **Energy Performance Certificates (EPCs):** Completed 16 EPCs (2024/25: seven), with four properties improving their ratings: 34 Clarendon Road, Trafalgar House, Vulcan Steel House and Ash House. Notably, the first two achieved a B rating, meeting the GPA EPC goal for all refurbished buildings. To date, 88 buildings have achieved a rating of B or above (A: 19; B: 69; C: 59).
- **Heat decarbonisation:** Delivered decarbonisation solutions to three properties (2024/25: two). This included Cheylesmore House, Coventry, where both the north and south buildings transitioned from fossil fuels to renewable energy sources.
- **Decarbonisation and renewables:** Accelerated the transition to Net Zero by installing 1,339 solar panels across five properties (2024/25: zero). A key highlight is Ty Cwm Tawe in Swansea, which is projected to achieve an annual reduction of 15,000 kWh in electricity consumption and 29 tonnes of CO_2 emissions.
- **Lighting upgrades:** Modernised the estate through a nationwide LED lighting rollout across seven properties (2024/25: 21), improving energy efficiency and workspace quality.

Through these interventions, the GPA strives to ensure the public estate remains energy resilient, cost-effective and future-ready.

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

Procuring sustainable products and services
The GPA ensures that environmental, social and economic well-being are fundamental to its commissioning process. The GPA maintains robust systems for sustainable purchasing that mandate whole-life costing for all goods and services. The GPA incorporates specific Procurement Policy Notes (PPNs) into its procurement processes to ensure public spending drives sustainability and social impact, specifically targeting carbon reduction, social value and managing modern slavery risks in government supply chains.

Compliance with PPN 06/21 (Carbon reduction plans)
The GPA strictly enforces PPN 06/21, requiring verified Carbon Reduction Plans as part of tenders for contracts exceeding £5 million annually. This was recently demonstrated during its Building Works and Associated Services 3 procurement. The GPA is also embedding PPN 01/24 (Carbon Reduction Contract Schedule) into new procurements to hold suppliers accountable for specific, measurable carbon reduction and reporting throughout the contract lifecycle, supporting the Net Zero goal.

Compliance with PPNs 06/20 and 002 (social value)
Social Value is a key priority of the GPA and a minimum of 10 per cent weighting must be given to Social Value as part of the agency’s evaluation criteria. Sustainability often forms a key part of that, with two of the five outcomes under PPN 002 (Fair Work and Sustainable Procurement Practices) focused squarely on sustainability, in addition to the theme of ‘Fighting climate change’ under PPN 06/20. The GPA’s strategy supports the National Procurement Policy Statement and the mission to establish Britain as a clean energy superpower by:

- Prioritising renewable energy and energy-efficient solutions within the supply chain;
- Partnering with Facilities Management providers to minimise their environmental footprints; and
- Employing modern slavery audits to protect critical supply chains.

Compliance with PPNs 02/23 and 009 (Modern Slavery)

In procuring the contract for the provision of solar panels for five GPA-managed properties referenced above, the GPA implemented a rigorous due diligence process aligned with PPNs 02/23 and 009 to mitigate risks associated with forced labour. This included enhanced supply chain scrutiny and modern slavery assurance at key stages of production. This approach ensured that the installed panels met required ethical standards.

Key Achievements and Successes

- **Modern slavery mitigation:** Identified and addressed risks within the solar panel supply chain.
- **Theme 3 (fighting climate change):** Integrated into recent Building Works and Associated Services 3, Solar Panel, Removals & Relocation procurements, with commitments monitored via quarterly performance metrics.
- **Waste management:** The GPA's furniture donation scheme diverted approximately 30 tonnes of waste from landfills, saved over 45 tonnes of carbon emissions and achieved 100 per cent recycling of surplus furniture, saving an estimated £25,000 in recycling costs.

Nature recovery and other environmental information

In strong support of the GPA's corporate strategy to achieve a 10 per cent Biodiversity Net Gain (BNG), the Net Zero Programme continues to make progress in ecological restoration across the estate, aligning with the GPA's Biodiversity and Nature Recovery Annex. During 2025/26, the programme invested £184,700 (2024/25: £93,700) (with anticipated total funding of these activities estimated at £300.000) to fully fund the development of the initial Phase 1 Biodiversity Strategy and deliver two (2024/25: two) impactful and targeted biodiversity enhancement projects. While these initial investments responded primarily to specific client needs, establishing a solid operational base, the programme is now strategically positioned to capture and demonstrate the full quantified environmental benefits.

Looking ahead, a comprehensive measurement framework will be a key deliverable for the Phase 2 pilot projects in 2026/27. This robust framework, developed through independent expert engagement, will ensure that all future initiatives are accurately evaluated, fully aligned with the GPA's mandated 10 per cent BNG and wider nature recovery targets, thereby securing maximum environmental value.

Greening government commitments

TCFD and sustainability data tables

Data table 1: Emissions from GPA's own staff operations – based on GPA occupancy as per the previous greening government commitments

Greenhouse gas emissions and energy		2021/22	2022/23	2023/24	2024/25	2025/26
Non-financial indicators (tCO_2e)	Total Gross Scope 1 (Direct) GHG emissions*	22.20	19.69	15.15	14.20	7.18
	Total Gross Scope 2 (Energy indirect) emissions	36.38	37.39	31.43	28.90	38.50
	Total Gross Scope 3 (Official business travel) emissions**	25.27	3.42	159.39	117.78	167.98
	Total emissions – Direct, Indirect and & Scope 3	83.85	53.67	205.97	160.88	213.66
Financial indicators (£000)	Expenditure on official business travel	309.56	1,060.59	1,070.28	1,467	1627.14
Non-financial indicators (MWh)	Electricity: non-renewable	171.34	193.66	151.76	139.58	167.75
	Gas	121.20	70.05	82.80	77.66	39.24
	Expenditure on district heating	N/A	N/A	N/A	N/A	33.23
	Total energy	292.54	263.71	234.57	217.24	240.22
Financial indicators (£000)	Expenditure on electricity	24.15	33.68	27.56	46.47	52.06
	Expenditure on gas	2.82	3.60	4.69	5.23	2.50
	Expenditure on district heating	N/A	N/A	N/A	N/A	4.69
	Total expenditure on energy	26.97	37.28	32.25	51.80	59.25

