Supplementary Estimate 2025-26: Estimate memorandum for the Competition and Markets Authority (CMA)

1 Overview

1.1 Objectives

The CMA is an independent non-ministerial UK Government department and is the UK's principal competition and consumer protection authority. Our purpose, as set out in our 2026-29 Strategy, is to promote competition and protect consumers with a clear end goal - to drive economic growth and improve household prosperity.

We derive our powers from the Enterprise and Regulatory Reform Act (ERRA) 2013 and our work is overseen by a Board and led by the Chief Executive and senior executive team.

Our Priorities for 2025-26

Our Annual Plan for 2025-26 set out how we would target our main statutory functions in support of growth, opportunity and prosperity for the UK, in a way that is aligned with our Strategic Steer from government:

- Through the CMA's **market reviews, studies and investigations**, ensure markets across the UK economy are working well for businesses and consumers - continuing our programme of consumer-facing markets work that helps to put money back in people's pockets, and applying a sharper priority to markets work that could have a multiplier effect on growth.
- Safeguard markets that drive innovation and productivity through **competition enforcement** - resolutely deterring restrictive, exclusionary and exploitative anti-competitive practices and applying a particular focus on public procurement.
- Perform our **merger control** function in a targeted and proportionate way - enabling the vast majority of deals to go ahead, whilst looking more closely at the small number of cases which are truly problematic for UK consumers and businesses from a competition perspective.
- Enforce **consumer protection** legislation to safeguard people from harmful and unfair treatment, support resilient household finances, and build the trust in markets that supports economic growth - including through a new administrative enforcement model for consumer protection which commenced in April 2025 under the Digital Markets, Competition and Consumer Act 2024 (DMCCA).
- **Operate a new regime to promote competition in digital markets** under the DMCCA - driving forward a purposeful and pragmatic approach to leverage the unique design of the UK regime to deliver tangible benefits for the UK economy.
- Provide **independent and expert advice to government** and policymakers at UK, devolved and regional levels – with a strong focus on growth and support for government's Industrial Strategy
- Carry out our **specialist subsidy advice and UK internal market functions**, which provide reporting, monitoring and advice to all levels of government - helping governments and public bodies across the UK develop and deliver better policy outcomes through independent expert advice and reporting on subsidies and the UK internal market.

Evolving the way we work

Also, in line with the CMA's Strategic Steer from government, our Annual Plan for 2025-26 recognised that transforming how the CMA works can help foster a UK regulatory landscape that attracts investment and instils business confidence.

We therefore also committed to drive forward our 4Ps programme, the most significant transformation programme since the CMA opened its doors, with over 75 individual commitments in train or complete so far. The genesis of this programme was direct feedback on how the CMA could make improvements in areas that are most important for business and investor confidence:

- **Pace**: making good decisions as quickly as possible
- **Predictability**: providing clarity on our approach and expected outcomes
- **Proportionality**: ensuring our actions are balanced and targeted
- **Process**: transforming our engagement with key stakeholders across our functions

Our new Strategy and next Annual Plan

The CMA recently published our 2026-29 Strategy, which sets out how we discharge our mandate to promote competition and protect consumers in a way that reflects the context for the UK – today and in the years ahead. Our Strategy centres on promoting competition and protecting consumers with a clear end goal in mind: to drive economic growth and improve household prosperity.

We have now also published our first Annual Plan under this new Strategy (for 2026-27). Guided by our Strategy, the Plan lays out annual priorities and changes we are making to the way we work across each of our functions.

1.2 Spending controls

The CMA's net spending is broken down into various spending control totals, for which Parliament's approval is sought.

The spending control totals which Parliament votes are:

- Resource Departmental Expenditure Limit ("**Resource DEL**") - a net limit comprising day-to-day running costs, less income from Regulatory Appeals/references, recovery of legal costs from third parties and property related rental and recharge income
- Capital Departmental Expenditure Limit ("**Capital DEL**") – a net limit comprising investment in capital equipment, IFRS 16 leasehold commitments and research & development expenditure falling within the ESA10 category, less CDEL income benefits from derecognition of IFRS 16 leasehold properties.
- Resource Annually Managed Expenditure Limit ("**Resource AME**") – a net limit comprising provisions for pensions, early retirement, dilapidations, adverse legal costs and voluntary exit schemes etc.
- Capital Annually Manged Expenditure Limit ("**Capital AME**") – a net limit comprising provisions for dilapidations under IFRS16.

