



Mining
Remediation
Authority



THE COAL AUTHORITY ANNUAL REPORT AND ACCOUNTS 2025-26

HC 272

THE COAL AUTHORITY

Annual report and accounts 2025-26

For the period 1 April 2025 to 31 March 2026

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On 28 November 2024, the Coal Authority became known by a new operating name, the Mining Remediation Authority, to reflect its evolving role in managing the legacy of the UK mining industry. The Coal Authority remains the legal name of the organisation, until new legislation is made to confirm the change. References to the Mining Remediation Authority should be interpreted as the Coal Authority.



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Any enquiries regarding this publication should be sent to us at

The Mining Remediation Authority
200 Lichfield Lane
Mansfield
Nottinghamshire
NG18 4RG

Tel: 0345 762 6848

Email: customerservice@miningremediation.gov.uk

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Trusted
Inclusive
Progressive

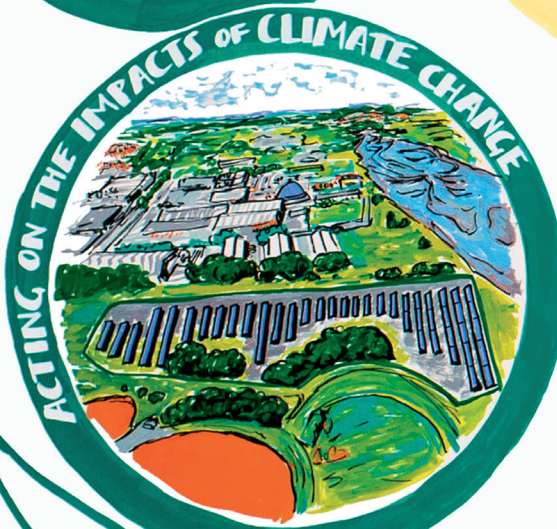


Mining
Remediation
Authority

Making a Better
and the Environment in



Reducing Waste



Socially Sustainable Renewables



and Ready to go BEYOND



Drawn by Siân from WWW.MORETHANMINUTES

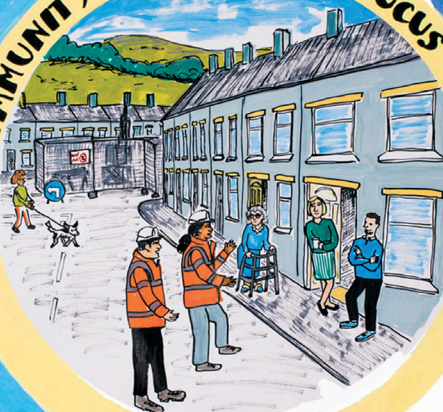
Future for People Mining Areas

Our Vision for 2032

Diverse
Representative
Fit for the Future

Coal mines as a
CORE PART OF THE CATCHMENT

COMMUNITY AND CUSTOMER FOCUS

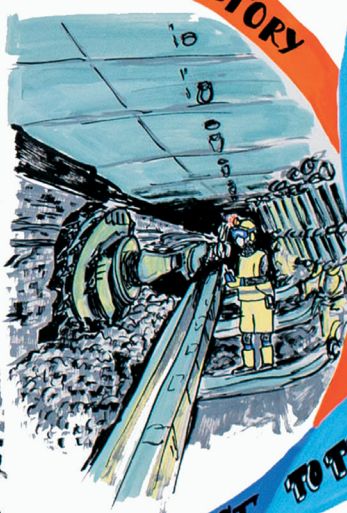


WORKING WITH PARTNERS



Sharing Knowledge and Expertise

CONNECT PEOPLE TO THEIR MINING HISTORY



Bring ALIVE the Story of the PAST

Learning to do BETTER

ING THE LEGACY
COAL MINING PAST

AND ENERGY STORAGE

Embrace
NEW Technology
Digital
Transformation
Accessible
Services

TO THE FUTURE



*Ochre, a versatile by-product from
our mine water treatment operations,
Lynemouth, Northumberland.*

PERFORMANCE REPORT

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OUR GOVERNANCE

We have an independent board responsible for setting our strategic direction and holding us to account. The board ensures that our statutory duties are carried out effectively and that we bring our mission, purpose and values to life. Our chair and board members have relevant experience to support our work.

Non-executive directors are recruited and appointed to the board by the Secretary of State for the Department for Energy Security and Net Zero. Executive directors are recruited to their posts by the board and some of them are then appointed to the board, also by the Secretary of State for the Department for Energy Security and Net Zero.

OVERVIEW

The Mining Remediation Authority is a non-departmental public body and partner organisation of the Department for Energy Security and Net Zero.

OUR MISSION

Making a better future for people and the environment in mining areas.

OUR PURPOSE

- we keep people safe and provide peace of mind
- we protect and enhance the environment
- we use our information and expertise to help people make informed decisions
- we create value and minimise cost to the taxpayer

We use our skills to provide services to other government departments and agencies, local governments and commercial partners.

We work with departments across UK Government to deliver on UK Government missions, including kickstarting economic growth, make Britain a clean energy superpower and break down barriers to opportunity. We also contribute to the wider environmental, social and economic priorities of the Scottish and Welsh governments. By sharing our knowledge and expertise, we support them and our partners to create safer, cleaner and greener nations for us all.

OUR VALUES

TRUSTED

- we act with integrity
- we're open and transparent
- we deliver on our commitments

INCLUSIVE

- we promote a culture of mutual respect
- we recognise that our differences make us stronger
- we work with others to achieve our mission

PROGRESSIVE

- we're open minded and innovative
- we recognise that the past can help us shape the future
- we listen and learn

THE WORK WE DO

During 2025-26, across the 3 nations we serve:

We kept
people safe
and provided
peace of mind



We used our
information and
expertise to help
people make
informed decisions



We carried out

12,095

mine entry
inspections



We delivered

106,976

mining reports



We investigated
and assessed

800

mining hazards,
subsidence claims
and emergency calls



We issued

1,574

permits to
intersect coal



We carried out

1,118

inspections on
spoil heaps (tips)
owned by the Mining
Remediation Authority
and our partners



We provided

8,045

planning
consultation
responses

We protected
and enhanced
the environment



We created
value and
minimised cost
to the taxpayer



We created/
maintained the
capacity to treat

232 billion

litres of mine water



We generated

£13.0 million

of income through
our advisory services



We prevented

3,712

tonnes of iron
from entering
water courses



We generated

£395,000

through
by-product sales



We completed
habitat surveys on

83%

of our relevant
operational sites



We saved

£157,400

through our solar
scheme sites

CHAIR'S FOREWORD



Jeff Halliwell
Chair

I am pleased to introduce our 2025-26 report and accounts which summarise another year of strong delivery. We have further enabled safe growth and development and ensured effective emergency response to protect life, property, drinking water and the environment through a year of extreme weather which has posed additional challenges for our work. Additionally, we have progressed further digital, AI and technology improvements and efficiencies and enabled the delivery of more innovative mine water heat, by-products and services. All of this demonstrates sustained progress towards the ambitions of our 2032 vision.

So much of our work supports safe economic growth and development across mining areas as well as wider government priorities across the 3 nations we serve. You can see more detail in our case study at page 18 including our work to proportionately and effectively support National Grid's Great Grid Upgrade, a project that will strengthen the transmission network and support the flow of low carbon electricity from the North of England to the Midlands. This supports government priorities for decarbonisation and energy security.

This year we have also worked with ministers and officials in the Ministry of Housing, Communities and Local Government, HM Treasury and the Department for Business and Trade to support the Planning and Infrastructure Act 2025 and smarter regulation priorities through our proportionate approach to working with developers and enabling developments in areas with complex mining legacy. Over the past year we have enabled 568,815 hectares of regeneration and safe development for local communities through our work.

During 2025-26 we have dealt with a number of significant incidents from fires to floods, ground collapses and subsidence and vast volumes of water through our mine water treatment schemes which have required unprecedented levels of pumping and management in some parts of the country. We are on the frontline of the impacts of a

changing climate and we recognise that we have been adapting our approaches to manage these additional pressures for some time. In 2026 we published our climate change adaptation plan which reflects in more detail and shows the additional steps and adaptations we will need to make in future. These incidents have significant impacts for the customers and communities we serve and we continue to work with empathy to support them in every way that we can.

This year we have made significant progress in risk assessing and considering options to manage the nature of the mine water recovery in the large English 'supermines' which closed in the last 15 years. I am grateful for the dedicated work of teams across the Mining Remediation Authority who work 24/7 to solve complex problems, consider community needs and keep people across Great Britain safe when needed.

At the beginning of the year we launched our new 2025-28 business plan [QR code 1]. This builds on all that was achieved through the delivery of our 2022-25 plan whilst ensuring sustained progress towards the ambitions of our 2032 vision. The 'middle plan' of a 10 year vision has to be the engine house and we have ensured that during 2025-26 we deliver-deliver-deliver. You can see our progress and the learning we have taken at pages 20-29 of this report. This year we have also published new versions of our inclusion plan and health, safety and wellbeing plan which show the progress we made in the previous period as well as clear plans and targets for the years ahead.

We've made further progress with innovation both by driving continuous improvement through our statutory work and services for others and enabling further development of mine water heat schemes and by-product use – see case study at page 38. We have continued to consider the environmental and social value we can deliver alongside value for the taxpayer and how we work in partnership with others to maximise what can be achieved. You can read more in the case study at page 46.

Our approach to efficient delivery includes embracing new technology, AI and digital delivery to drive productivity, effectiveness and improved customer service whilst ensuring that face to face meetings and telephone services remain efficient and accessible to those who prefer them. We've made strong, outcome focused progress against our AI priorities and worked closely with partners to share progress and learning. Our approach considers 'productivity for all', 'frontline delivery' and 'big wins' whilst ensuring that there is always sufficient human oversight and honesty about where AI has been used. You can read more about our progress and our work with the Hartree Centre and IBM to maximise the value of our Great British coal mining archive at page 52.

We've continued to work closely with officials and ministers at our sponsoring Department for Energy Security and



1.
2025-28 business plan

Net Zero as well as a range of UK Government Departments and the Welsh and Scottish Governments. You can read more about our work in Scotland, Wales and England in our case studies (pages 30, 38 and 42) which include a range of examples of our work as well as specific statistics for each country. We are grateful to our supply chain and partners across each of the 3 nations we serve who help us deliver outcomes in the most effective way.



We have welcomed a number of ministers, officials, MPs, MSPs and MSs on site visits and were delighted to host a visit by Chancellor of the Exchequer Rachel Reeves to our Mining Heritage Centre in December.

We continue to take opportunities to benchmark ourselves and learn from best practice elsewhere. During the year we have maintained our Service Mark Accreditation from the Institute of Customer Service and won or been shortlisted for the following awards:

- **Finalist in the Energy & Environment category at the Collaborate to Innovate (C2I) Awards** for our work on the Lindsay mine water heat scheme with Thermal Earth.

- **Highly Commended in the Sustainability category, MCA Awards (Management Consultancies Association)** for our work with Deloitte on the economic and commercial side of our mine water heat opportunities.

- **Engineer Award finalist for our Cadre work with Ordnance Survey on the Mine Water Heat Project.**

The interactive mapping is now widely used and enables greater engagement with national and local government about geothermal energy.

Most of these awards were achieved in partnership which is especially pleasing.

I am very pleased with how our new name has continued to embed since it was launched in November 2024. The organisation really feels like the Mining Remediation Authority and the change has helped us in working across the breadth of our remit as well as strengthening recruitment, work with partners and service delivery. We look forward to the name being changed in legislation when there is an opportunity.

We continue to face a range of complex legal cases, land tribunals and arbitrations relating to our work. This includes supporting UK Government in defending an international trade claim relating in part to our coal licensing duties under the specific tests set out in the 1994 Coal Industry Act, and continuing to support and contribute to the ongoing pre-inquest process into the 2011 Gleision mine disaster. Our thoughts remain with the families of the miners lost in this tragedy.

We couldn't achieve any of this without our passionate, expert and dedicated people. We will continue to focus on supporting, valuing and developing our people and taking action to enable wellbeing and

inclusion across the Mining Remediation Authority. This ensures that we truly are a great place to work and can continue to attract the talent that we need to tackle the complex challenges we face and deliver the best service we can for communities across the mining areas of Great Britain.

When reading our accounts you'll notice that our provisions balance, reflecting the future cost of resolving the impacts of past coal mining, has changed again this year, decreasing by £0.1 billion from £1.7 billion to £1.6 billion at March 2026. This balance is calculated by applying HM Treasury assumptions on the value of money at various points in time in the future to a forecast of cash flows at today's prices. Our forecast of these underlying cash flows has increased by £0.1 billion to £4.2 billion, primarily reflecting increases in the cost of construction, operation and maintenance of our mine water schemes, and the ongoing trend over recent years of managing an increasing number of complex public safety incidents. We expect the impacts of climate change adaptation to increase the provisions over time as we undertake more research. We are also aware of the potential implications of the work we are currently doing to better understand the impact of saline water recovery in England. We continue to seek efficiencies, learning and partnership to offset costs and minimise these impacts wherever possible alongside innovation and the use of technology.

The operational increases included this year are small compared with changes to the HM Treasury discount rates which decrease the financial provision by £0.2 billion. You can find more information on this in the financial review (page 32) and note 12.3 to the accounts (page 129).

Following our comprehensive external board effectiveness review in 2024 the board undertook an internal board

effectiveness review in 2025 in line with Cabinet Office guidance. This confirmed that the learning from the 2024 review has been embedded and identified some minor refinements to forward planning and governance, including earlier shaping discussions and flexible use of board calls for timely issues. We have also undertaken work with the Good Governance Institute during the year to ensure that we keep learning and improving.

My thanks to the board for their leadership of the organisation over the last year. I would like to thank Carys Mills for her excellent contributions under the Department for Levelling Up, Housing and Communities Boardroom Apprentice programme between January and December 2025 and hope to be part of future programmes which add significant value.

After 8 years of exemplary, values-led leadership we say goodbye to Lisa Pinney, our CEO, this year as she moves on to lead the new Fair Work Agency and we wish her the very best for her future role. Lisa has transformed the Mining Remediation Authority in size, culture, ambition and approach and has truly contributed to our mission of making a better future for people and the environment in mining areas. I know that we are in a strong place to further our progress and it is a tribute to the organisation and the teams Lisa has created that our work and ambitions will continue. I am grateful to Paul Frammingham for agreeing to step into the role of interim CEO and Accounting Officer with effect from 7 April. The board will confirm the appointment of our new CEO later this year.

Thank you to everyone for your contribution this year. I look forward to working with the board and wider organisation in the year ahead.

Jeff Halliwell, Chair

CHIEF EXECUTIVE'S REPORT



Paul Frammingham
CEO

2025-26 has been a year of strong delivery against our new 2025-28 business plan. We've made clear progress in each of our 5 business plan themes and towards the ambitions of our 10 year vision to 2032. We have led or supported emergency response at a range of major, significant and routine incidents with a strong focus on supporting the customers and communities affected and have again seen first-hand the impacts of extreme weather and a changing climate on our work. We've continued to focus on delivering environmental and social value alongside value for the taxpayer in everything we do.

During 2025-26 we maintained and operated our 82 mine water treatment schemes so that we can treat up to 232 billion litres of mine water to prevent pollution of drinking water, rivers and the sea. We've taken further action to risk assess the mine water catchments relating to the largest English supermines, developed plans to mitigate their anticipated mine water rise over the next few years and undertaken R&D work with partners to understand and develop options for the future.

To support this continued growth and complexity we have implemented a new portfolio way of working that maximises the flexibility and value we can deliver across our programmes of work.

We've progressed 6 further schemes into design and/or build with more planned for the future as monitoring shows they are needed. This is both for coal and for metals where we continue to work closely with Defra and the Environment Agency in England and Welsh Government and Natural Resources Wales in Wales to deliver tangible improvements

to water quality by preventing metal mine pollution. This year we also began partnership work in Scotland with SEPA and Dumfries and Galloway Council to improve water quality from historic metal mines. You can read more on our work to tackle mine water pollution in our case study on page 46.

We've continued to work closely with emergency partners across Great Britain. This year we responded to 603 reported surface hazards, 142 subsidence claims and 55 additional emergency calls. We have also delivered 368 hours of training and engagement with the 31 local resilience forums and regional resilience partnerships that cover the British coalfield to raise awareness of the work we do and advise on risks, hazards and response. You can read more in our case study at page 30. We recognise that any incident that impacts homes or local areas can be extremely upsetting. We continue to focus on providing an empathetic, supportive and informative service to our customers and communities and to learn promptly where we can do better.

We've continued our work for Welsh Government as part of their coal tips safety taskforce to ensure that all higher risk sites have been regularly inspected and maintenance work prioritised for action. During 2025-26 we undertook 1,118 tip inspections across Great Britain. This includes the 41 tips we own and manage directly in England and Wales and the work we do to support other public bodies and landowners. We supported Welsh Government with the Disused Mine and Quarry Tips (Wales)

Act 2025 and the creation of the Disused Tips Authority for Wales. We look forward to working closely with the new Authority in the year ahead.

As Jeff mentions, we have seen the significant impact of extreme weather and a changing climate on our work again this year. Our teams have continued to adapt and mitigate these incidents to support and protect the communities we serve. Partnership working has been key to this and I am grateful to all the partners, stakeholders and contractors who have supported our work. We have also done further work on considering the climate related risks and adaptations we will need to continue to make and will publish our climate adaptation plan in 2026.

We have continued to deliver efficient, effective frontline work and emergency response and to build the opportunities of AI, digital and technology into our work. Examples include: enabling rapid adoption of Copilot through targeted training and shared learning; delivering early productivity benefits in project delivery, task management and written communications; advanced AI workflows with the Hartree Centre to extract structured data from historic mine plans, increasing the usability and operational value of our core data assets; and we invested in earth observation data and capabilities to improve early detection of ground movement, supporting faster identification of risks and more timely, targeted responses. We will continue to learn and work with others to maximise our effectiveness and the opportunities from our data and information in the year ahead. This is essential to help us

manage risk effectively and continue to ensure that value for money, multiple outcome delivery and enabling growth is embedded in every decision that we take.

We've made further progress in enabling mine water heat schemes. This included working with Deloitte to analyse the potential of mine water heat, used in heat networks and large spaces, such as warehouses, as a mainstream heat source for British homes and businesses. You can read their case study here [QR code 1].

both Scottish and Welsh Governments to develop potential opportunities.

In England, our 'Gateshead Mine Water Heat Living Lab' consists of a series of monitoring boreholes and it is the only place in the world where information on multiple operational mine water heat schemes can be collected. The open access data provides evidence for operators, developers, regulators and investors to better understand how mine water heat schemes can be deployed sustainably.

This year we generated £13 million of income through our advisory services and £395,000 through by-product sales.

This year the first heat scheme in Wales has gone live at our Lindsay mine water treatment site (Carmarthenshire, South Wales). We've also seen schemes at Seaham Garden Village (County Durham, England) and Blaydon Leisure Centre and Primary Care Unit (Gateshead) make tangible progress.

Gateshead (NE England) mine water heat network continues to make a real difference for the community, increasing in size to provide heat to over 645 homes and 24 large buildings including the Glasshouse and Baltic Arts Centre, with plans to extend to the town centre, Queen Elizabeth Hospital and thousands more homes, schools and healthcare sites.

A wider pipeline of schemes and feasibility studies is progressing in all 3 nations. We were pleased to support NHS Scotland and NHS Wales to undertake screening across their estates and we continue to support the Department for Energy Security and Net Zero and cities included in heat network zoning. We continue to engage with

Delivering value for money, enabling value and generating income to offset costs to the taxpayer remains essential. This year we generated £13 million of income through our advisory services and £395,000 through by-product sales. We have continued to work closely with local authorities, developers and businesses to support and deliver growth in communities. You can read more in the case study at page 18. This work in 2025-26 enabled 568,815 hectares to be safely developed for local homes, business and industrial use.

We continued to support confidence in the coalfield housing market through our work with financial lenders, insurers and with local residents buying and selling homes. This year we delivered 106,976 mining reports and provided the data to 7 private resellers, supporting business and enterprise.

You can see our specific progress against our business plan at page 20 which shows what we've delivered, what we've learnt and where we've needed to reprioritise or tweak our approach

1.



Are the UK's disused mines part of our clean-energy future?



As part of a proposed residential development, waste ochre from our Deerplay mine water treatment scheme in Bacup, East Lancashire, was used to stabilise contaminated soils at a former lead works in Chester city centre.

to reflect additional incident work or a better way of achieving an outcome. You will see that changes to operational programming on maintenance work at our mine water treatment scheme beds has impacted our ochre recycling rate this year. This is a key example of where we have taken learning and will be more interconnected in our decision making in future.

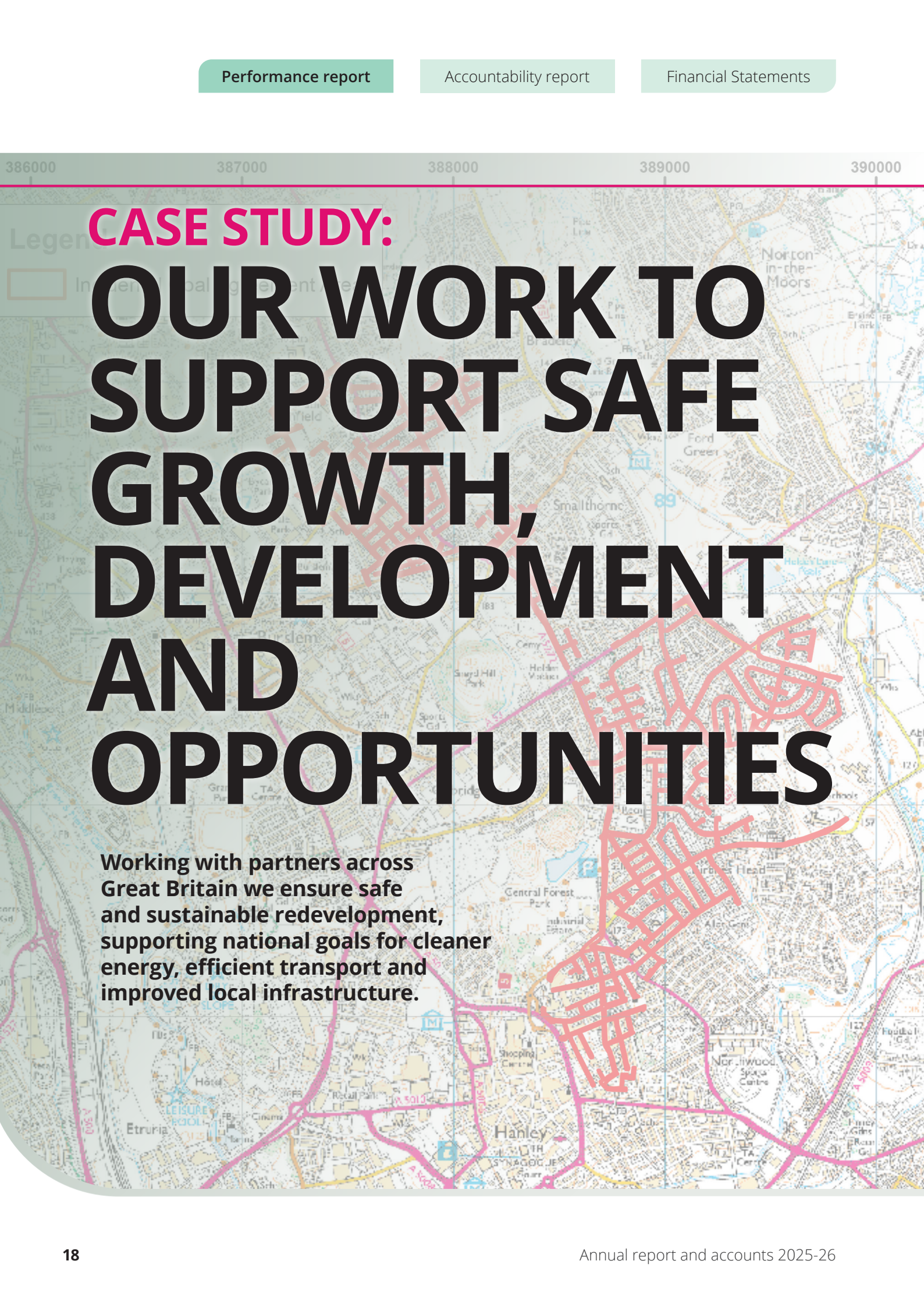
It was an honour to be asked to become interim CEO when Lisa Pinney stepped down in April to begin her new role at the Fair Work Agency. I would like to give thanks to the board, executive team and colleagues across the Mining Remediation Authority for their support and to Lisa for her work and support part-time in the background between April-June.

It is the people of the Mining Remediation Authority who make the organisation a great place to work and their dedication, expertise and customer focus which enables us to manage both the complex challenges we face and see opportunities

from the historic assets, our data and information and knowledge.

To support this we will ensure that we continue to attract and retain great people to be capable of delivering across our wide remit. We will continue to invest in development, help our colleagues feel valued and supported, remain inclusive and values-led, and consider how we work as well as what we need to deliver. Thank you for all that you do. I look forward to continuing to work with you all in the year ahead.

Paul Frammingham,
Chief Executive

A background map of a city area, likely Manchester, with a red grid overlay. The map shows streets, parks, and landmarks. The red grid is composed of thick lines forming a pattern of squares and rectangles. The text 'CASE STUDY:' is in pink, and the main title is in large black letters. Below the title is a paragraph of text. The page number '18' is at the bottom left, and the page title 'Annual report and accounts 2025-26' is at the bottom right.

CASE STUDY:

OUR WORK TO SUPPORT SAFE GROWTH, DEVELOPMENT AND OPPORTUNITIES

Working with partners across Great Britain we ensure safe and sustainable redevelopment, supporting national goals for cleaner energy, efficient transport and improved local infrastructure.

Case Study: Our work to support safe growth, development and opportunities

Our permissions and licensing work assists organisations, such as transport providers, water suppliers and local councils, to progress major infrastructure projects where these intersect with historical coal and mine workings.

For example, our work with National Grid on their Great Grid Upgrade – a major modernisation programme of the electricity transmission network across England and Wales – is adding value by ensuring safe routes are planned for new transmission lines, reducing risks and minimising delays to the project's progress. We issued 26 permits for work that could disturb or enter coal seams or mine workings for the 60 km overhead connection between Chesterfield and Willington in the Midlands. We will continue to work proactively to support the Great Grid Upgrade, helping the National Grid to secure a resilient energy system that is safe and effective for the long term.

Our collaboration with Severn Trent Water Ltd is supporting their £25 million investment to create a reliable water supply for communities across Stoke-on-Trent. The project involves the replacement of ageing water pipes with new mains and much of the work takes place in areas where shallow coal may be encountered. We are enabling them to dig safely and manage risks associated with shallow coal and ensuring appropriate controls remain in place to protect public safety.

We granted an incidental coal agreement covering the full extent of the project works to allow limited excavation where coal is encountered, ensuring it is removed safely and managed in line with regulation. The agreement supports Severn Trent Water Ltd to respond flexibly to ground conditions and implement the most effective solutions. To further support this complex project, we established a single point of contact for Severn Trent Water Ltd, simplified application requirements and streamlined processes.

Network Rail's TransPennine Route Upgrade – a major programme of railway improvements between Manchester, Huddersfield, Leeds and York – involves areas with shallow coal and historical mining, which are challenging to manage alongside the installation of new, heavy-duty electrical infrastructure.

We are supporting safe and effective development in these areas by issuing several incidental coal agreements, enabling the excavation of 1,958 tonnes of coal. Where unrecorded mining features have been encountered we have put in place new agreements to ensure safe development continues. Our support of this National Rail project will be ongoing as it is anticipated that a further 15,200 tonnes of coal will need to be excavated in future phases.

