



HM Treasury

Technical Annex – Regulatory Administrative Savings Package (Budget 2026)

In the [Regulation Action Plan](#), the government committed to cutting the administrative burden of regulation by 25% - equivalent to £5.6 billion p.a (2024 prices) - by the end of Parliament. Our [July 2026 update](#) reported that we had delivered or identified an estimated £2.0 billion in net annual administrative savings for businesses. This figure constituted £2.6 billion in gross annual savings, offset by £0.6 billion in gross annual burdens. This supplementary document provides information on some newly identified measures with administrative savings that government is looking to take forwards.

The measures presented in this document are additional to the savings previously identified and reported upon in figures in the July 2026 update. This is not an overall progress update on the commitment to cut the administrative burden of regulation by 25%. The government will continue to provide regular updates on net progress towards the 25% administrative burden reduction target, accounting for both savings and new administrative burdens in due course.

Table 1 sets out data sources and methodology for these new, additional measures identified since the July 2026 update that are expected to generate additional gross annual administrative savings for businesses. All measures presented in Table 1 are standardised on a like-for-like basis with the methodology and data sources for standardising measure estimates in Section A of the July 2026 technical annex¹. For each measure, the overall administrative savings have been adjusted to 2024 prices and converted, where necessary, into an equivalent annual saving over the relevant appraisal period. Only savings that fall within the definition of administrative burdens have been included, with wider policy or operational benefits excluded. Relevant one-off implementation costs have also been accounted for where applicable. The measures reported

¹ HMG (2026), [Technical Annex: 25% Administrative Burden Reduction](#)

here are identified, are under further policy development and estimates are subject to change.

The measures outlined in Table 1 are expected to save businesses between £413m and £643m in administrative savings per year. We will provide an update on our overall progress towards achieving the 25% administrative burden reduction target, that considers further savings and burdens, in due course.

Table 1: New gross savings identified since the July 2026 regulation action plan update

Measure and description	Methodology and sources for administrative saving
BIST: Phase 2 of Modernising Corporate Reporting Reforms currently being consulted on as part of the Modernising Corporate Reporting programme will create a simpler, more proportionate company reporting framework including by extending audit exemptions and repealing the Reports on Payments to Governments Regulations 2014.	The Measures included in the Modernising Corporate Reporting consultation are estimated to deliver annual administrative savings of between £100m and £290m (2024 prices); this analysis is subject to change following the results of the consultation and any subsequent changes to policy design or refinement of the assumptions. Of the proposals in the Modernising Corporate Reporting consultation, the largest savings would arise from proposals to extend the small companies' audit exemption to medium-sized companies and easing subsidiaries' access to audit exemptions. For calculating the savings of extending the small companies audit exemption to medium companies, the analysis has identified 20,000 in-scope businesses, typical audit fees of £25,000 and assumed take-up rates of 20% to 50%. The analysis then assumes (based on stakeholder feedback) that one-third of audit costs relate to this removed administrative reporting activity. Using this data and these assumptions the analysis estimates annual administrative savings of between £33m and £83m a year. For calculating the easing of subsidiaries' audit exemption, the analysis uses the same simplifying assumptions (20% and 50% take-up rates, and 1/3 admin cost proportion), with 40,000 subsidiaries in scope and £20,000 median audit fees per year. This analysis estimated potential savings to be between £53m and £133m a year. Evidence from 2014 impact assessment and 2018 post implementation review suggests repealing The Reports on Payments to Governments Regulations (2014) could save businesses between £10m and £70m a year from no longer having to prepare these reports. Adjusting for inflation and standardising estimates, these measures may deliver annual administrative savings of between £100m and £290m a year (2024 prices). SOURCES: Moody's Fame data, BEIS (2017), Audit exemption: impact on small companies, BIST desk research (with insights from stakeholder engagement DBT (2024), Payments to Government Regulations 2014 - Impact Assessment 2014, Payments to Government Regulations 2014 - Post Implementation Review 2018 and DBT (2024), The Reports on Payments to Governments Regulations 2014 - Post-Implementation Review 2024
BIST: Financial Reporting Council Practice Note Introducing the use of the Practice Note will clarify guidance to auditors on how to apply the requirements of the International Standards on Auditing (ISAs) (UK) to the audit of financial statements of small and medium-sized entities (SMEs).	The FRC's SME audit market study found that there are around 76,000 audits of SMEs annually. Based on the number of users who downloaded the Practice Note from the FRC website since March 2026, we estimate that just over 21,000 of those audits will benefit. Based on FRC professional insight, the average SME audit takes 8 weeks (320 hours) with 50% of that time taken to document the audit. We estimate that the use of the Practice Note will save 10% of the time taken on documentation (16 hours) by a junior-level accountant with a wage at the 25th percentile for Chartered and certified accountants in ONS ASHE with a non-wage labour cost uplift (calculated using ONS Blue Book data on employer social contributions as a proportion of wages and salaries). Adjusting for inflation and standardising estimates, this measure will deliver annual administrative savings of £8m a year (2024 prices). SOURCES: FRC (25/26) Small and medium-sized enterprises (SME) audit market study, ONS (2025) Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14 - Office for National Statistics and (ONS 2025) UK National Accounts, The Blue Book time series - Office for National Statistics