In addition, Parliament votes a net cash requirement, designed to cover the elements of the above budgets which require the CMA to pay out cash in year.

Resource budgets are further split into programme and administration budgets.

- Programme budgets capture expenditure on front line services
- Administration budgets capture any expenditure not included in programme budgets. They are controlled to ensure that as much money as practicable is available for front line services.

1.3 Comparison of net spending totals sought

The table below shows how the net spending totals sought for the CMA compares with last year

Net Spending total **Amounts sought this year** **(Supplementary Estimate 2025-26)**		**Difference (+/-) compared to original budget this year** **(Main Estimate 2025-26)**		**Difference (+/-) compared to final outturn last year** **(Outturn 2024-25)**	
		£ m	**%**	**£m**	**%**
Resource DEL*	148.4	-34	-2.2%	10.9	7.9%
Capital DEL	8.9	3.8	74.2%	2.4	37.2%
Resource AME	22.0	-5.0	-18.5%	6.3	40.1%
Capital AME	2.0	0.0	0.0%	1.7	566.7%

*Including ringfenced depreciation budget.

See note 2 for detail on net spending.

1.4 Key drivers of spending changes since original budget this year

1. <u>Resource DEL has decreased by £3.5m</u>

a. <u>£2.0m Resource DEL increase of the retainable income threshold</u>

- To retain up to £8.0m of Resource DEL income, an increase from £6.0m at Main Estimate. The increased income retention limit is because of greater levels of income expecting to be received in 2025-26. The main driver for the expected increase in

income is the Ofwat price redetermination (PR24) that the CMA are hearing, for which the CMA can recover the costs incurred during its role. It was previously hoped that the PR24 work would conclude in December 2025, but due to the scale of work required to determine five references and the extent and nature of responses to our Provisional Determination, it is now expected to run through until March 2026 (with the statutory deadline, incorporating the extension already granted by Ofwat, being 17 March 2026). This timeline is consistent with the twelve months taken for the four PR19 references, and we note that an extension was also taken for the single PR14 reference. Water determinations have a longer statutory timeframe than the more usual appeals, which generally take a maximum of eight months in total. The retention of income allows the CMA to recover costs, and any unused income will improve the overall public finances.
- This is a budget neutral change.

b. £1.5m budget cover switch from Resource DEL to Capital DEL

- To manage capital pressures that have arisen in 2025-26, attributed to the Cabot Rightsizing project (discussed further below in note 2c), £1.5m of budget cover has been switched from Resource DEL funding into Capital DEL.

c. £0.5m Resource DEL increase from a budget cover transfer from Department for Science, Innovation and Technology

- £0.42m of this budget cover is from the Digital Inter-Ministerial Innovation Fund – to fund a bid rigging detection pilot to develop and test AI-driven capabilities to detect bid rigging in public procurement, protecting taxpayer money and strengthening procurement integrity across government.
- £0.05m of this budget cover is for the CMA's work undertaken towards the government's Matrix strategy to consolidate unconnected ERP, HR and finance systems across government departments.

d. £2.5m Resource DEL decrease in depreciation

- Following the depreciation exercise conducted by HM Treasury in August 2025, the CMA has reduced its depreciation budget cover requirement to reflect the latest asset register and updated capital plans.

2. Capital DEL has increased by £3.8m

a. £2.3m Exchequer Reserve claim to manage Capital DEL pressures

- The increase in budget cover requirement is to manage the non-cash IFRS 16 Leases accounting impact from lease extensions and rent reviews for the CMA's properties arising from the CMA's regional office expansion. This pressure is an accounting adjustment with no cash impact.

b. £1.4m Capital DEL income benefit due to Right of Use (ROU) asset derecognition

- The CMA is sub-letting surplus office space and the partial derecognition of the ROU asset of the surplus office space generates £1.4m Capital DEL income benefit (non-cash). In the Main Estimate the CMA had no budget cover to recognise a CDEL income benefit. No corresponding spending power has been requested, and the CMA will return the full amount to the Exchequer at year-end. This is a budget neutral change.

c. £1.5m budget cover switch from Resource DEL to Capital DEL.

- The budget cover switch from Resource DEL to Capital DEL supports managing the Capital DEL pressures arising from the Cabot RightSize project. The RightSize project was introduced to enable the CMA to consider how effective the use of the existing office space is, and the potential to yield savings through other mechanisms, such as sub-leasing some excess office space to other government departments. This project will deliver recurring savings from April 2026, however, requires the initial investment for the fit-out works.

