

Financial Report – March 2026

Executive Summary

This report sets out our financial position at the end of the 2025/26 financial year end. We ended the year with a surplus against budget of £5.5m.

For the full year we generated £7m more income than budget whilst costs were only £1.5m higher.

On the income side we generated a total of £111.9m, including:

- £2.7m of extra DP fees following successful campaigns to identify organisations that should register and pay registration fees at the correct time;
- £2.6m of extra retainable fine income following successful enforcement and recovery action that secured £18.7m of fines on behalf of the Consolidated Fund;
- extra funding from the Regulatory Innovation Office (RIO) and additional Grant in Aid (GIA) from DSIT, of which we have returned £0.9m GIA in light of our favourable financial performance.

The ICO spent £106.4m during the year. This was £0.4m or less than 0.5% below full year forecast overall. This is the net result of:

- pay cost being slightly above forecast due to accounting for the year end position on untaken annual leave; and
- net under-spends across a number of departments.

We had a significant capital programme in 2025/26, particularly as it included completing a new lease and other preparations for moving our head office to Manchester. We ended the year over-spent against combined leasing and non-leasing forecast by £0.3m or 3% of the expected £9.9m expenditure.

| Table 1: Consolidated Management Accounts | Year to date | | | Full year | | | |
|---|--------------|--------------|-------------|--------------|--------------|-------------|-------------|
| | Budget | Actual | Variance | Budget | Forecast | Variance | 2024/25 |
| | £'m | £'m | £'m | £'m | £'m | £'m | £'m |
| DP FEE INCOME | 95.3 | 98.0 | 2.7 | 95.3 | 98.0 | 2.7 | 73.8 |
| GRANT IN AID AND GOVERNMENT FUNDING | 7.5 | 7.9 | 0.4 | 7.5 | 7.8 | 0.3 | 17.1 |
| FINE RETENTION INCOME | 1.8 | 4.4 | 2.6 | 1.8 | 4.4 | 2.6 | 1.5 |
| DRAWDOWN FROM RESERVES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OTHER INCOME | 0.3 | 1.6 | 1.3 | 0.3 | 1.5 | 1.2 | 0.7 |
| TOTAL INCOME | 104.9 | 111.9 | 7.0 | 104.9 | 111.7 | 6.8 | 93.1 |
| STAFF COSTS | 80.3 | 79.6 | 0.7 | 80.3 | 79.2 | 1.1 | 72.5 |
| TRAINING AND RECRUITMENT | 1.4 | 1.3 | 0.1 | 1.4 | 1.4 | 0.0 | 1.0 |
| OFFICE COSTS (NON-CAPITAL) | 3.4 | 3.9 | -0.5 | 3.4 | 3.8 | -0.4 | 3.6 |
| IT COSTS (NON-CAPITAL) | 6.1 | 7.2 | -1.1 | 6.1 | 6.9 | -0.8 | 5.7 |
| PROJECT SPEND (NON-CAPITAL) | 3.3 | 2.4 | 0.9 | 3.3 | 3.0 | 0.3 | 1.3 |
| COMMUNICATIONS | 0.5 | 0.4 | 0.1 | 0.5 | 0.4 | 0.1 | 0.2 |
| FINANCIAL COSTS | 0.4 | 0.4 | 0.0 | 0.4 | 0.4 | 0.0 | 0.4 |
| TRAVEL | 0.6 | 0.7 | -0.1 | 0.6 | 0.8 | -0.2 | 0.6 |
| LEGAL, PROFESSIONAL & OTHER | 4.1 | 4.9 | -0.8 | 4.1 | 5.8 | -1.7 | 3.1 |
| Sub-total | 100.1 | 100.8 | -0.7 | 100.1 | 101.7 | -1.6 | 88.4 |
| Capital Cash Spend - Lease rentals | | | | | | | |
| Office costs | 1.6 | 1.7 | -0.1 | 1.6 | 1.7 | -0.1 | 1.3 |
| IT costs | 0.2 | 0.3 | -0.1 | 0.2 | 0.3 | -0.1 | 0.3 |
| Total | 1.8 | 2.0 | -0.2 | 1.8 | 2.0 | -0.2 | 1.6 |
| Capital Cash Spend - Other | | | | | | | |
| Estates and IT | 1.0 | 1.0 | 0.0 | 1.0 | 1.1 | -0.1 | 0.8 |
| Delivery | 2.0 | 2.6 | -0.6 | 2.0 | 2.0 | 0.0 | 0.9 |
| Total | 3.0 | 3.6 | -0.6 | 3.0 | 3.1 | -0.1 | 1.7 |
| TOTAL COSTS | 104.9 | 106.4 | -1.5 | 104.9 | 106.8 | -1.9 | 91.8 |
| SURPLUS/(DEFICIT) | 0.0 | 5.5 | 5.5 | 0.0 | 4.9 | 4.9 | 1.3 |