BIST: Digital Licensing Introducing a central GOV.UK licensing platform to streamline licence applications will reduce administrative burdens for applicants from reduced duplicate data entry, manual completion of forms, follow-up requests for information and other administrative activity associated with fragmented local authority licensing processes.	The estimated admin savings are based on projected licence volumes over the five-year period (on average 105,000 licences per year), an hourly cost of interacting with government (£14.70) from the 2012 <i>Digital Efficiency Report</i>, and an inter-channel weighted average application time savings of approximately 33 minutes. This is an early estimate that has potential to increase as analysis is further refined as more data becomes available on application times and likely uptake of the new platform. Adjusting for inflation and standardising estimates, we estimate that this measure could deliver annual administrative savings of at least £1m a year (2024 prices). SOURCES: Government Digital Service (2012), Digital Efficiency Report and internal data on estimated time savings
BIST: Financial Reporting Council Guidance for audit firms on using generative and agentic AI tools in audit engagements Guidance codifies good practice, promotes audit quality, and builds confidence in the use of these technologies, thereby helping audit firms to navigate meeting the requirements of auditing standards when using these tools.	Guidance will help audit firms to use these tools in accordance with auditing standards and therefore to successfully navigate the requirements when using the tools. We assume that 100% of the largest audit firms have 10 use cases per year that the guidance may be relevant to, medium audit firms will have 5 use cases, and 80% of smaller audit firms will have 1 use case. We estimate that, for each use case, 2 days of Senior Manager time will be saved with a wage at the 75th percentile for Chartered and certified accountants in ONS ASHE with a non-wage labour cost uplift (calculated using ONS Blue Book data on employer social contributions as a proportion of wages and salaries). Adjusting for inflation and standardising estimates, this measure will deliver annual administrative savings of £1m a year (2024 prices). SOURCES: ONS (2025) Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14 - Office for National Statistics and (ONS 2025) UK National Accounts, The Blue Book time series - Office for National Statistics
HMT: Streamlining fund reporting for asset management entities (FCA) Replacing multiple overlapping fund reporting regimes with a single, risk-based framework for UK fund managers, reducing the volume and complexity of regulatory reporting and data submissions while maintaining effective supervisory oversight.	Cost and benefits of the reform are quantified and publicly reported in the consultation paper (CP26/26). Replacing existing fund reporting requirements with the proposed Fund Reporting for Asset Management Entities (FRAME) regime is expected to deliver administrative savings for UK fund managers. The estimates compare the cost of reporting under the current AIF reporting regime with the expected cost under the proposed FRAME requirements. It uses FCA regulatory data on the affected fund population, reporting frequency and firms' current reporting costs. All quantified impacts on firms are treated as administrative burdens because they arise from regulatory reporting requirements. The new reporting requirements will save Alternative Investment Funds an estimated £147.8m (2026 prices) per year. It will cost firms £142.7m (2026 prices) in one-off implementation costs and an additional £20.5m (2026 prices) per year from extending the reporting requirements to UCITS funds, UK MIFID managers and CIS operators. All figures can be found in Table 5 (p.80-81) of the consultation paper. Adjusting for inflation and standardising estimates, this measure will deliver annual administrative savings of £105m a year (2024 prices). Savings are indicative only and subject to the final policy position following consultation.

