



Small Business
Commissioner

The Annual Report of the Office of the Small Business Commissioner

For the Year ended 31 March 2025





The Annual Report of the Office of the Small Business Commissioner

For the year ended 31 March 2025

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Act 2016

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Office of the Small Business Commissioner

The Office of the Small Business Commissioner (OSBC) launched its services on 20 December 2017, covering the whole of the UK (England, Scotland, Wales and Northern Ireland). Established under the provisions of the Enterprise Act 2016, to tackle overdue payment and unfavourable payment practices in the private sector.

Created in legislation as a corporation sole, the OSBC is classified as a Non-Departmental Public Body (NDPB), and the OSBC is operationally independent of Government and a partner organisation of the Department for Business and Trade (DBT).

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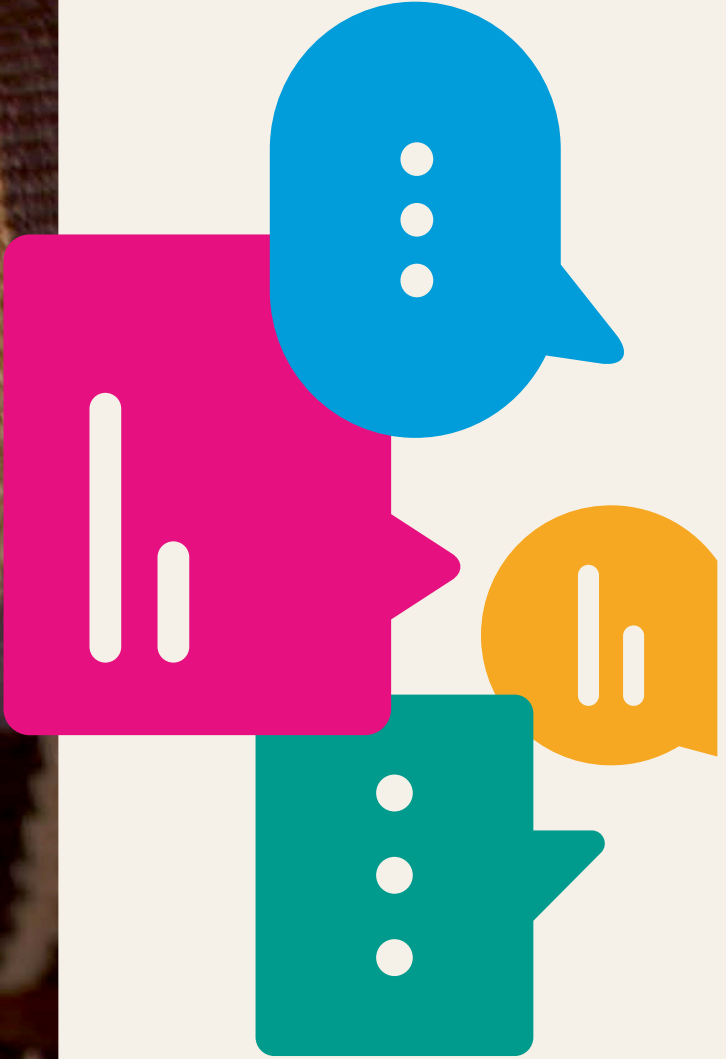
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Contents

Performance Report

Overview	11
About the Office of the Small Business Commissioner (OSBC)	12
Our Year in Numbers	15
Statement from the Commissioner	20
Vision, Mission, and Values	25
Strategic Ambition and Objectives	28
Delivery Plan	31
Our Structure	33
Performance Overview	36
Risks and Issues	62
Performance On Other Measures	65

Accountability Report

Overview	74
Accountability Statement	76
External Member Of The OSBC Advisory Board	79
The Accounting Officer's Report	81
Statement of Accounting Officer's Responsibilities	83
Governance Statement	86
OSBC Governance Structure	89
OSBC Audit and Risk Assurance Committee (ARAC)	91
OSBC Advisory Board	96
Risk Management Structure	104
Strategic Risks In 2024-25	107
Statement by the Small Business Commissioner (SBC)	117
Remuneration And Staff Report	119

Financial Statements

The Report Of The Comptroller And Auditor General To The Office Of The Small Business Commissioner And The Houses Of Parliament	158
Financial Statements for the year ended 31 March 2025	174
Notes to the Accounts	182

Glossary and Appendices

Appendix A:SBC Engagements 1 April 2024 – 31 March 2025	209
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Performance Report

Overview

This performance report outlines **The Office of the Small Business Commissioner** (OSBC)'s activities for the fiscal year 2024-25. It includes key accomplishments, financial results, and strategic initiatives, highlighting OSBC's efforts to support small businesses in accordance with its vision, mission, values, and strategic objectives.

The performance analysis details how the OSBC has met its statutory reporting requirements throughout the year and identifies the risks to achieving its objectives. The application of the going concern principle is outlined in the Governance Statement.

About the Office of the Small Business Commissioner (OSBC)

The Office of the Small Business Commissioner (OSBC) is an independent public body established by Government under the Enterprise Act 2016 to tackle overdue payments and unfavourable payment practices in the private sector.

The OSBC supports small businesses to get paid quickly and on time and strives to influence and support large businesses to improve their payment terms for their suppliers ensuring all business improve the culture of payment practices across the UK.

The OSBC has a statutory duty to review enquiries and investigate formal complaints made by small businesses regarding late and overdue payments, as well as providing advice and support on issues relating to overdue payments and payment practices in the private sector.

OSBC undertakes a range activity to improve outcomes for small businesses and works across Government, and with partners in the private and third sector, to raise awareness of the impact of overdue payments and unfair payment practices across the whole of the UK, England, Wales, Scotland, and Northern Ireland.

As an Arm's Length Body (ALB), classified as a Non-Departmental Public Body, the OSBC is accountable to the Secretary of State for Business and Trade through its sponsorship team at the Department for Business and Trade (DBT).

The OSBC collaborates intensively with its sponsorship team at the Department for Business and Trade, various partnership teams within DBT, and the Minister for Small Business, to provide valuable insights into issues impacting the small business sector, including the effects of Government policy and legislation.



Our Year in Numbers

Fair Payment Code (FPC) Report - 1st April 2024 - March 2025

144

total enquiries handled.

1,405

total EOIs handled.

2

complaints handled.

307

total applications received.

29

total applications rejected.

37

total bronze awardees.

42

total silver awardees.

132

total gold awardees.

Prompt Payment Code (PPC) Report - 1st April 2024 - March 2025

5,371 total PPC signatories.

The Prompt Payment Code (PPC) was discontinued this year and was replaced by the new Fair Payment Code (FPC) upon its launch.

Casework Report - 1st April 2024 - March 2025

591 enquiries handled.

86 enquiries resolved at initial contact.

449 signposted to additional support services.

54 enquiries closed due to no response.

2

enquiries carried over in to 2025-26

29

complaints received in total

5

complaints resolved on first contact.

15

complaints investigated and signposted to additional support services.

1

complaint carried over into FY25-26

13

complaints were upheld following investigation.

22

average complaint investigation days

92%

complaints resolved within SLA of 40 working days.

£320,316.07

payments issued to small businesses following formal complaints or where our general support or advice has been provided, contributing to a resolution.

OSBC Communications Report- 1st April 2024–March 2025

84%

of visitors to our website were new during the reporting period.

99,011

total website visitors.

The top three website pageviews during this period were:

- **46.9k Pageviews** – Interest calculator - calculate interest on an unpaid invoice
- **12.6k Pageviews** – Legal Action you can take
- **7.8k Pageviews** – Current signatories

Newsletter subscribers:

- April 2024 – **4,265**
- August 2024 – **5,241**
- March 2025 – **4,510**

Note: Change from previous Annual Reports. In previous reports the figure used for “visitors” has been data of “page views”. A more accurate figure would be “users” as each user can click on a number of different pages. Naturally the number of “users” is less than the number of “page views”. Using the “users” figure is best practice and what will be reported going forward.

Note: During 2024-2025 a lot of work was done to improve the experience of monthly Newsletter subscribers and drive-up subscriber numbers. We also audited subscribers to ensure that the newsletter was going out only to existing, active mailboxes. Due to this numbers changed throughout the year.

Statement from the Commissioner

5.6 million micro and small businesses operated in the UK last year. They accounted for 13 million jobs, which is almost half of private sector employment. They're responsible for a third of all business turnover at £1.6 trillion. They are crucial to the economy, wider society and local communities and vital to resolving the productivity and growth challenges we face.

Growth is at the forefront of the government's mind and made harder to achieve by the uncertainty caused by 'tariffs' adding to the ongoing angst around the cost of doing business. Inflation, interest rates, NICs, taxes, business rates, skills and labour shortages and cost of materials are still pushing up prices, eroding margins and squeezing incomes. All that reduces the intention to invest to rebuild, regenerate, innovate and grow. For this year at least it's been about surviving rather than striving, thriving and growing.

At the OSBC we firmly believe that the key to better productivity and increased growth is improving payment practices for those 5.6 million micro and small businesses.

Owners who don't have certainty about when they will get paid, are forced to waste time chasing up missing payments. They also feel they have no choice but to accept long payment terms because the customer is usually bigger and appears to hold the power. That leaves them in fear of damaging their working relationships and of losing future work opportunities. It all reduces productivity.

We must address the fear factor and improve payment culture if we are to get money flowing through the economy faster and foster the investment and growth mindset. To help address the culture which leads to customers safeguarding their own financial position by holding back payments, we launched a new Fair Payment Code (FPC) in December 2024. The previous Prompt Payment Code has gone. The new name itself seems to have changed the discussion. Businesses no longer argue that paying in 120 days is prompt if that's the contractual agreement. They are engaging with the Code team in discussions on what is 'fair'.

The FPC makes it clear that while payment in up to 60 days is currently acceptable, the Government expects to see a direction of travel towards payment within 30 days. We also want to see written contracts that make payment terms clear, disputes avoided where possible and resolved quickly where unavoidable, and 30 days or 60 days that aren't longer than 30 or 60 days.

If processes don't allow payments in 30 days or 60 days from the invoice reaching the customer's business, that business won't be accepted onto the Code. 30 days end of month, net or after going through the approval process isn't acceptable. These criteria, the requirement to produce evidence, and the conversation the new Code is enabling, are already changing behaviours.

Over the year we watched carefully as payment figures improved slightly with the percentage of overdue invoices down and average days to pay reduced in most surveys. However, towards the end of the reporting period, some of that improvement went into reverse and we heard that some bigger firms were safeguarding their own financial position by extending payment terms for suppliers. That poor practice causes worry and sleepless nights resulting in mental health and relationship problems which in turn reduces productivity further.

In my role I've always wanted to gain better insight into the root causes and impacts of poor payment practices. I'm delighted to say that the Office of the Small Business Commissioner with the Department for Business and Trade jointly invested in research to give us a clearer picture of the impact on businesses and the UK Economy.

Until now there's been nothing approaching a completed jigsaw. I hope this important report will help to build a better picture and a cohesive strategy to improve practices. We owe it to those 5.6 million business owners.

Our vision is an environment where overdue payments to small businesses are rare, it is usual practice for suppliers to be paid within 30 days or less and extended contractual payment terms and unfair payment practices are no longer acceptable.

We have a full team at the OSBC now working hard to achieve that vision. Next year we hope to be reporting on the outcome of the new consultation, about to be launched, into payment practices and whether the OSBC should be given greater powers to deal with firms that persistently behave badly. Everyone benefits when small suppliers get paid, have confidence and invest. The customer gets a better product or service. The supply chain is more sustainable and resilient.

By delivering our vision we will play a huge part in increasing the confidence of the UK's micro and small business sector to invest and lead the economy to the growth and productivity we all aspire to.

This section was prepared under the tenure of the previous Commissioner. I'm content to sign this statement in my capacity as Accounting Officer for the OSBC.

Signed:

A handwritten signature in black ink that reads "Emma Jones". The signature is written in a cursive style with a large, looped 'E' and 'J'.

Emma Jones CBE,
Accounting Officer
Small Business
Commissioner



Date: 21/01/2026

Vision, Mission, and Values

The OSBC Vision

An environment where overdue payments to small businesses are rare, it is usual practice for suppliers to be paid within 30 days or less and extended contractual payment terms and unfair practices are no longer acceptable.

The OSBC Mission

To support small businesses to get paid quickly and on time, to influence larger businesses to reduce payment times to suppliers and work with all businesses to improve the culture of payment practices across the UK.

The OSBC Values

The OSBC is a collaborative, **honest, supportive,** and **expert** organisation and these values run through everything we do.

Collaborative

We seek to develop positive partnerships with organisations across Government, the private and third sectors and to build strong working relationships with, and between, small and large businesses.

Honest

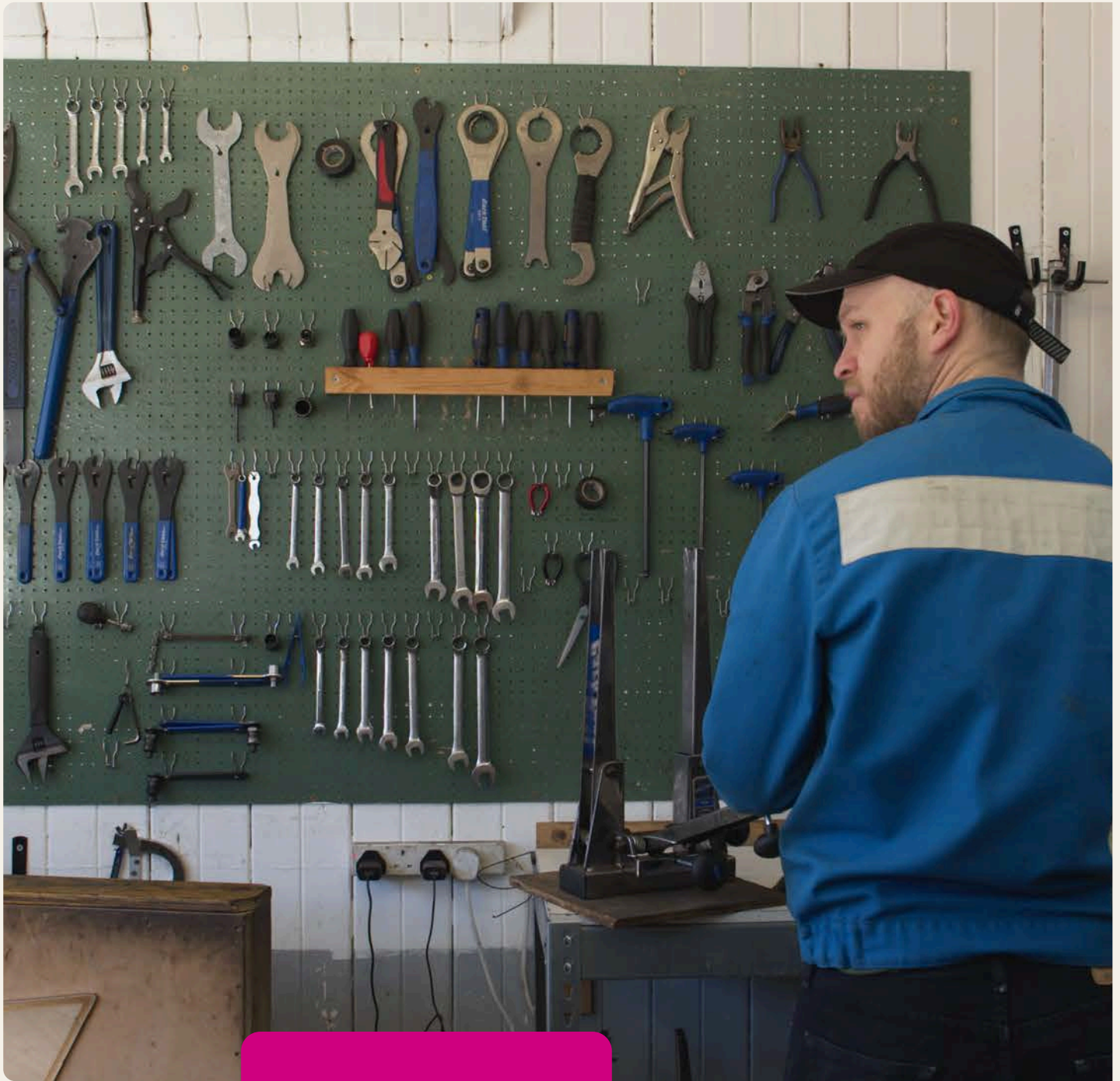
We are straight with businesses and stakeholders, and our activity is evidence led. We are open about how we operate and what our impact is.