3. Resource AME has decreased from £27.0m to £22.0m.

- The CMA has decreased the non-cash RAME budget cover requirement based on the CMA's current estimated requirement for expected provisions in line with accounting standard IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

1.5 Key drivers of change since the Spending Review

The net[1] Resource DEL budget for 2025-26 is £1.0m lower than in the CMA's Spending Review 2025 (SR25) settlement of £137.4m. In line with conditions set out in our SR25 phase 1 settlement letter, the CMA set aside an unallocated provision/contingency in our Resource DEL budget to manage unexpected pressures. This contingency is being utilised to switch to Capital DEL to manage pressures arising from the Cabot RightSize project. See section 1.4 note 1.

The Capital DEL budget for 2025-26 is £2.5m higher than planned in SR25. This reflects the need to manage the capital pressures arising from the Cabot RightSize project through the £1.5m budget cover switch, and the £2.3m Exchequer Reserve claim to manage IFRS 16 Leases non-cash capital pressures. See section 1.4 note 2.

1.6 Reserve claims and spending pressures

The adoption of accounting standard IFRS 16 Leases by government departments in 2022 coincided with the CMA's growth and property transformation to expand its presence outside of London. The implication of this was property leases (within the scope of IFRS 16) would require significant non-cash Capital DEL budget cover upon recognition of the lease and when there are changes to the lease terms e.g. rent reviews or lease extensions would also have the same impact, meaning small movements across the multiple properties the CMA operates out of would add significant pressure to the CMA's small Capital DEL budget.

Spend category (RDEL, CDEL)	Budget sub-head	£m	Reason for reserve claim	Was this spending pressure identified at the Main Estimate?
CDEL	Non-cash IFRS 16 accounting	1.3	The significant non-cash budget	No

[1] After income and excluding depreciation (£137.4m).

	impact arising from lease extensions.		requirement resulting from lease extensions had been made known to the CMA after the Main Estimate. The rent review negotiations can be timely and uncertain, therefore, can prove difficult to forecast and foresee.	
CDEL	Non-cash IFRS 16 accounting impact arising from rent reviews.	1.0	The impact of rent reviews was significantly higher than initially expected, due to the rent reviews being RPI compounded over 5 years. The uncertain nature of rent reviews provides difficulties in forecasting against a tight Capital DEL budget.	No

1.7 Funding: other spending announcements

Not applicable.

1.8 New policies and programmes; ambit changes

The CMA's ambit has been updated to enable the department to retain Capital DEL income arising from the sub-leasing of the CMA's office space under IFRS 16. Additionally, the CMA can now incur expenditure arising from the Bid Ridding project and any work undertaken under the Matrix programme.

1.9 Administration costs and efficiency plans

Spending total	Difference (+/-) compared to	Difference (+/-) compared to final outturn last year

Amounts sought this year **(Supplementary Estimate 2025-26)**		**original budget this year** **(Main Estimate 2025-26)**		**(Outturn 2024-25)**	
		£ m	**%**	**£m**	**%**
Administration costs*	32.4	-0.3	-0.9%	8.6	32.6%

*Excluding ring-fenced depreciation budget.

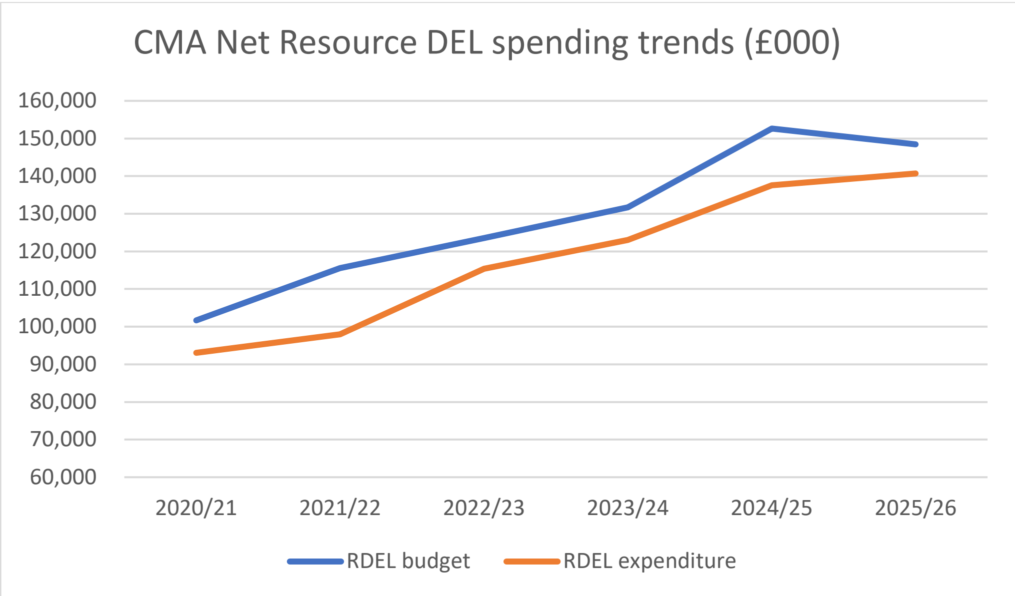
There is a less than 1% decrease to the CMA's administration budget from the Main Estimate.