Our mine heat licensing team worked with environmental regulators and partners to put in place a long-term agreement with Gateshead Energy Company for their ongoing mine water heat project. The agreement provides access to mine workings until 2043, and its length reflects the strength of our partnership working to effectively manage risks, agree operating parameters and create a monitoring plan that provides the necessary assurance. The agreement builds confidence in mine water heat projects for operators and funding providers, helping to support the wider adoption of these low carbon heating systems.

Our bespoke services and approaches allow us to work proactively and deliver practical solutions that support the redevelopment of land that benefits our communities. For example at Birtley Lane, County Durham, we are enabling the establishment of new school buildings. The site here has been subject to historic restrictive covenants which limit how it can be used. Working with the Department for Education and the Diocese of Hexham and Newcastle, we have progressed an amendment to the covenants, delivering a positive outcome which will open up investment in local education creating value for the community.

OUR PERFORMANCE

Mission

Making a better future for people
and the environment in mining areas

Purpose

- We keep people safe and provide peace of mind
- We use our information and expertise to help people make informed decisions
- We protect and enhance the environment
- We create value and minimise cost to the taxpayer



Create a great
place to work



Work with others
to create value



Deliver for the
communities
we serve



Ensure
sustainability



Make us fit
for the future

Values

Trusted

Inclusive

Progressive

In the first year of our new 3 year business plan we have made clear progress against our mission of making a better future for people and the environment in mining areas. Our plan is set against our 10 year vision, underpinned by our values and focused on delivering for the communities we serve. The following section shows the progress we have made in 2025-26.



We have used this scorecard to measure and report our progress on our business plan between 2025-28.



DELIVER FOR THE COMMUNITIES WE SERVE

Scorecard outcome: We will continue to improve our frontline delivery services for our customers so that we deliver better outcomes and are easier to do business with

Business plan targets by April 2028:

We will take action to protect the drinking water supply of a further 2,400 people (650,000 in total) and improve the water quality of an additional 100km of rivers and streams (350km overall)

We will continue to resolve 90% of subsidence hazards and claims within 12 months

We will further develop our understanding of the scale and complexity of the risk from the recovering mine water from the English supermines. We will undertake research and work with partners to determine appropriate solutions for saline mine water including new technology, water use and large infrastructure options

Our achievements by April 2026:

We improved an additional 70km of river water quality through our work at Nent Hags (Cumbria, England)

We've made good progress in building our new mine water treatment scheme at Thorpe Hesley (South Yorkshire, England) despite impacts from prolonged wet weather over the winter. The scheme will now complete during 2026-27 and protect drinking water for 2,400 people

We partially met our 2026 target

We resolved 90% of subsidence hazards and claims within 12 months

We met our 2026 target

We have developed a strategic outline case in relation to a programme of works to determine solutions for saline mine water. This was approved by the Department for Energy Security and Net Zero Portfolio & Investment (PIC) committee in June 2025 where the challenge and complexity of the programme was recognised

The programme has progressed as planned during the year – improving understanding and risk and progressing options for future action

We met our 2026 target



DELIVER FOR THE COMMUNITIES WE SERVE

Scorecard outcome: We will continue to improve our frontline delivery services for our customers so that we deliver better outcomes and are easier to do business with

Business plan targets by April 2028 continued:

We will use our information, services and expertise to support economic growth through Nationally Significant Infrastructure Projects and enable 800,000 hectares of regeneration and safe development, including 50,000 new homes in communities on the former coalfields

We will improve our customer service response times, uphold our ServiceMark accreditation and refine systems and processes through feedback to improve our delivery

Our achievements by April 2026 continued:

Through our planning and permitting services we enabled more than 568,000 hectares of regeneration and safe development to enable growth, including over 34,000 new homes

We exceeded our 2026 target

We have implemented our ServiceMark accreditation action plan and increased correspondence response times to 95%, exceeding our 87% goal

We've made progress in developing our next 3 year customer plan but due to additional incident response this will now be finalised and published in 2027

We partially met our 2026 target

The Mining Remediation Authority is a practical 24/7/365 operational emergency response organisation which delivers a number of core, statutory duties across Great Britain to help keep people, drinking water and the environment safe from the impacts of our mining legacy. We are committed to doing this in a customer and community focused way. We act with integrity, do what we say we will and listen and learn so that we can continually improve. Working with and through partners we provide a joined up response to maximise the outcomes that can be delivered. This helps us to deliver on our mission to 'make a better future for people and the environment in mining areas'.



ENSURE SUSTAINABILITY

Scorecard outcome: We will further embed sustainability across our work to deliver positive benefit for communities and improve efficiency and value for money

Business plan targets by April 2028:

We will accelerate our renewable energy programme, delivering measures at a minimum of 2 sites per year as part of our commitment to reduce greenhouse gas emissions by 65% from our 2017-18 baseline*

*included in our sustainability plan 2023-26 commitment before latest 2025-30 GGC figures were available

Our achievements by April 2026:

We prioritised repairs and panel replacements at our existing solar sites during 2026-27 so the rollout of our next 2 additional sites was delayed

We have undertaken feasibility studies on a further 3 sites to develop our pipeline of future sites and have developed plans for battery storage at 2 sites

Our greenhouse gas emissions remain broadly in line with those of last year against our 2017-18 baseline. Our 2025-26 emissions will form the baseline for our reduction targets for the new Greening Government Commitment (GGC) 2026-30

We partially met our 2026 target

We will publish our climate adaptation plan and progress the actions to improve resilience and adaptation to climate risks and impacts

We have made good progress on developing our climate adaptation plan, taking learning from the additional impacts of a changing climate that we have experienced and responded to this year. To ensure that we can fully consider this learning and prioritise key action and adaptation identified, the plan will now be published in 2026-27

We partially met our 2026 target

We will continue to deliver our nature recovery programme, building on initial benchmarking to develop practical plans on a prioritised basis across our estate and take action by embedding nature-friendly management practices and working with partners to maximise the natural assets of our estate in an efficient way

We have continued to deliver strongly against our nature recovery plan which sits below our sustainability plan 2023-26

We have worked in partnership with others to deliver habitat improvements on one site and identified opportunities for future partnership working

Management guidance has been developed for all 82 mine water treatment schemes to support our colleagues and contractors to manage these sites in a nature-positive way

83% of operational sites containing habitats have been surveyed

We met our 2026 target



ENSURE SUSTAINABILITY

Scorecard outcome: We will further embed sustainability across our work to deliver positive benefit for communities and improve efficiency and value for money

Business plan targets by April 2028 continued:

We will develop, implement and report on social value targets across the work we do

We will make clear progress against the 2025-30 Greening Government Commitments to reduce our impact on the environment and our costs in these areas

Our achievements by April 2026 continued:

We have developed social value actions for our next sustainability plan (2026-29) and have developed and shared case studies [QR code 1] to evidence the social value we have delivered during 2025-26

We met our 2026 target

We have rebaselined our Greening Government Commitments (GGC) against the new 2026-30 UK Government guidance and commitments ready for 2026-27 reporting

We've improved our evidence base and understanding which will help drive further improvements. All this has informed our next sustainability plan (2026-29)

We met our 2026 target

We're committed to becoming a more sustainable organisation and use our work to help deliver positive change in the communities we support, as well as driving efficiency and value for money in the work we do.

We have continued to deliver on the final year of our sustainability plan 2023-26 and have launched our new sustainability plan 2026-29 [QR code 2] which further embeds change through ensuring circular economy principles and environmental and social value are at the heart of our thinking and decision-making processes.

We have continued to work towards further decarbonising our activities and ensure that our assets are operating at optimal efficiency. We are taking action to make us more resilient to the impacts of climate change across our operations as well as supporting the valuable habitats that exist on our sites by managing our sites and estate for nature's recovery.



1.
Case studies



2.
Sustainability plan



3.
Climate Change Adaptation plan



WORK WITH OTHERS TO CREATE VALUE

Scorecard outcome: We will generate more value and deliver wider environmental and social benefit from our assets, services and work

Business plan targets by April 2028:

We will influence and enable 3 more large operational mine water heat schemes across Great Britain and encourage smaller schemes and new technologies

We will Increase our service delivery to partners by 30% from our 2024-25 baseline of £5.3 million/year

We will reuse or recycle the iron ochre and iron solids generated from our mine water treatment schemes to ensure that less than 3% goes to landfill

Our achievements by April 2026:

We have enabled progress at a number of schemes, supported and enabled critical R&D and strengthened the future pipeline and support for mine water heating, cooling and storage

2 new schemes are close to completion but will now go live in 2026/27

We partially met our 2026 target

We have increased our service delivery to partners by more than 25% from our 2024-25 baseline

We exceeded our 2026 target

Changes to the reedbed maintenance programme schedule meant that less material was produced this year. This made the complex ochre wastes, which we do not currently have a product or recycled option for, a higher percentage of our overall waste. We have taken learning and are continuing to look for innovative options for these more challenging materials

We have not met our 2026 target



WORK WITH OTHERS TO CREATE VALUE

Scorecard outcome: We will generate more value and deliver wider environmental and social benefit from our assets, services and work

Business plan targets by April 2028 continued:

We will deliver the commitments in our mine water heat and by-product opportunity frameworks

We will evolve our services and partnerships, in support of government policy, to continue to provide confidence to those involved with buying and selling homes and property in coalfield areas

Our achievements by April 2026 continued:

We have delivered the year 2 commitments in both our mine water heat and by-products opportunity frameworks. This continues to deliver income to offset costs to the taxpayer, reduce waste and maximise benefit and social value from our nationalised assets

We met our 2026 target

We have continued to evolve and work with others to support government policy and ensure confidence in conveyancing on the coalfield. We're working with financial lenders, surveyors and estate agents to support confidence and with partners to develop further digital solutions and support government initiatives for faster and more digital property transactions

We met our 2026 target

Delivering value for the taxpayer alongside opportunities for social and environmental value, ensuring efficiency and effectiveness is key to our thinking at the Mining Remediation Authority. This includes seeking innovation, developing and selling products, and delivering services for the public and private sectors to provide good value and mitigate costs for the taxpayer. We're passionate about supporting past mining communities and use our information, skills and expertise to give confidence to those who live and work in these areas and to enable opportunity and benefit from mining legacy.



1.

By-products
opportunities framework



2.

Mine water heat
opportunities framework



CREATE A GREAT PLACE TO WORK

Scorecard outcome: We will be an employer of choice with great people who feel empowered, use our values to inform their work, and take real pride in delivering the essential and complex work we do for the communities we serve

Business plan targets by April 2028:	Our achievements by April 2026:
We will continue to make demonstrable progress in recruiting and retaining a diverse workforce reflective of the communities we serve across Great Britain, improving social mobility and providing opportunities for individuals who live in mining communities	We have implemented an early careers framework to support social mobility and provide opportunities for individuals in mining communities through apprenticeships and paid internships We met our 2026 target
We will provide opportunities for our colleagues to grow and develop their skills and expertise including support for professional development, formal accreditation and apprenticeships	We provided further opportunities for colleagues to grow and develop their skills through our internal learning system and the wider Government Campus and continued to support formal accreditation and apprenticeships We met our 2026 target
We will demonstrate our ongoing commitment to the health, safety and wellbeing of the public, our colleagues and our partners and supply chain through external benchmarking	We launched our 2025-28 health, safety and wellbeing plan which reflects our ongoing commitment to protecting people, supporting communities, and enabling safe, sustainable growth across former mining areas We delivered priority actions from year one of the new plan, and a full review of options for further external benchmarking following our previous British Safety Council Occupational Health and Safety Audit 5-star review was completed. We paused some in-year behavioural safety actions to prioritise ongoing operational activity and incident response We partially met our 2026 target
We will strive to maintain an employee survey engagement score above 70%	We've continued to make good progress against the agreed key actions and themes from our 2024 people survey and continue to prepare for our 2026 people survey We met our 2026 target

Our people are key to our delivery across Great Britain. We work with a wide range of customers, communities, partners and supply chain contractors to deliver our work and enable the priorities of the UK Government, Welsh Government and Scottish Government. This includes the UK Government priorities on safe growth and development, economic growth and making the UK a clean energy superpower. To do this well we need a diverse workforce with a range of technical skills and a mix of experience and new perspectives to ensure we can keep taking practical action on the ground. We ensure that we have people with the skills, confidence and empathy to support communities and solve the complex problems that we face on a 24/7/365 basis.



MAKE US FIT FOR THE FUTURE

Scorecard outcome: We will continue to develop modern, resilient processes and systems that are fit for the future. These will support our people to work more efficiently and effectively to deliver for the communities we serve

Business plan targets by April 2028:	Our achievements by April 2026:
We will empower our people to deliver more efficiently through streamlined processes and smarter use of technology and AI	<p>We continued the roll-out of AI and productivity tools (including Microsoft Copilot 365) and have embedded our AI Policy</p> <p>We completed a collaborative AI project with the Hartree Centre to develop an automated workflow to capture mining features from the historical paper-based records in our national archive</p> <p>We have made good progress with key projects from our agreed fit for the future plan to enable our people to deliver more efficiently. We paused work on our new asset management system to prioritise operational resource on the implementation of the new operations and maintenance contract</p> <p>We partially met our 2026 target</p>
We will drive more efficient and effective delivery by continuing to embed our approach to portfolio, programme and project management	<p>We continued the development of our project, programme and portfolio practices, including introducing a phased approach to increase our maturity over the business plan period</p> <p>We established a portfolio governance approach for increased efficiency and effectiveness in decision making</p> <p>We met our 2026 target</p>
We will improve and develop new digital services around user needs, leading to higher levels of satisfaction and positive customer experiences	<p>We implemented improved customer journeys for our public facing services and better connected people to their mining heritage by publishing our mine plans online and agreeing an approach for sharing our photo archive</p> <p>We met our 2026 target</p>
We will deliver our 2024-27 data and information plan, modernising and improving access to our data to support growth and enable wider outcomes for the environment and for the communities we serve	<p>We have delivered the second year of our data and information plan and started a new data improvement programme. This has increased the ways that stakeholders can access our data and implemented new data standards for managing and delivering data</p> <p>We met our 2026 target</p>

We have set out a high level of ambition through our vision and our business plan which are enabled through effective and customer focused systems and approaches, consistent and effective guidance, frameworks and skills development for our people to support them to feel empowered to drive effective delivery, as well as proportionate planning, governance and assurance to enable increased efficiency. These support us to provide the core services that protect life, keep drinking water and the environment safe and allow us to maximise opportunities to create social and environmental value alongside value for the taxpayer. Our data and information underpins every piece of work we do as an organisation and helps others to make informed decisions, including conveyancing with confidence on the coalfield.



1.

Data and information plan

OUR YEAR IN SCOTLAND



We carried out
1,795
mine entry
inspections



We delivered
44,870
mining reports



We treated
28 billion
litres of mine water



We investigated
and assessed
106
mining hazard,
subsidence claims
and emergency calls



We provided
1,079
planning consultation
responses



We prevented
730
tonnes of iron solids
from entering
water courses

CASE STUDY:

OUR WORK IN SCOTLAND

INCIDENT RESPONSE IN DALKEITH

Working with others to ensure public safety and achieve the best possible outcomes for local communities is at the heart of how we respond to incidents arising from historical mining activity. As a 24/7 operational organisation we work to keep people, property, drinking water and the environment safe from the impacts of mining legacy.



In January we responded to a critical incident at Dalkeith in Midlothian, Scotland. Whilst working to construct a new mine water treatment scheme in the area our contractor noticed that mine water had stopped discharging from the local outfall from the Old Fordell drainage tunnel which collects and discharges water from a large area of historical underground mine workings.

This was immediately investigated and we realised that there was a blockage in the drainage tunnel. Urgent action was taken to assess and monitor the rising mine water levels in the area and emergency works were carried out to ensure mine water could be pumped from an upstream location and piped back to discharge into the river using a temporary, over land, pipeline. This work controlled the rising mine water levels and protected the community.

We actively worked with local partners to mitigate potential risks and resolve the situation. This included sharing information and co-ordinating multi-agency meetings through the regional resilience partnership to discuss and agree the best ways forward for local people and their environment. We issued daily situation reports, a live map of our response activity, and communications for partners, stakeholders and residents that other organisations could use to engage with the local community in a consistent way. For example, this helped the local authority to explain road closures, traffic changes and temporary diversions and be clear on why these measures were needed.

Our prompt action together reduced the risk of a dangerous blow-out and protected life, property and the environment. We are now working to design a long term mine water transfer which will link with the new mine water treatment scheme and reduce pollution and risk to the local area in perpetuity.

Throughout the incident and since, we have worked closely with the local community and partners to provide regular updates. We've held public meetings and put in place a dedicated local community liaison officer to support local people and ensure their concerns and ideas for improvement are heard and acted upon.

We're so grateful to the local community who have been extremely patient with the disruption to their local area and shared both local mining knowledge and feedback with us. This has meant we could work with partners to minimise disruption to residents and local businesses wherever possible and ensure that additional support is provided to vulnerable residents where needed.

Mine water levels in the area are safely controlled by our pumping operations and we are now working to design and construct a permanent mine water transfer. This will link with the new mine water treatment scheme to protect the River South Esk and reduce pollution and risk to the local area in perpetuity. It will improve water quality, improve habitat and biodiversity and enhance the area's natural beauty for the community to enjoy.

FINANCIAL REVIEW

We have continued strong delivery in a year of extreme weather and our incident response and public safety work has continued to increase, reflecting the scale of the legacy we manage whilst keeping people safe and providing peace of mind. We have increased investment in our mine water treatment schemes, safeguarding water quality and the environment and ensuring our assets remain resilient into the future.

We continue to grow income from our advisory services, working with partners to understand and manage their risks and provide clear, trusted information to help people make informed decisions.

We have worked closely with the Department for Energy Security and Net Zero to communicate the risks and sensitivities behind our funding requirements and have delivered in line with our forecasts. Grant in aid received from the Department for Energy Security and Net Zero in the year was £83.2 million (2024-25: £75.1 million) reflecting our larger and more complex programmes and an increase in the net cost of our operations as outlined below. This is explained and illustrated by the following graphic (note that a significant proportion of this cost was provided for in previous years as explained at note 12 (page 128) of the financial statements and is

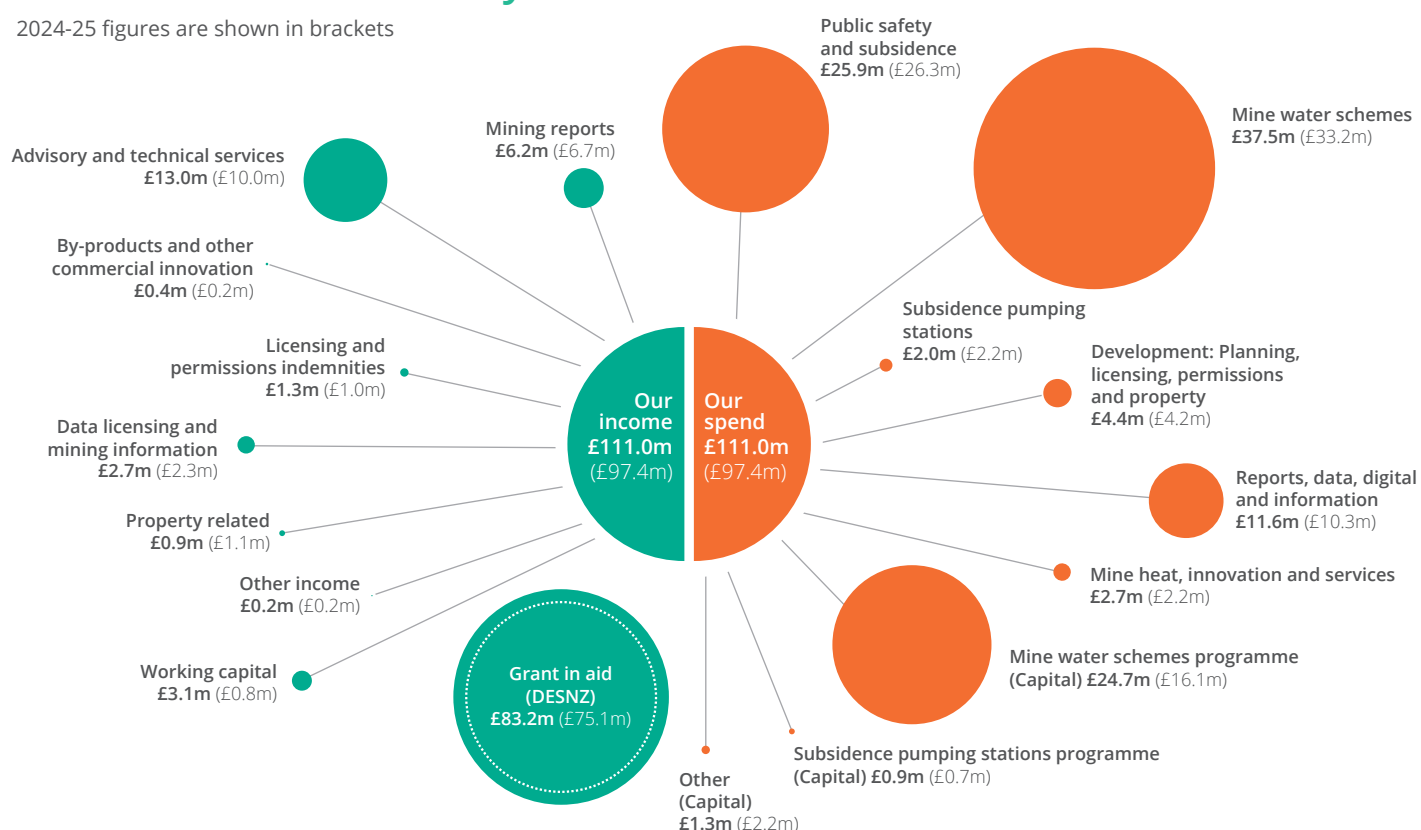
not charged directly to the Statement of Comprehensive Net Expenditure in the year).

Working with our partners we delivered our largest ever capital programme to protect watercourses, drinking water aquifers and reduce flood risk. Revenue expenditure on our schemes has increased, reflecting our ongoing work to understand and assess the best options for managing inland saline mine water and ensuring that protection of watercourses and aquifers is delivered in the most cost effective and cost beneficial way. This is further explained on page 129.

Our ongoing efficiency programmes will minimise the future cost of running mine water schemes by employing innovative uses for our by-products. This includes extending the use of our ochre by-product in the anaerobic digestion

How we used our money in 2025-26

2024-25 figures are shown in brackets



Our operating income per the Statement of Comprehensive Net Expenditure of £24.7 million is the total of the income figures above excluding grant in aid and working capital movements.

Our operating expenditure per the Statement of Comprehensive Net Expenditure, adjusted for non-cash related items (provisions utilisation, depreciation, revaluation and impairment charges) of £84.1 million and investment in our capital programmes of £26.9 million is the total of the spend figures above.

Our operating income and expenditure align to our operational segments. For further information also see note 3 income (page 116), note 2 expenditure (page 115) and for capital investment note 5 (page 120) and note 7 (page 123).

2024-25 figures have been represented for consistency with the current year.

market and generating other operational efficiencies led by our investment in renewables to reduce power costs and contribute to achieving our carbon reduction commitments. We expect these activities to deliver an incremental £4.9 million over the next 4 year period.

Our expenditure on public safety is reactive and can vary from year to year. 2025-26 expenditure remains at a level consistent to previous years, reflecting the work we have undertaken to resolve a number of significant claims and incidents including projects to remediate mining features affecting energy infrastructure in Glasgow and properties in Dewar Avenue, Kincardine, Fife.

Our advisory and technical services work generated income of £13.0 million (2024-25: £10.0 million), reflecting our continued success in working with others to deliver real outcomes across government. This includes mine water scheme delivery for the Department for Environment, Food & Rural Affairs in England and for Welsh Government, as well as supporting Welsh Government with the safe management of tips.

Mining reports income of £6.2 million is slightly lower than last year (2024-25: £6.7 million). This reflects a loss in market share as a result of our policy to make our data available and open up the market from a near monopoly position, with a small off-set as a result of a small amount of growth in the property market and volume of transactions.

FINANCIAL STATEMENTS

Our financial statements are dominated by the provisions balance of £1,571.0 million. The rationale and methodology for calculating this are shown at note 12 to the financial statements (page 128). As in previous years and in line with our accounting policy, this provision for resolving the impacts of past coal mining was reviewed at the end of the 2025-26 financial year. This balance has reduced by £138.0 million (2024-25: increase of £98.0 million):

- In line with accounting practice we adjust our cash flows to reflect the time value of money based on assumptions and rates provided by HM Treasury. This year's change in rates has led to a reduction of £191.0 million (2024-25: reduction of £59.0 million).
- Our underlying cash flows, on which the provisions balance is calculated, have been updated based on latest information and have increased by £89.6 million to £4,150.0 million. This recognises increases as a result of updates following the review of mine water scheme programme costs and phasing, as well as reflecting the trend over recent years of managing an increasing number of complex public safety incidents, although this has been partially off-set following review and update of the operational and maintenance costs of our subsidence pumping stations programme. This change in underlying cash flows, after adjusting for the time value of money, has the effect of increasing the provisions balance by £53.0 million.

STATEMENT OF COMPREHENSIVE NET EXPENDITURE

Comprehensive net income for the year to 31 March 2026 was £69.5 million (2024-25: net expenditure £170.7 million). The large difference between the 2 years is driven by the provisions movements outlined above. Excluding these provisions movements, comprehensive net expenditure for the year was £32.8 million (2024-25: £35.5 million), a reduction of £2.7 million.

The reasons behind this movement are outlined below.

TOTAL OPERATING INCOME

Total operating income, which excludes grant in aid, was £24.7 million (2024-25: £21.5 million) and reflects our ongoing strategy to work collaboratively with public sector organisations to support them in managing their risks, whilst promoting competition in the mining reports market and enabling others to use our data and information to make informed decisions.

- Our advisory and technical services income has risen by £3.0 million, to £13.0 million. This is driven by expanded metal mine programmes that we deliver for the Department for Environment, Food & Rural Affairs (Defra) in England and for Welsh Government.
- A loss of market share during the year, partially off-set by a 5% year-on-year increase in the size of the market has resulted in a £0.5 million reduction in mining reports income to £6.2 million, whilst data licensing and mining information income has increased by £0.4 million to £2.7 million.
- Other movements in our income from 2024-25 relate to the licensing and permissions indemnities (£0.3 million increase), by-products (£0.2 million increase), profit on disposal of property (£0.3 million reduction) and minor changes in rental and other income (£0.1 million increase).

EXPENDITURE

- Staff costs of £33.0 million show an increase of £4.8 million compared to the previous year. Pay award, at 3.5% in line with civil service pay remit guidance, accounts for £1.0 million. The remainder of this increase is driven by headcount needed to deliver paid for advisory services to our customers and deliver increased frontline services for the communities we serve. This includes protecting the environment through the delivery of our mine water scheme programme and feasibility work to assess options to manage inland salinity.
- Purchase of goods and services (not including frontline costs provided in previous years) increased by £2.5 million to £15.4 million. This is driven by supply chain costs that support the increase in our advisory and technical services income.
- Depreciation, revaluation and impairment charges have reduced by £7.0 million to £8.9 million. Key movements include a reduction in impairments of £7.3 million, reflecting the timing of completing mine water scheme builds (whereby, under our accounting policy we immediately impair schemes to nil net book value when they become operational), off-set by a £0.3 million increase covering depreciation, amortisation and revaluations.

More information is available in notes 2 (page 115) and 3 (page 116), as well as notes 5 (page 120) and 6 (page 122) to the financial statements.

