

Annual report and accounts 2025 to 2026

Accountability report: Parliamentary accountability and audit report

Statement of outturn against Parliamentary Supply

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires ORR to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SOPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund), that Parliament gives statutory authority for entities to utilise. The Estimate details supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on gov.uk, to enable comparability between what Parliament approves and the final outturn.

The SOPS contain a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn

won't exactly tie to cash spent) and administration.

The supporting notes detail the following: outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the Statement of Comprehensive Net Expenditure (SOCNE), to tie the SOPS to the financial statements (note 2); a reconciliation of outturn to net cash requirement (note 3); and an analysis of income payable to the Consolidated Fund (note 4).

The SOPS and Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. An understanding of the budgeting framework and an explanation of key terms is provided in 'Our finances' section, in the financial review section of the performance report. Further information on the public spending framework and the reasons why budgeting rules are different to IFRS can also be found in Chapter 1 of the Consolidated Budgeting Guidance, available on gov.uk.

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The financial review, in the Performance Report, provides a summarised discussion of outturn against Estimate and functions as an introduction to the SOPS disclosures.

Summary tables – mirrors part 1 of the Estimates

Summary table for 2025-26

Type of spend	SOPS Note	Voted £000 (Outturn)	Non- Voted £000 (Outturn)	Total £000 (Outturn)	Voted £000 (Estimate)	Non- Voted £000 (Estimate)
Departmental						

Type of spend	SOPS Note	Voted £000 (Outturn)	Non- Voted £000 (Outturn)	Total £000 (Outturn)	Voted £000 (Estimate)	Non- Voted £000 (Estimate)
expenditure limit						
Resource	1.1	2	-	2	2	-
Capital	1.2	1,004	-	1,004	1,020	-
Total		1,006	-	1,006	1,022	-
Annually managed expenditure limit						
Resource	1.1	-	-	-	-	-
Capital	1.2	-	-	-	-	-

Type of spend	SOPS Note	Voted £000 (Outturn)	Non- Voted £000 (Outturn)	Total £000 (Outturn)	Voted £000 (Estimate)	Non- Voted £000 (Estimate)
Total		-	-	-	-	-
Total resource		2	-	2	2	-
Total capital		1,004	-	1,004	1,020	-
Total budget expenditure		1,006	-	1,006	1,022	-
Net cash requirement	3	1,428			2,000	
Administration costs		1,006			1,022	

Figures in the areas outlined in thick line cover the voted control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on gov.uk, for detail on the control limits voted by Parliament. Although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

The variances between outturn and Estimate are explained in the Performance Report in 'Variances between estimate and outturn' section.

Notes to the statement of outturn against Parliamentary Supply, 2025-26

SOPS1: Outturn detail, by Estimate line

SOPS1.1: Analysis of resource outturn by Estimate line

Type of spend (resource)	Gross expenditure £000 (Resource outturn - Administration)	Income £000 (Resource outturn - Administration)	Net expenditure £000 (Resource outturn - Administration)	Outturn net total £000 (Estimate)	
Spending in departmental expenditure limit					
Voted:					
A Economic regulation, admin, associated capital and other expenditure	20,281	(20,279)	2	2	

Type of spend (resource)	Gross expenditure £000 (Resource outturn - Administration)	Income £000 (Resource outturn - Administration)	Net expenditure £000 (Resource outturn - Administration)	Outturn net total £000 (Estimate)	
B Safety regulation, admin and other expenditure	19,803	(19,803)	-	-	
C Other regulation, admin and other expenditure	3,351	(3,351)	-	-	
Total spending in DEL	43,435	(43,433)	2	2	

SOPS1.2: Analysis of capital outturn by Estimate line

Type of spend (capital)	Gross expenditure £000 (Outturn)	Income £000 (Outturn)	Net total £000 (Outturn)	Total £000 (Estimate)	Virements £000 (Estimate)
Spending in departmental expenditure limit					
Voted:					
A Economic regulation, admin, associated capital and other expenditure	508	-	508	1,020	(496)
B Safety regulation, admin and other expenditure	496	-	496	-	496

Type of spend (capital)	Gross expenditure £000 (Outturn)	Income £000 (Outturn)	Net total £000 (Outturn)	Total £000 (Estimate)	Virements £000 (Estimate)
C Other regulation, admin and other expenditure	-	-	-	-	-
Total spending in DEL	1,004	-	1,004	1,020	-

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates manual, available on gov.uk.