Supportive

We provide a supportive environment for our people to flourish, support small businesses to navigate payment issues and larger businesses to adopt fairer payment practices.

Expert

We are professional and have the knowledge and skills to support small businesses, drive the policy agenda and change culture.



Strategic Ambition and Objectives

To deliver on its vision, the Office of the Small Business Commissioner (OSBC) set four strategic objectives that underpin its work and drive the outcomes it looks to achieve.

These objectives are evidence based and designed to address the key drivers of overdue payment, long contractual payment times and unfair payment practices. These objectives include:

Improving large business understanding and approach to payments

- Improving large business understanding of the impact of withholding payments from smaller businesses and promoting good practice
- Reducing the number of larger businesses using supplier payments to create leverage or financial gain
- Creating a culture in which payment practices are routinely cited in annual reports and included as part of ESG measures as standard practice
- Securing commitments from larger businesses to improve payment systems and use mediation to settle disputes

- Ensuring larger businesses meet their legal and voluntary obligations and improve compliance and enforcement regimes
- Establishing sector led activity to promote fair payment practices and supporting co-ordinated action to address sectoral issues.

Improving small business capability

- Improving small business understanding of contracting, their legal rights and where to get contract advice
- Giving small businesses the confidence to negotiate fairer payment terms and challenge overdue payments and unfair payment practices
- Supporting small businesses to understand their legal options and associated costs and increasing the use of mediation.

Raising awareness and access to support

- Ensuring that a range of support is available and accessible, not resource intensive and provides value for money
- Ensuring more small businesses are aware of the available support and tackling barriers to uptake
- Enhancing the work of the OSBC by working in partnership and ensuring the support landscape is joined up and effective.

Increasing digital adoption

- Raising awareness of the benefits of digital adoption to address overdue payments and providing advice and support on adoption
- Working with Government and providers to address issues around interoperability between platforms
- Working with providers to address concerns around the cost of implementation and resource to adopt technology.

Delivery Plan

To achieve these objectives and outcomes, the OSBC's delivery plan will consist of **5 keypillars**:

1. Raise awareness of poor payment practices and the action to change it

- Run campaigns and undertake communications activity across all platforms
- Maintain a web and social media presence with relevant, impactful content
- Support Ministers and stakeholders with activity on payment practices

2. Engage stakeholders to influence them to raise standards

- Undertake an ongoing engagement programme across relevant stakeholders
- Maintain our role as an expert and thought leader on payment practices
- Relaunch a payment code and work with applicants to improve standards

3.

Provide support and guidance to small businesses

- Maintain a complaints service and provide support with dispute resolution
- Provide information and signpost to relevant support
- Develop tools and guidance to support small businesses with payments

4.

Be well run, efficient and transparent

- Have a robust approach to financial controls and risk management, undertake an annual audit and publish an Annual Report and Accounts
- Have strong governance processes and be managed effectively
- Have a strong, delivery focused team with the skills and resources to deliver

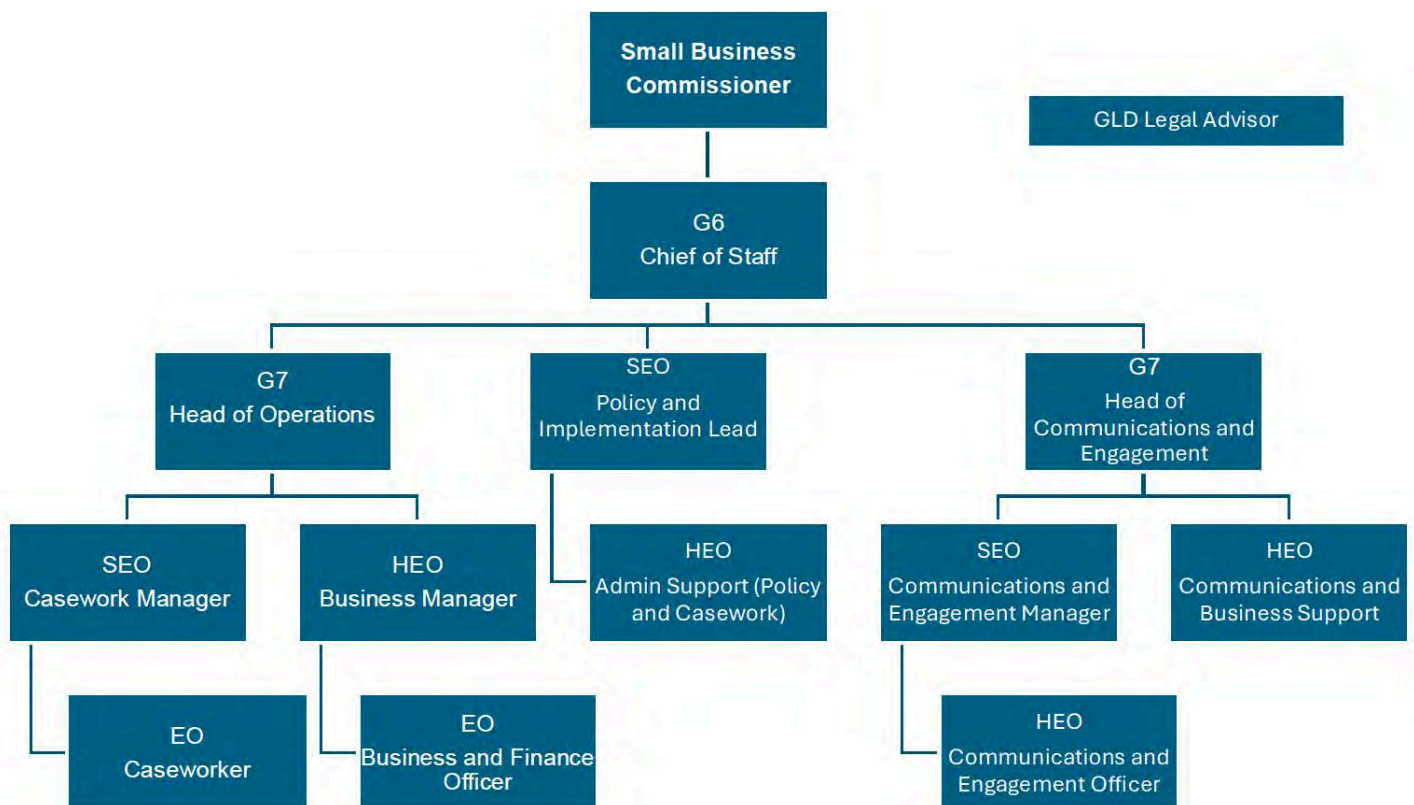
5.

Be evidence led and impact focused

- Establish a compelling and comprehensive evidence base to underpin activity
- Undertake research and gather evidence from a wide range of sources
- Evaluate and assess the impact of our activities.

Our Structure

During the 2024–25 reporting period, the OSBC implemented a refreshed organisational structure to strengthen leadership capacity and enhance delivery of the Commissioner’s statutory duties. A new Senior Management Team (SMT) was introduced to provide strategic oversight, operational resilience, and cross-functional coordination. It comprises a Chief of Staff, Head of Operations, and Head of Communications and Engagement each responsible for key pillars of governance, finance, stakeholder engagement, and service delivery. This structure supports OSBC’s commitment to transparency, accountability, and collaboration, and underpins its ability to deliver high-quality services to small businesses across the UK.



The new OSBC SMT comprises of:

- A newly appointed **Chief of Staff**, responsible for strategic planning, governance, and internal coordination across the OSBC's core functions.
- A new **Head of Operations**, leading on governance, audit planning, finance, reporting, and risk management. This role ensures that the OSBC's internal controls, financial stewardship, and assurance processes are robust, transparent, and aligned with departmental standards.
- A new **Head of Communications and Engagement**, tasked with shaping the OSBC's external voice, stakeholder engagement strategy and digital presence.

These appointments have enabled the OSBC to embed a more agile, accountable and collaborative leadership model, supporting the Commissioner in delivering her statutory remit to tackle late payment and promote fair payment practices for small businesses across the UK.

The SMT has played a central role in driving forward key initiatives during the year, including the launch of a new Fair Payment Code, the redevelopment of the OSBC website, and the implementation of a new casework tracking system. These changes have collectively strengthened the OSBC's capability to deliver high-quality services, engage effectively with stakeholders, and respond to the evolving needs of small businesses.

Further detail on individual team performance is provided below, with each area's achievements aligned to the OSBC's Strategic and Delivery Plan for 2024–25. These contributions reflect the organisation's commitment to delivering its statutory duties and supporting small businesses across the UK.

Performance Overview

The Fair Payment Code (FPC) Performance - (1 April 2024 – 31 March 2025):

The Fair Payment Code was formally launched in December 2024 by the Department for Business and Trade (DBT) to be administered by the Office of the Small Business Commissioner (OSBC).

The Fair Payment Code replaces the former Prompt Payment Code (PPC) as part of the UK government's initiative to improve payment practices and the poor payment culture in the private sector.

From the date of its introduction of the Fair Payment Code applications have been processed by the OSBC FPC team and the communications team has been working on awareness raising with a public engagement campaign.

The Fair Payment Code, endorsed by the Minister for Small Business, promotes responsible payment practices within all UK business sectors. It recommends that businesses pay their suppliers on-time as agreed, maintain transparent communication, adhere to fair contract terms, and conduct regular reviews of their payment practices and protocols.

To recognise and incentivise excellence, the Fair Payment Code introduces a tiered award system:



A **Gold Award** for businesses paying at least **95%** of all invoices within **30 days**



A **Silver Award** for businesses paying at least **95% of all invoices within 60 days**, including **95% of invoices to small businesses within 30 days**.



A **Bronze Award** for those paying **95% of invoices within 60 days**

Fair Payment Code Awards are valid for two years. Businesses must reapply at the end of each award period. The reapplication window runs annually from September to December, with successful applicants receiving awards for the following two calendar years.

This framework not only sets a new benchmark for ethical payment conduct but also supports businesses in progressing toward higher standards over time.

To ensure the successful implementation of the Fair Payment Code, the OSBC has undertaken a series of strategic initiatives:

- The team allocated internal resources to streamline the application and assessment processes, ensuring businesses could navigate the requirements efficiently.
- A comprehensive recruitment drive brought in new talent while existing staff underwent specialised training to familiarise themselves with the code's principles, including fair payment practices, transparency, and fair treatment of suppliers.
- OSBC has developed robust guidelines and documentation to support businesses in adopting the code standards.
- Outreach programmes were launched to inform stakeholders about the benefits and obligations of adhering to the Fair Payment Code. These programmes also served to foster collaboration between businesses and supply chain partners, encouraging a culture of better payment practices.

- By aligning internal operations with the code's objectives, OSBC continues to elevate payment standards across the UK and to create a foundation for continuous improvement.

OSBC's efforts, in collaboration with DBT and key stakeholders, resulted in the first Fair Payment Code Awards Event in February 2025. It formally recognised the first 100 businesses to receive bronze, silver, or gold awards for their compliance with the criteria and principles of the Fair Payment Code. At the end of March 2025, 211 firms had achieved Gold, Silver or Bronze awards.

Fair Payment Code Performance Data - (1 April 2024 – 31 March 2025)

Metric	Target / Volumes	FY2023 FY2024	
		-24	-25
Total number of FPC enquiries received.	Reporting on the total number of enquiries received by the OSBC FPC team.	N/A	144
Total number of FPC expressions of interest (EOI)'s received.	Reporting on the total number of expressions of interest received by the OSBC FPC team.	N/A	1405
Total number of FPC complaints received.	Reporting on the total number of complaints received by the OSBC FPC team.	N/A	2

Total number of FPC applications received.	Reporting on the total number of applications received by the OSBC FPC team.	N/A	307
Total number of successful bronze application award outcomes.	Reporting on the total number of bronze applications awarded by the OSBC FPC team.	N/A	37
Total number of successful silver application award outcomes.	Reporting on the total number of silver applications awarded by the OSBC FPC team.	N/A	42

Total number of successful gold application award outcomes.	Reporting on the total number of gold applications awarded by the OSBC FPC team.	N/A	132
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Total number of rejected FPC applications.	Reporting on the total number of rejected FPC applications assessed by the OSBC FPC team.	N/A	29
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Prompt Payment Code (PPC) Performance - (1 April 2024 – 31 March 2025)

The Prompt Payment Code (PPC) was a long-standing initiative overseen by the Office of the Small Business Commissioner (OSBC) to promote timely and fair payment practices among businesses in the UK.

Originally the PPC was established to address the persistent issue of late payments to small business owners and suppliers, the PPC encouraged signatories to commit to clear standards, including paying 95% of invoices within 30 days.

Over time, the Code attracted thousands of signatories, but engagement levels varied significantly. As the business landscape evolved and the need for more robust accountability grew, the OSBC transitioned from the PPC to the newly launched Fair Payment Code (FPC) in December 2024.

This shift marked a strategic move to strengthen compliance, streamline signatory engagement, and better align with the OSBC's statutory mission to tackle unfair payment practices across the UK

Prompt Payment Code Performance Data - (1 April 2024 – 31 March 2025)

Metric	Target / Volumes	FY2023-24	FY2024-25
Voluntary PPC signatories	Reporting on voluntary signatories to the Prompt Payment Code.	4,853	5,371 – 10.68 % difference to last year. Note: PPC Decommissioned in December 2024.

Casework Team Performance - (1 April 2024 – 31 March 2025)

The OSBC casework team delivered a year of operational transformation, digital innovation and measurable impact in support of small businesses across the UK. The team's work directly contributed to the OSBC's mission to tackle late payment and improve payment practices in the private sector.

