



National Audit Office

Cabinet Office

2024-25

January 2026

OVERVIEW

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C&AG introduction

In 2025, we set out our [new five-year strategy](#).

In delivering our statutory responsibilities, we aim to maximise our contribution to two outcomes – more productive and resilient public services and better financial management and reporting in government.

Our overviews summarise the key information and insights from our examinations of departments and from their annual report and accounts, and explore departments' progress against these crucial outcomes, highlighting positive examples and opportunities to improve.

If you would like more information about our work, or to arrange a briefing with me or one of my teams, please contact our Parliamentary Relations team at parliament@nao.org.uk.

Background to the Cabinet Office

Objectives

The Cabinet Office's role is to ensure that the government works together to deliver for the people of the United Kingdom. Its objectives are to:

- drive delivery of the government's missions, foundations and Prime Minister's critical priorities;
- strengthen international partnerships;
- strengthen the foundations of good government;
- make the country safer, more secure and increasingly resilient; and
- run a high-quality civil service.

Departmental group

The departmental group includes two executive agencies, the Government Property Agency (GPA) and the Crown Commercial Service (CCS); a non-ministerial department, the UK Statistics Authority; nine non-departmental public bodies, such as the Infected Blood Compensation Authority (IBCA); two statutory offices; and an expert committee.

Financial management

Qualified accounts

The C&AG has qualified the Cabinet Office's financial statements for 2024-25 due to lack of evidence for the IBCA's provision established in the financial year.

GPA improvements

The GPA has improved its controls around accounting for assets under construction in 2024-25, following the C&AG's qualification of its accounts in 2023-24.

Spending

The core department's spending has remained largely consistent from 2020-21 to 2024-25, with spikes arising from the COVID-19 pandemic, the 2021 United Nations Climate Change Conference (COP26) and the establishment of the IBCA.

Productivity

Innovation

The Cabinet Office runs several programmes to encourage innovation in government such as 'Test, Learn and Grow'.

Staffing reductions

The Cabinet Office has committed to reduce up to 1,200 roles over the next two years, representing a 12% decrease.

Functions

The centres of six out of 14 government functions, which work across government to provide expert skills, are housed in the Cabinet Office.

Risk and resilience

Government resilience

The Cabinet Office published the *UK Government Resilience Action Plan*, which sets out the UK's strategic approach to resilience, in July 2025.

Property maintenance

The government estate across all departments has a minimum maintenance backlog of £49 billion, risking the government's ability to deliver its objectives.

About the Cabinet Office



The purpose of the Cabinet Office is to ensure that the government works together to deliver for the people of the United Kingdom. The Cabinet Office supports the Prime Minister and ensures the effective running of the government. It is also the corporate headquarters for the government, in partnership with HM Treasury, and it takes the lead in certain critical policy areas.

Figure 1

Cabinet Office strategic outcomes, 2024-25

The Cabinet office had five strategic outcomes in 2024-25

Strategic outcomes	How the Cabinet Office aimed to achieve this	Illustrative activities
Drive delivery of the government's missions, foundations and Prime Minister's critical priorities	By cohering, challenging and coordinating across departments to enable progress and remove barriers.	<ul style="list-style-type: none">Established the Mission Delivery Unit to deliver mission-led governmentPublished the Plan for Change, which details how the government will progress towards missions
Strengthen international partnerships	By forging a new strategic alliance with the European Union (EU) and actively engaging in global forums like the G7 and G20 to support growth, deliver security at home and tackle migration.	<ul style="list-style-type: none">Managed the UK's relationship with the EUWorked to strengthen ties beyond Europe including the G7 and G20
Strengthen the foundations of good government	By strengthening the constitution, creating higher standards for those in public life and ensuring that public services deliver for the people of the UK.	<ul style="list-style-type: none">Changed policy, developed legislation and convened key stakeholdersPublished a refreshed Ministerial Code
Make the country safer, more secure and increasingly resilient	By coordinating the delivery of national security priorities and promoting resilience across the UK.	<ul style="list-style-type: none">Enhanced the UK's security through transatlantic alliancesRevised the national security strategy
Run a high-quality civil service	By implementing reforms and technological transformation that improve productivity and deliver better outcomes for the public.	<ul style="list-style-type: none">Ran initiatives to upskill the civil service, including 'One Big Thing'Launched initiatives to support public sector reform, such as 'Test, Learn and Grow'

Source: National Audit Office analysis of Cabinet Office, *Annual report and accounts 2024 to 2025*

How the Cabinet Office is structured



The Cabinet Office core department is responsible for supporting the Prime Minister, Cabinet and government functions. It provides strategic policy advice, coordination across government and leadership of the civil service. Arm's-length bodies operate outside the core department but are aligned with its outcomes. They deliver specialised services, conduct research or oversee specific policies.

The Cabinet Office also houses the central teams of six of the 14 government functions, which are groupings of civil servants who work across government bodies to provide expert skills. The centres of two further functions (the National Infrastructure and Service Transformation Authority and the Public Sector Fraud Authority) are joint units of the Cabinet Office and HM Treasury.

The six advisory non-departmental public bodies, the Main Honours Committee and the Office of the Commissioner for Public Appointments do not publish their own accounts. The Crown Commercial Service (CCS) is not included in the consolidated group accounts as it is a trading fund. The UK Statistics Authority is not included in the consolidated group accounts as it is a non-ministerial department.

Recent changes to the structure of the departmental group

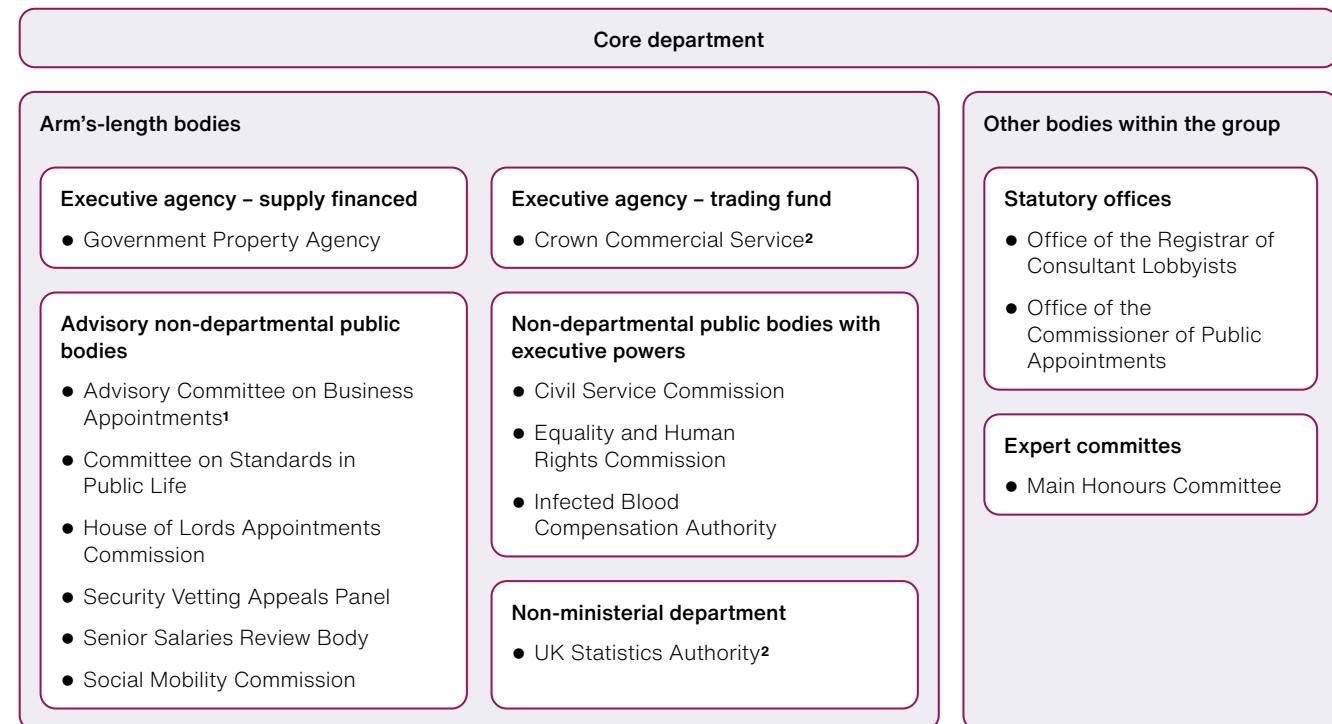
The Infected Blood Compensation Authority (IBCA) was set up in May 2024.