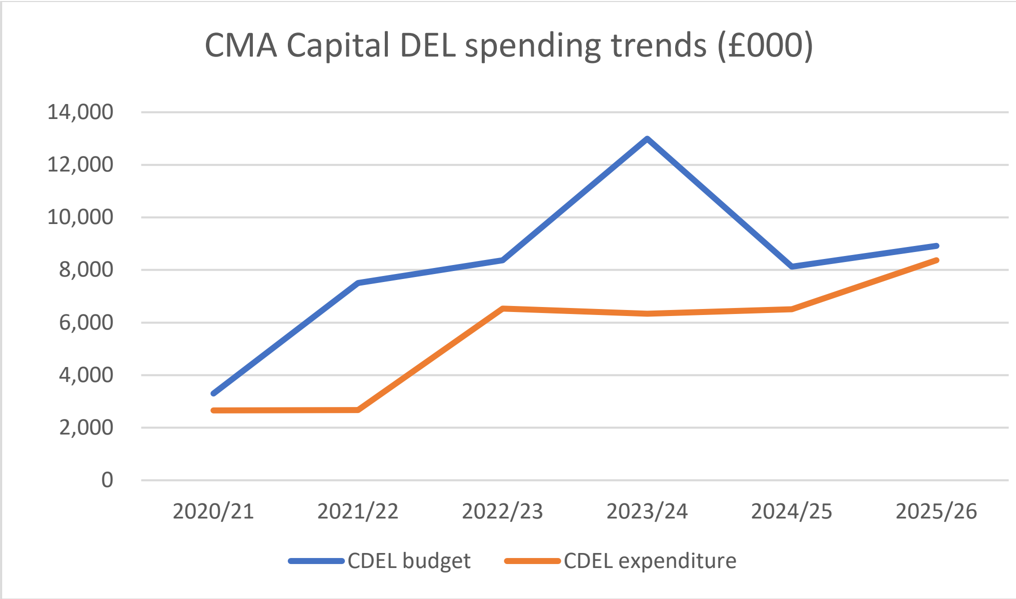
It is important to note that the CMA's administration costs include the CMA's Corporate Services costs, which house functions that directly support the delivery of cases e.g., property, facilities management, commercial, finance, and human resources; as well as IT costs, which are held within the Data Technology and Insight Directorate. These functions are managed centrally rather than being embedded in the business areas directly and are sized to reflect operational need.

In SR25 the CMA committed to delivering 2% productivity and efficiency gains against the administration budget, which is to be recycled to fund other organisational pressures.

1.10 Net spending trends

The charts below show overall net Resource DEL and Capital DEL spending trends over the last five years and plans presented in this Supplementary Estimate.





2 Spending detail

2.1 Explanations of changes in net spending

Resource DEL

The table below shows how spending plans for Resource DEL compare with the plans submitted at Main Estimates.

		Resource DEL*				
		This year (2025-26 Supplementary Estimate budget sought)	*This year (2025-26 Main Estimate budget approved)*	change from Main Estimate		is change significant? see explanation, note number
subhead		£ million			%	
A	Competition Promotion	148.4	151.9	-3.5	-2.3%	1
	Total Voted and Non-Voted	**148.4**	**151.9**	**-3.5**	**-2.3%**	

*Including ringfenced depreciation budget.

Capital DEL

The table below shows how spending plans for Capital DEL compare with the plans submitted at Main Estimate.

		Capital DEL				
		This year (2025-26 Supplementary Estimate budget sought)	*This year (2025-26 Main Estimate budget approved)*	change from Main Estimate		is change significant? see explanation, note number
Subhead		£ million			%	
A	Competition Promotion	8.9	5.1	3.8	74.5%	1
	Gross expenditure	**8.9**	**5.1**	**3.8**	**74.5%**	

Resource AME

The table below shows how spending plans for Resource AME compare with the plans submitted at Main Estimate.

