UK Shared Business Services Ltd

People | Processes | Technology

Annual Report and Financial Statements 2025/26



Registered Office
UK Shared Business Services Ltd
Polaris House
North Star Avenue
SWINDON
SN2 1FF

Registered Number: 06330639 (England and Wales)

UKSBS

Shared **Business Services**

Contents

Chairman's Statement	3
Performance highlights	5
Strategic Report	7
Directors' Report	36
Annual Governance Statement	41
Remuneration Report	53
Independent Auditor's Report	62
Financial Statements	67

Chairman’s Statement



The year 2025/26 has been one of significant progress for UK Shared Business Services Ltd (UKSBS), as the Company continued to deliver critical services to government whilst advancing major transformation programmes that will shape its future capability.

Throughout the year, UKSBS remained focused on its purpose of enabling public sector organisations to operate more effectively and efficiently through the provision of high-quality corporate and professional services. The Company maintained stable service delivery across a diverse client base whilst managing a substantial programme of change.

A key achievement during the year was the go-live and stabilisation of services off Oracle’s Fusion ERP platform. This represents a major shift to software as a service and provides us and UKRI with the opportunity embrace modern ways of working across our corporate service. We have also continued advancement of our transformation programme and full participation in the Matrix Programme. Significant progress was made in developing organisational, operational and workforce redesign and implementation to meet the goals of the Government Shared Services Strategy for the Policy Cluster of departments. Alongside this, UKSBS continued to build capability in data, analytics and digital innovation, strengthening its ability to meet the evolving needs of clients and stakeholders.

The Company also demonstrated its ability to support government through periods of organisational change. New clients were successfully onboarded, including the British Business Bank and Climate Change Committee, whilst support was provided for a range of Machinery of Government changes and other complex transition activities. These achievements reflect both the resilience of our services and the expertise of our people.

The Board has continued to place considerable emphasis on governance, risk management and assurance. As the scale and complexity of transformation activity increases, maintaining a strong control environment remains essential. During the year, the Board oversaw further enhancements to assurance arrangements and continued to support the Executive in strengthening the Company's risk and control framework.

The achievements outlined in this report have been made possible by the commitment, professionalism and expertise of our colleagues. On behalf of the Board, I would like to thank all employees for their continued dedication and contribution during the year. I would also like to thank our clients, shareholders and stakeholders for their ongoing support, challenge and partnership.

As we look ahead, UKSBS is well positioned to build on the progress achieved during 2025/26. The firm foundations established through our transformation programmes, together with a clear strategic direction and strong governance framework, provide confidence in the Company's ability to continue delivering high-quality services and long-term value for government and the taxpayer.

John Clarke
Chairman
UK Shared Business Services Ltd

We're proud of our achievements in 2025/26

Employee satisfaction **78%**

Inclusive Employer status

We welcomed new users from:

- Building Digital UK (BDUK)
- Cabinet Office
- Department of Science, Innovation and Technology (DSIT)
- Fair Work Agency

Growing our lean capability with Six Sigma Green Belt accreditation

- Cyber Essentials
- Cyber Essentials plus certification

Finalists in:

- MCA Awards
- Women in Governance, Risk and Assurance Awards (4 categories)
- Procurement Supply Chain awards

AI and Innovation

- CoPilot rolled out to all employees
- Innovations lab – turning new ideas into action.
- Expanding digital interactions for our users

Committed Member of Inclusive Employers

Performance highlights

30,000
Users across our systems

4.5% +13.5k
Year-on-year increase in payslips processed with 13.5k more produced

207k
BOE Employee payslips processed

6.9
User Experience score out of 10

7.9
Service Satisfaction score out of 10

37k
Supplier invoices processed

89k
Customer contacts

6,606
Procurement exercises initiated

£15m
Procurement benefits generated

5.3% +15k
Increase in the number of invoices paid with over **15,000** more processed

6,976
Purchases processed under £10k

Client testimonials

"The advice, support and processing from UKSBS teams has been fantastic. The team went above and beyond - working all hours including weekends on system changes, managing complex award processing, providing essential guidance throughout, and maintaining seamless service during a challenging transition period.

Mark Bodman from The Insolvency Service

"Thank you to everyone involved in our visit to UKSBS. It was a real pleasure to meet the teams, see your services in action, and learn more about the transformation journey you're on. DCMS colleagues found the day incredibly valuable – it's given us a strong foundation to build our partnership over the coming months. We were especially impressed by the skills, enthusiasm, and clear commitment to quality shown by everyone we met.

Fiona Murray, Deputy Director, Matrix Shared Services Team

"UKSBS have taken the Org Design models produced by the Matrix programme and refined them to meet the needs of your organisation, delivery partners, and clients. Combined with your positive approach to testing and adjusting structures, the great relationships you nurture with ICS, and the intent you bring every day, I believe you're well set up for the journey ahead."

Matthew Hart, Senior Manager, Digital Transformation and Change, Cognizant Consulting

"UKSBS has been exceptional to work with. They are consistently responsive, patient, and flexible, making them by far the easiest stakeholder group we've engaged with. Their approach removes stress rather than adds to it, and we're genuinely looking forward to our onboarding and building a long, productive partnership.

Victoria De La Cruz, CCC Head of Finance and Operations

Who we are

UK Shared Business Services Ltd (UKSBS) is a leading public sector shared services provider. We are a private company limited by shares, classified within the public sector as a Non-Departmental Public Body. As at 31 March 2026, our owners were the Department for Science, Innovation and Technology (DSIT), the Department for Energy Security and Net Zero (DESNZ), the Department for Business and Trade (DBT) and UK Research and Innovation (UKRI). DSIT was our sponsor department. In light of recent Machinery of Government changes announced in July 2026, work is underway to determine the appropriate future ownership and sponsorship arrangements for UKSBS.

What we do

We provide a range of efficient, scalable and expert Finance, HR and Payroll, Procurement, and Business IT services, at cost, in support of government departments and their arms-length bodies, directly enabling their contribution to the national agenda. We are motivated by a desire to deliver high quality, efficient and reliable services to over 30,000 civil and public servants, employed by our clients.

This Strategic Report provides a fair, balanced and comprehensive review of the development, performance and position of UKSBS during 2025/26, together with a description of the principal risks and uncertainties facing the Company. It should be read alongside the Section 172 statement and the Annual Governance Statement, which provide further detail on Board decision-making, stakeholder considerations and the control environment.



Delivering change at pace: UKSBS automates Purchase to Pay process for Central Government clients

UK Shared Business Services (UKSBS) has successfully implemented an automated Purchase to Pay (P2P) process for Central Government clients, demonstrating our ability to deliver meaningful change rapidly and efficiently.

The completed project - which moved from concept to implementation in just over a month - showcases our commitment to innovation and service improvement. This streamlined process now automatically emails purchase orders to suppliers once approved in Oracle, eliminating the need for manual intervention by our clients. The project pioneered a new taskforce approach to change delivery at UKSBS, bringing together colleagues from across different business areas and locations to form a dynamic team focused on rapid delivery. Benefits for our clients included:

- Saving valuable time previously spent on manual processing
- Allowing staff to focus on priority activities in their day-to-day roles
- Providing confidence that purchase orders reach suppliers promptly.

Strategic Report

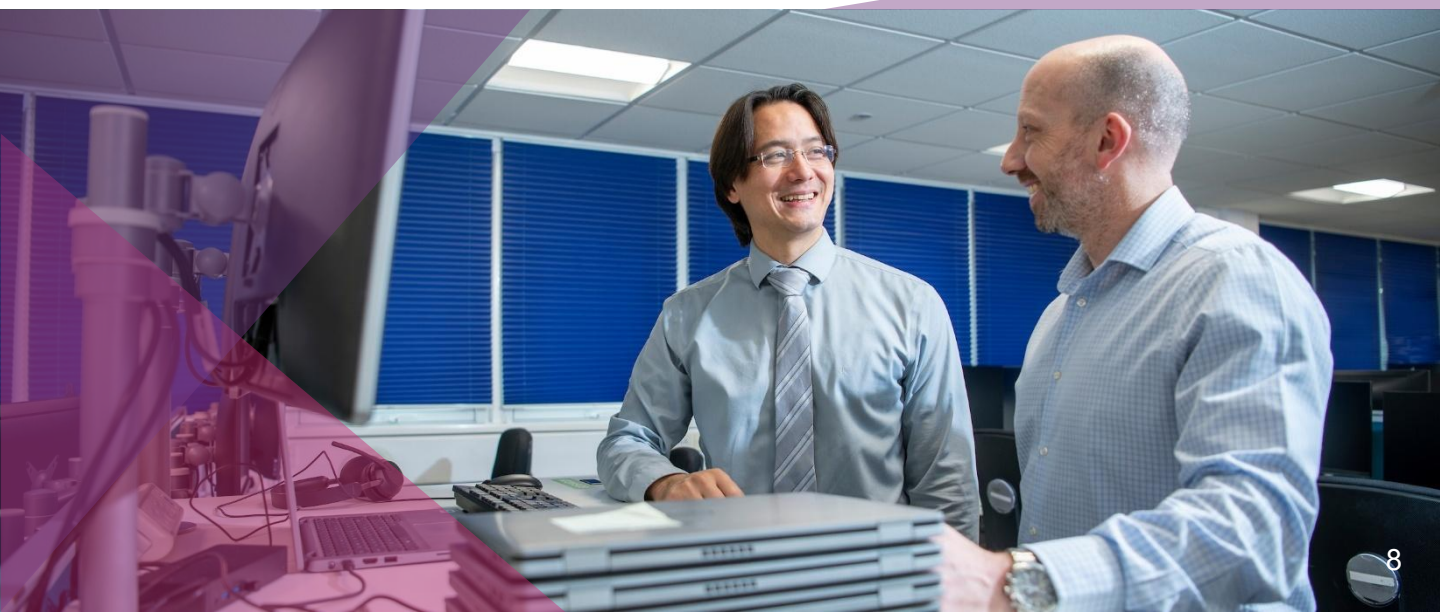
Strategic Context, Purpose and Business Model

Our long-term ambition remains to be the leading UK public sector shared services provider, recognised for trusted delivery, strong partnerships, secure operations and a great end-user experience. During 2025/26, UKSBS continued to operate in a complex environment shaped by major transformation programmes, changing client requirements, digital modernisation, cyber and resilience demands, and ongoing pressure to deliver value for money. Our strategy is focused on building the capacity, capability, technology and operating model required to deliver excellent services while also enabling significant transformation and future growth.

UKSBS continued to deliver a significant, multi year transformation programme during 2025/26. The successful implementation of a cloud-based Oracle Fusion SaaS platform replacing legacy systems and enabling the standardisation of core HR, finance, procurement and reporting processes for UKSBS and UKRI was a key milestone. Considerable post-go-live effort was committed to stabilising services on the new platform with the ongoing focus to further optimise and exploit the capability. This has strengthened operational capability, improved data and reporting, and established a more integrated and efficient shared services operating model.

Transformation

In parallel, UKSBS advanced its transformation through the Matrix programme, focused on the delivery of a new Workday-enabled shared services model. Significant progress was made in service and organisational design, adoption of an enhanced service oriented operating model, mobilisation in preparation for go-live, and significant contributions to other Matrix programme activities, including testing. This work has strengthened core enabling capabilities, including service documentation, workforce planning and cost and charging models, providing the foundations for future service delivery and scalability using cloud bases SaaS platforms. Further detail on the transformational programmes can be found within the Annual Governance statement from page 41.



Strategic Report

Artificial Intelligence (AI)

UKSBS is building a practical, secure and data driven AI capability that augments our people, automates routine activity, and unlocks insight - enabling us to deliver smarter, more efficient public sector services at scale.

We've deployed Copilot to all employees. Through using Copilot, we have accelerated content creation, improved governance processes and enhanced data-driven decision-making. Our approach builds on learning from others: targeted use cases, piloting and scaling what works, and building the confidence and understanding of our people. The introduction of agentic AI through Oracle Fusion is in the late stages of development for our Helpdesk service with deployment scheduled for late 2026.

Complementing these transformation programmes, UKSBS continued to support Machinery of Government (MoG) changes arising from departmental restructuring and the establishment of new Arms-Length Bodies (ALBs). This included onboarding new client organisations and transferring functions between departments, such as Cabinet Office activities into DSIT and the introduction of new entities including the Fair Work Agency and Great British Energy. These activities contributed to growth in UKSBS' client and user base and demonstrated the organisation's capability to successfully deliver complex, cross-government change while maintaining stable service delivery.

Taken together, these significant activities reflect a sustained period of organisational transformation, in which UKSBS has balanced major system implementation, service redesign and client onboarding with the continued delivery of business-as-usual services. This has positioned the organisation to deliver a modern, scalable and efficient shared services offering aligned to government priorities and future demand.



Data driven government; inside UKSBS' digital transformation

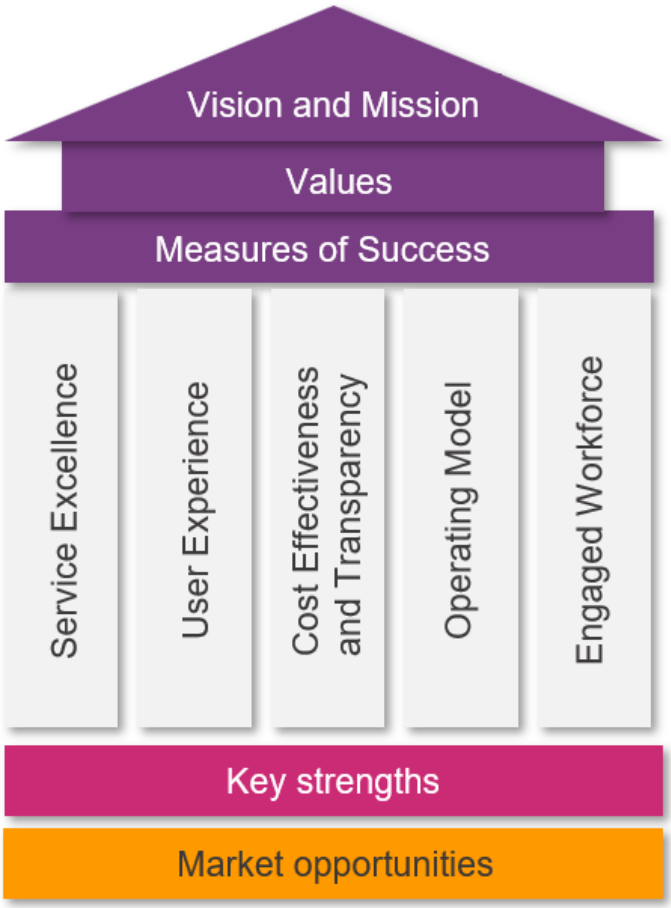
UKSBS procured ElysianIT to deliver a cutting-edge data and reporting platform built on Microsoft Azure and Power Platform technologies. By unifying data into a single source of truth, the platform enhanced cross team collaboration while maintaining strong governance and compliance standards. ElysianIT's Technical Design Authority played a pivotal role, shaping the strategic vision, developing the roadmap, and ensuring every stage aligned with our business objectives.

By implementing Azure and Power Platform for our reporting. This comprehensive solution now hosts data and analytics services, creating a central "data lake" that integrates seamlessly with our applications for real-time information processing. The transformation is already delivering tangible benefits, including faster information access, more reliable decision making data, reduced manual processing, improved performance visibility, and enhanced client service capabilities

Strategic Report

However, delivery against several aspects of the strategic themes was below the Company's original expectations during 2025/26, primarily due to the significant organisational effort required to support the implementation, stabilisation and optimisation of SHARP. As a result, progress on a number of planned initiatives, including aspects of the Matrix programme and other transformational improvements, was delayed. The lessons learned and foundations established during the year position the Company to accelerate transformation activity and realise greater benefits in the year ahead.

The UKSBS Business Plan 2025-30, agreed by the Board in November 2025 and by shareholders in February 2026, is structured around five strategic themes aligned to both the Matrix Programme service transformation strategy and the Government Shared Services Strategy.



UKSBS North Star

UKSBS, the trusted partner, innovatively and cost effectively delivering integrated intuitive services

UKSBS' North Star, developed in 2025, defines the organisation's long-term ambition and role as a trusted, innovative and cost-effective shared services partner at the heart of government.

It provides a clear and enduring direction for transformation, aligning strategic programmes and guiding decision-making, investment and organisational priorities as UKSBS evolves to deliver modern, integrated services for its clients.

At the UKSBS General Meeting held in May 2026, shareholders considered progress against these themes and agreed a one-year Delivery Plan for 2026/27, outlining a clear set of deliverables for the coming year.

Each of the themes are expanded below with the one-year milestones set out and commentary provided as to their progress by 31 March 2026.

Service excellence

Under the Service Excellence theme, UKSBS progressed a number of initiatives intended to improve quality, consistency and efficiency in delivery. Examples included continued embedding of continuous improvement approaches, further development of process improvement activity and the maturing of the tiered service delivery model, with some activity realigned to support Neo delivery. The year also saw significant focus on service readiness, including progress in relation to service catalogues, service maps, standard operating procedure frameworks, training approaches, transition planning, cutover preparation and hypercare arrangements. Together, these activities strengthened the foundations for more standardised, assured and scalable service delivery.

Delivery Plan progress in 2025/26

	Key outcomes by the start of FY 2026/27 are:	Commentary	2026/27
	Successful exit of Oracle Fusion hyper-care and exploitation of Fusion capability as part of stabilisation	Hypercare completed July2025. Stabilisation completed across all service functions. Change backlog and roadmap of change is active.	→
	Four MoG ALBs successfully onboarded	Four onboardings achieved: Building Digital UK (BDUK), Cabinet Office (CO) to DSIT, CO Cyber Security to DSIT and Fair Work Agency (FWA).	→
	Baselined training needs and development approach for CI and change methodologies	Enhanced capabilities have been supported through SAFe, House of Lean and Lean Greenbelt training. A Continuous Improvement (CI) strategy is in place.	■
	Improved client NPS Score for Departmental clients to at least +25, and maintained score for UKRI	Scores for Q4 are not yet available; BOE client scores increased up to Q3. ROE/Fusion is more variable but shows an upward trend.	→
	Cyber essentials plus accreditation	We gained Cyber Essentials Plus certification on 16 March.	■
	Service and technology readiness for the onboarding of CO and DCMS, using lessons learned from MOG onboarding and SHARP	The delayed 1a Go-live means that formal readiness for both service and technology has been pushed back. Experience from the SHARP Programme has contributed to that decision.	→
	Documented process maps and initial application of AI Assist Solutions against a 5-year delivery plan	Basic process maps are in place for Fusion and BOE. Several simple AI Assist Solutions are being explored, but there is no formal delivery plan in place.	→
	Set 5-year targets for Business Services professional qualifications	Initial customer service training is underway, as a starting point for a more comprehensive approach that will be developed in the coming year.	→
	Baselined and benchmarked service maturity, and a roadmap for improvement	This has been deprioritised due to concurrency of change. It remains on our backlog in pursuit of our 2030 strategic goals.	■

■ Complete → Carried forward ■ Deferred → Next phase

User Experience

Under the User Experience theme, UKSBS continued to build a more insight-led and user-focused service model. Specific examples of progress during the year included further development of customer experience approaches, strengthening feedback mechanisms and improving understanding of user journeys and service expectations. Transformation activity also included persona-based service design work and the development of a Neo service delivery model, helping to clarify how end users, service channels, response teams and enabling teams would interact in practice. This has strengthened UKSBS' ability to design services around user need and supports the Company's ambition to provide a more consistent, responsive and trusted experience for clients and end users, while informing future service design and digital development.

User Experience review of 2025/26

Highlights

- Fusion User score dipped following go-live but has returned to close to pre-go-live levels.
- BOE User score ends the year at its highest level
- Net Easy Score has increased for both platforms
- At the highest point, the number of Fusion open Help Desk requests was over **4,000**. By the end of the year this was reduced to **1,800**
- Over **100** Fusion workarounds fixed
- User numbers overall increased by **2,500**
- Finalists in the UK Customer Satisfaction Awards for Employee Engagement for Perform Plus
- Creation of the Customer Journey and Insight team
- New telephony system procured (Implementation by 1 June 2026)

Challenges

- Maintained service, despite increase in volumes during Fusion service stabilisation
- Familiarisation of a new system and processes for both service teams and users
- Omni-channel functionality delayed, meaning that we readjusted our forum to Multi-channel improvements
- Delayed access to Fusion data has limited our reporting capabilities and ability to set baselines, particularly on self serve.