STATEMENT OF FINANCIAL POSITION

Net liabilities at £1,543.6 million decreased by £152.7 million (2024-25: £1,696.3 million). Key factors were:

- Provisions against future liabilities have reduced by £138.0 million following review and as outlined above. Further information is available at note 12 (page 128) to the financial statements.
- An £18.0 million increase in total non-current assets to £46.5 million (2024-25: £28.5 million) that is predominantly driven by 2 new mine water schemes that are under construction.
- Trade receivables have increased by £1.0 million to £7.2 million (2024-25: £6.2 million), primarily due to the timing of payment from Defra and Welsh Government for advisory and technical services in relation to their metal mine water scheme programmes.
- Cash and cash equivalents stand at £22.3 million (2024-25: £21.2 million); see the section below on cash flow for details on movements.
- Trade and other payables have increased by £5.4 million to £49.1 million (2024-25: £43.7 million), with the main driver being accrued expenditure relating to increased public safety and mine water schemes expenditure.



During vital scour works to protect the Nant y Bai watercourse we used helicopters to deliver materials to the remote and environmentally sensitive historic metal mine site at Nant y Myyn, Carmarthenshire, Wales.

CASH FLOW

At 31 March 2026 we held £22.3 million cash (2025: £21.2 million).

This includes £1.3 million (2025: £1.4 million) of ring fenced funds in respect of security called in from mining operators that have been liquidated.

There was a net increase in cash during the year of £1.1 million. Constituent parts of this movement were:

- The receipt of £83.2 million grant in aid from the Department for Energy Security and Net Zero, an increase of £8.1 million (2024-25: £75.1 million receipt). The cash drawn down from the department covers working capital requirements relating to 3 main areas: the operation of our mine water schemes, managing public safety claims and incidents and the delivery of our capital programmes.
- A net cash outflow from operating activities of £57.3 million (2024-25: £50.8 million). We have spent £6.5 million more this year on our operations driven by our mine water programmes, including continuing our detailed work to generate and evaluate the most cost effective and sustainable options for future treatment of inland saline mine water and in managing public safety claims and incidents.
- A net cash outflow from investing activities of £24.0 million, an increase of £6.0 million on prior year (2024-25: £18.0 million). This primarily relates to the purchase of property, plant and equipment as part of our growing programme to develop, build and maintain mine water schemes and subsidence pumping stations, as well as ongoing investment in our information technology and systems.
- A net cash outflow from financing activities of £0.8 million (2024-25: £0.8 million) which relates to the payment of lease liabilities.

GOING CONCERN

To the extent that they are not met from our other sources of income, our liabilities may only be met by future grants or grants in aid from our sponsor department, the Department for Energy Security and Net Zero. This is because, under the normal conventions applying to parliamentary control over income and expenditure, such grants may not be issued in advance of need.

Paragraph 14(1) of Schedule 1 to the Coal Industry Act 1994, states: "The Secretary of State shall, in respect of each accounting year, pay to the Coal Authority such amount as he may determine to be the amount required by the Coal Authority for the carrying out during that year of its functions under this Act."

On that basis, the board has a reasonable expectation that we'll continue to receive funding so as to be able to meet our liabilities. We've therefore prepared our financial statements on a going concern basis.

OUR YEAR IN WALES



We carried out
2,639
mine entry
inspections



We delivered
6,408
mining reports



We treated
15 billion
litres of mine water



We investigated
and assessed
150
mining hazard,
subsidence claims
and emergency calls



We provided
1,111
planning consultation
responses



We prevented
355
tonnes of iron solids
from entering
water courses

CASE STUDY:

OUR WORK IN WALES

TURNING WALES'S MINING PAST INTO A CLEAN ENERGY FUTURE

Wales's rich mining legacy is one of both challenge and opportunity. While abandoned mines have left environmental impacts that we continue to help address, they also hold a remarkable low carbon heat resource.

Deep underground, naturally warmed mine water has the ability to heat homes, businesses and public services across coalfield communities. The past year saw us significantly develop this opportunity for Wales.



Working in partnership with the Welsh Government, we delivered Wales's first mine water heat opportunity maps – a detailed national dataset showing where mine water heat can have the greatest impact. These maps are now a central part of the Welsh Government's Heat Strategy for Wales and are actively supporting local area energy planning and decarbonisation conversations across the country.

site, praising Lindsay as a leading example of how Wales can turn its industrial past into sustainable energy solutions. Their support underlines what the project demonstrates: when policy ambition, technical expertise and local innovation work together, the results can be exceptional.

Building on Lindsay's success, we have begun scoping work to identify NHS sites across Wales

In Wales, we want to lead the way in renewable energy solutions that make the most of our industrial heritage.

Rebecca Evans MS,
Welsh Government Cabinet Secretary for Economy, Energy and Planning

A key opportunity was identified at our Lindsay mine water treatment scheme, near Ammanford in Carmarthenshire. Partnering with local renewable heat specialist Thermal Earth Ltd – and supported by Innovate UK funding – we helped develop and deliver Wales's first mine water heat scheme for a commercial building.

with the potential to benefit from this low carbon technology. We have also begun looking at the feasibility of using waste mine water heat from our Morlais treatment scheme to provide heat to schools, social housing and other mixed development, with our partners from Carmarthenshire Council and Welsh Government.

Planning and design stages were completed in 6 months, with construction taking little more than 2 weeks. The system is the first in the UK to use submersible heat exchangers in one of the mine water scheme treatment lagoons to capture mine water heat. It now supplies low carbon heating and hot water to a nearby industrial unit and offices, replacing liquefied petroleum gas systems and saving an estimated 17.5 tonnes of CO₂ every year. The results have exceeded expectations. The system operates at more than 400% efficiency and has cut running costs by around 60%.

The scheme, which was shortlisted for the 2025 Collaborate to Innovate Awards, has attracted national attention. Welsh First Minister Eluned Morgan and Cabinet Secretary for Economy, Energy and Planning Rebecca Evans MS both visited the



Lindsay exemplifies our mine water heat development approach: secure, low carbon heat delivered sustainably, reliably and affordably, while revitalising industrial sites and supporting Wales's Just Transition to clean energy.

HEALTH, SAFETY AND WELLBEING

During the year we launched our health, safety and wellbeing (HSW) plan for 2025–28, setting out how we will manage risk and support wellbeing as we deliver for the communities we serve. We responded to a range of public safety incidents working with partners and contractors to protect people and the environment. We continued to strengthen our management arrangements, updating procedures so they remain clear, practical and aligned to our operational needs.

Our HSW plan for 2025–28 reinforces our commitment to protecting the public, our colleagues and those working on our behalf. It sets out how we will maintain strong governance and assurance while supporting a positive culture where everyone takes responsibility for health, safety and wellbeing. The plan focuses our work through 3 enablers:

- **Developing our safety focused culture:** promoting safe behaviours, encouraging colleagues to speak up, and learning from events to prevent harm.
- **Technology and innovation:** using data and digital tools to identify hazards, assess risk, share information and support better decisions.
- **Safe delivery through others:** setting clear expectations for partners and our supply chain, maintaining oversight, and sharing learning so work is delivered safely.

We are delivering the plan through targeted engagement and assurance activity, supported by guidance and training, so teams understand what is expected and how it applies to their roles.

Technology and innovation is a key enabler within the HSW plan 2025–28. During the year we prioritised improvements to our HSW reporting system to make it easier to identify hazards, record actions and access management information.

This included improving our dynamic risk assessment for colleagues travelling to site, enabling a short, structured check to be completed before starting work, which supports consistent risk management and reinforces personal responsibility.

We piloted self-serve dashboards to provide timely information and improved how leadership visits are recorded and followed up. These changes are supported by guidance and training, and they increase our visibility of hazards and actions so we can target support where it is most needed.

We respond to a high volume of incidents throughout the year and were particularly challenged at the start of 2026, with several complex and high-profile incidents occurring at the same time. We worked closely with our supply chain partners and other responders to ensure robust arrangements were in place to safeguard the health, safety and wellbeing of our colleagues, contractor workforces and local communities.

While teams were delivering our incident response, we enhanced wellbeing support and maintained HSW oversight through critical incident meetings. This included prioritising specialist resources, allocating teams to specific incidents and maintaining business-as-usual activity through wider organisational support. We will continue to capture learning from these events and apply it to improve our arrangements and maintain a safety focused culture across the organisation and our supply chain.

We continue to invest in our people so they have the knowledge, skills and support to undertake their roles safely and protect their health and wellbeing. Some of our work is delivered in challenging conditions, including emergency response activity. During the year we increased our focus on building capability and confidence, including TRiM (Trauma Risk Management) training to help colleagues prepare for and manage the demands of these situations.

We delivered 12 CPR (cardiopulmonary resuscitation) workshops, reaching 107 colleagues, with our staff engagement group playing a key role in planning and delivery. This builds emergency response capability and confidence to act quickly if someone becomes unwell. We supported training, including a NEBOSH risk assessment course, to build risk awareness ahead of site visits and continue to work with Mines Rescue for specialist confined spaces training. Increasing the use of our learning platform to provide a single place for most HSW training is making it easier to access and improving visibility for line managers.

Our HSW management system continues to develop to reflect our risk profile and changing operational demands. The HSW team works with colleagues across the business to ensure our arrangements are documented, understood and applied consistently. For example, as we have introduced a new tech room to provide an in-house water testing facility, we have jointly developed safe systems of work and procedures to support safe operation. We will continue

to strengthen our procedures and assurance arrangements, including for higher risk activities, through established governance routes.

Our 2025-26 health safety and wellbeing data continues to demonstrate strong proactive reporting and a clear focus on learning and prevention. A total of 1,387 observations relating to unsafe acts or conditions and 594 examples of good practice were reported by colleagues and contractors, reflecting a healthy reporting culture and shared ownership of safety.

There has been an increase in formal HSW inspections undertaken by colleagues, with 490 completed during the year. Alongside this, 833 HSW actions were raised and tracked through the HSW management system. This provides clear assurance that issues identified through observations and inspections are followed through to completion. The volume of inspections and actions shows a more mature and embedded approach to managing risk and driving continuous improvement.

We continue to aspire to zero accidents and incidents. During the year there were 13 accidents with no time lost and no lost time accidents recorded. There were no RIDDOR reportable incidents for colleagues or contractors. Every accident and near miss is taken seriously, with a full review undertaken to identify learning and ensure improvements are embedded to help everyone stay safe.



1.
Health, safety and wellbeing plan

Measure		2024-25	2023-24
Proactive	HSW observation unsafe acts or conditions (staff and contractors)	1387	1224
	HSW observations – good practice examples (staff and contractors)	594	486
	HSW inspections (staff)	490	293
	HSW actions (staff and contractors)	833	594
Reactive	Accidents – no time lost (staff and contractors)	13	13
	Accidents – lost time (staff and contractors)	0	0
	Incidents–Reporting of Injuries, Diseases and Dangerous Occurrence Regulations (RIDDOR) (staff and contractors)	0	1



OUR YEAR IN ENGLAND



We carried out
7,661
mine entry
inspections



We delivered
55,698
mining reports



We treated
93 billion
litres of mine water



We investigated
and assessed
544
mining hazard,
subsidence claims
and emergency calls



We provided
5,855
planning consultation
responses



We prevented
2,627
tonnes of iron solids
from entering
water courses

CASE STUDY:

OUR WORK IN ENGLAND

Camberwell Drive, Ashton-under-Lyne



A core part of our mission is managing Great Britain's mining legacy and safeguarding communities by providing incident response and remediation solutions to mining related subsidence.

During 2025-26 we have worked with Tameside Council, and other key partners, to design and deliver a safe permanent solution following a ground collapse at Camberwell Drive, Ashton-under-Lyne. This is one of our most significant public safety projects and has been shaped by local input from the very beginning.

The ground collapse resulted from movement of material above a mine shaft associated with

the former Limehurst Colliery, which operated in the area from 1852 to 1899. Entry to the mine shaft was about 50 metres below ground and our records indicate that the shaft was backfilled in the 1960s. More recently, a housing developer grouted the shaft in 1989, before a cap was placed across the top of the shaft to completely seal it. Unfortunately, despite these measures, movement in the ground above the shaft required us to take action to ensure the stability



After a ground collapse at Camberwell Drive in Ashton-under-Lyne, a 300-tonne crane was used to install a 36.5m long Bailey Bridge to allow the shaft to be filled and made safe.

of the local area. The depth of the shaft, and limited space on the circular housing estate, made the project complex and challenging, for both our teams and local residents.

The design and approach of our remediation works was developed directly in response to what residents told us mattered most, and partnership was at the heart of how we worked throughout. We kept people informed and consulted with them at each stage. We held community events in the early evening to support working residents and parents to attend, and these events provided the local community with opportunities to review the plans, ask questions and raise any concerns about the work. We met some residents individually to understand their personal circumstances, providing extra support where needed.

Before work began, we diverted essential services and installed a safety platform; at 36.5 metres long, this was the largest platform we have used, requiring a 300-tonne crane to position it. This platform was central to the project. It gave our

team the insight needed to carefully navigate complex ground conditions, and crucially, helped us locate the mining shaft, giving us the confidence to move the project forward safely.

We stabilised the mineshaft by injecting grout from 60 metres below ground level up to the surface, creating a solid plug to prevent further ground movement. Now that ground stabilisation is complete, we are constructing the permanent concrete cap supported by 36 reinforced concrete piles. The 15-square-metre cap is designed to carry heavy loads and permanently secure the mine shaft.

These works have been complex, but we have worked hard to minimise disruption and to manage the site to the highest standards. Protecting public property and ensuring public safety has been our priority at all times, and care and respect for the local area has been central to how we have approached this project from day one.

As we near completion, we are proud to be delivering a long-term community-focused solution that the local area can rely on for years to come.

OUR PEOPLE

Our people are essential to our frontline work and emergency response and to delivering the best service possible for the communities we serve. Their hard work and expertise enable us to tackle complex problems, support customers effectively, and maximise what we can achieve.

To support them, we have invested in targeted learning and development to build the skills they need now and in the future. This investment strengthens capability across the organisation, improves confidence in leadership and management practice, and supports internal progression. As a result, colleagues are better equipped to respond to operational demands, manage change and deliver essential frontline services.

Our 2025 pay gap analysis shows strong and sustained progress, with gender and ethnicity pay gaps nearly halved, disability and bonus gaps improving, and performance comparing favourably with national benchmarks (QR code 3).

Representation across protected characteristics continues to improve, reflecting the way inclusion is embedded within our recruitment, development, reward and support processes.

Our commitment to social mobility remains strong. We offer apprenticeships and early careers pathways, working with local schools, colleges and universities to promote work experience and internship opportunities. Apprentices are supported to understand our work, contribute to key projects and gain meaningful learning experiences that reinforce their role in delivering worthwhile work.

We strengthened organisational effectiveness through a number of key initiatives, including the launch of BrightMines, our organisation wide ideas scheme, which encourages innovation and efficiency ideas from across the business. Our values in action framework was further developed, helping colleagues translate organisational values into everyday behaviours, supporting better collaboration and more effective delivery of projects and services for customers and communities.

Listening to colleagues remains central to our approach. Our great place to work programme (QR code 1), now in its fifth year, uses colleague feedback to inform decision-making, improve processes and introduce efficiencies that enable people to focus on operational delivery. Using structured engagement approaches, including facilitated discussions and feedback channels, we support open communication and continuous improvement.

We continue to make strong, sustained progress in embedding inclusion into everyday practice, supported by clear plans, consistent leadership and transparent reporting. The launch of our everyday inclusion plan (QR code 2) and antiracism priorities further strengthens our equality, diversity and inclusion approach providing a shared framework for how we lead, work together and deliver services.

1.



Great Place to Work programme

2.



Everyday Inclusion plan

3.



Pay Gap report



We know that the wellbeing of our people is essential to our impact, and we continue to develop internal networks and programmes to help our colleagues thrive.

Developing capability remained a priority throughout the year. The range of learning and development opportunities available within Core, our learning platform, launched March 2025, has expanded, giving colleagues greater access to both formal and informal learning that is relevant to their roles and personal objectives. This supports internal talent mobility and enables colleagues to progress into new roles.

Our leadership programmes strengthen capability and consistency in how teams are led and work is delivered, and support internal progression, helping us to fill roles as needs arise. The Lead Together programme reinforces inclusive leadership behaviours, enabling leaders to support effective team performance aligned with organisational priorities.

The early careers programme continues to strengthen our future talent pipeline, supporting knowledge transfer, organisational resilience and new perspectives that drive innovation and continuous improvement.

Our workforce planning activity is shaped by organisational priorities and workforce data and insight allow us to focus effort where it has the greatest impact. We use it to support succession planning and targeted development in areas where skills are scarce or specialist capability is critical to delivery. Aligning workforce planning with future

capability needs enables us to more confidently plan and sustain delivery of our services.

We strengthened governance through the development of a policies playbook, which helps to deliver a consistent and transparent approach to policy management and support fair and effective people management practices. In response to the Employment Rights Act 2025, we are updating policies and equipping managers with guidance and training.

The wellbeing of our people is essential to our impact. We continue to develop colleague led networks, including the launch of our family and carers network and accessibility network, which provide practical peer support, helping colleagues balance work and personal commitments and navigate challenges. Our mental health first aiders and employee assistance programme continue to offer accessible, on demand support that assists colleagues in managing day to day pressures and helps maintain their wellbeing at work.

Our focus is on being a great place to work, one where our people feel valued, included and supported. Through skills and confidence building, embedding inclusion, and developing effective leadership we create an environment where everyone can thrive and is enabled to deliver our services, support our communities and respond to complex challenges as they arise across Great Britain.



CASE STUDY: OUR WORK TO E ENVIRONMENTAL SOCIAL VALUE

We manage mine water in Great Britain to prevent pollution of drinking water, rivers and the sea. To do this, we operate and maintain 82 mine water treatment schemes, 10 subsidence pumping stations and collect and store data from over 700 monitoring points.

Delivering our environmental programmes sustainably is key to our approach and allows us to be more efficient, effective and achieve better value for money.

Our programmes include the design, construction and operation of treatment schemes. This includes the removal of an ochre by-product from our settlement lagoons that is created during the treatment process and refurbishment of the reedbeds at our sites, to make sure they continue to perform effectively. We also drill boreholes to monitor rising mine water levels to protect vital drinking water aquifers.

Our sustainability goals and social value ambitions aligned to these programmes are deliberately stretching and encourage us to be ambitious in what we can achieve together with our colleagues, partners and supply chain.

Construction is nearing completion at our Thorpe Hesley mine water treatment scheme, near Rotherham. It plays a key part of our strategy in managing rising mine water across the Yorkshire coalfield and it will contribute to the protection of water resources which are able to supply the equivalent of more than 550,000 people's domestic water usage.

During construction, we worked hard to make the project work for local people and the social value initiatives we were able to deliver included the diversion of a public right of way and bridleway to make it safer and more accessible for everyone using it.

After engaging with, and listening to, the equestrian community within the area, we learned that the colour of traditional construction barriers can startle horses. Therefore, we



ENHANCE LAND

changed the colour of our barriers - a small adjustment that gave the riders peace of mind and protected the wellbeing of the animals.

Owl and bat boxes were installed in and about the site, as well as tree and shrub planting around the perimeter of the scheme. This screens the treatment facility from the nearby village of Scholes and allows us to enhance nature and biodiversity across the land we manage.

Community involvement has been central to this project from the start. A reed planting day drew strong interest from residents and a nearby primary school, with participants contributing directly to creating new habitats at the site.

We have now completed habitat surveys at 65 of our mine water treatment schemes

across England, Scotland, and Wales, allowing us to develop a detailed ecological management plan for each site.

Each site has an individual survey report and a habitat map, forming a natural asset data resource to support our future decision-making.

Reedbeds are essential to how some of our treatment schemes function. They filter pollutants from mine water, but over time they get clogged with material and become less effective. Regular refurbishment gives them the chance to recover and keeps our schemes performing well. It also helps to maintain habitats for birds, such as reed bunting.

When we remove the built-up ochre material from our treatment lagoons, in a process called desludging, we look for innovative alternatives to landfill.

This includes its use within the anaerobic digestion industry, replacing the need to import man-made products from Europe, helping to cut the carbon emissions associated with producing and transporting the product to the UK. The ochre product is used to capture hydrogen sulphide, which reduces the risk of odour from the process and reduces the maintenance to the plants, alongside delivering performance improvements of more than 30% when compared to conventional iron products.

It has also been used in land remediation, where it supports the treatment of soil heavily contaminated with substances like arsenic or lead, assisting the development industry in treating contaminated land and creating additional land use opportunities.

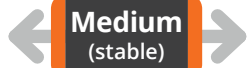
This recycling and reuse approach supports a circular economy, saves money for the taxpayer and contributes to our ambition to become a net zero organisation.

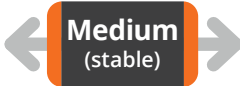


Due to the extreme weather conditions in the South West of England in early 2026, our Wheal Jane mine water treatment centre reached the maximum level seen in the plant's 25 years of operation, treating 47 million litres of water per day.

STRATEGIC RISKS

Strategic risks	Update and mitigation	Relative rating and in-year trend
Public safety A significant surface hazard caused by past coal mining or an incident at a Mining Remediation Authority legacy site causes serious injury or fatality.	<p>We have established processes to manage our risks which include proactive inspection and communication programmes and a 24/7 emergency response line.</p> <p>We adopt a proportionate response to manage this risk but it cannot be eliminated.</p>	
Changing climate and extreme weather events We are unable to adequately understand, adapt to and mitigate the effects of the changing climate and extreme weather events, impacting our assets and ability to deliver our remit.	<p>Our significant capital build and refurbishment programmes are designed to ensure that our schemes mitigate and prevent pollution and flooding.</p> <p>We continue to develop our understanding of the impact of climate change adaptation and extreme weather events on our estate and operations and will use this to inform our future work and programmes.</p>	
Saline minewater from inland coalfields There is a risk that without remediation action, untreated saline mine water will have a detrimental impact on the environment.	<p>Analysis of our monitoring of England's inland coalfields demonstrates that the chemistry of the mine water is extremely challenging and in the long term will require additional treatment to that normally undertaken.</p> <p>Our survey and inspection work to understand the scale and extent of this issue is on target, and we are working with partners to develop sustainable options to manage the risk.</p>	
Incidents The scale or concurrency of critical/ major incidents impact on the ability of the Mining Remediation Authority to achieve its strategic objectives.	<p>We actively work to maintain our resilience and emergency response readiness and work with local resilience partnerships and regional resilience partnerships across Great Britain to ensure we can respond to emergencies and incidents that happen on the coalfield.</p> <p>This has enabled an effective and proactive response to a number of significant incidents during 2025-26.</p>	

Strategic risks	Update and mitigation	Relative rating and in-year trend
Cybersecurity failure World political climate, growing digital dependency, increasingly sophisticated and innovative means of attack leads to a cyber security failure resulting in financial or data loss, disruption to service or damage to reputation.	<p>The National Cyber Security Centre (NCSC) threat assessment continues to remain heightened due to the global risk landscape.</p> <p>We continue to focus on promoting a strong cyber aware culture, maintaining strong technical controls, and ensuring we have robust incident response procedures in place.</p>	 High (rising)
Global uncertainty and macroeconomic volatility Geopolitical instability, international conflict, trade disruption and wider global economic uncertainty drive sustained inflationary pressures, volatility in energy and commodity markets and disruption to supply chains, increasing the cost of delivery and impacting the Mining Remediation Authority's ability to deliver its strategic objectives.	<p>We consider global economic and geopolitical developments and assess their potential impacts on inflation, supply chains and affordability through our financial planning and financial management frameworks.</p> <p>We mitigate supply chain risk through market engagement, effective contract management and prioritisation of activity to maintain value for money and continuity of delivery for the communities we serve.</p>	 High (rising)
Government policy Policy and legislation changes in areas relevant to our work, including increasing differences in priorities across the 3 nations caused by further devolution, cause inefficiency, legal challenge, uncertainty or reputational impacts.	<p>We continue to work closely with governments and partners in the 3 nations we serve to deliver our work in a way that supports their priorities and plans and to maximise the delivery of UK and national outcomes.</p>	 Medium (stable)
Data/information Due to lack of resource or prioritisation or the slow adoption of new technologies such as AI, we are unable to evolve our data and information to meet our own business and stakeholders' needs, leading to an inability to deliver against our strategic objectives and create value.	<p>We are making strong progress against our data and information plan published in 2023-24 [QR code 1] which outlines how we will work with partners to maximise the social and environmental value of our data alongside value for the taxpayer.</p> <p>Our data improvement programme will keep our data fit for purpose and we continue to explore opportunities to use AI to help us to manage our data and information more effectively.</p>	 Medium (stable)

Strategic risks	Update and mitigation	Relative rating and in-year trend
Innovation Due to limited internal resources or internal and/or client processes, product or service development/ delivery may take longer than planned, leading to delays in value creation and/or cost savings.	<p>We continue to maximise opportunities to leverage our estates and by-products to deliver on the government's priorities.</p> <p>We have made further progress in enabling mine water heat opportunities (page 38) and we are investigating opportunities for the re-use of the mine water that we treat.</p>	
Health, safety and wellbeing We fail to identify and properly manage health and safety risks resulting in fatality, injury, ill health or poor wellbeing to anyone affected by our activities and/or assets.	<p>We continue to prioritise people's health, safety and wellbeing and have robust and proactive processes and procedures in place.</p> <p>We have continued to build on our successful British Safety Council 5 star accreditation, demonstrating our ongoing commitment to and effective management of health, safety and wellbeing.</p>	
Public and partner awareness Ineffective stakeholder engagement and communication strategy leads to stakeholders not having a clear understanding of our remit and activities, leading to lost opportunities to improve outcomes on the coalfield and for communities.	<p>Following our name change and the publication of our new business plan, we have continued to promote a better understanding of our work and to encourage others to partner with us to maximise opportunities to improve outcomes for the communities we serve.</p>	



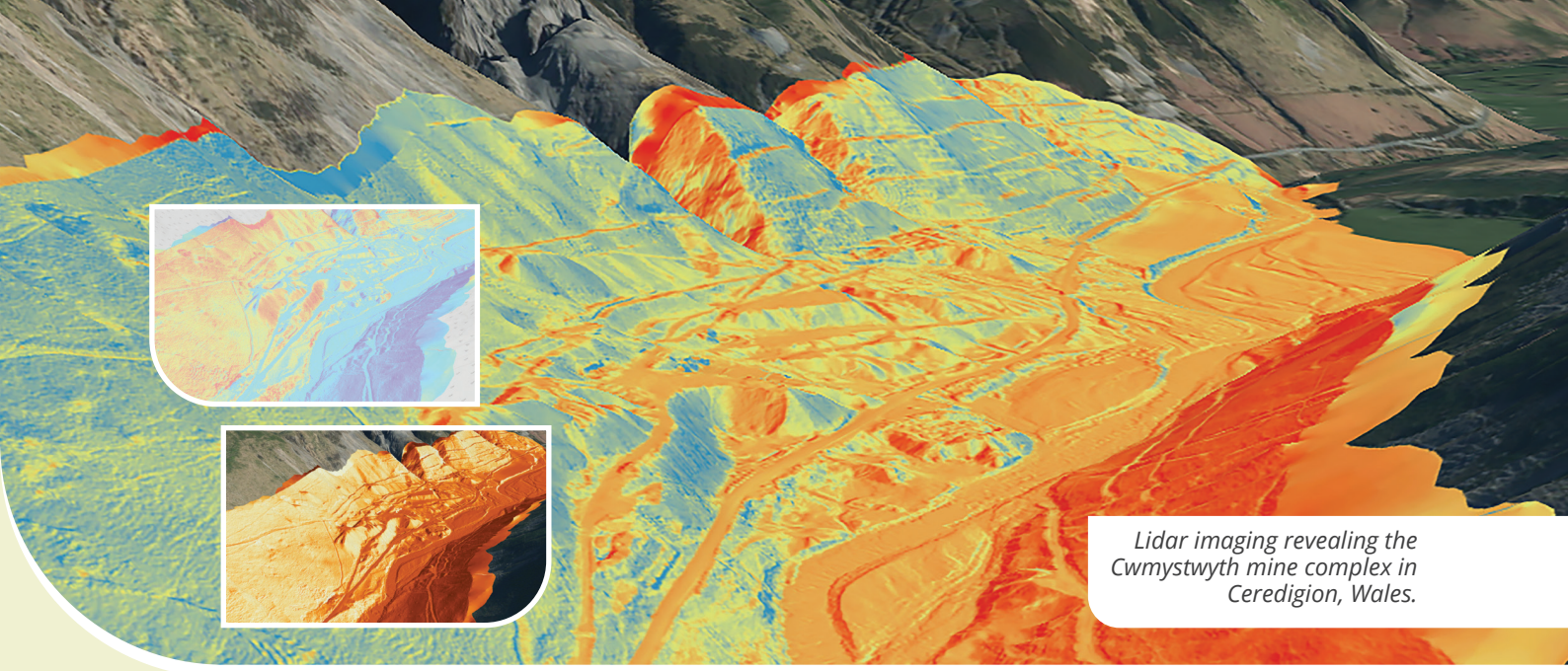
1.