		Resource AME				
		This year (2025-26 Supplementary Estimate budget sought)	*This year (2025-26 Main Estimate budget approved)*	change from Main Estimate		is change significant? see explanation, note number
subhead		£ million			%	
B	Competition Promotion	22.0	27.0	-5.0	-18.5 %	1
	Gross expenditure	**22.0**	**27.0**	**-5.0**	**-18.5 %**	

Capital AME

The table below shows how spending plans for Capital AME compare with the plans submitted at Main Estimate.

		Resource AME				
		This year (2025-26 Supplementary Estimate budget sought)	*This year (2025-26 Main Estimate budget approved)*	change from Main Estimates		is change significant? see explanation, note number
subhead		£ million			%	
B	Competition Promotion	2.0	2.0	0.0	0.0%	N/A
	Gross expenditure	**2.0**	**2.0**	**0.0**	**0.0%**	

Note 1 - see section 1.4 above for key drivers of spending changes since original budget this year.

2.2 Restructuring

Not applicable.

2.3 Ringfenced budgets

Within the totals, the following elements are ringfenced i.e., savings in these budgets may not be used to fund pressures on other budgets.

Resource DEL

Ring fenced budgets **Amounts sought this year** **(Supplementary Estimate 2025-26)**	**Difference (+/-) compared to original budget this year** **(Main Estimate 2025-26)**	**Difference (+/-) compared to final outturn last year** **(Outturn 2024-25)**

		£ m	%	£m	%
Depreciation	£12.0	-2.5	-17.3%	0.9	8.4%

Capital DEL

Ring fenced budgets **Amounts sought this year** **(Supplementary Estimate 2025-26)**		**Difference (+/-) compared to original budget this year (Main Estimate 2025-26)**		**Difference (+/-) compared to final outturn last year** **(Outturn 2024-25)**	
		£ m	**%**	**£m**	**%**
Digital Transformation	0.9	0.0	0.0%	0.9	N/A

2.4 Changes to contingent liabilities

The following contingent liabilities are contained within Part III: Note K of the Supplementary Estimate.

Nature of liability	£'000
The CMA is currently engaged in litigation activity which is not disclosed on the grounds that it may be prejudicial to legal privilege and the outcome of the litigation.	Up to 26,119

3 Priorities and performance

3.1 How spending relates to objectives

Expenditure under subheads A and B supports all the objectives set out in the 2025-26 Annual Plan.

3.2 Measures of performance against each priority

The CMA's 2026-29 Strategy sets out to deliver a step-change in how we perform as an organisation and we are determined to be accountable for the progress we make. We want to be transparent about how we are doing, open to feedback on how we can improve, and proactive in identifying opportunities to do things better.

Accountability for delivering against our Strategy

Our new 2026-29 Strategy sets out our purpose over the next three years, the strategic objectives we are pursuing, the outcomes we seek to achieve, and the way in which we intend to operate. It is critical for trust and confidence in the CMA that stakeholders have a clear line of sight over whether we have delivered on our commitments.

To support accountability and transparency over both the impact we have had, and the way we have performed as an organisation, we will:

- be led by the strategic objectives and outcomes set out in our Strategy when determining priorities in our Annual Plans
- report on our work to deliver those priorities in our Annual Report and Accounts (ARA), making clear how our work has helped contribute to these outcomes

The outcomes themselves include broad, cross-economy conditions in which the CMA can play an important, but not exclusive, role. Evaluating our particular contribution can be challenging. We will use best efforts to anchor our reporting to specific, relevant projects, evaluating both the impact our work has had and any relevant stakeholder experiences.

Measuring our impact

Measuring our impact effectively is a key part of our accountability for our Strategy, and for the benefits we seek to deliver for the UK. The CMA has an established and internationally well-regarded approach to evaluating the 'direct financial benefit' to consumers of our work. We report annually on this direct benefit in our Impact Assessment (IA), against a target set for us by Government to deliver at least £10 of benefit for every £1 of taxpayer's money spent on us. We deliver well in excess of this target - our last IA identified a direct benefit to cost ratio of 24.5:1 as an average of the last 3 years.

However, our IA does not capture the full range of our work and does not address the indirect benefit of our activity (including the deterrent effect), which can be significant. It is also heavily weighted towards the impact of our enforcement action. This means it does not reflect the growing importance of our role in enabling competition, supporting compliance and advising government.