Right-first-time reporting	
Channel improvements	
CI driven by real-time analytics	
Ease of use targets	
User NPS	
Customer service training	
Self-service reporting	

Cost Effectiveness and Transparency

Under the Cost Effectiveness and Transparency theme, UKSBS continued to develop the tools and disciplines needed to better understand and manage the cost to serve. Examples of progress included further work on cost allocation and forecasting, development of charging model principles, and continued focus on benefits realisation and clearer financial insight. Related delivery planning for 2026/27 also reflected work to improve financial self-service reporting, strengthen budget-holder visibility and develop reporting on non-cashable benefits realised through change, project and continuous improvement activity. Together, these developments support clearer dialogue with owners and clients, improved decision-making and stronger alignment with public value and value for money expectations.

Delivery Plan progress in 2025/26

Key outcomes by the start of FY 2026/7 are:	Commentary	2026/27
Realistic annual targets for our cost-to-serve by platform in place	Targets were effectively set through our inputs to FBC2. These will now roll into charging model.	■
Cost per user remains stable	Year end overspend and delays in onboarding of smaller MoG ALBs, led to a slight increase in cost per user over the year.	➡
New charging model in place for FY26/27	The scope of the Charging Model has been defined and core principles agreed. Detailed allocation rules are under development. The tooling approach is dependant on funding.	➡
Ability to evidence an improvement in our financial forecasting	Work to improve UKSBS forecasting tooling had a delayed start due to Fusion stabilisation challenges and will continue into 2026/27. A new budget setting approach is ready for 2026/27 to enable improved MI.	➡
Re-aligned finance team structure and processes	Finance Business Partnering has matured during 2025/26 and is working well. Further improvements are planned as we develop EPM and free up manual capacity.	➡
A future 5-year financial model that can be updated regularly with any changes to our growth plans	Capacity and tooling challenges has seen this outcome deferred to align with the availability of forecasting functionality in Fusion.	➡

■ Complete ➡ Carried forward ■ Deferred ➡ Next phase

Cost Effectiveness and Transparency

Cost Effectiveness and Transparency review of 2025/26

Highlights

- New Finance Director role in place
- Delivered PBC3 cost to serve model
- Improved efficiency of the mid-year True-up
- Improved budget process means that we start the 2026/27 year with more funding certainty than in previous years
- Improved financial MI reports for budget owners to support data driven decisions
- Increased activity without proportionate increase in costs

Challenges

- Familiarisation of a new system and processes for both service and corporate teams
- Data mapping errors emerging from Fusion go-live
- Delayed access to Fusion data has limited our reporting capabilities
- Extended timeline to deliver the cost-to-serve model
- Delayed confirmation of Purchase Orders and redistribution of funding across Neo Programme.

Cost-to-serve targets	
Cost per user	
Charging Model	
Financial forecasting	
Finance team processes	
5-year financial model	

Operating Model

Under the Operating Model theme, UKSBS made progress in defining the future structure and capabilities required to support transformation and growth. Governance reporting records delivery during 2025/26 of the high-level organisational design, a more detailed operating model design and the service delivery model work needed to support Neo readiness. Progress also included work on interaction models, operating model refinement, role design, onboarding planning and governance arrangements to embed organisational design decisions. These changes are intended to ensure that the organisation is appropriately structured, led and equipped for future service delivery, onboarding activity and end-to-end accountability.

Key outcomes by the end of FY 2026/7 were:	Commentary	2026/27
Fusion Service Management Model implemented and bedding in	A Fusion Service Management Model, with a Fusion Service Catalogue and supporting Service Schedules now in place.	■
Baselined and benchmarked spans of control, with clear target standards	Spans of control have been benchmarked, and a target has been included in the Neo Balanced Score Card	■
Billingham Office move completed	Staff moved into Medway House on 6 October	■
Cyber Essential Plus certification attained	We achieved Cyber Essentials Plus certification on 16 March.	■
Establishment of a new Communities of Practice for captive shared service centres across UK Government	Communities of Practice with our fellow captive shared service centres, DBS and Unity Business Services has been set up with knowledge sharing actively underway.	■
Transitional Organisation Design in place, ready to take on Workday AMS and onboard the CO and DCMS	A number of senior roles have been recruited. Implementation planning is underway, reflecting the challenges and opportunities derived from the delay to Neo Go-live.	➡
Baselined Business Agility maturity score	The LACE Team has identified its preferred model and is currently reviewing our maturity across key areas of the business.	➡
Categorised and baselined service interactions against the TSDM model; automated reporting in place with annual targets articulated	Mapping work has been completed for Fusion service, and initial reports are under development.	➡
Gaps in our process ownership model identified and roadmap to improve our maturity in place	A Business Process Management Tool is being applied to Fusion-based processes, supported by user training and a governance framework.	➡
Ways of working with NCO modelled on existing BOE platform	Effort has instead focused on design of NCO ways of working and interactions, and starting to build relationships with the emerging NCO entity. Will be picked up in 2026/27, as scenarios are developed	➡

■ Complete ➡ Carried forward ■ Deferred ➡ Next phase

Engaged Workforce

Under the Engaged Workforce theme, UKSBS continued to strengthen the organisational capacity needed to sustain transformation and future growth. Specific examples included future skills analysis, development of a strategic workforce plan, leadership development activity, work on behavioural and capability frameworks, and further planning for workforce readiness linked to Neo implementation and future onboarding. Transformation reporting also highlighted recruitment and resourcing activity, including support for organisational design implementation and change capacity.

Delivery Plan progress in 2025/26

Key outcomes by the end of FY 2025/26 were:	Commentary	2026/27
Enhanced performance management approach implemented	The DevelopMe and MuchSkills functionality was rolled out for mid-year reviews and will be used for end of year appraisals and objective setting	→
The maturity of our workforce planning capability baselined and benchmarked, and improvement plan in place	Maturity is low but improving. 2026/7 will focus on tooling to support developing a longer-term strategic workforce as well as near-term coordinated resource planning	→
Workday capabilities, both technical and service related, will be in place ready for our first Neo clients	Amber against stated outcome, but the organisation is resourced appropriately against a delayed Neo Go-live. Workday day1 training plan is in development	→
Workforce grown from 690 FTE to 870	The organisation is resources appropriately at year end. Delays to Neo go-live has moved some of the requirements to 2026/7	→
Number of development days per FTE baselined through improved data capture	Work to baseline and monitor the number of development days per FTE has been deferred due to data capture limitations	■
Early career candidate survey developed	Work on an early careers' strategy has been deferred in recognition of the need to initially focus on Strategic Workforce Planning and career pathways	■

■ Complete → Carried forward ■ Deferred → Next phase

Engaged Workforce

Engaged Workforce review of 2025/26

Highlights

- Delivery of MuchSkills and DevelopMe tools
- Leadership coaching for Board, Executive and SLG
- Strategic workforce plan maturity assessment
- Training and learning strategy for Neo go-live
- Strengthened well-being mental health initiatives in response to noticeable increase in absence resulting from the high volume of change
- Behaviours framework in place
- Launch of our Management Academy (lite)
- New recruitment resourcing model and EVP, providing a more flexible and responsive approach

Challenges

- Deliberate gradual progress so as not to distract from focus on technical and service delivery of Fusion and Matrix programme
- Lack of capacity to support enhanced early careers initiatives
- Slow take up of DevelopMe for performance management
- Stress absence concerns
- Limitations around reward strategy options

DevelopMe and MuchSkills	
Workforce planning Maturity assessment	
Workday capabilities	
Workforce numbers	
Personal development reporting	
Early career candidate survey	

Strategic Report

Taken together, progress across the five themes demonstrates continued movement from strategy and design into implementation and capability building, while also highlighting that some areas will continue into 2026/27 as part of the wider transformation journey.

Overall Service Performance

UKSBS' operational objective is to deliver efficient, effective and reliable services to its owners and clients. Performance is monitored through an agreed framework of service measures, management information and client reporting, supported by governance arrangements that allow issues to be escalated and acted upon quickly. During 2025/26, the Company continued to monitor performance across service lines, respond to areas of pressure and focus on continuous improvement in order to maintain service standards while operating in a period of significant organisational and technological change.

Client and end-user insight remains central to the way in which UKSBS assesses performance and identifies priorities for improvement. We use a range of mechanisms to understand experience and service quality, including service feedback, client engagement, performance reviews and survey-based measures. These insights are used alongside operational data to target improvement activity, strengthen responsiveness and support effective relationships with clients.





Four industry award nominations in one day

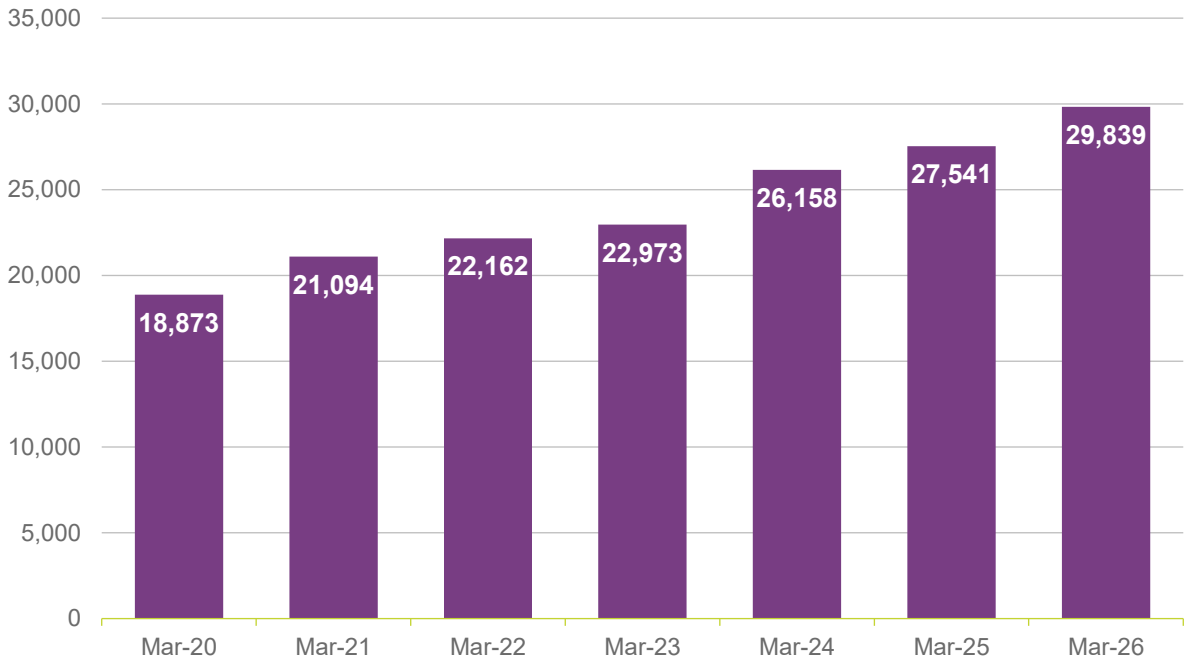
We were thrilled to receive an incredible four award nominations in a single day from the prestigious Women in Governance, Risk and Compliance (GRC) Awards. Kathryn Hollingworth, Head of RISC

"Four shortlists for the Women in Governance Risk and Compliance awards 2025 is just amazing. Being in such excellent company shows that UKSBS is on par with the big hitters such as Barclays, Capgemini, and KPMG. I'm so proud of the team and our colleagues who have been shortlisted!"

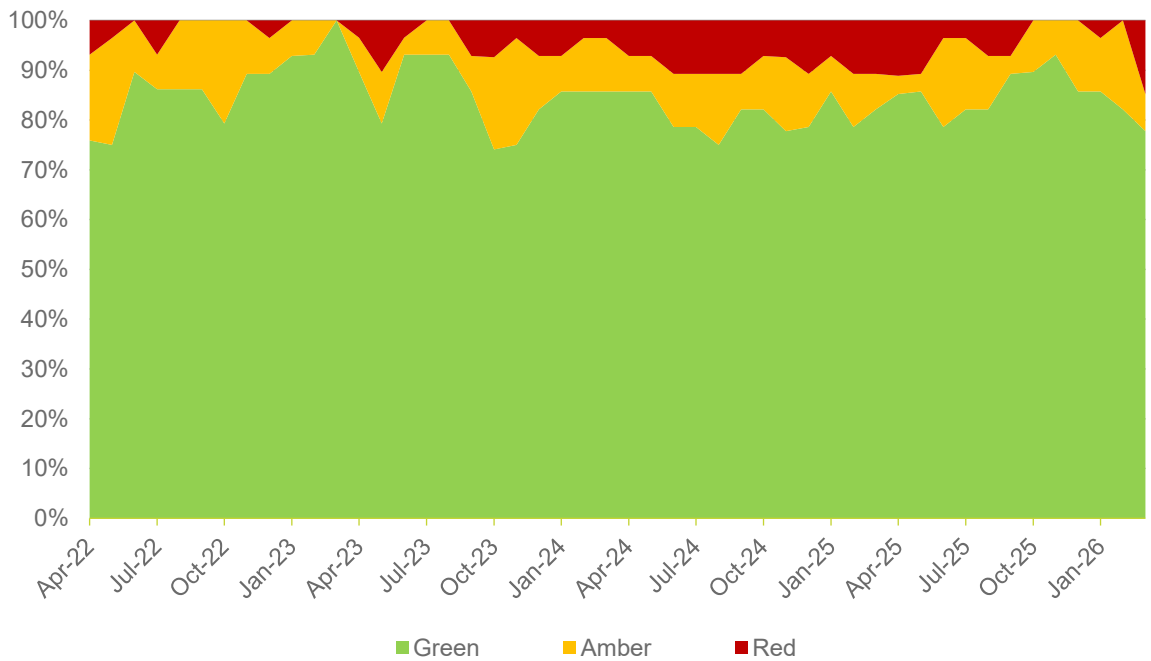
Strategic Report

Overall Service Performance

UKSBS user numbers grew 8% in-year to 29,839 in March 2026, up from 27,541 in March 2025, reflecting organic client growth and ongoing MoG changes.



Service Key Performance Indicators (SKPIs) continued to be monitored for BOE clients, however due to the migration to Oracle Fusion for ROE clients, with the hypercare and stabilisation periods running until March 2026, it was agreed to suspend ROE SKPIs.

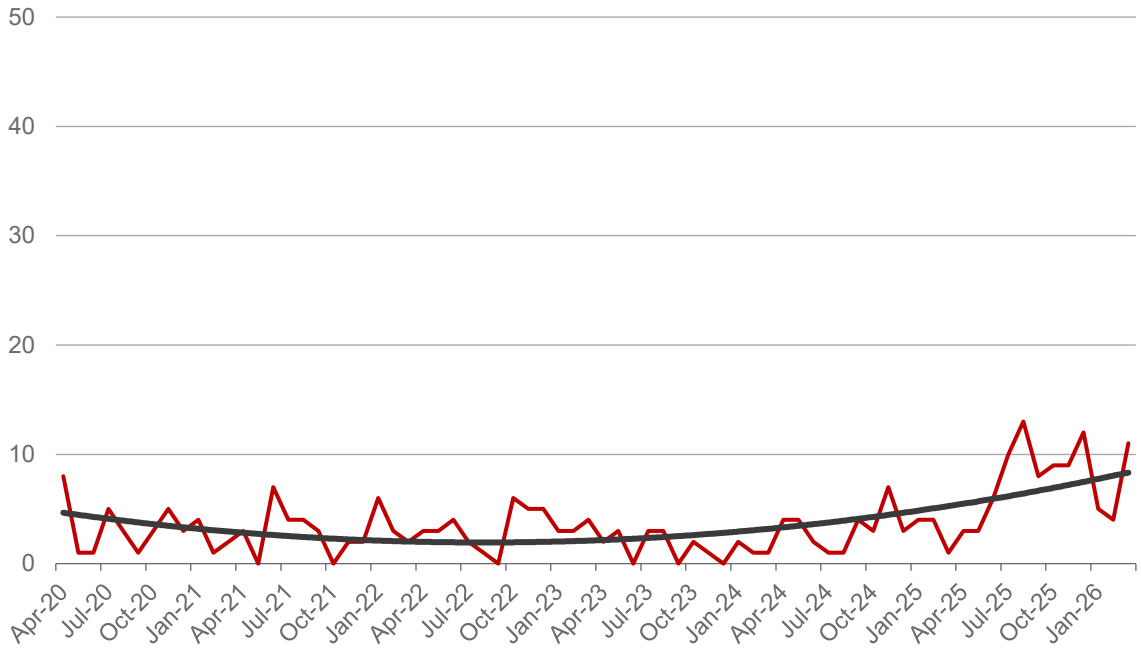


NOTE: SKPI achievement performance above is for the BOE platform only

Strategic Report

Customer Complaints Received

Customer complaints continued to remain very low in 2025/26, averaging one complaint for every 8,593 key transactions handled.





Strategic Report

Financial performance and position

The Company's financial results for the year are set out in the financial statements and accompanying notes. UKSBS continues to operate on a full cost recovery basis in support of its public sector purpose. The Company does not seek to maximise profit; rather, it seeks to provide sustainable, efficient and value for money services to its owners and clients while maintaining appropriate financial resilience and investing in capability, technology and transformation.

The Company's financial results for the year are set out in the financial statements (page 67 onwards). The reported results for 2025/26 is a loss of £637k (2024/25: £700k loss), the Company reported a loss of £637k in 2025/26, primarily driven by movements in the year-end leave accrual, including £4.1 million cost of depreciation and amortisation (2024/25: £4.2million). In assessing going concern, the Directors considered the Company's financial position, ongoing client demand, support from customers, and the strategic role of UKSBS in delivering shared services transformation across government. Whilst Machinery of Government changes have resulted in replanning of the Matrix programme and uncertainty around future timelines, the Directors remain satisfied that the going concern basis remains appropriate, reflecting the continuing demand for UKSBS services and its role in delivering government shared services objectives.

The Company does not operate with the intention of making a profit, but it is exposed to profits and losses in respect of the difference between actual costs for the year in respect of service deliver and the value of the purchase orders agreed with clients for these charges. UKSBS has been in contact with its customers with regards to the going concern aspect of the Company and potential for having negative net equity; clients have signalled their support for UKSBS and the service it intends to deliver for years to come.



The net asset value at 31 March 2026 was £487k
(31 March 2025: £1.1 million)

Both income and costs increased in 2025/26 over the previous year because of the costs of the SHARP and Matrix Programmes and an increase in the number of end users.

The net asset value at 31 March 2026 was £487k (31 March 2025: £1.1 million). Further details are set out in the Statement of Financial Position and accompanying notes to the financial statements.

Directors have considered the Company's financial position, funding model, ongoing client demand and the support of its owners in assessing the Company's prospects. The going concern basis remains appropriate, supported by the continuing requirement for UKSBS services within the owner group and by the strategic role of the Company in delivering shared services transformation.

Strategic Report

Case Study

UKSBS delivers pay system success for The Insolvency Service

UKSBS has successfully completed a complex transformation project for The Insolvency Service, implementing new Civil Service grading structures and processing multiple pay awards within an ambitious five-month timeline.

The project addressed a ministerial directive to modernise The Insolvency Service's pay structure, replacing their legacy grading system with a standardised Civil Service framework effective from 1 August 2024. This significant change affected all Insolvency Service employees. By modernising their pay structures, this project helps ensure The Insolvency Service can continue attracting and retaining skilled professionals to deliver these essential services for the country.

Working through our established Partnership governance model, our teams managed every aspect of the implementation while maintaining business-as-usual operations. The collaborative approach proved essential to success, with our specialists working closely with The Insolvency Service teams to navigate technical challenges and provide ongoing guidance throughout the implementation.

“

The advice, support and processing from UKSBS teams has been fantastic. The team went above and beyond - working all hours including weekends on system changes, managing complex award processing, providing essential guidance throughout, and maintaining seamless service during a challenging transition period.