The Advisory Committee on Business Appointments was disbanded in October 2025. Its function of providing independent advice on the application of Business Appointment Rules in respect of senior civil servants and special advisers was transferred to the Civil Service Commission.

Figure 2

Cabinet Office departmental group structure, March 2025

The Cabinet Office group was made up of the core department and 15 other bodies, until one body was disbanded in October 2025



Notes

1 The Advisory Committee on Business Appointments ceased operation on 13 October 2025.

2 The Crown Commercial Service and the UK Statistics Authority are not included in the Cabinet Office annual report and accounts.

Source: National Audit Office analysis of Cabinet Office, *Annual report and accounts 2024 to 2025*

Continued

How the Cabinet Office is structured



The Cabinet Office underwent seven transfers of functions in 2024-25. Four of the core department's functions were transferred to other departments, and three were transferred to the Cabinet Office from other departments.

Out:

- The Government Digital Service, Central Digital and Data Office and the Incubator for Artificial Intelligence transferred to the Department for Science, Innovation & Technology.
- The Office for Veterans' Affairs transferred to the Ministry of Defence.

In:

- Responsibility for the UK's relationship with the EU transferred from the Foreign, Commonwealth & Development Office to join the EU Relations Secretariat.
- Responsibility for union and devolution policy across the devolved nations transferred from the Ministry of Housing, Communities & Local Government to the Proprietary and Constitution Group.
- The Government Car Service transferred from the Department of Transport to the Government Security Group.

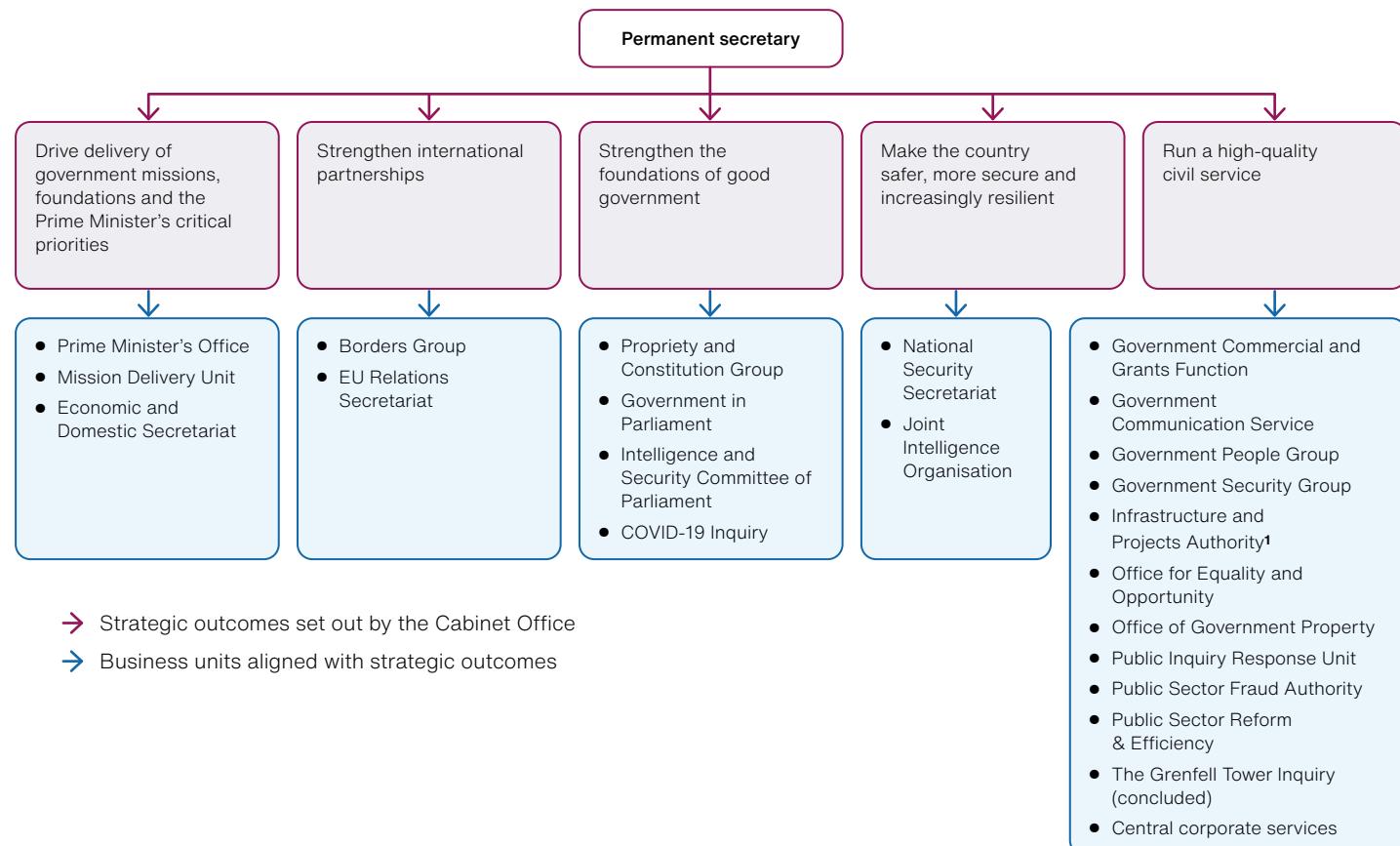
Post year-end:

- The Cabinet Office's responsibility for government and public sector cyber security was transferred to the Department for Science, Innovation & Technology on 3 June 2025.

Figure 3

Cabinet Office core department structure, March 2025

The core department was made up of 23 business units, aligned with its strategic outcomes



Note

1 The Infrastructure and Projects Authority and the National Infrastructure Commission, an executive agency of HM Treasury, became the National Infrastructure and Service Transformation Authority in April 2025.

Where the Cabinet Office spends its money



The Cabinet Office had a total net expenditure (the total amount that it spent less income received) of nearly £11 billion in 2024-25.