	SOURCES: FCA (2026) CP26/26: Fund Reporting for Asset Management Entities (FRAME)
HMT: Reducing regulatory administration for insurers (FCA) Reducing regulatory administration for insurers and intermediaries by narrowing the scope of rules for non-UK business, removing unnecessary disclosures, simplifying conduct requirements and modernising sales processes, cutting record-keeping while maintaining consumer protection.	Cost and benefits of the reform are quantified and publicly reported in the consultation paper (CP26/22). Changes to insurance disclosure requirements could deliver administrative savings for affected insurers and intermediaries. Administrative costs include estimated savings of between £1,000 and £10,000 (2026 prices) per firm from a reduction in the amount of information disclosed (p.40 of consultation paper). Wider cost savings from disapplying ICOBS and PROD requirements for non-UK business are not administrative costs because they relate to conduct and product governance requirements rather than reporting or disclosure obligations. Estimates were produced using FCA data on the potentially affected firm population, the Standardised Cost Model, earlier evidence from firms and historic information on disclosure costs. Up to 4,205 firms could be affected from the reduction in disclosure requirements. Given the proposals are permissive, uptake is optional and has not been estimated, we therefore give a range for the potential administrative savings. Adjusting for inflation and standardising estimates, this measure will deliver annual administrative savings of between £0m and £40m a year (2024 prices). Savings are indicative only and subject to the final policy position following consultation. SOURCES: FCA (2026) CP26/22: Simplifying the insurance rules
HMT: Streamlining sustainability reporting for asset managers and FCA-regulated asset owners (FCA) Simplifying sustainability disclosure requirements by replacing prescriptive public reporting obligations with a more flexible framework, reducing firms' reporting burdens. This allows firms to tailor information to investors' specific needs, while still achieving the original policy outcomes.	Cost and benefits of the reform are quantified and publicly reported in the consultation paper (CP26/17). Simplifying sustainability disclosure requirements for asset managers and FCA-regulated asset owners is expected to deliver administrative savings for affected firms. The estimate reflects the cost currently incurred by firms in producing detailed product-level Task Force on Climate-related Financial Disclosures reports, which the reforms remove. It is based on cost information provided by affected firms on their existing reporting activities. The full estimated saving of £20m per year (2026 prices) on p.11 of CP26/17 and p. 29 of Handbook Notice 144 is treated as an administrative burden reduction because it results from simplifying mandatory disclosure requirements. Adjusting for inflation and standardising estimates, this measure will deliver annual administrative savings of £19m a year (2024 prices). SOURCES: FCA (2026) CP26/17: Quarterly consultation paper No. 52 and FCA (2026) Handbook Notice 144
HMT: Streamlining the Senior Managers & Certification Regime (SM&CR), Phase 2 (PRA component only)	The costs and benefits of the reform are quantified and publicly reported in the consultation paper (CP14/26). These reforms build on the SM&CR Phase 1 reforms introduced in April 2026. Taken together, alongside reforms proposed by HMT and FCA (update on FCA specific savings of SM&CR relevant for the 25% administrative burden reduction target to be published in the next regulation plan update), the PRA expects these proposals would reduce the regulatory burden of the regime by around 50%. Building on a firm survey, the cost benefit analysis