The outturn versus estimate column is based on the total including virements. The Estimate total before virements have been made is included so that users can tie the Estimate back to the Estimates laid before Parliament.

SOPS2: Reconciliation of outturn to net operating expenditure

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this reconciliation bridges the resource outturn to net operating expenditure, linking the SOPS to the financial statements. As the total resource outturn in the SOPS is the same as net operating

expenditure in the SoCNE, no reconciliation is required.

SOPS3: Reconciliation of net resource outturn to net cash requirement

	SOPS Note	Outturn total £000	Estimate £000	Outturn compared with Estimate: saving/ (excess) £000
Resource outturn	1.1	2	2	-
Capital outturn	1.2	1,004	1,020	16
Accruals to cash adjustments:				
Adjustments to remove non-cash items:				
Depreciation		(1,892)	(1,970)	(78)
New provisions and adjustments to previous provisions		-	(4)	(4)
Other non-cash		(485)	(92)	393

	SOPS Note	Outturn total £000	Estimate £000	Outturn compared with Estimate: saving/ (excess) £000
items				
Adjustments to reflect movements in working balances:				
Increase in receivables		137	-	(137)
Decrease in payables		1,334	3,044	1,710
Use of provisions		44	-	(44)
Increase in provisions		-	-	-
Repayment of principal on lease liabilities		1,284	-	(1,284)

	SOPS Note	Outturn total £000	Estimate £000	Outturn compared with Estimate: saving/ (excess) £000
Total adjustments		422	978	556
Net cash requirement		1,428	2,000	572

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement. We require a net cash requirement to cover any timing differences in the collection or payment of cash and the recognition of costs or income.

The working balances movements in the Estimate are reflected against the payables only as the movements are unpredictable; there are therefore numerous differences between the outturn and the Estimate.

SOPS4: Income payable to the Consolidated Fund

SOPS4.1: Analysis of income payable to the Consolidated Fund

In addition to income retained by the department, the following income is payable to the Consolidated Fund (cash receipts being shown in italics).

	Accruals £000 (Outturn total)	Cash basis £000 (Outturn total)	Accruals £000 (Prior year, 2024-25)	Cash basis £000 (Prior year, 2024-25)
Excess cash surrenderable to the Consolidated Fund	-	-	-	-
Total amounts payable to the Consolidated Fund	-	-	-	-

SOPS4.2: Consolidated Fund income

Consolidated Fund income shown in note 4.1 above does not include any amounts collected by the department where it was acting as agent for the Consolidated Fund rather than as principal. The amounts collected as agent for the Consolidated Fund (which are otherwise excluded from the financial statements) were:

	Outturn total £000	Prior year outturn total, 2024-25 £000
Balance of Intergovernmental Commission levy	386	394

	Outturn total £000	Prior year outturn total, 2024-25 £000
Balance of DfT roads funding	81	244
Amounts payable to Consolidated Fund	467	638
Balance at start of year	638	484
Payments to Consolidated Fund	(638)	(484)
Balance held at the end of the year	467	638

ORR receives funding from Eurotunnel to meet the UK's share of the expenses of the Intergovernmental Commission and Safety Authority pertaining to the Channel Tunnel. This fee is calculated annually in line with a settlement agreement. ORR is allowed to cover its costs only, therefore any excess funding is paid over to the Consolidated Fund.

ORR receives a grant from DfT for funding of our highways function. Any excess funding is paid over to the Consolidated Fund.

Parliamentary accountability disclosures (audited)

ORR has nothing to report in respect of:

- Losses or special payments in excess of £300,000, either individually or in aggregate;
- Gifts; and
- Remote contingent liabilities.

Fees and charges are as set out in note 2 to the accounts.

One voluntary exit package costing £95,000 was paid in 2025-26 but was agreed and accounted for in 2024-25. This has been disclosed in the 'Exit packages (audited)' section.

Our assessment against government functional standards is set out in the governance statement.

Regularity of expenditure (audited)

ORR has nothing to report in respect of the regularity of expenditure.

Feras Alshaker

Accounting Officer

3 July 2026

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