



Department for Business & Trade

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10 February 2026

Dear Liam,

Supplementary Estimate 2025/26: Estimate Memorandum

Please find attached the Estimates Memorandum from the Department for Business and Trade in relation to the Supplementary Estimates for 2025-26.

My department would of course be happy to answer any questions you may have about the Estimate.

Yours sincerely,

RT HON PETER KYLE MP
Secretary of State for Business and Trade
President of the Board of Trade

Department for Business and Trade

Supplementary Estimate 2025-26: Estimates Memorandum

1. Overview

The Supplementary Estimate is the means by which Government seeks to amend authority from Parliament for its spending. This authority is initially provided for the financial year through the Main Estimate, and Supplementary Estimate is Government's one and only chance in the year to amend this spending request.

This memorandum provides the Business and Trade Committee with details of the Department's objectives, along with a summary of the key budgets that will enable the Department to meet these objectives and an overview of the key budget changes since the Main Estimate 2025-26. Further details are also set out in the Annexes.

1.1 Objectives

The Department for Business and Trade's (DBT's) 2025-26 objectives are as follows:

1. Make the UK the best place in the world to do business.
2. Make the UK the best-connected economy, and the best place to do business from.
3. Deliver great services for business.

DBT's spending plans are designed to support these objectives. Details of which spending programmes relate to which objectives are given at Section 3.1.

1.2 Spending controls

DBT's budgets are categorised into spending control totals, for which Parliament's approval is sought.

The spending control totals on which Parliament votes are:

- **Resource Departmental Expenditure Limit (Resource DEL or RDEL)** – this budget covers current expenditure and comprises of two distinct types of budgets:
 - *Programme budgets* which fund the current expenditure of delivering programmes, including delivery of overseas programmes and associated staff costs; and
 - *Administration budgets* which fund the costs of running the Department including accommodation and pay.
- **Capital Departmental Expenditure Limit (Capital DEL or CDEL)** – this budget covers expenditure on assets, investment and capital grants and comprises two distinct types of budgets:
 - *General capital budgets* which fund spend on the purchase and maintenance of assets and capital grants.
 - *Financial transaction (FT) budgets* which fund programmes that provide financial instruments such as loans or purchase of equity.

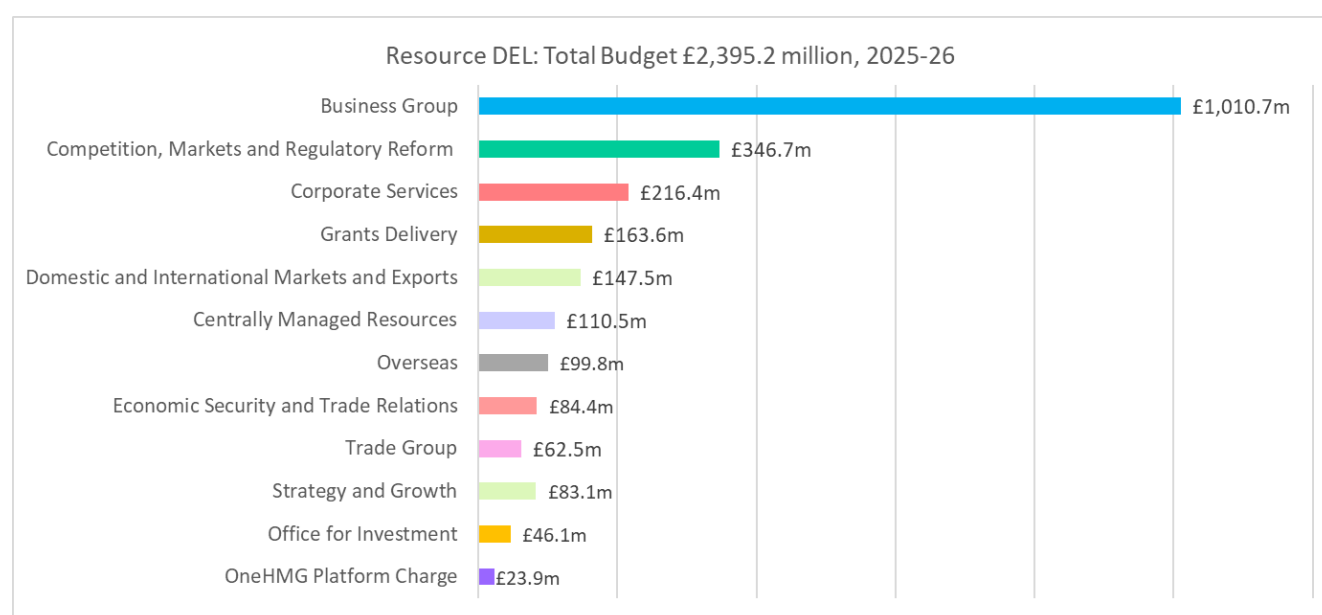
- **Resource Annually Managed Expenditure (Resource AME or RAME)** – this budget covers current expenditure that is inherently volatile, or demand-led, meaning that the Department does not always have the ability to manage spending.
- **Capital Annually Managed Expenditure (Capital AME or CAME)** – this budget is also for expenditure that is inherently volatile, or demand-led that relates to investments that will deliver returns or benefits in the future.

In addition, Parliament votes on the Department’s net cash requirement, which sets the limit on the amount of cash the Department can use in 2025-26.

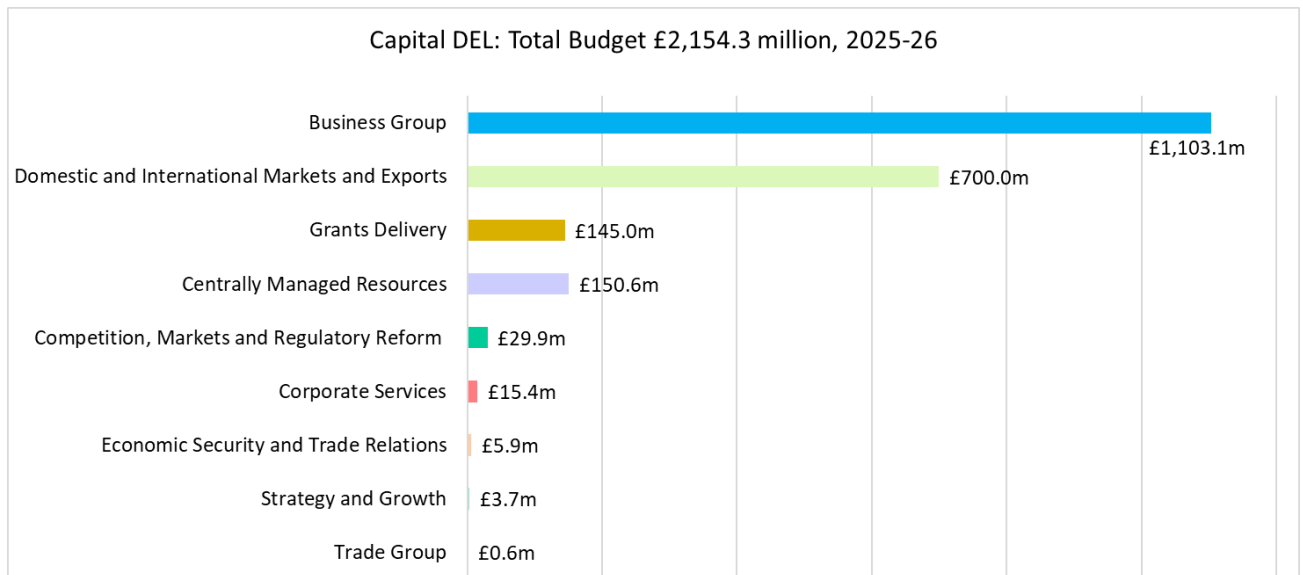
1.3 Main areas of spending

DBT’s control totals are outlined in its 2025-26 Supplementary Estimate.

The following graphics illustrate the components of DBT’s DEL and AME budgets for 2025-26, as set out in the Supplementary Estimate. Once net budget cover transfers with other government departments and reserve claims going through the Supplementary Estimate are accounted for, DBT’s Supplementary Estimate RDEL control total is £2,395.2 million, and its CDEL control total is £2,154.3 million.

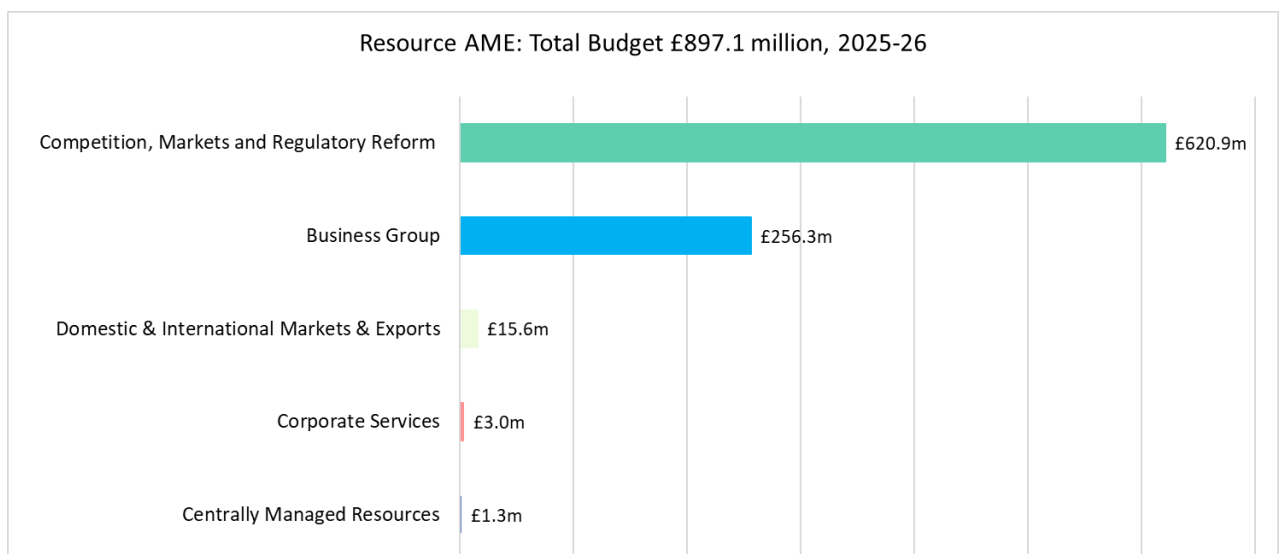


NB Figures may not sum due to rounding

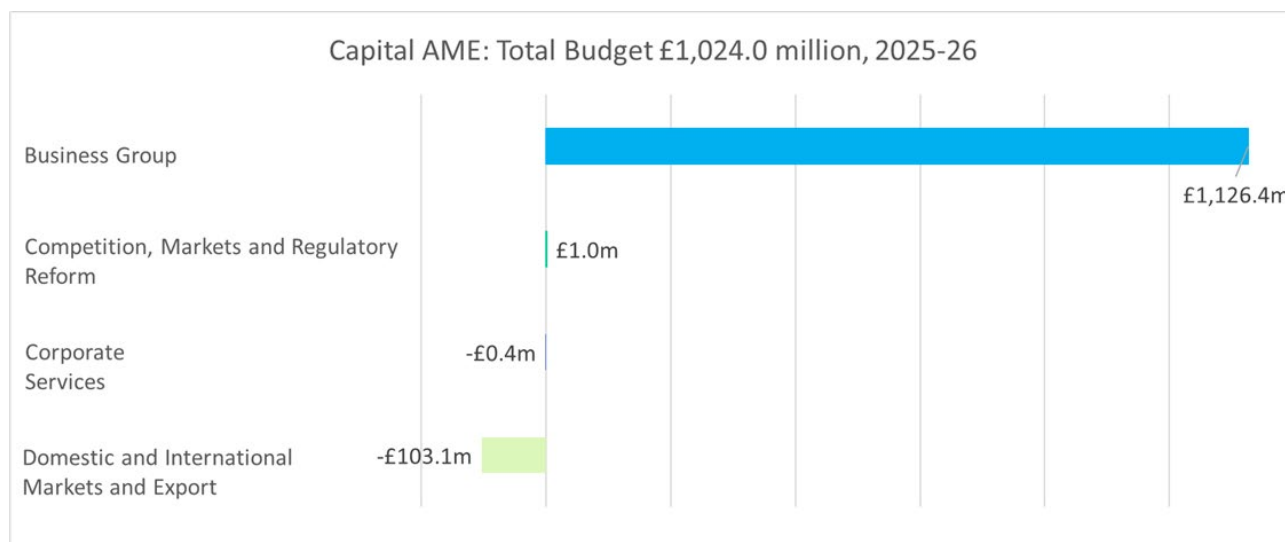


NB Figures may not sum due to rounding

The following graphics illustrate the components of DBT's AME budgets for 2025-26, as set out in the Supplementary Estimate. DBT's Supplementary Estimate RAME is £897.1 million and CAME is £1,024.0 million.