Mark Bodman from The Insolvency Service

The Insolvency Service



Strategic Report

Our People

At UKSBS our employees are at the heart of all we do. We pride ourselves on our inclusive, friendly, flexible and collaborative culture, where we all work to deliver services that make a difference for our clients and the UK.
UKSBS has well embedded values and behaviours. These, together with our public sector ethos and supportive working environment, are reflected in an excellent employee satisfaction score of 78%.



Our new guiding North Star provides an enduring direction supported by our five-year Business Plan and programme of transformation. It unites us around a shared purpose, guiding the decisions we make and the way we work together. Underpinned by our values and behaviours, it provides a clear compass for our people as we transform our organisation to deliver modern, intuitive, technology enabled services.

UKSBS, the trusted partner, innovatively and cost effectively delivering integrated intuitive services

This year, to deliver our programme of transformation and client service expectations, UKSBS has continued to increase our headcount, from 734 (693.3 FTE, excluding contractors) to 796 (757.2 FTE).

Strategic Report

We are currently refreshing our People Strategy to set ourselves new challenges, reflecting progress with our transformation. Plans will continue to leverage our public sector values and build on our caring and creative environment so that we support people to grow the skills of tomorrow and who feel empowered to make a difference for our clients in support of the UK society and economy.

Our work to successfully deliver the SHARP Programme in 2025 and our current work with the Matrix Programme are transforming the capacity and capability of our workforce.

Our Engaged Workforce plans ensure we are ready for the next phase of transformation by aligning our people, skills and organisation to deliver our strategic ambitions. There are three areas of focus:

Organisational Effectiveness

- Enabling transformation through the right teams in the right places, creating a more cohesive and integrated approach to delivery.
- Embedding agile ways of working with effective spans of control and a strategic workforce plan to identify the right skills and capacity for the future.

Talent and Culture

- Attracting, develop and retain talented people by building critical skills, strengthening resilience and supporting and rewarding talent fairly.
- Fostering an inclusive culture that promotes accountability, collaboration and a growth mindset.

Leadership

- Building stronger leadership capability and capacity to lead transformation, enable high-performing teams, and embed a culture of continuous improvement. This work has been delivered in partnership with Deloitte, leveraging their expertise to design and implement leadership development approaches with a focus on strengthen strategic leadership. We are already seeing the benefits from this leadership programme with senior leaders establishing an agile approach to problem solving, accelerating cultural change and fostering transparency across the organisation.



Strategic Report

Diversity

Equality, Diversity and Inclusion (EDI) are fundamental to building our workplace culture, where everyone feels valued, respected and able to thrive. In April 2026, we will relaunch our refreshed EDI Strategic action plan, reaffirming our commitment to embedding inclusion into everyday ways of working. Through new employee networks, mandatory training, built in-house for the first time, enhanced wellbeing support and greater opportunities for colleagues to be involved, we are creating a more inclusive culture where every voice can contribute to our success.

At 31 March 2026, the numbers of men and women in UKSBS were as follows:

	Men	Women
Board (excluding the Chief Executive)	3	4
Executive Team (including the Chief Executive)	4	3
Employees (excluding Executive Team)	323	478

Current reporting requirements stipulate that data is reported in a binary way, this does not currently reflect non-binary or other identities.

At 31 March 2026 the proportion of employees who have elected to be identified as being from an ethnic minority is currently 12.40% (2023/24: 6.5%).

UKSBS publishes its Gender Pay Gap report annually on the UKSBS website. The gender pay gap is the difference in the average pay between men and women in an organisation over time no matter what the role is. Our report helps us understand the gender balance across our workforce and identify where further action is needed. The 2025/26 gender pay gap report will be published in late 2026.

Our 2024/2025 results published in late 2025 show progress. UKSBS continued to grow, with employee numbers increasing by 5.3% to support new clients, services and technology platforms. This growth influenced our gender pay gap results, with many new starters joining roles in the lower and upper middle pay quartiles alongside continued internal promotions. Our median gender pay gap increased to 18.9%, while our mean pay gap improved slightly to 14.2%, down from 14.5% in 2023/24. Our overall workforce remained broadly consistent, with women representing 59.4% of employees. We remain committed to building on this progress through our ongoing equality, diversity and inclusion initiatives and ensuring everyone has the opportunity to succeed.

Employee Health

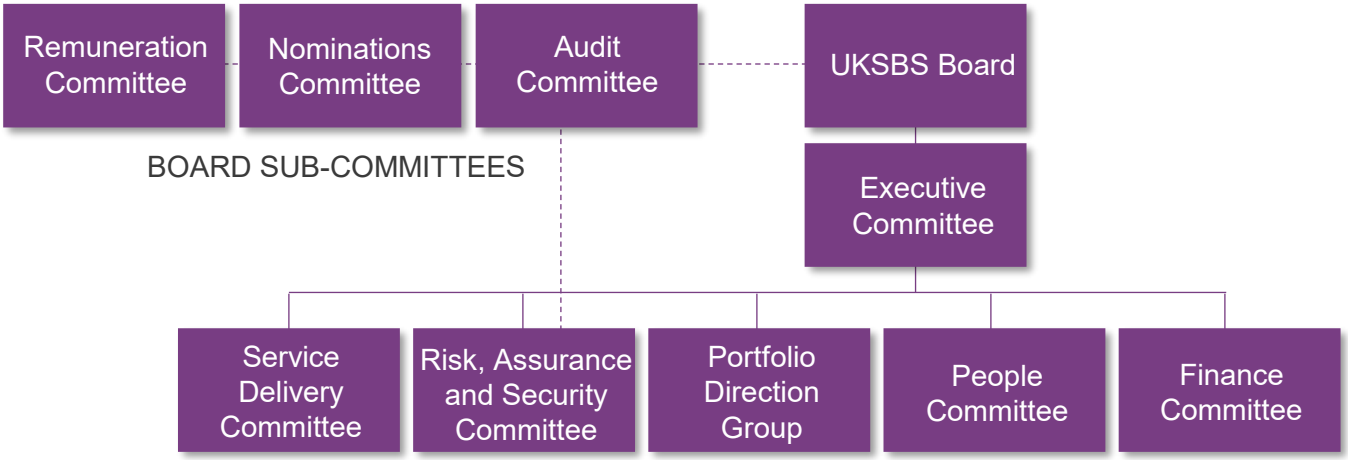
Supporting the physical and mental wellbeing of our people is key to creating a healthy, engaged and high-performing workforce. We continue to invest in a range of wellbeing initiatives, including our Employee Assistance Programme, a relaunched Mental Health First Aiders network, health screening and a wellbeing app, with regular wellbeing events and other resources. Together, these services provide accessible support, helping colleagues to stay healthy, build resilience and thrive both at work and beyond.

During 2025/26 the average number of working days lost through recorded sickness absence (both short and long term) for all UKSBS employees was on average 8.41 days per employee.

Strategic Report

Internal Governance

The internal Committee governance structure is comprised of the Executive Committee, Risk, Assurance and Security Committee (RASC), Service Delivery Committee (SDC), People Committee, Finance Committee and Portfolio Direction Group (PDG). All of the committees have clear terms of reference that are reviewed annually.



The Strategic Leadership Group meets regularly with the Executive, to ensure two-way engagement on priorities and future planning for the organisation.

Further information on the Executive structure and Committees can be found in the Annual Governance Statement on pages 41-52.

Data Protection Act 2017 and Information Security

UKSBS remains committed to maintaining the integrity, security, and effective management of data across all organisational activities. This commitment is underpinned by the Data Growth Remediation Plan, which will ensure that appropriate retention policies are applied to all newly created records and that legacy data is subject to systematic review.

The organisation continues to foster a strong culture of data and information governance, supported by ongoing education and training initiatives for employees. UKSBS has successfully retained its ISO 27001 certification, reflecting its adherence to recognised standards in information security management.

UKSBS acknowledges that full compliance with legislative requirements must be pursued with due consideration of existing technical limitations. The Audit Committee receives regular updates on areas of potential non-compliance, along with the mitigating actions being implemented to address these risks.

Strategic Report

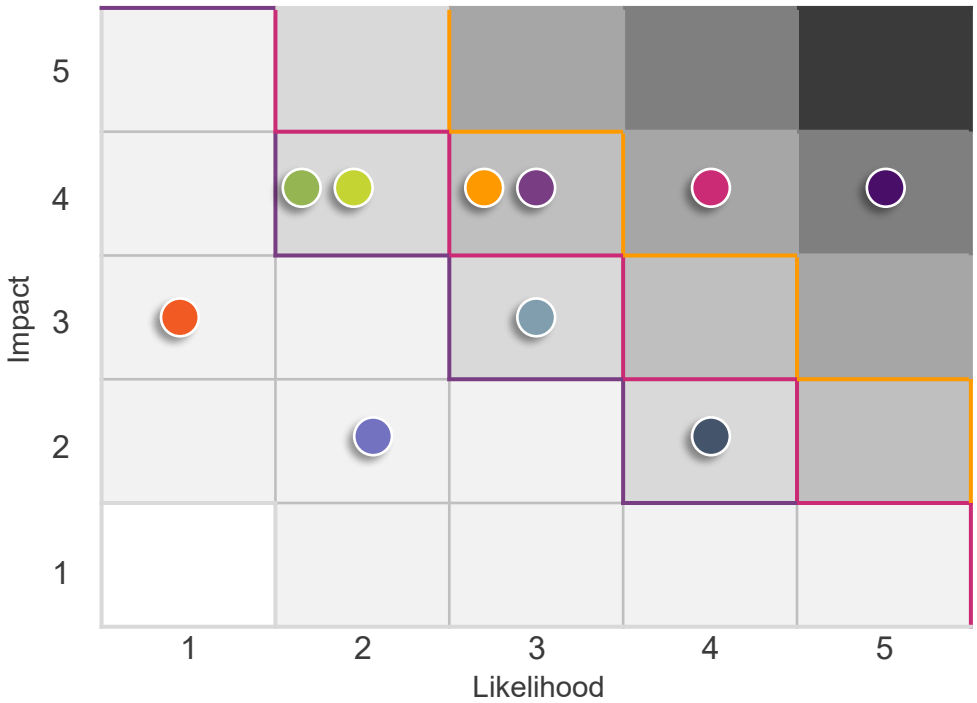
Managing Risk and Controls

The Government Internal Audit Agency (GIAA) continues to provide the Company's internal audit function and in 2025/26 undertook six audits. An overall assurance opinion of 'Moderate' was issued by the GIAA Head of Internal Audit, reflecting the results of audits which have consistently demonstrated continued effective operation of UKSBS' governance and risk management processes.

The GIAA Head of Internal Audit's annual report is summarised in the Annual Governance Statement.

The Company's Corporate Risk Register (CRR) is reviewed at every Board and Audit Committee meeting. Each department maintains its own risk register, capturing risks to team-specific activity and objectives, as well as a procedural-driven Risk and Control framework. Processes are in place to escalate risks from department risk registers to the CRR when necessary.

Risk profile end of Mar 2026 – key risks only



- Concurrency volume of major change
- Strategic misalignment of Ends, Ways and Means
- Resourcing
- Delivery of the fusion service
- Cyber attack
- Personal data compliance
- Ineffective call controls
- Future support for BOE and Siebel
- Delivery of Neo
- Machinery of government (MoG)

Strategic Report

The main differences seen in our active risk profile between April 2025 and March 2026 are as follows

Closed issues:
2025/26 saw the closure of two issues:
- Strategic Misalignment of Ends, Ways and Means moved from an issue to a risk as funding was secured for 25/26 in the October 'true up' exercise.
- Capacity and Capability to Support Fusion also moved to a risk as service delivery was stabilising.

Closed risks:
- Due to the successful launch of the Oracle Fusion platform the risk around Successful and Timely Delivery of the SHARP Programme has been closed.
- Following the successful upgrade to the Fire Suppression system within our Data Centre, this risk has been closed.

New risks:
One new risk was added to the Corporate Risk Register:
- Delivery of the Fusion Service.

Risks out of tolerance:
UKSBS continues to closely monitor the risk relating to the Concurrency and Volume of Major Change, recognising the evolving priorities of major change programmes and the need for sustained planning and coordination. While progress has been made in relation to budget and agreed funding, funding associated with major projects remains uncertain. As a result, the Strategic Misalignment of Ends, Ways and Means risk remains outside tolerance.

As the organisation's design continues to evolve, there remains a resourcing risk that UKSBS may be unable to recruit within the required timescales or retain critical internal skills. This could result in skills shortages or increased costs where specialist capability is required.



Risks in tolerance:
Delivery of Fusion has improved following implementation of service stabilisation plans and the delivery of post-go-live improvements. The risk of a cyber-attack remains; however, planned use of a Managed Service Provider to enhance the Security Incident and Event Monitoring tool, together with the onboarding of a Cyber Incident Response Partner, has reduced the likelihood and potential impact of this risk.

Personal data compliance and core controls remain within tolerance and are reviewed monthly, informed by the outcomes of internal and external audits.

Future support for BOE and delivery of the new Neo service continue to be closely monitored. Risk response plans have been developed for red-rated risks, with actions continuing throughout the year to mitigate these evolving and ongoing risks.

Further information on UKSBS risks and internal control management can be found within the Annual Governance Statement on pages 41-52.

Strategic Report

Sustainability Report

The 2025-26 reporting year marks the introduction of the Greening Government Commitments for the period 2025 to 2030. These commitments set out the targets for UK government departments and their agencies to reduce their environmental impact. This year forms the baseline year for the new commitments and is the first year in which UKSBS has been required to report against them. UKSBS operates across three sites: Polaris House, Swindon, which is the organisation's head office; Concept House, Newport; and, from September 2025, Medway House, Stockton-on-Tees. Polaris House and Concept House are shared premises occupied and managed by other public sector organisations. Data relating to UKSBS' energy and water consumption and waste volumes is provided by the Government Property Agency for Polaris House and the Intellectual Property Office for Concept House.

As UKSBS does not have dedicated metering at these shared sites, reported consumption and waste volumes are calculated based on the proportion of building floor space occupied by the organisation. The data is therefore influenced by the activities of all building occupants and, in some cases, by estimates provided by building managers. As a result, year-on-year comparisons should be interpreted with appropriate caution.

Prior to the move to Medway House, UKSBS held a tenancy at Queensway House, Billingham. During the period April to September 2025, UKSBS was the sole tenant of that building. It has not been possible to obtain data for energy and water consumption or office waste from the estate manager for this period, resulting in a reporting gap. However, site attendance during this period was limited and the associated environmental footprint is considered to have been minimal. Medway House is a more energy-efficient building than the previous Billingham site and holds ISO 14001 accreditation, an internationally recognised standard for environmental management systems. While the full impact of the move will not be visible until a complete year of data is available in 2026-27, the relocation is expected to support improved environmental performance in future reporting periods.

UKSBS complies with the energy, water and waste management arrangements in place at each of its sites. The organisation's carbon footprint is generated primarily through heating and lighting its accommodation, powering its IT infrastructure and undertaking business travel.

Carbon emissions from our offices

Electricity

In 2025-26, our attributed electricity consumption across our three sites totalled 242,068 kWh, resulting in 47,331 kgCO_2e emissions. This represents a 26% reduction compared with 2024-25.

Electricity usage decreased across all sites, including reductions of 5% at Polaris House (Swindon) and 2% at Concept House (Newport). The most significant reduction reflects the relocation from Billingham to Stockton in September 2025. Data for Medway House covers only half of the reporting period (see above) and relates to a more energy-efficient building, with both factors contributing to the overall decrease in consumption and emissions.

Strategic Report

Carbon emissions from our offices

Gas

Attributed gas consumption across our three sites totalled 182,764 kWh in 2025-26, resulting in 33,438 $kgCO_2e$ emissions.

Gas usage decreased compared with the previous year at both Polaris House (2.5%) and Concept House (12.5%). The reduction at Concept House is largely attributed to the resolution of historical gas meter issues that affected previous reporting. Overall gas consumption was also lower due to the absence of data for the first half of the year at our old Billingham office, and because the new office in Stockton does not use gas for heating.

Overall, reductions in electricity and gas consumption reflect a combination of operational changes, improved building efficiency and improved metering accuracy, contributing to a lower carbon footprint across the estates.

	2025-26	2024-25	2023-24	2022-23	2021-22
Electricity (kWh)	242,068	285,494	447,244	457,941	423,727
Gas (kWh)	182,764	288,742	357,553	329,284	428,621
Total Energy	424,831	574,236	804,798	787,226	852,348
Total $kgCO_2e$	80,770	111,922	156,972	147,828	168,476
$kgCO_2e$ per FTE	107	161	245	246	278

Travel

Since April 2022, UKSBS has operated a hybrid working model supported by videoconferencing and digital collaboration tools. These technologies enable our people to work effectively from a range of locations and help reduce unnecessary business travel while maintaining engagement with colleagues, customers and stakeholders.

In 2025-26, UKSBS employees travelled approximately 361,596 km on company business. This resulted in 28,217 $kgCO_2e$ of emissions, equivalent to 37.26 $kgCO_2e$ per FTE.

Business travel has continued to increase since the COVID-19 pandemic, although total distance travelled remains significantly below the 657,000 km recorded in the last full year before the pandemic. Rail remains the primary mode of business travel and accounted for 66% of all journeys in 2025-26. Where car hire is required, journeys are shared wherever practical to minimise cost and emissions.

During the year, improvements were made to travel data collection and reporting, providing greater detail and accuracy. As a result, direct comparisons with previous years should be interpreted with caution. Nevertheless, both rail and road travel increased by approximately 37% compared with 2024-25. This increase primarily reflects travel associated with establishing the new Stockton office and the attendance of subject matter experts at major workshops supporting the SHARP and Matrix programmes.

While business travel increased during the year to support key organisational priorities, UKSBS continues to prioritise virtual collaboration and lower-carbon travel options where appropriate, helping to balance operational requirements with its commitment to reducing environmental impacts.

Strategic Report

Waste minimisation and finite resource consumption

Water

Potable water consumption in 2025-26 decreased by 59% compared with 2024-25.

Attributed water usage at Polaris House decreased by 38% compared with the previous year. While there is no definitive explanation for this reduction, issues identified with the site's water metering system during 2024-25 may have affected previous reporting and contributed to the apparent decrease.

The relocation from the Billingham office to Medway House, Stockton, also influenced reported consumption. As noted above, water usage data was unavailable for the period April to September 2025. In addition, our footprint within Medway House does not include welfare facilities, resulting in substantially lower attributable consumption than at the previous site. Reported usage at Medway House was 3.1m³, compared with a pro-rata equivalent of 297m³ at Billingham.

In contrast, water consumption at Concept House increased by 20% compared with 2024-25. This increase is primarily attributable to a suspected leak identified earlier in the year. Investigations and remedial work took longer than anticipated, resulting in higher mains water consumption during the reporting period.

Overall, the reduction in potable water consumption reflects changes to the organisation's estate footprint, alongside site-specific factors affecting metering and consumption patterns during the reporting period.

	2025-26	2024-25	2023-24	2022-23	2021-22
Water usage (m³)	568	1,388	2,427	1,987	1,310

Office Waste

The volume of office waste attributed to UKSBS decreased during 2025-26 compared with 2024-25. This reduction was driven by a number of factors, including the introduction of reusable alternatives to single-use coffee cups at Polaris House and the closure of the Billingham office.

Overall, 56% of office waste was recycled during the reporting period. While this remains below the 70% recycling target set out in the Greening Government Commitments, it represents a modest improvement on previous years.

Of the remaining waste, 27% was recovered through energy-from-waste processes, with smaller proportions treated through anaerobic digestion and other waste recovery routes. A small amount of waste generated at Concept House was sent to landfill during the year.

The landfill disposal arose following a change in waste management provider at Concept House. This issue has since been addressed through the procurement of a new waste and recycling contract, which is expected to improve waste segregation and diversion from landfill in future.

UKSBS will continue to work with its facilities and waste management partners to increase recycling rates and reduce waste sent for disposal, supporting progress towards the Greening Government Commitments.