Operational Impact and Case Outcomes

- The team handled a total of 591 enquiries during the year, closing 588 cases and maintaining a minimal backlog of just 3 outstanding cases by year-end.
- Through our direct intervention, support and guidance the team recovered more than £320,000 in late payments for small businesses during this reporting period.
- The team maintained a high-resolution rate, with the majority of cases falling within the OSBC's statutory remit and resolved through informal intervention, signposting or formal complaint handling.

Staffing & Development

- Under the new OSBC staffing structure, a new casework manager and a new caseworker were appointed to strengthen leadership and operational delivery within the team.
- The team was reorganised to clarify role definitions and performance expectations, which changed the structure of the casework function.
- Casework staff received targeted training on legal guidance, policy interpretation and customer service, supported by collaboration with DBT legal advisers.

Digital Transformation and Process Improvement

- The legacy I-Casework system was decommissioned following a strategic review, with a new in-house digital tracker implemented to manage the casework process more efficiently and reduce operational costs.
- A comprehensive action plan was delivered to support the transition, including the development of new and existing process maps, guidance, dashboards and governance controls.
- The new system enabled improved data reporting, enhanced case visibility and better alignment with OSBC's evolving policy and performance metrics.

Stakeholder Engagement and Collaboration

- The casework team expanded its outreach through collaboration with the DBT Help to Grow Alumni Network, Trade Associations, and Growth Hubs building referral pathways and raising awareness of OSBC services.
- A dedicated casework manager led engagement with external partners and ensured alignment with departmental priorities.
- The team contributed to the development of updated policy guidance and legal training sessions, ensuring consistency in advice and compliance with statutory obligations.

Handling Enquiries

Each enquiry received by the OSBC casework team is carefully reviewed and assessed. Where appropriate, cases are progressed as formal complaints within the Commissioner's statutory remit. Others may be more suitably directed to alternative dispute resolution services or external sources of support. The OSBC's approach is to empower small businesses to resolve issues independently wherever possible, recognising that many are understandably reluctant to pursue legal action. This early intervention model ensures that businesses are supported in navigating payment disputes in a proportionate and accessible manner.

Definition of a Complaint

An overdue invoice is only classified as a formal complaint where there is a genuine payment dispute, and the matter falls within the OSBC's statutory remit. To qualify, the complaint must be submitted by a small business (fewer than 50 employees) against a larger business (50 or more employees). Cases involving two small businesses, or those relating to the construction sector, fall outside this remit and are therefore managed as general enquiries rather than formal complaints.

Enquiries and Signposting

Each year, the OSBC receives a wide range of enquiries, including those related to employment issues, energy services, and construction, many of which fall outside the Commissioner's statutory remit. While the OSBC is empowered to intervene in qualifying payment disputes, all enquiries are carefully assessed. Where appropriate, individuals are signposted to alternative services better suited to their needs. The OSBC is committed to helping small businesses find the right support, recognising the value of connecting them with organisations that offer specialist advice and resolution pathways.

Other Work by the OSBC Casework Team

OSBC's engagement efforts encompass handling complaints and enquiries, as well as fulfilling requests from other government departments, growth hubs, LEPS, and public partnerships. Our work aligns with our vision, values, and objectives of supporting small businesses.

Casework Team Performance Data - (1 April 2024 – 31 March 2025):

Metric	Target / Volumes	FY2023-24:	FY2024-25:
Casework enquiries referred to OSBC.	Reporting on enquiries received by the OSBC casework team.	618	591 (-5%)
Formal complaints identified through OSBC casework activity.	Reporting on all complaints responded to within 40 working days.	22	29 (+31%)

Total monies recovered during the reporting period.	Reporting on monies recovered due to OSBC casework intervention.	£390,900	£320,316.07 (-18%)
Top 5 disclosed sectors for OSBC enquiries.	Reporting on the top 5 annual sectors for OSBC enquiry engagements	<ol style="list-style-type: none"> 1. Retail 2. Business Services 3. Construction 4. Healthcare 5. Consultancy 	<ol style="list-style-type: none"> 1. Retail 2. Construction and Engineering 3. Technology 4. Entertainment and Media 5. Business Services

Top 5 disclosed geographical locations for OSBC enquiries.	Reporting on the top 5 geographical locations for OSBC enquiry engagements.	<ol style="list-style-type: none"> 1. West Yorkshire 2. West Sussex 3. Surrey 	<ol style="list-style-type: none"> 1. London 2. South East 3. North West 4. Outside of the UK 5. West Midlands
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<p>In FY23/24 Complainants were not required to disclose their geographic area and locations. 73% of all enquiries during this period are unknown. Where possible we have captured this information.</p>	<p>Prior to August 2024 Complainants were not required to disclose their geographical locations. Where possible, this information has been captured for April-July 2024.</p>
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Communications and Engagement Team Performance (1 April 2024 – 31 March 2025)

The 2024–25 reporting year marked a period of transformation for the Office of the Small Business Commissioner (OSBC) in its communications and engagement approach. Under a refreshed staffing structure, a new Head of Communications and Engagement was appointed at the start of the year to lead the strategic direction of the function. This appointment brought renewed focus to the OSBC’s external voice, stakeholder relationships, and digital presence.

The team delivered a comprehensive programme of activity aligned with the OSBC’s statutory remit and strategic priorities. Through targeted campaigns, stakeholder outreach, and digital enhancements, the OSBC strengthened its visibility, improved accessibility of its services, and deepened engagement with small businesses and intermediaries across the UK.

Strategic Communications and Digital Reach

The OSBC implemented a refreshed Communications and Engagement Strategy, underpinned by a new media plan and digital engagement objectives. This included:

- Launching a new Fair Payment Code (FPC) with a dedicated communications campaign across LinkedIn and X (formerly Twitter), achieving strong engagement metrics and visibility across business audiences
- Full review, rewrite and branded promotion of existing guides on the OSBC website to help small businesses negotiate contracts, issue invoices, and resolve payment disputes
- Full website SEO audit to ensure content is accessible, relevant and clear across the site. Plus, a complete rebrand and redesign of the FPC side of the website (previously this side of the website was used for the Prompt Payment Code) fully integrated into the launch and promotion of the FPC
- Delivering a full website redevelopment project to improve accessibility, user experience and content relevance, supported by a cross-functional team and external supplier procurement

Stakeholder Engagement and Outreach

The OSBC deepened its relationships with key stakeholders through targeted outreach and event participation:

- Strengthened relationships with the Devolved Governments and Administrations with Ministerial level engagement in all nations and well attended business focused roundtables in Cardiff and Glasgow partnering with nations-based business representative organisations
- Fair Payment Code (FPC) celebration event at the Institute of Directors with Awardees, businesses and trade bodies in attendance plus speech from Small Business Minister
- Developed a stakeholder engagement plan targeting investors and board-level audiences to embed prompt payment practices into ESG and governance frameworks alongside promotion of the FPC
- Relaunched, redesigned and built a strong subscriber base to the OSBC monthly newsletter
- Strengthened collaboration with the Help to Grow network and Growth Hubs, including joint planning meetings, referrals and representation at the Help to Grow: Management Alumni national conference

Internal Capability and Governance

To support delivery, the OSBC:

- Recruited a new Communications and Engagement Officer to strengthen internal capacity and support delivery of the strategy
- Delivered quarterly SMT engagement days to align communications with strategic priorities and ensure cross-team collaboration
- Embedded a new communications and stakeholder CRM system to track outreach and engagement impact

Impact and Evaluation

The OSBC's communications and engagement work contributed to:

- A measurable increase in awareness of the Commissioner's role and remit among small businesses and intermediaries.
- A 30% increase in social media engagement across OSBC platforms within three months of the FPC relaunch
- Improved stakeholder feedback on the clarity and accessibility of OSBC guidance and resources.

Communications Team Performance Data - (1 April 2024 – 31 March 2025)

Metric	Target / Volumes	FY2023-24	FY2024-25
Referrals to OSBC website from social media channels	Reporting on referrals to OSBC website from social media channels.	2,420	1,154 -52.3% difference to last year.
Total website users	Reporting on the total number of OSBC website users.	307,104	99,011*
New website users	Reporting on the total number of new OSBC website users.	247,534	83,350
Returning website users	Reporting on the total number of returning OSBC website users. Sustaining 4% per quarter	10.6%	15.8%

Newsletter open rate (OR) and click through rate (CTR)	Reporting on the newsletter open rate (OR) and click through rate (CTR) 30% OR & 20% CTR.	OR - 38% CTR – 18%	OR - 32% CTR - 17.4%
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Newsletter subscribers	Reporting on the total number of OSBC newsletter subscribers	4,285	April 24 – 4,265 August 24 – 5,241 March 25 – 4,510**
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Social Media Engagement rates: • X(formally Twitter) • LinkedIn	To consistently average 1.5% - 2% engagement across social media channels	Twitter – 6.4% average engagement rate LinkedIn – 7.7% average engagement rate	X (formally Twitter) - 5.7% average engagement rate LinkedIn – 7.9% average engagement rate
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* **See Note** in OSBC Communications Report - 1st April 2024 – March 2025 (page 19) which explains why these figures not directly comparable to due to changes in the tracking software used on the website.

** **See Note** in OSBC Communications Report - 1st April 2024 – March 2025 (page 19) which explains the changes to the newsletters and impacts on these figures.

Financial Objectives

The OSBC is a Grant-in-Aid funded organisation. It operates within its budget and ensures value for money in accordance with Managing Public Money and HM Treasury guidelines.

During this reporting period, OSBC's finance processes have been subject to regular reviews. Improvement proposals have been evaluated and approved by the OSBC Head of Operations and the Senior Leadership Team (SMT).

Financial controls have been monitored during monthly finance reconciliation and assurance meetings with DBT finance business partners and OSBC finance officers. These meetings have involved careful review and reconciliation of local expenditures against the OSBC General Ledger (GL) to ensure accuracy and compliance.

Financial Summary

In 2024-25 the OSBC received from DBT Grant-in-Aid funding of £1,074,929 (2023-24: £684,685).

The OSBC incurred net expenditure costs of £1,074,914 in the year to 31 March 2025.

3.5 per cent of our spending has been invested in communications and marketing. Previously 2023-24 was 1.6 per cent.

The remaining portion of the spend was assigned to staffing, computer software systems to deliver our key statutory aim of managing complaints, enquiries, and dispute resolution work on behalf of small businesses that represents 95% of the overall budget allocated.

Value For Money

The OSBC is committed to delivering value for money in all its activities, ensuring that public funds are used efficiently and effectively to support small businesses across the UK. During the financial year 2024–25, the OSBC continued to operate within its allocated budget, maintaining robust financial controls and transparent reporting in line with Managing Public Money and HM Treasury guidance.

Working with DBT

The OSBC is accountable to the Secretary of State for Business through our Sponsorship team at DBT. The OSBC works with the DBT sponsorship, finance, and payments teams to share feedback and insight regularly, about key themes and trends. OSBC also shares insight reports about the volume and type of complaints and qualitative and quantitative information through regular and ad-hoc meetings at all levels to support our strategic ambitions and objectives.

Risks and Issues

The Audit and Risk Assurance Committee (ARAC) and the Advisory Board (refer to the Governance Statement on page 86) supported the SBC in identifying, monitoring, and mitigating issues and risks related to the OSBC's statutory duties and remit throughout this reporting period.

The OSBC has established its risk management processes for handling strategic and local operational risks, building on the foundations from previous years. The top 3 primary strategic risks that could have affected the reputation of the OSBC during this reporting period were:

- 1. OSBC Website:** There was a potential risk that the OSBC website contract may have expired on 31st March 2025, potentially resulting in service deactivation. The OSBC engaged with DBT and CCS to extend the existing contract for an additional six months while initiating a new procurement process through CCS to build and develop a new website for OSBC.

2. **OSBC Procurement:** There was a risk that OSBC procurement processes were not fully aligned with Crown Commercial Service standards and framework agreements, which could affect OSBC's procurement practices and compliance. OSBC collaborated with GIAA and CCS to review and improve processes and controls across all procurement expenditure areas. GIAA further supported this initiative by conducting an audit advisory review of OSBC's procurement processes.

3. **OSBC Awareness:** There was a potential risk of public criticism from stakeholders and the possibility of being overwhelmed with complaints and enquiries beyond the OSBC's statutory duties and remit. To address this risk, the OSBC undertook steps throughout the year to enhance its website, tools, and content. These measures aimed to inform the general public and business owners about the OSBC's statutory duties and remit as well as its Mission, vision and values.

For detailed information on OSBC's risks and issues during this period, refer to the OSBC Strategic Risks in 2024-25 on page 107.

Performance on Other Measures

The OSBC fulfils its role as a Public Sector Information Holder through adherence to the Data Protection and Freedom of Information Acts. OSBC's data policies are compliant with the General Data Protection Regulations (GDPR) which came into force on 25 May 2018.

The OSBC mandates annual learning for its team members and strengthens it by promoting good practice in the areas of email/document security, password protection and the use of cloud collaboration tools. All team members are aware of the General Data Protection Regulation (GDPR) and undergo training on an annual basis. Any security breaches and near-misses are reported to the OSBC's Business Manager and Head of Operations with individual breaches considered and escalated as appropriate depending on their seriousness and impact.

In this reporting period, the OSBC experienced one data handling breach that did not reach the threshold required for reporting to the Information Commissioner's Office (ICO).

Open & Full Information

The Freedom of Information Act 2000 gives any individual or organisation the right to request information from public sector organisations. This right of access applies to recorded information held by public authorities.

Any person making a written request for information must be told whether the OSBC holds that information and, if so, supplied with it. This right is limited only by the procedural conditions and exemptions as set out in legislation. During this reporting period, OSBC has responded to 5 FOI requests.

Modern Slavery Statement

Through robust policies and procedures, we continue to take steps to ensure that neither slavery nor human trafficking (together, referred to as 'modern slavery') occurs in our organisation or supply chains. As an equal opportunity employer, we are committed to creating and ensuring a non-discriminatory and respectful working environment for our people.

OSBC's recruitment and people management processes are designed to ensure that all prospective employees are legally entitled to work in the UK and to safeguard employees from any abuse or coercion once in our employment. Our statement is published on our website:

<https://www.smallbusinesscommissioner.gov.uk/modern-slavery-statement/>

Learning and Development

OSBC has used monthly development and quarterly performance discussions to emphasise the importance of personal development and learning. These developmental conversations empower our people to take ownership of their own learning and development and outline how individuals contribute to the organisation.

OSBC uses face-to-face and online digital platforms to support learning and development ambitions alongside resources such as the Civil Service Learning and Learning Hub platforms.

Sustainability

The OSBC has received a formal exemption from reporting sustainability data under the Greening Government Commitments. At the end of this reporting period, we employed 12 staff and occupied office floor space less than 132m in a government building contractually managed by the Government Property Agency (GPA).