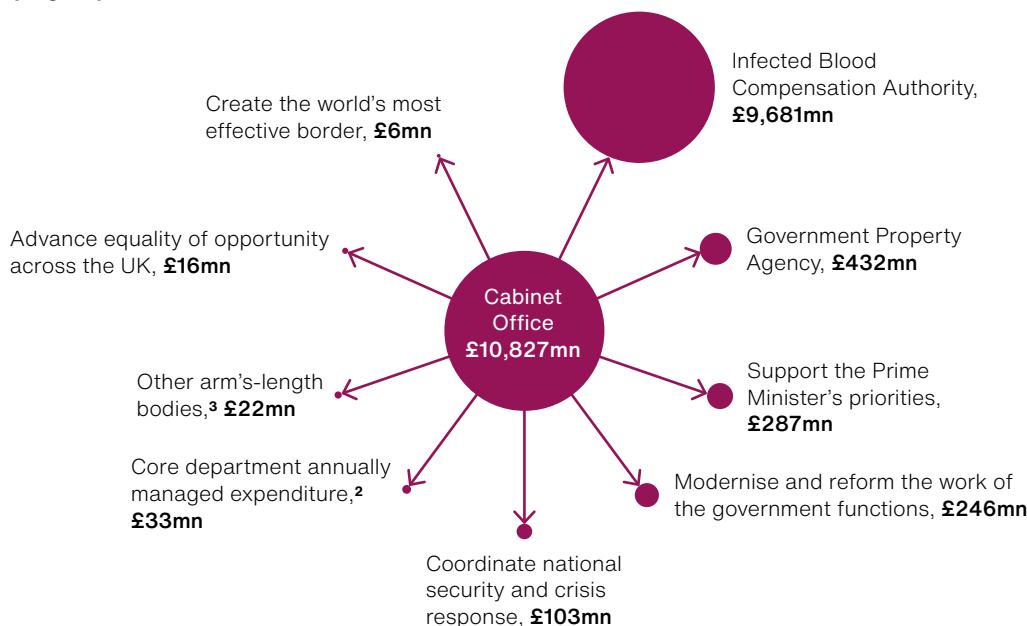
The three largest areas of spending were:

- £9,681 million related to the IBCA, which consisted mainly of compensation payments;
- £432 million assisted the GPA in providing centralised ownership and control of government property; and
- £287 million was spent on supporting the Prime Minister's critical priorities.

Figure 4

Cabinet Office net expenditure, 2024-25

The Cabinet Office's expenditure consisted mainly of infected blood compensation payments and of expenditure relating to the Government Property Agency



Notes

- 1 Values are from the Statement of Parliamentary Supply and unaudited financial analysis presented in the annual report. They do not align with expenditure presented according to the international financial reporting standards (IFRS).
- 2 Annually managed expenditure is expenditure that is inherently volatile or demand-led.
- 3 Other arm's-length bodies include the Civil Service Commission, the Equality and Human Rights Commission and the Office of the Registrar of Consultant Lobbyists.
- 4 Categories of expenditure do not total to the Cabinet Office total expenditure due to rounding.

Source: National Audit Office analysis of Cabinet Office, *Annual report and accounts 2024 to 2025*

Qualified accounts



The C&AG qualified the accounts of the Cabinet Office for 2024 to 2025

The National Audit Office (NAO) audit team recommended this qualification based on the departmental group not being able to provide sufficient evidence to support key assumptions on the expected claimant numbers for three of the four cohorts within the Infected Blood Compensation Scheme. Other sources of data were not appropriate.

Consequently, the NAO could not gain sufficient appropriate evidence to support the value of £6,987 million of the £9,582 million scheme provisions that are included in the Cabinet Office group accounts.

This amount is comprised of the following:

- liabilities for compensation due to infected non-registered people (£1,415 million);
- estates of infected people who have died (£2,819 million); and
- affected people (£2,753 million).

The departmental group was able to provide evidence for the remaining £2,595 million provision for compensation to infected individuals registered on an existing Infected Blood Support Scheme and the £60 million compensation payments made from the provision during the year.

Impact of the lack of evidence

The audit team was unable to gain sufficient evidence for the related expenditure recognised in the accounts when the provision was established.

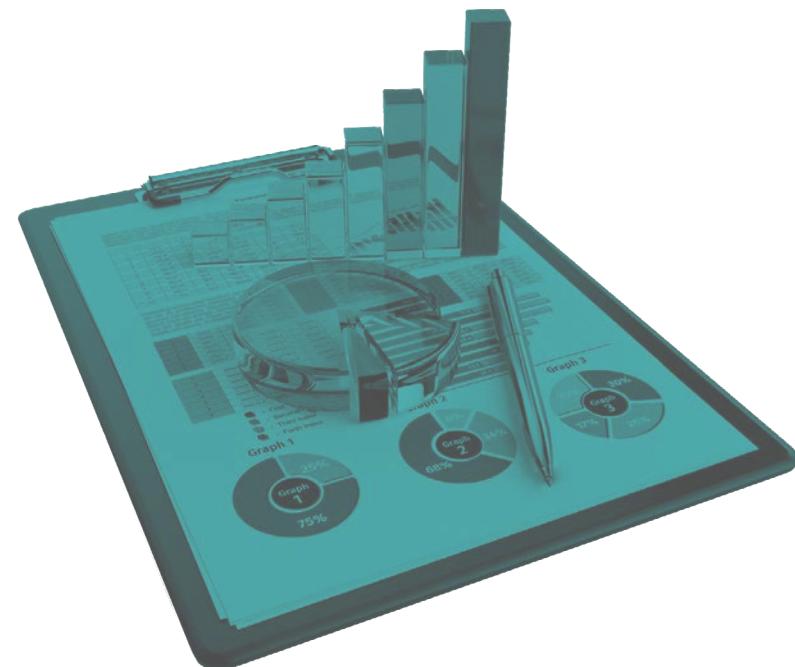
The C&AG deemed this matter to likely have a material impact on the valuation of the liabilities and related expenditure.

The individual accounts for the IBCA were also qualified

The IBCA's separate accounts for 2024 to 2025 were also qualified due to this matter. The IBCA acknowledged that the NAO was unable to gain sufficient evidence of the number of people that may claim for several cohorts, but responded that the lack of information it held was in line with expectations given the infancy of the scheme.

The IBCA had based its valuation of the provision on information used to support the inquiry and to estimate the potential cost of the scheme.

The IBCA stated that it intends to continue to refine its estimate as more cohorts are opened to applications.



Other matters per the extended audit opinion



Figure 5

Key audit matters identified within the auditor's report for the Cabinet Office annual report and accounts 2024 to 2025

The most significant matters in the audit of the Cabinet Office's financial statements relate to properties

Audit matter	Risk identified	Outcomes and observations
Assets under construction held by the Government Property Agency (GPA)	There was a significant risk of misstatement for the valuation and classification of assets under construction held by the GPA. This was due to insufficient evidence being available in the audit of the prior year accounts.	During 2024-25, the GPA planned to complete a project to review transactions and balances relating to assets under construction. The audit team obtained sufficient appropriate assurance over their valuation and classification.
Management of non-current assets at the core department	The Cabinet Office held property, plant and equipment of £144 million and intangible assets of £61 million as of 31 March 2025. In the prior year audit, the audit team found that the department had not processed additions to the non-current asset register on a timely basis or reclassified assets where necessary. The C&AG therefore deemed this a significant risk.	During the audit of the 2024-25 accounts, the audit team found that the department had corrected the non-current asset register to reflect activity in 2023-24. However, it had not maintained the register properly for activity in 2024-25.
Accounting for leasehold properties	The department, through the GPA, holds leasehold properties which it sub-lets to other government bodies. The treatment of these leases involves judgements and assumptions to classify them, and calculate related assets and liabilities. The C&AG identified a significant risk around leases being correctly classified, valued and complete.	The audit team found that the departmental group's controls around leases were designed and implemented adequately. Leases were accounted for correctly and were materially complete.
Valuation of freehold land and buildings	The departmental group had £1,335 million of land and buildings as of 31 March 2025, with £1,250 million of this held by the GPA. Property is valued on a five-year cycle, with desk-based valuations in intervening years. This involves significant assumptions around future rental income, future costs, floor areas and discount rates. Therefore, the C&AG recognised a significant risk.	The audit team found that the departmental group's key controls over the valuation process had been designed and implemented adequately and that asset valuations had been prepared using an appropriate methodology and appropriate assumptions.