NB Figures may not sum due to rounding



NB Figures may not sum due to rounding.

DBT supports businesses to invest, grow and export, creating jobs and opportunities across the United Kingdom. Below are the descriptions of the spending areas that support DBT's area of work.

Business Group: Responsible for DBT's engagement with business sectors across the economy to support sectors to deliver on the Industrial Strategy, invest, grow and export, in order to create jobs across the country. This includes support to the automotive sector and British Steel. The Group also sets the overall policy and objectives for the Post Office network, including the delivery and payment of redress for victims of the Post Office Horizon scandal.

Competition, Markets and Regulatory Reform: Responsible for enabling enterprise to succeed in a way that benefits all – businesses, workers, consumers – through policy, delivery and regulation that is pro-growth, proportionate and effective. This includes interventions to: tackle economic crime and improve corporate transparency, audit and corporate governance reform through Companies House, the Insolvency Service and Financial Reporting Council; supporting an efficient and flexible UK labour market through enforcement of the National Minimum and Living Wages and sponsorship of the Advisory, Conciliation and Arbitration Service as part of the Government's plan to Make Work Pay; amending Britain's employment laws to ensure they are fit for the modern economy; driving forward work on Retained EU law; and protecting people from product-related harm and supporting businesses in product markets through the work of the Office for Product Safety and Standards.

Domestic and International Markets and Exports (DIME): Responsible for delivering practical support to help businesses grow domestically and to export to international markets. The small business strategy will provide high potential small and medium-sized enterprises (SMEs) with the tools and support to accelerate their growth including through enhanced digital services and the provision of support through interventions by the British Business Bank. DIME also delivers grant schemes to support small businesses.

Office for Investment (OFI): Responsible for leading on investment strategy and promoting the UK as a great destination for corporate and institutional investment, attracting high-value investment from abroad and encouraging domestic investment to enable overall growth in the UK. OFI also delivered the UK's presence at the Osaka Expo 2025 on behalf of the whole of government.

Overseas: Responsible for DBT's network of staff in more than 100 countries, led by 9 HM Trade Commissioners (HMTCs). The Overseas Network supports UK exports and investment across the world and works with partner governments and businesses overseas to support UK trade. HMTCs work closely with HM Ambassadors and High Commissioners, and the wider diplomatic network, to drive forward and coordinate government effort overseas to promote UK trade and prosperity.

Strategy and Growth: Responsible for the planning, analysis and facilitation of work to drive long-term, sustainable economic growth by encouraging businesses to invest and grow, domestically and internationally, as DBT's strategic centre. The primary framework for this is through the Government's industrial strategy – its priority long-term plan, working in partnership with business, to build on the UK's unique sectoral strengths and high-potential clusters, and create a pro-business environment that enables high-value investment, trade and job creation throughout the UK. The group also supports ministers' day-to-day work, including in Parliament, and provides a range of capabilities and technical expertise, including communications and marketing.

Trade Group and Economic Security & Trade Relations (ESTR): Trade Group leads on our ambition to boost productivity and growth through our economic relationships across Europe, Asia-Pacific, South Asia, and the Middle East & Pakistan - by negotiating and implementing trade agreements, leading multilateral engagements, broadening and deepening market access for UK exporters and investors, and developing regional strategies including on economic security. Trade policy teams work across all these channels and in all HMTc regions. Trade Group also leads on devolution for DBT. ESTR helps the government, department, and businesses navigate economic security constraints and turbulent global trade. Key deliverables include the US Economic Prosperity Deal and improved economic relations with China. The group also drives multilateral trade reform in the WTO, G7 and G20. ESTR provides policy leadership on economic security, trade defence, export controls, trade sanctions, supply chains, investment security, responsible business conduct, and trade for development. It is also responsible for the Trade Remedies Authority, a partner organisation.

Corporate Services: Responsible for provision of digital delivery services, management of the DBT estate, management of shared services and delivery of other essential corporate support services, including finance, human resources, commercial (including agreed legal advisory services via Government Legal Department), communications, security, knowledge and information management, and project delivery, required for the achievement of DBT's priority outcomes.

Grants Delivery: Responsible for delivering schemes to support energy intensive industries and grant funding for the steel sector, apart from our intervention in British Steel. The directorate also houses the department's counter fraud function, which works closely on counter fraud activity on grants and COVID recoveries.

Centrally Managed Resources: Centrally held funding is earmarked for specific known risks and pressures from the volatility in DBT forecasts.

1.4 Comparison of spending totals sought

The table below shows how the totals sought by DBT at the Supplementary Estimate 2025-26 compared with the equivalent at the Main Estimate 2025-26 and the final outturn figures for 2024-25.

Amounts sought this year (Supplementary Estimate 2025-26)		Difference (+/-) compared to Main Estimate 2025-26		Difference (+/-) compared to Outturn 2024-25	
Control Total	£	£	%	£	%
Resource DEL	£2,395.2m	£360.2m	17.7%	£815.2m	51.6%
Capital DEL	£2,154.3m	£626.3m	41.0%	£1,216.3m	129.7%
Total DEL	£4,549.5m	£986.4m	27.7%	£2,031.5m	80.7%
Resource AME	£897.1m	£1,351.0m	-297.7%	£1,194.1m	-402.1%
Capital AME	£1,024.0m	-£805.6m	-44.0%	£1,296.0m	-476.5%
Total AME	£1,921.1m	£545.4m	39.6%	£2,490.1m	-437.6%
Total Managed Expenditure	£6,470.6m	£1,531.8m	31.0%	£4,521.6m	232.0%

NB - figures may not sum due to rounding

The figures in the table above are from HM Treasury report Public Expenditure Statistical Analyses (PESA) 2025 and, because of timing differences in the data versions, may differ slightly from those published in the Departmental Annual Report and Accounts.

Details of budget changes since Main Estimate 2025-26 by sub-head are shown in Section 2 and in Annex A (Table A).

1.5 Key drivers of spending changes since Main Estimates 2025-26

Resource DEL: The increase in the Resource DEL Main Estimate funding of £360.2 million (17.7%) compared to the Main Estimate 2025-26 is predominantly due to an increase in funding for British Steel under the Steel Industry (Special Measures Act) 2025 to enable the safe and continuous operation of the company's Scunthorpe site.

Capital DEL: The increase in the Capital DEL Supplementary Estimate funding of £626.3 million (41.0%) compared to the Main Estimate 2025-26 is predominantly due to increased funding for British Steel (£375.0m) and funding allocated to the delivery of the British Business Bank's programmes (£250.0m) predominantly driven by the timing of anticipated investment transactions.

Resource AME: The increase in the Resource AME Supplementary Estimate funding of £1,351.0 million (297.7%) compared to the Main Estimate 2025-26 is predominantly due to amendments to provisions relating to future payments under postmaster redress schemes. Specifically this reflects an additional provision for the Capture (pre-Horizon IT system) scheme based on updated modelling and a potential new provision following the announcement of the intention to provide redress to family members of postmasters impacted by the Horizon scandal.

Capital AME: The decrease in the Capital AME Supplementary Estimate budget of £805.6 million (44.0%) compared to the Main Estimate 2025-26 is mainly attributable to an updated estimate of

the likely further drawdown during the year by Post Office Limited from its working capital facility with DBT.

Further detail on changes in spending detail at sub-head level by spend type are set out in section 2.1.

1.6 Key drivers of change since the Spending Review

DBT's budget control totals for 2025-26 were agreed through Phase 1 of Spending Review 25. The Department's funding for 2025-26 focuses resources on delivering the Government's growth mission.

Full details of all the Supplementary Estimate 2025-26 adjustments relating to DBT are set out in Table B at the end of this Memorandum.

1.7 Reserve claims and spending pressures

At Supplementary Estimates 2025-26 we have requested £375.0 million CDEL Financial Transactions and £335.0 million RDEL Programme for British Steel funding. We have also requested £200.0 million CDEL Financial Transactions for financial commitments undertaken by the British Business Bank.

The Department is managing a range of financial risks, the largest of which are British Steel and various special situations. Special situations refer to exceptional or unforeseen circumstances where the Department needs to intervene to protect critical national interests or maintain economic stability. These typically involve urgent support for strategically important businesses or sectors facing financial distress, where failure could have significant economic or social consequences.

1.8 Other funding announcements

The Chancellor announced the expansion to the Growth Guarantee Scheme by £500 million of additional lending capacity in 25/26. The extra funding is aimed at smaller businesses that may need support with cashflow issues due to changes in global tariff rates and an additional £50.0 million has been provided to DBT in 2025-26 for the associated costs for the current year.

1.9 New policies and programmes: ambit changes

Since the Main Estimate 2025-26, the following change has been made to the Department's Ambit.

Additions:

DEL

Expenditure arising from:

1. *'The provision of financial support for the Social Impact Sector, primarily consisting of Community Development Finance Institutions'.*
2. *'Departmental interventions with respect to distressed businesses'.*
3. *'British Growth Partnership, a BBB initiative to encourage more institutional investment, particularly from UK pension funds, into high-growth and innovative companies within the UK'.*

AME

Income arising from:

4: 'Premium income and other receipts from financial guarantee schemes'

5: 'Investment income received by BIS (Postal Services Act 2011) Company Limited'.

1.10 Administration Costs and Efficiency plans

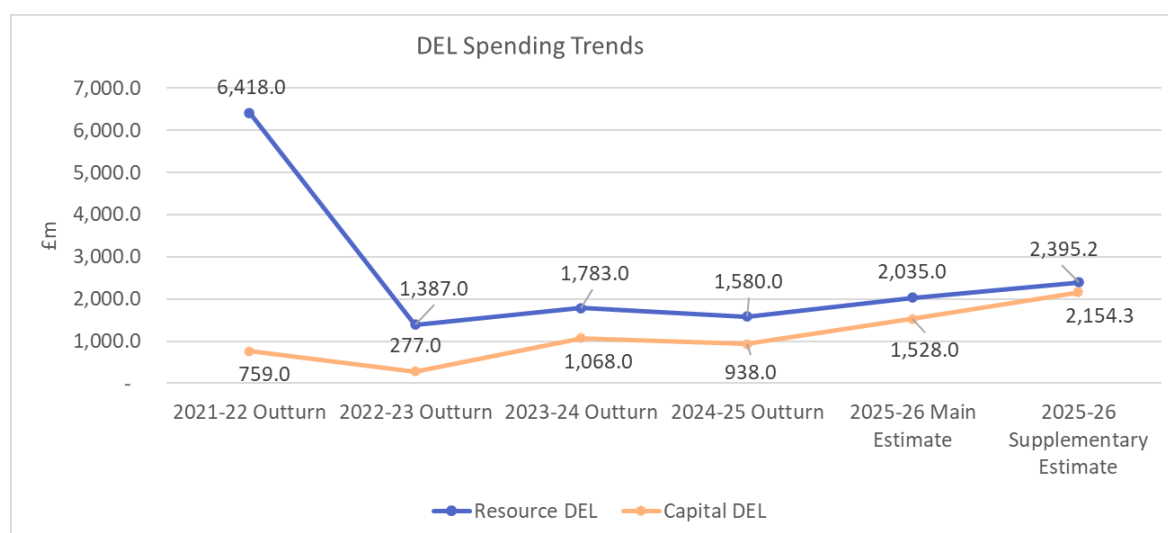
Amounts sought this year (Supplementary Estimate 2025-26)		Difference (+/-) compared to to Main Estimate 2025-26		Difference (+/-) compared to to Outturn 2024-25	
	£ m	£ m	%	£ m	%
Administration	497.9	26.9	5.7%	58.9	12.5%

The figures in the table above are from HM Treasury report PESA 2025 and, because of timing differences in the data versions, may differ slightly from those published in the Departmental Annual Report and Accounts.