Building on the SM&CR Phase 1 reforms, these Phase 2 proposals further simplify the regime by, among other things, reducing the number of senior manager roles which need to be pre-approved and removing requirements under the Certification Regime such as annual recertification.	estimates a reduction in quantified compliance costs of between £4.8m and £24.9m p.a., with a central estimate of £11.5m per year paragraph 6.32 which are offset by annualised one-off costs of £0.5m per year paragraph 6.41. Adjusting for inflation and standardising estimates, this measure will deliver annual administrative savings of £11m a year (2024 prices). SOURCES: Bank of England (2026) CP14/26 – Review of the Senior Managers and Certification Regime (SM&CR) – Phase 2 Bank of England – the UK's central bank
HMT: Review of FCA remuneration codes for investment firms (FCA) Streamlining remuneration requirements across MIFIDPRU, AIFM and UCITS firms into a single framework and removing fragmented reporting requirements, making the regime clearer and reducing reporting burdens while retaining appropriate safeguards.	Cost and benefits of the reform are quantified and publicly reported in the consultation paper (CP26/27). Removing some of the remuneration requirements for MIFIDPRU, AIFM and UCITS firms is expected to deliver administrative savings. The estimate combines FCA regulatory data on the affected firm population with information on the cost of relevant activities collected through a voluntary firm survey. Only the estimated £5.09m (2026 prices), found on p.30 of the consultation paper (CP26/27), saving per year from revoking the MiFIDPRU remuneration reporting requirements is an administrative cost as it removes a regulatory reporting obligation. Other estimated savings from simplifying the remuneration regime are excluded because they do not relate to reporting or disclosure requirements. Adjusting for inflation and standardising estimates, this measure will deliver annual administrative savings of £5m a year (2024 prices). Savings are indicative only and subject to the final policy position following consultation. SOURCES: FCA (2026) CP26/27: Remuneration: Solo-regulated firms' rules reform
HMT: Reducing administration associated with traditional fund issuance, record-keeping and transaction management processes. (FCA) Enabling firms to use a new unit dealing model for authorised funds, reducing operational processing and administration associated with traditional fund issuance, record-keeping and transaction management processes.	Cost and benefits of the reform are quantified and publicly reported in the consultation paper (CP25/28). Introducing a Direct-to-Fund unit dealing model is expected to deliver administrative savings for fund managers choosing to adopt the new model. The CBA estimates the operational savings enabled by the reforms over a ten-year appraisal period. Although the administrative component is not separately identified in the CBA, FCA analysts and HMT assessed that approximately 75% of the midpoint of the savings in table 1 (p.45) of the consultation paper are in scope of administrative costs. The estimate is based on the midpoint of the range set out in table 1 of the consultation paper. The savings arise from providing firms with a regulatory option to adopt a new more efficient unit dealing model, direct to fund, which is expected to increase uptake of tokenised funds and generate operational efficiencies for fund managers choosing to use the new model, which is the source of the quantified savings. Adjusting for inflation and standardising estimates, this measure will deliver annual administrative savings of £4m a year (2024 prices). SOURCES: FCA (2025) CP25/28: Progressing fund tokenisation and PS26/7: Progressing Fund Tokenisation