At present, the GPA tracks core metrics on behalf of the whole building covering the consumption of electricity, water, and waste, which fall within scope of its Annual Sustainability Report (ASR).

The OSBC manages its procurement, travel, and IT services through the Department for Business and Trade (DBT) and does not manage the impact. We have therefore not included coverage of the full suite of metrics relating to sustainability in our annual report.

Anti-Corruption & Anti-Bribery Matters

OSBC employees completed their mandatory counter fraud, bribery, and corruption training via the Civil Service Learning platform within this reporting period. This course is refreshed annually, and completion represents a three-year commitment.

Health and Wellbeing

The OSBC works closely with its DBT sponsorship team to ensure that there is a comprehensive health and wellbeing offer that provides OSBC employees relevant and appropriate support for their needs. The health and wellbeing offer is delivered at individual and team levels, through understanding longer-term health and wellbeing trends and addressing the most prevalent and/or impactful issues.

Support for employees includes access to mental health first aiders, an employee assistance programme, tailored webinars, and online resources on an A-Z range of wellbeing topics. Line managers are encouraged to develop confidence in supporting employee wellbeing through workshops and online training resources including stress risk assessments, conversation starters and mental health action plans.

Flexible & Hybrid Working

The OSBC values and supports hybrid and flexible working for its employees giving a choice about how to split working time between the workplace and home. These working arrangements can be adapted individually through one-to-one discussions with line managers to reflect personal circumstances and commitments while continuing to support the needs of the business.

This OSBC commitment aligns to the Department for Business and Trade (DBT) policy with an overall presence of 40-60% of their working hours in the office.

Sickness Absence

The average number of working days lost to sickness in the OSBC was 2.3 days, up to the 31 March 2025.

Health & Safety

The OSBC remains committed to providing a positive safety culture through the provision of working environments and activities that are safe for employees, visitors and those directly affected by departmental business activities. During 2024-25 OSBC ensured:

- Mandatory and practical health and safety training was completed by its employees
- Relevant TAG-EVAC and refresher training was completed to ensure suitable evacuation procedures were in place at 23 Stephenson Street in the event of an emergency
- Engagement continued with the Government Property Agency (GPA) throughout the reporting period, ensuring health and safety awareness across the organisation remained up to date.

No accidents or near-misses were reported during 2024-25.

Diversity Equality and Inclusion

The OSBC continues to incorporate diversity and inclusion at the heart of its core values, progressing and developing by considering different views, opinions, and experiences as set out in mandatory Civil Service Expectations training. This approach is also vitally important when reviewing contractual terms and overdue payment disputes from small businesses.

The OSBC ensures its services and employment opportunities are fair and accessible to supporting our obligation to keep improving our performance under the Equality Act 2010 and the Public Sector Equality Duty contained within that legislation.

This section was prepared under the tenure of the previous Commissioner. I'm content to sign this statement in my capacity as Accounting Officer for the OSBC.

Signed:

A handwritten signature in black ink that reads "Emma Jones". The signature is written in a cursive style with a large initial 'E' and 'J'.

Emma Jones CBE,

Accounting Officer
Small Business Commissioner

Date: 21/01/2026





Accountability Report

Overview

The OSBC's Accountability Report sets out how the department meets the key accountability requirements to Parliament.

It is broken down into 3 areas:

- 1.** This Corporate Governance Report discloses information about members of the OSBC Advisory Board, the Statement of Accounting Officer's Responsibilities, and the Governance Statement, which explains OSBC's governance structures, risk management processes and internal governance controls

2. The Remuneration and Staff Report providing information on staff numbers and costs, and the remuneration of members of the OSBC Advisory Board.

3. The Parliamentary Accountability and Audit Report that presents the department's expenditure against the budgets set by Parliament and the audit opinion on the financial statements prepared by the National Audit Office (NAO)

Corporate Governance Report

Accountability Statement

The OSBC launched its services on 20 December 2017 and covers the whole of the UK (England, Scotland, Wales and Northern Ireland). Established under the provisions of the Enterprise Act 2016 (“the Act”), the Small Business Commissioner (SBC) plays an important role in supporting small businesses to resolve their payment disputes with larger businesses, providing information and support, and helping to bring about culture change in private sector payment practices. Created in legislation as a corporation sole, the OSBC is classified as a Non-Departmental Public Body (NDPB), operationally independent of government and a partner organisation of the Department for Business and Trade (DBT).

The Secretary of State (SoS) for DBT is responsible for the overall policy framework within which the OSBC operates and has statutory powers in relation to the OSBC. The Secretary of State is responsible to Parliament for the OSBC and will account for its business in Parliament.

The OSBC Framework document was drawn up by BEIS (now DBT) with the SBC. This document formally sets out the broad framework within which the SBC operates and the role and responsibilities of the organisation. The document is available to members of the public on the OSBC page on gov.uk.

Following completion of a Statutory Review of the OSBC, a number of changes to the existing governance arrangements need to be implemented aligning governance structures to the remit of the OSBC. I stood in as interim Chair of the Audit, Risk and Assurance Committee whilst these changes are being implemented. This ensured existing effective governance, risk management systems and control processes enabling the OSBC, under the leadership of the Commissioner, to continue providing invaluable support to small businesses on late payment while championing the importance of prompt payment, for a thriving economy, with government and across the business community.

I look forward to 2025 bringing a refreshed OSBC Framework document and the Audit, Risk and Assurance Committee implementing governance arrangements appropriate to this new policy focus.

Signed:

A handwritten signature in grey ink, appearing to read 'Yvonne Gale', is written over a thin horizontal line.

Yvonne Gale

External Board Member

Date: 21/01/2026

External Member Of The OSBC Advisory Board

Dr Yvonne Gale
Chair OSBC Advisory Board



Throughout her career, Dr Gale has served as a director for a number of small businesses, with a particular emphasis on shaping organisational strategy, ensuring effective delivery of services, and managing resourcing.

Her breadth of experience extends to several other significant Board roles. She is currently Chair of the Shared Interest Society, an organisation committed to ethical finance, and she also holds a directorship with the Northeast Chamber of Commerce, where she contributes her expertise to advance the interests of the regional business community.

Dr Yvonne Gale was formerly the Chief Executive Officer of NEL Fund Managers, a firm specialising in business finance solutions.

In this capacity, she provided strategic leadership and oversees the delivery and management of financial services tailored to support business growth.

Academically, Dr Gale is a Fellow of the Institute of Chartered Accountants in England & Wales. She holds both a master's degree and a Doctorate in Business Administration, evidencing her strong academic foundation in business leadership.

In addition, she has achieved the Institute of Directors' Certificate and Diploma in Company Direction, further demonstrating her commitment to high standards of governance and boardroom effectiveness.

The Accounting Officer's Report

The Small Business Commissioner (SBC) is a Corporation Sole, and the role holder is the Accounting Officer for the OSBC.

As Accounting Officer, I am responsible for ensuring that the OSBC has appropriate governance processes and systems to ensure I meet my statutory obligations. I am personally responsible for safeguarding the public funds in my charge, for ensuring propriety and regularity in the handling of those public funds, and for day-to-day operations and management of the OSBC as set out in Managing Public Money.

The OSBC plays an important part in supporting business confidence and growth by addressing late payments, helping to resolve individual disputes, and sharing insight to discourage unfair payment practices. The service is funded by the Department for Business and Trade (DBT) and OSBC regularly reports to the DBT sponsorship team, which expects the OSBC to operate in a responsible and sustainable manner. When approving the OSBC's strategic direction and decision-making processes, the sponsorship team takes into account the needs of small businesses and other stakeholders.

For these reasons, the OSBC Advisory Board regularly reviews information about the service's operations and progress against its commitments, providing advice and insight as appropriate.

To support its decision making, the OSBC Advisory Board receives regular performance reports from the Chief of Staff, Head of Operations and Head of Communications and Engagement as well as other members of the OSBC team to ensure its strategic alignment.

OSBC team members and colleagues attend Advisory Board meetings as needed to respond to questions relating to their areas of responsibility. The Advisory Board also routinely reviews the service's key risks and the measures in place to manage and mitigate them.

Statement of Accounting Officer's Responsibilities

Under the Enterprise Act 2016, the Secretary of State for the Department of Business and Trade (DBT) has directed the Office of the Small Business Commissioner (OSBC) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the OSBC, including its income and expenditure, Statement of Financial Position, and cash flows for the financial year.

In preparing the accounts, the Small Business Commissioner, as Accounting Officer, is required to comply with the requirements of the Government Financial Reporting Manual (FReM) and in particular to:

- Observe the Accounts Direction issued by DBT, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;

- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual (FReM) have been followed, and disclose and explain any material departures in the financial statements;
- Prepare the financial statements on a going concern basis; and
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable, and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Permanent Secretary of DBT, as Principal Accounting Officer, has designated the Small Business Commissioner as the Accounting Officer of the OSBC. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of public finances, for keeping proper records, and for safeguarding the OSBC's assets, are set out in *Managing Public Money*, published by HM Treasury.

As Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the OSBC's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Signed:

A handwritten signature in black ink that reads "Emma Jones". The signature is written in a cursive style with a large initial 'E' and 'J'.

Emma Jones CBE,
Accounting Officer
Small Business Commissioner

Date: 21/01/2026

Governance Statement

This Governance Statement outlines the framework and process that ensures the effective management and control of the Office of the Small Business Commissioner (OSBC), covering the period from 1 April 2024 to the 31 March 2025.

The OSBC launched its services on 20 December 2017, covering the whole of the UK (England, Scotland, Wales, and Northern Ireland). Established under the provisions of the Enterprise Act 2016, the OSBC plays a key role in supporting small businesses to resolve their payment disputes with larger businesses, providing information and support, and helping to bring about culture change in private sector payment practices.

Created in legislation as a Corporation Sole, the OSBC is classified as a Non-Departmental Public Body (NDPB), and the OSBC is operationally independent of Government and a partner organisation of the Department for Business and Trade (DBT).

The Secretary of State (SoS) for DBT is responsible for the overall policy framework within which the OSBC operates and has statutory powers in relation to the OSBC. The Secretary of State is responsible to Parliament for the OSBC and will account for its business in Parliament.

The OSBC Framework Agreement was drawn up in 2018 by the former Department for Business, Energy, and Industrial Strategy (BEIS), now the Department for Business and Trade (DBT), collaboratively with the OSBC.

This document formally sets out the broad framework within which the OSBC operates and the role and responsibilities of the organisation. The document is available to members of the public on the OSBC page, published on gov.uk.

Application of the Business Appointment Rules

The OSBC adheres to the Civil Service Business Appointment Rules (BARs) for all staff leaving Crown Service, including those at Senior Civil Service (SCS) grades and equivalent. These rules are designed to safeguard the integrity of the Civil Service and ensure that former officials do not misuse privileged information or gain unfair advantage in subsequent employment.

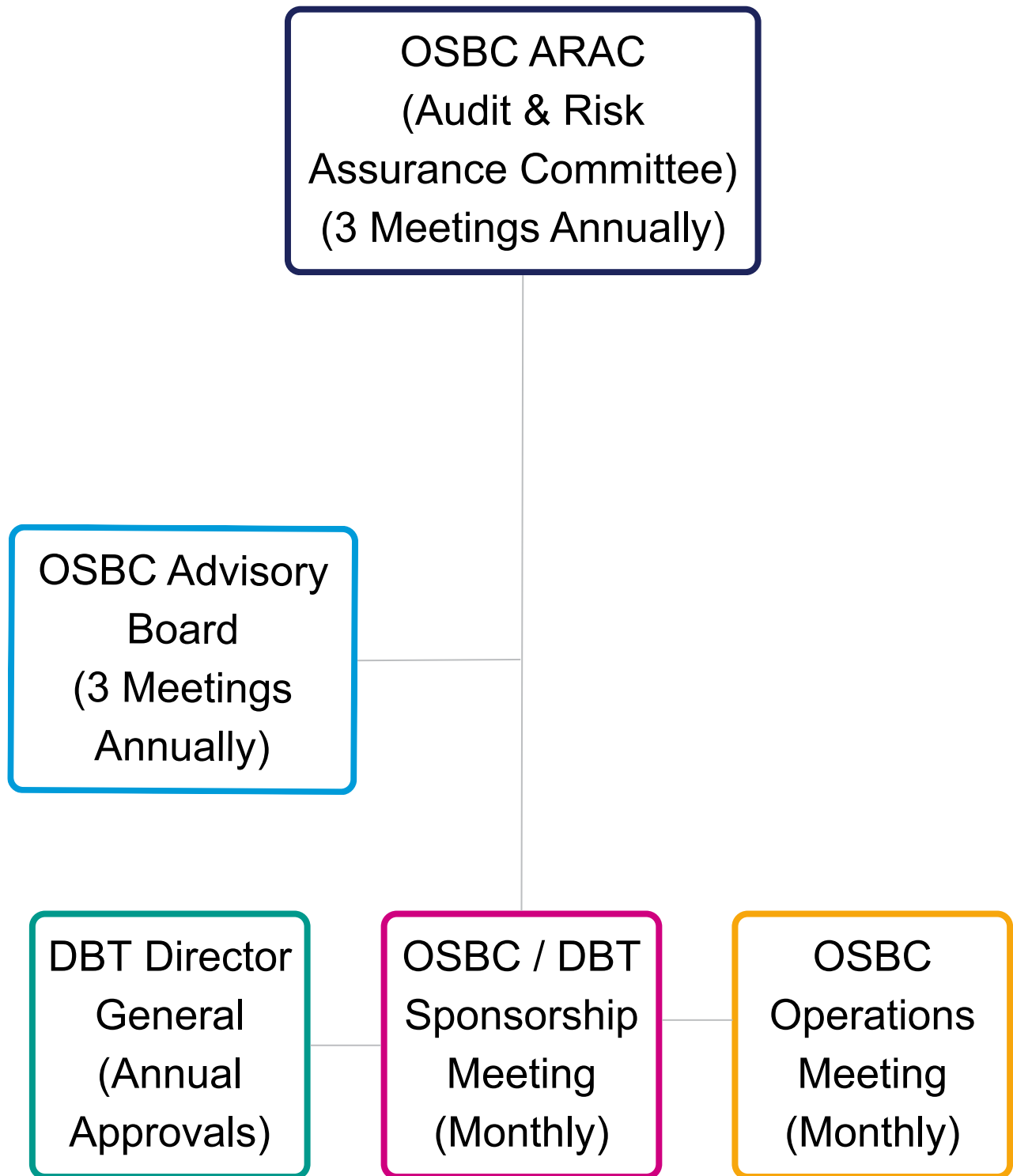
The Audit and Risk Assurance Committee (ARAC) provide assurance that the OSBC has appropriate procedures in place to implement and monitor compliance with BARs. All OSBC recruitment is aligned to its sponsorship team's recruitment processes at the Department for Business and Trade (DBT). These procedures apply across all relevant grades and include:

- Integration of BARs guidance into exit processes for departing staff.
- Monitoring of applications and decisions under the rules.
- Periodic review of compliance by the ARAC.
- Awareness-raising activities, including internal communications and guidance materials to ensure staff understand their obligations under the rules.