We are updating our IA methodology to better reflect the full breadth and impact of our evolving portfolio of work. In the next IA, due to be published alongside the ARA 2025 to 2026, we plan to expand our core assessment of 'direct impact' to reflect more of our activity. We will also provide a clearer picture of likely indirect effects, including deterrence.

Tracking our performance

In its Strategic Steer to the CMA, and the wider Regulation Action Plan, the government has set clear expectations regarding performance. These include regular reporting against key indicators of performance, reducing the burden we place on businesses, and listening to feedback from our stakeholders.

The CMA will use a new suite of key performance indicators (KPIs) to track progress and strengthen accountability:

- the impact we deliver is a critical measure of our overall performance. Our new KPIs will include metrics drawn from our improved IA, addressing both our direct and indirect impact
- we will include metrics relating to the speed and efficiency of our work, including how our 4Ps programme is reducing the regulatory burden on businesses
- we will track and report on the experience and perceptions of our stakeholders, including business and consumer groups, as well as parties which have directly engaged with us. We will be conducting a number of new, regular stakeholder surveys for this purpose

We will launch these KPIs and report on the results of our surveys in our ARA 2025 to 2026, using initial results to baseline our performance.

3.3 Major projects

Not applicable.

4. Other information

4.1 Research and Development Expenditure

The following is provided as information on the CMA's Research and Development Expenditure (R&D). R&D spending under the Frascati definition is expected to decrease relative to the R&D budget at Main Estimate due to project delays and reclassification of costs to Resource DEL.

Spending plans this year		Difference (+/-) compared to original budget last year		Difference (+/-) compared to Spending Review	
Supplementary Estimate 2025-26		Main Estimate 2025-26		SR25	
£m		£m	%	£m	%
R&D	0.37	-0.7	-66.4%	-0.7	-66.4%

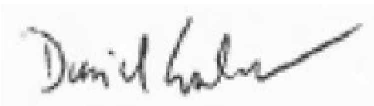
4.2 Additional specific information required by the select committee

No additional information has been requested by the select committee.

5 Accounting Officer Approval

This memorandum has been prepared according to the requirements and guidance set out by HM Treasury and the House of Commons Scrutiny Unit, available on the Scrutiny Unit website.

The information in this Estimates Memorandum has been approved by me as Additional Accounting Officer.



Daniel Lambauer

Additional Accounting Officer

CMA
30 January 2026

Competition and Markets Authority

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			
"(Section A)" For seed funding the CMA' Bid Rigging project, as approved by Digital Inter Ministerial Group (IMG)	420,000		
"(Section A)" For funding the CMA's work undertaken under the Matrix programme	47,000		
Budget Neutral Changes			
"(Section A)" Increase to the CMA's retainable income limit	2,000,000	-2,000,000	
Budget Regime Changes			
"(Section A)" Switch (RDEL to CDEL) covering capital property projects pressures		-1,500,000	
Other Changes			
"(Section A)" Spending Review Depreciation		-2,433,000	
Total change in Resource DEL (voted)	**2,467,000**	**-5,933,000**	**-3,466,000**
AME Expenditure Changes			
"(Section B)" Reduction to current projection for legal and other provisions		-5,000,000	
Total change in Resource AME (voted)		**-5,000,000**	**-5,000,000**
Budget Neutral Changes			
("Section A") HMT approval for retention of property related income	1,350,000	-1,350,000	
Budget Regime Changes			
"(Section A)" Switch (RDEL to CDEL) covering capital property projects pressures	1,500,000		
Reserve Claims			
"(Section A)" Reserve claim for IFRS 16 related costs	2,300,000		
Total change in Capital DEL (voted)	**5,150,000**	**-1,350,000**	**3,800,000**
Revisions to the Net Cash Requirement reflect changes to resource and capital as set out above	467,000		
Total change in Net Cash Requirement	**467,000**		**467,000**

PART I: EXPENDITURE AND AMBIT

£

	Voted	Non-Voted	Total
Departmental Expenditure Limit			
Resource	**-3,466,000**	-	-3,466,000
Capital	**3,800,000**	-	3,800,000
Annually Managed Expenditure			
Resource	**-5,000,000**	-	-5,000,000
Capital	**-**	-	-
Total Net Budget			
Resource	**-8,466,000**	-	-8,466,000
Capital	**3,800,000**	-	3,800,000
Non-Budget Expenditure	**-**		
Net Cash Requirement	**467,000**		

Supplementary amounts required in the year ending 31 March 2026 for expenditure by Competition and Markets Authority on:

Departmental Expenditure Limit:

Expenditure arising from:

Advancing and safeguarding the economic interests of United Kingdom (UK) consumers, businesses and the economy by enforcing competition and consumer law, including payment for information; analysing and monitoring markets; merger control; advocacy; information, education and advice; costs in respect of reactive and proactive litigation.