Data and information plan

CASE STUDY:

OUR WORK EMBRACING TECHNOLOGY TO CREATE DATA DRIVEN INSIGHTS

We hold a unique and extensive collection of data and information that documents Great Britain's mining legacy and its impacts on people, places and the environment. This information is critical to supporting our frontline activities to protect the environment and keep people safe, and in supporting sustainable development and economic growth.



Lidar imaging revealing the Cwmystwyth mine complex in Ceredigion, Wales.

We believe that data driven innovation has the potential to transform how we, and others, support a better future for people and the environment in mining areas. At a time of rapid technological change and accelerating adoption of artificial intelligence (AI), we have taken a considered approach, investing in data, skills and digital capability to modernise our operations, realise the value of our information assets, and deliver more efficient and resilient services.

We have been harnessing the power of AI to unlock insights from our archive of historical mine plans. This archive contains around 120,000 plans, some dating back to the 17th century. Despite their age, these plans remain a critical source of intelligence on underground conditions, including the extent and connectivity of coal mine workings.

Working in partnership with the Hartree Centre* and IBM, data scientists developed a workflow that detects and extracts mining related features from the historical mine plans. The workflow automatically identifies and extracts mining features, along with associated text and labels, into a structured database. Our specialist teams then validate the outputs before accepting them into our corporate databases. This workflow allows us to gather large amounts of information far more quickly than manual methods, helping us build a more accurate picture of underground activity.

Alongside our use of AI, we have expanded our use of earth observation technologies to strengthen how we identify, assess and manage mining related hazards. This includes increased

use of drone and satellite data to map surface features and assess ground conditions.

Following concerns about the safety of spoil tips and fissuring in the hills around Abertillery in South Wales—a legacy of the region’s deep coal mining history—we used LiDAR data acquired from aerial and drone surveys to efficiently quantify and safely evaluate these potential mining-related features, helping us assess risk to local communities without putting people in harm’s way.

In addition, LiDAR data has supported investigations into how mine workings connect underground and how mine water moves through them, helping us to understand where mine water may emerge at the surface.

At our Lynemouth mine water treatment scheme in North East England, we have utilised drone surveying to understand our assets and how best to protect them over time, collaborating with the British Geological Survey to derive a bespoke erosion monitoring strategy for this unique coastal site.

Together, these initiatives demonstrate how we are using technology and AI in a targeted, responsible way, combining innovation with expert oversight to maximise the value of our data, strengthen risk management, and better protect people, communities and the environment.

* Supported by government funding and strategic industry partnerships, the Hartree Centre enables public sector organisations and UK businesses to adopt supercomputing, data science and AI technologies to drive productivity and innovation.

SUSTAINABILITY AND THE ENVIRONMENT

We've made further progress against the priorities in our 2023-26 sustainability plan, have improved our baselining and evidence collection and are ready to begin reporting against the new UK Government Greening Government Commitments in 2026-27. We have taken practical action to grow our solar estate and maximise its efficiency to support decarbonisation and deliver value for the taxpayer. We continue to learn from others and to be honest about challenges we face in making the progress we aim for and to adapt to the impacts of the changing climate that increasingly influences our work.

During the year, we started the installation of 2,400 new solar panels at 2 mine water treatment scheme sites in the North-East and West Midlands with a combined generating capacity of 1.2MWp. We've also replaced damaged or stolen panels across our existing solar estate restoring 153kw of generating capacity, enough electricity to power 36 average UK homes for 1 year.

We've begun installing battery storage at sites to maximise our use of the solar energy we generate and have developed a new, best practice, maintenance approach which will help ensure our sites can operate at maximum efficiency.

This work will reduce our carbon emissions and delivers value for the taxpayer by reducing our energy costs in the long term. During 2025-26, our emissions and energy generation was broadly consistent with 2024-25. Our total emissions reduced slightly due to seasonal fluctuations in rainfall and wider grid decarbonisation.

During the year, we've seen the impacts of both prolonged wet weather

and prolonged dry weather. We are increasingly seeing the effects of a changing climate in our work and taking steps to adapt to this. This includes close work with Welsh Government to consider medium and long-term impacts for tip management. We want to ensure that our climate change adaptation plan reflects these operational realities and we have challenged ourselves as to how we can use our data and new technologies to better inform risk assessment and response. Our 3 year climate change adaptation plan will reflect this thinking and will now be published in 2026-27.

We've made good progress against our nature recovery goals. We've fully baselined the habitat types and conditions across all 65 of our mine water treatment schemes that include habitats, and developed a detailed habitat management plan for each site. We carried out habitat surveys at 7 more of our coal tips, and produced management plans for 2 of these. This work will enable us to protect, conserve and regenerate the diverse and often unique mining legacy habitats and species that our estate supports.

DURING 2025-26, KEY SUCCESSES INCLUDE:

- Restoring full capacity to our existing solar sites by replacing damaged and stolen solar panels across our estate, and beginning the installation of new solar panels at 2 mine water treatment schemes
- Starting to install battery storage to support solar at 2 sites and undertaking feasibility studies to expand the rollout further in future years
- Baselining habitat and developing improvement plans at all of our 65 mine water treatment schemes that contain habitats
- Undertaking habitat surveys at 7 tips and delivering a habitat improvement project with partners at a key site
- Further consideration of the impact of a changing climate on our work and the need for further adaptation across our work and with partners
- Getting ready for the new UK Government Greening Government Commitments
- Publishing our new 2026–29 sustainability plan



Additionally, we worked in partnership with the Amphibian and Reptile Groups of the UK to deliver habitat improvements for adders, a protected species, at our Cannock Wood tip site. This was supported by funding from the Cannock Chase National Landscape Team.

Delivering social and environmental value alongside value for the taxpayer is a key part of our approach. In 2025-26, we worked closely with our supply chain during the construction of 2 new mine water treatment schemes to generate meaningful community benefits. This included delivering targeted careers advice and support to local schools, hosting university visits, and providing educational outreach to over 1,000 individuals. In addition, 3 apprenticeship opportunities were created.

During construction of these 2 sites, contracts worth over £2.2 million were awarded to local suppliers, with more than 60% of spend at one site directed to small and medium-sized enterprises (SMEs). We collaborated with suppliers to deliver a range of corporate volunteering opportunities, which included Mining Remediation Authority colleagues participating in a community reed planting event at one of our sites.

Our supply chain partners are committed to ongoing engagement with local communities, offering initiatives such as school volunteering days, community planting activities, and

participation in school and careers fairs and specialist construction events.

We continue to enhance our data collection, analysis and reporting to improve understanding and accountability across our sustainability and environment work. We expanded our raw materials tracking tool to all construction sites to develop a waste baseline and identify opportunities for better management of the materials we use. We missed our ochre recycling target this year due to changes to the reedbed maintenance programme which reduced the total ochre wastes generated and made the more complex ochre wastes (that currently go to landfill) a higher percentage of the reduced volume. We've learnt from this and have also prioritised work to find innovative new options for our most challenging and complex ochre wastes in future.

We launched our new 2026–2029 sustainability plan, co-created with more than 120 colleagues, and trialled a new sustainability impact assessment tool to support colleagues in enhancing sustainability across all aspects of our work. We further developed our environmental management system to manage environmental risks more effectively and strengthen environmental compliance. All of this will help us in reporting on our sustainability work and has allowed us to be ready to report under the 2026–30 UK Government Greening Government Commitments from next year.

OUR SUSTAINABILITY REPORTING THROUGH GREENING GOVERNMENT COMMITMENTS

We report our progress through the Greening Government Commitments, which are part of the new sustainability framework. The data for our 2025-26 year will form the baseline for the new Greening Government Commitment targets, which are yet to be finalised and published.

In readiness for increased reporting requirements, we have extended our sources and methods of data collection to reflect the full breadth of our work, including construction, borehole and operational maintenance work across the organisation which has not previously been reported.

You can read more about the UK Government Sustainability Reporting Requirements [QR code 1].

For comparison we have shown our 2025-26 data in 2 columns; one showing the figures using the original data methodology and another using the new enhanced data sources which will form our baseline for future reporting. We will revise our reporting next year to show progress against our 2025-26 baseline.

*2017-18 was our original baseline year for the 2021-25 reporting period.

**Our 2025-26 figures from comparable data sources to allow comparison with our previous reporting years.

***Our 2025-26 baseline data using increased and more granular data sources.



1.

UK Government
Sustainability
Reporting Requirements



Our Bates mine water treatment scheme shows how nature recovery and green energy can work together across our collection of sites, helping to both increase biodiversity and drive us towards net zero.

Power	*** 2025-26	** 2025-26	2024-25	* 2017-18	
Power generated through our direct use of fossil fuels (kWh)	1,575,484	1,413,944	1,141,616	4,151,179	<p>This section relates to diesel fuel and hydrogenated vegetable oil (HVO) used in generators at operational and construction sites, as well as liquefied petroleum gas (LPG) purchased for our Mansfield office for heating.</p> <p>There has been an increase in fossil fuel usage reporting and associated emissions. This was impacted by frontline works and incident response including generator power for our Dalkeith construction site and additional generator power requirements at the Wheal Jane mine water treatment scheme to treat more mine water during the winter storms.</p> <p>Work has continued to replace generators with grid connections at some of our operational sites. Agreements are now in place for the work, and we expect to see the benefit in the next financial year.</p> <p>Our 2025-26 improved data sources figures include emissions from construction, borehole and refurbishment works which have not previously been reported.</p>
Total Greenhouse Gases (GHG) emissions from the direct use of fossil fuels (tCO ₂ e)	408.48	360.96	291.45	1,141.29	
GHG emissions head office from the direct use of fossil fuels (tCO ₂ e)	8.78	8.78	8.53	13.70	
Purchased electricity (kWh)	27,817,604	27,817,604	28,056,826	20,494,016	<p>This section covers both our operational sites and our head office.</p> <p>We continue to experience changes in the pattern of drier and wetter weather due to the changing climate. A significant drop in usage from last year for the first half of the year was noted due to drier conditions than previously experienced. However, wetter conditions in Q4 saw the power use increase from the previous year, however the overall position was a small decrease in mains electricity usage.</p>
Total GHG emissions from purchased electricity (tCO ₂ e)	5,439.18	5,439.18	6,322.61	7,878.51	
GHG emissions head office from purchased electricity (tCO ₂ e)	202.88	202.88	217.91	364.94	

Power	*** 2025-26	** 2025-26	2024-25	* 2017-18	
Renewables generated (kWh)	1,031,120	1,031,120	935,694	189,966	We have increased generation from our solar installations from previous years. This is due to the replacement of faulty assets and on-going maintenance. We expect further increases in generation with the expansion of our solar programme.
Renewables used (kWh)	670,626	670,626	639,940	165,501	
Renewables exported to the grid (kWh)	360,494	360,494	295,754	24,465	
Carbon intensity (kgCO ₂ e/kWh)	0.19	0.19	0.22	0.36	Carbon intensity has decreased, helped by grid decarbonisation, and aided by increased solar performance due to maintenance.
Total head office power related GHG emissions (tCO₂e)	211.66	211.66	226.44	378.64	Although we have had an increase in electricity use due to an increase in office usage, we have been able to report a reduction in carbon emissions due to wider decarbonisation of grid supplied electricity.
Total power related GHG emissions (tCO₂e)	6,206.50	5,800.13	6,624.06	9,019.80	<p>Our emissions have decreased as a result of grid decarbonisation, and increased solar performance. Using the original data sources this represents a reduction of 12.4% from last year and a 35.7% reduction from our 2017-18 baseline.</p> <p>We have enhanced our monitoring and reporting in this area, and the improved data sources figures shown include power from our construction, borehole and refurbishment activity. Using this data we have demonstrated a 6.3% reduction since last year and a 31.2% reduction from our 2017-2018 baseline.</p>
Total expenditure on energy use	£7,128,611	£7,128,611	£8,546,812	£4,348,855	Our expenditure relates to energy use at our Mansfield office, mine water treatment schemes and subsidence pumping stations. The amount of expenditure incurred from subsidence pumping stations is significantly lower than previous years.

Fugitive emissions	*** 2025-26	** 2025-26	2024-25	* 2017-18	
Refrigeration and Aircon (tCO ₂ e)	6	6	9	6	The system operated effectively following the leak detected and repaired in 2024-25.

Business related travel	*** 2025-26	** 2025-26	2024-25	* 2017-18	
km travelled	1,514,995	1,514,995	1,435,054	1,799,174	A return flight was taken by one colleague to attend an overseas conference.
Number of flights	2	2	4	73	
GHG emissions (tCO ₂ e)	316.34	193.96	184.69	305.90	
Intensity (tCO ₂ e/100,000km)	20.88	12.80	12.87	17.00	Due to enhancements in our data collection methodology, we have now included more granular levels of data from our operations and maintenance contractor with reporting in place for the types of vehicles driven. The inclusion of this data has resulted in a rise in our travel intensity figures.
Total expenditure on travel (domestic and international)	£683,026	£683,026	£536,652	£354,537	
% fleet vehicles that are ultra low emission or zero emission vehicles (hybrid or full electric)	100%	100%	97%	0%	We have taken further action to decarbonise our fleet. All fleet and pool vehicles are either low emission hybrids or fully electric.

Resources – water use	*** 2025-26	** 2025-26	2024-25	* 2017-18	
Water use (m ³) – Mansfield Office	1,148	1,148	1,069	1,910	We have used more water at our Mansfield Office as more people are routinely using the office.
Mine water sites	6,193	6,193	7,046	3,075 ¹	
Total expenditure on water	£9,822	£9,822	£77,351	£65,259	Water is also used in the chemical process on some of our mine water treatment schemes. We received a rebate of £35,000 during the year against previous years' expenditure, which was used to offset our bills this year.

¹ Estimated from average usage

Resources - paper use	*** 2025-26	** 2025-26	2024-25	* 2017-18	
Paper use (reams A4 equivalent)	225	225	470	718	Despite the increase in headcount, we have seen a reduction in paper usage compared to the previous year. We will continue to monitor paper use.

Waste	*** 2025-26	** 2025-26	2024-25	* 2017-18	
Total waste (tonnes)	27,846 ¹ (24,138 ²)	16,663 ¹ (12,955 ²)	30,871 ¹ (26,375) ²	1,417 ³	Since 2022-23, we have included waste from the Wheal Jane metal mine we manage for DEFRA into our annual reporting figures. We show the numbers without Wheal Jane in brackets for closer comparison with the 2017-18 baseline.
Mansfield office waste recycled (tonnes)	5.18	5.18	5.54	12.00	
Waste recycled (tonnes)	12,371.42	11,793.77	28,651.12	12.00	
Mansfield food waste (composted/anaerobic digestion) (tonnes)	0.005	0.005	0.076	Not recorded	Waste recycled is inclusive of Mansfield office waste.
Wheal Jane waste (tonnes)	3,707.70	3,707.70	3,483.42	Not recorded	The volume of recycled operational material has reduced this year due to us undertaking less reedbed refurbishment activity.
Mansfield office waste to landfill (tonnes)	0.00	0.00	0.06	6.90	
Waste to landfill (tonnes)	2,585.15	1,148.02	730.38	1,405.00	Our improved data sources in 2025-26 include waste data from our construction, borehole and maintenance work across the organisation which has not previously been reported, including incinerated waste.
Mansfield Office waste incinerated (energy from waste) (tonnes)	6.17	6.17	6.44	0.00	
Mansfield office hazardous waste (tonnes)	0.00	0.00	0.00	0.00	
Waste incinerated (without energy recovery) (tonnes)	1.43	0.00	0.00	0.00	During the coming year we will be further developing our data collection process to improve our waste data, enabling a complete view of all waste arising from organisation activities.

¹ Includes all mine water treatment scheme wastes including Wheal Jane

² Mine water treatment scheme wastes excluding Wheal Jane

³ Includes waste from active mine water treatment schemes (Dawdon and Ynysarwed) but excludes other mine water treatment and Wheal Jane wastes

Waste	*** 2025-26	** 2025-26	2024-25	* 2017-18	
ICT waste (tonnes)	0.23	0.23	0.43	0.00	We reuse, repurpose or recycle our ICT equipment. In 2025-26 we recycled 0.233t of ICT waste that could not be donated or repurposed.
% head office waste to landfill	0.00%	0.00%	0.48%	36.51%	We continue to reduce our office waste to landfill.
% waste to landfill ⁴	9.28%	6.89%	2.20%	99.20%	We have sent more of our mine water treatment scheme waste to landfill this year. As part of improving our waste reporting we have implemented a waste tracking system, which is enabling waste streams from our construction and public safety and subsidence work to be measured and reported.
Total expenditure on waste disposal	£8,810	£8,810	£8,147	£3,176	This relates to the cost of waste disposal from our Mansfield office.
No. Items Consumer Single-Use Plastics (CSUPs)	4,052	4,052	1,641	Not recorded	We have seen an increase in items purchased. The items listed are plastic pens, disposable cleaning wipes and drinks bottles, partially due to an increase in people using the office. We will continue to monitor the use of single-use plastics at our Mansfield office and work to reduce the number of plastic items purchased.

⁴ Excludes Wheal Jane, which is stored in a mining waste facility and stored ochre for reuse

This performance report has been approved by the chief executive and accounting officer.

Paul Frammingham

Chief Executive and Accounting Officer
9 July 2026

North Rhondda Tip, one of 24 coal tips in Wales managed by the Mining Remediation Authority.

ACCOUNTABILITY REPORT

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On 28 November 2024, the Coal Authority became known by a new operating name, the Mining Remediation Authority, to reflect its evolving role in managing the legacy of the UK mining industry. The Coal Authority remains the legal name of the organisation, until new legislation is made to confirm the change. References to the Mining Remediation Authority should be interpreted as the Coal Authority.

ACCOUNTABILITY REPORT

The accountability report meets key accountability requirements to Parliament. The requirements are based on the Companies Act 2006, as adapted for the public sector.

It encompasses the matters required to be dealt with in a directors' report and in the remuneration and staff report, as set out in chapter 6 of the Companies Act.

It covers information including directors' salaries and other payments, governance arrangements and the audit certificate and report. It is signed and dated by the accounting officer.

The accountability report consists of 3 main parts. These are the:

1. **Corporate governance report**, dealing with the Mining Remediation Authority's governance structures and how they support the achievement of the Mining Remediation Authority's objectives
2. **Remuneration and staff report**, containing information about senior managers' remuneration and other staff related disclosures required by the Companies Act and other governmental sources
3. **Parliamentary accountability and audit report**, comprising additional disclosures required by Parliament, and a view on such matters as regularity of expenditure, fees and charges and long term expenditure trends. It includes the audit certificate and report

CORPORATE GOVERNANCE REPORT

The corporate governance report consists of 3 main parts. These are the:

1. **Directors' report**, which covers a variety of statutory disclosures not outlined elsewhere in the annual report and accounts
2. **Statement of accounting officer's responsibilities**, which sets out clearly the responsibilities assumed with respect to the annual report and accounts by the nominated accounting officer, and the legislative basis for them
3. **Governance statement**, which explains the composition and organisation of the Mining Remediation Authority's board and governance structures and how they support the achievement of the Mining Remediation Authority's objectives

STATEMENT OF THE ACCOUNTING OFFICER'S RESPONSIBILITIES

Under paragraph 15(1)(b) of Schedule 1 to the Coal Industry Act 1994 the Secretary of State, with the consent of HM Treasury, has directed the Mining Remediation Authority to prepare for each financial year a statement of accounts 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 Mining Remediation Authority and of its income and 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 and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards, as set out in the government financial reporting manual, have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis; and
- confirm that the annual report and accounts as a whole is fair, balanced and understandable and take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable

The accounting officer for the Department for Energy Security and Net Zero has designated the chief executive as accounting officer of the Mining Remediation Authority. The responsibilities of an accounting officer, including 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 Mining Remediation Authority's assets, are set out in Managing Public Money published by the HM Treasury.

As the accounting officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Mining Remediation Authority'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.

DIRECTORS' REPORT

The Mining Remediation Authority presents its report and audited financial statements for the year ended 31 March 2026. The accounts have been prepared in a form directed by the Secretary of State with the consent of HM Treasury in accordance with paragraph 15(1)(b) of Schedule 1 of the Coal Industry Act 1994 ("the Act"). The accounting officer authorised these financial statements for issue on the date of certification by the Comptroller and Auditor General.

FUNCTIONS, DUTIES AND POWERS OF THE MINING REMEDIATION AUTHORITY

The powers and functions of the Mining Remediation Authority were initially set out in legislation by the Coal Industry Act 1994 and the Subsidence Act 1991 (as amended by the Coal Industry Act 1994). We assumed our functions on 31 October 1994. These functions are set out online [QR code 1] and relate to the coal industry and the management of interests inherited from the British Coal Corporation, licensing of coal mining operations, dealing with coal mining subsidence and providing information.



1.

About the Mining Remediation Authority

The 1994 Act has been further amended by subsequent legislation, including the Water Act 2003 and the Water Services (Scotland) Act 2005. This has extended the Mining Remediation Authority's powers to prevent or lessen the effect of the discharge of polluted water from a coal mine onto any land or into watercourses.

The Energy Act 2011 extended the Mining Remediation Authority's powers to use its expertise in other non-coal mining related contexts including action to protect water quality from the effects of polluted mine water discharge from abandoned mines, as required by the Water Framework Directives.

REVIEW OF OPERATIONS

The chief executive's report (page 14) gives a summary of our activities during the year and the future outlook.

FINANCE RISK MANAGEMENT

The governance statement sets out the governance structures that we've used to monitor and control risk and the board's approach to risk management. This, with the performance report, also identifies and discusses the significant risks and the mitigation in place. We've a strong system of financial control and active financial risk management. We've no borrowings and rely on grant in aid and other income to fund our cash requirements.

We therefore have minimal exposure to liquidity, credit and cash flow risk. All assets and liabilities are denominated in sterling and so there is no exposure to currency risk. We do not hold any assets that are directly impacted by interest rate movements nor do we engage in any hedge accounting.

We hold some items on the Statement of Financial Position that are discounted using rates specified by HM Treasury, specifically provisions. HM Treasury vary these discount rates from time to time, which will affect both the Statement of Financial Position and the Statement of Comprehensive Net Expenditure. In 2025-26 this was a decrease of £191 million (decrease of £59 million in 2024-25 and a decrease of £876 million in 2023-24). Please refer to note 12 (page 128) in the accounts.

FUTURE DEVELOPMENTS

Our future developments and objectives have been discussed in other areas of the annual report, including the chief executive's report and the strategic risks section of the performance report.

RESEARCH AND DEVELOPMENT ACTIVITIES

We undertake a range of research and development activities to improve the efficiency of our operations and in particular reduce the long term net cost of treating mine water. This includes finding uses for our by-products (for instance iron ochre) and promoting the use of mine water flowing through abandoned mine workings as a source of geothermal heat and low carbon energy.

Updates on these initiatives are outlined within the performance report.

EVENTS AFTER THE REPORTING PERIOD

We have disclosed two events after the reporting period, the detail of which is given in note 18 (page 139).

The first regards our change in Chief Executive and Accounting Officer from 7th April 2026, also detailed within the Board of Directors section (page 68).

The second is the identification of a ground movement on 18th May 2026, which is currently under investigation. The associated costs could be significant if the incident is determined to be attributable to coal mining subsidence. As at the date of approval of these financial statements, the cause of the incident has not been established.

BRANCHES OUTSIDE THE UK

We've no branches outside the UK.

DONATIONS

We made no political or charitable donations during the year.

EMPLOYEE INVOLVEMENT

We're committed to engaging with colleagues across the business as outlined in our people report (page 44).

EMPLOYMENT

We're committed to equal opportunities and have a strong focus on diversity and inclusion. Decisions to appoint, reward, train, develop and promote are taken on the basis of skills and abilities, assessed against the requirements of the role.

We continue our work to attract, develop and retain a more diverse workforce. We are making progress and recognise there is more to do. We will keep delivering against our everyday inclusion plan to create a great place to work for everyone.

We seek to attract and retain high-calibre employees. Training and development opportunities are given a high priority so that all staff can contribute fully and take ownership of their career development.

PENSIONS AND OTHER POST RETIREMENT BENEFITS

Former and current employees who have chosen to join are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which is an unfunded multi-employer defined benefit scheme. The accounting policy is given in note 1 (page 107) to the accounts and further information about the scheme is provided in the remuneration and staff report.

PERSONAL DATA

There were no Information Commissioner's Office (ICO) reportable data breaches during the year. The governance statement on page 70 provides further details of our information risk management activities.

LONG TERM EXPENDITURE TRENDS

Long term expenditure trends are reviewed by the directors as part of the annual review of provisions. Please see note 12 (page 128) to the accounts.

AUDITORS

The Comptroller and Auditor General was appointed under the Coal Industry Act 1994 and reports to Parliament on the audit examination. The audit fee was £116,000. No remuneration was paid to our auditors for non-audit work and no other services were provided.

ACCESS TO INFORMATION AND COMPLAINTS

As a public body, we've a duty to answer requests under the Freedom of Information Act 2000 (FOIA) and the Environmental Information Regulations 2004 (EIR). We received 98 requests (FOIA, EIR and Subject Access Requests) during the year. All requests have been answered within the statutory deadline or agreed extensions.

5 requests have gone to appeal and in each case a Mining Remediation Authority official, independent from the original process, upheld the Mining Remediation Authority's initial decision.

We received 17 letters from Members of Parliament, 5 from Members of the Scottish Parliament and 3 from Welsh Senedd Members and responded fully to each in a timely manner in line with our customer service standards.

We received 30 complaints from members of the public and other customers. No complaints were referred to the ombudsman. All complaints were dealt with under our complaints procedure and resolved within the organisation. Our complaints procedure can be found on our website.



1.

Complaints procedure

BOARD OF DIRECTORS

BOARD AND THEIR INTERESTS

No board member of the Mining Remediation Authority has any financial interest in the Mining Remediation Authority. A register of interests is maintained, which is open to the public to view at our offices in Mansfield or can be accessed online at our publication scheme.

1.



Register of board members' interests

<https://www.gov.uk/government/publications/mining-remediation-authority-register-of-board-members-interests>

There were no related party transactions in respect of board members in 2025-26.