Resource DEL Admin at the Supplementary Estimate 2025-26 has increased by £26.9 million compared to the Main Estimate 2025-26 predominantly in relation to an allocation from HM Treasury's Transformation Fund.

1.11 Spending trends

The graphs below show how the Department's spending and budgets have shifted year-on-year since 2021-22.

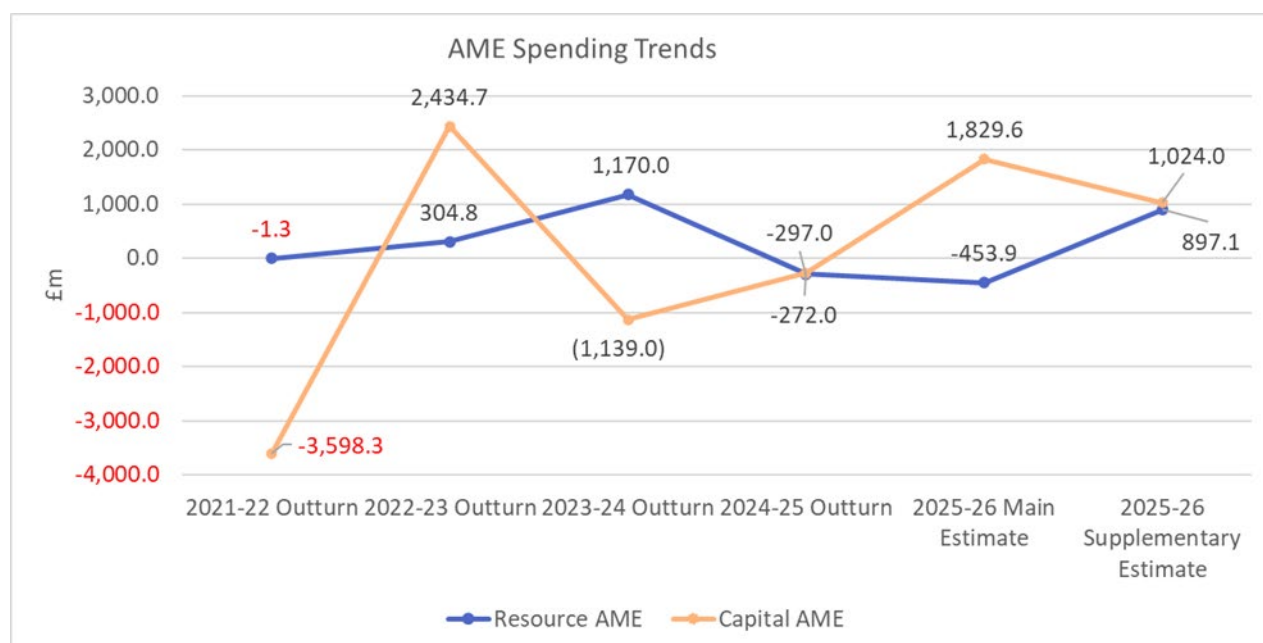


The figures in the chart above are from PESA 2025 and, because of timing differences in the data versions, may differ slightly from those published in the Departmental Annual Report and Accounts.

The reduction in Resource DEL between 2021-22 and 2022-23 was primarily due to the one-off funding provided to small and medium sized businesses during the COVID-19 pandemic. The increase in 2023-24 was due to increased funding for the cost of the Post Office Redress Scheme payments as well as funding to enable Post Office Limited to continue work on the Horizon

replacement programme. The increase of Resource DEL at Main Estimates 2025-26 is mainly due to increase in funding for the Post Office's Strategic Transformation Plan and initial funding to support British Steel. The increase of Resource DEL at Supplementary Estimates 2025-26 is predominantly due to an increase in funding for British Steel to ensure the continued safe operation of the company's Scunthorpe site.

Capital DEL was higher in 2021-22 compared to 2022-23 due to non-recurrent funding provided to the British Business Bank and Post Office in 2021-22. It further increased in 2023-24 predominantly due to increased funding allocated to the delivery of the British Business Bank's programmes and the Automotive Transformation Fund. The increase of Capital DEL at Main Estimates 2025-26 is because of additional funding for Faraday Battery Challenge and Drive 35 programmes, supporting the UK automotive and battery technology sectors. The increase of Capital DEL at Supplementary Estimates 2025-26 is predominantly due to increased funding for British Steel and funding allocated to the delivery of the British Business Bank's programmes driven by the timing of anticipated investment transactions.



The figures in the chart above are from PESA 2025 and, because of timing differences in the data versions, may differ slightly from those published in the Departmental Annual Report and Accounts.

Resource AME funding primarily covers the Redundancy Payments Service, Labour Markets Parental Leave Scheme, provisions, and revaluations of investments. The increase in Resource AME between 2021-22 and 2022-23 and 2023-24 was predominantly to cover an increase to the value of provisions for the Post Office Redress Schemes payments, and fair value losses relating to the British Business Bank revaluation on investments. The decrease in Resource AME at Main Estimates 2025-26 was due to these provisions decreasing as payments are made for the Post Office Redress Schemes. The increase of Resource AME at Supplementary Estimates 2025-26 is due to further amendments to these provisions, in particular, an additional provision for the Capture scheme (pre-Horizon IT

system) based on updated modelling and a potential new provision following the announcement of the intention to provide redress to family members of Postmasters impacted by the Horizon scandal.

Capital AME funding primarily covers loan guarantees and Post Office redress scheme payments. The large negative Capital AME in 2021-22 was the result of a significant reduction in the value of provisions made in the previous financial year relating to Covid-19 business loan guarantees offered by the British Business Bank. Forecast changes in economic conditions resulted in an increase in the provisions in 2022-23. In 2023-24 Covid-19 business loan repayments were higher than anticipated, resulting in a reduction of CAME, as the provisions were decreased. In 2024-25 the increase was due to funding provided for payments made under the Post Office redress schemes. The increase in Capital AME at Main Estimates 2025-26 is due to the additional funding requirements relating to the Post Office Redress Schemes payments. The decrease of Capital AME at Supplementary Estimates 2025-26 is mainly attributable to an updated estimate of the likely further drawdown during the year by Post Office Limited from its working capital facility with DBT.

2. Spending detail

2.1 Explanations of changes in spending

DBT has four estimate rows in the Supplementary Estimate presented by HM Treasury (HMT) to the House of Commons:

- *DBT – Department for Business and Trade (DEL);*
- *DBT – Department for Business and Trade (AME);*
- *DBT – Arm’s Length Bodies (ALB) (Net) (DEL); and*
- *DBT – Arm’s Length Bodies (ALB) (Net) (AME).*

The tables below provide the Committee with a more detailed breakdown of the Department’s budget by sub-head.

The notes accompanying the tables overleaf provide further details where changes to budgets from the equivalent Main Estimates 2025-26 to Supplementary Estimate 2025-26 are greater than 10% **and** £10.0 million, or greater than 5% **and** £200.0 million. Further budget detail is provided in Annex A, Table A.

Note: Percentages may not be exact due to rounding differences.

Resource DEL

The table below shows how DBT's spending plans for Resource DEL at the Supplementary Estimate 2025-26 compared to the Main Estimate 2025-26.

Sub-heads	Description	Resource DEL				see note number
		£ million			%	
		This year (Supplementary Estimate budget sought)	This year (2025-26 Main Estimate budget approved)	change from Main Estimate		
A1	OneHMG Platform Charge	23.9	23.9	0.0	0.0%	
A2	Overseas	99.8	104.9	-5.1	-4.8%	
A3	Office for Investment	46.1	42.8	3.3	7.6%	
A4	Strategy and Growth	83.1	54.6	28.5	52.1%	1
A5	Trade Group	62.5	63.4	-0.9	-1.4%	
A6	Economic Security and Trade Relations	84.4	78.6	5.7	7.3%	
A7	Competition, Markets and Regulatory Reform	346.7	332.8	13.9	4.2%	
A8	Domestic and International Markets and Exports	147.5	182.0	-34.5	-19.0%	2
A9	Business Group	1,010.7	619.8	390.9	63.1%	3
A10	Corporate Services	216.4	217.3	-0.9	-0.4%	
A11	Grants Delivery	163.6	187.7	-24.1	-12.9%	4
A12	Centrally Managed Resources	110.5	127.0	-16.8	-13.2%	5
Total voted and non-voted		2,395.2	2,035.0	360.2	17.7%	

Note 1

The £28.5 million (52.1%) increase in Resource DEL funding for Strategy and Growth is mainly due to receiving the departments' allocation from the Cabinet Office for the GREAT communications programme. (£16.6 million) and the Marketing and Communications directorate moving into the group (£8.3 million).

Note 2

The £34.5 million (19.0%) decrease in Resource DEL funding for Domestic and International Markets and Exports is due to releasing funding set aside for locally targeted support in the event of a significant economic shock (£25.0 million) and underspends on Help to Grow (£7.0 million).

Note 3

The £390.9 million (63.1%) increase in Resource DEL funding for Business Group is due to the costs of supporting British Steel.

Note 4

The £24.1 million (12.9%) decrease in Resource DEL funding for Grants Delivery is due to the Energy Intensive Industries schemes forecast reducing since Business Planning (£29.0 million), following updated energy prices and uptake expectations.

Note 5

The £16.5 million (13.0%) decrease in Resource DEL funding for Centrally Managed Resources is due to allocating out contingency to groups throughout the year as required.

Capital DEL

The table below shows how DBT's spending plans for Capital DEL at the Supplementary Estimate 2025-26 compares with the Main Estimate 2025-26.

Sub-heads	Description	Capital DEL				
		£ million			%	see note number
		This year (Supplementary Estimate budget sought)	This year (2025-26 Main Estimate budget approved)	change from Main Estimate		
A1	OneHMG Platform Charge	0.0	0.0	0.0	0.0%	
A2	Overseas	0.0	0.0	0.0	0.0%	
A3	Office for Investment	0.0	0.0	0.0	0.0%	
A4	Strategy and Growth	3.7	3.0	0.7	22.8%	
A5	Trade Group	0.6	0.6	0.0	0.0%	
A6	Economic Security and Trade Relations	5.9	5.3	0.7	12.5%	
A7	Competition, Markets and Regulatory Reform	29.9	25.0	4.9	19.6%	
A8	Domestic and International Markets and Exports	700.0	530.0	170.0	32.1%	1
A9	Business Group	1,103.1	659.0	444.1	67.4%	2
A10	Corporate Services	15.4	12.6	2.9	22.7%	
A11	Grants Delivery	145.0	205.0	-60.0	- 29.3%	3
A12	Centrally Managed Resources	150.6	87.5	63.1	72.1%	4
Total voted and non-voted		2,154.3	1,528.0	626.3	41.0%	

Note 1

The £170.0 million (32.1%) increase in Capital DEL in Domestic and International Markets and Exports is due to an increase in funding to meet financial commitments undertaken by the British Business Bank driven by the timing of transactions. This funding is demand-led and therefore amended at Supplementary Estimates each year.

Note 2

The £444.1 million (67.4%) increase in Capital DEL in Business Group is due to the costs of supporting British Steel.

Note 3

The £60.0 million (29.3%) decrease in Capital DEL in Grants Delivery is due to changes to the anticipated timing of grant payments to support transformation of the steel industry.

Note 4

The £63.1 million (72.1%) increase in Capital DEL in Centrally Managed Resources is due to additional funding for the British Business Bank's Growth Guarantee Scheme (GGS). The increase represents the British Business Bank's (BBB's) high forecast for this programme. GGS is demand-led and therefore the funding required is uncertain.