Source: National Audit Office analysis of Cabinet Office, *Annual report and accounts 2024 to 2025*

The Government Property Agency's work to improve its accounts



The C&AG qualified the accounts of the GPA for 2023 to 2024

The NAO audit team recommended this qualification based on limited evidence relating to assets under construction.

The GPA had not been transferring assets out of 'assets under construction' on a timely basis, and its subsequent detailed review was not finalised in time for the 2023-24 audit. As a result, the GPA was unable to provide sufficient evidence of the valuation or classification of assets under construction held as of 31 March 2024 and 31 March 2023. It was also unable to provide sufficient evidence over the reclassification and impairment of costs from assets under construction in 2024 and 2023.

Additionally, the C&AG found that the GPA had breached Cabinet Office spend controls when it entered into a contract for site security in 2022-23, and subsequently spent £6 million on this contract in financial year 2023-24. Consequently, the C&AG qualified his opinion on the GPA's accounts in respect of regularity of spending.

Definitions

Assets under construction: the cost of enhancements to existing assets (such as building of a new wing within an existing prison) during their construction.

Regularity of spending: the spending is legal, has been authorised by Parliament and by HM Treasury, and is within agreed spending budgets.

The GPA has acted to resolve these issues

The GPA responded to the C&AG qualifying its annual report and accounts for 2023-24 by implementing several measures to improve financial reporting, as part of its Continuous Improvement Programme (CIP).

- The GPA is working closely with the central controls team within the Cabinet Office, providing it with a pipeline of future projects in scope, discussing future projects and seeking its advice on control requirements.
- The GPA has worked to improve its controls over non-current assets and lease accounting, including more robust systems and processes, and timely reviews.

The timeline for the GPA to publish its accounts for 2024-25 was extended, to allow for these measures to be implemented.

The CIP is an effort by the GPA to improve its efficiency and capability, alongside supporting future expansion. It includes:

- improved billing processes, resulting in the GPA being paid more quickly;
- improved reporting of performance to clients;
- stronger risk analysis for key capital projects;
- streamlining governance; and
- developing a people strategy framework.

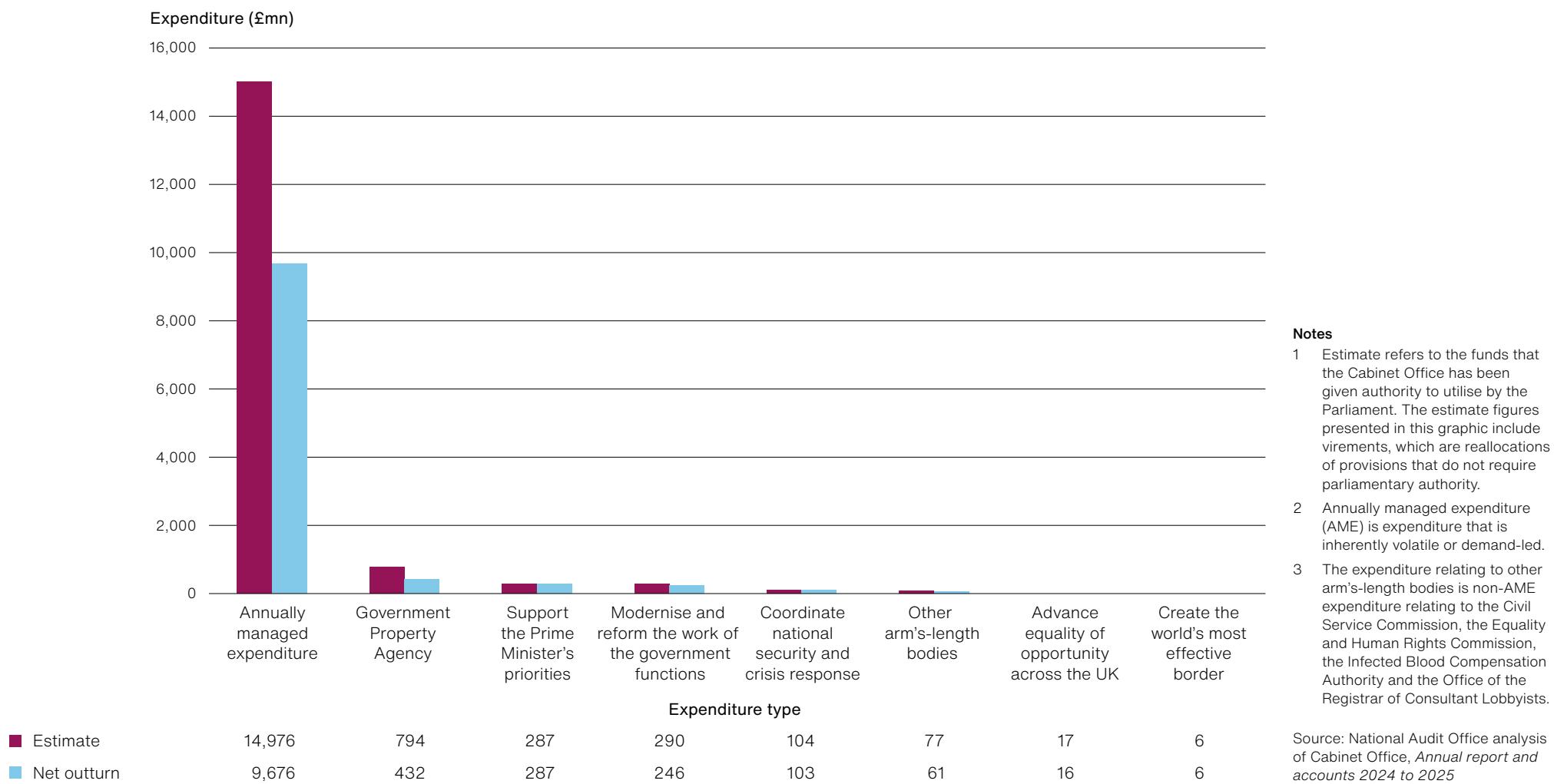
Spending patterns



Figure 6

The Cabinet Office's net budgeted and actual expenditure, 2024-25

Annually managed expenditure, such as that relating to infected blood compensation, was about £5 billion below its budget



Programmes to encourage innovation in government



The C&AG has previously identified the scope to save billions from better-run major projects, properly managed assets and digital transformation, among other areas. Innovation plays a crucial role in achieving this. The Cabinet Office is working on several programmes across the civil service to encourage innovation, improve efficiency and boost productivity. These include the following.