Enforcing consumer protection legislation through a new administrative enforcement model and operate a new regime to promote competition in digital markets.

Providing expert, independent, trusted advice and economic analysis to support the four nations to trade effectively within the UK Internal Market.

Providing advice to public authorities and reporting on the effective operation of subsidies.

Statutory information gathering powers for the monitoring function for road fuel.

Supporting the Government's Places for Growth programme by increasing presence outside London.

Administrative and operational costs, associated depreciation and any other non-cash items falling in DEL.

* Expenditure arising from the Bid Rigging project and the CMA's work undertaken under the Matrix programme.

PART I: EXPENDITURE AND AMBIT (CONTINUED)

Income arising from:
Recovery of legal costs.

Cost recovery from references and appeals in relation to price controls, terms of licences or other regulatory arrangements under sector-specific legislation.

Cost recovery from exercising the digital markets regime including the Digital Regulation Cooperation Forum (DRCF).

Fees for common services provided to other organisations and contributions from other departments towards the costs of Competition and Markets Authority activities.

Payments from the Home Office under the asset recovery incentivisation scheme.

Income from office space rental and other property related income, including compensation from the landlord.

Recoveries of salaries of staff on loan or seconded to outside bodies.

Sale of plant and machinery.

* Capital DEL income arising from Capital DEL benefits of leasing our property space under IFRS 16.

Annually Managed Expenditure:

Expenditure arising from:
Provisions and other non-cash costs.

Competition and Markets Authority will account for this Estimate.

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 Competition Promotion	36,091	115,786	-836	-2,630	35,255	113,156	5,120	3,800	8,920
Total voted DEL	**36,091**	**115,786**	**-836**	**-2,630**	**35,255**	**113,156**	**5,120**	**3,800**	**8,920**
Total DEL			**-836**	**-2,630**				**3,800**	
Annually Managed Expenditure (AME)									
Voted expenditure									
B Competition Promotion	-	27,000	-	-5,000	-	22,000	2,000	-	2,000
Total voted AME	**-**	**27,000**	**-**	**-5,000**	**-**	**22,000**	**2,000**	**-**	**2,000**
Total AME			**-**	**-5,000**				**-**	
Voted expenditure			**-836**	**-7,630**				**3,800**	
Non-voted expenditure			**-**	**-**				**-**	
Total for Estimate			**-836**	**-7,630**				**3,800**	

£'000

	Present Plans	Changes	Revised Plans
Net Cash Requirement	**149,132**	**467**	**149,599**

PART II: REVISED SUBHEAD DETAIL INCLUDING ADDITIONAL PROVISION

£'000

	Revised Plans									
	Resources							Capital		
	Administration			Programme			Total			
	Gross	Income	Net	Gross	Income	Net	Net	Gross	Income	Net
	1	2	3	4	5	6	7	8	9	10
Departmental Expenditure Limit (DEL)										
Voted expenditure										
A Competition Promotion	38,255	-3,000	35,255	118,156	-5,000	113,156	148,411	10,270	-1,350	8,920
Total voted DEL	**38,255**	**-3,000**	**35,255**	**118,156**	**-5,000**	**113,156**	**148,411**	**10,270**	**-1,350**	**8,920**
Total DEL	**38,255**	**-3,000**	**35,255**	**118,156**	**-5,000**	**113,156**	**148,411**	**10,270**	**-1,350**	**8,920**
Annually Managed Expenditure (AME)										
Voted expenditure										
B Competition Promotion	-	-	-	22,000	-	22,000	22,000	2,000	-	2,000
Total voted AME	**-**	**-**	**-**	**22,000**	**-**	**22,000**	**22,000**	**2,000**	**-**	**2,000**
Total AME	**-**	**-**	**-**	**22,000**	**-**	**22,000**	**22,000**	**2,000**	**-**	**2,000**
Voted expenditure	**38,255**	**-3,000**	**35,255**	**140,156**	**-5,000**	**135,156**	**170,411**	**12,270**	**-1,350**	**10,920**
Non-voted expenditure	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total for Estimate	**38,255**	**-3,000**	**35,255**	**140,156**	**-5,000**	**135,156**	**170,411**	**12,270**	**-1,350**	**10,920**