Waste	2025-26	2024-25	2023-24	2022-23	2021-22
Total (tonnes)	11.37	18.31	25.61	25.01	22.54
Recycled	56%	53%	48%	40%	46%
Incinerated for energy	27%	47%	35%	36%	40%
Anaerobic digestion	13%	0%	17%	23%	14%
Landfill	4%	0%	0%	0%	0%

Strategic Report

Waste minimisation and finite resource consumption

Paper

UKSBS uses paper containing a minimum of 75% recycled content, produced from post-consumer waste using lower-carbon manufacturing processes. In addition, all printer cartridges are returned to suppliers for reuse or recycling, supporting the circular use of resources and reducing waste. During 2025-26, a total of 68,660 pages were printed, representing a 14% reduction compared with the previous year. 67% of the printing used the duplex (double-sided) setting, helping to reduce paper consumption and associated environmental impacts.

ICT Asset Disposal and Reuse

During 2025-26, UKSBS disposed of approximately 700 ICT assets, compared with 1,260 assets in 2024-25. The assets disposed of were primarily older laptops that were not compatible with the organisation's transition to Windows 11.

Assets that are damaged or have reached the end of their operational life are disposed of securely and in accordance with the Waste Electrical and Electronic Equipment (WEEE) Regulations, ensuring that environmental impacts are minimised and data security requirements are met. Where devices remain suitable for reuse, including laptops, desktop computers and mobile phones, they are refurbished and donated to local charities and schools through a Wiltshire-based IT recycling partner. This approach extends the useful life of equipment, reduces waste and supports local communities.

UKSBS employees are also able to purchase refurbished laptops and peripherals at discounted prices through an approved refurbishment provider. This arrangement, managed by UK Research and Innovation (UKRI), further supports the circular economy by encouraging the reuse of technology assets and reducing electronic waste.

Carbon Impacts of ICT and Digital Technology

UKSBS continues to support the Government's "Cloud First" policy through the design, operation and management of its digital services. In line with our architectural principles, cloud-based solutions are evaluated as the preferred option when considering new systems and technologies. As digital technologies continue to evolve, including the increasing adoption of data-intensive services and artificial intelligence (AI), UKSBS recognises the potential implications for energy consumption and carbon emissions. The environmental impacts associated with digital and AI technologies will be considered as part of the development of the organisation's new five-year Business Plan, ensuring that sustainability remains an important factor in future technology investment and decision-making.

Biodiversity and Sustainability

As UKSBS does not own or manage external estate areas, the organisation does not maintain a standalone biodiversity plan. However, UKSBS actively supports biodiversity initiatives led at Polaris House and continues to encourage employee participation in environmental activities, including a monthly litter-picking programme.

The organisation also supports an employee-led Green Group, which promotes environmental awareness and sustainable behaviours across the workforce. During 2025-26, the Group produced a monthly sustainability newsletter and delivered two interactive webinars to engage colleagues on environmental and sustainability topics.

Strategic Report

Waste minimisation and finite resource consumption

TCFD Compliance Statement

The Company has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. UKSBS does not consider climate change to be a principal risk and has therefore complied with the TCFD recommendations and disclosures around governance, risk management and metrics and targets.

Governance – Board and management responsibilities for climate-related risks

The Board has ultimate responsibility for the consideration of, and response to, climate change and other environmental issues. The Audit Committee has delegated responsibility from the Board for reviewing the management of risks. The Executive team is responsible for managing risks and their mitigations on a day to-day basis. Further information on our governance arrangements is set out in the Annual Governance Statement (from page 41).

Risk Management

UKSBS has a robust risk management framework in place. All risks are managed and reported at the lowest appropriate operational level with an established escalation process in line with TCFD reporting requirements. UKSBS does not currently have any principal climate related risks. Further information on risk management within UKSBS can be found on page 27.

Metrics and Measurements UKSBS' emission statistics are disclosed within the sustainability report from page 29 together with energy consumption and waste figures.

Section 172 Statement

The Directors of UKSBS have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the matters set out in section 172(1) of the Companies Act 2006. In doing so, the Board has recognised the public purpose of UKSBS, the importance of delivering long-term value and resilience for its owners and clients, and the need to balance strategic ambition with safe, effective and well-controlled operational delivery.

In considering how best to promote the success of the Company, the Board has had regard to a broad range of stakeholders, including the Company's shareholders, clients and end users, employees, suppliers and strategic partners, sponsor bodies and wider public sector stakeholders. The Board recognises that UKSBS' long-term success depends on maintaining trusted relationships with these groups, understanding their needs and expectations, and ensuring that the Company continues to operate in a way that supports public value, service reliability, good governance and financial stewardship.

Strategic Report

During 2025/26, the Board obtained insight into stakeholder interests and relevant section 172 matters through regular Board and committee reporting, performance and financial information, client and owner governance forums, programme and portfolio oversight, employee engagement mechanisms, internal control and assurance processes, and engagement with senior leaders and delivery teams. These arrangements supported informed decision-making and enabled Directors to consider both immediate delivery requirements and the longer-term consequences of decisions.

The Board gave particular attention during the year to the long-term implications of strategic and operational decisions in the context of a demanding transformation environment. In reviewing delivery priorities, investment choices, risk appetite and organisational changes, Directors considered the need to maintain continuity and resilience in existing services while also enabling future capability, digital modernisation and operating model development. The Board also considered the interests of employees, recognising that the ability of UKSBS to deliver sustainable success depends upon workforce capability, leadership, engagement, wellbeing, inclusion and change readiness.

The Board also had regard to the need to foster effective business relationships with clients, suppliers and other delivery partners. This included consideration of service performance, responsiveness, commercial and contractual matters, and the role of partnership working in supporting strategic programmes and operational resilience. Directors also considered the impact of the Company's operations on the community and the environment, including through the Company's broader public sector contribution, its responsibilities as a responsible employer and business partner, and its developing approach to sustainability and ethical conduct. High standards of business conduct remained a consistent expectation throughout the year and were supported by governance, assurance and control arrangements designed to promote accountability, transparency and integrity.



Strategic Report

In acting fairly between members, the Board has continued to recognise the interests of the Company's shareholder group collectively, while working within the governance framework that supports the sponsorship and ownership arrangements of UKSBS. The Board sought to ensure that decisions taken during 2025/26 appropriately balanced the needs of owners, clients and other stakeholders, and that decisions were made on a transparent, evidence-based and proportionate basis. Examples of matters considered through this lens during the year included the sequencing and oversight of transformation activity, service improvement priorities, workforce and capability planning, risk management and assurance, and the financial and operational implications of strategic delivery choices.

The Board considers that the governance and reporting arrangements in place during 2025/26 enabled Directors to discharge their duties under section 172 in a manner that was consistent with the Company's public purpose, strategic objectives and responsibilities as a public sector-owned company. This statement should be read alongside the wider Strategic Report and the Annual Governance Statement, which together provide further context on the Company's strategy, stakeholder relationships, principal decisions, risk management and control environment.

Future Outlook

Looking ahead, UKSBS will continue to balance two equally important priorities: delivering reliable and value for money services today, and building the platforms, operating model, skills and relationships required for the future. The Company expects 2026/27 to remain a demanding period, as it continues to support major transformation activity, embed change already delivered and respond to evolving client and government requirements. The Board's focus will remain on safe and effective delivery, good governance, financial stewardship, strategic alignment and ensuring that UKSBS is well placed to fulfil its role as a trusted partner to government and the wider public sector.

For and on behalf of the Board



Richard Semple, Chief Executive Officer
UK Shared Business Services Ltd
Date: 29 September 2026



Directors' Report



UKSBS is a private company limited by shares, wholly owned by public bodies and classified within the public sector as a Non-Departmental Public Body. The principal activity of the Company during the year continued to be the provision of shared business services to its owners and clients within the public sector. In doing so, the Company operates in a way that reflects both its statutory obligations under the Companies Act 2006 and the wider expectations that apply to a government-owned public body.

This report should be read alongside the Strategic Report, the Section 172 statement, the Annual Governance Statement and the Remuneration Report, which together explain how the Board has discharged its responsibilities during the year, how governance and internal control have operated in practice, and how the Company has sought to promote its long-term success in support of its public purpose.

There have been no significant events affecting the Company since the balance sheet date.

The Board of Directors

The Board is collectively responsible for the long-term success of the Company, for setting its strategic direction, for overseeing performance, governance, risk management and internal control, and for ensuring that UKSBS continues to operate in a manner consistent with its public purpose and the expectations of its owners. The majority of Board members are appointed from owner organisations to support compliance with the Procurement Act 2023, Schedule 2 para 2, which allows owners to benefit from the exemption and directly award the contract to UKSBS.

The following table identifies all the Company Directors that held office during the accounting period, and later to the date of the report.

	Date Appointed	In post/date resigned
Chair		
John Clarke	16 June 2021	In post
Executive Directors		
Richard Semple	1 May 2018	In post
Non-Executive Directors		
Helen Mills	27 July 2023	In post
Bidesh Sarkar	27 July 2023	Resigned 1 July 2025
David Thomas	27 July 2023	Resigned 3 October 2025
Sarah Finigan	20 March 2024	Resigned 3 October 2025
Michele Hughes	30 November 2023	Resigned 25 June 2025
Claire Pearce	1 October 2024	Resigned 31 July 2025
Carolyn Isaacs	1 April 2025	In post
Mike Baker	2 October 2025	In post
Leslie Gilbert	2 October 2025	In post
Cath Denholm	2 October 2025	In post
Rosanna Wong	2 October 2025	Resigned 1 June 2026
Rob Bullen	27 May 2026	In post

Directors' Report

Meetings of the Board and its Committees

The Company's governance structure and composition and operation of the Board are described within the Annual Governance Statement on pages 41-52.

Audit Committee

Throughout the year, the Audit Committee's work included, inter alia, approving the internal audit plan and receiving all completed audit reports, reviewing Corporate and Departmental risk registers, monitoring the implementation of audit recommendations, providing assurance to the Board on UKSBS transformation, the effectiveness of risk managements controls and systems and reviewing reports of fraud and whistleblowing policies. The Committee met five times during 2025/26 and continued to provide structured oversight across these areas.

The Committee was attended by Carolyn Isaacs (Chair, from 1 April 2025), Leslie Gilbert (appointed 2 October 2025), Tim Sparrow (co-opted member) and Leah Sparks (co-opted member, appointed 2 October 2025). Carolyn was appointed as Audit Committee Chair following the conclusion of Graham McAlister's appointment on 31 March 2025. Tim Sparrow was unfortunately taken ill during 2025; DSIT nominated a second co-opted member, Leah Sparks, to cover in the interim. The Board approved an initial six-month appointment in September 2025 and subsequently extended it to the end of September 2026.

The Audit Committee meetings are also attended by external (National Audit Office (NAO)) and internal (GIAA) auditors.

Remuneration and/or Nominations Committee

The Board meets as the Remuneration and/or Nominations Committee as and when required to consider and advise the Board on remuneration and terms of conditions for Executive and Non-Executive Directors. The Board met as the Remuneration Committee in August and November 2025 to consider and approve the annual pay settlement proposal.

Independent Directors

In accordance with the Company's constitutional documents that were agreed by Shareholders in February 2026, all independent Non-Executive Directors and Executive Directors are appointed by unanimous decision of the Shareholders. Owner-nominated Non-Executive Directors are appointed by unanimous decision of the Board.

For the period 1 April 2025 – 31 March 2026, those Non-Executive Directors considered by the Board to be independent were John Clarke, Michele Hughes and Carolyn Isaacs. Michele resigned from the Board in June 2025. Following her departure, a recruitment campaign was launched to appoint a new independent Non-Executive Director, with Rob Bullen appointed on 27 May 2026

Directors' Report

Corporate Governance and Reporting Framework

Although UKSBS is not required to comply with the UK Corporate Governance Code, the Board keeps relevant developments in governance and reporting practice under review and applies them where proportionate and appropriate to the Company's size, ownership model and public sector context. During the year, the Board and Audit Committee considered the changes introduced by the 2024 UK Corporate Governance Code, including the increased emphasis on outcomes-focused reporting, governance effectiveness and the continuing development of reporting on risk management and internal control.

The Board also had regard to updated Financial Reporting Council guidance on narrative reporting and the strategic report, including the importance of clear, proportionate and cohesive reporting across the annual report as a whole. The Directors have sought to ensure that this report, together with the wider annual report and financial statements, provides a fair, balanced and understandable account of the Company's governance arrangements, stewardship and statutory disclosures.

Further detail on the operation of the governance framework during the year, including the work of the Board and Audit Committee, the annual governance review, internal control and assurance arrangements, and the Board's review of effectiveness, is set out in the Annual Governance Statement, which forms part of this Annual Report on pages 41-52.

Dividends

No dividends were paid on ordinary shares during the period and the Directors do not recommend a payment of a final ordinary dividend.

Political and Charitable Contributions

The Company made no political donations or incurred any political expenditure during the period. The Company made no charitable donations during the period.

Indemnities/Insurance

The Company has in place qualifying third-party indemnity provisions for the benefit of its directors, which were in force throughout the year and remain in force at the date of this report.

Employment of Disabled People

UKSBS is an accredited Disability Confident employer. The company is committed to fostering an inclusive environment, representative of a diverse workforce and the communities we operate in. The contributions of all employees are recognised and valued and everyone has an equal chance to succeed.

The Company's Inclusiveness Policy applies to all aspects of employment, including recruitment, terms and conditions of work, training and development, promotion, performance management, grievance, discipline and treatment of workers when their contract of employment ends.

In 2023, UKSBS partnered with Inclusive Employers, experts in workplace inclusion to further evolve our strategy and approach to inclusion in the workplace.

Directors' Report



Employee Communications and Engagement

UKSBS has a number of established communication channels in place to ensure that any information on matters of concern to our employees is communicated clearly, effectively and timely. Internal channels focused on employees include face-to-face engagement, Town Halls, emails, instant messaging, videoconferencing, TV screens, the intranet, posters and printed materials. The Communications Team is responsible for maintaining the Communications Policy and guidance and dissemination of information via the appropriate channels.

The Trade Union (TU) is consulted when considering any policy changes or decisions that may affect UKSBS employees. Regular meetings take place between Corporate People Team, the CEO and the TU to share updates on the strategic direction of the Company, operational / business-as-usual information and to ensure the views of the employees are considered when making decisions that may affect their interests.

Slavery and Human Trafficking Statement

In accordance with Section 54 of the Modern Slavery Act 2015, the UKSBS statement on slavery and human trafficking as agreed by the Board has been published on the UKSBS website.

Directors' Report

Statement of Directors' Responsibilities

The directors are responsible for preparing the directors' report, the strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements comply with UK-adopted international accounting standards in conformity with the requirements of the CA 2006, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for preventing and detecting fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The Comptroller and Auditor General (National Audit Office) was re-appointed as auditor during the period, under Section 487 of the Companies Act 2006.

For and on behalf of the Board



Richard Semple, Chief Executive Officer
UK Shared Business Services Ltd
Date: 29 September 2026

Annual Governance Statement 2025-2026

The Board of UK Shared Business Services Limited (UKSBS) is accountable to shareholders for the corporate governance arrangements and internal control framework deployed to ensure that the Company complies with relevant legislation. UKSBS is a private company limited by shares, but it is also a public body, and as such is required to comply with applicable Government and Departmental policies, instructions, guidance and compliance with Managing Public Money to ensure that public money is safeguarded, properly accounted for and used economically and effectively.

The Board has delegated responsibility for the preparation of this Annual Governance Statement to the UKSBS Chief Executive Officer, who is also a director of the Company and the UKSBS Accounting Officer. The Chief Executive Officer has signed the Statement on behalf of the Board following their review and with their agreement.

The Purpose of the Annual Governance Statement

The Annual Governance Statement forms part of the Company's Annual Report and Accounts, as a record of the stewardship of the Company by the Board and Executive. It outlines the Company's governance, business and control structures, highlighting any changes implemented and challenges addressed during the year.

Corporate Governance Framework

UKSBS is a private company, limited by shares, and wholly owned by the Secretary of State for each of the Department for Science, Innovation and Technology (DSIT), the Department for Energy Security and Net Zero (DESNZ), the Department for Business and Trade (DBT), and by United Kingdom Research and Innovation (UKRI). It is classified as within the public sector and benefits from the provisions set out in Schedule 2 of the Procurement Act 2023.

UKSBS continues to be classified as a Non-Departmental Public Body (NDPB). The Cabinet Office confirmed they were comfortable with this classification within the period of the previous Statement, having considered some areas of partial compliance, and the Company has received no notification of a change in this position.

The corporate governance framework, in conjunction with the constitutional documents, is central to the governance of the Company in practice, and includes Board and Audit Committee terms of reference, a corporate scheme of delegation, corporate policies, the Partnership Services Agreement (PSA) and the Sponsorship Framework document.

The Company reviewed its constitutional documents in autumn 2025 while assessing its corporate structure in light of the Matrix Programme and future Neo service offering to new clients. Whilst it was determined that there were no changes required to the ownership structure, the opportunity to align the Shareholders' Agreement and Articles of Association with the Procurement Act 2023 and current practices was taken.

Annual Governance Statement 2025-2026

Change Programmes

UKSBS has been managing a significant volume of change across the business and in partnership with client-led Programmes. A robust update on UKSBS transformation as part of the wider Matrix Programme and information pertaining to other change programmes is provided at each Board meeting and assured through the Audit Committee.

The go-live of Oracle Fusion in June 2025 marked a significant milestone in our organisation's transformation journey, with the move to a modern, intuitive SaaS platform, for UKRI and UKSBS, that will transform how we work together and serve our stakeholders. Throughout the summer and autumn of last year, stabilising services on the new Fusion platform remained a key operational focus, with a great deal of tactical effort being applied to deal with manual workarounds and work through technical and operational challenges across all service areas. Fusion service delivery continued to improve and bed in, with stabilisation work continuing in a few areas, allowing a shift in focus to future optimisation. Since go-live, UKSBS has successfully implemented several Oracle Fusion releases with no major impact. A funded forward plan of priority Fusion change requests will be delivered before the end of the financial year, governed by a newly established joint Business Design Authority with UKRI.

UKSBS is leveraging lessons learned from SHARP to support a second major client-led ERP implementation and business transformation, the Matrix Programme. This includes investment in our continued transformation and growth as we prepare to onboard new clients and users. The first of these, Phase 1A, is due to go live in December 2026, following a replanning exercise undertaken in early 2026, with the Cabinet Office and the Department for Culture, Media and Sport (DCMS) the first to onboard. UKSBS has robustly contributed to critical programme workstreams, testing, readiness and assurance initiatives during 2025/26.

Supported by the Matrix Programme, UKSBS has embarked on its own transformation journey, moving from an initial strategy and design phase of the delivery model and transformation roadmap to the second phase, looking to build capabilities and implement the new Neo service to new clients. During 2025/26, a number of key business transformation design products were delivered including agreement to the high-level organisational design as well as a detailed design for the operations teams for day 1. This work has also covered: moving to a service-oriented delivery model; a future skills matrix and gap assessment; a performance management and development framework; a strategic workforce plan; improved employee value proposition; a leadership behavioural framework for the Executive and Senior Leadership Group and continuous improvement initiatives in the operations area. Recruitment is well underway for critical new senior roles and for the first wave of onboarding new junior staff under the service-orientated organisational design model. The Company has a very firm focus on our readiness for Phase 1a go-live.

Development of a new charging model commenced in 2025/26. The model will provide clarity and transparency on how costs for services are incurred, aligned with the new service catalogue and volumetrics; automation of the apportionment of costs, providing a consistent methodology for all clients; flexibility to support multiple charging bases i.e. new clients and new services; and alignment with the Integrated Corporate Services (ICS) charging model. Together, these elements will deliver greater cost transparency, enable better forecasting, improve efficiency by reducing manual effort and ensure compliance with HM Treasury guidance.

Annual Governance Statement 2025-2026

In 2025/26, UKSBS continued to support client departments with restructuring and exit schemes arising from Machinery of Government (MoG) changes resulting after the UK General Election in July 2024. Further announcements were also made as part of the government's ALB review, with UK Space Agency and Building Digital UK (BDUK) due to transfer back into DSIT in May and June 2026 respectively. Digital staff from Cabinet Office were transferred into DSIT in June 2025 and Cyber staff followed on in February 2026. New ALBs are scheduled to join UKSBS services including the Climate Change Committee, Fair Work Agency and Great British Energy.