HMT: Reforms to securitisation requirements (PRA) Simplifying securitisation requirements by making investor due diligence more proportionate and reducing prescriptive transparency and reporting obligations, including removing specified verification steps and reporting templates, while maintaining appropriate prudential safeguards.	Costs and benefits of the reform are quantified and publicly reported in the consultation paper (CP2/26). The proposals are expected to reduce administrative burdens for PRA-authorized firms participating in securitisations by simplifying investor due diligence and streamlining transparency and reporting requirements. The estimate uses the quantified ongoing cost reductions in Table 2 of Appendix 3 to the consultation paper: £2.3m a year from the transparency reforms and between £1.6m and £3.3m a year from the due diligence reforms. These savings arise from removing prescriptive verification and information requirements and reducing the reporting firms must prepare, check and process. The central estimate combines the £2.3m transparency saving with the midpoint of the due diligence range. Only these reductions in compliance, disclosure and reporting activity are treated as administrative burden savings; wider benefits from other proposals in the package are excluded. Adjusting for inflation and standardising estimates, this measure will deliver annual administrative savings of £4m a year (2024 prices). SOURCES: Bank of England (2026) CP2/26 – Reforms to securitisation requirements Bank of England – the UK's central bank and Bank of England (2026) Appendix 3: Aggregate Cost-Benefit Analysis
HMT: Simplifying client categorisation rules and conflicts of interest (FCA) Simplifying the conflicts of interest requirements by replacing detailed prescriptive rules with a more proportionate framework, reducing burdens for firms, alongside reforms to simplify and clarify the rules around client categorisation.	Cost and benefits of the reform are quantified and publicly reported in the consultation paper (CP25/36). Simplifying the FCA's conflicts of interest requirements is expected to deliver administrative savings for affected firms by making the rationalised rules easier to navigate. The estimate covers £5.1m (2025 prices) in one-off costs and £27.2m in ongoing savings over the ten-year appraisal period. These impacts are treated as administrative because they arise from clarifying and simplifying regulatory requirements, reducing the time firms spend interpreting and navigating the rules. The resulting impacts are equivalent to an annualised administrative burden reduction of around £2.6m (2024 prices). Adjusting for inflation and standardising estimates, this measure will deliver annual administrative savings of £3m a year (2024 prices). The reforms to client categorisation under COBS 3 are excluded from administrative costs. These reforms simplify assessments undertaken internally by firms, but the relevant information is not routinely reported to the FCA or disclosed to third parties. Savings are indicative only and subject to the final policy position following consultation. SOURCES: FCA (2025) CP25/36: Simplifying client categorisation and conflicts of interest rules
DEFRA: Environment Agency Regulatory Easements Allowing businesses to perform certain activities without the need for permits which would otherwise be legally required, reducing administrative burdens associated with permit applications, consultancy support, and ongoing	Regulatory Position Statements will provide annual administrative burden savings of £4m a year for businesses as they no longer need to apply for permits or perform other required actions. The number of firms benefitting from each RPS is estimated alongside the time needed to apply for permits and fulfil permit conditions. Internal staff hours are assumed to cost £34/hour for managers and £19/hour for administrative staff (based on ONS ASHE data, with uplift based on AWE data and total employment cost adjustment based on Index of labour costs data), while day rates of £500 are assumed for contracted consultancies (based on EA costings team estimates). Additional estimated savings, such as avoided monitoring costs, are added separately for each RPS. Savings of £10.7m in the first year are estimated across all relevant RPSs. Firms are generally expected to benefit from RPSs immediately, so most savings materialise in the first year with lower savings in the following years. The appraisal period for this measure is set to end in 2029 as the last RPS in this group expires in early 2029. Adjusting for inflation and