Places for Growth

Places for Growth is a cross-government programme, led by the Cabinet Office, to relocate government roles away from London, help departments to strengthen their presence outside of London, build civil service communities and consolidate the London estate.

The Cabinet Office reports that, by the end of 2024-25, 22,000 roles had been moved into the regions, three years ahead of schedule, and that the programme was on track to deliver £1.9 billion in staff and estate savings and local economic benefits by 2030.

Our report [*Managing central government property*](#) published in 2022, found that civil servants and central government offices were disproportionately located in London, relative to the UK population. Success in relocating civil servants requires the continual disposal of London properties and securing appropriate sites outside London. This is delivered by the Office of Government Property.

Civil Service People Plan 2024–2027

The Cabinet Office oversees the Civil Service People Plan. The Plan's commitments include:

- ending civil service expansion and creating a more modern and efficient public sector workforce;
- improving office attendance;
- accelerating the Places for Growth programme;
- developing externally accredited line management standards;
- improving and speeding up recruitment;
- launching new industry secondment programmes; and
- developing a leadership and pay framework for senior civil servants.

No. 10 Innovation Fellowship

The Cabinet Office harnesses data and analysis to ensure that data and evidence help drive policy making. As part of this, it runs the No. 10 Innovation Fellowship, which brings in technologists from the private sector for short periods to foster innovation at the centre of government. They work on issues that are of high priority to the Prime Minister. Previous fellows have helped create the Department for Education's Attendance Data Stream and the UK Health Security Agency's community health API (Application Programming Interface).

Test, Learn and Grow

Test, Learn and Grow is a scheme that funds small-scale, place-based initiatives contributing to public sector reform. This scheme was trialled in four areas of England. In Liverpool, teams created a data-driven platform to manage temporary housing.

Policy officials and tech specialists are being deployed to handle local problems. Aims include establishing neighbourhood health services, supporting children with special needs, tackling violence against women and getting more people into work.

The scheme has an explicit mandate for teams to 'try new things and be creative', collaborating with frontline workers.

Work of the Crown Commercial Service to improve government procurement



What the CCS does

The CCS is an executive agency and trading fund of the Cabinet Office. Its purpose is to help the UK public sector get better value for money from its procurement of common goods and services, through leveraging the combined demand of the public sector to secure better quality and prices. The CCS achieves this by establishing commercial agreements for common goods and services for use by the UK public sector.

The CCS has the following aims:

- maximising its value, making procurement easier through its products;
- extending its coverage and influence; and
- establishing a more effective and efficient organisation.

Our report on [*Efficiency in government procurement of common goods and services*](#) found that, in 2022-23, a total of £25 billion was spent on common goods and services through CCS framework agreements. This is out of an estimated £125 billion public sector market for common goods and services.

The report identified that the CCS's objective of expanding the volume of spending going through its frameworks may risk the CCS prioritising growth over maximising value. However, the CCS told us that more spending by the government through its frameworks enables better value for money to the taxpayer, as such spending is using the terms and optimum price negotiated when the framework was set up.

The report also highlighted that departments viewed the CCS as offering inconsistent customer service, and that the CCS measures customer satisfaction using Net Promoter Score, which is limited in several ways.

Lastly, the report noted that the CCS generated an income of £177 million in 2022-23 from levies it charges to suppliers that are on its framework agreements. The CCS returns a portion of this income to the Cabinet Office (20% of the levy), whilst retaining a substantial surplus, which caused dissatisfaction for some customers of the CCS.

The government has indicated that, as part of the ongoing transformation to strengthen public procurement and commercial activity, it is creating the Government Commercial Agency (GCA). From 1 April 2026, the GCA will bring together all commercial delivery expertise operating across the Cabinet Office's central commercial teams and the CCS. The government anticipates that this unified agency will drive greater value for the nation and support the government's commitment to better public services.

Our report [*Lessons learned: the government's use of external consultants*](#) found that, although the CCS offers a framework for departments to procure consultants, the majority of consultancy spending still does not go through the CCS management consultancy framework.

The Procurement Act 2023

The Procurement Act went live in February 2025. It introduces the concept of an 'open framework' to allow suppliers to join a framework after it has been established. It also requires greater transparency of awards through frameworks.

Following the launch of the Procurement Act, the government has published the [*National Procurement Policy Statement*](#) on how procurement can support its strategy.

In March 2024, HM Treasury included procurement as one of the five areas in which it expects the government to make efficiency savings. This was in response to the C&AG's January 2024 speech to Parliament [*Improving productivity could release tens of billions for government priorities*](#).

