

Financial Report – April 2025

Executive Summary

This report sets out the ICO's financial position at the end of April 2025.

Budget for 2025/26

The approved budget reflects the new DP fee rates which took effect from mid-February. Whilst there was a part year effect of the changes in 2024/25, there will be a full year effect in 2025/26, increasing DP income by £21.5m.

The budget also reflects GIA funding agreed with our sponsor department DSIT. For 2025/26 this funding is at a lower level than 2024/25, which benefited from the payment of a one-off £9m.

April Forecast Position

The April forecast position represents a surplus of £1.5m. This is due to an increased forecast for fine income retention in relation to a civil monetary penalty imposed on Advanced Computer Software Group Ltd.

April Year to date

Income

At the end of April DP fee income, our major source of income, is marginally below budget by £0.1m.

Fines recovered and retained are also behind budget, by £0.2m, although this is due to a timing difference.

Expenditure

Our main expenditure is Staff Costs which are budgeted at 76.5% of our total expenditure and available funding. At the end of April pay costs are on track with budget.

Other non-pay expenditure is slightly underspent at the end of April by £0.5m spread across a number of activities.

Risks and opportunities

DP Income

The achievement of the DP Income budget relies on necessary income generating activities being planned and implemented at appropriate times in the year so as to enable realisation in-year. We mitigate any risks of under performance by:

- carefully monitoring trends in renewals by organisations that are already registered to identify relevant follow-up in the case of failure to renew and pay on-time;
- planning and implementing targeted campaigns to identify organisations that should be registered and convert these into new registrations.

Fine Income Retention

We are entitled to retain certain penalties that we impose and recover to net off against specific legal enforcement and litigation expenditure. We recognise these once recovery is likely, although full payment by those liable cannot be guaranteed. We will continue to closely monitor this income position as the financial year progresses.

| Table 1: April Consolidated Management Accounts | In month - April | | | Full year | | | |
|---|------------------|------------|-------------|--------------|--------------|-------------|-------------|
| | Budget | Actual | Variance | Budget | Forecast | Variance | 24/25 |
| | £'m | £'m | £'m | £'m | £'m | £'m | £'m |
| DP FEE INCOME | 6.4 | 6.3 | 0.1 | 95.3 | 95.3 | 0.0 | 73.8 |
| GRANT IN AID | 0.6 | 0.6 | 0.0 | 7.5 | 7.5 | 0.0 | 17.1 |
| FINE RETENTION INCOME | 0.2 | 0.0 | 0.2 | 1.8 | 3.4 | -1.6 | 1.5 |
| DRAWDOWN FROM RESERVES | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.0 |
| OTHER INCOME | 0.0 | 0.0 | 0.0 | 0.3 | 0.3 | 0.0 | 0.7 |
| TOTAL INCOME | 7.2 | 6.9 | 0.3 | 104.9 | 106.5 | -1.6 | 93.1 |
| STAFF COSTS | 6.1 | 6.1 | 0.0 | 80.2 | 80.2 | 0.0 | 72.5 |
| TRAINING AND RECRUITMENT | 0.1 | 0.0 | 0.1 | 1.4 | 1.4 | 0.0 | 1.0 |
| OFFICE COSTS (NON-CAPITAL) | 0.2 | 0.2 | 0.0 | 3.9 | 4.0 | -0.1 | 3.6 |
| IT COSTS (NON-CAPITAL) | 0.4 | 0.3 | 0.1 | 6.3 | 6.3 | 0.0 | 5.7 |
| PROJECT SPEND (NON-CAPITAL) | 0.1 | 0.0 | 0.1 | 5.5 | 5.4 | 0.1 | 1.3 |
| COMMUNICATIONS | 0.0 | 0.0 | 0.0 | 0.5 | 0.6 | -0.1 | 0.2 |
| FINANCIAL COSTS | 0.0 | 0.0 | 0.0 | 0.4 | 0.4 | 0.0 | 0.4 |
| TRAVEL | 0.1 | 0.0 | 0.1 | 0.6 | 0.7 | -0.1 | 0.6 |
| LEGAL, PROFESSIONAL & OTHER | 0.2 | 0.2 | 0.0 | 4.2 | 4.2 | 0.0 | 3.1 |
| Sub-total | 7.2 | 6.8 | 0.4 | 103.1 | 103.2 | -0.1 | 88.5 |
| CAPITAL CASH SPEND - Lease rentals | | | | | | | |
| Office costs | 0.1 | 0.0 | 0.1 | 1.6 | 1.6 | 0.0 | 1.3 |
| IT costs | 0.0 | 0.0 | 0.0 | 0.3 | 0.3 | 0.0 | 0.3 |
| Total | 0.1 | 0.0 | 0.1 | 1.8 | 1.8 | 0.0 | 1.6 |
| CAPITAL CASH SPEND – Asset acquisitions | | | | | | | |
| Tangible assets | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.8 |
| Intangible assets | 0.0 | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.9 |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.7 |
| TOTAL COSTS | 7.3 | 6.8 | 0.5 | 104.9 | 105.0 | -0.1 | 91.8 |
| SURPLUS/(DEFICIT) | -0.1 | 0.1 | -0.2 | 0.0 | 1.5 | -1.5 | 1.3 |