PART II: RESOURCE TO CASH RECONCILIATION

£'000

	Present Plans	Changes	Revised Plans
Net Resource Requirement	**178,877**	**-8,466**	**170,411**
Net Capital Requirement	**7,120**	**3,800**	**10,920**
Accruals to cash adjustments	**-36,865**	**5,133**	**-31,732**
Of which:			
Adjustment for ALBs:			
Remove voted resource and capital	-	-	-
Add cash grant-in-aid	-	-	-
Adjustments to remove non-cash items:			
Depreciation	-14,462	2,433	-12,029
New provisions and adjustments to previous provisions	-29,000	2,700	-26,300
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-	-	-
Adjustments to reflect movements in working balances:			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	6,597	-	6,597
Use of provisions	-	-	-
Removal of non-voted budget items	**-**	**-**	**-**
Of which:			
Consolidated Fund Standing Services	-	-	-
Other adjustments	-	-	-
Net Cash Requirement	**149,132**	**467**	**149,599**

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

	£'000
	Revised Plans
Gross Administration Costs	38,255
Less:	
Administration DEL Income	-3,000
Net Administration Costs	**35,255**
Gross Programme Costs	140,156
Less:	
Programme DEL Income	-5,000
Programme AME Income	-
Non-budget income	-
Net Programme Costs	**135,156**
Total Net Operating Costs	**170,411**
Of which:	
Resource DEL	148,411
Capital DEL	-
Resource AME	22,000
Capital AME	-
Non-budget	-
Adjustments to include:	
Departmental Unallocated Provision (resource)	-
Consolidated Fund Extra Receipts in the budget but not in the SoCNE	-
Adjustments to remove:	
Capital in the SoCNE	-
Grants to devolved administrations	-
Non-Budget Consolidated Fund Extra Receipts in the SoCNE	-
Other adjustments	-
Total Resource Budget	**170,411**
Of which:	
Resource DEL	148,411
Resource AME	22,000
Adjustments to include:	
Grants to devolved administrations	-
Prior period adjustments	-
Adjustments to remove:	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
Total Resource (Estimate)	**170,411**

PART III: NOTE B - ANALYSIS OF DEPARTMENTAL INCOME

	£'000
	Revised Plans
Voted Resource DEL	
Administration	
A Competition Promotion	
Sales of Goods and Services	-3,000
Total Sales of Goods and Services	**-3,000**
Total Administration	**-3,000**
Programme	
A Competition Promotion	
Sales of Goods and Services	-5,000
Total Sales of Goods and Services	**-5,000**
Total Programme	**-5,000**
Total Voted Resource DEL	**-8,000**
Total Voted Resource Income	**-8,000**
Voted Capital DEL	
Programme	
A Competition Promotion	
Sales of Assets	-1,350
Total Sales of Assets	**-1,350**
Total Programme	**-1,350**
Total Voted Capital DEL	**-1,350**
Total Voted Capital Income	**-1,350**

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

No CFER income or receipts are expected in 2025-26.

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:	Sarah Cardell
Additional Accounting Officers:	Daniel Lambauer for sections A and B

PART III: NOTE F - ACCOUNTING POLICY CHANGES

Property, Plant and Equipment
From 1 April 2025, HM Treasury changed the requirements in the FReM in respect of revaluations of property, plant and equipment (PPE). In 2025/26, the CMA has prospectively valued its PPE asset classes using the following valuation processes:

● A rolling programme of valuations over a 5-year cycle, with annual indexation applied to assets during the 4 intervening years.
  • for Dilapidation assets relating to IFRS 16 lease properties.

● For non-property assets only, appropriate indices.
  • for Leasehold Improvements and Furniture and Fittings.

The CMA has also adopted a depreciated historical cost basis as a proxy for current value in existing use or fair value for:

● Information Technology assets, as these assets have short useful lives, low individual values, and no active second-hand market from which reliable fair-value evidence could be obtained.

● IFRS 16 leases, as these assets are occupied premises where the value to the CMA is derived from the premises service potential rather than from any market-based measure of fair value.

PART III: NOTE K - CONTINGENT LIABILITIES

Nature of liability	£'000
There is a possibility of a transfer of material economic benefits to third parties where the CMA is involved in active litigation. The legal cases included as contingent liabilities all relate to legal proceedings through the courts, and the outcomes are dependent on court rulings and findings.	Up to 26,120

The CMA’s estimate of adverse costs in ongoing litigation cases is £26.12 million.