Waste			2021/22	2022/23	2023/24	2024/25	2025/26
Non-financial indicators (tonnes)	Non-hazardous waste	Landfill or unknown route	0.29	0.02	0.00	0.00	0.46
		Reused / recycled	3.02	7.46	5.28	5.40	10.06
		Composted	0.15	0.14	0.06	0.49	1.41
	Incinerated with energy from waste		1.01	0.82	1.04	1.38	1.78
	Total waste (tonnes)		4.48	8.44	6.38	7.30	13.71
Financial indicators (£000)	Total expenditure on GPA occupied apportioned waste disposal***		3.99	4.30	No data	1.14	1.09

Water		2021/22	2022/23	2023/24	2024/25	2025/26
Non-financial indicators (m^3)	Total water consumption (m^3)	330.12	397	372	478	416
Financial indicators (£000)	Total expenditure on water supply	0.50	1.00	0.60	1.15	1.21

* Scope 1 emissions include natural gas and any fugitive emissions.
** GPA Scope 3 emissions include business travel emissions as taken from the GPA travel booking system and expenses mileage figures. It also includes the distribution losses from electricity. Travel emissions data was not available for 2022/23. To note, the greater increase in carbon emissions than travel costs between the 2021/22 and 2023/24 data is likely due to changes in travel patterns e.g., in 2021/22 there was less use of flights due to covid-19 restrictions and also lower staff numbers. Data is included here to indicate the GPA emissions but the full actual data set as per the GGC returns is included in the Cabinet Office's return.
*** The figures for 2021/22 and 2022/23 were misstated as they were not apportioned and they have now been updated to reflect the part of the buildings the GPA occupied.

Data table 2: Emissions from GPA's portfolio based on operational control (workplace services and utilities) aligned with greenhouse gas protocol

Greenhouse gas emissions and energy		2023/24	2024/25	2025/26
Non-financial indicators (tCO_2e)	Total Gross Scope 1 (Direct) GHG emissions	1,876	1,725	1,487
	Total Gross Scope 2 (Energy indirect) emissions	9,892	10,508	8,474
	Total Gross Scope 3 emissions*	783	835	833
	Total emissions – Scope 1, 2 & 3	12,551	13,068	10,794
Non-financial indicators (MWh)	Electricity	43,350	45,598	40,925
	Gas	10,254	9,400	8,118
	District heating	3,661	4,037	2,373
	Biomass	None	467	171
	Total energy	57,265	59,502.00	51,587
Financial indicators (£000)	Expenditure on electricity			12,891
	Expenditure on gas			529
	Expenditure on district heating			620
	Total expenditure on energy			14,040

Water		2023/24	2024/25	2025/26
Non-financial indicators (m^3)	Total purchased water consumption (m^3)	86,361	124,976	195,244

Waste			2023/24	2024/25	2025/26
Non-financial indicators (tonnes)	Non-hazardous waste	Landfill			6.00
		Reused / recycled			1,454
		Composted			131
	Incinerated with energy from waste				491
	Incineration without energy from waste				0.44
	Total waste (tonnes)				2,082
Financial indicators (£000)	Total expenditure on GPA occupied apportioned waste disposal**				661

*GPA Scope 3 emissions include distribution losses from electricity.

For the first time in 2023/24, the GPA calculated operational control greenhouse gas emissions. These relate to the office portfolio buildings where the GPA has full operational control over energy use for the whole building. This was the first year GPA gathered data, which was repeated in 2024/25. In 2025/26 further categories have been added covering waste disposal routes and water use. It is hoped datasets such as these will aid understanding of the impact of the emissions from GPA's property services (beyond the organisation's own emissions set out above). This does include consumption data for void areas that are still serviced due to infrastructure. The sustainability data for a building is provided to occupiers to include in their returns as required – the data is provided here for reference only. Where actual data was unavailable, estimates were used based on historic or typical values.

Reducing environmental impacts from ICT and digital

The GPA's commitment to sustainability is fundamentally advanced by its digital strategy, leveraging SaaS solutions like Salesforce, ServiceNow and AWS. This adoption of cloud-based platforms is central to reducing the agency's environmental impact by minimising on-premises infrastructure and optimising energy efficiency, which in turn supports flexible and remote working. These digital efficiencies are crucial for achieving the goal of zero waste to landfill and contribute to carbon reduction through the use of environmentally responsible and energy-efficient cloud services. Furthermore, the GPA maintains a data-driven approach to continuously monitor its ICT footprint, fostering transparency, accountability and consistent improvement in its sustainable digital practices.

The environmental impact of Artificial Intelligence (AI) spans its entire life cycle, from production to operation. It is hard to provide an exact figure for AI's total life cycle emissions as many technology companies do not publicly disclose the carbon equivalent emissions (tCO_2e) of their models. While the GPA acknowledges that data centres consume significant electricity it will endeavour to further understand their environmental impact and establish strategies to reduce emissions from their use. Regarding GPA IT equipment (laptops and mobile phones), its management is the responsibility of the Cabinet Office which manages and provides information on the environmental disposal routes for these assets.

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