Resource AME

The table below shows how DBT's spending plans for Resource AME at the Supplementary Estimate 2025-26 compared with the Main Estimate 2025-26.

Sub-heads	Description	Resource AME				
		£ million			%	see note number
		This year (Supplementary Estimate budget sought)	This year (2025-26 Main Estimate budget approved)	change from Main Estimate		
A1	OneHMG Platform Charge	0.0	0.0	0.0	0.0%	
A2	Overseas	0.0	0.0	0.0	0.0%	
A3	Office for Investment	0.0	0.0	0.0	0.0%	
A4	Strategy and Growth	0.0	0.0	0.0	0.0%	
A5	Trade Group	0.0	0.0	0.0	0.0%	
A6	Economic Security and Trade Relations	0.0	0.0	0.0	0.0%	
A7	Competition, Markets and Regulatory Reform	620.9	573.5	47.4	8.3%	
A8	Domestic and International Markets and Exports	15.6	-98.0	113.6	-116.0%	1
A9	Business Group	256.3	-929.4	1,185.7	-127.6%	2
A10	Corporate Services	3.0	0.0	3.0	0.0%	
A11	Grants Delivery	0.0	0.0	0.0	0.0%	
A12	Centrally Managed Resources	1.3	0.0	1.3	100.0%	
Total voted and non-voted		897.1	-453.9	1,351.0	-297.7%	

Note 1

The £113.6 million (116.0%) increase in Resource AME funding for Domestic and International Markets and Exports is to account for the volatility in the fair value gains and losses of the British Business Bank's investment portfolio.

Note 2

The £1,185.7 million (127.6.%) increase in Resource AME for Business is in anticipation of the potential need for a new provision following the announcement of the intention to provide redress to family members of affected Postmasters. It also includes additional provision for the Capture scheme (pre-Horizon IT system) based on updated modelling post launch of the scheme.

Capital AME

The table below shows how DBT's spending plans for Capital AME at the Main Estimate 2025-26 compared with the Supplementary Estimate 2024-25.

Sub-heads	Description	Capital AME					
		£ million			%		See note number
		This year (Supplementary Estimate budget sought)	This year (2025-26 Main Estimate budget approved)	change from Main Estimate			
A1	OneHMG Platform Charge	0.0	0.0	0.0	0.0%		
A2	Overseas	0.0	0.0	0.0	0.0%		
A3	Office for Investment	0.0	0.0	0.0	0.0%		
A4	Strategy and Growth	0.0	0.0	0.0	0.0%		
A5	Trade Group	0.0	0.0	0.0	0.0%		
A6	Economic Security and Trade Relations	0.0	0.0	0.0	0.0%		
A7	Competition, Markets and Regulatory Reform	1.0	0.6	0.4	66.0%		
A8	Domestic and International Markets and Exports	-103.1	0.0	-103.1	100.0%	1	
A9	Business Group	1,126.4	1,829.0	-702.5	-38.4%	2	
A10	Corporate Services	-0.4	0.0	-0.4	0.0%		
A11	Grants Delivery	0.0	0.0	0.0	0.0%		
A12	Centrally Managed Resources	0.0	0.0	0.0	0.0%		
Total voted and non-voted		1,024.0	1,829.6	-805.6	-44.0%		

Note 1

The £103.1 million (100.0%) decrease in Capital AME for Domestic and International Markets and Exports is due to a revised estimate for recoveries of prior year payments on the Covid-19 loan guarantee schemes administered by the British Business Bank.

Note 2

The £702.5 million (38.4%) decrease in Capital AME for Business Group is mainly attributable to an updated estimate of the likely further drawdown during the year by Post Office Limited from its working capital facility with DBT.

2.2 Restructuring

DBT has reorganised Trade Policy, Implementation & Negotiations (TPIN) into five region-focused directorates known as Trade Group. It also reorganised ESTR into six directorates, adding new capabilities in geopolitics, economic security, and import/investment resilience to deliver a unified, agile trade and security strategy post-Machinery of Government reforms.

The Machinery of Government change between the Department for Business and Trade and Ministry of Defence began with the formal transfer of Ministerial responsibility on 31 July 2025 with details to conclude throughout 2026.

2.3 Ringfenced budgets

Within total budgets outlined, there are a number of ringfenced budgets, i.e. reductions in spend within these budgets may not be used to fund pressures on other budget lines without express permission from HM Treasury.

Description	Supplementary Estimate 2025-26 £m	Main Estimate 2025-26 £m	Difference (+/-), compared to Main Estimate 2025-26	
			£m	%
Total DEL Ring fenced	1,180.3	1,012.0	168.3	16.6%
Resource DEL				
British Business Bank	4.0	4.0	0.0	0.0%
Economic Crime Levy allocation	6.0	6.0	0.0	0.0%
British Steel	100.0	100.0	0.0	0.0%
DBT Depreciation ringfence	51.3	45.0	6.3	13.9%
Total Resource DEL	161.3	155.0	6.3	4.0%
Capital DEL				
British Business Bank schemes	728.0	528.0	200.0	37.9%
R&D	291.0	329.0	-38.0	-11.6%
Total Capital DEL	1,019.0	857.0	162.0	18.9%

NB - figures may not sum due to rounding

2.4 Changes to Contingent Liabilities

The following are changes to contingent liabilities since the Main Estimate 2025-26:

New contingent liabilities:

- Financial guarantees issued in respect of distressed businesses with maximum potential liabilities for the Department totalling £105.8 million.
- Legal costs: A remote contingent liability exists in relation to various ongoing legal cases, both within the Core Department and wider Departmental Group. The cases range from bankruptcy and insolvency matters to judicial reviews. The costs are dependent on the outcome of cases which currently cannot be reliably estimated, of unquantifiable value.
- New indemnity to cover the Independent Reviewer of the Postmasters Horizon - Group Litigation Order Scheme in respect of any liabilities he may incur as a result of holding this position, of unquantifiable value.

Removal of contingent liability:

- Shipbuilding Credit Guarantee Scheme – Maximum expected risk exposure to the Department in respect of potential guarantees issued under the Shipbuilding Credit Guarantee Scheme. No Guarantees have been issued since the scheme was launched. Previous value was £500 million.

3. Priorities and Performance

3.1 How spending relates to objectives

DBT's spending plans support the delivery of its current objectives as indicated below:

Sub Heads	Description	1. We will make the UK the best place in the world to do business.	2. We will make the UK the best-connected economy and the best place to do business from.	3. We will deliver great services for business.
A1	OneHMG Platform Charge		X	X
A2	Overseas		X	X
A3	Office for Investment	X		X
A4	Strategy and Growth	X	X	X
A5	Trade Group		X	X
A6	Competition, Markets and Regulatory Reform	X		X
A7	Domestic and International Markets and Exports	X	X	X
A8	Business Group	X	X	
A9	Grants Delivery	X	X	X
A10	Corporate Services	X	X	X
A11	Centrally Managed Resources	X	X	X

3.2 Measures of performance against each priority outcome

DBT's internal Outcome Delivery Plan for 2025-26 currently includes draft performance metrics by which progress against each priority can be assessed, as presented below. Once finalised, these indicators will be used for governance processes and reported in the 2025-26 Annual Report and Accounts.

1. Make the UK the best place in the world to do business, through the Industrial Strategy:
 - Investment – Gross Fixed Capital Formation;
 - Productivity – UK whole economy output per hour worked;
 - Growth – Gross Value Added;
 - Homegrown Businesses – Number of Homegrown Businesses.
2. Make the UK the most connected economy and the best place to export from, through our ambitious Trade Strategy:
 - Total trade in goods and services with US, China, and EU;
 - Percentage of total trade covered by trade agreements.
3. Deliver great services for business, improving the experience of doing business in the UK through business-led policy reform and radically improved regulation:
 - Net Promotor Scores for the four most significant services: British Business Bank, Post Office, Office for Investment and Exports Services.

3.3 Commentary on steps being taken to address performance issues

The Department is undertaking action specifically to address performance issues which includes:

Grant Delivery Function

To address Public Accounts Committee and National Audit Office concerns, and as part of the Machinery of Government changes, in 2023-24 DBT created a new Grant Delivery Directorate (GDD), which is part of the Department's Corporate Services Group. The Grants Delivery Board is chaired by DBT's COO, ensuring appropriate assurance over grant delivery, including financial management and risks. DBT is implementing a new grants management platform as the single system of record for all grant activity (applications, assessment, award, monitoring and closure), with a target launch in April 2026 covering 57 live schemes.

Counter Fraud Strategy

The National Audit Office report of December 2021 (Bounce Back Loan Scheme: An Update) recommended that the then Department of Business, Energy and Industrial Strategy produce a formal Counter Fraud Strategy for the Bounce Back Loan Scheme (BBLs). The Department for Business and Trade (previously the Department for Business, Energy and Industrial Strategy) developed an overarching BBLs Counter Fraud Strategy (2022-2025) which has driven an extensive programme of activity in DBT, the British Business Bank, and wider delivery partners. The Strategy also sets out a delivery structure built around three core pillars which are: the data and analytics programme, tackling fraud through lenders, and tackling fraud through enforcement partners.

New financial reporting system

This financial year, DBT has implemented a new reporting process supported by the introduction of a single forecasting tool, replacing the previous multi-system approach. All data is now consolidated in one place, enabling streamlined workflows and reducing duplication. The new system generates live dashboards, providing real-time insights and improving the accuracy and timeliness of reporting. Routine data validation and reconciliation processes remain embedded, and regular Board papers continue to align with HM Treasury standards.

Efficiencies

In line with the Government Efficiency Framework, DBT now conducts quarterly reviews against the efficiencies agreed with HM Treasury, enabling effective tracking and assurance that targets are being met.

3.4 Major Projects

The Infrastructure and Projects Authority (IPA) reports on Government Major Projects Portfolio (GMPP) annually. From April 2025 the IPA have merged with National Infrastructure Commission to form the National Infrastructure and Service Transformation Authority (NISTA). The latest report can be found here: [NISTA Annual Report 2024-25 - GOV.UK](#)

The DBT portfolio currently has two GMPP initiatives: the Future Technology Portfolio and the Automotive Transformation Fund.

Future Technology Programme (formerly known as New Branch IT System)

This programme comprises a series of activities run by Post Office Limited (POL) designed to progressively modernise and improve the financial sustainability of the Post Office. It includes the Future Technology Programme (formerly known as New Branch IT System) aimed at replacing the Horizon IT system and developing the technology and data capability needed to support the wider Strategic Transformation Plan (STP) programme.

Funding Sub-head	Business Group
Onboard start	January 2024
Offboard end	Target March 2030

Drive 35 (formerly known as Automotive Transformation Fund)

This programme is part of the Advanced Manufacturing Plan and supports investment in developing the end-to-end electrified automotive supply chain in the UK, supporting the Government to achieve its targets to support the green industrial revolution and transport.

Funding Sub-head	Business Group
Onboard start	Pre-2023 (Originally a former-BEIS Major Project)
Offboard end	Target 2035

4. Other Information

4.1 Research & Development Expenditure

R&D	Main Estimate (£m)	Supplementary Estimate (£m)	% Change since Main Estimate
Aerospace Technology Institute (ATI)	195.0	193.5	-0.7%
Auto 2030	100.0	90.9	-9.1%
Connected and Automated Mobility (CAM)	18.4	18.6	1.2%
Global Supply Chain Intelligence Platform (GSCIP)	3.0	0.3	-90.0%
National Digital Twin Programme (NDTP)	5.1	5.1	0.0%
Open Regulation Platform (ORP)	2.7	2.7	0.0%
Misc	7.6	7.3	-3.4%
Total	331.8	318.4	-4.0%

Note: Totals and percentages may not exactly sum, due to rounding differences.

Global Supply Chain Intelligence Platform

The variance above 10% is driven by enhanced cost recovery from Other Government Departments (OGDs).