**Lisa Pinney MBE**

chief executive (until 6 April 2026)

- appointed as chief executive from 1 June 2018
- appointed as board director from 1 June 2018 to 31 March 2020
- reappointed every 3 years to 30 June 2026

**Paul Frammingham**

chief finance and information officer

- appointed as board director from 1 April 2011 to 31 March 2014
- reappointed every 3 years to 31 March 2029
- appointed as interim chief executive from 7 April 2026

**Carl Banton**

operations director

- appointed as board director from 22 March 2021 to 31 March 2023
- reappointed every 3 years to 31 March 2029



Jeff Halliwell
chair

- appointed as chair from 1 April 2021 to 31 March 2024
- reappointed to 31 March 2027
- reappointed to 31 March 2030



Jayne Scott
non-executive director

- appointed as board director from 1 April 2019 to 31 March 2022
- reappointed to 31 March 2025
- reappointed to 31 March 2028



David Brooks
non-executive director

- appointed as board director from 1 April 2022 to 31 March 2025
- reappointed to 31 March 2028



Bev Smith
non-executive director

- appointed as board director from 1 April 2023 to 31 March 2026
- reappointed to 31 March 2029



Kate Denham
non-executive director

- appointed as board director from 1 April 2024 to 31 March 2027
- reappointed to 31 March 2032

GOVERNANCE STATEMENT

Our governance statement explains the governance, risk management and control arrangements we have in place to ensure achievement of the Mining Remediation Authority's objectives. It explains how we ensure that these remain effective as the Mining Remediation Authority evolves so that we can continue to make a better future for people and the environment in mining areas.

This governance statement has been approved by Paul Frammingham, interim chief executive and accounting officer, following review and appropriate assurance received from Lisa Pinney, chief executive and accounting officer during the reporting period.

Overall we consider our governance, risk management and control arrangements are robust and fit for purpose, whilst recognising the ongoing need to review and to evolve our control environment to ensure it stays proportionate and effective as the external environment and our organisation continue to change.





Stuart Bellwood, project manager in our innovation by-product and services delivery team, demonstrating to colleagues how quickly sediment falls to the bottom during that stage of treatment. Bates mine water treatment scheme, Blyth.

THE MINING REMEDIATION AUTHORITY'S GOVERNANCE FRAMEWORK

We're committed to high standards of corporate governance. We work within a framework document that is reviewed and agreed periodically with the Department for Energy Security and Net Zero. The latest version of this can be found here [QR code 1]. It sets out the purpose of the Mining Remediation Authority, the core elements of our relationship with our sponsoring body and the framework within which we operate.



1.
Framework document

The Mining Remediation Authority has an established governance framework supported by an appropriate organisational culture, and this is summarised in the diagram on the previous page and further explained through the statement.

1. THE BOARD AND ITS COMMITTEES

1.1 Board of directors

The Mining Remediation Authority has an established governance framework supported by a board of directors. The board sets and communicates strategic intent and direction, makes strategic decisions that cannot be delegated and monitors and challenges corporate business performance.

Non-executive directors are recruited and appointed to the board by the Secretary of State for the Department for Energy Security and Net Zero. Statutory executive directors are recruited to their posts by the board and appointed to the board by the Secretary of State for the Department for Energy Security and Net Zero.

Membership and attendance of the board and its committees are shown in the table below

			NUMBER OF MEETINGS (HELD) AND ATTENDED					
			Board (7)	ARAC* (4)	People and Remuneration (4)	HSW** (4)	Environment and Sustainability (3)	SMWPAC*** (3)
Non-Executive Directors	Jeff Halliwell	Chair of Board	6	N/A	3	2	1	3
	Jayne Scott	Chair of Audit Committee	5	4	-	-	2	N/A
	Bev Smith	Chair of HSW and SMWPA Committees	7	4	3	4	-	3
	David Brooks	Chair of People and Remuneration Committee	6	-	4	4	2	-
	Kate Denham	Chair of Environment and Sustainability Committee	7	4	-	4	3	-
Executive Directors	Lisa Pinney	Chief Executive	7	3	3	4	1	3
	Paul Frammingham	Chief Finance and Information Officer	7	3	1	-	-	2
	Carl Banton	Operations Director	7	-	-	4	3	2

Bold font indicates membership of this committee in 2025-26. Other directors may attend this committee by invitation.

* Audit and risk assurance committee

** Health, safety and wellbeing committee

*** Saline mine water programme assurance committee

During 2025-26 we held 3 board meetings which included site visits, one each in England, Wales and Scotland. Other board and committee meetings are held in person or by use of videoconferencing to obtain the benefits of a hybrid approach.

The innovation and services director, people and engagement director, environment director, programme and contract assurance director and programme director salinity attended the board by invitation. Other senior managers attend the board or committees to present papers, join strategic discussions and support their learning and development.

During 2025-26 the Mining Remediation Authority had 8 statutory directors (5 non-executive and 3 statutory executive).

In 2025-26 the Mining Remediation Authority also supported the Boardroom Apprenticeship Programme, with an apprentice joining the board on a unique learning, development and placement programme. The programme seeks to enable a wider diversity of individuals to play their part in our boardrooms.

1.2 BOARD PERFORMANCE

Compliance with the corporate governance code

We comply with the corporate governance code in central government departments and government guidance in so far as is relevant and practical for an arm's length body of our size and complexity. In line with our framework document:

- the board monitors the Mining Remediation Authority's performance in an effective manner including playing an active role in managing stakeholder relationships
- the board constructively challenges and helps to develop strategy, supported by the effective leadership of the chair who oversees a high standard of discussion and debate at meetings
- the board receives accurate, timely and clear information to support its decision making which is concise and fit for purpose. This includes frequent updates on the Mining Remediation Authority's financial position, and a corporate scorecard showing achievement against corporate objectives
- the board ensures that a balanced and reasonable assessment of performance is reported to the Department for Energy Security and Net Zero and regularly debates the main risks facing the Mining Remediation Authority. Through its audit and risk assurance committee the board maintains sound risk management and internal control systems
- the board annually reviews the Mining Remediation Authority's corporate governance documentation and the terms of reference for the board's sub-committees
- the board has an appropriate balance of skills and experience to enable it to discharge its responsibilities effectively
- the people and remuneration committee agrees executive remuneration within the guidelines set by HM Treasury and the Department for Energy Security and Net Zero. Non-executive remuneration is set by the Department for Energy Security and Net Zero and reviewed annually

Board performance and effectiveness review

The board undertakes regular evaluation of its own performance and that of its directors. All board members' performance is appraised annually.

The last externally facilitated board effectiveness review was undertaken in 2024 and confirmed strong overall performance, while identifying a small number of areas for continued development. The board has taken forward the learning from this review, supported by targeted actions to strengthen ways of working and the focus of board and committee activity.

Our 2025 internal board effectiveness review provided assurance to the accounting officer and the board that governance arrangements remain fit for purpose and aligned with Managing Public Money, ministers' strategic aims and stakeholder expectations. It confirmed continued strong performance and evidenced progress in embedding the continuous improvement areas identified in 2024. The review also highlighted an increased focus on sustaining capacity, strengthening strategic and early-stage shaping discussion, and maximising the value of committees, deep dives and site visits. Actions arising are reflected in forward planning and board objectives, with progress monitored through 2026-27 to support effective oversight in a challenging and fast-moving operating context. The board undertakes regular strategy and development sessions outside of formal board meetings to reflect on key aspects of its work, and board members undertake site visits both individually and collectively.

The board reviewed its collective objectives during 2025-26, agreed new objectives for 2026-27, and considers that it has substantively achieved its objectives and continued to operate effectively during 2025-26.

1.3 BOARD COMMITTEES

Audit and risk assurance committee (ARAC)

The ARAC comprises 3 non-executive director members. During 2025-26 the committee was chaired by Jayne Scott, non-executive director, who has recent, relevant financial experience, with the chief finance and information officer as the nominated executive lead.

Standing attendees are the chief executive as accounting officer, the chief finance and information officer, the head of finance and the head of business planning, risk and governance. Internal and external auditors are usually invited to attend all meetings of the committee. Other senior managers attended the committee to present papers and join discussions.

The committee ensures that we operate effective and integrated risk management and control systems to ensure the overall level of assurance is adequate. It reviews external audit strategy and outcomes, recommends the approval of the annual report

and accounts, and oversees the internal audit function provided by the Government Internal Audit Agency (GIAA).

During the year the committee held a light touch effectiveness review which confirmed that the committee continues to meet or exceed essential and best practice standards in line with the last formal review held in 2024-25, and with no further actions required. Regular review of effectiveness will continue per the committee terms of reference.

The committee met 4 times during the year.

During the year the committee has:

- continued to focus on financial reporting risk and reviewed our accounting policies, including review of significant judgements made in preparing the accounts and assumptions underlying our provisions balance
- received regular updates on the risk management and assurance framework, fraud prevention strategy and the Mining Remediation Authority's work to manage cyber risk
- provided an annual report to the board on the organisation's overall systems of risk management and control
- reviewed internal audit reviews undertaken by GIAA of our approach to:
 - risk management
 - workforce planning
 - inland salinity programme
 - climate change
 - contract management
 - data and information
 - financial planning and budgetary control

The internal audit opinion for 2025-26 offered management a 'moderate' level of assurance over the adequacy and effectiveness of the framework of governance, risk management and internal controls of the organisation. The GIAA report noted that whilst the headline opinion remains the same as last year, their engagement, analysis of findings and recommendations demonstrated that the Mining Remediation Authority has continued to develop and embed a maturing governance framework and an effective risk management and control environment, and highlighted a positive trend within the 'moderate' opinion bracket, through an increased number of 'substantial' opinion across the reviews undertaken in year. The report detailed that good practice was observed in multi-tiered governance, risk escalation, strategic planning, and the use of management information to support decision-making. It also provided recommendations to enhance controls in specific areas which are being adopted as appropriate as a part of ongoing governance and control improvements. External audit activity for 2025/26 has further informed internal audit assurance of internal controls through independent validation of the effectiveness of key financial and governance controls.

The people and remuneration committee

The people and remuneration committee comprises 3 non-executive director members. During 2025-26 the committee was chaired by David Brooks with the people and engagement director as the nominated executive lead.

The people and remuneration committee supports the Mining Remediation Authority to improve organisational capability to meet future business requirements. The committee carried out an effectiveness survey and review in December 2025 and agreed that the committee continues to perform well with strong engagement and satisfaction. Recommendations for continuous improvement from the review to be taken forward in the year ahead focused on strengthening strategic oversight, horizon scanning and enhancing diversity within the committee, while maintaining existing effective assurance and strong colleague voice.

The committee met 4 times during the year.

During the year the committee has considered:

- PDR distribution for 2025-26 to ensure the equitable distribution of performance related pay
- the pay remit principles prior to submission to government
- pay gap reporting
- regular updates from the staff engagement group
- workforce and succession planning
- people related management information and analytics for areas such as absence, employee retention, recruitment and EDI
- the organisation's approach to recruitment, development and talent pipelines
- progress against the great place to work theme within our business plan

Health, safety and wellbeing (HSW) committee

The HSW committee comprises 3 non-executive director members. During 2025-26 the committee was chaired by Bev Smith with the people and engagement director as the nominated executive lead.

The committee's main responsibilities are to provide oversight of the Mining Remediation Authority's health, safety and wellbeing plan, ensure a positive health and safety culture is embedded throughout the organisation and advise the board on HSW matters to support the business plan. The HSW committee reviews detailed information on health, safety, and wellbeing performance to gain assurance on how the organisation is performing and to set the priorities.

The committee held its annual effectiveness review in March 2026, and agreed that the committee continues to effectively deliver its terms of reference.

The committee met 4 times during the year.

During the year the committee has considered:

- the annual management review which provides assurance on the suitability, adequacy and effectiveness of the HSW management system
- progress against the health, safety and wellbeing plan 2025-28, with agreed priorities for continued improvement
- health, safety and wellbeing culture and behaviours across the MRA
- health, safety and wellbeing risks, including associated controls and sources of assurance
- learning from operational case studies on chemical processing, managing HSW during incidents and dynamic risk assessment

Environment and sustainability (E&S) committee

The E&S committee comprises 3 non-executive director members. During 2025-26 the committee was chaired by Kate Denham with the environment director as the nominated executive lead until December 2025 and the innovation and services director for the remainder of the year as part of an executive leadership team restructure.

The committee's main responsibilities are to provide oversight of the Mining Remediation Authority's sustainability plan, and advise the board on environment and sustainability matters to support the business plan. The E&S committee reviews detailed information on environmental and sustainability performance to gain assurance on how the organisation is performing and to set the priorities.

The committee met 3 times during the year.

During the year the committee has considered:

- progress against the organisation's sustainability plan
- deep dives on decarbonisation and renewable energy, circular economy, nature recovery and empowering sustainable change
- development of our climate change adaptation plan and sustainability plan
- undertook a deep dive into social value

Saline mine water programme assurance committee (SMWPAC)

The SMWPAC committee comprises 1 non-executive director, the chief executive, chief finance and information officer, operations director, salinity programme director and head of salinity programme. During 2025-26 the committee was chaired by Bev Smith with the salinity programme director as the nominated executive lead.

The committee's main responsibilities are to review and provide challenge to the overall delivery strategy for the programme to ensure it meets strategic requirements, manage the Mining Remediation Authority's risk exposure to an appropriate level and take account of learnings from industry best practice.

The SMWPAC committee reviews detailed information on the saline mine water programme to gain assurance on programme delivery.

The committee met 4 times during the year.

During the year the committee has considered:

- progress against key programme milestones
- the programme's governance and approval processes
- the programme's financial position
- mitigation of key programme risk and issues

2. PERFORMANCE MANAGEMENT - EXECUTIVE LEADERSHIP TEAM

The executive leadership team (ELT) comprised the chief executive, the chief finance and information officer, the operations director, the environment director, the people and engagement director, the innovation and services director, the programme and contract assurance director and the salinity programme director. Each of these report directly to the chief executive.

Each director is responsible for the leadership and delivery of their directorate and is also collectively responsible for leadership and delivery across the organisation.

During 2025-26 ELT meetings were also attended by the assistant digital and information director and a further head of department who attended meetings as a development opportunity on a 6 monthly basis.

Fortnightly business meetings have a formalised rolling agenda which considers all aspects of the organisation's work. The meeting also considers the chief executive's monthly update report which provides a high level oversight of how the business is performing as a whole and normally includes:

- a review of organisational performance
- a financial summary report
- a review of movements against the Mining Remediation Authority's corporate risk
- information on our people and the health, safety and wellbeing of our people, suppliers and the public
- updates from programme boards and other key organisational areas (quarterly)

ELT also holds monthly strategy meetings which generally consider more strategic and longer-term items which require more in depth discussion, steer and shape.

3. FINANCIAL CONTROL

The Mining Remediation Authority has a strong system of financial control based on well-defined levels of delegated authority and a clear budgetary framework. This system has remained effective with no significant control issues noted by internal or external audit during the year.

Matters reserved for the board are clearly set out in the framework of strategic control with further detailed guidance in respect of policies, procedures and delegated authority levels published and available to staff.

The investment and opportunities board is an important part of our financial controls

framework and has delegated authority from the chief executive to approve capital expenditure, key programmes, projects and commercial opportunities provided they are:

- in line with the Mining Remediation Authority's strategy as set out in its 3-year business plan agreed by the board
- within the board's risk appetite
- not a matter reserved to a government department
- in line with other government guidance relevant to the Mining Remediation Authority

Once programmes and projects have been approved by the investment and opportunities board they are overseen by relevant programme boards with the investment and opportunities board receiving regular updates and providing further oversight as required.

During 2025-26 we decided to combine our investment and opportunities board with other aspects of business planning, prioritisation and strategic resource management to form a portfolio board to support decision making with increased organisational oversight. The portfolio board commenced from January 2026 and its full remit continues to be developed in line with our continuous improvement of portfolio, programme and project management.

As part of our financial control framework we undertake an annual detailed review of our provisions for liability arising from past coal mining. Our business teams validate key assumptions and revise estimates that feed into this balance based on latest information.

This is followed by comprehensive review and challenge by our finance team and members of the ELT and analysis of drivers behind our provisions balance and key movements are presented to the audit and risk assurance committee. Outputs from the provisions model feed into our annual financial statements (see note 12 to the accounts on page 128) as well as providing a framework for our detailed budget setting and medium term business planning.

4. RISK MANAGEMENT

4.1 Embedded risk management and culture

We have focused on continual improvement of our risk management and assurance processes to promote real time reporting and good quality conversations across all levels of the organisation. Risk management is live and embedded within a culture that encourages real-time discussion and ownership of risks. This is evidenced by:

- clear alignment of our strategic risks to our business plan
- board horizon scanning sessions
- regular full review of our risk appetite statement by our board, with continued explicit incorporation of risk appetite into our discussions and decision making through the investment and opportunities board framework
- regular and ongoing audit and risk assurance committee (ARAC) support, scrutiny and challenge including a deep dive review of our '3 lines of assurance'

- processes that ensure, in line with our framework of strategic control, any issue or project that falls outside the board's risk appetite is formally considered by the board for decision
- monthly risk reviews at a directorate level including horizon scanning and deep dives across directorate and department level risks
- a revised and improved annual risk review process for strategic and directorate level risks
- a risk register that is live, regularly updated and subject to quarterly management sign off, and periodic ARAC, ELT and business team review of risk management and assurance framework (RMAF), based on the Orange Book and current best practice
- the introduction of mandatory risk management awareness training for all colleagues and new starters
- a positive internal audit review of the effectiveness of our risk management arrangements
- a deep dive review by our audit and risk assurance committee of how to make our risk management arrangements even more effective
- ongoing networking and benchmarking with other Department for Energy Security and Net Zero partner organisations.

4.2 Information assurance and cyber security

The Mining Remediation Authority does not hold top secret or secret information and therefore presents a relatively low inherent information risk to government. The senior information risk owner (the chief finance and information officer) is a board member and is accountable for ensuring proportionate controls are in place to manage information risk in line with the board's risk appetite.

The National Cyber Security Centre (NCSC) threat level remains at heightened, reflecting the wider global risk landscape. In response, we maintain a strong focus on cyber resilience through a combination of a cyber-aware culture and robust technical controls, applying a defence in depth approach. During the year we continued to strengthen colleague awareness and individual responsibilities through training, simulated phishing exercises and targeted internal communications. Our layered technical security controls continue to be effective in detecting and containing threats.

We have an appropriate risk assessment, information risk management and data protection policy and an information asset register. We proactively monitor the threat landscape and promote awareness of threats to our supply chain.

We're not aware of any significant security or policy breaches, nor any loss of personal or protected information during the year.

4.3 Risk assessment

Aligned to our 3-year business plan we have identified the key threats and opportunities which could potentially impact achieving our objectives and regularly discuss mitigation at an executive leadership team and board level. Further explanation of the risks and control measures is provided in the strategic risks section of the performance report.

We do not attempt to eliminate risk but pursue opportunities to make a better future for people and the environment by ensuring risk is considered and managed. Explicit reference to risk appetite allows us to adopt a common language across the Mining Remediation Authority and provides a framework for managers to confidently make risk-based decisions.

5. OTHER CONSIDERATIONS

5.1 Alexander tax review

The Mining Remediation Authority has complied with the Alexander tax review off-payroll procedures as per HM Treasury requirements to ensure any off-payroll staff are paying the appropriate income tax and national insurance.

5.2 MacPherson review (2013) of quality assurance

The Mining Remediation Authority does not currently operate any business-critical analytical models as defined in the MacPherson review (2013).

5.3 Counter fraud (including anti-bribery, anti-corruption) and whistleblowing

We're committed to creating a transparent environment and have a robust policy framework including clear policies for counter-fraud (incorporating bribery and corruption) and whistleblowing. Each policy provides guidance to staff and is part of the induction process. These policies are reviewed on an annual basis for relevance and clarity, before being briefed to staff and published on our intranet.

Assessment of activity and feedback confirms that policies are well understood, effective and easy to use. The board is particularly committed to ensuring that staff feel empowered, supported and protected should they need to raise any areas of concern.

5.4 Preventing modern slavery

We have updated our modern slavery statement and approach in relation to supporting the requirements of the Modern Slavery Act 2015.



1.

Modern slavery statement

5.5 Sustainability reporting

Alongside our sustainability reporting (see page 54), sustainability and climate change issues and considerations are monitored and challenged at our environment and sustainability committee, providing assurance and updates to the board.

6. PARTNER BODY REVIEW

Our last partner body review was undertaken during 2023-24. The Mining Remediation Authority (then the Coal Authority) was subject to a stage 1 Cabinet Office arm's length body review, which concluded that:

The Coal Authority provided comprehensive evidence to support the review and engaged fully in the process. This allowed for a robust assessment and to gain maximum possible value from the review. **The overall recommendation is not to proceed to full-scale review.** Throughout the review, there was consistent evidence which demonstrated that the Coal Authority has **effective leadership and mechanisms in place to enable it to run well.**

The review report was published in November 2024 and made a small number of recommendations which can be found here [QR code 2]. All recommendations were accepted and fully implemented within agreed timescales. All responses have been accepted by our sponsor department.



2.

Arm's length body review report

7. ROBUST AND CONTINUALLY IMPROVING CONTROL ENVIRONMENT

As outlined in the performance report, our organisation is continuing to develop as we manage larger and more complex programmes of work to keep people safe, provide peace of mind and protect and enhance the environment. Our 2025-28 business plan is ambitious and through our next business plan period we will continue to evolve our organisation, further enhancing our governance and efficiency to make a better future for people and the environment in mining areas as we head towards our 10-year vision.

We are aware that in order to support this we need to continue to further develop our governance and controls. Our governance steering group oversees ongoing improvements of our governance and control environment, bringing together key individuals from across the organisation and fostering our culture of continuous improvement.

During 2025-26 we have continued to promote an even stronger risk management culture, reviewed our internal delegated authority limits reflecting the changing organisational size and complexity, and begun work to analyse the needs of the organisation in terms of robust and integrated core business systems (finance, HR and procurement). We have also continued to further improve our counter fraud awareness and executed our action plan, whilst maintaining focus on further strengthening of our cyber security controls.

We continue to ensure best practice across our functional areas of work in line with government functional standards, with assurance reviews and action plans in place to address any remaining areas for ongoing improvement. Throughout the year, we have carried out regular internal review across all aspects of our assurance arrangements at a directorate level, as well as ensuring 3 lines of defence assurance across our strategic risks.

Ongoing work also includes the further professionalisation of portfolio, programme and project management and a continued strengthening of our contract assurance capability.

We recognise it is important to ensure that we are not complacent, and we continue to review and evolve our control environment to ensure that it stays proportionate and effective as the external environment and our organisation continue to change.

8. EFFECTIVENESS OF CONTROL ENVIRONMENT

The system of governance, risk management and control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control has been in place in the Mining Remediation Authority for the year ended 31 March 2026 and as illustrated, up to the date of approval of the annual report and accounts, in accordance with HM Treasury guidance.

Based on all of the elements of the Mining Remediation Authority governance framework illustrated in the diagram on page 70, I am satisfied that the Mining Remediation Authority's governance, risk management and internal control arrangements are proportionate, fit for purpose and working as intended.

REMUNERATION AND STAFF REPORT

This report has been prepared in accordance with the government's financial reporting manual. The report is made by the accounting officer on behalf of the board on the recommendations of the people and remuneration committee.

As part of the accountability report, the remuneration and staff report details key information relating to salaries and other payments, and any exit payments or other significant awards to current or former senior managers. It also contains certain policies on pay, wider issues and statutory disclosure relating to such issues as fair pay and off-payroll engagements.

The following tables and sections within this report are subject to audit:

- non-executive directors' remuneration
- executive directors' remuneration
- executive directors' pension entitlements
- average numbers of persons employed (totals only)
- staff and related costs
- staff composition (overall total but not gender splits)
- reporting of civil service and other compensation schemes
- pay multiples

THE PEOPLE AND REMUNERATION COMMITTEE

As explained in the governance statement, the Mining Remediation Authority has an established people and remuneration committee. This determines and keeps under review the pay and reward strategy for all staff of the Mining Remediation Authority and reviews the principles of the pay remit for submission to the Secretary of State for the Department for Energy Security and Net Zero. The committee's terms of reference prescribe that the chief executive shall not be present when their remuneration and conditions of employment are being considered.

REMUNERATION POLICY FOR THE EXECUTIVE DIRECTORS

The people and remuneration committee reviews and makes recommendations about the remuneration of the executive directors including the chief executive. All executive pay is agreed within the framework of the senior civil servant pay remit guidance set by Cabinet Office.

THE TRADE UNION (FACILITY TIME PUBLICATION REQUIREMENTS)

Under the above regulations the Mining Remediation Authority is required to provide details of trade union time. For 2025-26, there is no activity to report.

STAFF TURNOVER

Staff turnover remains stable with 38 employees leaving the organisation during the year, a percentage of 8.4% (2024-25: 9.9%).

STAFF SICKNESS ABSENCE

Overall average working days lost per staff year was 5.1 days, broadly in line with 2024-25 at 5.3 days. Colleagues who have extended periods of absence are supported in their return to work through occupational health assessments and the use of our employee assistance programme.

PERFORMANCE DEVELOPMENT REVIEWS (PDR)

The executive directors participate in our PDR process. Individual assessments are made by the chief executive and reviewed by the chair and the people and remuneration committee. The chief executive's assessment is made by the chair and reviewed by the people and remuneration committee. Appraisal of individual colleague performance is based on the achievement of defined objectives and behaviors assessed against 4 performance scores.

PERFORMANCE RELATED PAY (PRP)

Performance related pay is non-pensionable and is subject to obtaining annual approval via the pay remit process from the Department for Energy Security and Net Zero. The pay remit for 2025-26 was approved by the Department for Energy Security and Net Zero in September 2025.

Performance related pay is earned based on a corporate award so that it reflects both corporate and individual performance against objectives. Corporate performance for 2025-26 has been assessed by the board at 100% and performance related pay has been awarded accordingly.

EXECUTIVE DIRECTORS' CONTRACTS

It's our policy that executive directors should have employment contracts with an indefinite term, requiring a notice period of 6 months from the Mining Remediation Authority to a director. The notice period to be given by a director to the Mining Remediation Authority is: by the chief executive, 6 months, and by the remaining executive directors, 3 months.

The details of the executive directors' employment contracts are shown below:

	DATE OF CONTINUOUS SERVICE
Lisa Pinney MBE	1 June 2018 (to 30 June 2026)
Paul Frammingham	6 May 2008
Carl Banton	5 January 2004

NON-EXECUTIVE DIRECTORS' REMUNERATION (SUBJECT TO AUDIT)

Non-executive directors have been appointed by the Department for Energy Security and Net Zero in line with the code of practice issued by the commissioner for public appointments. Their terms of engagement and remuneration are determined by the Department for Energy Security and Net Zero. They are not eligible to participate in the pension schemes or to receive PRP.

The fees paid to the non-executive directors are shown below::

	CONTRACT END DATE	2025-26 £	2024-25 £
Jeff Halliwell	31 March 2030	27,050	27,050
Jayne Scott	31 March 2028	11,666	11,666
David Brooks	31 March 2028	11,666	11,666
Bev Smith	31 March 2029	11,666	11,666
Kate Denham	31 March 2032	11,666	11,666

EXECUTIVE DIRECTORS' REMUNERATION (SUBJECT TO AUDIT)

	SALARY £000		ALLOWANCE £000		PRP £000		PENSION BENEFITS £000		TOTAL £000	
	2025 -26	2024 -25	2025 -26	2024 -25	2025 -26	2024 -25	2025 -26	2024 -25	2025 -26	2024 -25
Lisa Pinney MBE	150-155	145-150	-	-	20-25	15-20	60	59	235-240	225-230
Paul Frammingham	110-115	110-115	5-10	5-10	15-20	10-15	45	43	180-185	170-175
Carl Banton	90-95	90-95	5-10	5-10	10-15	5-10	(13)	70	100-105	175-180

Executive directors' remuneration includes salary, non-consolidated performance related pay earned in the year under the performance development review process (non-contractual), certain allowances and the value of pension benefits accrued during the year.