requirements such as monitoring. Examples include allowing businesses to burn particle board waste and to use mobile boilers without permits.	standardising estimates, this measure will decrease annual administrative burdens by around £4m a year (2024 prices). SOURCES: ONS (2025) Employee earnings in the UK - Office for National Statistics, ONS (2026) Average weekly earnings in Great Britain - Office for National Statistics, ONS (2020) Index of Labour Costs per Hour, UK - Office for National Statistics, observed Environment Agency data on estimated time savings
MHCLG: Home Buying and Selling Reforms MHCLG's Home Buying and Selling Roadmap included numerous government commitments to improve the current system including requirements for upfront sales packs, binding contracts and measures to drive digitalisation and professionalise estate agents. A subset of these measures are presented here as some measures are still being developed.	These savings figures reflect a subset of the Home Buying and Selling Reforms measures as some measures are still being developed. The estimate reflects the net impact of time savings for businesses from reduced duplication in information gathering, offset by additional estate agent qualification costs and one-off familiarisation costs. Time savings for conveyancers are based on an assumed 20% reduction at the draft contract stage, using estimates of average conveyancing costs and the duration of this stage from the HomeOwners Alliance. Estate agent qualification costs are based on the number of estate agents and annual staff churn, multiplied by estimated qualification costs using The Property Institute's Level 4 Leasehold Management qualification as a proxy. Familiarisation costs are based on the average time taken across 16 measures quantified in the Equality Act 2010 Impact Assessment, with relevant hourly employment costs taken from ASHE. Adjusting for inflation and standardising estimates, this measure is expected to deliver annual administrative savings of £116m a year (2024 prices). SOURCES: HomeOwners Alliance (2026) Conveyancing Fees: What To Expect In 2026 - HomeOwners Alliance, HomeOwners Alliance (2026) How Long Does Conveyancing Take? The Timeline In 2026, ONS (2026) Annual Population Survey - Occupation by sex, employment status and full/part-time - Nomis, CIPD (2024) Benchmarking employee turnover: What are the latest trends and insights? CIPD, The Property Institute (2026) Level 4 - Leasehold Management - Qualifications - The Property Institute, Government Equalities Office (2010) Equality Act Impact Assessment - Impact Assessment, ONS (2025) Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14 - Office for National Statistics
MoJ: Reforming wedding laws in England and Wales Reforming wedding law by moving away from a system based on the building in which a wedding takes place towards one focused on the officiant responsible for the ceremony. The reforms will also introduce universal rules across different types of wedding, except Anglican weddings, reducing disparities between groups.	The costs and benefits of the proposed reforms are quantified in the consultation impact assessment, drawing on a range of evidence including academic studies and Law Commission analysis. The methodology follows standard HM Treasury Green Book appraisal assumptions. Adjusting for inflation and standardising estimates, this measure is expected to deliver annual administrative savings of £12m a year (2024 prices). The estimate is subject to change following analysis of consultation responses and final policy decisions, including any additional measures introduced as part of wedding reform. Realising the potential savings would also require primary legislation. SOURCES: MoJ (2025), Impact Assessment - Reforming weddings law in England and Wales

MoJ: Transformation of provider journeys (Apply to Pay digital services) The Legal Aid Agency (LAA) is transforming provider journeys by replacing paper-heavy processes with simpler, more accurate and flexible digital services. The new Record Civil Controlled Work service is expected to go live in 2026, reducing the administrative burden on legal aid providers.	The estimated savings are based on the reduction in provider administrative time expected from digitising controlled-work means assessments through RCW, replacing the current forms-based process. LAA recorded 155,523 controlled-work matter case starts last year; around 40% were estimated to require a means assessment, equivalent to approximately 62,200 assessments annually. Data from Check Client Qualifies (CCQ), the LAA's existing digital service containing the rules used to assess a client's financial eligibility for legal aid, shows that a digital assessment takes less than five minutes on average, while provider user research indicates that the equivalent manual assessment takes between 60 and 120 minutes. Applying an assumed provider cost of £40 per hour gives an estimated provider saving of up to c.£4.6m per annum where the full manual burden identified through the research is removed. Adjusting for inflation and standardising estimates, this measure is expected to deliver annual administrative savings of £2m a year (2024 prices). SOURCES: Internal MoJ and LAA data
DWP (HSE): Programme to modernise HSE's website and make guidance more accessible to business HSE is modernising its website to help businesses comply with health and safety regulation. Improvements include unified, accessible webpage designs; a more user-centred approach to content; industry- and topic-focused microsites; improved search; moving citizen-focused material to GOV.UK; and archiving outdated or redundant content.	HSE estimates the time businesses spent using its website before the improvements using the 2024 Business Perceptions Survey, alongside unpublished case studies and HSE website metrics. The analysis estimates that businesses previously incurred around £124m a year in familiarisation costs. Website metrics indicate that improved user journeys now take around 15% less time on average, giving an estimated administrative saving of £18.7m a year. This is a desk-based estimate, equivalent to an average saving of around 11 minutes per business each year. The analysis remains subject to further refinement as HSE continues to improve and evaluate individual website topic areas and incorporates more targeted data. Adjusting for inflation and standardising estimates, this measure is expected to deliver annual administrative savings of £18m a year (2024 prices). SOURCES: Business regulation: business perceptions survey 2024 - GOV.UK