4.2 Additional specific information required by the Select Committee

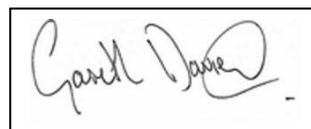
The Business and Trade Committee has not requested any particular information which has not been addressed in this Memorandum.

5. Accounting Officer Approval

This memorandum has been prepared according to the requirements and guidance set out by the House of Commons Scrutiny Unit, available on the Scrutiny Unit website. The information in this Estimates Memorandum has been approved by myself as Departmental Accounting Officer.

Gareth Davies

Accounting Officer
Permanent Secretary
Department for Business and Trade
26 January 2026



Annex A

Table A (i) Departmental Expenditure Limits (DEL)

Sub-heads	Description	Programme	Resource					Capital				
			£ million			%		£ million			%	
			<i>This year (Supplementary Estimate budget sought)</i>	<i>This year (2025-26 Main Estimate budget approved)</i>	Change from Main Estimate		see Section 2.1 note number	<i>This year (Supplementary Estimate budget sought)</i>	<i>This year (2025-26 Main Estimate budget approved)</i>	Change from Main Estimate		see Section 2.1 note number
A1	OneHMG Platform Charge	<i>OneHMG Platform Charge</i>	23.9	23.9	0.0	0.0%		0.0	0.0	0.0	-	
A2	Overseas	<i>Overseas</i>	99.8	104.9	-5.1	-4.8%		0.0	0.0	0.0	-	
A3	Office for Investment	<i>Office for Investment</i>	46.1	42.8	3.3	7.6%		0.0	0.0	0.0	-	
A4	Strategy and Growth	<i>Strategy and Growth</i>	83.1	54.6	28.5	52.1%	1	3.7	3.0	0.7	22.8%	
A5	Trade Policy, Implementation & Negotiations	<i>Trade Policy, Implementation &</i>	62.5	63.4	-0.9	-1.4%		0.6	0.6	0.0	0.0%	
A6	Economic Security and Trade Relations	<i>Economic Security and Trade Relations</i>	84.4	78.6	5.7	7.3%		5.9	5.3	0.7	12.5%	
A7	Competition, Markets and Regulatory Reform	<i>Competition, Markets and Regulatory Reform</i>	346.7	332.8	13.9	4.2%		29.9	25.0	4.9	19.6%	
A8	Domestic and International Markets and Exports	<i>Domestic and International Markets and Exports</i>	147.5	182.0	-34.5	-19.0%	2	700.0	530.0	170.0	32.1%	1
A9	Business Group	<i>Business Group</i>	1,010.7	619.8	390.9	63.1%	3	1,103.1	659.0	444.1	67.4%	2
A10	Corporate Services	<i>Corporate Services</i>	216.4	217.3	-0.9	-0.4%		15.4	12.6	2.9	22.7%	
A11	Grants Delivery	<i>Grants Delivery</i>	163.6	187.7	-24.1	-12.9%	4	145.0	205.0	-60.0	-29.3%	3
A12	Centrally Managed Resources	<i>Centrally Managed Resources</i>	110.5	127.0	-16.5	-13.0%	5	150.6	87.5	63.1	72.1%	4
Total voted and non-voted			2,395.2	2,035.0	360.2	17.7%		2,154.3	1,528.0	626.3	41.0%	

Note: Totals and percentages may not exactly sum, due to rounding differences.

Table A (ii) Annual Managed Expenditure (AME) budget

Sub-heads	Description	Programme	Resource					Capital				
			£ million			%		£ million			%	
			<i>This year (Supplementary Estimate budget sought)</i>	<i>This year (2025-26 Main Estimate budget approved)</i>	Change from Main Estimate		see Section 2.1 note number	<i>This year (Supplementary Estimate budget sought)</i>	<i>This year (2025-26 Main Estimate budget approved)</i>	Change from Main Estimate		see Section 2.1 note number
A1	OneHMG Platform Charge	<i>OneHMG Platform Charge</i>	0.0	0.0	0.0	-		0.0	0.0	0.0	-	
A2	Overseas	<i>Overseas</i>	0.0	0.0	0.0	-		0.0	0.0	0.0	-	
A3	Office for Investment	<i>Office for Investment</i>	0.0	0.0	0.0	-		0.0	0.0	0.0	-	
A4	Strategy and Growth	<i>Strategy and Growth</i>	0.0	0.0	0.0	-		0.0	0.0	0.0	-	
A5	Trade Group	<i>Trade Group</i>	0.0	0.0	0.0	-		0.0	0.0	0.0	-	
A6	Economic Security and Trade Relations	<i>Economic Security and Trade Relations</i>	0.0	0.0	0.0	-		0.0	0.0	0.0	-	
A7	Competition, Markets and Regulatory Reform	<i>Competition, Markets and Regulatory Reform</i>	620.9	573.5	47.4	8.3%		1.0	0.6	0.4	66.0%	
A8	Domestic and International Markets and Exports	<i>Domestic and International Markets and Exports</i>	15.6	-98.0	113.6	-116.0%	1	-103.1	0.0	-103.1	-	1
A9	Business Group	<i>Business Group</i>	256.3	-929.4	1,185.7	-127.6%	2	1,126.4	1,829.0	-702.5	-38.4%	2
A10	Corporate Services	<i>Corporate Services</i>	3.0	0.0	3.0	-		-0.4	0.0	-0.4	-	
A11	Grants Delivery	<i>Grants Delivery</i>	0.0	0.0	0.0	-		0.0	0.0	0.0	-	
A12	Centrally Managed Resources	<i>Centrally Managed Resources</i>	1.3	0.0	1.3	-		0.0	0.0	0.0	-	
Total voted and non-voted			897.1	-453.9	1,351.0	-297.7%		1,024.0	1,829.6	-805.6	-44.0%	

Note: Totals and percentages may not exactly sum, due to rounding differences.

Table B: How DEL funding plans for 2025-26 have altered since Spending Review 2025

£m	RDEL Admin	RDEL Programme	RDEL Total	General Capital	CDEL FT	Total DEL
HMT Settlement total	489.8	1,340.2	1,830.0	1,075.8	374.0	3,279.8
Adjustments:						
Departmental ringfenced depreciation	11.9	33.1	45.0	0.0	0.0	45.0
Non-cash total	11.9	33.1	45.0	0.0	0.0	45.0
Total Settlement budget	501.6	1,373.3	1,875.0	1,075.8	374.0	3,324.8
2025-26 Main Estimate Transactions						
Budget Cover Transfers						
Special Adviser Costs	-0.5	0.0	-0.5	0.0	0.0	-0.5
Greater Manchester - Earnback 2025-26	0.0	-10.0	-10.0	0.0	0.0	-10.0
Integrated Settlement 2025-26 - DIME	0.0	-0.5	-0.5	0.0	0.0	-0.5
Integrated Settlement 2025-26 - DIME	0.0	-0.5	-0.5	0.0	0.0	-0.5
Integrated Settlement 2025-26 (Made Smarter)	0.0	-0.9	-0.9	0.0	0.0	-0.9
Integrated Settlement 2025-26 (Made Smarter)	0.0	-1.2	-1.2	0.0	0.0	-1.2
Civil Service Live 2025	-0.1	0.0	-0.1	0.0	0.0	-0.1
Port Talbot Transition Board 2025-26	-0.2	0.0	-0.2	0.0	0.0	-0.2
Music Export Growth Scheme	0.0	0.8	0.8	0.0	0.0	0.8
Faraday Battery Challenge	0.0	0.0	0.0	46.0	0.0	46.0
Platform costs	0.0	-34.0	-34.0	0.0	0.0	-34.0
Net BCTs	-0.7	-46.3	-47.1	46.0	0.0	-1.1
Reserve Claims						
Made Smarter Adoption	0.0	8.0	8.0	0.0	0.0	8.0
Strategic Transformation Plan (STP) - for POL transformation and network investment	0.0	90.0	90.0	0.0	0.0	90.0
Economic Crime Levy	0.1	0.0	0.1	0.0	0.0	0.1
British Steel	0.0	100.0	100.0	0.0	0.0	100.0

£m	RDEL Admin	RDEL Programme	RDEL Total	General Capital	CDEL FT	Total DEL
Net Reserve Claims	0.1	198.0	198.1	0.0	0.0	198.1
Surrenders						
Surrender return of unspent funding received for employer NICs.	0.0	0.0	0.0	0.0	0.0	0.0
Net Surrenders	0.0	0.0	0.0	0.0	0.0	0.0
Budget Exchanges						
Osaka Expo budget exchange	0.0	9.0	9.0	0.0	0.0	9.0
Agratas budget exchange	0.0	0.0	0.0	32.2	0.0	32.2
Net Budget Exchanges from 2024-25	0.0	9.0	9.0	32.2	0.0	41.2
Budget Switch						
Admin to Prog switch for DBT delivered redress schemes	-30.0	30.0	0.0	0.0	0.0	0.0
Net Budget Switches	-30.0	30.0	0.0	0.0	0.0	0.0
2025-26 DBT Main Estimate DEL Totals	471.0	1,564.0	2,035.0	1,154.0	374.0	3,563.0
Change from settlement letter	-30.6	190.7	160.1	78.2	0.0	238.3
Supplementary Estimate Transactions						
Budget Cover Transfers						
Transfer to CO for the contribution to the Missions Communication Budget.	0.0	-7.3	-7.3	0.0	0.0	-7.3
Transfer from DfT for extension of the Partners for Automated Vehicle Education (PAVE) UK Programme 2025-26.	0.0	0.0	0.0	0.0	0.0	0.0
BCT from FCDO for various programmes under Economic Deterrence Initiative.	0.0	4.6	4.6	0.4	0.0	5.0
Transfer to CO for the Special Advisers costs.	-0.1	0.0	-0.1	0.0	0.0	-0.1
Transfer to ONS for the Data Science Campus and Trade programme	0.0	-0.7	-0.7	0.0	0.0	-0.7

£m	RDEL Admin	RDEL Programme	RDEL Total	General Capital	CDEL FT	Total DEL
Transfer from CO for the GREAT contribution - International.	0.0	11.5	11.5	0.0	0.0	11.5
Transfer to FCDO for Trade Policy Officers	-0.3	0.0	-0.3	0.0	0.0	-0.3
Transfer to The National Archives for Legislation Projects	0.0	-0.5	-0.5	0.0	0.0	-0.5
Transfer from DSIT for contribution to the Matrix programme.	3.3	0.0	3.3	0.0	0.0	3.3
Transfer from DWP - Money and Pensions Service to Insolvency Service for Debt Relief Order Application Programming Interface project.	0.0	0.4	0.4	0.4	0.0	0.8
Transfer to DHSC for Fair Pay Agreements Video.	0.0	-0.0	-0.0	0.0	0.0	-0.0
Transfer from FCDO to DBT for the 2025-26 RegDip non-Official Development Assistance programme.	0.0	0.0	0.0	0.0	0.0	0.0
Transfer to DESNZ to support delivery of energy Smart Data scheme	0.0	-0.3	-0.3	0.0	0.0	-0.3
Transfer to DSIT for the Aerodynamics research and development project.	0.0	0.0	0.0	-2.0	0.0	-2.0
Transfer from DSIT (Regulatory Innovation Office) for the Centre for Connected and Autonomous Vehicles programme	0.0	0.0	0.0	0.1	0.0	0.1
Transfer to MOD for contribution to the National Shipbuilding Office.	0.0	-0.4	-0.4	0.0	0.0	-0.4
Transfer to MoJ for Make Work Pay - Employment Tribunals	-0.2	-0.5	-0.7	0.0	0.0	-0.7
Transfer from DSIT for Matrix Costs (TRA)	0.2	0.0	0.2	0.0	0.0	0.2
Transfer from DSIT for Matrix Costs (INSS)	0.0	0.8	0.8	0.0	0.0	0.8
Transfer from CO for Greater Together LA 2026	0.1	0.1	0.2	0.0	0.0	0.2
Transfer from FCDO for Additional International Buyers and Investors Study Wave 8 Markets for FCDO international campaigns.	0.0	0.2	0.2	0.0	0.0	0.2