The OSBC remains committed to upholding the highest standards of conduct and transparency in line with Civil Service expectations and the requirements of the FReM.

OSBC Governance Structure

The graphic below illustrates the governance structure of the Office of the Small Business Commissioner (OSBC) during the reporting period. It shows how the OSBC aligns with its framework agreement, maintaining compliance with statutory duties, and operational independence. This structure underscores OSBC's commitment to transparency, accountability, and collaboration with its Advisory Board and other stakeholders.



OSBC Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) consists of one external OSBC Advisory Board member, the SBC, representatives from the DBT Sponsorship team, internal and external auditors from GIAA and NAO, as well as other necessary team members. The committee met regularly during this reporting period to deliberate on OSBC's services, development, and risks.

During 2024-25, the ARAC conducted regular reviews to ensure proper management of OSBC's resources and assets, with a focus on financial reporting processes to maintain transparency and accountability. The committee monitored both internal and external audit arrangements, thoroughly assessing internal controls, governance structures, and risk management frameworks to provide oversight and foster organisational resilience. Risk assessments were central to ARAC's activities during this reporting period, identifying and mitigating challenges to operations, staffing, and reputation, while offering strategic advice to navigate current and emerging risks, supporting OSBC in maintaining its operational integrity and effectiveness throughout the year.

The OSBC Advisory Board is confident that the collective expertise and experience of the ARAC members enable it to discharge its duties effectively throughout the year, as well as oversee the Annual Report & Accounts and financial statements. The Committee continues to support the Commissioner as Accounting Officer in discharging their relevant responsibilities.

Matters Considered By The ARAC In 2024-25

The ARAC convened on three occasions during the financial year 2024-25. The agenda for these meetings included the following discussion points:

OSBC ARAC - July 2024

- OSBC Previous Year Audit Report Review
- NAO Audit / Annual Report Update
- GIAA Audit Update
- OSBC Strategic Risk Register Update
- OSBC Finance Update
- OSBC Business Continuity Update

OSBC ARAC - October 2024

- OSBC External Data Sharing Update
- NAO Audit / Annual Report Update
- GIAA Audit Update
- OSBC Strategic Risk Register Update
- OSBC Finance Update

OSBC ARAC - February 2025

- NAO Audit / Annual Report Update
- GIAA Audit Update
- GIAA Audit Completion Report Update
- OSBC Strategic Risk Register Update
- OSBC Finance Update

During 2024-25, the Audit and Risk Assurance Committee (ARAC) evaluated the organisation's risk appetite, specifying the level of risk that the organisation was willing to accept in order to achieve its main strategic objectives.

The Head of Operations at OSBC conducted a monthly review of the strategic risk register in alignment with the revised local risk strategy. This process involved a thorough evaluation and continuous monitoring of both existing and emerging risks, leading to consistent updates being submitted to the Audit and Risk Assurance Committee (ARAC) prior to each meeting to support well-informed discussions.

The OSBC team is grateful to the ARAC committee for the time given to support OSBC's strategic development.

The Audit and Risk Assurance Committee (ARAC) convened on three occasions during the financial year 2024-25. This table below shows the number of meetings attended by committee members, DBT and OSBC team members during the year.

Committee Membership	Role	Meetings attended
Yvonne Gale	External member of the OSBC Board (chair)	3/3
Liz Barclay (by invitation)	Small Business Commissioner	3/3
	Department for Business and Trade	3/3
Observing Representatives	Government Internal Audit Agency	3/3
	National Audit Office	3/3



OSBC Advisory Board

The OSBC Advisory Board serves in an advisory capacity without governance responsibilities and provides expert advice on the operations of the office. The primary purpose of the Board is to assist the Small Business Commissioner (SBC) in fulfilling their statutory responsibilities. The Board consists of the SBC and three external members.

Currently, the OSBC Advisory Board includes one external member who chairs both the OSBC Advisory Board and the Audit and Risk Assurance Committee (ARAC). Looking ahead, OSBC anticipates appointing two new external members to serve as advisors on the OSBC Advisory Board.

Members of the DBT Sponsorship team and the OSBC team attend OSBC Advisory Board meetings when required by the Chair of the Board.

A code of practice for Advisory Board members is in place, aligned with the Cabinet Office Code of Conduct for Board Members of Public Bodies, as applicable and appropriate.

The OSBC Advisory Board regularly receives updates from DBT regarding interactions with relevant bodies and individuals, including the Small Business Minister, Cabinet Office, HM Treasury, as well as other pertinent stakeholders and small business organisations. OSBC Advisory Board members are appointed to serve the public interest and do not represent any specific group or sector. They do not participate in the consideration of individual complaints presented to us. All OSBC Advisory Board members maintain their independence.

Matters Considered By The Advisory Board In 2024-25

The OSBC Advisory Board convened on three occasions during the financial year 2024-25. The agenda for these meetings included the following discussion points:

OSBC Advisory Board - July 2024

- Board Budgeting Costs Review
- Fair Payment Code / Draft MOU Update
- Secretary of State Update
- OSBC Recruitment Update
- Latest OSBC MI Pack Performance Review
- Annual Report & Audit Update
- Board Effectiveness Review

OSBC Advisory Board - October 2024

- Future Agenda Structure Review
- Latest OSBC MI Pack Performance Review
- Annual Report & Audit Update
- Prompt / Fair Payment Code / Cash Flow Review
- Board Effectiveness Review

OSBC Advisory Board - February 2025

- Annual Report & Audit Update
- OSBC Procurement Process Update
- Prompt / Fair Payment Code / Cash Flow Review
- Latest OSBC MI Pack Performance Review
- Board Effectiveness Review

The OSBC Advisory Board convened on three occasions during the financial year 2024-25. This table below shows the number of meetings attended by OSBC Advisory Board members, DBT and OSBC team members during the year.

OSBC Advisory Board Membership	Role	Meetings attended
Liz Barclay	Small Business Commissioner	3/3
Yvonne Gale	External Member (CHAIR)	3/3
Carlo Gibbs	Chief of Staff	3/3
Ryan Knowles	Head of Operations	3/3
Jodie Jones	OSBC Business Manager	3/3
Paul Drabwell	Department for Business and Trade (DBT), Deputy Director	3/3
Nominated DBT lead	Department for Business and Trade (DBT), Sponsorship Team Lead	3/3

OSBC Advisory Board Effectiveness

Best practices in corporate governance recommend conducting an annual effectiveness review of the OSBC Advisory Board, with an independent evaluation of its effectiveness at least once every three years. During the reporting period, the OSBC Advisory Board did not conduct a formal evaluation; however, it routinely assesses its overall effectiveness during each meeting.

Performance And Data Reporting to the Advisory Board

The OSBC Advisory Board employs quality assurance processes to evaluate information, including consistent performance reporting against key OSBC objectives. These reports are compiled into management information (MI) packs reviewed before each OSBC Advisory Board meeting. MI packs contain both current and historical performance data, allowing the OSBC Advisory Board to identify trends and make effective, evidence-based decisions to support OSBC's key performance targets and business objectives.

To ensure data integrity and usability, the OSBC team applies consistent methodologies for data collection and analysis. These methodologies are clearly understood by all staff responsible for data input and collection, with sign-off processes in place to guarantee the reliability of information. Feedback from the OSBC Advisory Board regarding the quality of management information is regularly reviewed, leading to actionable responses from OSBC that address emerging issues and risks to service delivery.

Governance Compliance

The OSBC Advisory Board oversees adherence to the OSBC framework document, which is founded on governance principles outlined in the 'Corporate Governance in Central Departments: Code of Good Practice' (Cabinet Office, HM Treasury, April 2017).

The ARAC assesses compliance with the governance framework and reviews the OSBC's strategic risk register regularly to ensure compliance and alignment.

The ARAC seeks assurances from OSBC on the robustness of the governance and risk management processes, including commissioning 'assurance reviews' into specific areas of risk and reviewing GIAA internal audit outcome reports to further strengthen processes.

OSBC provides the ARAC additional assurance by providing management information (MI) packs, reporting on performance, risks, financial forecasts and spend trajectory.

Risk Management Structure

As part of its 2024–25 governance and assurance responsibilities, the Office of the Small Business Commissioner (OSBC) identified and managed a range of strategic, operational, and financial risks. Strategic risks were heightened by the temporary suspension of Government Procurement Cards (GPCs), which impacted day-to-day financial operations and required urgent mitigation. Operational risks involved fluctuating case volumes, resource constraints, and potential service disruptions, particularly concerning the expiration of the OSBC website contract.

Financial pressures included a flat budget settlement and the need to address an evolving remit, such as the shift from the Prompt Payment Code to the new Fair Payment Code. Additional areas of focus included procurement compliance, audit readiness, and the robustness of fraud controls. Mitigations were implemented through enhanced oversight, increased staffing and capability, additional assurance controls within processes, internal audit engagement, and proactive planning. These risks were regularly reviewed by the Audit and Risk Assurance Committee (ARAC) and documented in the organisation's strategic risk register.

Strategic Risks

Risks that could impact the OSBC and necessitate a fundamental change to the current strategy and mission.

Local Risks

Potential threats or opportunities that could impact the delivery of services, operations, or team-level objectives within a specific function of business area in OSBC.

Our risk landscape

Current Risks

Risks that the OSBC are currently managing that could impact our ability to achieve our strategic objectives.

Emerging Risks

Risks that may arise from internal or external opportunities or threats, which can either evolve gradually or rapidly.

What we assess

Risk ownership: each risk is assigned to an owner who evaluates and determines the likelihood and impact of the risk to form an assessment score. Subsequently mitigation actions are planned and monitored accordingly.





Risk appetite: each risk is evaluated in accordance with the OSBC's risk appetite and necessary response measures.

Risk Mitigations: each risk is assigned a set of actions to reduce the likelihood or impact of a risk to an acceptable level, designed to bring identified risks within the OSBC's defined risk appetite.

Risk Registers: All OSBC risks are recorded and evaluated using OSBC's risk management registers held locally.

Strategic Risks In 2024-25:

Key: ● Low Risk ● Medium Risk ● High Risk

Risk	Risk Status	Mitigations
 <p>OSBC Awareness: There is a risk of public criticism from stakeholders or risk of being inundated with complaints and enquiries out of OSBC remit.</p>		<p>Enhanced the OSBC website, tools, and content being introduced.</p>
 <p>Service Delivery: There is a risk to service delivery that OSBC may be unable to achieve its key business objectives and statutory remit due to insufficient resources.</p>		<p>OSBC has introduced a new staff structure and profile. The skills/system matrix is being updated to evaluate capability.</p>

Strategic Risks In 2024-25:



OSBC

Procurement: If procurement processes are not aligned to Crown Commercial Service standards and framework agreements. There will be risks within OSBC procurement practices and compliance.



Collaborating with GIAA and CCS to improve processes and controls across all expenditure areas.



PPC Closure:

There is a risk of poor change communications to small businesses or being inundated with applications.



Enhanced PPC closure communications plan and engagement strategy.

Strategic Risks In 2024-25:



Cybersecurity:

There is risk of inadvertent loss or disclosure of confidential information to third party actors or risk of malware bypassing security measures.



OSBC attending regular cybersecurity briefings. Updated staff training requirement.



Business

Continuity: There is a risk the OSBC ability to operate is impeded and delivery risked if a major incident occurs.



Quarterly reviews of the BCP are taking place. Updated staff training requirement.

Strategic Risks In 2024-25:



Finance and Fraud: There is a risk of financial mismanagement and fraudulent activity occurring.



Monthly DBT/OSBC accounts reconciliation against GL/journals.



OSBC Audits: There is a potential failure risk for OSBC to meet its audit reporting requirements.



Audit action plan in place as live document. OSBC defining roles.



Legal Risks: There is a risk of legal action against the OSBC.



The DBT legal and sponsorship team are available to assist with OSBC powers as needed.

Strategic Risks In 2024-25:



Framework

Document:

There is a risk that the OSBC fails to deliver on the formal Framework agreement with DBT.



OSBC and DBT meet quarterly to discuss business objectives in accordance with the framework agreement.



OSBC Website:

There is a risk that the OSBC website contract expires on the 31st March 2025 resulting in the service being deactivated.



OSBC are engaging with CCS to identify if we can have an Exemption to continue with our existing supplier for 6 months while we develop a new website.

Internal Audit

During this reporting period, the Government Internal Audit Agency (GIAA) undertook a targeted internal audit review for the OSBC, focusing on procurement processes and controls. The audit, which commenced in February 2025, was designed to assess the adequacy, efficiency, and compliance of OSBC's procurement activities across four key spend areas. The review also considered ongoing improvements to align OSBC's practices with Cabinet Office and Crown Commercial Service (CCS) standards. GIAA provided advisory input on proportionate due diligence measures, particularly for non-limited companies, and recommended the use of CCS frameworks to mitigate procurement risks. While GIAA does not issue an annual audit opinion for OSBC due to the limited scope of coverage, the insights from this review have informed enhancements to procurement governance and risk management within the organisation.

Internal Controls

OSBC's risk management structure ensures that strategic and local risks are proactively identified, mitigated, and escalated as required within the Governance Framework. This framework is understood and adhered to by the appropriate staff, with assurance systems in place to monitor compliance.

Ministerial Directions and Risk

Since the last reporting period, there have been no ministerial directions informing the managing of risk and/or practice.

Register of Interests

Members of the OSBC Advisory Board are required to declare conflicts of interest on appointment. All members are required to declare any conflicts of interest before the start of each OSBC Advisory Board meeting, informing the Board Chair of current interests and those of people connected with them. This review and assessment ensure that those interests do not conflict with their position as an external member of the OSBC Advisory Board. Any additional conflicts that arise during the year are declared to the OSBC Advisory Board Chair as soon as possible after they arise or at the next OSBC Advisory Board or ARAC meeting.

The OSBC Business Manager maintains and reviews a register of interests. OSBC staff, including the SBC, update the relevant register annually and additionally if new interests arise. Members of the OSBC Advisory Board are required to declare any new or additional conflicts before each OSBC Advisory Board and ARAC meeting. During this reporting period, OSBC Advisory Board members had no interests which are considered to give rise to any conflict.

Personal Data Related Incidents

All OSBC team members are fully informed about GDPR requirements and are required to complete mandatory training on the DBT Learning Hub. The training program, titled "Security and Data Protection," must be completed annually. There have been no personal data incidents reported to the ICO during this reporting period.

Whistleblowing

Whistleblowing is an act of exposing or disclosing past or present information on activity deemed illegal, immoral, illicit, unsafe, or fraudulent within an organisation. If an individual is asked to take an action, or is aware of the actions of others, which they consider to be illegal, endanger others or breach the values of the Civil Service Code, they should raise a whistleblowing concern. The process for raising a whistleblowing concern is publicised internally to staff on an annual basis. During the reporting period, there has been no disclosures using the whistleblowing process relating to OSBC.

Funding

The OSBC was funded by a “Grant-In-Aid” for the fiscal year 2024-25, provided by our sponsor department the Department for Business and Trade (DBT). The funding is voted for in our sponsor department’s supply estimate and subject to Parliamentary controls.