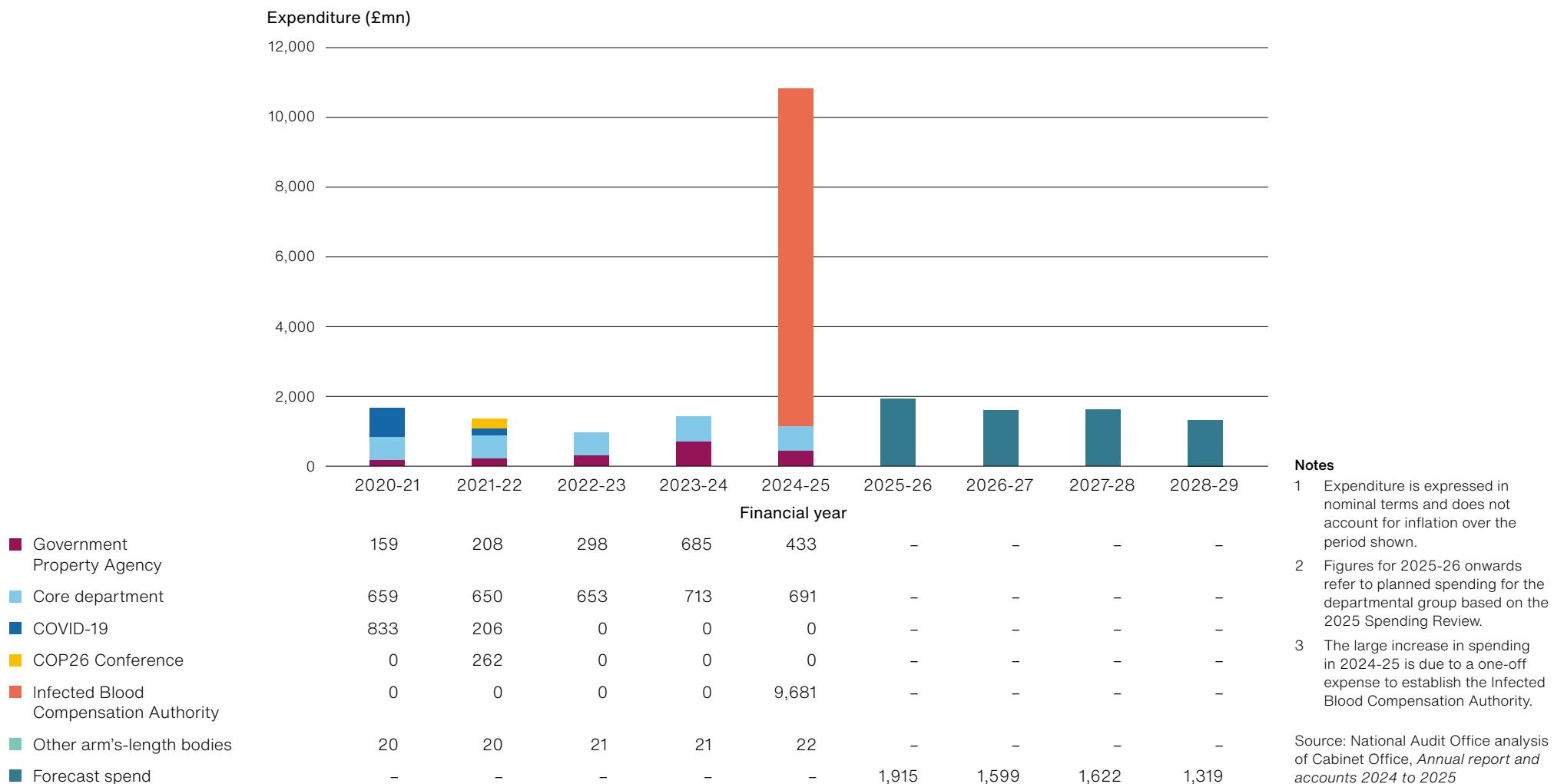
Spending Review



Figure 7

The Cabinet Office's actual and planned expenditure, 2020-21 to 2028-29

While net expenditure has increased due to large one-off events, core department expenditure has only increased by £32 million (5%) from 2020-21 to 2024-25



Reductions in staffing



In line with the 2025 Spending Review, the Cabinet Office has committed to a structural reorganisation to increase efficiency and cut costs by at least 5% by 2028-29. This includes:

- savings identified through the zero-based review to reduce managerial overheads; and
- the announcement of role reductions by up to 1,200 (approximately 12% of staff, based on 2024-25 numbers), with a further 900 moving to other government departments.

The department has also worked with the Office for Value for Money to identify efficiency gains of £40 million by 2028-29, including on workforce, property and digital.

Voluntary exit scheme

The department is required to reduce its staff numbers and has announced a voluntary exit scheme. A new provision was created in 2024-25 for the estimated costs of voluntary exit payments.

Figure 8

Average number of full-time equivalent people employed in the Cabinet Office departmental group, 2023-24 to 2024-25

The number of people employed increased by 844 for 2024-25, compared with 2023-24

	2024-25	2023-24
Core department ¹	9,477	8,512
Government Property Agency	301	333
Arm's-length bodies ²	328	245
Staff engaged on capital projects	210	382
Total	10,316	9,472

Notes

- 1 Figures for the core department include staff recharged to other government departments, such as staff employed within the Government Commercial Organisation. In 2024-25, 4,370 full-time equivalent staff was recharged to other departments.
- 2 Arm's-length bodies include the Civil Service Commission, the Equality and Human Rights Commission and the Registrar of Consultant Lobbyist for 2023-24 and 2024-25, and the Infected Blood Compensation Authority for 2024-25.

Source: National Audit Office analysis of Cabinet Office, *Annual report and accounts 2024 to 2025*

Fifteen ministers and nine non-executive board members left the Cabinet Office in 2024-25.

The Cabinet Office's corporate governance report noted that, on 26 August 2024, seven of the eight non-executive board members left the department. The government Lead Non-Executive left on 9 August 2024 and was replaced by Baroness Casey on 3 January 2025. Michael Ashley's term as Cabinet Office Audit and Risk Committee Chair ended on 31 December 2024.

The Cabinet Office's annual report and accounts for 2024 to 2025 identified a key risk around people and organisational capacity challenges stemming from workforce skill shortages and resource gaps. This is mitigated through strategic workforce planning and organisational reform programmes.

Exits and redundancies and operational capability



The Cabinet Office oversees the Civil Service People Plan

The Cabinet Office has a strategic outcome to run a civil service focused on the priorities of the government. As part of this, it intends to deliver reforms to improve productivity and deliver better outcomes to the public.

In the 2025 Spending Review, the government committed to reducing administrative costs through savings and efficiencies, including through staff exits.

Many departments are undertaking employee exit schemes in response to the Spending Review. They are making use of established schemes for voluntary exits, voluntary redundancies and compulsory redundancies.

The government has also announced a mutually agreed exit procedure, which gives departments greater flexibility to offer exits to civil servants in certain circumstances (such as poorer performing employees).

Good practice in exits and redundancies

Our [good practice guide](#) is intended to help the government to assess how employee exit schemes are being conducted. We note several challenges for the government, including the following.

- Departments need to ensure they can still deliver core activities with fewer staff.
- They need to retain staff with key skills.
- Departments need to consider the needs of leaving and remaining staff, such as maintaining morale of remaining staff.
- They need to consider total cost and expected savings of exit schemes.
- They need to make sure staff reductions are sustainable in the long term.

As part of addressing these challenges, departments need to ensure that their exit schemes are aligned with wider strategic workforce planning to understand their changed operational capabilities and how to meet demands with a reduced workforce.

Our [audit framework for government workforce planning](#) is intended to assist organisations to assess the quality of workforce planning in government.

Lessons learned on operational capability

Operational capability will enable the government to be smarter in how it manages and improves services, and to find innovative ways of getting the best value from that spend. Our lessons learned report on [improving operational capability to provide better public services](#) focuses on four capabilities.

- **Taking a whole-system approach:** Dealing with complexity and uncertainty by understanding how the different parts of the system, service users' needs, and processes connect; working with people outside of one's specialism or profession; and adapting ways of working for different contexts.
- **Understanding and dealing with demand:** Designing and running a service in a way that provides people what they want, when they want it, right first time.
- **Using information to improve:** Understanding how the service is performing and deciding what to change, why and how; and
- **Embedding a systematic approach to innovation and improvement:** Knowing where problems happen or where there are opportunities to improve, prioritising what to fix and having an approach for doing that.



The UK Resilience Action Plan

The Cabinet Office oversees the government's activities to identify and manage the country's most significant risks.

The Cabinet Office published the [UK Government Resilience Action Plan](#), which sets out the UK's strategic approach to resilience, in July 2025. The Plan defines the government's objectives and the actions that it intends to deliver in this Parliament to become more resilient.

The Plan's objectives are to:

- continuously assess how resilient the UK is to target interventions and resources effectively;
- enable the whole of society to take action to increase their resilience; and
- strengthen the core public sector resilience system.

The Plan defines resilience as the ability to anticipate, assess, prevent, mitigate, respond to, and recover from natural hazards, deliberate attacks, geopolitical instability, disease outbreaks, and other disruptive events, civil emergencies or threats to our way of life.

Chronic risk analysis

The Cabinet Office and the Government Office for Science published the [Chronic risks analysis](#), the government's first bespoke risk assessment for medium- to long-term risks, in July 2025.

Chronic risks are longer-term challenges that can erode our economy, community, way of life or national security. They generally extend over a longer timeframe, while still requiring a robust government-led response in the present.

Our [Investigation into how government is addressing antimicrobial resistance](#), one of the risks identified in the *Chronic risks analysis*, found that the government has been taking seriously its responsibility to address the issue in the UK and to try to coordinate and strengthen international responses to antimicrobial resistance. In its national action plans it has adopted a cross-government, multi-disciplinary approach and in some areas has been willing to consider innovative solutions. However, the limited progress made against targets in the [2019-2024 National Action Plan](#) shows how difficult it is to achieve change.

Cyber resilience

The government's cyber security function is led by the Government Security Group (GSG). The GSG was part of the Cabinet Office until 3 June 2025, when it was moved to the Department for Science, Innovation & Technology.