£m	RDEL Admin	RDEL Programme	RDEL Total	General Capital	CDEL FT	Total DEL
Transfer to CO for Public Appointments Digital Service - Licencing Costs 2025- 26.	-0.0	0.0	-0.0	0.0	0.0	-0.0
Transfer from CO for the GREAT contribution - Domestic	0.0	5.1	5.1	0.0	0.0	5.1
Transfer to MoJ for Post Office Act under the Horizon Convictions Redress Scheme.	-0.1	0.0	-0.1	0.0	0.0	-0.1
Transfer to NIE for the Northern Ireland Insolvency Service.	0.0	-1.3	-1.3	0.0	0.0	-1.3
Transfer from FCDO for the GREAT contribution - International.	0.0	0.2	0.2	0.0	0.0	0.2
Transfer to FCDO for Green Cities.	0.0	-0.3	-0.3	0.0	0.0	-0.3
Transfer from CO for the National Media Unit.	0.0	0.3	0.3	0.0	0.0	0.3
Transfer to CO for Joint Media Buying	0.0	-1.0	-1.0	0.0	0.0	-1.0
Transfer to ONS for Data Science Campus resource (Global Supply Chain Intelligence Programme).	0.0	0.0	0.0	-0.1	0.0	-0.1
Transfer from Defra for DBT Global Supply Chains Intelligence Pilot.	0.0	0.0	0.0	0.5	0.0	0.5
Transfer from DESNZ for Advanced Manufacturing Made Smarter Programme to support Energy Efficiency for small and medium sized enterprises.	0.0	0.0	0.0	2.0	0.0	2.0
Transfer from NIE for Energy Intensive Industries Scheme	0.0	1.2	1.2	0.0	0.0	1.2
Net BCTs	2.8	12.3	15.1	1.3	0.0	16.4
MoGs						
MoG to MOD for UK Defence Exports	0.0	-18.6	-18.6	0.0	0.0	-18.6
Total MoG	0.0	-18.6	-18.6	0.0	0.0	-18.6
Reserve Claims						
Voluntary Exit Scheme (VES)	22.5	0.0	22.5	0.0	0.0	22.5
British Steel	0.0	335.0	335.0	0.0	375.0	710.0
Additional FT for BBB to provide cover for the volatility and demand-driven nature of the Bank's activities.	0.0	0.0	0.0	0.0	200.0	200.0
Total Reserve Claims	22.5	335.0	357.5	0.0	575.0	932.5

£m	RDEL Admin	RDEL Programme	RDEL Total	General Capital	CDEL FT	Total DEL
Budget Measure						
Guarantee Growth Scheme	0.0	0.0	0.0	50.0	0.0	50.0
Total Budget Measure	0.0	0.0	0.0	50.0	0.0	50.0
Switches						
Switch - Re-prioritisation of spending from Automotive transformation fund to British Steel.	0.0	0.0	0.0	-47.0	47.0	0.0
Reduction in CDEL-Gen ringfenced for Frascati R&D (policy ringfence) to British Steel.	0.0	0.0	0.0	-38.0	38.0	0.0
Total Switches	0.0	0.0	0.0	-85.0	85.0	0.0
Other						
Cash Management charge	-0.1	0.0	-0.1	0.0	0.0	-0.1
Total Other	-0.1	0.0	-0.1	0.0	0.0	-0.1
Non-Cash						
Depreciation	1.7	4.6	6.3	0.0	0.0	6.3
Total Non-Cash	1.7	4.6	6.3	0.0	0.0	6.3
2025/26 DBT Supplementary Estimates DEL Totals	497.9	1,897.3	2,395.2	1,120.3	1,034.0	4,549.5

Note: Totals and percentages may not exactly sum, due to rounding differences.

Department for Business and Trade

INTRODUCTION

This Supplementary Estimate is required for the following purposes:

Changes in budgets, non-budget voted provision and cash	Increases	Reductions	Total
Budget Cover Transfers			
(Sections A and B) Transfer from DSIT for contribution to the Matrix programme.	3,100,000		
(Sections A and B) Transfer from CO for Greater Together LA 2026.	108,000		
(Sections A and B) Transfer from DfT for extension of the Partners for Automated Vehicle Education (PAVE) UK Programme 2025-26.	20,000		
(Sections A and B) Transfer from FCDO for various programmes under Economic Deterrence Initiative.	3,603,000		
(Sections A and B) Transfer from FCDO for HMRC exports data development and exploitation.	100,000		
(Sections A and B) Transfer from FCDO for the Integrated Security Fund cyber and tech.	109,000		
(Sections A and B) Transfer from CO for the GREAT contribution - International.	11,540,000		
(Sections A and B) Transfer from DWP - Money and Pensions Service to Insolvency Service for Debt Relief Order Application Programming Interface project.	363,000		
(Sections A and B) Transfer from FCDO to DBT for the 2025-26 RegDip non-Official Development Assistance programme.	30,000		
(Sections A and B) Transfer from DSIT for Matrix Costs (TRA).	176,000		
(Sections A and B) Transfer from FCDO for legal advice and opinion to support licensing and enforcement process, including advice on the interaction between 'Requests for Information' and the right not to self-incriminate.	42,000		
(Sections A and B) Transfer from FCDO for UK staff to support delivery of the Prime Minister's commitment to the Cypriot Government to aid development of their own Trade Sanctions Implementation Unit.	46,000		

(Sections A and B) Transfer from FCDO for UK Staff project team to support delivery of Content Management System Development and transition of Ancillary Goods and Services work into Office of Trade Sanctions Implementation portfolio.	347,000	
(Sections A and B) Transfer from FCDO for National Cyber Programme portfolio.	8,000	
(Sections A and B) Transfer from FCDO for Learning and Development to support delivery of the Prime Minister's commitment to the Cypriot Government to aid development of their own Trade Sanctions Implementation Unit.	6,000	
(Sections A and B) Transfer from FCDO for UK Staff project team travel costs to support delivery of Content Management System Development and transition of Ancillary Goods and Services work into the Office of Trade Sanctions Implementation's portfolio.	10,000	
(Sections A and B) Transfer from DSIT for Matrix Costs (INSS).	807,000	
(Sections A and B) Transfer from FCDO for Additional International Buyers and Investors Study Wave 8 Markets for FCDO international campaigns.	161,000	
(Section A and B) Transfer from CO for the GREAT contribution - Domestic.	5,109,000	
(Section A and B) Transfer from FCDO for the GREAT contribution - International.	170,000	
(Sections A and B) Transfer from CO for Greater Together LA 2026 - International.	141,000	
(Sections A and B) Transfer from CO for the National Media Unit.	256,000	
(Sections A and B) Transfer from DSIT for contribution to the Matrix programme.	168,000	
(Sections A and B) Transfer from FCDO for Economic Deterrence Initiative - Payment for subscription to Global Supply Chain Intelligence Programme platform.	300,000	
(Sections A and B) Transfer from NIE for Energy Intensive Industries Scheme.	1,225,000	
(Sections A and B) Transfer to CO for the Special Advisers costs.		-110,000

(Sections A and B) Transfer to FCDO for Trade Policy Officers.	-349,000
(Sections A and B) Transfer to MoJ for Make Work Pay - Employment Tribunals (administration).	-157,000
(Sections A and B) Transfer to CO for Public Appointments Digital Service - Licencing Costs 2025-26.	-10,000
(Sections A and B) Transfer to MoJ for Post Office Act under the Horizon Convictions Redress Scheme.	-113,000
(Sections A and B) Transfer to CO for the contribution to the Missions Communication Budget.	-7,250,000
(Sections A and B) Transfer to CO for Joint Media Buying.	-700,000
(Sections A and B) Transfer to The National Archives for Legislation Projects.	-469,000
(Sections A and B) Transfer to DHSC for Fair Pay Agreements Video.	-15,000
(Sections A and B) Transfer to DESNZ to support delivery of energy Smart Data scheme.	-321,000
(Sections A and B) Transfer to MOD for contribution to the National Shipbuilding Office.	-369,000
(Sections A and B) Transfer to ONS for the Data Science Campus and Trade programme.	-680,000
(Sections A and B) Transfer to NIE for the Northern Ireland Insolvency Service.	-1,258,000
(Sections A and B) Transfer to FCDO for Green Cities.	-250,000
(Sections A and B) Transfer to MoJ for Make Work Pay - Employment Tribunals (programme).	-517,000
(Sections A and B) Transfer to CO for additional media partnership and creative work regarding the international GREAT campaign.	-250,000
Cash Management Adjustments	
(Section A) HM Treasury Cash Management Scheme charge.	-131,000
Machinery of Government Changes	
(Sections A and B) To MOD for promotion of UK Defence Exports.	-18,620,000

Other Changes

(Sections A and B) Due to updated depreciation/impairment forecasts across the Department.	2,366,000
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(Sections A and B) Increase in Department's requirement for depreciation/impairment expense.	1,677,000
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(Sections A and B) Increase in Department's requirement for depreciation/impairment expense.	2,232,000
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(Sections A and B) Allocation from HM Treasury Transformation Fund.	22,500,000
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Reserve Claims

(Sections A and B) Intervention in support of British Steel Limited.	335,000,000
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Total change in Resource DEL (voted)	391,720,000	-31,569,000	360,151,000
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AME Expenditure Changes

(Sections C and D) Postmaster Horizon redress provisions.	1,133,360,000
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(Sections C and D) Working capital facility for Post Office Limited.	-14,700,000
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(Sections C and D) Financial instrument fair value measurement.	204,904,000
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(Sections C and D) Loan guarantee schemes.	-5,695,000
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(Sections C and D) Shared parental leave.	35,000,000
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(Sections C and D) Provision liabilities relating to other support for Post Office Limited.	11,891,000
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(Sections C and D) Other provisions.	1,814,000
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(Sections C and D) Corporation tax.	239,000
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Total change in Resource AME (voted)	1,387,208,000	-20,395,000	1,366,813,000
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AME Expenditure Changes

(Section E) Redundancy Payments Service.	-15,828,000
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Total change in Resource AME (non-voted)	-15,828,000	-15,828,000
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Budget Cover Transfers

(Sections A and B) Transfer from Defra for DBT Global Supply Chains Intelligence Pilot.	500,000
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(Sections A and B) Transfer from DWP - Money and Pensions Service Insolvency Service for Debt Relief Order Application Programme Interface Project.	399,000
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(Sections A and B) Transfer from DESNZ for Advanced Manufacturing Made Smarter Programme to support Energy Efficiency for small and medium sized enterprises.	2,000,000		
(Sections A and B) Transfer from DSIT (Regulatory Innovation Office) for the Centre for Connected and Autonomous Vehicles programme.	80,000		
(Sections A and B) Transfer from FCDO for Economic Deterrence Initiative - Capitalised research and development costs for the creation of a portal for Sanctions Breach Reporting as part of Operation Huxley.	100,000		
(Sections A and B) Transfer from FCDO for Economic Deterrence Initiative and Licensing Phase 2 and development of Case Management System (legal costs).	264,000		
(Sections A and B) Transfer to ONS for Data Science Campus resource (Global Supply Chain Intelligence Programme).		-85,000	
(Sections A and B) Transfer to DSIT for the Aerodynamics research and development project.		-2,005,000	
Other Changes			
(Sections A and B) To fund intervention in support of British Steel Limited (Financial Transactions).	47,000,000		
(Sections A and B) For re-prioritisation of spending from Automotive transformation fund (General Capital).		-47,000,000	
(Sections A and B) To fund intervention in support of British Steel Limited (Financial Transactions).	38,000,000		
(Sections A and B) Reduction in Capital DEL-General ringfenced for Frascati research and development (General Capital).		-38,000,000	
(Sections A and B) Growth Guarantee Schemes.	50,000,000		
Reserve Claims			
(Sections A and B) Intervention in support of British Steel Limited (Financial Transactions).	375,000,000		
(Sections A and B) Capital DEL (Financial Transactions) to fund additional financial investments.	200,000,000		
Total change in Capital DEL (voted)	713,343,000	-87,090,000	626,253,000

AME Expenditure Changes

(Sections C and D) Postmaster Horizon redress provisions. -80,550,000

(Sections C and D) Working capital facility for Post Office Limited. -621,994,000

(Sections C and D) Loan guarantee schemes. -103,100,000

(Sections C and D) Other provisions. 26,000

Total change in Capital AME (voted)	26,000	-805,644,000	-805,618,000
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Revisions to the Net Cash Requirement reflect changes to resources and capital as set out above. It also takes account of changes to forecasts of movements in debtors and creditors. -1,181,297,000

Total change in Net Cash Requirement	-1,181,297,000	-1,181,297,000
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PART I: EXPENDITURE AND AMBIT

£

	Voted	Non-Voted	Total
Departmental Expenditure Limit			
Resource †	360,151,000	-	360,151,000
Capital	626,253,000	-	626,253,000
Annually Managed Expenditure			
Resource	1,366,813,000	-15,828,000	1,350,985,000
Capital	-805,618,000	-	-805,618,000
Total Net Budget			
Resource	1,726,964,000	-15,828,000	1,711,136,000
Capital	-179,365,000	-	-179,365,000
Non-Budget Expenditure		-	
Net Cash Requirement †	-1,181,297,000		

Supplementary amounts required in the year ending 31 March 2026 for expenditure by Department for Business and Trade on:

Departmental Expenditure Limit:

Expenditure arising from:

Trade development and promotion, outward and inward investment, the formulation and implementation of trade policy and remedies, contribution to the cross government GREAT campaign and to any and all international-focused events, support Trade Remedies Authority as an arm's length body; including grants, associated capital and other related expenditure and non-cash items, developing trade relationships and supporting supply chain management and resilience, and commencing, pursuing and defending the United Kingdom's (UK's) trade disputes and the UK's present and future relationship with the World Trade Organization (WTO).