Counter Fraud, Bribery and Raising Concerns Policies

The OSBC adheres to its sponsor department's (DBT's) Counter Fraud and Anti-Bribery and Corruption policies, ensuring effective response plans are in place to deal with breaches should they occur. Policies are available to staff on the intranet and promoted at induction and annually via mandatory training requirements.

Anonymity and security are ensured through alternate channels for raising concerns, along with professional and independent support when needed. Throughout the reporting period, no action was taken under the Counter Fraud and Anti-Bribery and Corruption policies.

Gifts and Hospitality

OSBC staff are required to declare offers or receipt of gifts and hospitality. To comply with this requirement, a regular communication is issued to OSBC staff with links to OSBC's local gifts and hospitality register to record any offers. All offers and gifts are recorded within this register whether the offer was accepted or declined.

Government Functional Standards

OSBC is committed to promoting consistent and coherent working practices in accordance with the government functional standards framework, ensuring full alignment with these standards when engaging with and reporting to the DBT sponsorship team.

MacPherson Review of Quality Assurance (QA)

OSBC does not use the models associated with quality assurance framework.

Statement by the Small Business Commissioner (SBC)

I have considered the evidence supporting this governance statement, including the independent advice and assurance provided by the Audit and Risk Assurance Committee.

I am assured that the OSBC has systems and controls in place to support the delivery of my statutory purposes. I am satisfied that my transition to Small Business Commissioner and Accounting Officer for the OSBC in June 2025, along with the handover arrangements and meetings with my predecessor, were sufficient for me to provide assurance that a sound system of internal control was in place throughout the year. I have no disclosures of control weaknesses to make for the 2024–25 fiscal year and conclude that the OSBC has satisfactory governance and risk management systems, with effective plans to ensure continuous improvement.

Signed:

A handwritten signature in black ink that reads "Emma Jones". The signature is written in a cursive style with a large initial 'E'.

Emma Jones CBE,
Accounting Officer
Small Business Commissioner

Date: 21/01/2026

Remuneration & Staff Report

Remuneration Policy

The remuneration for Senior Civil Servants (SCS) is set by the Prime Minister following independent advice from the Senior Salaries Review Body. The review body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

The OSBC has no remuneration responsibilities. The remuneration of the Commissioner is determined by the Secretary of State for the Department for Business and Trade (DBT) under Part 1 in the Enterprise Act 2016. The Small Business Commissioner is a public appointment, designated as a statutory office holder and is a Corporation Sole. The salary of the Commissioner is set by DBT.

Staff are appointed on terms and conditions determined by the SBC and approved by the Secretary of State. All seconded staff retain their home departments' terms and conditions and remain civil servants. Employees directly appointed by the OSBC will be public servants, not civil servants. There are currently no directly appointed employees.

The OSBC team has a headcount of 12 members including the Commissioner, as of 31 March 2025. One team member is on loan from another department and is seconded to the OSBC. This person retains the terms and conditions set by their home department.

The Commissioner and all members of the OSBC team receive a civil service pension.

2024-25 Remuneration Figures (subject to audit)

Single total figure of remuneration (1 April 2024 to 31 March 2025) Small Business Commissioner - Public Appointee	Salary (in 5k bandings)	Bonus Payments (in 5k bandings)
	£'000	£'000
Liz Barclay	125-130	-

Pension Benefits (to the nearest £1,000)	Total
£'000	£'000
57,000	185-190

Liz Barclay served as Small Business Commissioner at OSBC until 22/06/2025. Her remuneration is detailed in this annual report and accounts. Emma Jones has now taken over as the new Small Business Commissioner, replacing her in the role.

2023-24 Remuneration Figures (subject to audit)

Single total figure of remuneration (1 April 2023 to 31 March 2024) Small Business Commissioner - Public Appointee	Salary (in 5k bandings)	Bonus Payments (in 5k bandings)
	£'000	£'000
Liz Barclay	120-125	-

Pension Benefits (to the nearest £1,000)	Total
£'000	£'000
51,000	170-175

Note:

- The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to transfers of pension rights. Not all staff receive a pension.
- 'Salary' includes gross salary; overtime, reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowances to the extent that is subject to UK taxation.
- Salary information above excludes employers' national insurance contributions.
- No allowances, bonuses or non-cash benefits in kind have been made to the Commissioner.
- All gifts and hospitality received are recorded in the OSBC gifts and hospitality register.

- The Pensions Benefits figure does not represent a cash payment, but is a calculation, provided by the pension administrator, of the estimated value of pension benefits accrued during the year under the scheme. The Commissioner and all members of the OSBC team receive a civil servant pension and other pension commitments are met by the home departments of the secondees to the OSBC.

Pension Entitlements

Pension benefits are provided through the civil service pension arrangements.

There are five schemes:

- Classic
- Premium
- Classic Plus
- Nuvos
- Alpha

From 1 April 2015 a new pension scheme for civil servants was introduced, the civil servants and others pension scheme or Alpha, which provides benefits on a career average basis with a normal pension age equal to the member's state pension age (or 65 if higher).

From this date all newly appointed civil servants and the majority already in service joined alpha. Prior to this date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The Commissioner is in the Alpha civil service pension scheme.

These statutory arrangements are unfunded with the cost 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.

Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switched into Alpha between the period 1 June 2015 and 1 February 2022.

All members who switch to Alpha have their PCSPS benefits 'banked,' with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave Alpha.

The accrued pension quoted is the pension the member is entitled to receive when they reach the age of 65 or state pension age for members of Alpha.

The 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 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 to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued because of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the civil service pension arrangements.

They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken

Pension Entitlements

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including 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.

Senior Management Pension Benefits (subject to audit)

Accrued pension at age 65 at 31 March 25 and related lump sum	Real increase in pension and related lump sum at pension age
£'000	
Liz Barclay	10-15
	2.5-5

CETV at 31 March 25	CETV at 31 March 24	Real increase in CETV Total
£'000	£'000	£'000
200	144	43

Notes:

- Taking account of inflation, the CETV funded by the employer has decreased in real terms.
- Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022.

The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

Fair Pay Disclosures (subject to audit)

All reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The median represents the remuneration of that staff member that lies in the middle of the linear distribution of the total staff, excluding the highest-paid director.

All posts (excluding the Commissioner) were filled via loans from Other Government Departments (OGD's). The Commissioner, as a public appointment, was paid by the sponsor department.

The banded remuneration of the highest-paid director in the OSBC in the fiscal year 2024-25 was £125-£130k. (2023-24: £120-£125k). Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions, or the CETV of pensions.

During the reporting period, the remuneration ratio decreased to 3.0. This was due to the staff median total increasing to £42,359 from £39,946 while the highest paid director band increased to £125k-£130k. The pay award for staff resulting in a 6.04% increase to median salaries.

	For the period ended 31 March 2024	For the period ended 31 March 2025
Band of highest paid directors' total remuneration (£'000) (bands of £5,000)	120-125	125-130
Staff Median total (£)	39,946	42,359
Remuneration ratio	3.1	3.0

25th Percentile Pay Ratio 2023-24	75th Percentile Pay Ratio 2023-24	25th Percentile Pay Ratio 2024-25	75th Percentile Pay Ratio 2024-25
36,042	41,897	35,080	50,236
3.4:1	2.9:1	3.6:1	2.5:1

Salary component ratio

SBC based on 31 March 2025 data (P12)	25th Quartile 2024-25	50th Quartile 2024-25	75th Quartile 2024-25
Salary Ratio	3.8:1	3.1:1	2.6:1
Salary	33,955	41,609	49,361

Percentage change in total salary and bonuses for the highest paid director and the staff average.

	Total salary and allowance	Bonus payments
Salary average	-0.6%	420%
Highest paid director	4.1%	0%

Note:

- In 2024-25, 0 (2023-24: 0) employees received remuneration in excess of the highest-paid director.
- The median pay ratio is shared and endorsed by DBT and is consistent with the pay, reward, and progression policies for OSBC's employees taken as a whole.
- No remuneration range has been provided as this would disclose the salaries of individuals who work in the Commissioner's team.
- Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in kind. It does not include employer's pension contributions, severance payments and the cash equivalent value of pensions.
- For 2024-25, no allowances, bonuses or benefits in kind have been made to the Commissioner.

There are no Senior Civil Servants employed by the OSBC. The Commissioner is a public appointment, remunerated via the Department for Business and Trade (DBT) payroll.

Staff Turnover

The figures for the period April 2024 to March 2025 indicate 16.6% turnover (including secondments and loans).

Staff Numbers and Costs

Staff costs represent the majority of our spend. We have continued to build flexibility into our projected and forecast costs to ensure we can scale up and down in response to changing demand and any need for (temporary) additional resources. From April 2024 to March 2025 the cost of staff remuneration is shown in the table below:

2024-25 Staff Costs (subject to audit)

Year Ending 31 March 2025			
Type	Permanent Staff	Other Staff	Total
Wages and salaries	£129,163	£421,352	£550,515
Social security costs	£16,569	£46,109	£62,678
Other pension costs	£37,418	£119,580	£156,998
Total	£183,150	£587,041	£770,191

2023-24 Staff Costs

Year Ending 31 March 2024			
Type	Permanent Staff	Other Staff	Total
Wages and salaries	£123,012	£291,358	£414,370
Social security costs	£15,720	£25,884	£41,604
Other pension costs	£37,272	£57,512	£94,784
Total	£176,004	£374,754	£550,758

Notes:

- There have been no severance payments in the year.
- The OSBC does not operate a defined benefit pension scheme but pays into various civil service pension schemes on behalf of its employees in line with each of those scheme's rules.
- The OSBC is not VAT registered.
- The cost of the OSBC is disclosed under 'public appointment.' The costs of all other staff working in the OSBC are disclosed under 'other staff'.

Staff Numbers (subject to audit)

The OSBC employed on average 9 full-time equivalent staff over the reporting period.

Staff Composition

The composition of the Office of the Small Business Commissioner is shown below as at 31 March 2025:

	Female: For the period ended 31 March 2025	Male: For the period ended 31 March 2025	Female: For the period ended 31 March 2024	Male: For the period ended 31 March 2024
The Commissioner	1	0	1	0
External Board Members	1	0	1	0
OSBC Staff	8	4	4	2

Sickness Absence Data

During the reporting period, the Commissioner has taken no sickness absence, and all loan staff sick absences was recorded directly with their home departments.

The Average Working Days Lost (AWDL) per staff year in the OSBC was 8.3 days in the year ended 31 March 2025.

Staff Policies for Disabled Persons

The OSBC aligns to our sponsorship department's (DBT) workplace adjustments policy, ensuring that employees can perform and thrive in their roles and careers. The framework sets out how the OSBC will identify challenges and barriers faced by people with disabilities or long-term health conditions, whether these are physical or mental, and make adjustments. These include changes to people's working environment or working patterns, providing IT equipment or software, developing the OSBC further to be a better employer and create a more inclusive workplace.

All team members are encouraged to complete Display Screen Equipment (DSE) assessments, resulting in equipment being ordered to aid employees in their roles where needs have been identified.

The Civil Service is committed to the employment and career development of disabled people. Under the guaranteed interview scheme, we guarantee to interview anyone with a disability whose disability meets the criteria set within the Equality Act 2010 (subject to meeting the minimum criteria for the job vacancy).

Other Employee Matters

The Statutory Review of the OSBC has added a new layer of complexity and uncertainty regarding the specific resources needed to meet business requirements. As OSBC awaited the outcome of the review, we have recruited to key roles to ensure that the OSBC headcount remains stable across the team.

The OSBC is restricted by not being able to offer permanent posts, limiting the overall pool of applicants for each role. This results in potential future difficulties with appointing candidates in a timely manner, which could affect business as usual (BAU) operations.

Employee Consultation and Career Development

There are three recognised trade unions in DBT, the First Division Association (FDA), Public and Commercial Services Union (PCS), and Prospect, and we work closely with DBT HR on issues relating to staff pay, terms and working conditions to ensure that colleagues are updated.

To support employee career development and training, staff have regular Performance Development Reviews (PDRs) to form development plans where applicable, supporting OSBC strategic staff development objectives and their careers as they evolve in the organisation.

The OSBC ensures staff have completed their mandatory training on:

- Security and Data Protection
- Health and Safety* Civil Service Expectations
- Counter Fraud Bribery and Corruption
- GDPR
- Whistle Blowing Policy
- Secure Remote Policy
- Tag-Evac
- DBT Essentials
- Knowledge and Information Basic.

Expenditure On Consultancy

OSBC recorded no expenditure on consultancy during 2024-25.

(2023-24: None)

Benefits In Kind

OSBC recorded no benefits in kind during 2024-25.

(2023-24: None)

Expenditure On Temporary Staff

The OSBC has not employed any temporary staff during 2024-25.

(2023-24: None)

Off Payroll Engagements

The tables below show the number of off-payroll engagements above £245 per day. Off-payroll engagements refer to workers paid off-payroll, without deducting tax and national insurance at source, typically contractors.

During the period of this annual report, a single external OSBC Advisory Board member remaining in post.

Table 1: Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater

No. of existing engagements as of 31 March 2025	1
Of which, number that existed for:	
less than 1 year	0
between 1 and 2 years	0
between 2 and 3 years	0
between 3 and 4 years	0
4 or more years	1

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater

No. of temporary off-payroll workers engaged at any point during the year ended 31 March 2025	1
Of which:	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	1
No. of engagements reassessed for compliance or assurance purposes during the year	1
Of which: No. of engagements that saw a change to IR35 status following review	0

Table 3 shows the number of individuals that have been deemed “board members, and/or senior officials with significant financial responsibility”, between 1 April 2024 and 31 March 2025. This figure includes the organisation's sole external member, whose contract ran from November 2019 to June 2023 and was extended for a further four years in June 2023.

Table 3: For any off-payroll engagements of board members, and/or senior officials with significant fiscal responsibility, between 1 April 2024 and 31 March 2025

No. of off-payroll engagements of board members, and/or senior officials with significant fiscal responsibility, during the fiscal year. 1

Total no. of individuals on payroll and off-payroll that have been deemed “board members and/or senior officials with significant financial responsibility,” during the fiscal year. 1

Exit Packages (subject to audit)

OSBC has confirmed that no exit packages were paid during 2024-25.

(2023-24: None)

External Members of the Board (subject to audit)

Metric	FY2024-25	FY2023-24
Number of External Board Members: Yvonne Gayle	1	1
Number of Meetings (Annually)	6*	5*
Total remuneration (£'000) (bands of £5k)	0-5	0-5

The Secretary of State may terminate the appointments of external OSBC Advisory Board members immediately, by giving notice in writing, if they are in breach of any of the terms of their appointment or are unfit, or from any cause whatsoever have become unfit, to discharge duties as a member, or if they:

- Have been absent from meetings of the OSBC Advisory Board for a period longer than six consecutive months without permission of the Board
- Have been declared bankrupt or made an agreement with their creditors (or, in Scotland, have had their estate sequestrated or have made a trust deed for their creditors or have and had accepted a composition contract)
- Are incapacitated by physical or mental illness
- Are otherwise unable or unfit to discharge the functions of the office.