Allowances include a car allowance in both years for Paul Frammingham, and a responsibility allowance in both years for Carl Banton.

Performance related pay is based on performance levels attained and is made as part of the performance review process. Performance related pay relates to the performance in the year in which it becomes payable to the individual.

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

We also participate in an HMRC approved cycle to work scheme. Paul Frammingham participated in this scheme during 2025-26 only. Carl Banton participated in this scheme during both 2024-25 and 2025-26.

No executive directors received any benefits in kind during 2024-25 or 2025-26.

EXECUTIVE DIRECTORS' PENSION ENTITLEMENTS (SUBJECT TO AUDIT)

	ACCRUED PENSION AT PENSION AGE AT 31 MARCH 2026 AND RELATED LUMP SUM £000	REAL INCREASE IN PENSION AND RELATED LUMP SUM AT PENSION AGE £000	CETV AT 31 MARCH 2026 £000	CETV AT 31 MARCH 2025 £000	REAL INCREASE IN CETV £000
Lisa Pinney MBE	30-35	2.5-5	418	357	38
Paul Frammingham	45-50	2.5-5	781	722	31
Carl Banton	40-45	0	839	846	(25)

CIVIL SERVICE PENSIONS

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), which is divided into a few different sections – **classic**, **premium**, and **classic plus** provide benefits on a final salary basis, whilst **nuvos** provides benefits on a career average basis. 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. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The PCSPS and **alpha** are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year.

Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the partnership pension account.

In **alpha**, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to **alpha** from the PCSPS had 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 accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal 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 in this report show pension earned in PCSPS or **alpha** – as appropriate. Where a member has benefits in both the PCSPS and **alpha**, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to **alpha**. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members.

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The public service pensions remedy is made up of 2 parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of **alpha** from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023. This is known as “rollback”.

For members who are in scope of the public service pension remedy, the calculation of their benefits for the purpose of calculating their Cash Equivalent Transfer Value and their single total figure of remuneration, as of 31 March 2025 and 31 March 2026, reflects the fact that membership between 1 April 2015 and 31 March 2022 has been rolled back into the PCSPS. Although members will in due course get an option to decide whether that period should count towards PCSPS or **alpha** benefits, the figures show the rolled back position i.e., PCSPS benefits for that period.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk [QR Code 1].

For 2025-26, employers' contributions of £5,901,000 were payable to the PCSPS (2024-25: £5,146,000) at a rate of 28.97% of pensionable pay. The Scheme Actuary reviews employer contributions every 4 years following a full scheme valuation. The salary bands and contribution rates were revised for 2024-25 and will remain unchanged until 2028-29. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employer contributions of £71,920 (2024-25: £65,657) were paid in respect of 16 (2024-25: 18) employees who switched from Alpha to the partnership scheme.

1.



Civil Service
Pension arrangements

CASH EQUIVALENT TRANSFER VALUE

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time.

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

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

REAL INCREASE IN CETV

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

No persons (2024-25: 2 persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £nil (2024-25: £12,000).

The following table shows the average number of persons employed by the Mining Remediation Authority throughout 2025-26. It reflects continued growth in the Mining Remediation Authority's operational programmes and externally funded work.

AVERAGE NUMBER OF PERSONS EMPLOYED (SUBJECT TO AUDIT)

	2025-26			2024-25 (RESTATED)		
	STAFF	OTHER	TOTAL	STAFF	OTHER	TOTAL
Staff numbers	439	13	452	398	9	407

3.6 full time equivalent persons were charged to capital projects during 2025-26 (2024-25: 9.0).

STAFF AND RELATED COSTS (SUBJECT TO AUDIT)

	2025-26			2024-25		
	STAFF £000	OTHER £000	TOTAL £000	STAFF £000	OTHER £000	TOTAL £000
STAFF COSTS COMPRISE:						
Wages and salaries	22,577	-	22,577	19,485	-	19,485
Social security costs	3,113	-	3,113	2,220	-	2,220
Other pension costs	5,972	-	5,972	5,200	-	5,200
Agency staff costs	-	1,360	1,360	-	1,286	1,286
Total staff costs	31,662	1,360	33,022	26,905	1,286	28,191

STAFF COMPOSITION (OVERALL TOTAL SUBJECT TO AUDIT, NOT THE GENDER SPLIT)

The following table shows the composition of the Mining Remediation Authority's workforce as at 31 March 2026.

	NON-EXECUTIVE DIRECTORS	EXECUTIVE LEADERSHIP TEAM	Senior Managers	Staff	Total
Male	2	5	13	250	270
Female	3	3	15	209	230
Total	5	8	28	459	500

DISABILITY, DIVERSITY AND INCLUSION

We are an inclusive employer and welcome applications from everyone with the right skills to help us create a better future for people and the environment in mining areas.

We offer a guaranteed interview scheme for applicants who identify as having a disability or are from under-represented ethnically diverse groups. We continually work to promote inclusion and remove bias from our recruitment practices.

We embrace diversity and proactively implement inclusive measures to support both applicants and colleagues in achieving success within our organisation. We promote a variety of flexible working options, including part-time roles and compressed work schedules.

We have delivered against the actions outlined in our equality, diversity and inclusion plan (2021- 24) and our anti-racism plan (2022-25) improving the diversity of our workforce. Our 2025-28 everyday inclusion plan, which includes our anti-racism actions has been published this year and outlines how we will continue to listen and learn.

We continue to attract, recruit, and retain a diverse workforce at all levels and to develop them throughout our organisation. We encourage everyone to feel comfortable confidentially self-disclosing diversity data to improve the accuracy of our reporting and enable us to implement clear actions.

Our goal is to be a truly diverse and inclusive organisation – a 'great place to work for everyone'. We know we have more to do and are committed to continuing to improve and drive positive change.

Further information about our diversity and inclusion work can be found in the "our people" section of this report on page 44.

REPORTING OF CIVIL SERVICE AND OTHER COMPENSATION SCHEMES – EXIT PACKAGES (SUBJECT TO AUDIT)

There were no Civil Service or other compensation schemes (exit packages) during 2025-26 (2024-25: none).

REPORTING OF HIGHLY PAID OFF-PAYROLL APPOINTMENTS

There were no highly paid off-payroll worker engagements as at 31 March 2026, earning £245 per day or greater.

There were no highly paid off-payroll workers engaged at any point during the year ended 31 March 2026, earning £245 per day or greater.

The Mining Remediation Authority routinely performs checks on proposed roles, including HMRC's Employment Status Service tests, to determine IR35 status prior to any offer. Where these checks suggest that assurance as to income tax and national insurance obligations is required, contracts include the above mentioned clauses and assurance is requested from either the worker or the agent through whom they work.

Off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026:

	NUMBER
Number of off-payroll engagements of 'board members, and/or senior officials with significant financial responsibility' during the financial year	0
Number of individuals that have been deemed 'board members, and/or, senior officials with significant financial responsibility', during the financial year. This figure includes both off-payroll and on-payroll engagements	15

Consultancy expenditure for the year was £nil (2024-25: £nil).

PAY MULTIPLES (SUBJECT TO AUDIT)

The percentage change from the previous financial year for salary and allowances, and performance related pay, of the highest paid director and the employees of the Mining Remediation Authority are:

	2025-26	2024-25
Salary and Allowances:		
Highest paid director (mid-point of band)	3.4%	0.0%
Employees of the Mining Remediation Authority	2.6%	3.9%
Performance related pay:		
Highest paid director (mid-point of band)	28.6%	0.0%
Employees of the Mining Remediation Authority	7.2%	6.3%

A pay award which averaged 3.5% (2024-25: 5.0%) was paid across all levels of the organisation. In 2025-26, the average employee salary and allowances increased by 2.5% (2024-25: 3.7%).

Performance related pay is linked to the achievement of organisational performance targets, which were met in full during 2025-26.

The salary and performance related pay for the highest paid director is subject to a cap.

The ratio of the highest paid director's remuneration to that of the employee at the 3 quartiles is as below:

Year	25TH PERCENTILE	MEDIAN	75TH PERCENTILE
2025-26	4.6	3.5	3.0
2024-25	4.3	3.4	2.9

Total remuneration includes salary, allowances and non-consolidated performance related pay. It does not include severance payments, employer pension contributions or the cash equivalent transfer value of pensions.

The figures upon which these calculations are based are:

	25TH PERCENTILE		MEDIAN		75TH PERCENTILE	
YEAR	TOTAL PAY AND BENEFITS	SALARY	TOTAL PAY AND BENEFITS	SALARY	TOTAL PAY AND BENEFITS	SALARY
2025-26	38,902	36,553	50,632	47,691	60,024	56,135
2024-25	38,596	36,278	48,948	46,563	58,661	54,892

The banded remuneration (total, less pension benefits) of the highest paid director in the organisation in the financial year 2025–26 was £175,000–£180,000 (2024–25: £165,000–£170,000).

In 2025-26 and 2024-25, no employee received remuneration in excess of the highest paid director. Remuneration ranged from £24,969 to £177,500 (2024-25: £22,162 to £167,500).

PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

As part of the accountability report, the parliamentary accountability and audit report sets out those additional disclosures required by Parliament, if not detailed elsewhere in the annual report and accounts, and contains the external audit report.

GOVERNMENT FUNCTIONAL STANDARDS

The Mining Remediation Authority complies with the adoption of government functional standards, whilst ensuring they meet business needs and priorities.

The following sections are subject to audit.

REGULARITY OF EXPENDITURE: LOSSES, SPECIAL PAYMENTS AND GIFTS

There have been no losses or special payments in excess of £300,000, or any gifts during 2025-26.

FEES AND CHARGES

The Mining Remediation Authority complies with the cost allocation and charging requirements set out in HM Treasury's Managing Public Money.

The Mining Remediation Authority's most significant income streams, as outlined at note 3 (page 116) of the financial statements, are explained below.

Advisory and technical services include the delivery of metal mine water scheme programmes for the Department for Environment, Food and Rural Affairs (Defra) in England and Welsh Government, tip management services for Welsh Government and other advisory services relating to infrastructure projects, supporting local authorities manage risks associated with mining and partners to unlock opportunities from mine heat. Advisory and technical services generated income of £13,016,000 (2024-25: £9,996,000), costs of £12,578,000 (2024-25: £9,636,000) and a surplus of £438,000 (2024-25: £360,000 surplus). The financial objective for the provision of advisory and technical services is either full cost recovery (including an allowance for overhead recovery) when providing services across government, or commercial rates, which reflect the increased levels of risk, when providing services into competitive markets. The proportion of income as a result of full cost recovery is in excess of 96% (2024-25: 97%), reflecting the continued provision of services to our customers across government as we support them in the delivery of key programmes.

Mining reports generated income of £6,186,000 (2024-25: £6,710,000), costs of £3,289,000 (2024-25: £3,442,000) and a surplus of £2,897,000 (2024-25: £3,268,000 surplus). Expenditure associated with specific programmes and activities is managed and reported under other operating segments, but relates to the enhancement of data and information. The financial objective for mining reports is to provide services at a commercial rate.

Data licensing and mining information generated income of £2,676,000 (2024-25: £2,317,000), internal recharges of £1,384,000 (2024-25: £1,537,000), costs of £3,445,000 (2024-25: £3,493,000) and a surplus of £615,000 (2024-25: £361,000 surplus). The financial objective for the provision of data licensing and mining information is full cost recovery (including an allowance for overhead recovery).

Licensing and permissions activities generated income of £1,328,000 (2024-25: £1,005,000), costs of £1,515,000 (2024-25: £1,491,000) and a deficit of £187,000 (2024-25: £485,000 deficit). The financial objective for the provision of licensing and permissions services is full cost recovery plus an allowance for overhead recovery.

REMOTE CONTINGENT LIABILITIES

Remote contingent liabilities are not required to be disclosed under International Accounting Standard (IAS) 37, but are considered here for parliamentary reporting and accountability purposes. The Mining Remediation Authority believes that sufficient disclosure is available in the financial statements, in note 15 (page 138) Contingent liabilities and note 12 (page 128) Provisions, to give the reader a full understanding of the liabilities it faces and may face.

GOING CONCERN

This report has been created on the basis of the Mining Remediation Authority being a going concern as detailed in note 1.3 (page 107) of the financial statements.

This accountability report has been approved by the chief executive and accounting officer.

Paul Frammingham

Chief Executive and Accounting Officer
9 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 Coal Authority for the year ended 31 March 2026 under the Coal Industry Act 1994.

The financial statements comprise the Coal Authority'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 Coal Authority's 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 Coal Authority's affairs as at 31 March 2026 and its net income for the year then ended; and
- have been properly prepared in accordance with the Coal Industry Act 1994 and Secretary of State 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 Coal Authority 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.

EMPHASIS OF MATTER - PROVISION IN RESPECT OF MINE WATER SCHEMES, PUBLIC SAFETY AND SUBSIDENCE

I draw attention to the disclosures made in notes 1.20 and 12 to the financial statements concerning the uncertainties inherent in the provisions in respect of mine water schemes, of £1,121.0 million (2025: £1,238.0 million) and public safety and subsidence of £328.0 million (2025: £324.0 million), totalling £1,449.0 million as at 31 March 2026 (2025: £1,562.0 million).

As set out in the notes, given the size and long-term nature of the liabilities and the number and nature of the assumptions on which the estimates of these specific provisions are based, the Coal Authority has needed to make significant judgements in estimating the provision and a considerable degree of uncertainty exists over the value of the liabilities. Material changes to the liabilities could occur as a result of subsequent information and events that are different from the current assumptions adopted by the Coal Authority. My opinion is not modified in respect of this matter.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, I have concluded that the Coal Authority'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 Coal Authority'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 Coal Authority 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 Secretary of State directions issued under the Coal Industry Act 1994.

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 the Coal Industry Act 1994 and Secretary of State directions issued thereunder;

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

- 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 Coal Authority 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 Coal Authority 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.
- 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 Coal Authority 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 the Coal Industry Act 1994 and Secretary of State directions;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with the Coal Industry Act 1994 and Secretary of State directions; and
- assessing the Coal Authority'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 Coal Authority will not continue to be provided in the future.

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;

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 Coal Authority's accounting policies.
- inquired of management, the Coal Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Coal Authority'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 Coal Authority's controls relating to the Coal Authority's compliance with the Coal Industry Act 1994 and Managing Public Money;
- inquired of management, the Coal Authority's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud,
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Coal Authority for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, 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 Coal Authority's framework of authority and other legal and regulatory frameworks in which the Coal Authority 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 Coal Authority. The key laws and regulations I considered in this context included the Coal Industry Act 1994, Managing Public Money the Water Act 2003, the Mines and Quarries (Tips) Act 1969, Mines and Quarries (Tips) Regulations 1971, Doncaster Drainage Act 1929 and the related Amendment Order 1994, Energy Act 2011, Mines Regulation 2014 and relevant employment law, pensions legislation and tax legislation.

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

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.

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

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. 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
Date: 10 July 2026

Comptroller and Auditor General

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



FINANCIAL STATEMENTS

Reed cutting at Taff Merthyr mine water treatment scheme, South Wales.



STATEMENT OF COMPREHENSIVE NET EXPENDITURE YEAR ENDED 31 MARCH 2026

	Note	2025-26 £000	2024-25 £000
Revenue from contracts with customers	3.1	23,623	20,305
Other operating income	3.2	1,092	1,185
Total operating income		24,715	21,490
Staff costs	2	(33,022)	(28,191)
Purchase of goods and services	2	(15,437)	(12,971)
Depreciation, revaluation and impairment charges	2	(8,911)	(15,877)
Operating expenditure before provision movement		(57,370)	(57,039)
Provisions movement	2	102,322	(135,207)
Total operating income/(expenditure)	2	44,952	(192,246)
Net operating income/(expenditure)		69,667	(170,756)
Finance expense		(193)	(198)
Net income/(expenditure) for the year		69,474	(170,954)
Other comprehensive net expenditure			
Net gain on revaluation of property, plant and equipment		-	214
Comprehensive net income/(expenditure) for the year		69,474	(170,740)

The Statement of Comprehensive Net Expenditure and supporting notes to the accounts have been prepared and presented in accordance with the 2025-26 Government Financial Reporting Manual (FReM) issued by HM Treasury.

Notes on pages 107 to 139 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note	As At March 2026 £000	As At March 2026 £000	As At March 2025 £000	As At March 2025 £000
Non-current assets:					
Property, plant and equipment	5	44,318		26,109	
Investment property	6	313		313	
Intangible assets	7	1,893		2,109	
Total non-current assets			46,524		28,531
Current assets:					
Assets classified as held for sale	8	445		450	
Trade and other receivables	9	7,223		6,189	
Cash and cash equivalents	10	22,341		21,219	
Total current assets			30,009		27,858
Total assets			76,533		56,389
Current liabilities:					
Trade and other payables	11.1	(34,945)		(30,534)	
Provisions	12.5	(57,634)		(56,452)	
Total current liabilities			(92,579)		(86,986)
Total assets less current liabilities			(16,046)		(30,597)
Non-current liabilities:					
Other payables	11.2	(14,151)		(13,117)	
Provisions	12.5	(1,513,366)		(1,652,548)	
Total non-current liabilities			(1,527,517)		(1,665,665)
Net liabilities			(1,543,563)		(1,696,262)
Taxpayers' equity and reserves:					
General fund			(1,544,046)		(1,696,745)
Revaluation reserve			483		483
Total taxpayers' equity and reserves			(1,543,563)		(1,696,262)

The financial statements were approved and authorised by the board and signed on its behalf by:

Paul Frammingham

Chief Executive and Accounting Officer
9 July 2026

Notes on pages 107 to 139 form part of these accounts.

STATEMENT OF CASH FLOWS YEAR ENDED 31 MARCH 2026

	Note	2025-26 £000	2024-25 £000
Cash flows from operating activities:			
Net income/(expenditure) for the year		69,474	(170,954)
Adjustments for non-cash transactions:			
Depreciation, amortisation, impairment and revaluation of non-current assets	2	8,762	15,798
Profit on disposal of property, plant and equipment and Investment properties	3.2	(501)	(781)
Loss on disposal of property, plant and equipment	2	149	79
Increase in trade and other receivables		(1,082)	(2,002)
Increase in trade and other payables		3,917	9,041
(Decrease)/increase in provisions	12	(138,000)	98,000
Net cash outflow from operating activities		(57,281)	(50,819)
Cash flows from investing activities:			
Purchase of non-financial assets:			
Purchase of property, plant and equipment		(24,003)	(18,057)
Purchase of intangible assets		(599)	(648)
Proceeds from disposal of non-financial assets:			
Proceeds from sale of property, plant and equipment		549	739
Net cash outflow from investing activities		(24,053)	(17,966)
Net cash outflow from activities		(81,334)	(68,785)
Cash flows from financing activities:			
Grant in aid from Department for Energy Security and Net Zero		83,230	75,100
Payments of lease liabilities	13.4	(774)	(733)
Net financing		82,456	74,367
Net increase in cash and cash equivalents		1,122	5,582
Cash and cash equivalents at the beginning of the period		21,219	15,637
Cash and cash equivalents at the end of the period		22,341	21,219

Notes on pages 107 to 139 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY YEAR ENDED 31 MARCH 2026

	General fund £000	Revaluation reserve £000	Total reserves £000
Balance at 31 March 2024	(1,600,769)	276	(1,600,493)
Changes in taxpayers' equity for 2024-25			
Grant in aid from Department for Energy Security and Net Zero – capital	18,454	-	18,454
Grant in aid from Department for Energy Security and Net Zero – revenue	56,646	-	56,646
Transfers between reserves	7	(7)	-
Net gain on revaluation of fixed assets	-	214	214
Disposal of property, plant and equipment (amounts payable to Consolidated Fund)	(16)	-	(16)
Disposal of investment property (amounts payable to Consolidated Fund)	(113)	-	(113)
Comprehensive net expenditure for the year	(170,954)	-	(170,954)
Balance at 31 March 2025	(1,696,745)	483	(1,696,262)
Changes in taxpayers' equity for 2025-26			
Grant in aid from Department for Energy Security and Net Zero – capital	25,219	-	25,219
Grant in aid from Department for Energy Security and Net Zero – revenue	58,011	-	58,011
Disposal of investment property (amounts payable to Consolidated Fund)	(5)	-	(5)
Comprehensive income for the year	69,474	-	69,474
Balance at 31 March 2026	(1,544,046)	483	(1,543,563)

Notes on pages 107 to 139 form part of these accounts.

NOTES TO THE ACCOUNTS

On 28 November 2024, the Coal Authority became known by a new operating name, the Mining Remediation Authority, to reflect its evolving role in managing the legacy of the UK mining industry. The Coal Authority remains the legal name of the organisation. References to the Mining Remediation Authority should be interpreted as the Coal Authority

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Basis of preparation

The Coal Authority is an executive non-departmental public body (NDPB) established under the Coal Industry Act 1994 and is sponsored by the Department for Energy Security and Net Zero. Under paragraph 15(1) (b) of Schedule 1 of the Act we are required to prepare accounts for each financial year in the form and on the basis set out in the Accounts Direction (page 140), as determined by the Secretary of State, with the consent of HM Treasury.

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

1.2 Accounting convention

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

1.3 Going concern

The Statement of Financial Position at 31 March 2026 shows net liabilities of £1,543.6 million. This reflects the inclusion of

expenditure for liabilities falling due in future years, which cover periods of 50 and 100 years into the future. To the extent that they are not met from other sources of income, they may only be met by future grants or grants in aid from our sponsoring department. This is because, under the normal conventions applying to parliamentary control over income and expenditure, such grants may not be issued in advance of need.

Paragraph 14(1) of Schedule 1 to the Coal Industry Act 1994 states:

'The Secretary of State shall, in respect of each accounting year, pay to the Mining Remediation Authority such amount as he may determine to be the amount required by the Mining Remediation Authority for the carrying out during that year of its functions under this Act.'

On that basis, the board has a reasonable expectation that we will continue to receive funding so as to be able to meet our liabilities. The Mining Remediation Authority has therefore prepared its accounts on a going concern basis.

1.4 Grant in aid

Grant in aid is paid to the Mining Remediation Authority on an annual basis to cover the net cash revenue and capital requirements in the year. Grant in aid utilised in the settlement of its statutory and other obligations is credited to the general reserve in the year in which it is received because it is regarded as a contribution from a controlling party which gives rise to a financial interest in the Mining Remediation Authority.

1. Statement of accounting policies

1.5 Revenue from contracts with customers and other operating income

Revenue from contracts with customers

Income represents the amounts, exclusive of VAT, arising from leases/licences and invoiced sales of goods and services from contracts with customers.

Income is measured at the fair value of the consideration received or receivable and is recognised in the Statement of Comprehensive Net Expenditure, following performance of contractual obligations by the Mining Remediation Authority, where amounts can be reliably measured and it is probable that the economic benefits will flow to the Mining Remediation Authority. Where this applies to services income, the amount recognised will be dependent upon the stage of completion.

Income received in advance of discharging contractual obligations is held on the Statement of Financial Position, and is released to the Statement of Comprehensive Net Expenditure as contractual obligations are fulfilled.

Lease income

Lease income from head office freehold property is accounted for in equal annual amounts and recognised either over the term of the lease, or to a date where a break clause may be applied, whichever is the earliest.

Consolidated fund income

Income collected under statute in relation to licensing activities is surrendered to the government as consolidated fund income when received, other than the element retained to finance licensing activities as a cost of collection.

The Mining Remediation Authority is deemed to be acting in the capacity of an agent and these income streams therefore fall outside of normal operating activities and are not reported through the Statement of Comprehensive Net Expenditure, but disclosed separately within the notes to the accounts.

Royalties and mining income are recognised on an accruals basis, relating to the period in which the income is earned, and following receipt of amounts owed, cash payments are made to the consolidated fund.

1.6 Staff costs

Under IAS 19 Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them.

This includes the cost of any untaken leave as at the year end. The cost of the untaken leave has been determined using data from electronic leave records.

1.7 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS), which is an unfunded multi- employer defined benefit scheme. We recognise the expected cost of providing pensions on a systematic and rational basis, over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS and is not our responsibility. The costs of all employer pension contributions are charged to the Statement of Comprehensive Net Expenditure when incurred.

1.8 Research and development

Research

Expenditure is recognised as an expense in the period in which it is incurred.

Development

Expenditure is capitalised as an internally generated intangible asset only if the criteria of IAS 38 are met.

Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

1. Statement of accounting policies

1.9 Taxation**VAT**

We are involved in a number of statutory obligations, and these are outside the scope of output VAT. We also make exempt supplies relating to property lettings. Output VAT is charged on all other fee paying services. Where output VAT is charged, income is stated net of VAT. A partial exemption calculation is performed on the recovery of input VAT for overhead departmental costs which carry out duties for both statutory and exempt functions. Irrecoverable input VAT is charged to the relevant expenditure category.

Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill, or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Statement of Comprehensive Net Expenditure, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

1.10 Assets and liabilities inherited from the British Coal Corporation

Various assets and liabilities were transferred from the British Coal Corporation under a number of restructuring schemes made by the then Secretary of State for Trade and Industry pursuant to Section 12 of the Coal Industry Act 1994. The assets and liabilities included in these restructuring schemes were originally transferred into our financial statements at their net book values, as previously stated in the financial statements of the British Coal Corporation, under our adopted accounting policies.

1.11 Property, plant and equipment

Assets are capitalised as property, plant and equipment if they are intended for use on a continuing basis and their original purchase cost, on an individual or group basis, is £2,000 or more.

Property:**Land and buildings**

Freehold land and buildings relate to our head office and operational properties and are carried at fair value based on existing use, with external professional valuations undertaken biennially. In addition, we own a number of shafts that access abandoned mines. These are used in the monitoring of underground movements in water and gases. As there is no open market on which to base a valuation, these are held at nil value.

Right of Use assets

Right of Use assets are created on inception of a lease whose terms and conditions convey the right to use an underlying asset named in the lease. They are carried at fair value, based on existing use over the term of the lease.

1. Statement of accounting policies

Non-property:

Information technology, plant and machinery and furniture and fittings

In accordance with the FReM, the option has been taken to value these assets on a depreciated historical cost basis over the assets' remaining operational capacity as a proxy to fair value, where assets have short useful economic lives or are of low value, or both.

At each reporting date we review asset carrying amounts, for both residual values and useful economic lives, to determine whether there is any indication that an impairment loss has been suffered. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, where the recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Assets under construction are initially recorded at cost.

Mine water treatment schemes and subsidence pumping stations

Operational schemes relating to coal are held at nil value on the Statement of Financial Position. The cost of building these schemes has been provided for in previous periods as these assets are commissioned to resolve legacy mining issues, for which the benefits have previously been received.

Costs incurred in the design, build, refurbishment and bringing the assets into working condition for their intended operational use are capitalised following completion of a feasibility study and stage gate review. When the assets are brought into operational use, the carrying values are subject to an impairment review and are impaired to nil value, with the loss being recognised through the Statement of Comprehensive Net Expenditure.

Schemes that relate to metal mining activity are reviewed on an individual basis in accordance with the guidance provided under IAS 16 Property Plant and Equipment and other relevant standards. This review is completed in conjunction with reference to the underlying contractual agreement in place with third parties.

Decommissioning costs are not provided for on the basis that the mine water schemes and subsidence pumping stations will continue to operate in perpetuity.

Assets under construction are initially recorded at cost.

1.12 Depreciation

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

The rates of depreciation are as follows:

Freehold land	not depreciated
Freehold buildings	50 years
Operational properties	50 years
Right of use assets	over the term of the lease
Information technology	3 to 5 years
Plant and machinery	3 to 5 years
Furniture and fittings	5 to 10 years

Assets under construction are not depreciated until they are brought into operational use.