The significant size and complexity of the major change programmes have heightened the risk around concurrency and volume of major change, and strategic misalignment of ends, ways and means. These risks have been referred to frequently in Board and Audit Committee discussions of major change programme matters.

The next financial year is one of significant funding change, with the first full year on Fusion, the Cabinet Office and DCMS joining as new clients part way through the year and further ramp up in Matrix / Neo activity expected. Whilst best estimates are being forecast, there is a greater uncertainty and increased likelihood of a risk relating to the Strategic Misalignment of Ends, Ways and Means materialising through the year.

UKSBS is also facing an emerging risk resulting from the challenges Capita are experiencing with stabilisation of service post transfer of the administration of the Civil Service Pension Scheme (CSPS). The impacts on UKSBS are four-fold, including a growing backlog of issues to resolve at a future, currently unknown date, and potential delays to MoG activities and delivery of Matrix Phase 1A due to lack of testing capacity.

The Business Plan 2025-30 was agreed by the Board in November 2025 and the Shareholders in February 2026. The five strategic themes align with both the Matrix Programme's Service Transformation Strategy and the Government's Shared Service Strategy. A short-term (12 month) Delivery Plan for financial year 2026/27 was agreed by the Board in March 2026.

In January 2026, it was agreed that the schedule and content of the Ownership Group meetings would evolve, primarily to accommodate the expanding client base and provide the opportunity for their engagement on items such as the Company's business plan and progress in delivering key targets and milestones, recognising that they would not be coming into ownership. An Annual General Meeting for shareholders would also be reintroduced in the late spring for the approval of the Business Plan and Delivery Plan for the ensuing year.

Annual Governance Statement 2025-2026

Internal Governance

The internal governance structure of the Company continued to reflect previous arrangements in the period 2025/26, with the Executive Committee, now split into two parts to provide dedicated governance over transformation, supported by the Service Delivery Committee, the People Committee, the Risk, Assurance and Security Committee (RASC), Finance Committee and the Portfolio Direction Group (PDG).

Data management is overseen by the Infrastructure, Data and Analytics, Information Management and Information Security Teams, focussed on the Data Protection and Information Security Policies, disposal of data held beyond retention schedules and joiners, movers and leavers improvements.

UKSBS' Information Security Management System (ISMS) has been ISO 27001 re-certified by the British Standards Institution, the UK Accreditation Service's certification body for international standards, against the new 2022 standard. UKSBS adopts the three lines of defence model which internally assesses the business compliance with the controls and ISO 27001 requirements throughout the financial year.



Annual Governance Statement 2025-2026

UKSBS Board Structure and Operations

The UKSBS corporate governance structure consists of a Board and an Audit Committee. To ensure compliance with Schedule 2 of the Procurement Act 2023, which provides the framework under which UKSBS delivers services to its owners, the majority of the Board is comprised of shareholder-nominated Non-Executive Directors (NEDs).

The Board meets as a Remuneration and/or Nomination Committee when circumstances require, rather than maintaining separate committees.

The roles and responsibilities of the Board and the Audit Committee are defined within the Company's Articles of Association. The Board last agreed their terms of reference in September 2025.

The composition of the Board is as follows:

- Two independent NEDs, one of whom is appointed by the shareholders as the Board Chair.
- Five NEDs nominated by shareholders; and
- One Executive Director (the UKSBS Chief Executive).

The Board membership was refreshed in October 2025 to accommodate recent resignations and reflect the future ownership structure under the Matrix Programme, with changes to all but one of the owner nominated NEDs. Graham McAlister retired from the Board on 31 March 2025 and a new independent NED, Carolyn Isaacs was appointed to the Board and as Audit Committee Chair. Michele Hughes resigned from the Board in June 2025 and a recruitment campaign was launched for a new independent NED, expected to conclude in March 2026.

To inform the recruitment campaign and assist owners with identifying nominees to the Board, the current members completed a skills matrix to ensure representation of a suitable range of skills and experience.

In October 2025, as part of its Annual Governance Review (AGR), the Board reviewed corporate policies, committee structure, membership and terms of reference to ensure alignment with the Company's constitutional documents. The terms of reference for both the Board and Audit Committee were updated in 2025 to reflect changes in the UK Corporate Governance Code in relation to the Board being responsible for both the establishment, and maintaining the effectiveness of, the risk management and internal controls framework.

An annual Board Performance Evaluation to support the AGR was last carried out in January 2025 and conducted internally. The 2025/26 performance evaluation is due to be conducted by an external facilitator in line with best practice; the Board agreed to delay the review until summer 2026 to allow sufficient time for the newly appointed Board to establish.

As part of the leadership development offering from Deloitte to support UKSBS' transformation, the Board held an initial development session in February where the Board reflected on its current operation and explored how to set themselves and UKSBS up for a more strategic, impactful future, balancing oversight with strategic leadership and defining a clear 'North Star' for the organisation. Several actions were identified to refine the business strategy, improve stakeholder engagement and optimise Board effectiveness with a second development session to take place in May / June 2026 to support the actions and move the Board to a proactive, forward-looking body, capable of guiding UKSBS towards its long-term goals.

Annual Governance Statement 2025-2026

As a private limited company, UKSBS is not obliged to comply with the UK Corporate Governance Code; however, the Board has agreed that it will consider and apply the guidance where practicable within the context of the Company's operating environment. The Code was updated in 2024 to apply to financial years beginning on or after 1 January 2025, other than Provision 29, which will apply to financial years beginning on or after 1 January 2026. The Board and Audit Committee have considered the changes and will continue to apply the guidance where practicable.

Tabled below is a record of Board membership and Board and Audit Committee attendance for the period 1 April 2025 to 31 March 2026.

2025/26	Attendance/Meetings eligible to attend	
Name of Board Member	Board	Audit Committee
John Clarke (independent NED)	6/6	
Carolyn Isaacs (independent NED)	6/6	5/5
Sarah Finigan (UKRI nominated NED)	3/3	
Michele Hughes (independent NED)	1/1	1/1
Helen Mills (DSIT nominated NED)	5/6	
Claire Pearce (UKRI nominated NED)	2/2	
Bidesh Sarkar (DBT nominated NED)	1/1	
Richard Semple (CEO, Executive Director)	6/6	
David Thomas (DESNZ nominated NED)	2/3	
Leslie Gilbert (DESNZ nominated NED)	3/4	2/2
Cath Denholm (DESNZ nominated NED)	4/4	
Rosanna Wong (DBT nominated NED)	4/4	
Mike Baker (UKRI nominated NED)	3/4	
Tim Sparrow (DSIT co-opted Audit Committee member)		2/5
Leah Sparks (DSIT co-opted Audit Committee member)		2/2

The directors acknowledge and understand the responsibilities inherent in their appointment.

The shareholder representatives and the Chair met four times in 2025/26 to discuss the strategic priorities and performance of UKSBS and ensure strategic alignment.

The Board met as the Remuneration Committee in August and November 2025 to approve the annual pay mandate proposals and Executive pay mandate and as Nominations Committee in October to approve the independent NED job description and consider the skills matrix.

The Audit Committee is independent of management and comprises two NEDs, one of whom is appointed as the Chair, and two external co-opted members. Representatives from the Company's external auditors (National Audit Office, NAO) and internal auditors (Government Internal Audit Agency, GIAA) are invited to attend every meeting. The Chief Executive (as SIRO) and the Data Protection Officer are invited to attend and report to the Audit Committee. The Committee met five times in 2025/26, and at each meeting considered inter alia the UKSBS Corporate Risk Register, assurance of UKSBS transformation, audit reports and recommendations, and received detailed reports on the Company's financial performance, data protection and health and safety.

The Committee takes a risk-based approach when considering matters brought forward for discussion and provides feedback to Board meetings on all relevant audit, risk and control issues. The Board undertook a risk management review deep dive in October 2025 which looked at the corporate issues and risks, ensuring appropriate mitigating actions were being taken and considered emerging risks

Annual Governance Statement 2025-2026

Client Governance

UKSBS works in partnership with all clients to review service and change delivery performance and identify opportunities for improvements and efficiencies. This is through an established governance structure organised around various client groups serviced by the two separate service platforms: BEIS Oracle Estate (BOE) and Oracle Fusion.

The Client governance structure is as follows:

- BOE and Fusion Client Partnership Boards
- BOE Senior Client Meetings and Fusion Functional Service Evolution Groups
- BOE Client Change Board and a Fusion Business Design Authority
- Functional Client Partnership Meetings e.g. HR & Payroll, Finance, Procurement and Business IT

Functional Client Partnership meetings act as service management review meetings at a functional level and operate on an individual client basis with the day-to-day, end-to-end service relationship maintained between service delivery teams and the clients' corporate functions.

To support these engagements, UKSBS holds periodic customer surgery-type meetings and roadshows with client organisations on a mutually agreed frequency – anything between bi-monthly and quarterly. These meetings provide an opportunity for customer users to engage with UKSBS about issues or queries relating to any aspect of service taken by the client. Where possible, UKSBS hold these at client locations.

The service performance management report, created using PowerBI, is updated annually to reflect the current business plan measures and strategic themes. It allows users to drill down into specific areas of concern or interest, enabling more dynamic visualisation of performance measures. The service performance management report is issued on a monthly basis.

Client and customer feedback mechanisms exist, with individual customers having the ability to rate the service that they have received and provide any comments on the completion of each Service Request in Oracle or an Incident or Service Request in ServiceNow. On a monthly basis, UKSBS works with the respective clients to identify key client issues for inclusion within the regular client reporting. Quarterly, UKSBS works with respective senior client contacts through a client feedback survey to collect feedback at a functional service level, as well as UKSBS issuing a Quarterly End User Experience Survey to its entire customer user base.

In 2022-23, as part of the Government's Shared Services Strategy, UKSBS introduced the Net Promotor Score (NPS) to help us better understand customers' experiences of interacting with our services. It enables UKSBS to measure customer satisfaction, identify areas for improvement, and benchmark the services we provide against other Government Shared Services providers. NPS also complements the feedback already provided via the Service Request / Incident User Experience surveys and forms part of our quarterly performance reporting to each client organisation.

To further strengthen the partnered relationship with UKRI, executive-level meetings have been established and are held quarterly to ensure strategic alignment, improve governance, and oversee major programme updates.

Annual Governance Statement 2025-2026



The Executive

The Executive Team comprises of Richard Semple (Chief Executive Officer), John Arnott (Chief Strategy and People Officer), Victoria McMyn (Chief Corporate Delivery Officer), David Walder (Chief Digital & Information Officer), Liz Creedy (Chief Operations Officer), Claire Hargreaves (Chief Finance Officer) from December 2024 – June 2025 and Akos Csernus (Chief Transformation Officer).
As part of the wider organisational design model which saw a streamlined Executive team, the Chief Finance Officer role was not replaced following Claire's resignation in June 2025. The Partnerships and Change and Corporate Support directorates were merged into one, Corporate Delivery, led by John and Victoria.

The Executive Team meets monthly, supplemented by weekly operational meetings and at least two strategy offsite meetings a year

Leadership Groups

UKSBS currently has two levels of leadership engagement:

- All 'Heads of' at Level 2 form the Strategic Leadership Group (SLG) with the Executive
- All managers at Level 3 form the 'Leadership Group' (LG)

The SLG meets monthly, with an offsite meeting held quarterly. The meetings provide an opportunity for SLG members from across the business to report to colleagues on specific items of work or general updates from within their areas. The Executive Team share progress on strategic matters and in-depth discussions are held around development of the operational and business plans..

Annual Governance Statement 2025-2026

Risk and Internal Control Management

UKSBS uses the 'three lines of defence' risk management approach and operates in accordance with Cabinet Office guidelines:

- First line - Operational management;
- Second line - Central compliance oversight;
- Third line - Internal Audit programme.

Risk and control activities are set out in the Risk Management Strategy, Policy and Guidance. These were reviewed and endorsed by the Board and Audit Committee in September 2025. The Audit Committee reviews the Corporate Risk Register at each meeting and holds a deep-dive review of each departmental risk register during the year to ensure the approach to risk management is consistent with the Company's risk appetite. Internal Audit carry out an annual review of risk management and internal controls.

The Board is responsible for identifying the Company's strategic risks and setting the Company's risk appetite, which was last agreed in May 2025 and is reflected in business planning. The Board considers the Corporate Risk Register and mitigating actions at every meeting, with scrutiny of risk management and internal controls carried out by the Audit Committee.

The Chief Executive ensures active management of risk and internal controls through monthly Risk, Assurance and Security Committee (RASC) meetings, scrutiny of the Risk Register, quarterly self-assessments completed by service areas (first line of defence), dip sampling of controls and risk response plans by the Risk, Information and Security Compliance team (second line of defence) and an annual audit of the internal controls framework completed by GIAA (third line of defence).

This model of three lines of defence provides the Chief Executive and Board with the required confidence that business processes are operating effectively as designed and satisfy control objectives, highlighting process steps or controls that require change and the action to be taken.

The Risk and Control Framework, launched internally in 2022, and embodying control-based assessment and control testing under ISO 27001, continues in operation.

The Chief Executive provides an assurance report to client Accounting Officers twice a year based on internal self-assessment and second line of defence assessment of controls together with the results of internal audit reports, audit actions, performance indicators and client feedback on key issues identified within the relevant time period



Annual Governance Statement 2025-2026

Risks

As part of the overall Risk Management process, key risks facing the Company are captured in the Corporate Risk Register, each owned by a member of the Executive Team for management, and detailed risk response plans are put in place for those risks with a current risk score that is out of tolerance. Risks are actively managed and monitored by the Executive, RASC, the Audit Committee and the Board.

During 2025/26 the Company identified and managed several corporate risks, including those relating to the delivery of major change programmes. A new risk was raised after Fusion implementation in June 2025 relating to the Capability and Capacity to Support Fusion. This escalated into an issue in August 2025 due to the technical and operational challenges, manual workarounds and volume of end user queries, with continued pressure within finance service delivery due a significant backlog of blocked invoices. The issue moved back to a risk in early 2026, reflecting the progress made in stabilising all service areas and having an agreed programme of change for the next three months.

The risk associated with the Strategic Misalignment of Ends, Ways and Means escalated into an issue during 2025 due to the considerable effort over and above BAU to stabilise Fusion, coupled with a shortfall in financial cover for the hypercare commitment, on top of a BAU funding shortfall. The successful true-up exercise in October 2025 which secured additional funding moved this issue back to a risk.

A decision was taken to move a long standing out of tolerance risk on cyber-attack back within tolerance, reflecting UKSBS' improved Security Incident and Event Monitoring (SIEM) capability, the successful go-live of Fusion with no adverse events and GIAAs positive findings on their recent internal cyber audit.

At the end of the financial year and looking ahead to 2026/27, the key out of tolerance risks are as follows:

- Concurrency and Volume of Major Change – the forward schedule of major change has greater uncertainty given the dependency on pension testing and the potential delay to the Matrix Programme Wave 1A. UKSBS was impact assessment both and programme plans would be adjusted accordingly.
- Strategic Misalignment of Ends, Ways and Means – the significant funding changes in 2026/27 presents challenges to UKSBS, with the first full year on Fusion, Cabinet Office and DCMS joining as new clients part way through the year and further Matrix / Neo activity. A greater emphasis will be placed on the mid-year true-up in 2026 using the new charging model.
- Capability and Capacity to Support Fusion – this remains out of tolerance. Services are still stabilising as we move into optimisation and exploitation of the new platform, with a forward pipeline of change agreed with UKRI.
- Resourcing – as we face the challenges of Neo resource mobilisation and a competitive labour market for Workday skills, this risk remains out of tolerance. Actions are underway in four main areas to secure the required human resources.

Data Security

UKSBS has not encountered any significant personal data breaches during the period; however, there have been minor breaches which have been managed and reported in line with established procedures. The Company takes practical steps to minimise such breaches, including mandatory annual KIM training, and when trends in breaches are identified, mitigation measures are put in place. Disciplinary action may be taken depending on the seriousness of any human error identified.

Data Protection and Information Security policies, including incident management and reporting, are subject to regular review to ensure they remain up to date.

Annual Governance Statement 2025-2026

Government Functional Standards

Government functional standards are system-wide reference documents designed to:

- Support coherent, efficient and mutually understood ways of working across government;
- Provide a stable basis for continuous improvement and professional development;
- Provide a stable basis for proportionate and tailored assurance activities to monitor adherence, allow risk-based control and compare performance; and
- Clarify accountabilities by defining the roles needed, what role-holders are accountable for, and to whom.

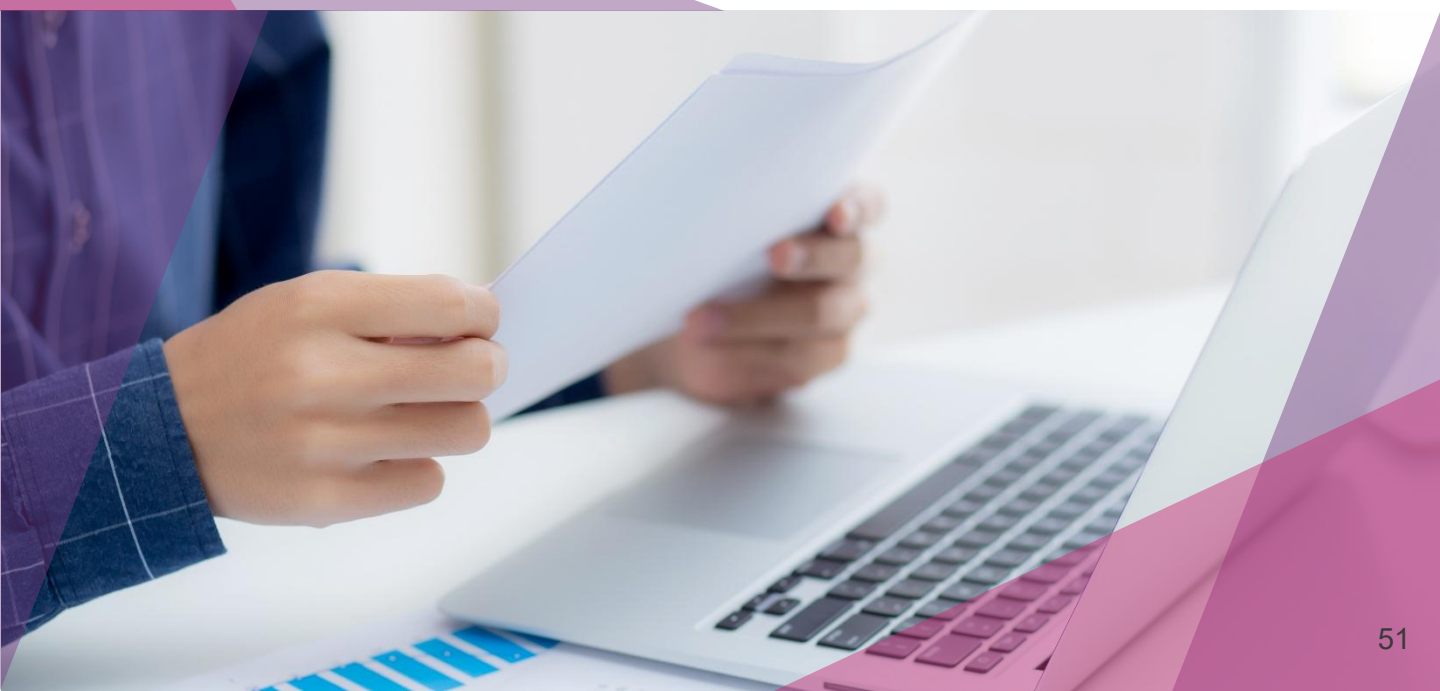
UKSBS has integrated these disciplines appropriately into our control framework

Whistleblowing Arrangements

The Company maintains a Whistleblowing policy which is reviewed annually by the Audit Committee and Board. The policy was last updated and approved by the Board in October 2025. The policy is accessible to employees via the Company intranet. No incidents were raised in 2025/26.