Funding to provide support for businesses to invest, grow and export to create new job opportunities across the country.

Administration of the Department for Business and Trade ('the Department'), including publicity, promotion and publications; communications; purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; digital and IT; special payments, and domestic legal proceedings.

Funding to provide redress to claimants who have suffered detriment arising from the errors in the Post Office Horizon IT system or the other matters identified in the relevant court judgments.

The promotion of enterprise, innovation and increased productivity delivered through international trade and investment, regional investment and delivering regulatory reform, and measures to combat international bribery and corruption.

The provision of support for business, including support for specific industries, small and medium businesses, regional programmes, programmes to promote research and development, innovation and standards, best practice and sustainable development.

The provision of financial solutions to accelerate private sector investment and address market failures through the British Business Bank, and other similar intervention mechanisms.

The promotion of strong, fair and competitive markets at home and abroad; measures to protect investors and consumers including from unsafe products and unfair practices; support for employment relations programmes and measures to promote a skilled and flexible labour market.

The discharge of liabilities falling to the Department in respect of distressed businesses. The discharge of liabilities falling to the Department in respect of former shipbuilding industry historic claims.

The provision of a partial guarantee to a lender making a loan to a ship-buyer or operator as part of the Shipbuilding Credit Guarantee Scheme.

The efficient management and discharge of specific costs falling to the Department and its partner organisations relating to outstanding personal injury claims against Thomas Cook.

The management of the Government's shareholder interest in the portfolio of commercial businesses wholly or partly owned by Government; providing financial assistance to public corporations, and trading funds.

The management of miscellaneous programmes including payments in respect of claims for the restitution of the property of victims of Nazi persecution.

The payment of subscriptions and contributions to international organisations and fulfilment of international treaty obligations.

Increasing science and research excellence in the UK and maximising its contribution to society.

Making payments to local authorities in respect of Local Area Agreements and New Burdens responsibilities.

Activities of UK Government Investments on behalf of the Department.

Inspections and compliance in accordance with European Union (EU) regulatory requirements and recovery of expenditure through cost sharing arrangements.

The UK's departure from the EU.

Governmental response to the coronavirus Covid-19 pandemic and Inquiry.

Grants to local authorities.

Funding organisations supporting departmental objectives, including the Department's executive agencies and arm's length bodies and their subsidiaries.

Developing, implementing and enforcing trade sanctions.

Regulating military and other sensitive exports such as dual-use items done through a licensing system, ensuring UK exports are consistent with our national and international obligations and standards.

The appointment of an Official Receiver.

* The provision of financial support for the Social Impact Sector, primarily consisting of Community Development Finance Institutions.

Departmental interventions with respect to distressed businesses.

British Growth Partnership, a BBB initiative to encourage more institutional investment, particularly from UK pension funds, into high-growth and innovative companies within the UK.

Income arising from:

The sale of goods and services relating to trade development and promotion, outward and inward investment, the formulation and implementation of trade policy, contribution to the cross government GREAT campaign; including sponsorship; asset sales; insurance claims; recovery of costs incurred on behalf of others; recovery of overpayment; capital grant-in-kind, income from grant programmes.

Receipts from other government departments and devolved governments; the Advisory, Conciliation and Arbitration Service; the Insolvency Service.

General administration receipts of the Department, its executive agencies, its arm's length bodies, and other partner organisations, including: the recovery of salaries and associated costs for seconded staff; sale of goods and services.

Activities of UK Government Investments on behalf of the Department.

Proceeds of Crime income generated in criminal enforcement.

Receipts from statutory regulators in respect of expenses related to levies from industry.

Receipts from licences and levies; Launch Investment receipts; Capital Venture Funds receipts; premium income and other receipts from Financial Guarantee schemes, and of dividends; equity withdrawals. Investments; receipts from financial investments made by the British Business Bank; repayment of loans and investments; repayment of capital grants; repayments of grants and contributions; receipts from asset sales.

Receipts and profit from the sale of equipment.

Receipts associated with the closure of partner organisations.

Legal services and legal proceedings, consultancy, publications, public enquiries, information, central services; occupancy charge; administrative and professional services; EU receipts; refund of input value added tax (VAT) not claimed in previous years on departmental expenditure; interest payments; non-cash income.

Contributions from other organisations to cover the cost of activities they have agreed to fund in total or in part.

Receipts from other government departments and devolved governments; the Advisory, Conciliation and Arbitration Service and the Insolvency Service.

General administration receipts of the Department, its executive agencies, its arm's length bodies, and other partner organisations, including: the recovery of salaries and associated costs for seconded staff; sale of goods and services.

Annually Managed Expenditure:Expenditure arising from:

Depreciation, impairments, dilapidations, amortisation, revaluation, provisions, bad debts and other non-cash items.

Departmental administration; financial guarantee schemes; regional investment and programmes; enterprise for small and medium firms; provision of support for business, including support for specific industries; miscellaneous programmes.

The management of asset sales.

Payment of corporation tax.

The provision of repayable credit facilities for Post Office Ltd; contributions to partner organisations' pension schemes; and the provision of parental leave schemes.

Funding to provide redress to claimants who have suffered detriment arising from the errors in the Post Office Horizon IT system or the other matters identified in the relevant court judgments.

Activities of UK Government Investments on behalf of the Department.

Impairment of loans and investments; exchange rate gains and losses.

The Redundancy Payments Service.

The discharge of liabilities falling to the Department in respect of former shipbuilding industry historic claims.

The appointment of an Official Receiver.

Income arising from:

Receipts from asset sales.

Refund of input VAT not claimed in previous years on departmental expenditure; interest payments; repayments of grants and contributions; non-cash income.

Activities of UK Government Investments on behalf of the Department.

Receipt of interest on loans and loan repayments from Post Office Ltd.

Dividends from shares held by Postal Services Holding Ltd in Royal Mail.

Receipts from Trading Funds.

* Premium income and other receipts from financial guarantee schemes.

Investment income received by BIS (Postal Services Act 2011) Company Limited.

Department for Business and Trade will account for this Estimate.

† Policy and operational responsibility for defence exports promotion transferred to the Ministry of Defence on 31 July 2025. Within the overall changes sought in this Estimate, the specific changes relating to this Machinery of Government change are:

(a) Departmental Expenditure Limit - Resource (voted) is decreased by £18,620,000; and

(b) the net cash requirement is decreased by £18,620,000.

PART II: CHANGES PROPOSED

£'000									
	Net Resources						Net Capital		
	Present		Changes		Revised		Present	Changes	Revised
	Admin	Prog	Admin	Prog	Admin	Prog			
	1	2	3	4	5	6	7	8	9
Departmental Expenditure Limit (DEL)									
Voted expenditure									
A DBT - Department for Business and Trade (DEL)	442,202	1,514,593	27,043	296,151	469,245	1,810,744	1,092,802	465,682	1,558,484
B DBT - Arm's Length Bodies (ALB) (Net) (DEL)	28,145	50,109	515	36,442	28,660	86,551	435,198	160,571	595,769
Total voted DEL	470,347	1,564,702	27,558	332,593	497,905	1,897,295	1,528,000	626,253	2,154,253
Total DEL			27,558	332,593				626,253	
Annually Managed Expenditure (AME)									
Voted expenditure									
C DBT - Department for Business and Trade (AME)	-	-958,406	-	1,398,189	-	439,783	1,829,612	-806,513	1,023,099
D DBT - Arm's Length Bodies (ALB) (Net) (AME)	-	8,701	-	-31,376	-	-22,675	-	895	895
Total voted AME	-	-949,705	-	1,366,813	-	417,108	1,829,612	-805,618	1,023,994
Non-voted expenditure									
E DBT - Department for Business and Trade (AME)	-	495,828	-	-15,828	-	480,000	-	-	-
Total non-voted AME	-	495,828	-	-15,828	-	480,000	-	-	-
Total AME			-	1,350,985				-805,618	
Voted expenditure			27,558	1,699,406				-179,365	
Non-voted expenditure			-	-15,828				-	
Total for Estimate			27,558	1,683,578				-179,365	

£'000			
	Present Plans	Changes	Revised Plans
Net Cash Requirement	9,490,186	-1,181,297	8,308,889

PART II: REVISED SUBHEAD DETAIL INCLUDING ADDITIONAL PROVISION

£'000

Revised Plans										
	Resources							Capital		
	Administration			Programme			Total	Gross	Income	Net
	Gross	Income	Net	Gross	Income	Net	Net			
	1	2	3	4	5	6	7	8	9	10
Departmental Expenditure Limit (DEL)										
Voted expenditure										
A DBT - Department for Business and Trade (DEL)	473,897	-4,652	469,245	2,267,536	-456,792	1,810,744	2,279,989	1,604,811	-46,327	1,558,484
B DBT - Arm's Length Bodies (ALB) (Net) (DEL)	28,660	-	28,660	86,551	-	86,551	115,211	595,769	-	595,769
Total voted DEL	502,557	-4,652	497,905	2,354,087	-456,792	1,897,295	2,395,200	2,200,580	-46,327	2,154,253
Total DEL	502,557	-4,652	497,905	2,354,087	-456,792	1,897,295	2,395,200	2,200,580	-46,327	2,154,253
Annually Managed Expenditure (AME)										
Voted expenditure										
C DBT - Department for Business and Trade (AME)	-	-	-	497,683	-57,900	439,783	439,783	1,023,099	-	1,023,099
D DBT - Arm's Length Bodies (ALB) (Net) (AME)	-	-	-	-22,675	-	-22,675	-22,675	895	-	895
Total voted AME	-	-	-	475,008	-57,900	417,108	417,108	1,023,994	-	1,023,994
Non-voted expenditure										
E DBT - Department for Business and Trade (AME)	-	-	-	510,000	-30,000	480,000	480,000	-	-	-
Total non-voted AME	-	-	-	510,000	-30,000	480,000	480,000	-	-	-
Total AME	-	-	-	985,008	-87,900	897,108	897,108	1,023,994	-	1,023,994
Voted expenditure	502,557	-4,652	497,905	2,829,095	-514,692	2,314,403	2,812,308	3,224,574	-46,327	3,178,247
Non-voted expenditure	-	-	-	510,000	-30,000	480,000	480,000	-	-	-
Total for Estimate	502,557	-4,652	497,905	3,339,095	-544,692	2,794,403	3,292,308	3,224,574	-46,327	3,178,247