External members of the OSBC Advisory Board will receive no notice if their appointment is terminated early by mutual consent. No compensation is payable upon early termination of their contract.

Responsibilities For Accounting to Parliament

The accountabilities include:

- Producing, signing, and publishing an Annual Report and Accounts detailing the activities of the Office of Small Business Commissioner, and ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared, audited, and presented in accordance with any directions issued by the Secretary of State
- Preparing and signing a Governance Statement covering corporate governance, risk management and assurance of any local responsibilities, for inclusion in the Annual Report and Accounts
- Ensuring that effective procedures for handling complaints about the OSBC are established and published
- Acting in accordance with the terms of this document, including the list of Government-wide corporate guidance instructions listed at Appendix 1, Managing Public Money and other instructions and guidance issued from time to time by our sponsor department, the Treasury, and the Cabinet Office
- Giving evidence, normally with the Principal Accounting Officer, when called before the Public Accounts Committee (PAC) on the Commissioner's stewardship of public funds.

Auditors

National Audit Office (NAO)

The NAO has direct access to the SBC and the OSBC Advisory Board Chair to discuss financial reporting matters. NAO is invited to all ARAC meetings. The OSBC Annual Report and Accounts are subject to audit by the Comptroller and Auditor General, head of the NAO.

Government Internal Audit Agency (GIAA)

During this reporting period, the Government Internal Audit Agency (GIAA) undertook a targeted internal audit review for the OSBC, focusing on procurement processes and controls. The audit, which commenced in February 2025, was designed to assess the adequacy, efficiency, and compliance of OSBC's procurement activities across four key spend areas. The review also considered ongoing improvements to align OSBC's practices with Cabinet Office and Crown Commercial Service (CCS) standards. GIAA provided advisory input on proportionate due diligence measures, particularly for non-limited companies, and recommended the use of CCS frameworks to mitigate procurement risks. While GIAA does not issue an annual audit opinion for OSBC due to the limited scope of coverage, the insights from this review have informed enhancements to procurement governance and risk management within the organisation.

Government Functional Standards

To ensure our compliance with Government Functional Standards, we have adopted an incremental approach in rolling out key standards. This approach is proportionate and based on feedback from the DBT sponsorship team. In the initial stage, we focused on specific areas to establish a stable foundation for assurance and risk management. Our priority was to concentrate on GovS(013) and the development of a response plan for potential instances of fraud, bribery, and corruption. This required a comprehensive review of local policies and a calibration of our approach in alignment with operational and strategic registers. These standards and policies have since been incorporated into our core working procedures.

As we progress through our three-year business plan, we will continue to add further standards and associated guidance. Throughout this process, we will ensure that our approach is consistently applied in proportion to the risk and value of each activity. Furthermore, it will be seamlessly integrated into the organisation's overall assurance framework.

Regularity of Expenditure – Losses (subject to audit)

There were no losses during 2024-25.
(2023-24: None)

Regularity of Expenditure – Special payments and severance (subject to audit)

There were no special or severance payments during 2024-25.
(2023-24: None)

Regularity of Expenditure – Gifts (subject to audit)

Gifts and hospitality are recorded in the Office of the Small Business Commissioner's gifts & hospitality register.
(2023-24: None)

Fees and Charges (subject to audit)

There were no additional fees and charges to report during 2024-25.

Remote Contingent Liabilities (subject to audit)

OSBC has no remote contingent liabilities for the reporting period.
(2023-24 None)

This section was prepared under the tenure of the previous Commissioner. I'm content to sign this statement in my capacity as Accounting Officer for the OSBC.

Signed:

A handwritten signature in black ink that reads "Emma Jones". The signature is written in a cursive style with a large initial 'E' and 'J'.

Emma Jones CBE,
Accounting Officer
Small Business Commissioner

Date: 21/01/2026



Financial Statements

THE REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE OFFICE OF THE SMALL BUSINESS COMMISSIONER AND THE HOUSES OF PARLIAMENT

Opinion on financial statements

I have audited the financial statements of the Small Business Commissioner for the year ended 31 March 2025.

The financial statements comprise the Small Business Commissioner's:

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' 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 the Small Business Commissioner's affairs as at 31 March 2025 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the HM Treasury's Government Financial Reporting Manual and Secretary of State for the Department for Business and Trade's directions issued thereunder.

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 the Small Business Commissioner 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.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Small Business Commissioner'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 the Small Business Commissioner'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 Accounting Officer with respect to going concern are described in the relevant sections of this report.

The going concern basis of accounting for the Small Business Commissioner is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report but does not include the financial statements and my auditor's report thereon. The Commissioner as the Accounting Officer is 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.

I have nothing to report in this regard.

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

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury's Government Financial Reporting Manual.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury's Government Financial Reporting Manual; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Small Business Commissioner and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Small Business Commissioner or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Small Business Commissioner as Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Small Business Commissioner as Accounting Officer is 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 the Small Business Commissioner 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 statements 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 UK adopted International Accounting Standards;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury's Government Financial Reporting Manual; and
- assessing the Small Business Commissioner'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 Commissioner as Accounting Officer anticipates that the services provided by the Small Business Commissioner will not continue to be provided in the future.

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 (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, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

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 the Small Business Commissioner's accounting policies.
- inquired of management, the Small Business Commissioner's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Small Business Commissioner'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 the Small Business Commissioner's controls relating to the Small Business Commissioner's compliance with Managing Public Money;

- inquired of management, the Small Business Commissioner's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - 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 the Small Business Commissioner for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions, bias in management estimates.

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 the Small Business Commissioner's framework of authority and other legal and regulatory frameworks in which the Small Business Commissioner 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 the Small Business Commissioner. The key laws and regulations I considered in this context included the Enterprise Act 2016, Managing Public Money, and employment law and tax regulation.

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 enquired of management, the Audit and Risk Committee concerning actual and potential litigation and claims;

- 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 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.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General

Date: 21/01/2026

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

Financial Statements for the Year Ended 31 March 2025

Statement of Comprehensive Net Expenditure For the year ended 31 March 2025

Operating Expenditure	Note	Year ended 31 March 2025	Year ended 31 March 2024
		£	£
Staff costs	2	770,191	550,758
Other expenditure	3	297,834	197,377
		1,068,025	748,135
Net operating expenditure		1,068,025	748,135
Finance Charges	4	975	1,906
Net Expenditure for the period		1,069,000	750,041

Statement of Financial Position

As at 31 March 2025

		As at 31 March 2025	As at 31 March 2024
	Note	£	£
<i>Non-current assets</i>			
Right of use assets	5	96,053	105,347
Intangible assets	6	5,066	31,094
Total non-current assets		101,119	136,441
<i>Current assets</i>			
Cash and cash equivalent	7	365,424	175,027
Trade and other receivables	8	8,481	28,737
Total current assets		373,905	203,764

Non-Current liabilities

Lease liabilities	5	(88,905)	(98,033)
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Total non-current liabilities

		(88,905)	(98,033)
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Current liabilities

Payables and other liabilities	9	(426,626)	(288,635)
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Lease liabilities	5	(8,707)	(8,680)
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Total current liabilities

		(435,333)	(297,315)
--	--	------------------	------------------

Total assets less current liabilities

		39,691	42,890
--	--	---------------	---------------

Total assets less total liabilities	(49,214)	(55,143)
<i>Taxpayers' equity</i>		
General reserve	(49,214)	(55,143)

The notes on pages 182 to 209 form part of these financial statements. The financial statements were approved by the Small Business Commissioner on 21/01/2026.

Signed:



Emma Jones CBE,
Accounting Officer
Small Business Commissioner

Date: 21/01/2026

Statement of Cash Flows

For the year ended 31 March 2025

SoCF / Cash Flow		As at 31 March 2025	As at 31 March 2024
	Note	£	£
<i>Cash flows from operating activities</i>			
Net operating expenditure	SoCNE, Note 2 and 3	(1,068,025)	(748,135)
Adjustments for non-cash expenditure		34,846	32,448
Increase/ (decrease) in payables and accruals	9	137,991	148,480
(Increase)/ decrease in prepayments	8	20,256	(10,535)

Net cash (outflow)/inflow from operating activities		(874,932)	(577,742)
<i>Cash flows from financing activities</i>			
Grant in aid	SoCiTE	1,074,929	684,685
Payment of lease liabilities		(8,625)	(7,695)
Interest element of lease liabilities	4	(975)	(1,906)
<i>Net cash (outflow)/ inflow from financing activities</i>		1,065,329	675,084

<i>Net (decrease)/ increase in cash and cash equivalents for the period</i>	7	190,397	97,342
Cash and cash equivalents at the beginning of the period	7	175,027	77,685
Cash and cash equivalents at the end of the period	7	365,424	175,027

The notes on pages 182 to 209 form part of these financial statements.

SoCiTE / Taxpayer's equity	As at 31 March 2025	As at 31 March 2024
	£	£
Balance at 1 April	(55,143)	10,213
Comprehensive net expenditure for the year	(1,069,000)	(750,041)
Grant in aid	1,074,929	684,685
Balance at 31 March	(49,214)	(55,143)

The notes on pages 182 to 209 form part of these financial statements.

Notes to the Accounts

1. Statement of Accounting Policies

The Office of the Small Business Commissioner (OSBC) is an independent public body set up by Government under the Enterprise Act 2016. It is classified as an executive non-departmental public body (NDPB) of the Department for Business and Trade (DBT). OSBC is registered at Office of the Small Business Commissioner, 23 Stephenson Street, Birmingham, B2 4BH. The OSBC was launched on 20 December 2017, and these accounts are prepared for the year from 1 April 2024 to 31 March 2025.

The principal activity of the OSBC is to tackle overdue payment and unfavourable payment practices in the private sector.

1.1 Basis of Accounting

These financial statements have been prepared on an accruals basis in accordance with direction from the Secretary of State for DBT and the 2024-25 Government Financial Reporting Manual (FReM). The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the OSBC for the purpose of giving a true and fair view has been selected.

The particular policies adopted by the OSBC are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The Annual Accounts have been prepared as directed by the Secretary of State for DBT and certified by the Comptroller and Auditor General, as agreed with the Comptroller and Auditor General.

1.2 Accounting Convention

These accounts have been prepared on the accrual's basis. The Accounts Direction issued by DBT provides that the SBC is required to prepare and publish a report describing what the Commissioner has done during the reporting period. The Commissioner must send a copy to the Secretary of State, and it must be laid before Parliament.

1.3 Going Concern

The OSBC has approval from the Secretary of State for grant in aid for 2025-26 that fully takes into account budgeted expenditure. In turn, the OSBC will receive grant in aid for 2025-26 to fund its activities. It has been accordingly considered appropriate to adopt a going concern basis for the preparation of these financial statements.

There was no material uncertainties identified in the going concern status of the OSBC. There have been no changes to the Enterprise Act 2016, and as such, there has been no impact on the OSBC's ability to continue as a going concern, its objectives, or the manner in which it operates.

1.4 Applicable Accounting Standards Issued but Not Yet Adopted

IFRS 17 'Insurance Contracts' replaces IFRS 4 'Insurance Contracts', which requires reporters to identify insurance contracts, and for those contracts recognise an insurance contract liability. The insurance contract liability is calculated as the present value of future insurance cashflows (the fulfilment cash flows) plus a subsequent risk adjustment. The IASB announced the deferral of IFRS 17 until 1 January 2023 and the implementation timetable in the public sector is being extended to at least 1 April 2025. The OSBC does not issue insurance contracts. Therefore, the OSBC believes there will be no impact to the financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements was issued in April 2024 and becomes effective for annual reporting periods beginning on or after 1 January 2027. IFRS 18 replaces IAS 1 Presentation and Disclosure in Financial Statements and introduces new requirements aimed at improving the structure of financial statements. Management is currently assessing the impact of IFRS 18 on the changes in the presentation of the OSBC's financial statements when the standard becomes effective and endorsed for use in the UK.

HM Treasury non-investment asset thematic review conclusions

As of 1 April 2025, the requirements in the FReM in respect of classification and revaluations of property, plant and equipment have changed. The FReM makes reference to holding assets for their operational capacity – assets held for their primary objective of delivering front line services or back-office functions, rather than making references to service potential and the distinction between specialised and non-specialised assets. Where entities do not have a rolling programme of revaluations in place and/or the assets are not non-property assets subject to indexation, entities revalue their assets every five years with annual indexation applied to assets during the four intervening years. Where entities cannot obtain indices without undue cost or effort, entities revalue those assets using a quinquennial revaluation with a desktop revaluation in year 3. This change is not expected to have a material impact on the OSBC's future accounts.

From 1 April 2025 the requirements in the FReM in respect of the valuation basis for intangible assets will change. The option to measure intangible assets using the revaluation model will be withdrawn, with the cost model employed prospectively for the measurement of intangible assets. The carrying values of intangible assets measured by the previously prescribed revaluation basis per the FReM up to 1 April 2025, will be considered deemed historical cost. This change is not expected to have a material impact on the Department's future accounts.

Social benefits

The 2025-26 FReM will include new guidance on accounting for social benefits. The 2025-26 FReM will define social benefits as 'current transfers received by households (including individuals) intended to provide for the needs that arise from certain events or circumstances, for example, sickness, unemployment, retirement, housing, education, or family circumstances. The OSBC does not provide any social benefit. Therefore, the OSBC believes there will be no impact to the financial statements.

1.5 New Accounting Standards Adopted in the Year and FReM Changes

No new accounting standards have been adopted in these financial statements and the OSBC is not impacted by any other changes to the FReM.

1.6 Grant in Aid

Grant in aid is paid to the OSBC on an annual basis to cover the net cash revenue and capital requirements in the year. Grant in aid is utilised in the settlement of its statutory and other obligations and is credited to the general reserve in the year in which it is received because it is regarded as a contribution from a controlling party which gives rise to a financial interest in the OSBC.

1.7 Expenditure & Staff Costs

All expenditure is recognised on an accrual's basis. Staff costs are recognised as expenses when the OSBC becomes entitled to relevant benefits, including the cost of any untaken leave entitlement.

1.8 Financial Instruments

The only financial instruments held by the OSBC other than the lease liabilities are cash balances and trade payables.

Financial instruments are initially measured at fair value and classified subsequently as held at amortised cost.

Financial Assets

The OSBC holds financial assets, which comprise of current balances with banks, which are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

Financial Liabilities

The OSBC holds financial liabilities, which comprise of trade payables. Trade payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Trade payables are classified as current liabilities if payment is due within one year or less. The carrying value of the trade payables is assumed to approximate the fair value due to their short-term nature.

1.9 Intangible Assets

Expenditure on intangible assets consists of the OSBC's website and is capitalised where the cost is £2,000 or more and has a useful life of more than one year.

Intangible assets are reviewed annually for impairment and are carried at historic cost less amortisation.

The website is amortised on a straight-line basis over a period of 4 years.