The GSG is responsible for leading the implementation of the [Government Cyber Security Strategy 2022 to 2030](#).

Our report on [Government cyber resilience](#) found that the Cabinet Office had started leading work to implement the first cyber strategy for the government. Its work on centrally led interventions such as GovAssure and Secure by Design should improve departments' cyber resilience. However, progress was slow, and cyber incidents with a significant impact on the government and public services are likely to happen regularly, not least because of the growing cyber threat.

Tackling fraud and error



The Public Sector Fraud Authority (PSFA) reports to the Cabinet Office and HM Treasury

The PSFA leads the Government Counter Fraud Function and works with public bodies to understand and reduce the impact of public sector fraud and error, provides counter-fraud and error data analytic services to local and central government, and encourages public bodies to make best use of data analytics to tackle fraud.

The use of data analytics

Our report [Using data analytics to tackle fraud and error](#) found that there is no clear plan for how to realise the potential of data analytics to tackle fraud and error across government. The PSFA has relatively few levers over departments' use of digital resources, and its strategy focuses on continuing existing initiatives.

Figure 9

Central government initiatives to support public bodies to tackle fraud and error, June 2025

Public bodies have not widely taken up central government initiatives

Central initiative	Description	Provided by	Extent of use	Cost to user
National Fraud Initiative (NFI)	Data-sharing and matching service used to identify data inconsistencies that may indicate fraud.	Public Sector Fraud Authority (PSFA)	36 central government bodies took part in 2024-25. ¹	£1,265 for the biennial National Exercise. ²
Single Network Analytics Platform (SNAP)	Data-sharing, data matching and network analysis tool that provides risk scores for UK-registered companies.	PSFA	Four central government bodies. ³	Tiered costs between £25,000 and £75,000 per year, depending on size of public body.
Payee Verification	Data matching to check that the details associated with a bank account match those being provided, to stop fraudulent payments from being made.	Crown Commercial Service commercial agreements ⁴	HM Revenue & Customs, with some other parts of the government exploring use.	Varies depending on requirements and size of public body.
Spotlight	Tool that checks grant and contract eligibility for companies and charities by automatically performing due diligence checks through matching to relevant internal government data and external data sources.	Government Commercial and Grants Management Functions	20 central government bodies. ⁵	Between £5,000 and £56,000, depending on the size of public bodies and number of licences required.

Notes

- 1 This refers to the National Exercise conducted every two years. In the previous National Exercise, commencing in 2022-23, 22 central government bodies in England participated. These numbers include arm's-length bodies.
- 2 The cost data for the NFI are for the National Exercise, which includes payroll and trade creditor datasets. There are also additional exercises like mortality screening that are available for an extra charge.
- 3 The PSFA aims for six central government bodies to use SNAP by the end of the 2025-26 financial year.
- 4 The Crown Commercial Service also provides commercial agreements that allow public sector bodies to procure counter-fraud audit and assurance services and debt resolution services for fraud recovery.
- 5 The extent of use for Spotlight includes government departments and arm's-length bodies from England only. The Government Commercial and Grants Management Functions are looking at options to make Spotlight functionality available through the Central Digital Platform for all public sector bodies.
- 6 There are over 400 central government public bodies in England, not all of which are large enough or function in a way that would benefit from participation in some of the central initiatives.

Source: National Audit Office analysis of central government initiatives

Major projects



Figure 10

Examples of the Cabinet Office's major projects, 2024-25

The Cabinet Office is responsible for major projects in areas including civil service recruitment, pensions and procurement

Project	First appearance in the Infrastructure and Projects Authority's annual reports	National Infrastructure and Service Transformation Authority's delivery confidence assessment	Description
Applicant Tracking System Transformation	2023-24	Amber	This programme aims to replace the existing Civil Service Jobs recruitment platform. It aims to achieve efficiencies, reduce costs and improve service through standardisation and consistent vacancy approaches.
Civil Service Pensions 2015 Remedy	2020-21	Red	This programme was created to end discrimination within the Civil Service Pensions Schemes and create solutions to remediate any affected members.
Falcon Programme	2022-23	Red	This programme will underpin the digital transformation of the Cabinet Office by updating IT platforms and implementing Central Digital and Data Office interoperability policy standards and guidance.
Transforming Public Procurement	2023-24	Green	This programme aims to improve the way public procurement is regulated in order to create a simpler and more flexible, commercial system, open up public procurement to new entrants and embed transparency throughout the commercial lifecycle.

Notes

1 Delivery confidence assessments are the National Infrastructure and Service Transformation Authority's view of the likelihood of a project delivering its objectives to time and cost.

2 Explanation of colour ratings: Green – successful delivery appears highly likely; Amber – successful delivery appears feasible; and Red – successful delivery appears unachievable.

3 The Infrastructure and Projects Authority published annual reports on major government projects until January 2025. The National Infrastructure and Service Transformation Authority was formed on 1 April 2025, when it brought together the functions of the National Infrastructure Commission and the Infrastructure and Projects Authority, and is now publishing annual reports on major projects.

Source: National Audit Office analysis of Infrastructure and Projects Authority's and National Infrastructure and Service Transformation Authority's annual reports for 2023-24 and 2024-25

The property maintenance backlog



What the Office of Government Property does

The Office of Government Property sets the strategic direction for the management of government property. It also leads the Government Property Function and the Government Property Profession, which gathers property professionals across government, and administers the government's property controls. Government departments and arm's-length bodies are responsible for their own property strategies.

Our report *Maintaining public service facilities* noted issues with property maintenance across government including the following.

- The government's data on the condition of its properties are incomplete and out of date, hindering its ability to make effective funding decisions.
- Short-term funding for property maintenance affects the government's ability to deliver value for money.

Other reports related to this topic

[Managing central government property](#)

[Managing FCDO's overseas estate](#)

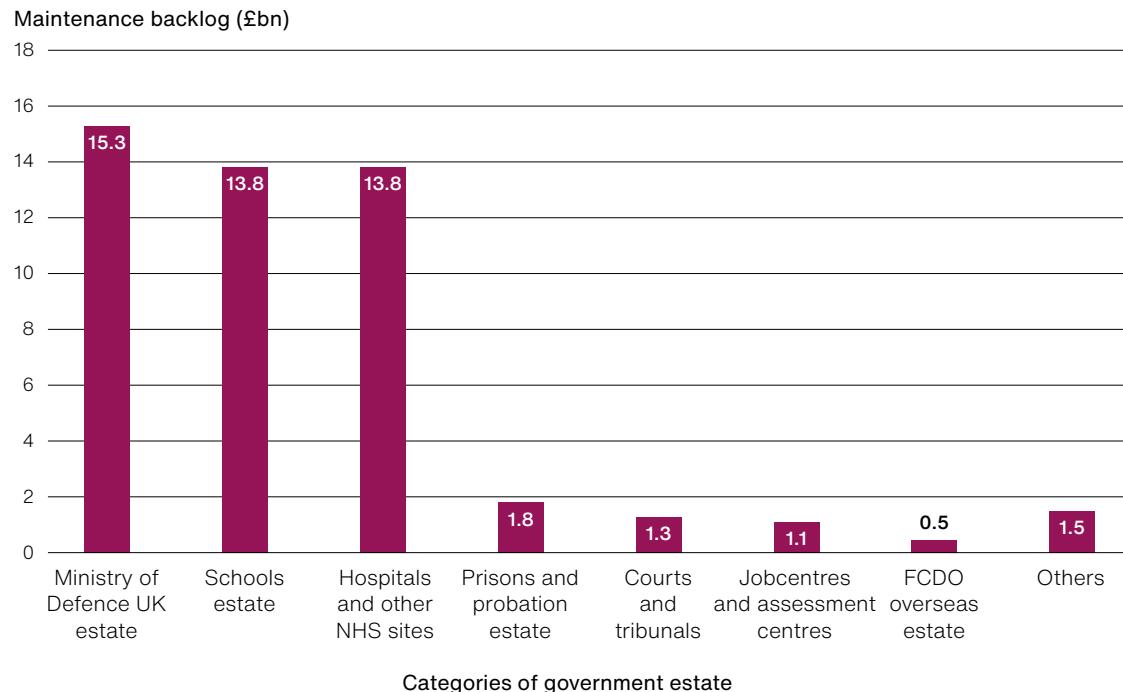
[Increasing the capacity of the prison estate to meet demand](#)