Assurance on Tax Compliance

The Alexander Review published in May 2012 made several recommendations to ensure that the highest standards of integrity could be demonstrated in the tax arrangements of senior public appointees. All UKSBS senior employees and those Board members who are paid are done so through the payroll. In 2025/26, the Company identified 35 contractors who were within scope of the Alexander Review criteria. Of these, 20 contractors were contingent labour supplied via Investigo and directly by the Neo central programme, managed by DSIT ICS Commercial. The tax compliance and risk sits with DSIT but UKSBS is assured the arrangements are being appropriately checked and managed. Assurance that appropriate tax arrangements are in place for the remaining 15 contractors was sought and confirmation received.



Annual Governance Statement 2025-2026

Review of Effectiveness

The UKSBS Board is responsible for conducting an annual review of the effectiveness of the Company's governance, risk management and internal controls, the outcome of which is the Annual Governance Statement.

The review is informed by the work of the Board and the Audit Committee during the period, the outcomes of the internal assurance process, the oversight and review work of the Executive in relation to corporate and departmental risk mitigation and implementation of audit recommendations, and the work of the internal and external auditors.

GIAA was re-appointed as the Company's Internal Auditors for the financial year 2025/26 in November 2024. In their Annual Report and Opinion dated May 2026, the Head of Internal Audit (HIA) provided a Moderate assurance opinion across internal and customer operations, maintaining the previous year's rating.

The framework of governance, risk management and control at UKSBS was found to be broadly adequate and effective, with some improvements required to strengthen its operation further. The opinion reflected a maturing risk and control environment during a period of significant change, but also recognised continuing pressures arising from legacy system and Fusion functionality limitations, reliance on manual workarounds, and wider programme and transformation risks, including those associated with Matrix and future system change.

The direction of travel had decreased slightly compared with the previous year, although the overall rating remained Moderate. This movement reflected a lower number of Substantial assurance opinions than in the prior year and Internal Audit's focus on areas undergoing significant change, rather than a material deterioration in the overall control environment.

Conclusion

The Board has considered the Annual Governance Statement and the evidence underlying its production.

The Board is satisfied that the Company's governance arrangements and internal controls are correct for a business undergoing transformational change, are being applied properly and are subject to appropriate scrutiny by the Executive, Internal Audit, the Audit Committee and the Board.

External Audit

The National Audit Office (NAO) scrutinises public spending for Parliament and is independent of government and the Civil Service. It helps Parliament hold government to account and uses its insights to help people who manage and govern public bodies improve public services.

The NAO was the Agency's external auditor. Please refer to the Certificate and Report of the Comptroller and Auditor General for any matters the NAO has reported on in 2025-26.

For 2025-26, the NAO completed its audit in line with International Standards on Auditing (UK), using a risk based approach that focused on areas involving significant judgement, risks to the regularity of expenditure.



Richard Semple
UKSBS Chief Executive
On behalf of the Board

Date: 29 September 2026

Remuneration and Staff Report for the year ended 31 March 2026

The Remuneration Report is prepared using the Government Financial Reporting Manual (FReM).

The Board determined in December 2015 that they would meet as a Remuneration and/or Nominations Committee in line with need rather than maintaining a standing committee. Meeting as the Remuneration and/or Nominations Committee the Board is responsible for:

- Considering and agreeing policy for the remuneration of the Company's Executive, being the Chief Executive Officer (CEO) and any other Executives reporting directly to the CEO.
- The process for the recruitment, selection, remuneration and terms and conditions for the CEO and recommending appointment to the Shareholders for unanimous agreement. This includes ensuring compliance with government policies and processes where they apply.
- The appropriateness of the remuneration policy for all employees and proposals for any annual pay award in accordance with government guidelines are also considered. Remuneration in this context covers salaries, bonus schemes and any other benefits.

The Board met twice as the Remuneration and Nominations Committee in 2025/26 to agree the annual pay award and strategy.

Service Contracts

Non-Executive Directors and any external members of Committees are appointed for a fixed term of office, renewable by agreement. Independent Director appointments, including the Chairman, and the CEO, require unanimous agreement of the Shareholders. Owner- nominated Board members require unanimous agreement of the Board. The Non-Executive Directors are appointed for either a two- or three-year term of office. The notice period set out in terms of appointment is no less than three months.

The services of the majority of Non-Executive Directors are provided on a pro bono basis by their employing organisations. As at 31 March 2026, these Directors were, Helen Mills, Mike Baker, Cath Denholm and Leslie Gilbert. Two of the Independent Non-Executive Directors, John Clarke and Carolyn Isaacs are remunerated. There are also two external non-remunerated members co-opted to the Audit Committee.

Information regarding Directors', External Committee members' and Executives' service contracts is set out below.

Remuneration and Staff Report for the year ended 31 March 2026

Information regarding Directors', External Committee members' and Executives' service contracts is set out below.

Directors and Committee Members (excluding the Chief Executive Officer) (subject to audit)

	Appointment		Remuneration £000	
	From	To	2025/26	2024/25
John Clarke (Chairman)	16 June 2021	31 July 2027	20-25	20-25
Graham McAlister	01 April 2018	31 March 2025	0-5	0-5
Michele Hughes	30 November 2023	Resigned 25 June 2025	0-5	5-10
Carolyn Isaacs	1 April 2025	31 March 2028	0-5	0-5
Helen Mills	27 July 2023	31 July 2026	n/a	n/a
Bidesh Sarkar	27 July 2023	Resigned 1 July 2025	n/a	n/a
David Thomas	27 July 2023	Resigned 3 October 2025	n/a	n/a
Sarah Finigan	20 March 2024	Resigned 3 October 2025	n/a	n/a
Claire Pearce	1 October 2024	Resigned 31 July 2025	n/a	n/a
Mike Baker	2 October 2025	31 October 2028	n/a	n/a
Leslie Gilbert	2 October 2025	31 October 2028	n/a	n/a
Cath Denholm	2 October 2025	31 October 2028	n/a	n/a
Rosanna Wong	2 October 2025	Resigned 1 June 2026	n/a	n/a
Leah Sparks (co-opted member of the Audit Committee	2 October 2025	30 September 2026	n/a	n/a
Tim Sparrow (co-opted member of the Audit Committee)	29 September 2022	30 September 2027	n/a	n/a

UKSBS Executive Team (including the Chief Executive Officer)

Name	Appointment Date	Expired Term	Notice Period
Richard Semple	01 May 2018	Open Ended	3 months
John Arnott	01 January 2016	Open Ended	3 months
Liz Creedy	01 August 2022	Open Ended	3 months
Victoria McMyn	04 July 2022	Open Ended	3 months
Claire Hargreaves	18 November 2024	27 Jun 2025	3 months
David Walder	1 January 2022	Open Ended	3 months
Akos Csernus	09 September 2024	2 Year FTC	3 months

Remuneration and Staff Report for the year ended 31 March 2026

Salary

Salary covers pensionable and non-pensionable amounts and includes: gross salaries; overtime; allowances and any ex-gratia payments. It does not include any amounts for the reimbursement of expenses directly incurred in the performance of an individual's duties in accordance with the UKSBS travel and subsistence policy.

Benefits In Kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HMRC as a taxable emolument. Benefits in kind were not provided to any member of senior management during the financial year.

Bonuses

UKSBS did not budget or plan for any bonus payments for any staff in 2025/26 and none were paid (2024/25: none)

Remuneration of senior employees (subject to audit)

Single total figure of remuneration								
Employee Name	Salary (£'000)		Bonus Payments (£'000)		Pension Benefits (£'000)		Total (£'000)	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Arnott J	115-120	110-115	0	0	21	17	135-140	125-130
Creedy L	115-120	110-115	0	0	51	39	165-170	155-160
Csernus A	165-170	90-95	0	0	30	12	195-200	100-105
Dawe C	0	70-75	0	0	0	(7)	0	65-70
Hargreaves C	25-30	40-45	0	0	12	17	35-40	55-60
McMyn V	120-125	115-120	0	0	18	71	135-140	190-195
Semple R	165-170	160-165	0	0	0	0	165-170	160-165
Walder D	125-130	120-125	0	0	58	34	180-185	155-160

Crispin Dawe left the Company on 31 Dec 2024 and his full year equivalent salary was £90-95k. As the employee left within the year this generated a negative result on their pension benefits.

Claire Hargreaves left the Company on 27 Jun 2025 and her full year equivalent salary was £115-120k.

No Executive bonuses were awarded in the years 2025/26 or 2024/25

Remuneration and Staff Report for the year ended 31 March 2026

Pay Multiples (subject to audit)

Reporting bodies are required to disclose the relationship between the total remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

Total remuneration for these purposes includes salary (as defined above), non-consolidated performance-related pay, benefits in kind and severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The banded remuneration of the highest-paid director in UKSBS in the financial year 2025/26 was £165,000-£170,000 (2024/25: £160,000-£165,000). This was 6.08 times (2024/25: 6.10) the lower quartile of the workforce, which was £ 27,756 (2024/25: £26,986)

The banded remuneration of the highest-paid director in UKSBS was 4.83 times (2024/25: 4.86) the median remuneration of the workforce, which was £34,933 (2024/25: £33,884).

The banded remuneration of the highest-paid director in UKSBS was 3.42 times (2024/25: 3.49) the upper quartile of the workforce, which was £49,350 (2024/25: £47,220).

The highest paid director of UKSBS percentage change from the previous financial year for salary and allowances is 2.88%.

For the employees of UKSBS taken as a whole (excluding the highest paid director), the average percentage changes from the previous financial year of salary and allowances is 2.89% on an average salary of £40,590 (2024/25 £39,451).

The increase in salary was driven by an increase in overall pay-bill which is a straightforward pay increase (pro-rata for part time) though the percentage increase will be specific to individuals, relating to their position in the pay band. So, those in the more junior pay bands and nearer the band minimum will receive a higher percentage than those in the higher pay bands and nearer the band maximum.

In 2025-26 2 employee received remuneration in excess of the highest-paid director. Remuneration ranged from £25-30k to £195-200k (£15-20k to £190-195k 24/25).

Salary only	2025/26				
	Highest paid Director*	Minimum	Lower Quartile (25%)	Median (50%)	Upper Quartile (75%)
Renumeration	£167,500.00	£ 22,537.44	£ 27,756.00	£ 34,932.96	£ 49,350.00
Ratio		7.48	6.08	4.83	3.42
	2024/25				
	Highest paid Director*	Minimum	Lower Quartile (25%)	Median (50%)	Upper Quartile (75%)
Renumeration	£162,500.00	£16,677.32	£26,985.96	£33,884.04	£47,220.00
Ratio		9.87	6.10	4.86	3.49

*mid-point of banded remuneration (to nearest £5,000 banding applied to salary and allowance component).

Remuneration and Staff Report for the year ended 31 March 2026

The Pension Scheme

The main pension scheme used by employees of UKSBS is the Research Councils' Pension Scheme (RCPS), which is a defined benefit government pension scheme. The Company also offers a Partnership stakeholder pension. Further details of these schemes are given in the notes to the financial statements.

The remuneration and pension tables shown below include members of the Executive Team.

Pension Benefits of senior employees (subject to audit)

Employee Name	Accrued pension and lump sum at pension age as at 31/03/2026 (£5,000 bands)	Real increase in pension and lump sum at pension age as at 31/03/2026 (£2,500 bands)	Cash equivalent transfer value as at 31/03/2026 (£'000)	Employer Contributions Partnership Pension 31/03/2026 nearest £100	Cash equivalent transfer value as at 31/03/2025 (£'000)	Real increase in cash equivalent transfer value as at 31/03/2026 (£'000)
Arnott J	N/A	N/A	N/A	20,600	N/A	N/A
Creedy L	10-15	2.5-5	231	N/A	169	48
Csernus A	N/A	N/A	N/A	29,800	N/A	N/A
Hargreaves C	0-5	0-2.5	29	N/A	17	10
McMyn V	35-40	0-2.5	650	N/A	594	15
Walder D	20-25	2.5-5	312	N/A	254	42

Richard Semple has opted out of pension arrangements throughout the periods shown, so no figures are shown.

Details of Pension Scheme

Employees of UKSBS are members of the Research Councils' Pension Schemes (RCPS) which are defined benefit schemes funded from annual grant-in-aid on a pay-as-you-go basis. The benefits are by analogy to the Principal Civil Service Pension Scheme, except that while the schemes provide retirement and related benefits based on final or average emoluments, redundancy and injury benefits are administered and funded by UKSBS. The scheme is administered by the Research Councils' Joint Superannuation Service.

Remuneration and Staff Report for the year ended 31 March 2026

From 30 July 2007, employees may be in one of four defined schemes; either a 'final salary' scheme (classic, classic plus or premium); or a career average scheme (Nuvos). Pensions payable are increased annually in line with changes in the Consumer Prices Index (CPI). Employees' contributions vary between 4.6% and 8.05% depending on scheme. The employer's contribution is agreed by the RCPS Board of Management on the recommendation of the Government Actuary's Department (GAD) and is currently set at 26.0% of pensionable pay.

The Research Councils' Pension Scheme (RCPS) is a 'by-analogy' scheme to the Principal Civil Service Pension Scheme (PCSPS) and as a result any changes made to the PCSPS, including member contribution rates, are automatically applied to the RCPS.

On 1 April 2015 PCSPS launched a new pension scheme called Alpha. This scheme is similar to the Nuvos career average scheme, but with the retirement age aligned to the state pension age. RCPS cannot at present create a by-analogy Alpha scheme as the legislation does not currently permit this. Reform options are currently being discussed with HM Treasury and DSIT who have given permission for RCPS to continue 'as is' for the time being.

A table of the employee contributions by pay band and scheme is provided below.

Annual Pensionable Earnings (full-time equivalent basis)	Classic	Premium, Classic Plus & Nuvos
	2025/26 contributions	2025/26 contributions
£0 - £34,199	4.60	4.60
£34,200 - £56,000	5.45	5.45
£56,001 - £150,000	7.35	7.35
£150,001+	8.05	8.05

A Partnership Pension Account was made available to new staff from 1 October 2002, based on the portable Stakeholder Pension introduced by the Government in 2001. This is a defined contribution scheme. The employers pay the RCPS 0.8% of pensionable pay to cover death in service and ill health benefits. The employers pay the balance to the employee's private pension provider.

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age or immediately on ceasing to be an active member of the scheme if they are already at or over pensionable age. Pensionable age is 60 for members of classic, classic plus and premium and 65 for members of Nuvos.

The Civil Service Pension arrangements comprise the PCSPS and alpha, a new scheme set up in April 2015. Generally, all new employees joining on UKRI Terms and Conditions are enrolled in the alpha pension scheme.

Alpha provides benefits on a career-average basis with a normal pension age equal to the members State Pension Age (or 65 if higher).

Remuneration and Staff Report for the year ended 31 March 2026

These statutory arrangements are unfunded, with the costs of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Employee contributions are salary-related and range between 4.60 to 8.05%.

Annual Pensionable Earnings (full-time equivalent basis)	Normal member contribution rate
£0 - £34,199	4.60
£34,200 - £56,000	5.45
£56,001 - £150,000	7.35
£150,001+	8.05

The accrued pension quoted is the pension that the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for the members of nuvos, and the higher of 65 or State Pension Age for members of alpha.

The pension figures quoted for officials show pension earned in PCSPS or alpha, as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes but note that part of that pension may be payable from different ages. The scheme actuary valued the PCSPS as at 31 March 2020. Further details about the Civil Service pension scheme can be found at www.civilservicepensionscheme.org.uk.

Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in the former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Research Councils' pension arrangement and for which the RCPS has received a transfer payment commensurate with the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

Real Increase in the Value of the CETV

The real increase in the value of the CETV reflects the increase effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (excluding the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Staff Report for the year ended 31 March 2026

1. Employees and Directors (subject to audit)

	2025/26 £000	2024/25 £000
Wages and salaries	30,702	26,144
Social security costs	3,840	2,662
Other pension costs	7,068	6,249
	41,610	35,055

The employees' and directors' payroll costs are included with the cost of sales and administrative expenses disclosed in note 2.

Included in the employment costs above are amounts in relation to directors of the company as shown in the directors' report. There is no performance related pay in respect of directors and there has been no compensation for loss of office during the period. The remuneration of the directors was £194,143 (2024/25, £194,257) and nil pension contributions are paid.

The average monthly number of employees during the year was as follows.

	2025/26	2024/25
Average number of employees	764	711
Average number of employees (full time equivalent)	753	696
Average number of contractors	74	66

Included in the average number of employees are 43 employees on fixed term contracts with a combined salary of £1,867k (2024/25, 39 employees on fixed term contracts with a combined salary of £1,353k).

2. Off payroll engagements (more than £245 per day and longer than six months) (subject to audit)

All payroll workers at UKSBS are on arrangements in which supplier agencies process their payments through PAYE to ensure full tax compliance. The only exception to this is in the rare cases where the HMRC tool has shown that an off-payroll workers engagement arrangements fall outside of the scope of the intermediaries legislation IR35. Twenty seven workers were identified as being subject to this circumstance in 2025-26 all of which were paid more than £245 per day and were still retained on 31st March 2026. All workers identified were subject to off-payroll legislation.

Staff Report for the year ended 31 March 2026

Highly paid off-payroll worker engagements as at 31 March 2026, earning £245 per day or greater:

	2025/26	2024/25
No. of existing engagements as of 31 March	42	24
Of which		
Less than 1 year	30	2
between 1 and 2 years	3	9
between 2 and 3 years	5	9
between 3 and 4 years	0	3
4 or more years	4	1

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2026, earning £245 per day or greater:

	2025/26	2024/25
No. of existing engagements as of 31 March	42	24
Of which		
Not subject to off-payroll legislation	0	0
Subject to off-payroll legislation and determined as in-scope of IR35	12	3
Subject to off-payroll legislation and determined as out-of-scope of IR35	30	21

3. Reporting of Civil Service and other Compensation Schemes – Exit Packages (subject to audit)

Exit Packages by cost band	**Compulsory Redundancies**		**Other departures agreed**		**Total number of exit packages by cost band**	
	2025/26	2024/25	**2025/26**	2024/25	**2025/26**	2024/25
<£10,000	**0**	0	**0**	0	**0**	0
£10,000 - £25,000	**0**	0	**0**	0	**0**	0
£25,000 - £50,000	**0**	0	**0**	0	**0**	0
£50,000 - £100,000	**0**	0	**0**	0	**0**	0
£100,000 - £150,000	**0**	0	**0**	0	**0**	0
£150,000 - £200,000	**0**	0	**0**	0	**0**	0
Total number of exit packages by type	0	0	0	0	0	0
Total resource cost (£'000)	**0**	0	**0**	0	**0**	0

For and on behalf of the Board



Richard Semple, Chief Executive Officer
UK Shared Business Services Ltd
Date: 29 September 2026

Independent Auditor's Report to the members Of UK Shared Business Services Limited

Opinion on financial statements

I have audited the financial statements of UK Shared Business Services Limited for the year ended 31 March 2026.
The financial statements comprise UK Shared Business Services Limited's:

- Statement of Financial Position as at 31 March 2026;
- Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.
In my opinion the financial statements:

- give a true and fair view of the state of UK Shared Business Services Limited's affairs as at 31 March 2026 and of its loss for the year then ended; and
- have been properly prepared in accordance with UK-adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of UK Shared Business Services Limited in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Independent Auditor's Report to the members Of UK Shared Business Services Limited

Conclusions relating to going concern

In auditing the financial statements, I have concluded that UK Shared Business Services Limited's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on UK Shared Business Services Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, but does not include the financial statements and my auditor's report thereon. The directors are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.
I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In my opinion the part of the Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of UK Shared Business Services Limited and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report or the Directors' Report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit.

Independent Auditor's Report to the members Of UK Shared Business Services Limited

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within UK Shared Business Services Limited from whom the auditor determines it necessary to obtain audit evidence.
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the Companies Act 2006;
- preparing the Annual Report, which includes the Remuneration Report, in accordance with the Companies Act 2006; and
- assessing UK Shared Business Services Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the applicable law and International Standards on Auditing (UK) (ISAs (UK)).