1.10 General Reserve

The OSBC accounts for accumulated surplus or deficit in the general reserve.

1.11 VAT

The OSBC is not VAT registered. The OSBC is not part of the wider DBT VAT group therefore no VAT will be recoverable.

1.12 Leases

At the inception of a contract, the OSBC assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. When a lease is recognised in a contract, the OSBC recognises a right of use asset and a lease liability at the lease commencement date.

The OSBC has applied the recognition exemption of low value leases and short-term leases (duration less than 12 months). For these leases, the lease payments are charged to the SoCNE on a straight-line basis over the lease term.

The right of use asset is initially measured at cost, which comprises the following:

- (i) the initial amount of the lease liability adjusted for any lease prepayments made at or before the commencement date,
- (ii) plus, any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located,
- (iii) less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an HM Treasury issued discount rate for leases.

The OSBC applies the HM Treasury discount rate of 0.95% which was the HMT discount rate at the time of entering into the lease, which is permitted by the FReM where interest rates implicit in the lease cannot be readily determined.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in our assessment of whether we will exercise a purchase, extension, or termination option.

2. Staff Costs

The cost of staff remuneration was:

	Year ending 31 March 2025		
	£	£	£
	Permanent Staff	Other Staff	Total
Wages and salaries	129,163	421,352	550,515
Social security costs	16,569	46,109	62,678
Other Pension costs	37,418	119,580	156,998
Total	183,150	587,041	770,191

	Year ending 31 March 2024		
	£	£	£
	Permanent Staff	Other Staff	Total
Wages and salaries	123,012	291,358	414,370
Social security costs	15,720	25,884	41,604
Other Pension costs	37,272	57,512	94,784
Total	176,004	374,754	550,758

There have been no severance payments in the year.

The OSBC does not operate a defined benefit pension scheme but pays into various Civil Service pension schemes on behalf of its employees in line with each of those scheme's rules.

For further information on staff costs and numbers, please see the Accountability Report.

3. Other Expenditure

	Year ending 31 March 2025	Year ending 31 March 2024
	£	£
Marketing	37,812	12,323
Audit	52,395	50,964
Accommodation costs	27,389	27,142
Computer equipment and software	81,361	68,589
General expenses	48,538	712
Legal and professional	2,100	2,192
Travel & subsistence	12,878	2,708
Bank charges	300	300
Total other operating expenditure	262,773	164,930

<i>Depreciation</i>		
Right of use assets (leases)	9,033	8,997
<i>Amortisation</i>		
Amortisation of intangible assets	26,028	23,450
Total other expenditure	297,834	197,377

Included in Audit above is £45,600 (2023-24: £48,000) which relates to the audit of SBC's accounts. The remaining amount relates to other audit services not performed by SBC's auditor.

4. Finance Cost

	Year ending 31 March 2025	Year ending 31 March 2024
	£	£
Unwinding of discounting on lease liabilities	975	1,906
Total finance cost	975	1,906

5. Leases

I. Right-of-use asset

Cost or Valuation	2024-25
	£
At 1 April 2024	128,808
Additions	0
Disposals	0
Remeasurement	(261)
At 31 March 2025	128,547

Depreciation

At 1 April 2024	23,461
Charge	9,033
Disposal	0
Reclassification	0
At 31 March 2025	32,494
Net book value at 31 March 2025	96,053
Net book value at 31 March 2024	105,347

Cost or Valuation	2023-24
	£
At 1 April 2023	127,938
Additions	0
Disposal	0
Remeasurement	870
At 31 March 2024	128,808
Depreciation	
At 1 April 2023	14,463
Charge	8,998
Disposal	0
Reclassification	0
At 31 March 2024	23,461
Net book value at 31 March 2024	105,347
Net book value at 31 March 2023	113,475

The right-of-use asset relates to a 14.3-year lease, entered into on 18 August 2021, with the Government Property Agency, for office space for SBC at 23 Stephenson Street, Birmingham.

II. Lease liabilities

Obligations for the following periods comprise:

Buildings	As at 31 March 2025	As at 31 March 2024
	£	£
Within one year	9,600	9,600
Within 2 to 5 years	38,401	38,401
Over 5 years	54,761	64,362
	102,762	112,363
Less interest element	(5,150)	(5,650)
Total present value of obligations	97,612	106,713
Current	8,707	8,680
Non-Current	88,905	98,033

III. Total cash outflow for leases

	As at 31 March 2025	As at 31 March 2024
	£	£
	9,600	9,600

Short term leases expenses for the period were £nil (2024: £nil).

6. Intangible Assets

Cost or Valuation Website	2024-25
	£
At 1 April 2024	96,540
Additions	0
Disposals	0
Reclassification	0
At 31 March 2025	96,540
Amortisation	
At 1 April 2024	65,446
Charge	26,028
Disposal	0
Reclassification	0
At 31 March 2025	91,474
Net book value at 31 March 2025	5,066
Net book value at 31 March 2024	31,094

Cost or Valuation Website	2023-24
	£
At 1 April 2023	96,540
Additions	0
Disposals	0
Reclassification	0
At 31 March 2023	96,540
Amortisation	
At 1 April 2023	41,996
Charge	23,450
Disposal	0
Reclassification	0
At 31 March 2024	65,446
Net book value at 31 March 2024	31,094
Net book value at 31 March 2023	54,544

7. Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
	£	£
Balance at 1 April	175,027	77,685
Net change in cash and cash equivalent balance	190,397	97,342
Balance at 31 March	365,424	175,027
The following balances were held at:		
Government banking service	365,424	175,027

8. Trade and other receivables

Amounts falling due within one year

	As at 31 March 2025	As at 31 March 2024
	£	£
Prepayments	8,481	28,737
Total	8,481	28,737

9. Trade Payables and other liabilities

Amounts falling due within one year

	As at 31 March 2025	As at 31 March 2024
	£	£
Trade and other payables	266,930	154,595
Accruals	159,696	134,040
Total	426,626	288,635

10. Other Financial Commitments

	As at 31 March 2025	As at 31 March 2024
	£	£
Website provider costs	12,456	24,750
Total	12,456	24,750

11. Financial Instruments

As the cash requirement of the OSBC is met through DBT, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The OSBC financial instruments relate to cash, trade & other payables, and trade & other receivables and therefore the OSBC is exposed to little credit, liquidity, or market risk.

12. Contingent assets and liabilities

There are no contingent assets or liabilities to report.

13. Related party transactions

The OSBC is a non-departmental public body sponsored by the Department of Business, and Trade. DBT is regarded as a related party. During the year, the OSBC has had material transactions with the Department, comprising Grant in aid receipts reported in the Statement of Changes in Taxpayers Equity on page 181. Recharges are paid to DBT for our expenditure incurred during the year.

The OSBC had no material transactions with other Government departments and other central Government bodies.

No board member, key manager or other related parties has undertaken any material transactions with the OSBC during the year, except for remuneration paid for their services. Remuneration to senior civil servant (SCS) staff is included within the remuneration report on page 119.

14. Events after the reporting date and Accounting Office declaration

The accounts are authorised for issue on the date the C&AG signed this report.

In accordance with the requirements of IAS 10 'Events After the Reporting Period', post-Statement of Financial Position events are considered up to the date on which Accounts are authorised for issue.



Glossary and Appendices

Complaints Handling Scheme

Small businesses can complain to the Office of the Small Businesses Commissioner about payment problems they are encountering concerning their larger business customers. The OSBC can make non-binding recommendations on how the parties should resolve their disputes.

Larger Business (Medium or Large Business)

Larger business means a business that is not a small business. A larger business will therefore have 50 or more employees and will encompass both medium and large businesses as defined by the Companies Act 2006. The full definition of a larger business in relation to the Office of the Small Business Commissioner complaints handling service can be found in The Enterprise Act 2016.

Small Business

For the purpose of determining who is in remit of the Office of the Small Business Commissioner complaints handling scheme, a small business is a business which has fewer than 50 employees. The full definition of a small business in relation to those in remit of the OSBC's complaints handling service can be found in The Small Business Commissioner (Remit and Scheme) Regulations 2017.

Prompt Payment Code

The Prompt Payment Code (PPC) is a voluntary code of practice for businesses, administered by the Office of the Small Business Commissioner (SBC) on behalf of DBT. It was established in December 2008 and sets standards for payment practices between organisations of any size and their suppliers.

Appendix A

OSBC Engagement

1 April 2024 – 31 March 2025

Network Regular Meetings

Business Support and Advocacy

- Business Doctors
- Business Fraud Network
- Business Support Service
- Confederation of British Industry
- Enterprise Nation
- Forum of Private Business
- FSB (Federation of Small Businesses)
- Good Business Pays
- Institute of Directors
- IPSE (Association of Independent Professionals and the Self-Employed)
- Micro Business Alliance
- Money Advice Trust (Business Debtline)
- National Enterprise Network
- Small Business Britain
- Your Business Community

Chambers of Commerce

- British Chambers of Commerce
- Black Country Chambers of Commerce
- Chambers Wales South East, West and Mid

Construction Sector

- Build UK
- Causeway
- CLC Retentions Group
- Construction Week
- Federation of Master Builders
- FIS (Finishes and Interiors Sector)

Education, Research and Professional Development

- Chartered Association of Business Schools
- Enterprise Research Centre

Finance and Accounting

- ACCA (Association of Chartered Certified Accountants)
- Caxton Finance
- EY (Ernst & Young)
- Finance and Leasing Association
- ICAEW (Institute of Chartered Accountants in England and Wales)
- Institute of Internal Auditors
- UK Finance
- World Commerce and Contracting Association

Financial Technology and Innovation

- FinTech firms in the procurement and payments sectors (Xero, Sage, Intuit)
- Open Banking Excellence

Government and Regulatory Bodies

- Cabinet Office Small Business Crown Rep
- Help to Grow: Management
- Local Authority Small Business leads
- London Corporation
- Ombudsman and Advisory Services
- Financial Ombudsman Service
- Money Advice Liaison Group

Parliament

- MLAs (Members of the Legislative Assembly – Northern Ireland)
- MPs (Members of Parliament – Westminster)
- MSs (Members of the Senedd – Wales)
- SMPs (Scottish Members of Parliament)

Procurement and Payments

- Accounts Payable Association
- E-invoicing Advocacy Lab
- P2P Network

Regional Development

- Business Wales
- Regional Growth Hubs
- Scottish Enterprise

OSBC Meetings

- ACCA England, Scotland, Wales, and Northern Ireland
- Business Minister Scotland
- Business Support Service (DBT)
- Cabinet Office Crown Commercial Representative for Small Businesses
- Cabinet Secretary for the Economy Wales
- Chambers of Commerce inc Black Country, Wales Southeast, West and Mid
- Chartered Institute of Credit Management
- Economy Minister Northern Ireland
- FSB England, Scotland, Wales, and Northern Ireland
- ICAEW
- Money Advice Trust
- UK Small Business Minister
- World Commerce and Contracting Association

Press and Media Coverage

April 2024

Elite Business 100 monthly Op-Ed: When is 30 days not 30 days?

May 2024

Elite Business 100 monthly Op-Ed: Learning the ropes

June 2024

Elite Business 100 monthly Op-Ed: Get your ducks in a row

August 2024

Elite Business 100 monthly Op-Ed: The contract says it all

September 2024

On 19th September, DBT announced a raft of measures to crackdown on late payments, including a new Fair Payment Code to be administered by the Office of the Small Business Commissioner. The Secretary of State, Jonathan Reynolds did the morning round (BBC Breakfast, Sky News, Today Programme) and the story generated widespread coverage in the national, local and trade press:

- The Times, Large firms targeted in crackdown on late payments to small businesses.
- The Sun, Pay up or Else
- Evening Standard, Government to consult on new laws to clamp down on late payments to small firms
- The Herald, Government to consult on new laws to clamp down on late payments to small firms
- Business Matters, Government targets large firms in crackdown on late payments to small businesses
- Construction News, Crackdown on late payments

Elite Business 100 monthly Op-Ed: Using the tools at your disposal

October 2024

The Fair Payment Code generated further discussion in trade press:

Social Market Foundation: A capital idea? A change of approach to helping small firms to increase their investment

Fix Radio: SBC joined the Clive Holland show to talk about how overdue payments affect small businesses

Elite Business 100 monthly Op-Ed: Technically there are pros and cons

November 2024

Elite Business 100 monthly Op-Ed: Fair's Fair

December 2024

On 3rd December, the Small Business Commissioner, in collaboration with DBT, launched the Fair Payment Code which achieved some coverage in the national and local press and strong coverage in trade press:

- Construction Enquirer
- Construction News
- Construction Management
- Construction Wave
- Roofing Today
- Enterprise Nation
- Politico Newsletter
- Credit Connect
- The Sun SoS interview
- Your Money
- Scottish Financial News
- Elite Business Magazine

Elite Business 100 monthly Op-Ed: Give in to your inner entrepreneur

January 2025

The launch of the Fair Payment Code continued to be discussed:

Santander UK, Fair Payment Code launched to help you get paid on time

Elite Business 100 monthly Op-Ed: Late Payments can come back to bite

February 2025

After the Fair Payment Code Awards event at the end of February, the OSBC collaborated with several Gold Awardees to produce Press Releases about the rationale for companies joining the Code:

Northamptonshire Telegraph, Northampton Business Network awarded Gold for fair payment practices

Elite Business 100 monthly Op-Ed: Lessons learned

March 2025

After the Fair Payment Code Awards event at the end of February, the OSBC collaborated with several Gold Awardees to produce Press Releases about the rationale for companies joining the Code:

- Shropshire Star, Bid writing firm DellaPip call for fair payments after winning government-backed award

Elite Business 100 monthly Op-Ed: Repeating myself!

Speaking Engagements / Webinars Included

- ACCA Global
- Accounts Payable Association (webinars, events and updates)
- Barclays Eagle Labs
- Black Country Chambers of Commerce Small Business Celebration
- British Business Awards
- British Chambers of Commerce events
- Cabinet Office
- Caxton Finance (roundtable)
- Confederation of British Industry (SME Council)
- Chartered Association of Business Schools
- Elite Business 100 Awards
- Elite 100 Conference
- Enterprise Nation (roundtable)
- Enterprise Research Centre (UK)
- Federation of Master Builders
- Federation of Small Businesses
- Finance & Leasing Association
- Finishers & Interiors Sector
- Fix Radio

- Good Business Pays
- Great British Entrepreneur Awards
- Greater London Authority
- Your Business Community - Harrow Means Business
- Help to Grow (panel)
- Hive Thrive Business Support (panel)
- Institute of Directors
- London Guildhall
- National Enterprise Network
- No. 10 (Small Business Breakfast)
- Offshore Energies UK
- Open ECX
- OSBC Fair Payment Code Webinars (with partners UK Finance, FSB, Barclays, Conflict Avoidance Charter)
- Procure to Pay Network
- Sage Payments Panel
- Small Business Britain
- TSB Bank
- The Business Show
- UK Construction Week
- UK Finance
- Working Capital Forum
- World Finance Forum
- Xero Parliamentary Event







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