1. Statement of accounting policies

1.13 Investment properties

We hold a number of properties and are undertaking a rolling disposal programme, the timing of which is dependent on property market conditions. These have been classified as investment properties and are not depreciated in accordance with IAS 40, but may be impaired or revalued to provide a carrying value at their estimated fair value.

Full valuations by external chartered surveyors are undertaken by means of a rolling programme over 5 years. A desk top review is undertaken by in-house chartered surveyors on those properties that have not been subject to a full external valuation during the year.

Gains and losses arising from changes in fair value of investment property are recognised in the Statement of Comprehensive Net Expenditure. Investment properties identified as held for sale are disclosed where conditions established under IFRS 5 have been met.

1.14 Intangible assets

Expenditure on intangible assets consists of bespoke software development and other software licences and is capitalised where the cost is £2,000 or more.

Bespoke software development expenditure is either as a result of an external cost of development or as a result of work undertaken by our internal resources. Internal resource costs are only capitalised for detail design and implementation phases of the software development, using salary and associated payroll costs.

Intangible assets are reviewed annually for impairment and are carried at modified historic cost as a proxy for fair value.

Software licences and bespoke software are amortised on a straight line basis between 2-5 years over their estimated useful economic lives.

The mining records database was revalued upon transfer from the British Coal Corporation and is held at nil value, being fully depreciated replacement cost.

1.15 Financial instruments

We do not hold any complex financial instruments. The only financial instruments included in the accounts are receivables and payables, as disclosed within note 9 (page 125) and note 11 (page 126) to the financial statements.

Trade receivables, financial and other current assets are recognised at fair value, net of any provision for impairment, following customer level risk assessments and consideration of wider economic factors. A provision for impairment is made to recognise expected credit losses when there is evidence that we will be unable to collect an amount due.

1.16 Security fund payables

Trade payables and other current liabilities include security fund payables. Licensees of mining operations are required to provide us with security to cover the potential future costs of settling subsidence damage liabilities within their areas of responsibility. One mechanism for providing security is by means of cash deposit. If the licensees fulfil their obligations, the deposits are returned, together with interest accrued under the terms of the lease/licence.

Deposits received are credited to security fund payables in order to recognise our liability to the licensees. Repayments of deposits or the costs of making mining properties secure on default of the licensee are provided from the grant in aid received. Interest payable on deposits is charged to the Statement of Comprehensive Net Expenditure as it accrues.

The security fund payable is reduced by relevant security costs incurred each year or when repayments are made to the licensee.

Other forms of security may include guarantee bonds in our favour, escrow accounts, or charges over land. These arrangements do not give rise to any entries in our financial statements.

1. Statement of accounting policies

1.17 Provisions

We are responsible for dealing with liabilities relating to our ownership of abandoned coal mines. These include preventing and remediating mine water pollution, settling subsidence claims, making safe when incidents have occurred and managing other property related liabilities (managing tips, rehabilitating opencast sites and dealing with closed colliery sites and spoil heaps).

Provisions are recognised when we have a present obligation (legal or constructive) as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle that obligation.

Provisions are made for the external costs of managing our obligations.

Internal costs are not provided for.

Where the time value of money is material, we apply Consumer Price Index (CPI) inflation rates to costs and then discount them to their present value, using the nominal discount rates as specified annually by HM Treasury. These rates are disclosed within note 12.2 (page 129) to the accounts.

Each year the Statement of Comprehensive Net Expenditure includes the borrowing costs of provisions, being the adjustments to unwind one year's discount so that liabilities are shown at current day price levels.

Provisions are utilised against the Statement of Comprehensive Net Expenditure or against property, plant and equipment in the Statement of Financial Position as expenditure is incurred.

Significant public safety incidents and subsidence claims are kept under review.

Provisions will be released and an accrual recognised when we have a present obligation as a result of a past event, where there is certainty over the measurement of the obligation and that an outflow of economic benefits will be required to settle that obligation.

Future operating costs associated with leases, as determined under IFRS 16 Leases, are disclosed separately. Additional cash flows beyond the term of the lease and up to the specific provisions periods are included within provisions balances.

Specific provision periods have been established as follows:

Mine water treatment schemes	100 years
Subsidence pumping stations	100 years
Public safety and subsidence	50 years
Other property	100 years, or, on a specific basis where timeframes are certain and known

Where provisions remain calculated over a period of 50 or 100 years, as we move to the next financial year it is necessary to add another year onto the provisions to maintain that time frame. At the end of each reporting period, we consider whether the provision period applied to each provision remains appropriate.

Provisions are reviewed annually at the year end to ensure all obligations and work programmes have been provided for.

1. Statement of accounting policies

1.18 Leases**Leases as a lessor**

Lease income from head office freehold property is accounted for in equal annual amounts and recognised either over the term of the lease, or to a date where a break clause may be applied, whichever is the earliest.

Leases as a lessee

Lease liabilities are recognised whereby a contract, or part of a contract, that conveys the right to control the use of an identified asset and receive substantially all of the economic benefits for a period of time exists, in exchange for a payment. Exemptions, as provided by the FReM, are taken in relation to short-term leases (less than one year) and low value leases.

All contracts are assessed on inception of a contract or when the terms and conditions of a contract are significantly changed.

The lease period is the non-cancellable term of the lease, together with contractual options to extend or to terminate the lease early, where it is reasonably certain that an extension option will be exercised or a termination option will not be exercised.

On inception of a lease contract, a Right of Use asset and a corresponding lease liability are recognised, where the lease period is greater than one year and the value is greater than £2,000.

The commencement date is when the underlying asset is made available for use.

The lease liability is measured at an amount equal to the present value of the remaining lease payments over the term of the lease, payments being discounted to their present value using discount rates as specified by HM Treasury.

The lease liability is remeasured when the contractual cash flows of variable lease payments change due to a change in an index or rate, or when the lease term changes.

1.19 Contingent assets and liabilities

In addition to contingent liabilities or assets disclosed in accordance with IAS 37, we disclose for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of HM Treasury's Managing Public Money.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to Parliament separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to Parliament.

1.20 Significant accounting judgements, estimates and assumptions**Provisions**

Whilst the provisions recorded reflect management's best estimates at the end of a reporting period of the future costs, based on the best existing knowledge at the time, it is reasonably possible that subsequent information, events and outcomes within a future accounting period could result in material adjustments to the provisions balance of £1,571.0 million as at 31 March 2026. There are a range of possible outcomes in respect of the assumptions underpinning the provision, and the sensitivity to changes in the underlying assumptions are disclosed in note 12.4 (page 133). In future periods new information and events may result in significant changes to the assumptions used, which may have a future material impact on our financial position.

In particular, there is significant estimation uncertainty in the future costs we will incur in relation to mine water schemes, public safety and subsidence and subsidence pumping stations, given the long term nature of these liabilities and the number and nature of the assumptions on which the estimate of the provisions are based (see note 12.4 for further details, page 133).

1. Statement of accounting policies

Provisions balances are calculated over timescales which are supported by reasonable evidence. These liabilities may extend beyond stated periods, but currently there is insufficient evidence to support provisions beyond these timescales.

Leases

Judgement is exercised in determining whether a contract, in substance, is or contains a lease and whether it conveys the right to control the use of an identified asset and receive substantially all of the economic benefits associated with use, in exchange for a payment.

Lease periods are determined by considering the non-cancellable term of the lease, together with any periods covered by an option to extend or terminate the lease, and also reflect on previous practice.

Other than in the review and calculation of provisions and leases, we have made no material accounting judgements, estimates or assumptions in preparing these financial statements.

1.21 New standards, amendments and interpretations not yet effective

The following standards were in issue but not yet effective and have not been adopted in these financial statements:

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 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

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 19 on the public sector is still being assessed, and a decision has not yet been taken on an implementation date.

2. EXPENDITURE

	Note	2025-26 £000	2025-26 £000	2024-25 £000	2024-25 £000
Staff costs:					
Wages and salaries		22,577		19,485	
Social security costs		3,113		2,220	
Other pension costs		5,972		5,200	
Agency staff costs		1,360		1,286	
Sub-total staff costs			33,022		28,191
Goods and services:					
Expenditure incurred during the year		48,960		49,073	
Less provision utilised	12	(35,678)		(37,207)	
			13,282		11,866
Research and development expenditure		1,473		486	
Auditors' remuneration and expenses		116		108	
Travel and subsistence		566		511	
			2,155		1,105
Sub-total goods and services			15,437		12,971
Depreciation, revaluation and impairment charges:					
Depreciation and amortisation					
Property, plant and equipment	5	807		676	
Intangibles	7	955		942	
			1,762		1,618
Revaluation					
Property, plant and equipment	5	-		(43)	
Investment properties	6	-		(98)	
			-		(141)
Impairments					
Property, plant and equipment	5	7,000		14,278	
Intangibles	7	-		43	
			7,000		14,321
Loss on disposal of assets					
Property, plant and equipment	5	149		31	
Investment properties	6	-		48	
			149		79
Sub-total depreciation, revaluation and impairment charges			8,911		15,877
Provisions movement:					
Other provisions movements	12	12,203		122,620	
Borrowing costs of provisions (unwinding of discount)	12	76,475		71,587	
Discount rate changes	12	(191,000)		(59,000)	
Sub-total provisions movement			(102,322)		135,207
Total operating expenditure			(44,952)		192,246

3. Income

Staff and related costs of £251,000 were charged to capital projects during 2025-26 (2024-25: £463,000). Other staff and related disclosures are included in the staff and remuneration report within the accountability report. There were no exit packages agreed during 2025-26 (2024-25: no exit packages). There have been no early retirements due to ill health during 2025-26 (2024-25: 2 early retirements due to ill health).

No auditors' remuneration and expenses have been incurred for professional fees associated with non-audit work during either 2025-26 or 2024-25.

Detailed information on provisions and provisions movements is provided in note 12 (page 128) to the accounts.

As a result of the adoption of IFRS 16 Leases, only operating lease costs that fall outside the scope of IFRS 16 are incorporated within the goods and services figure above. Lease costs falling within the scope of IFRS 16 are included in note 5 (page 120) and note 13 (page 135).

3. INCOME

3.1 Revenue from contracts with customers

	2025-26 £000	2024-25 £000
Advisory and technical services	13,016	9,996
Mining reports	6,186	6,710
Data licensing and mining information	2,676	2,317
Licensing and permissions indemnities	1,328	1,005
By-products	395	215
Other income	22	62
Revenue from contracts with customers	23,623	20,305

Income is recognised in line with IFRS 15 Revenue from contracts with customers. Mining reports, licensing and permissions indemnities, data licensing and mining information, and by-products income is recognised when performance obligations are satisfied at a point in time.

Advisory and technical services income is recognised as performance obligations are satisfied over time.

No assets are recognised from costs to obtain or fulfil a contract with a customer, and no significant judgements have been made in determining the satisfaction of performance obligations or in determining and allocating the transaction price to performance obligations.

Further information is provided on products and services pricing objectives in the parliamentary accountability and audit report (page 95).

3.2 Other operating income

	2025-26 £000	2024-25 £000
Profit on disposal of property, plant and equipment and investment properties (detailed in table below)	501	781
Rental income	428	315
Other income	163	89
Other operating income	1,092	1,185

Rental income relates to operating lease income from property.

	2025-26 £000	2024-25 £000
Profit on disposal of property, plant and equipment and investment properties:		
Proceeds from clawback on sale of land	494	781
Proceeds from sale of investment properties	7	-
Total proceeds	501	781
Fair value of investment properties	-	-
Total	501	781

Where the British Coal Corporation or the Mining Remediation Authority's sale agreements for the disposal of land include provisions for restrictive covenants or clawback, proceeds are received at a future date when these provisions have been satisfied. This may include the removal of a restrictive covenant or following development of the land, recognising the Mining Remediation Authority's share of the increased value.

3. Income

3.3 Consolidated fund income

The Coal Authority acts as an agent on behalf of the consolidated fund (HM Treasury). Cash collected and payable to the consolidated fund is reduced to cover the Coal Authority's cost of collection. This income adjustment is included within licensing and permissions indemnities income within note 3.1 (page 116) to the accounts.

	2025-26 £000	2025-26 £000	2024-25 £000	2024-25 £000
Production related rent (gross)	15		12	
Cost of collection	(1)		(2)	
Production related rent (net)		14		10
Incidental Rent		6		2
Options for lease		-		-
Property sale proceeds		6		206
Income payable to the consolidated fund		26		218

		2025-26 £000		2024-25 £000
Balances held at start of year		4		12
Income payable to the consolidated fund		26		218
Payments made to the consolidated fund		(27)		(226)
Balances held at end of year		3		4

Production related rent is earned on each tonne of coal extracted from existing operating coal mining sites.

Options for lease for future coal mining sites are granted in the form of a conditional licence and option for lease for the coal. Income is recognised on the granting of the option. The site cannot become operational until certain conditions (for example, planning consent) have been met and payments are made annually based on the area of the option.

Property sale proceeds are recognised as consolidated fund income where the initial purchase was made from grant in aid in previous periods. Income is recognised following the exchange of contracts and on completion of the sale of property.

Cost of collection relates to the element of income retained to finance licensing activities.

Balances held at end of year represent amounts still to be remitted to the consolidated fund.

4. TAXATION

The Coal Authority is registered for corporation tax however there are no tax liabilities associated with the current reporting period.

No deferred tax asset has been recognised for tax losses on the basis that profits do not exist. If any profits were to arise in the future, the tax losses may be utilised against this.

5. PROPERTY, PLANT AND EQUIPMENT

	Land £000	Buildings £000	Information technology £000	Plant and machinery, fixtures and fittings £000	Mine water schemes £000	Subsidence pumping stations £000	Right of use assets £000	Assets under construction £000	Total £000
Cost or valuation									
At 1 April 2025	9,405	1,495	5,543	4,177	170,637	19,955	8,061	7,552	226,825
Additions	8	4	104	355	4,587	897	195	18,525	24,675
Disposals	(139)	-	(820)	(40)	-	-	(54)	-	(1,053)
Impairments	-	-	-	-	-	-	-	(458)	(458)
Remeasurements	-	-	-	-	-	-	1,490	-	1,490
Reclassifications	-	1	560	-	1,301	-	-	(1,862)	-
At 31 March 2026	9,274	1,500	5,387	4,492	176,525	20,852	9,692	23,757	251,479
Depreciation									
At 1 April 2025	-	-	4,965	3,739	170,637	19,955	962	458	200,716
Charged in year	-	62	236	86	-	-	423	-	807
Disposals	-	-	(817)	(33)	-	-	(54)	-	(904)
Impairments	-	-	-	215	5,888	897	-	(458)	6,542
At 31 March 2026	-	62	4,384	4,007	176,525	20,852	1,331	-	207,161
Net book value at 31 March 2025	9,405	1,495	578	438	-	-	7,099	7,094	26,109
Net book value at 31 March 2026	9,274	1,438	1,003	485	-	-	8,361	23,757	44,318

Except for Right of Use assets, the Mining Remediation Authority owns all of its assets and has no finance leases or Private Finance Initiative (PFI) contracts. Further detail relating to Right of Use assets is included in note 13.1 (page 135).

Valuations of head office land and buildings and properties that are held for operational purposes are undertaken on a biennial basis (notes 1.11 and 1.12 to the accounts). Changes in valuation are reflected as appropriate in land and buildings.

A valuation was undertaken of the head office land and buildings as at 31 March 2025 by external chartered surveyors (Carter Jonas, a multi-disciplinary chartered surveying practice) in accordance with Royal Institution of Chartered Surveyors' guidelines. The valuation of £3,420,000 (land: £1,925,000 and buildings: £1,495,000) is reflected below, with the next valuation due to be undertaken in March 2027. A gain of £365,000 relating to land was recognised through the Revaluation Reserve. A loss of £566,000 relating to Buildings was recognised through the Revaluation Reserve (£151,000) and through the Statement of Comprehensive Net Expenditure (£415,000) during 2024-25.

5. Property, plant and equipment

Net disposals for the year are £149,000 (2025: £47,000). Losses on disposals of £149,000 (2025: £31,000) have been recognised through the Statement of Comprehensive Net Expenditure. Proceeds, associated with the disposal of land were £nil (2025: £16,000), are payable to the Consolidated Fund and have been recognised through Reserves.

Costs incurred in the development, construction or refurbishment of mine water schemes and subsidence pumping stations are recognised as assets under construction until such time that they are brought into operational use, whereby the assets are then subject to an impairment review and impaired to nil with a charge being made to the Statement of Comprehensive Net Expenditure.

	Land £000	Buildings £000	Information technology £000	Plant and machinery, fixtures and fittings £000	Mine water schemes £000	Subsidence pumping stations £000	Right of use assets £000	Assets under construction £000	Total £000
Cost or valuation									
At 1 April 2024	8,694	1,741	5,707	3,969	157,641	19,250	7,554	4,165	208,721
Additions	362	-	56	279	12,510	705	295	3,950	18,157
Disposals	(16)	-	(287)	(81)	-	-	(88)	-	(472)
Remeasurements	-	-	-	-	-	-	300	-	300
Reclassifications	-	-	67	10	486	-	-	(563)	-
Revaluations	365	(246)	-	-	-	-	-	-	119
At 31 March 2025	9,405	1,495	5,543	4,177	170,637	19,955	8,061	7,552	226,825
Depreciation									
At 1 April 2024	-	69	5,020	3,597	157,641	19,250	748	-	186,325
Charged in year	-	69	220	101	-	-	286	-	676
Disposals	-	-	(275)	(78)	-	-	(72)	-	(425)
Impairments	-	-	-	119	12,996	705	-	458	14,278
Revaluations	-	(138)	-	-	-	-	-	-	(138)
At 31 March 2025	-	-	4,965	3,739	170,637	19,955	962	458	200,716
Net book value at 31 March 2024	8,694	1,672	687	372	-	-	6,806	4,165	22,396
Net book value at 31 March 2025	9,405	1,495	578	438	-	-	7,099	7,094	26,109

6. INVESTMENT PROPERTIES

	2026 £000	2025 £000
Fair value at 1 April	313	546
Disposals	-	(61)
Transfer to assets held for sale	-	(270)
Revaluations	-	98
Fair value at 31 March	313	313

The Mining Remediation Authority owns all of its investment properties and undertakes a 5 year rolling programme to ensure that all material investment properties are subject to an external valuation. 2025-26 is the fourth year of the current rolling programme.

Disposals for the year are £nil (2025: £61,000). Losses on disposals of £nil (2025: £48,000) have been recognised through the Statement of Comprehensive Net Expenditure. No proceeds, associated with the disposal of land (2025: £13,000), were payable to the Consolidated Fund.

All investment properties that have not been subject to an external valuation during the year have been subject to an internal valuation, undertaken by a suitably qualified Mining Remediation Authority property manager. Internal valuations have been established using appropriate property indices to reflect the movement in the property market over the previous year.

There are no material rental incomes or operating costs in respect of investment properties.

7. INTANGIBLE ASSETS

	Information technology £000	Software licences £000	Assets under construction £000	Total £000
Cost or valuation				
At 1 April 2025	23,951	1,511	122	25,584
Additions	505	16	218	739
At 31 March 2026	24,456	1,527	340	26,323
Amortisation				
At 1 April 2025	22,000	1,475	-	23,475
Charged in year	942	13	-	955
At 31 March 2026	22,942	1,488	-	24,430
Net book value at 31 March 2025	1,951	36	122	2,109
Net book value at 31 March 2026	1,514	39	340	1,893

The Mining Remediation Authority owns all of its intangible assets. Information technology includes information systems developed in-house or by third parties and assets under construction consist predominantly of cost incurred in the further development of these information systems.

	Information technology £000	Software licences £000	Assets under construction £000	Total £000
Cost or valuation				
At 1 April 2024	23,242	1,496	255	24,993
Additions	576	15	-	591
Reclassifications	133	-	(133)	-
At 31 March 2025	23,951	1,511	122	25,584
Amortisation				
At 1 April 2024	21,033	1,457	-	22,490
Charged in year	924	18	-	942
Impairments	43	-	-	43
At 31 March 2025	22,000	1,475	-	23,475
Net book value at 31 March 2024	2,209	39	255	2,503
Net book value at 31 March 2025	1,951	36	122	2,109

8. ASSETS HELD FOR SALE

Non-current assets held for sale

	Land £000	Buildings £000	Total £000
Fair Value at 1 April 2025	5	445	450
Disposals	(5)	-	(5)
Fair Value at 31 March 2026	-	445	445

Buildings: 3 properties are scheduled for disposal during 2026-27 following the completion of repairs. These properties were previously purchased for operational purposes as they were damaged as a result of a public safety incident.

In January 2020, the directors approved a property disposal strategy, including the sale of assets through private treaty or at auction. A programme of disposals is presented and agreed by the executive leadership team on an annual basis as part of the annual budgeting and planning process.

	Land £000	Buildings £000	Total £000
Fair Value at 1 April 2024	5	275	280
Transfers from investment properties	-	270	270
Disposals	-	(100)	(100)
Fair Value at 31 March 2025	5	445	450

9. TRADE RECEIVABLES, FINANCIAL AND OTHER CURRENT ASSETS

Amounts falling due within one year

	2026 £000	2025 £000
VAT	1,437	1,773
Trade and other receivables	626	390
Prepayments	1,840	1,590
Accrued income	4,255	3,326
Expected credit losses	(935)	(890)
Balance at 31 March	7,223	6,189

There are no amounts falling due after more than one year.

Expected credit losses relate to amounts that are assessed at a customer level as potentially unrecoverable. £767,000 relates to a specific debt that has been assessed as potentially unrecoverable. £168,000 has been assessed as potentially unrecoverable as a result of the current economic climate.

10. CASH AND CASH EQUIVALENTS

	2026 £000	2025 £000
Balance at 1 April	21,219	15,637
Net change in cash and cash equivalent balances	1,122	5,582
Balance at 31 March	22,341	21,219
The following balances were held at:		
Government Banking Services	22,341	21,219
Balance at 31 March	22,341	21,219

Cash balances incorporate £1,302,000 (2025: £1,386,000) of ring fenced funds held in a separate account. These ring fenced funds represent receipts from bond providers following the termination of operations of ATH Resources PLC, Benhar Developments Ltd and Scottish Coal Company Ltd. The balances will be offset against the settlement of the operators' liabilities. Balances are to remain ring fenced until such time that all future liabilities are settled.

11. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

11.1 Amounts falling due within one year

	Note	2026 £000	2025 £000
Other taxation and social security		1,251	1,065
Trade and other payables		2,528	1,263
Security fund payables	11.3	167	320
Liabilities in relation to called-in security	11.4	285	418
Lease liabilities	13.2	1,139	967
Amounts due to government (consolidated fund income)		4	4
Accruals		29,520	25,527
Deferred income		51	970
Balance at 31 March		34,945	30,534

Security fund payables (due within one year and after more than one year) relate to cash receipts from licensed coal operators and are held by the Mining Remediation Authority until such time that either, the licensee fulfils their obligations under the terms of a lease/licence, whereby the cash is returned to the operator, or to ensure debts and future liabilities are settled should a licensee fail to meet their obligations under a lease/licence. These cash receipts are not ring fenced, but are recognised as an operating cash inflow, with any payments being recognised as a cash outflow financed by grant in aid.

Liabilities in relation to called-in security are in respect of the expected costs of settling future subsidence claims following the termination of operations and disclaiming of a lease/licence. (Called-in security is in the form of cash receipts or property assets. Cash receipts are ring fenced. Property assets generate further cash receipts on disposal. See notes 5 (page 120), 8 (page 124) and 10 (page 125) to the accounts for further details.) £285,000 falls due within one year and £1,017,000 is due after one year. Both figures are in respect of ATH Resources PLC, Benhar Developments Ltd and the Scottish Coal Company Ltd.

The amounts due to government represent amounts still to be remitted to the consolidated fund (HM Treasury) once cash has been collected in relation to licensing activities. The balance consists of trade receivables of £3,000 (2025: £3,000) and accrued income of £1,000 (2025: £1,000). See note 3.3 (page 118) to the accounts for further details.

11. Trade payables and other current liabilities

11.2 Amounts falling due after more than one year

	Note	2026 £000	2025 £000
Security fund payables:	11.3		
In more than 1 year, but not more than 2 years		376	266
In more than 2 years, but not more than 5 years		116	58
In more than 5 years		1,056	1,115
		1,548	1,439
Liabilities in relation to called-in security:	11.4		
In more than 1 year, but not more than 2 years		339	290
In more than 2 years, but not more than 5 years		471	471
In more than 5 years		207	207
		1,017	968
Lease liabilities	13.2	11,586	10,710
Balance at 31 March		14,151	13,117

Where cash has been received from bond providers, any amounts not utilised, following the settlement of all future liabilities, will remain payable to the respective bond provider.

11.3 Analysis of movements on security fund payables

	2026 £000	2025 £000
Opening balance – falling due within 1 year	320	104
Opening balance – falling due after more than 1 year	1,439	1,660
Opening balance	1,759	1,764
Invoiced and cash receipts	8	13
Interest payable	54	71
Repayments to licensees	(106)	(46)
Utilisation	-	(43)
Movements during the year	(44)	(5)
Closing balance – falling due within 1 year	167	320
Closing balance – falling due after more than 1 year	1,548	1,439
Closing balance	1,715	1,759

12. Provisions for liabilities and charges

11.4 Analysis of movements on liabilities in relation to called-in security

	2026 £000	2025 £000
Opening balance – falling due within 1 year	418	-
Opening balance – falling due after more than 1 year	968	1,386
Opening balance	1,386	1,386
Repayments	(84)	-
Movements during the year	(84)	-
Closing balance – falling due within 1 year	285	418
Closing balance – falling due after more than 1 year	1,017	968
Closing balance	1,302	1,386

12. PROVISIONS FOR LIABILITIES AND CHARGES

12.1 Total provisions

	Mine water schemes £000	Public safety and subsidence £000	Subsidence pumping stations £000	Other property related provisions £000	Total 2025-26 £000	Total 2024-25 £000
Opening balance	1,238,000	324,000	93,000	54,000	1,709,000	1,611,000
Utilised against operating spend	(16,721)	(15,376)	(1,583)	(1,998)	(35,678)	(37,207)
Utilised against capital spend	(23,221)	-	(897)	-	(24,118)	(16,255)
Created/(released)	9,778	35,714	(9,727)	556	36,321	138,875
Borrowing costs of provisions (unwinding of discount)	55,164	14,662	4,207	2,442	76,475	71,587
Discount rate changes	(142,000)	(31,000)	(11,000)	(7,000)	(191,000)	(59,000)
Closing balance	1,121,000	328,000	74,000	48,000	1,571,000	1,709,000

Provisions and movements in provisions are provided for in line with accounting policies stated in note 1.17 (page 112) to the accounts.

The provision for liabilities and charges at 31 March 2026 is £1,571.0 million (2025: £1,709.0 million). Forecast cash flows, which reflect our latest assumptions, included within this provision before inflation and discounting are forecast at £4,150.0 million (2025: £4,060.4 million), an increase of £89.6 million. This increase is predominantly driven by mine water scheme costs and is further explained below.

12. Provisions for liabilities and charges

12.2 Inflation and discount rates

In calculating each provision at its present value, CPI (Consumer Price Index) inflation rates have been applied to cash flows that are based on 2026 prices and then nominal discount rates, as specified by HM Treasury, have been applied. Specified rates used are presented below:

HM Treasury rates			2025-26	2024-25
CPI Inflation	Year 1		2.50%	2.60%
	Year 2		2.00%	2.30%
	Years 3-100		2.00%	2.00%
Nominal Discount rate	Short term	Years 1-5	3.64%	4.03%
	Medium term	Years 6-10	4.22%	4.07%
	Long term	Years 11-40	5.32%	4.81%
	Very long term	Years 41-100	5.07%	4.55%

The change in discount rates has resulted in a decrease to the provisions balance of £191.0 million for 2026 (2025: decrease of £59.0 million).