The government's 10-year infrastructure strategy states: "Historical underinvestment and a lack of strategic planning has contributed to a rising maintenance backlog across the government's health, education and justice estates. To help address this the government is, for the first time, providing long-term maintenance budgets for the health, education and justice estates, as recommended by the NAO."

Figure 11

The government's property maintenance backlog, October–November 2024

The government estate had a minimum total maintenance backlog of £49 billion



Notes

- 1 The figures in this graphic do not include any backlog relating to offices; equipment; land; Ministry of Defence sites abroad; infrastructure assets such as roads, flood defences and nuclear decommissioning sites; devolved administrations; local government; public corporations; and the wider public sector, such as the Parliamentary Estate in Westminster.
- 2 The Foreign, Commonwealth & Development Office (FCDO) estate backlog is as of November 2024, whereas all other estate backlogs are as of October 2024.
- 3 'Others' includes, for instance, museums, laboratories and weather stations.

Source: National Audit Office analysis of government data

The Infected Blood Compensation Authority



What the IBCA does

The government established the IBCA in May 2024 in response to the [Infected Blood Inquiry](#) to pay compensation to people infected and affected by HIV and hepatitis B and C through contaminated blood, blood products or tissue. In July 2025, HM Treasury agreed funding to enable accelerated delivery of compensation.

The IBCA's mission is to make it easy for people who are eligible to get the compensation and support they are entitled to, with kindness and transparency.

Between October 2024 and March 2025:

The IBCA asked 255 people to start their compensation claim.

88% had started their claim by the end of March 2025.

86 had received an offer of compensation.

The total value of offers made was £95 million.

The total compensation paid reached £60 million.

First period of operation

The financial year 2024 to 2025 was the IBCA's first period of operation.

When it was announced as a legal entity, the IBCA possessed none of the means of delivering compensation. It had no staff, premises, equipment or any regulations under which it could make any form of payment.

Its performance report highlighted the difficulty that the IBCA, as a newly formed but temporary organisation, may have attracting and retaining

staff, particularly how this could affect its ability to deliver against its strategic objectives. This is complicated by the need for consistent efforts to expedite the programme.

Business activity

The IBCA's objective to deliver compensation payments to those eligible had a high degree of uncertainty relating to the number of people making a claim.

The IBCA responded to feedback from the infected blood community by building the compensation calculator to give claimants an understanding of their potential compensation eligibility. This tool helped claimants prepare before starting the process with the IBCA's claim managers and gave insight into what evidence and information would factor into their final compensation offer.

The IBCA's annual report and accounts identify that the key source of estimation uncertainty in the financial statements was judgements and assumptions affecting the value of the compensation scheme.

The preparation of financial statements requires management to make judgments and assumptions that affect the amounts reported for liabilities. The resulting accounting estimates may differ from actual outcomes.

What to look out for



Update on government shared services

Shared services is a digital transformation programme aimed at modernising government back-office functions such as HR, finance, recruitment and payroll. This NAO report will assess whether the Cabinet Office and clusters are on track to deliver the Shared Service Strategy's benefits and savings.

Resilience to severe space weather

Space weather occurs every day, mostly with no harmful impacts. For example, in May 2024, a series of powerful solar flares and coronal mass ejections resulted in auroras being seen much further from the poles than usual, but this geomagnetic storm had minor effects in the UK. More extreme solar activity can cause severe space weather events, which can seriously negatively affect several types of critical national infrastructure. This NAO report will examine the government's work to increase the UK's resilience to the risk of severe space weather.

Investigation into the operation of government compensation schemes

Between 2019 and 2024, the government set up compensation schemes in response to several historical injustices that, the state has acknowledged, it has responsibility for or has failed to prevent. The schemes aim to provide appropriate financial compensation, and in some cases other forms of non-financial redress, to those who suffered harm or hardship by the actions or inaction of public bodies. This NAO investigation will examine the performance of four compensation schemes, including the Infected Blood Compensation Scheme.



About the NAO



The National Audit Office (NAO) is the UK's independent public spending watchdog and is responsible for scrutinising public spending for Parliament. We audit the financial accounts of all departments, executive agencies, arm's-length bodies, some companies and charities, and other public bodies. We also examine and report on the value for money of how public money has been spent.

The NAO is independent of government and the civil service. The NAO's wide remit and unique access rights enable us to investigate whether taxpayers' money is being spent in line with Parliament's intention and to respond to concerns where value for money may be at risk.

We support all Members of Parliament to hold government to account, and we use our insights to help those who manage and govern public bodies to improve public services.

We produce reports:

- on the annual accounts of government departments and their agencies;
- on the economy, efficiency and effectiveness with which government has spent public money; and
- to establish the facts where there are concerns about public spending issues.

We do not question government policy objectives. We look at how government has spent money delivering those policies and if that money has been used in the best way to achieve the intended outcome.

How the NAO supports Parliament

Through our website or our Parliamentary Relations team, MPs, peers and staff can:

- request a personal briefing on areas of our work that are of interest to them;
- sign up to receive embargoed copies of our reports on subjects of interest;
- make general queries about public spending, or raise concerns with us about value for money; and
- request advice on understanding and scrutinising departments' annual reports and accounts.

Our dedicated Parliamentary team can offer you support and put you in touch with our experts on subjects of interest to you and your constituents. If you would like more information about our work, or to arrange a briefing, please contact our Parliamentary Relations team at parliament@nao.org.uk.

Other relevant publications

More information about our work, as well as information about our other recent and upcoming reports can be found on the [NAO website](#).

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About this report

This report has been produced to provide an overview of the NAO's examination of the spending and performance of the Cabinet Office.

It is intended to support the Cabinet Committee and Members across the House in their examination of the Cabinet Office.

This report updates our previous report, [*An Overview of the Cabinet Office for the new Parliament 2023-24*](#), published in February 2025.

How we have prepared this report

The information in this report draws on the findings and recommendations from our financial audit and value for money work, and from publicly available sources, including the annual report and accounts of the Cabinet Office and its partner organisations. We have cited these sources throughout the guide to enable readers to seek further information if required.

Where analysis has been taken directly from our value for money or other reports, details of our audit approach can be found in the Appendix of each report, including any evaluative criteria and the evidence base used. Other analysis in the guide has been directly drawn from publicly available data and includes the relevant source as well as any appropriate notes to help the reader understand our analysis.