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Independent Auditor's Report to the members Of UK Shared Business Services Limited

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of UK Shared Business Services Limited's accounting policies and performance indicators;
- inquired of management, UK Shared Business Services Limited's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to UK Shared Business Services Limited's policies and procedures on:
    - identifying, evaluating and complying with laws and regulations;
    - detecting and responding to the risks of fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including UK Shared Business Services Limited's controls relating to UK Shared Business Services Limited's compliance with the Companies Act 2006 and Managing Public Money;
- inquired of management, UK Shared Business Services Limited's head of internal audit and those charged with governance whether:
    - they were aware of any instances of non-compliance with laws and regulations; and
    - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within UK Shared Business Services Limited for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and completeness of accrued expenditure. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of UK Shared Business Services Limited's framework of authority and other legal and regulatory frameworks in which UK Shared Business Services Limited operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of UK Shared Business Services Limited. The key laws and regulations I considered in this context included Companies Act 2006, Managing Public Money, employment and tax law.

Independent Auditor's Report to the members Of UK Shared Business Services Limited

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I addressed the risk over completeness of accrued expenditure by extending the testing period of invoiced expenditure occurring post year end to identify expenditure relating to the year under audit that may have gone unrecorded.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my report.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.



Matt Kay (Senior Statutory Auditor)
30/09/2026

For and on behalf of the

Comptroller and Auditor General (Statutory Auditor)
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Statement of Comprehensive Income for the year ended 31 March 2026

	Notes	2026 £000	2025 £000
CONTINUING OPERATIONS			
Revenue	2.1	68,831	70,762
Cost of sales	2.2	(63,009)	(65,911)
GROSS PROFIT		5,822	4,851
Administrative expenses	2.3	(6,459)	(5,551)
OPERATING LOSS		(637)	(700)
Lease Interest		0	0
Finance income		0	1
LOSS BEFORE TAX		(637)	(699)
Taxation	4	0	0
LOSS FOR THE YEAR		(637)	(699)
OTHER COMPREHENSIVE INCOME		0	0
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(637)	(699)

All revenue and costs relate to continuing activities.

Notes 1 to 17 which follow the Statements of Changes in Equity form part of these accounts.

Financial Statements

Statement of Financial Position as at 31 March 2026

	Notes	2026 £000	2025 £000
ASSETS			
NON-CURRENT ASSETS			
Intangible Assets	5	3,479	5,598
Property, plant and equipment	5	1,090	1,593
Right of use assets	9	693	228
		5,262	7,419
CURRENT ASSETS			
Trade and other receivables	6	5,104	6,110
Cash and cash equivalents	7	4,236	5,187
		9,340	11,297
TOTAL ASSETS		14,602	18,716
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	(11,383)	(14,150)
Leases	9	(93)	(66)
		(11,476)	(14,216)
NET CURRENT LIABILITIES		(2,136)	(2,919)
NON CURRENT LIABILITIES			
Other Payables	8	(2,044)	(3,212)
Leases	9	(595)	(164)
TOTAL LIABILITIES		(14,115)	(17,592)
NET ASSETS		487	1,124
SHAREHOLDERS' EQUITY			
Called up share capital	11	62,016	62,016
Retained earnings		(61,529)	(60,892)
TOTAL EQUITY		487	1,124

The financial statements were approved by the Board of Directors on 24 September 2026 and were signed on its behalf by:



Richard Semple, Chief Executive Officer
UK Shared Business Services Ltd
Date: 29 September 2026

Notes 1 to 17 which follow the Statements of Changes in Equity form part of these accounts.

Financial Statements

Statement of Cash Flows for the year ended 31 March 2026

	Notes	2026 £000	2025 £000
Cash flows from/(used in) operating activities			
Operating (loss)/profit		(637)	(700)
Depreciation charges tangible assets	5	635	884
Depreciation charge right-of-use assets	9	59	64
Amortisation charge intangible assets	5	2,233	3,301
Decrease/(Increase) in prepayments	6	181	251
Decrease/(Increase) in receivables	6	825	3,537
(Decrease)/Increase in payables	8	(3,934)	(2,155)
Taxation		0	0
Net Cash (Outflow) / Inflow from Operating Activities		**(639)**	**5,182**
Cash flows from/(used in) investing activities			
Purchases of tangible fixed assets	5	(84)	0
Purchases of intangible fixed assets	5	(162)	(1,795)
Loss on disposal of fixed asset		0	2
Interest received		0	1
Net cash used in investing activities		**(246)**	**(1,792)**
Net cash used in Financing Activities			
Lease repayments		(66)	(66)
Net cash used in Financing activities		**(66)**	**(66)**
(Decrease) / Increase in cash and cash equivalents		(951)	3,324
Cash and cash equivalents at beginning of year	7	5,187	1,863
Cash and cash equivalents at end of year	7	**4,236**	**5,187**

Notes 1 to 17 which follow the Statements of Changes in Equity form part of these accounts.

Financial Statements

Statement of Changes in Equity

	Called up share capital £000	Retained earnings £000	Total equity £000
Balance as at 1 April 2025	62,016	(60,193)	1,823
Retained loss for 2024/25	-	(699)	(699)
Balance at 31 March 2026	62,016	(60,892)	1,124
Retained loss for 2025/26	-	(637)	(637)
Balance at 31 March 2026	62,016	(61,529)	487



Financial Statements

Notes to the Financial Statements for the year ended 31 March 2026 (subject to audit)

1.1 Basis of preparation

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards and meet the accounting and disclosure requirements of the Companies Act 2006 and the accounting and financial reporting standards issued or adopted by the International Accounting Standards Board as interpreted for public sector use by the Financial Reporting Manual (FReM) in so far as these requirements are appropriate and do not conflict with the Companies Act.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts. Estimates are continually evaluated and are based on historical experience and other factors that are believed to be reasonable under the circumstances. There are no judgements or key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements other than as disclosed in the financial statements.

1.2 Going concern basis

The Directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future. The financial statements are therefore prepared on the basis of going concern. This opinion is based on commitments made by the Shareholders that they will continue to take service from the Company.

The UKSBS Board and Directors have reasonable expectation that the Company will continue in operational existence for the foreseeable future. This assessment is supported by letters of support received from our Owners DSIT, UKRI, DBT and DESNZ for UKSBS as a going concern. Our owners have provided confirmation for their on-going funding and support to UKSBS as their shared services provider. DSIT (DBIST) is also the lead Department for the Matrix Programme, and the programme has selected UKSBS to provide shared services from 2027, providing further investment and extension of shared services to departments as part of the Shared Services Strategy for Government. The letters of support provide the Board and its Directors with the assurances they seek and allow the Company to prepare its Annual Report and Financial Statements as a going concern as required by ISA (UK) 570 Going Concern.

Management has considered the potential impact of the Machinery of Government changes on UKSBS, including the transfer of DSIT functions into DBIST, the movement of digital teams to a new Department for Digital, Culture, Media and Sport, and a small number of staff transferring to the Cabinet Office to support the AI Taskforce. Based on current information and ongoing engagement through the MoG Transition Board and departmental contacts, there is no evidence at this stage that these changes materially affect UKSBS's ability to continue providing services to its owners and clients, or to maintain appropriate governance, risk management and control arrangements and meeting the Company's capital requirements. Sponsorship, shareholding and service-continuity implications continue to be monitored, with further assurance to be sought from relevant departments as arrangements are confirmed.

Notes to the Financial Statements for the year ended 31 March 2026

1.3 Changes in accounting policy, new accounting standards adopted in the year.

UKSBS has implemented changes to accounting policy in line with updates made to the FreM and has adopted new accounting standard IFRS 17, this has had no material effect on UKSBS.

In 2025-26, HM Treasury introduced revisions to the FReM following the non-investment asset thematic review. The changes affect both Intangible Assets and Property, Plant and Equipment (PPE) valuation regimes within the FReM.

From 1 April 2025, the FReM removes the requirement to apply a revaluation model for intangible assets. Intangible assets are now measured at deemed cost, accumulated amortisation, and impairment.

Accordingly:

intangible assets previously held at valuation have been treated as deemed cost at the transition date subsequent measurement is on a cost model basis
no further revaluations are undertaken

For PPE, the FReM introduces a revised approach to valuation cycles:

assets continue to be held at current value in existing use
full valuations are required at least every five years

The changes to PPE revaluation align with UKSBS's current valuation schedule.

1.4 New accounting standards and interpretations

The Company has considered the newly-issued accounting standards, interpretations and amendments to published standards that are not yet effective and concluded that they are either not relevant to the Company or would not have a significant impact on the Company's financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements was issued by the International Accounting Standards Board in April 2024 and replaces IAS 1 Presentation of Financial Statements. The Standard is effective for accounting periods beginning on or after 1 January 2027, subject to UK endorsement, and is to be applied retrospectively. The Company has not early adopted IFRS 18 and is currently assessing the expected impact of its adoption.

Notes to the Financial Statements for the year ended 31 March 2026

IFRS 18 introduces a number of changes to the presentation and disclosure of financial information, including:

- A revised structure of the Statement of Comprehensive Income, requiring income and expenses to be classified into defined categories of operating, investing, financing, income taxes and discontinued operations.
- New mandated subtotals, including operating profit or loss and profit or loss before financing and income tax.
- New disclosure requirements for Management-Defined Performance Measures (MPMs), requiring such measures to be disclosed in the financial statements with reconciliations to IFRS-defined totals.
- Enhanced guidance on the aggregation and disaggregation of information within the primary financial statements and accompanying notes.

The Directors expect that the adoption of IFRS 18 will result in changes to the presentation and disclosure of the Company's financial performance, particularly within the Statement of Comprehensive Income and the related notes to the financial statements. The Directors do not expect the adoption of IFRS 18 to have a material impact on the recognition or measurement of the Company's assets, liabilities, income or expenditure, and therefore no impact is anticipated on reported profit or net assets.

The Company is currently undertaking an assessment of:

- the classification of income and expenditure under the new categories;
- the identification and disclosure of any Management-Defined Performance Measures; and
- the implications for financial reporting processes and systems.

Further detail on the expected impact will be provided in future reporting periods as implementation progresses.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued by the International Accounting Standards Board in May 2024 and is effective for accounting periods beginning on or after 1 January 2027, subject to UK endorsement. The Company has not adopted IFRS 19 and has assessed the expected impact of its application. IFRS 19 permits eligible entities to apply the recognition, measurement and presentation requirements of IFRS Accounting Standards, while applying a reduced set of disclosure requirements in place of those contained in other IFRS Accounting Standards.

The Directors have assessed the applicability of IFRS 19 to the Company. The Standard applies only to entities that meet specific eligibility criteria, including being a subsidiary without public accountability and having an ultimate or intermediate parent that prepares consolidated financial statements in accordance with IFRS Accounting Standards that are available for public use.

The Directors have concluded that the Company does not meet these eligibility criteria. In particular, although the Company does not have public accountability, it is not part of a group structure in which a parent entity prepares consolidated financial statements in accordance with IFRS Accounting Standards for public use. The parent DSIT prepares accounts under FREM.

Accordingly, IFRS 19 is not applicable and is not expected to have any impact on the Company's financial statements.

Notes to the Financial Statements for the year ended 31 March 2025

1.5 Revenue recognition for services provided to customers

IFRS 15 is applied to the funding streams for standard service charges, recoverables and other service charges which are described in Note 2. These streams represent UKSBS' charging to customers for specific services. In all cases, revenue is recognised in the accounts as performance obligations are met through the delivery of services.

Fees for the provision of continuing services ('standard service charges') are agreed with customers at the start of each financial year and are set at a level to cover the anticipated costs of service provision, excluding depreciation and amortisation. These are recognised over time in the periods to which they relate, generally coinciding with UKSBS' financial year. Purchase orders are agreed with UKSBS' government customers for specific budgeted amounts; this can lead to a small profit or loss to the extent that those budgeted and billed amounts are different to the actual costs of providing these services.

The costs of other sundry activities representing a service to customers ('recoverables' and 'other service charges') are charged in arrears on a cost recovery basis at a point in time, specifically when the project or task has been completed or a milestone reached.

Revenue is stated net of VAT where VAT is applicable.

1.6 Deferred income

From time-to-time the Company may be funded to undertake programmes and projects, principally for the enhancement of the systems it uses to offer services to customers.

The Company accounts for these funding streams as government grants under IAS 20, using the income approach i.e. recognising them in profit and loss (as revenue) over the periods in which the Company incurs the related expenditure that the income is intended to cover. Where this expenditure is capital in nature, grants will become receivable (billable) in advance of this expenditure being recognised, because it will be released to the Income Statement over future periods as depreciation or amortisation. In such cases, the income is deferred and released as income in the period in which the relevant costs, such as depreciation and amortisation, are recognised. Deferred income is shown within liabilities in the statement of financial position.

Practice and custom between UKSBS and its funders is for grants to be claimed on an 'actuals' basis – the Company therefore does not recognise revenue more than its actuals even if the purchase order agreed with the funder allows for a higher amount.

The net result of these policies and practices is, in general, for the revenue and related costs to be equal in any given year, leading to break even for this income stream.

Deferred income is recorded as a liability

Notes to the Financial Statements for the year ended 31 March 2025

1.7 Non-current assets and depreciation

The value of the Company's non-current assets is stated at cost less accumulated depreciation and impairment losses. Only those assets costing more than £3,000 and having an economic value to the Company beyond the year in which they were bought are capitalised. Where parts of an item have different useful lives, they are accounted for as separate assets.

Depreciation is applied on a straight-line basis over the estimated useful economic lives of assets. Assets under construction are not depreciated. Depreciation methods, useful lives and residual values of non-current assets are reviewed at least at each balance sheet date.

Right-of-use assets (leased assets qualifying under IFRS 16) are capitalised and depreciated, and a lease liability set up which unwinds over the life of the lease. Right-of-use assets are depreciated over the life of the lease.

1.7.1 Intangible non-current assets

Intangible assets relate to purchased software, software licences and certain system and resource development costs. UKSBS accounts for intangible assets under IAS 38 and the assessment against three critical attributes of an intangible asset: identifiability, control and future economic benefits.

UKSBS assessment of cloud-based (SaaS - Software as a Service) products are that they do not give rise to an intangible non-current asset, unless the arrangement can be shown to allow "control" as defined in IAS 38. Cloud computing arrangements are ones in which a customer does not have possession of the underlying infrastructure. Rather, the customer accesses and uses the software on an as-needed basis. Cloud computing arrangements usually do not give rise to an intangible asset under IAS 38. This is because a right to receive future access to the supplier's software does not in itself give the entity the control to obtain future economic benefits, flowing from the software, and to restrict others' access to those benefits. It is very unlikely to be able to claim control over cloud-based / SaaS software. It is the supplier (not the customer) that controls the cloud application software, to which the customer has access only.

For UKSBS projects that have a cloud-based (SaaS) software product, all costs including implementation have been accounted for against RDEL (Resource Departmental Expenditure Limit) as they do not meet the critical attributes of an intangible asset under IAS 38.

1.7.2 Tangible non-current assets

Tangible assets include items such as IT hardware and fixtures and fittings.

Notes to the Financial Statements for the year ended 31 March 2025

1.7.3 Estimated useful economic lives of non-current assets

The purpose of depreciation or amortisation is to allocate the cost of an asset over its expected useful working life. The expected useful life is a matter for managerial judgement, but in practice is the shorter of five years or end-of-life, whether the asset is tangible or intangible. The final decision regarding the expected useful working life of assets rests with the Finance Director.

Capitalised right-of-use assets are depreciated over the life of the lease.

Estimated useful economic lives and residual values of non-current assets are reviewed at least at each balance sheet date.

1.7.4 Impairment review

Depreciation methods estimated useful economic lives and residual values of non-current assets are reviewed at least at each balance sheet date. Any resultant impairment charges are charged to the Statement of Comprehensive Income and the carrying value of the relevant non-current asset is reduced to the recoverable amount. The recoverable amount of an asset is the amount to be recovered through use or sale.

1.8 Financial instruments

The nature of the Company's activities and the method of its funding mean that the Company is not exposed to the degree of financial risk faced by non-public sector entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of companies engaged in investment, lending or borrowing. The Company has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Company in undertaking its activities.

Receivables are initially recognised when services are delivered. Financial liabilities comprise trade and other payables, and other financial liabilities.

1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred taxation. Current corporation tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to the tax payable in respect of previous years. The Company is not subject to corporation tax on the services provided but is subject to corporation tax on any other income received such as interest income or capital gains.

1.10 Deferred Tax

Deferred tax is currently not relevant to the Company.

Notes to the Financial Statements for the year ended 31 March 2025

1.11 Employee benefit costs

The main pension scheme used by employees of the Company is the Research Councils Pension Scheme (RCPS) (see note 14). The RCPS is a multi-employer defined benefit scheme. As instructed by IAS 19, since UKSBS is unable to reliably estimate its share of the underlying asset and liability of this and other schemes noted below, they are accounted for on the basis of employer contributions in the periods they fall due, as for defined contribution schemes.

1.12 VAT

The Company is part of a VAT group containing UKRI and some other associated entities. Revenue is stated net of VAT where VAT is applicable. The Company must comply with a limited partial recovery formula for VAT purposes and therefore expenditure and fixed asset purchases are shown inclusive of VAT where applicable. Residual input tax is reclaimable by the application of the partial recovery formula and is recorded as negative expenditure.

1.13 Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the obligation, and where the amount of the obligation can be reliably estimated.

1.14 Leases

Leases are classified in accordance with IFRS 16 as leases when the risks and rewards of ownership are transferred substantially to the lessee; other leases are classified as operating leases.

UKSBS has made use of the exemptions to exclude short-term leases (1 year or less), and those where the underlying asset is classified as of “low value”, this is deemed to be £3,000 which is the capitalisation threshold for UKSBS.

1.15 Judgements, estimates and assumptions

A number of judgements have been made around non-current assets, particularly regarding useful economic lives and amortisation rates used. These are reviewed annually and where appropriate the useful economic life of assets are adjusted to better reflect their value and usage over time. This includes adjustments to reflect the planned timing of system replacements. If it is deemed that the asset is to be relifed (life extended/reduced) then the deferred income relating to the remaining life of the asset will also be accordingly adjusted.

Following the Matrix programme's reassessment in August 2026 that the planned November/December 2026 NEO go-live dates were no longer considered achievable, UKSBS management reassessed the useful economic life with information known at 31st March 2026 of the current BOE platform and concluded that it is expected to remain in use until 30 September 2028.

The retrospective modelling indicated that FY2025/26 amortisation would have been approximately £1.218m lower under the revised assumptions. Based on the matching deferred income schedules for the affected assets, the corresponding deferred income release would also have been approximately £1.218m lower. The indicative net impact on reported FY2025/26 financial performance is therefore nil.

Financial Statements

2. Revenue, Cost of Sales, Administrative Expenses and Auditor's Remuneration

2.1 Revenue

Revenue Rendering of services	2025/26 £000	2024/25 £000
Department for Science, Innovation and Technology	10,886	11,736
Department for Energy Security and Net Zero	7,640	4,623
Department for Business and Trade	6,119	6,068
Building Digital UK	298	0
UK Space Agency	529	0
UK Research and Innovation	41,443	47,347
Revenue from shareholders and related parties	66,915	69,774
Other Non-Departmental Public Bodies	109	103
Other Central Government Bodies	1,800	836
Other Income	7	49
Total revenue	68,831	70,762

Revenue includes two principal elements.

Service charges are recognised under IFRS 15 (note 1.4), comprising the following.

Standard Charges – fees for the provision of continuing services agreed with customers at the start of each financial year to cover the anticipated costs of service provision, with a tru-up mechanism mid-year to adjust fees based on anticipated costs if necessary and agreed with UKSBS' customers. Revenue is recognised in line with the annual period of service, which aligns with the financial year, the annual service charge is calculated at the beginning of the financial year for which the client is charged the initial 6 months and a purchase order is provided. UKSBS then carries out a 'tru-up' exercise with all our customers to reevaluate our service charge for which a new purchase order is received for the latter 6 months.

Recoverables – charges raised to recover the cost of items purchased for re-sale to clients such as training and immigration charges. Costs are fully recoverable, and revenue is recognised on successful completion of the service.

Other charges – sources of income for providing other services e.g., recovery of secondment charges for staff on loan to client organisations. Revenue is recognised following provision of the service.