Where provisions remain calculated over a period of 50 or 100 years, it is necessary to add another year onto the provisions to maintain that time frame. Forecast cash flows, before inflation and discounting, associated with the additional year are £45.4 million (2025: £43.8 million).

Other key assumptions and sensitivities in establishing the provisions at 31 March 2026 are explained on the next pages.

12.3 Key assumptions

Mine water schemes

The provision relating to mine water treatment schemes is £1,121.0 million (2025: £1,238.0 million).

In order to comply with legislation, including the Water Environment (Water Framework Directive) (England and Wales) Regulations 2003 and the Water Environment and Water Services (Scotland) Act 2003, a strategy has been developed to design and build a further 9 schemes by 2036 to remediate existing pollution identified by the Environment Agency (EA), Natural Resources Wales (NRW) and Scottish Environment Protection Agency (SEPA). A further 20 preventative schemes are programmed to be built to avoid new pollution based on scientific projections of water quality and levels.

The legislation includes the principle of disproportionate cost and since 2010-11 this principle has been applied in assessing the viability of remedial schemes, through cost benefit analysis. Schemes will be deferred

whilst new technologies are sought to build schemes for a cost in line with the benefits generated. Should such technology not become available these schemes may not be built and are therefore not provided for. Currently 57 schemes have been deferred, at average scheme build cost of £6.6 million and operating costs of £0.2 million per annum.

Recent analysis of our extensive monitoring of the Great Britain coalfields demonstrates that the chemistry of the mine water is extremely challenging and will require additional treatment to that normally undertaken. At present, the levels of inland saline water in mine workings do not require extensive intervention, which is allowing time for detailed work, to generate and evaluate the most cost effective and sustainable options for future treatment, as based on the current information available the response to this issue has not been confirmed. As such, a reliable estimate of the longer term cost of this issue is not currently included within the provision for mine water treatment, however,

12. Provisions for liabilities and charges

the cost of undertaking initial feasibility work, as outlined above, has been included.

Cash flows over the next 100 years, before inflation and discounting, based on latest forecast and which are within our control, total £3,129.1 million (2025: £3,083.9 million).

Cash flows are calculated over 100 years as scientists have concluded that the conditions for causing pollution will continue and there is no foreseeable option to dispense with treatment schemes. These cash flows incorporate:

- the estimated cost of commissioning the build of future schemes at £233.5 million (2025: £220.2 million). The 10 year rolling programme for preventative scheme builds has been refreshed to reflect the latest phasing of projects with no change to the number of schemes. The programme for remedial scheme builds, out to 2036, has been updated to reflect the latest phasing of projects, with no change to the number of schemes. Costs have increased across both programmes as a result of inflationary price increases through our supply chain. The programme, and associated cost, is subject to review with key stakeholders (Defra, NRW and SEPA).
- the estimated cost of a capital maintenance and refurbishment programme, including solar panel installation, maintenance and replacement, at £936.6 million (2025: £898.1 million). These costs relate to both existing and future schemes and are reassessed each year to reflect changes to the future scheme build programme. Costs have increased as a result of inflationary price increases through our supply chain.
- the estimated cost of operating schemes, which include efficiencies as they are delivered through an ongoing innovation programme, for the next 100 years at £1,939.4 million (2025: £1,944.3 million). These costs relate to both existing and future schemes (per the latest build programme), as they are built and become operational, and are reassessed each year based on experience and actual costs incurred. Operating costs at scheme level vary dependent upon the size and type of treatment scheme, the volume of water flow, as well as the chemistry and quality of the water. Operating

costs have slightly decreased by £4.9 million, with inflationary price increases for power costs (which take account of contracted prices for 2026-27) partially off-setting all other operating cost reductions.

- the estimated cost of feasibility studies, surveys and pump tests to generate and evaluate the most sustainable options for the treatment of inland saline mine water over the next 4 years is £19.6 million (2025: £21.3 million over 5 years).

In assessing the provisions there are inherent uncertainties in respect of future costs and timing of cash flows, which impact on the provision. These include new technologies; environmental standards and regulations; the impacts of adverse weather as a result of climate change (also refer to note 12.6 (page 134) climate change); price inflation of construction and operating costs; positioning of schemes and related land costs; the number of future preventative schemes required and the length of time they will be required to operate. Reasonable assumptions and best information have been used to inform the future costs and scientific evidence and experience has underpinned one of the more sensitive elements of the assumption, namely that underlying water treatment obligations will likely extend for many hundreds of years.

A management judgement has been taken to restrict the number of years to 100 for mine water treatment and subsidence pumping stations, as well as for tip management and the Bridgewater Canal that are included within other property related provisions, reflecting the absence of a precise estimate of the timeline for the liabilities and that an infinite provision would not be relevant to the decisions being made by the user of the financial statements.

Public safety and subsidence

The provision relating to public safety and subsidence activity is £328.0 million (2025: £324.0 million).

Public safety provisions relate to incidents and the costs of treating ground collapses, shaft collapses and other incidents relating to former coal mining activities. We have obligations under the Coal Industry Act 1994 and Subsidence Act 1991 to investigate and treat incidents that have

12. Provisions for liabilities and charges

arisen from coal mining and to have regard for public safety.

Subsidence provisions relate to the estimated cost of settlement of subsidence claims. We have obligations under the Coal Industry Act 1994 and Subsidence Act 1991 to investigate and settle claims in respect of coal mining subsidence damage arising outside designated areas of responsibility associated with licences granted to coal mining operators.

Cash flows over the next 50 years, before inflation and discounting, based on latest forecast and which are within the Mining Remediation Authority's control, total £643.8 million (2025: £579.5 million). Cash flows are calculated over 50 years as we expect to settle subsidence claims and treat incidents for a considerable period of time, as the conditions for subsidence and incidents will always be in existence. These cash flows incorporate:

- the estimated costs for investigating and treating claims at £617.3 million (2025: £553.0 million), being £12.3 million per annum (2025: £11.1 million per annum). Costs are reassessed each year based on experience and actual expenditure incurred over periods of up to 10 years. Costs have increased as a result of inflationary price increases through our supply chain, combined with a continuing trend towards a larger number of complex incidents being experienced and reported.
- the estimated annual costs for the ongoing mine entry inspection programme at £26.5 million (2025: £26.5 million). Costs to 2031 are at £0.7 million per annum (2025: Costs to 2026, reflecting a one year extension, were at £0.4 million per annum). Mine entry inspections and re-inspections are undertaken as part of a risk assessed rolling programme and alternate every 5 years. The next 5 year cycles commence from 2032 at a cost of £0.4 million per annum and 2037 at a cost of £0.7 million per annum (2025: £0.7 million from 2027 and £0.4 million per annum from 2032).

The obligations arising from public safety and subsidence are considered to have shorter timeframes, as remediation actions taken and ground settlement may mitigate the present scale

of risk. Management have made a judgement to assess the potential liability over a timeline of 50 years, in the absence of definitive data to enable precise measurement. Each year the timeline is considered and reviewed, with data not yet showing a reduction in the scale of incidents, and as such the 50 year timeline has been retained. Inherent uncertainties for public safety and subsidence are significantly higher than for mine water schemes, subsidence pumping stations, tip management and the Bridgewater Canal.

Significant uncertainties beyond 50 years include; new technologies or methods of treatment which may be introduced; the impacts of adverse weather as a result of climate change (also refer to note 12.6 (page 134) climate change); price inflation of contractor and material costs; new planning regulations to stabilise land prior to development; regeneration projects; or land stabilisation programmes. In addition to new damage, as time passes, shallow workings and shafts which have been treated in the past may need further remediation and monitoring. It is difficult to predict where surface hazards will next occur, or the profile and approach towards managing public safety and subsidence events, which impacts on the ability to reliably determine costs associated with these issues.

Subsidence pumping stations

The provision relating to subsidence pumping stations is £74.0 million (2025: £93.0 million).

Subsidence pumping station provisions relate to the costs of 83 pumping stations which control water on land affected by subsidence. This includes obligations under the Doncaster Drainage Act 1929.

Cash flows over the next 100 years, before inflation and discounting, based on latest forecast and which are within our control, total £235.0 million (2025: £256.0 million). Cash flows are calculated over 100 years as scientific evidence indicates that due to the effects of subsidence, certain pumping stations will be required for a considerable period of time. These cash flows incorporate:

- the estimated cost of a refurbishment programme at £76.0 million (2025:

12. Provisions for liabilities and charges

£80.0 million). Programme costs are reassessed each year based on expenditure incurred over a 5 year period and incorporate inflationary price increases through our supply chain. This ongoing refurbishment programme has been incorporated at £0.8 million per annum (2025: £0.8 million). The programme, and associated cost, is subject to review with key stakeholders (Environment Agency and Internal Drainage Boards).

- the estimated cost of operating these stations for the next 100 years at £159.0 million (2025: £176.0 million), at £1.6 million per annum (2025: £1.8 million per annum). Costs are reassessed each year based on expenditure incurred over a 5 year period and incorporate inflationary price increases through our supply chain, particularly in relation to power costs.

Beyond 100 years the inherent uncertainties of the future costs and timing of cash flows cannot be reliably measured and therefore prevent provisions being made.

Significant uncertainties beyond 100 years include; the expected operational life of the stations and plant and machinery; the impact of adverse weather as a result of climate change (also refer to note 12.6 (page 134) climate change); price inflation of construction and operating costs; and the levels of refurbishment or replacement that may be required.

Other property related provisions

The provision relating to other property is £48.0 million (2025: £54.0 million).

We provide for costs to meet our statutory obligations. These liabilities are managed by our property, public safety and subsidence and tips response teams. When made aware of a site requiring rehabilitation, restoration or requiring future expenditure related to safety and security, provisions are initially recognised following an assessment of the action required and where costs can be reliably estimated and subsequently kept under review.

These include the following items and associated cash flows, before inflation and discounting, reflecting latest assumptions:

- obligations under the Bridgewater Canal Act 1907 to maintain elements of the canal which have been affected by coal mining subsidence. A 100 year programme of works has been prepared and costs estimated at £89.8 million remain at 31 March 2026 (2025: £93.5 million). Costs have increased as a result of inflationary price increases through our supply chain. Beyond 100 years the inherent uncertainties of the future costs and timing of cash flows prevent provisions being made. Significant uncertainties beyond 100 years include the future costs of major repair projects following adverse weather conditions as a result of climate change (also refer to note 12.6 (page 134) climate change).
- obligations under the Coal Industry Act 1994, the Mines and Quarries (Tips) Act 1969 and the Mines and Quarries (Tips) Regulations 1971 to have regard to public safety. Tips may become insecure when water or ground conditions make them unstable. We have responsibility for 41 tips and keep them secure, monitor water drainage, construct tunnels and ponds to capture the water runoff and undertake a regular programme of maintenance. Costs over the next 100 years have been forecast at £41.5 million (2025: £38.5 million), incorporating annual costs at £0.4 million per annum, but with an additional £0.2 million every 10 years commencing from 2028 for more substantive infrastructure replacement (2025: £0.4 million per annum and an additional £0.2 million every 10 years for more substantive infrastructure replacement). Costs have increased as a result of inflationary price increases through our supply chain. Beyond 100 years the inherent uncertainties of the future costs and timing of cash flows prevent provisions being made. Significant uncertainties beyond 100 years include the future costs of major repair projects following adverse weather conditions as a result of climate change (also refer to note 12.6 (page 134) climate change).
- closed colliery site obligations are assessed to be £10.8 million (2025: £9.0 million) and relate to returning colliery sites to a condition that is safe and secure and consistent with any required planning permission or lease requirement.

12. Provisions for liabilities and charges

12.4 Sensitivity of trends and assumptions

The calculations as explained above necessarily include estimates and assumptions, therefore, due to their nature, provisions balances are reasonably sensitive. For example:

- should estimated future cash flows increase or decrease by £1.0 million per annum:
 - in relation to public safety and subsidence, the total provision over 50 years at current day prices would increase or decrease by 1.6%, equivalent to £25.0 million.
 - in relation to mine water schemes, subsidence pumping stations and other property, the total provision over 100 years in current day prices would increase or decrease by 2.0%, equivalent to £31.0 million.
- should inflation or discount rates as specified by HM Treasury change over the life of the provision (50 and 100 years), there would be an impact on the provisions balance:
 - an increase in the CPI inflation rates of 0.5% would increase the total provision held by 12.7%, equivalent to £200.0 million.
 - a decrease in the CPI inflation rates of 0.5% would decrease the total provision held by 10.4%, equivalent to £164.0 million.
 - an increase in the discount rates of 0.5%

would decrease the total provision held by 9.9%, equivalent to £156.0 million.

- a decrease in the discount rates of 0.5% would increase the total provision held by 12.5%, equivalent to £196.0 million.

As outlined at note 12.2 (page 129), the prescribed HM Treasury CPI inflation rates utilised for calculating the provisions balance is 2.5% for 2026-27, as the criteria for rebutting the use of this rate has not been met.

Should the rate of inflation outturn at 3.3% for the first forecast year (Office for National Statistics rate published on 22 April 2026) before returning to previous HM Treasury forecast levels, this would increase the provisions balance by £12.0 million (0.8%) to £1,583.0 million. This has been calculated assuming no change in the discount rate used to calculate the provision.

Should the rate of inflation outturn at 2.1% for the first forecast year (Office for Budgetary Responsibility forecast average rate for 2027 published 03 March 2026) before returning to previous HM Treasury forecast levels, this would decrease the provisions balance by £6.0 million (0.4%) to £1,565.0 million. This decrease has been calculated assuming no change in the discount rate used to calculate the provision.

The dominant factor in the assumptions used remains the discount rate, and the rate used is in line with the rates published by HM Treasury.

12.5 Analysis of timing of discounted cashflows

	Mine water schemes £000	Public safety and subsidence £000	Subsidence pumping stations £000	Other property related provisions £000	Total 2025-26 £000
Up to 2026	41,202	12,911	2,324	1,197	57,634
Between 2026 and 2030	187,053	49,635	8,935	5,387	251,010
Between 2031 and 2045	426,956	132,891	24,379	19,992	604,218
Thereafter	465,789	132,563	38,362	21,424	658,138
Total	1,121,000	328,000	74,000	48,000	1,571,000

12. Provisions for liabilities and charges

12.6 Climate change

We have undertaken research and analysis to identify our key risks and begin to understand the impact of climate change and extreme weather on our future operational activities. We are embedding climate impact assessments into our plans and processes, enhancing our environmental monitoring and early warning systems where needed and continuing to assess key assets for climate resilience. However, these are not yet included in our calculation of the Provisions balance.

We commit in our business plan 2025-2028 to continue to learn about the impacts of climate change on our mine assets and estate, so that we can develop and implement plans for cost effective climate change risk management and adaptation, so we are ready to respond to an increased number and/or higher impact incidents.

As explained at 12.3, our provisions include the cost of building mine water treatment schemes, and these costs reflect current designs that allow operational headroom to treat increased volumes of water in future years should we experience increased rainfall due to climate change. Operating costs reflect our recent experience of operating our schemes during periods that include more frequent extreme weather events.

Similarly, our public safety and subsidence provisions balance reflects a trend towards a higher number of large or complex incidents.

The work that is now underway will enable us to develop appropriate asset management and climate change adaptation plans and following the launch of our Sustainability Plan 2026-29, we will also be publishing our Climate Change Adaptation Plan in early 2026-27. These plans will enable us to further evolve our methodology and further model the impact of climate change on our future cash flows and updates to our Provisions balance. Whilst this work has commenced, we do not expect to be able to build the results into the Provisions balance until 2027-28 at the earliest.

In the mean-time we have developed an initial methodology to model the potential

impact of climate change on our underlying cash flows. Our approach uses the UKCP18 seasonal rainfall projections under the RCP8.5 high-emissions pathway and then applies a simplified model to translate changes in rainfall patterns into an indicative cost uplift. This methodology provides a way of assessing how climate change and climate related risk could impact our provisions balance. This methodology suggests that the impact could be anything up to a 113% increase to future cash flows, and when applying latest HM Treasury rates, this would provide a worse case Provisions balance of £1,936.0 million (an increase of £365.0 million compared to our reported balance of £1,571.0 million). If other rainfall projections were used, or if there was less direct impact on costs, then a different outcome would be established.

This methodology utilises high level modelling which is subject to significant limitations. It utilises data sets that are time specific and have been extrapolated to cover provisions periods of up to 100 years, it applies a single set of assumptions across all assets, relies on simplified relationships between climate variables and cost impacts, and does not yet reflect asset specific risks or more detailed modelling.

Further work is therefore required in order to reliably estimate the potential impact of climate change on the future costs we will incur, and as a result, whilst it provides a useful indication of potential sensitivity, it is not currently considered sufficiently robust or mature to be incorporated into the measurement of the provisions balance within the financial statements and is instead used to support disclosure and the ongoing development of our approach.

13. LEASES

13.1 Right of Use assets

	Land £000	Buildings £000	Vehicles £000	Total £000
Cost or valuation				
At 1 April 2025	7,312	81	668	8,061
Additions	8	-	187	195
Remeasurements	1,382	81	27	1,490
Disposal	-	-	(54)	(54)
At 31 March 2026	8,702	162	828	9,692
Depreciation				
At 1 April 2025	573	79	310	962
Charged in year	182	20	221	423
Disposal	-	-	(54)	(54)
At 31 March 2026	755	99	477	1,331
Net book value at 31 March 2025	6,739	2	358	7,099
Net book value at 31 March 2026	7,947	63	351	8,361

As detailed in note 1.18, "Right of Use" assets are created on inception of a lease whose terms and conditions convey the right to use an underlying asset named in the lease. On any change to the terms and conditions of the lease which changes the liability attaching thereto, the asset and its liability are remeasured using discount rates prevailing at the time. As with other property, Right of Use assets are depreciated over their useful life, which is the lease term.

	Land £000	Buildings £000	Vehicles £000	Total £000
Cost or valuation				
At 1 April 2024	7,036	59	459	7,554
Additions	3	-	292	295
Remeasurements	273	22	5	300
Disposal	-	-	(88)	(88)
At 31 March 2025	7,312	81	668	8,061
Depreciation				
At 1 April 2024	504	55	189	748
Charged in year	69	24	193	286
Disposal	-	-	(72)	(72)
At 31 March 2025	573	79	310	962
Net book value at 31 March 2024	6,532	4	270	6,806
Net book value at 31 March 2025	6,739	2	358	7,099

13. Leases

13.2 Lease liabilities

Obligations under finance leases for the following periods comprise:	2025-26 £000	2024-25 £000
Land		
Within 1 year	495	466
Between 1 to 5 years	1,985	1,917
After 5 years	13,528	12,080
Total cash payments	16,008	14,463
Less: interest element	(3,613)	(3,069)
Present value of obligations	12,395	11,394
Other		
Within 1 year	210	167
Between 1 to 5 years	133	127
After 5 years	-	-
Total cash payments	343	294
Less: interest element	(13)	(11)
Present value of obligations	330	283
Total	12,725	11,677
Of which, present value of obligations are:		
Current	1,139	967
Non-current	11,586	10,710

“Other” relates to vehicles and a short lease for a building.

As detailed in note 1.18 (page 113), inception of a lease whose terms and conditions convey the right to use an underlying asset mean that the lease liability is brought “on-SOFP”, together with the asset, at the Net Present Value of the future cash flows attaching to the lease.

13.3 Lease elements in the Statement of Comprehensive Net Expenditure

	2026 £000	2025 £000
Variable lease payments not included in lease liabilities:		
Expense related to short-term leases	58	59
Expense related to low value asset leases (excluding short-term leases)	140	163
Sub-leasing income	220	182

As detailed in note 1.18 (page 113), where the terms and conditions of a lease do not convey the right to use an underlying asset, the lease is treated as an operating lease and taken as an expense to the Statement of Comprehensive Net Expenditure. Where a lease’s terms and conditions satisfy the requirements for capitalisation, but the lease liability is immaterial, either according to the length

of unexpired term or the value of the underlying asset, these leases are also treated as operating leases and taken as an expense to the Statement of Comprehensive Net Expenditure.

Notional interest is calculated on the outstanding lease liability and charged to the Statement of Comprehensive Net Expenditure.

13.4 Cash outflow for leases

	2026 £000	2025 £000
Right of Use leases (IFRS 16)	774	733
Low value and short term leases	198	222
Total cash outflow for leases	972	955

The above amounts have been taken to the Statement of Cash Flows.

13.5 Operating leases (lessor)

Total future minimum income receipts under operating leases in relation to head office freehold property rental are given in the table below for each of the following periods.

	2026 £000	2025 £000
Head office – freehold property:		
Within 1 year	200	-
Between 1 to 5 years	-	-
Total	200	-

14. CAPITAL COMMITMENTS

	2026 £000	2025 £000
Plant and machinery	70	-
Intangible assets	67	69
Total	137	69

Contracted capital commitments at 31 March not otherwise included in these accounts:
Commitments balances are represented as follows;

Plant and machinery: asset replacement at our Mansfield head office

Intangible assets: software development activities

15. CONTINGENT LIABILITIES

Licensees of mining operations are required to provide us with security to cover the anticipated future costs of settling subsidence damage liabilities within their areas of responsibility.

Outside the areas of responsibility of the holders of licences under Part II of the Coal Industry Act 1994, we are responsible for making good subsidence damage. Where an area of responsibility is extinguished this would transfer to us and we would become responsible for the discharge of outstanding subsidence liabilities. We also have an ongoing liability to secure and keep secured the majority of abandoned coal mines. In all cases the liability for operating collieries is the responsibility of the licensees/lessees and security is held to address those liabilities.

The above liabilities have been provided for within the public safety and subsidence provision (note 12 to the financial statements) (page 128) based on analysis of trends and claims experience. However, it is possible that significant, unexpected events outside of this provision may materialise. It is expected that any deficit will be covered by future allocations of grant in aid.

Where liabilities transferred under the various Coal Authority Restructuring Schemes (CARS) have crystallised due to planning conditions, agreements, claims etc, provision has been made in these financial statements. It has not, however, been possible to quantify contingent liabilities that may arise in the future. It is expected that any costs will be covered by future allocations of grant in aid.

We are subject to various claims and legal actions in the ordinary course of our activities.

Where appropriate, provisions are made in the accounts on the basis of information available and in accordance with guidance provided under the FReM (Financial Reporting Manual) and IFRS (International Financial Reporting Standards).

We do not expect that the outcome of the above issues will materially affect our financial position.

In addition to the contingent liabilities outlined above the following should be noted:

Mine water flooding incident, Skewen South Wales, January 2021

We are aware of potential legal proceedings in respect of damage caused by the flooding event at Skewen.

If we receive formal notification to commence legal proceedings, we will strongly defend our position.

Treatment of inland saline mine water on the UK coalfields

Recent analysis of our extensive monitoring of the Great Britain coalfields demonstrates that the chemistry of the mine water is extremely challenging and will require additional treatment to that normally undertaken.

At present, the levels of inland saline water in mine workings do not require extensive intervention, which is allowing time for detailed work to generate and evaluate the most cost effective and sustainable options for future treatment.

An outline business case was approved in 2025 and as disclosed at note 12, the future cost of undertaking this work has been incorporated into our mine water scheme provisions balances.

Work continues to better understand the nature and scale of the issue across the mine water blocks identified to be at risk and better understand when treatment will become necessary.

Potential future solutions will continue to be identified, working with partners and assessing existing and new technologies in the treatment of saline water, alongside which work continues to develop a major infrastructure option should alternate use or remediation options not be effective.

This work is currently expected to conclude by 2030 and will inform a full business case, but at present it is not possible to provide a sufficiently reliable estimate of the timing and

18. EVENTS AFTER THE REPORTING PERIOD

quantum of the obligation for inclusion within our provisions balances, as these solutions may require significant funding, possibly several 100 million pounds, to implement over the next decade and beyond.

16. CONTINGENT ASSETS

Restrictive covenants and clawback provisions relating to land and properties sold by the British Coal Corporation passed to the Coal Authority on its formation, under a number of restructuring schemes (Coal Authority Restructuring Schemes - CARS 7 and 9). In the event that specific conditions are met this will trigger additional payments from the purchasers. The timing and quantum of these payments are uncertain and therefore these assets are not recognised in the financial statements.

17. RELATED PARTY TRANSACTIONS

We are a Non-Departmental Public Body (NDPB) of the Department for Energy Security and Net Zero (DESNZ) and received grant in aid during the year, as well as surrendering income received to the consolidated fund in relation to statutory licensing activities.

The Department for Energy Security and Net Zero continues to provide a consolidated annual report and accounts for the core department and incorporating NDPBs, including the Mining Remediation Authority, that are classified within its consolidation boundary.

In addition, we have had a number of transactions with other government departments and bodies. The most significant of these transactions include the purchase of goods and services from the Ministry of Housing, Communities and Local Government (MHCLG) and the provision of advisory and technical services to the Department for Environment, Food & Rural Affairs (DEFRA).

There have been no material transactions undertaken between board members, or other related parties, and the Mining Remediation Authority during the year, that require disclosure.

18. EVENTS AFTER THE REPORTING PERIOD

On 6th April 2026 Lisa Pinney stepped down as chief executive and Paul Frammingham was appointed as interim chief executive with effect from 7th April 2026 to discharge the responsibilities of the accounting officer. Paul Frammingham has signed the accounts, having obtained appropriate assurances from Lisa Pinney, chief executive and accounting officer during the reporting period.

On 18 May 2026, ground movement was identified affecting residential properties at Benbuck View, Coalsnaughton, Clackmannanshire. As a precautionary measure, 97 homes were evacuated by the local resilience partnership and Clackmannanshire Council in the interests of public safety. The Mining Remediation Authority is supporting the multi-agency response and undertaking investigations to determine the cause of the ground movement, including whether it is related to historic coal mining activity. At the date of signing these financial statements, the cause of the incident has not been established. The Mining Remediation Authority continues to undertake technical investigations and monitoring to determine the underlying cause and extent of the ground movement. If the ground movement is determined to be attributable to coal mining subsidence, the Mining Remediation Authority will act in accordance with its statutory responsibilities to remediate the effects of the incident. In that event, the costs could be significant and are currently estimated to be in the tens of millions of pounds.

Date accounts authorised for issue

The chief executive and accounting officer has authorised these accounts to be issued on the date they were certified by the Comptroller and Auditor General.

ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE FOR ENERGY SECURITY AND NET ZERO IN ACCORDANCE WITH THE COAL INDUSTRY ACT 1994

1. This direction applies to the Coal Authority.
2. The Coal Authority shall prepare accounts for the financial year ended 31 March 2026 and subsequent financial years in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual issued by HM Treasury ("the FReM") which was in force for the financial year for which the accounts are being prepared, together with any additional disclosure or other requirements as agreed with the Department.
3. The accounts shall be prepared so as to:
 - (a) give a true and fair view of the state of affairs at 31 March 2026 and subsequent financial year-ends and of the income and expenditure, total recognised gains and losses and cash flows for the financial year then ended; and
 - (b) provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them.
4. Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgement should be used to devise an appropriate alternative treatment which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed in the first instance with the Department for Energy Security and Net Zero who will consult HM Treasury as necessary.
5. This Direction supersedes the Direction dated 16 April 2025.

Christopher Whelan

Assistant Director – Coal Liabilities Unit
(An official of the Department for Energy Security and Net Zero
authorised to act on behalf of the Secretary of State)

17 April 2026

An aerial photograph showing a water treatment facility situated in a vast, open moorland landscape. The facility, located in the lower-left quadrant, consists of several rectangular tanks and structures enclosed by a green fence. A road or path leads to the facility from the right. The surrounding landscape is a mix of green grass and brown, scrubby vegetation, typical of a moor. The top-left corner of the image is framed by a white curved border.

Photo: Ochre removal at Deerplay mine water treatment scheme, Bacup, East Lancashire.

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