PART II: RESOURCE TO CASH RECONCILIATION

£'000

	Present Plans	Changes	Revised Plans
Net Resource Requirement	1,581,172	1,711,136	3,292,308
Net Capital Requirement	3,357,612	-179,365	3,178,247
Accruals to cash adjustments	5,047,230	-2,728,896	2,318,334
<i>Of which:</i>			
<i>Adjustment for ALBs:</i>			
Remove voted resource and capital	-522,153	-167,047	-689,200
Add cash grant-in-aid	1,064,457	-260,903	803,554
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-44,958	-180,873	-225,831
New provisions and adjustments to previous provisions	-485,371	-313,131	-798,502
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	42,635	-195,823	-153,188
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	632,518	442,836	1,075,354
Increase (-) / Decrease (+) in creditors	3,398,710	-1,872,710	1,526,000
Use of provisions	961,392	-181,245	780,147
Removal of non-voted budget items	-495,828	15,828	-480,000
<i>Of which:</i>			
Consolidated Fund Standing Services	-	-	-
Other adjustments	-495,828	15,828	-480,000
Net Cash Requirement	9,490,186	-1,181,297	8,308,889

PART III: NOTE A - STATEMENT OF COMPREHENSIVE NET EXPENDITURE & RECONCILIATION TABLE

	£'000
	Revised Plans
Gross Administration Costs	502,557
Less:	
Administration DEL Income	-4,652
Net Administration Costs	497,905
Gross Programme Costs	4,806,935
Less:	
Programme DEL Income	-459,168
Programme AME Income	-87,900
Non-budget income	-
Net Programme Costs	4,259,867
Total Net Operating Costs	4,757,772
<i>Of which:</i>	
Resource DEL	2,338,974
Capital DEL	1,000,723
Resource AME	1,521,175
Capital AME	-103,100
Non-budget	-
<i>Adjustments to include:</i>	
Departmental Unallocated Provision (resource)	-
Consolidated Fund Extra Receipts in the budget but not in the SoCNE	-
<i>Adjustments to remove:</i>	
Capital in the SoCNE	-897,623
Grants to devolved administrations	-
Non-Budget Consolidated Fund Extra Receipts in the SoCNE	-
Other adjustments	-567,841
Total Resource Budget	3,292,308
<i>Of which:</i>	
Resource DEL	2,395,200
Resource AME	897,108
<i>Adjustments to include:</i>	
Grants to devolved administrations	-
Prior period adjustments	-
<i>Adjustments to remove:</i>	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
Total Resource (Estimate)	3,292,308

PART III: NOTE B - ANALYSIS OF DEPARTMENTAL INCOME

£'000

Revised Plans

Voted Resource DEL

Administration

A DBT - Department for Business and Trade (DEL)

Sales of Goods and Services -4,368

Other Income -284

Total Sales of Goods and Services -4,368

Total Other Income -284

Total Administration -4,652

Programme

A DBT - Department for Business and Trade (DEL)

Sales of Goods and Services -354,190

Interest and Dividends -20,570

Other Income -46,491

Taxation -35,541

Total Sales of Goods and Services -354,190

Total Interest and Dividends -20,570

Total Other Income -46,491

Total Taxation -35,541

Total Programme -456,792

Total Voted Resource DEL -461,444

Voted Resource AME

Programme

C DBT - Department for Business and Trade (AME)

Sales of Goods and Services -35,200

Interest and Dividends -22,700

Total Sales of Goods and Services -35,200

Total Interest and Dividends -22,700

Total Programme -57,900

Total Voted Resource AME -57,900

Total Voted Resource Income -519,344

Voted Capital DEL

Programme

A DBT - Department for Business and Trade (DEL)

Sales of Goods and Services -2,376

Other Income -35,451

Repayments -8,500

Total Sales of Goods and Services -2,376

Total Other Income -35,451

Total Repayments -8,500

Total Programme -46,327

Total Voted Capital DEL -46,327

Total Voted Capital Income -46,327

PART III: NOTE C - ANALYSIS OF CONSOLIDATED FUND EXTRA RECEIPTS

In addition to income retained by the Department the following income is payable to the Consolidated Fund:

£'000

	Present Plans		Changes		Revised Plans	
	Income	Receipts	Income	Receipts	Income	Receipts
Income in budgets surrendered to the Consolidated Fund (resource)	-	-	-	-	-	-
Income in budgets surrendered to the Consolidated Fund (capital)	-	-	-	-	-	-
Non-budget amounts collectable on behalf of the Consolidated Fund (in the SoCNE)	-	-	-4,267	-4,267	-4,267	-4,267
Total	-	-	-4,267	-4,267	-4,267	-4,267

DETAILED DESCRIPTION OF CFER SOURCES

£'000

	Present Plans		Changes		Revised Plans	
	Income	Receipts	Income	Receipts	Income	Receipts
Non-Budget						
Insolvency Service Excess fee recovery.	-	-	-3,500	-3,500	-3,500	-3,500
Penalties related to employment disputes.	-	-	-5	-5	-5	-5
Financial penalties imposed by the Financial Reporting Council.	-	-	-762	-762	-762	-762
Total	-	-	-4,267	-4,267	-4,267	-4,267

PART III: NOTE D - EXPLANATION OF ACCOUNTING OFFICER RESPONSIBILITIES

The Accounting Officer prepares resource accounts for each financial year. See Section 2, Part III - Other statements and notes of Main Estimates 2025-26 for further details of Accounting Officer responsibilities.

Accounting Officer: Gareth Davies

Executive Agency Accounting Officers:

Andy King	Companies House
Alec Pybus	Insolvency Service

ALB Accounting Officers:

Niall Mackenzie	Advisory, Conciliation and Arbitration Service
Louis Taylor	British Business Bank plc
Carl Creswell	BIS (Postal Services Act 2011) Company Limited
Charles Dhanowa	Competition Service
Louis Taylor	Cornwall and Isles of Scilly Investments Limited
Louis Taylor	Midlands Engine Investments Limited
Louis Taylor	Northern Powerhouse Investments Limited
Gareth Davies	Postal Services Holding Company Limited
Richard Moriarty	The Financial Reporting Council Limited
Jessica Blakely and Carmen Suarez	Trade Remedies Authority
Emma Jones	Small Business Commissioner

PART III: NOTE E - ARM'S LENGTH BODIES (ALBs)

£'000

Section in Part II: Subhead Detail		Body	Resources	Capital	Grant-in-aid
B		Advisory, Conciliation and Arbitration Service	67,923	800	66,423
B		British Business Bank plc	14,709	639,301	708,390
B		BIS (Postal Services Act 2011) Company Limited	1,800	-	-
B		Cornwall and Isles of Scilly Investments Limited	-	788	-
B		Competition Service	7,620	180	7,458
B		Financial Reporting Council Limited	2,296	-	-
B		Midlands Engine Investments Limited	-	-12,270	-
B		Northern Powerhouse Investments Limited	1,992	-33,652	2,148
B		Trade Remedies Authority	18,871	622	19,135
D		British Business Bank plc	-62,760	-	-
D		BIS (Postal Services Act 2011) Company Limited	40,000	-	-
D		Financial Reporting Council Limited	-	895	-
D		Midlands Engine Investments Limited	85	-	-
Total			92,536	596,664	803,554

PART III: NOTE H - EXPENDITURE IN THE FORM OF ADJUSTABLE ADVANCES**£'000****Service**

Advance payment to UK Research and Innovation to fund working capital requirement for UK Battery Industrialisation Centre (£3m) and Faraday Institution (£7m). 10,000

PART III: NOTE J - STAFF BENEFITS**£'000**

Ex-gratia payments to staff relating to voluntary termination of employment on grounds of ill health. 247

PART III: NOTE K - CONTINGENT LIABILITIES

Nature of liability	£'000
Financial guarantees issued in respect of distressed businesses with maximum potential liabilities for the Department.	105,800
Paid in capital subscription for the Common Fund for Commodities (CFC) – Government is committed to the payment of a subscription in the form of Promissory Notes to be redeemed on request by the CFC.	2,240
Callable capital subscription for CFC – Government is committed to the payment of a subscription to the CFC.	1,960
Dilapidation liability for leased property – The Department is obligated to reimburse the Government Property Agency (GPA) for any dilapidations incurred during the Department's tenure on property leased through the GPA when the underlying lease agreements between GPA and its landlords expire. The Department also has a possible obligation to pay for any dilapidations which arose before the former DIT's lease agreements with GPA came into effect. The amount disclosed is the reasonable worst-case scenario.	3,800
Indemnity has been provided to the Official Receiver relating to actions undertaken in respect of administration of Liberty Steel.	10,000
Indemnities have been given to bankers of the Insolvency Service against certain liabilities arising in respect of non-transferable "account payee" cheques due to insolvent estates and paid into the Insolvency Services Account.	Unquantifiable
A contingent liability exists in relation to ongoing legal cases. The cost is dependent on the outcome of cases which currently cannot be reliably estimated.	Unquantifiable
Under an agreement with the Financial Reporting Council (FRC), if the amount held in their legal costs fund falls below £1 million in any year, an additional grant will be made to cover legal costs subsequently incurred in that year.	Unquantifiable
Indemnities have been given to the directors appointed by the Core Department to wholly owned subsidiaries. These indemnities are against personal liability following any legal action against the companies.	Unquantifiable
Indemnities have been provided to the Official Receiver and other parties relating to actions undertaken in respect of administration of specified companies.	Unquantifiable

PART III: NOTE K - CONTINGENT LIABILITIES - CONTINUED

Nature of liability	£'000
An indemnity has been provided to the Chair of the Post Office Horizon IT Inquiry in respect of any liabilities he may incur as a result of holding, or having held, this position.	Unquantifiable
The Department has historically strongly supported Post Office Limited (POL) and the Post Office network as it provides vital public services to millions of customers across the United Kingdom. Significant funding has already been provided and committed to POL to ensure its policy objectives have been met, including mitigating risks arising from certain legacy claims connected with the Horizon IT system. While working with POL to transition to a self-funded model, the Department intends to continue to develop solutions to support POL in settling its liabilities as they fall due, subject to HM Treasury consent and subject to the application of the Subsidy Control Act 2022, where such liabilities threaten the ability of POL to continue to provide its vital public services. As such there is a possible likelihood that, should unexpected liabilities arise within POL that threatens its ability to function as a going concern, the Department would provide funding to settle some or all of these theoretical liabilities.	Unquantifiable
FRC funding: A guarantee has been given to the FRC that, if the FRC's general voluntary funding from external sources falls sufficiently for the Department to have to consider making legislation to activate the statutory levy under section 17 of the Companies (Audit, Investigations and Community Enterprise) Act 2004, the Department will make such a grant to cover the Council's costs as is sufficient to meet the preconditions in those levy raising powers provided the requisite funding has not been made available through another grant.	Unquantifiable
Insolvency Service - Legal Cases: Due to the nature of the work undertaken by the agency, there are a number of ongoing legal cases giving rise to contingent liabilities. The legal cases included as contingent liabilities all relate to possible obligations where the agency has issued civil and criminal proceedings through the courts, and the outcome is dependent on court rulings and findings.	Unquantifiable
Others: There are a number of potential liabilities for the Department in respect of claims from suppliers, employees and third parties which depend on actual or potential proceedings. The timing and amounts of any liabilities are uncertain.	Unquantifiable
Legal costs: A remote contingent liability exists in relation to various ongoing legal cases, both within the Core Department and wider Departmental Group. The cases range from bankruptcy and insolvency matters to judicial reviews. The costs are dependent on the outcome of cases which currently cannot be reliably estimated.	Unquantifiable
An indemnity has been issued to cover the Independent Reviewer of the Postmasters Horizon Group Litigation Order (GLO) Scheme in respect of any liabilities he may incur as a result of holding that position.	Unquantifiable

PART III: NOTE L - INTERNATIONAL SUBSCRIPTIONS

Section in Part II: Subhead Detail	Body	£'000
DEL - A	UK annual World Trade Organization subscription fee for 2025-26.	6,489