Programmes and Projects reimbursements are recognised under IAS 20 (note 1.5). This revenue represents government grants funding specific projects and programmes UKSBS has been requested to undertake on a cost recovery basis. Client purchase orders are received to provide budget cover for project costs incurred and recharge invoices are raised on a monthly and quarterly basis in arrears. Revenue is accounted for monthly for the projects and programme costs incurred for the same period during the financial year.

Financial Statements

2. Revenue, Cost of Sales, Administrative Expenses and Auditor's Remuneration

In line with IAS 20's instruction to recognise grants in profit or loss on a systematic basis over the periods in which the entity recognises the related costs as expenses, UKSBS recognises:

Revenue relating to non-capital projects spend matching the related expense for the year (including the recognition of accrued income for any elements unbilled at the year end); and

Revenue relating to spend which is capitalised (note 6). Any funds received in respect of this spend are deferred at the point of the asset's creation, then released to income in line with the depreciation/amortisation of the asset.

Income analysis by client and type

	Service charges			Programmes and Projects		
2025/26	Standard charges	Recoverables	Other charges	Non capitalised elements	Capital elements – release of deferred income	Total
	IFRS 15	IFRS 15	IFRS 15	IAS 20	IAS 20	
	£000	£000	£000	£000	£000	£000
DSIT	4,612	0	65	4,535	1,674	10,886
DESNZ	6,224	0	0	1,408	8	7,640
DBT	5,615	0	0	500	4	6,119
UKRI	28,934	0	144	11,210	1,155	41,443
ONDPB	109	0	0	0	0	109
BDUK	241	0	0	57	0	298
UKSA	529	0	0	0	0	529
OCGB	1,703	0	93	4	0	1,800
Other income	0	0	7	0	0	7
Total	47,967	0	309	17,714	2,841	68,831

Key
DSIT - Department for Science, Innovation and Technology
DBT - Department for Business and Trade
DESNZ - Department for Energy Security and Net Zero
UKRI - UK Research and Innovation
ONDPB - Other Non-Departmental Public Bodies
OCGB - Other Central Government Bodies

Financial Statements

2. Revenue, Cost of Sales, Administrative Expenses and Auditor's Remuneration

	Service charges			Programmes and projects		
2024/25 £000	Standard charges IFRS 15 £000	Recoverables IFRS 15 £000	Other charges IFRS 15 £000	Non capitalised elements IAS 20 £000	Capital elements – release of deferred income IAS 20 £000	Total £000
DSIT	4,661	0	0	4,963	2,112	11,736
DESNZ	4,462	0	0	161	0	4,623
DBT	5,675	0	0	393	0	6,068
UKRI	26,327	0	0	19,587	1,433	47,347
ONDPB	103	0	0	0	0	103
OCGB	832	0	0	4	0	836
Other income	0	0	49	0	0	49
Total	42,060	0	49	25,108	3,545	70,762

Key
DSIT - Department for Science, Innovation and Technology
DBT - Department for Business and Trade
DESNZ - Department for Energy Security and Net Zero
UKRI - UK Research and Innovation
ONDPB - Other Non-Departmental Public Bodies
OCGB - Other Central Government Bodies

Financial Statements

2. Revenue, Cost of Sales, Administrative Expenses and Auditor's Remuneration

2.2 Cost of sales

The cost of sales is the direct cost of providing service to our customers relating to the above revenue and is as follows.

	2025/26 £000	2024/25 £000
Payroll costs	36,455	31,022
IT equipment, maintenance and software	17,267	24,245
Consultancy	5,615	5,907
Cost of Goods Sold	0	27
Telecommunications	197	46
Travel and subsistence	191	128
Other	357	287
Sub Total	60,082	61,662
Depreciation	635	884
Amortisation	2,233	3,301
Depreciation of right-of-use assets	59	64
Sub Total	2,927	4,249
Cost of sales of continuing activities	63,009	65,911

2.3 Administrative expenses

Administrative expenses, the costs of corporate support as opposed to the costs of delivering service, are as follows.

	2025/26 £000	2024/25 £000
Payroll costs	5,155	4,034
Administrative costs	1,304	1,517
Total administrative expenses	6,459	5,551

Payroll costs include social security costs and employer's pension contributions.

The external audit fee was £95k excluding VAT. No fees were paid to the Company's auditors other than for the audit of the Company's annual accounts as above.

Financial Statements

3. Employees and Directors

	2025/26 £000	2024/25 £000
Wages and salaries	30,702	26,144
Social security costs	3,840	2,662
Other pension costs	7,068	6,249
	41,610	35,055

The employees' and directors' payroll costs are included with the cost of sales and administrative expenses disclosed in note 2.

4. Tax

The tax charge in the Statement of Comprehensive Income comprises Corporation Tax charged at 25% (2024/25 25%) on bank interest receivable plus any adjustments arising from prior years. Corporation Tax of £0k is recognised for 2025/26 (2024/25 £0k).

There is no deferred tax in these financial statements relating to 2025/26 or 2024/25.

No deferred tax asset has been recognised as the Company is not likely to incur profits in the near future against which such assets may be offset. Assets are realised through use rather than sale and therefore no capital gains are made.

Financial Statements

5. Non-current Assets

	Software and Intangibles	Assets Under construction	Total
	£000	£000	£000
Cost			
At 1st April 2025	66,665	0	66,665
Additions	157	5	162
Transfers	0	0	0
Reclassifications	(73)	0	(73)
Disposals	0	0	0
At 31st March 2026	**66749**	**5**	**66754**
Accumulated amortisation			
At 1st April 2025	61,067	0	61,067
Charge for the year	2,233	0	2,233
Reclassifications	(25)	0	(25)
Disposals	0	0	0
At 31st March 2026	**63,275**	**0**	**63,275**
Net Book Value 31st March 2026	**3,474**	**5**	**3,479**

	Software and Intangibles	Assets Under construction	Total
Cost			
At 1st April 2024	60,564	4,306	64,870
Additions	788	1,007	1,795
Transfers	5,313	(5313)	0
Disposals	0	0	0
At 31st March 2025	**66,665**	**0**	**66,665**
Accumulated amortisation			
At 1st April 2024	57,766	0	57,766
Charge for the year	3,301	0	3,301
Disposals	0	0	0
At 31st March 2025	**61,067**	**0**	**61,067**
Net Book Value 31st March 2025	**5,598**	**0**	**5,598**

Financial Statements

5. Non-current Assets

	Property, Plant and Equipment	Assets Under construction	Total
	£000	£000	£000
Cost			
At 1st April 2025	6,487	30	**6,517**
Additions	84	0	**84**
Transfers	30	(30)	**0**
Reclassifications	73	0	**73**
Disposals	0	0	**0**
At 31st March 2026	**6,674**	**0**	**6,674**
Accumulated depreciation			
At 1st April 2025	4,924	0	4,924
Charge for the year	635	0	635
Reclassifications	25		25
Disposals	0	0	0
At 31st March 2026	**5,584**	**0**	**5,584**
Net Book Value 31st March 2026	**1,090**	**0**	**1,090**

	Property, Plant and Equipment	Assets Under construction	Total
Cost			
At 1st April 2024	5,795	724	6,519
Additions	0	0	0
Transfers	692	(692)	0
Disposals	0	(2)	(2)
At 31st March 2025	**6,487**	**30**	**6,517**
Accumulated depreciation			
At 1st April 2024	4,040	0	4,040
Charge for the year	884	0	884
Disposals	0	0	0
At 31st March 2025	**4,924**	**0**	**4,924**
Net Book Value 31st March 2025	**1,563**	**30**	**1,593**

Financial Statements

5. Non-current Assets

Additional breakdown for the intangible asset is shown below:

Asset Group/Programme	NBV (£m)	UEL (Years)
Network & infrastructure	1	2-5
MoG, Payroll & Ledger	0.7	2-5
BOE	1.718	2-3
Cyber, automation & Identity	0.1	1-2
	3.518	

Assets under construction are not depreciated. Included within software and intangibles is one asset for the BEIS Oracle Estate (BOE) upgrade valued at £1.718m to ensure that the Oracle operating system is maintained to ensure we can continue to provide a high-quality service to our customers. All of the intangibles mentioned above have been internally generated.
Depreciation methods, useful lives and residual values of the non-current assets were reviewed by the Company as at 31 March 2026.

6. Trade and Other Receivables

Current:	**2025/26** £000	2024/25 £000
Trade receivables	815	831
Other receivables	2	2
Accrued Income IFRS 15	108	114
Accrued Income IAS 20	2,173	2 976
Prepayments	2,006	2,187
	5,104	6,110

Income classified as IFRS 15 is income that is recognised when the goods or services are transferred to the customer. Income classified as IAS 20 is income UKSBS has received from its customers to be utilised on the completion of specific requirements for projects undertaken on behalf of the customer.

7. Cash and Cash Equivalents held at Government Banking Services

	2025/26 £000	2024/25 £000
Current cash	4,236	5,187

Financial Statements

8. Trade and Other Payables

Current:	2025/26 £000	2024/25 £000
Trade payables	840	2,547
Other payables	3,661	2,374
Accruals IFRS 15	4,314	5,071
Accruals IAS 20	78	241
Deferred Income received from related parties IAS 20	2,490	3,916
	11,383	14,149

Non-Current:	2025/26 £000	2024/25 £000
Deferred Income received IAS 20	2,044	3,212
	2,044	3,212

Deferred Income is recognised under IAS 20. Also shown under IAS 20 is income UKSBS has received from its customers to be drawn down against on the completion of specific requirements for the building of non-current assets.

9. Right-of-Use Assets

	2025/26 £000	2024/25 £000
Capitalised asset balance at start of period	228	292
Additions	524	0
Depreciation charge for year	(59)	(64)
Net asset balance at end of period	693	228

Minimum lease liabilities under non-cancellable operating leases fall due as follows:

	2025/26 £000	2024/25 £000
Within one year	93	66
Between two and five years	338	164
Over five years	257	0
Total lease liability	688	230

9. Right-of-Use Assets

The leased assets are depreciated on a straight-line basis over 5 years or over the life of the lease.

UKSBS also pays a variable element with regards to the Multi-Functional Devices lease, dependent on the number of copies made (click cost). Part of this cost is absorbed by UKRI, according to usage.

Lease additions is due to UKSBS taking a lease for our offices (Medway House) based in Stockton-on-Tees.

The discount rate used for Right of Use Assets is based on the values given in the Public Expenditure System paper produced by HM Treasury which lays down the rates to be used when accounting for new leases using the effective interest rate method. The very long- term discount rate increased from 4.55% to 5.07%, the long-term rate increased from 4.81% to 5.32%, medium term rate increased from 4.07% to 4.22% and the short-term rate decreased from 4.03% to 3.64%.

10. Financial Instruments and Capital Risk Management

Risk management is carried out by the Executive Team under the direction of the Board. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide benefits for shareholders and other stakeholders and to maintain an optimal capital structure. In order to maintain or adjust the capital structure the Company may return capital to shareholders or issue new shares.

Credit risk

The Company has credit risk in the form of receivables from its customer companies. These companies are all in the public sector, have an appropriate credit history and have undertaken to pay on agreed terms.

Liquidity risk

The Company evaluates and follows continuously the amount of liquid funds needed for business operations in order to secure that funding.

Cash flows and fair value interest rate risk

As the Company has no significant interest-bearing assets, the operating income and operating cash flows are substantially independent of changes in market interest rates.

Fair value

Assets and liabilities have been accounted for at historical cost, which due to their nature is not materially different from Fair Value.

11. Called Up Share Capital

Ownership of the Company as at 31 March 2026

As at 31 March 2026, the shareholders of the Company were as below.

- The Department for Science, Innovation and Technology (DSIT) held one Sponsor Share carrying 51% of the votes controlling the company.
- UK Research and Innovation (UKRI) held nine Non-Government Department (NGD) Shares carrying 35% of the votes controlling the company.
- The Department for Energy Security and Net Zero (DESNZ) held one Government Department (GD) carrying 7% of the votes controlling the company.
- The Department for Business and Trade (DBT) held one Government Department (GD) carrying 7% of the votes controlling the company.

Allotted, issued and fully paid Share Capital at the date of approval of the Financial Statements

Share class	Held by	Number of shares (all with a nominal value of £1 each)	Ownership %
Sponsor	DSIT	1	51%
Government Department (GD)	DESNZ	1	7%
	DBT	1	7%
Non-Government Department (NGD)	UKRI	9	35%
Deferred	DSIT	4	n/a
Non-Voting	DSIT	62,016,358	n/a
TOTAL		**62,016,374**	

There have been no changes to the value of the shares for this year.

12. Employee Benefit Obligations

Pension plans

The Research Councils' Pension Scheme (RCPS) is in all respects 'by-analogy' with the Principal Civil Service Pension Scheme, except that the employer's contribution is determined separately on the recommendation of the Government Actuary's Department (GAD). It is a notionally funded, contributory, defined benefit scheme, and is administered by the Research Councils' Joint Superannuation Services. The Scheme's accounts are prepared by UK Research and Innovation (UKRI) on behalf of the Chief Executive UKRI as Accounting Officer for RCPS.

The employer's contribution for those Company employees who participate in RCPS is agreed by RCPS Board of Management on the recommendation of the GAD and the employer's most recent pension rate (until further notice) will be 26.0%.

Financial Statements

12. Employee Benefit Obligations

The RCPS is a multi-employer defined benefit scheme. As instructed by IAS 19, since UKSBS is unable to reliably estimate its share of the underlying asset and liability of this and other schemes noted below, they are accounted for on the basis of employer contributions in the periods they fall due, as for defined contribution schemes. The RCPS prepares separates accounts and the Company contributions for 2025/26 were £6.715m (2024/25 £5.965m).

56 employees have alternative pension arrangements. For 2025/26 the employer's contribution for these employees was 28.97% for the Civil Service Alpha pension scheme. The Company contributions for 2025/26 were £0.01m (2024/25 £0.01m). 15% for the Medical Research Council Pension scheme. The Company contributions for 2025/26 were £0.52m (2024/25 £0.12m). UKSBS also offers a stakeholder pension which attracts age-related employer contributions between 3% and 12.5%. The Company contributions for 2025/26 were £0.290m (2024/25 £0.153m). Additionally, any level of optional employee contributions is matched by a further employer contribution up to maximum of 3% of pensionable salary.

In order that the defined benefit obligations recognised in the RCPS financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the HM Treasury Financial Reporting Manual requires that “the period between formal actuarial valuations shall be four years, with approximate assessments in intervening years”. The last formal actuarial valuation undertaken for RCPS as at 31 March 2018 was completed in February 2021.

13. Other Capital and Financial Commitments

There are no capital commitments to be disclosed in these financial statements. However, the Company has the following financial commitments in respect of IT contracts.

	2025/26 £000	2024/25 £000
Within one year	4,574	7,632
Between two and five years	33	1,471
Over five years	0	0
Total financial commitment	4,607	9,103

Included with the above are commitments for:

Oracle (Fusion Licences) £2.248m.

Financial Statements

14. Related Parties

Revenue with related parties during the year was as follows

	2025/26 £000	2024/25 £000
Department for Science, Innovation and Technology	10,886	11,736
Building Digital UK	298	0
UK Space Agency	529	0
UK Research and Innovation	41,443	47,347
	53,156	59,083

A more detailed breakdown of revenue is provided in note 2

Expenditure with related parties during the year was as follows

	2025/26 £000	2024/25 £000
Department for Science, Innovation and Technology	0	0
UK Research and Innovation	945	923
Building Digital UK	0	0
UK Space Agency	0	0
	945	923

Expenditure with related parties is for various items, the biggest being rent and building services, printing services and staff secondments.

Trade receivables and accrued income balances with related parties

	2025/26 £000	2024/25 £000
Due within 1 year:		
Department for Science, Innovation and Technology	1,586	1,592
UK Research and Innovation	626	2,480
Building Digital UK	0	0
UK Space Agency	0	0
	2,212	4,072

Trade payables and accruals balances with related parties

	2025/26 £000	2024/25 £000
Due within 1 year:		
Department for Science, Innovation and Technology	85	30
UK Research and Innovation	726	901
Building Digital UK	0	0
UK Space Agency	0	0
	811	931

Related Party Disclosures

The Company is a separate legal entity, wholly-owned by clients, providing services to multiple clients. Transactions with related parties take place on a cost-recovery basis. The Company seeks to set service charges such that it breaks even.

The Company is deemed to be a state-controlled entity because all of the shareholders are publicly-owned entities. The Company has been classified by the Cabinet Office as a Non-Departmental Public Body (NDPB).

The shareholders as at 31 March 2026 were the Department for Science, Innovation and Technology (DSIT), UK Research and Innovation (UKRI), the Department for Energy Security and Net Zero (DESNZ) and the Department for Business and Trade (DBT), Note 12 explains the ownership.

As at 31 March 2026 the Department for Science, Innovation and Technology (DSIT), UK Research and Innovation (UKRI), Building Digital UK and UK Space Agency are classed as related parties.

The accounts provide disclosure of all material transactions with those who are recognised as key management personnel as per IAS 24 'Related Parties'. This is taken to be those members of staff who are included under Executive Directors' remuneration in the Remuneration Report and all UKSBS Board members. Currently there are no additional disclosures due to related parties.

The Department for Science, Innovation and Technology (DSIT) is the ultimate controlling party of the Company. Their address is:

Department for Science, Innovation and Technology
100 Parliament Street
London
SW1A 2BQ

UKSBS is a non-departmental public body sponsored by DSIT. For the purposes of International Accounting Standard 24, DSIT is regarded as a related party but see events after the reporting period below. During the year UKSBS had various material transactions with DSIT and UKRI, as disclosed above. In addition, UKSBS has had various material transactions with other government departments. Most of these transactions have been with DESNZ and DBT and are of a similar nature as those disclosed above. A detailed breakdown of revenue is provided in note 2.

Department for Business, Innovation, Science and Trade (DBIST) is a UK government ministerial department formed in July 2026 by merging the Department for Science, Innovation and Technology (DSIT) into the Department for Business and Trade (DBT).

15. Losses and Special Payments

There were no losses or special payments made during the financial year 2025/26 (2024/25: Nil).

Financial Statements

16. Contingent Liabilities

UKSBS is party to two employment tribunal claims. At 31 March 2026, both claims were at an early stage, and no preliminary hearings had taken place. The outcomes of the claims and any associated financial effects remain uncertain, and it is not currently practicable to provide a reliable estimate of any potential exposure. No provision has therefore been recognised. The matters have therefore been disclosed as contingent liabilities because the possibility of an outflow of economic benefits cannot currently be considered remote. There were no remote contingent liabilities.

17. Events after the Reporting Period

In accordance with the requirements of IAS 10 Events after the Reporting Period, events after the Statement of Financial Position are considered up to the date on which the Accounts are authorised for issue. This is interpreted as the same date as the date of the Certificate and Report of the Comptroller and Auditor General.

The UK Government announced on 21st July, 2026, that it is abolishing the Department for Science, Innovation and Technology (DSIT) as part of a major Whitehall reshuffle.

This means the creation of DBIST: Much of DSIT's science, innovation, and emerging sectors portfolio moves to the new Department for Business, Innovation, Science and Trade (DBIST), and the Department for Culture, Media and Sport (DCMS) absorbs the digital portfolio, including online safety, telecoms, and cyber resilience.

For further detail please see note 1.2 but currently the same funding & service arrangements are in place for DBIST as they were for DSIT.

Following the Matrix programme's reassessment in August 2026 that the planned November/December 2026 NEO go-live dates were no longer considered achievable, as project timescales remain uncertain, we do not assess the impact of this to be material in terms of non-adjusting events disclosure but UKSBS management has reassessed the useful economic life of the current BOE platform and concluded that it is expected to remain in use until 30 September 2028.





UKSBS

Shared **Business Services**

www.uksbs.co.uk

Registered Office
UK Shared Business Services Ltd

Polaris House
North Star Avenue
SWINDON
SN2 1FF

Concept House
Cardiff Road
NEWPORT
NP10 8QQ

Medway House
Fudan Way
Thornaby
STOCKTON-ON-TEES
TS17 6EN

Registered Number: 06330639 (England and Wales)

bsi ISO/IEC 27001 Information Security Management CERTIFIED IS 733735

bsi UKAS MANAGEMENT SYSTEMS 0003 IS 733735

disability confident EMPLOYER

shared services forum uk

The Institute of Customer Service