



Public Services and
Procurement Canada

Services publics et
Approvisionnement Canada

Canada

Quarterly Financial Report

For the quarter ended
December 31, 2025

1. Introduction

This Quarterly Financial Report (QFR) should be read in conjunction with the [Main Estimates](#) and [Supplementary Estimates](#). It has been prepared by management as required under section 65.1 of the *Financial Administration Act* and in the form and manner prescribed by the Directive on Accounting Standards, GC 4400 Departmental Quarterly Financial Report. It has not been subject to an external audit or review.

1.1 Mandate, mission and vision

Public Works and Government Services Canada (PWGSC) was established effective June 20, 1996, under the *Department of Public Works and Government Services Act*. As of November 4, 2015, PWGSC started operating as Public Services and Procurement Canada (PSPC). PSPC plays an important role in the daily operations of the Government of Canada. It supports federal departments and agencies in the achievement of their mandated objectives as their central purchasing agent, real property manager, linguistic authority, treasurer, accountant, pay and pension administrator, and common service provider. PSPC's mission is to deliver high-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions. Its vision is to excel in government operations.

Further details on the department's authority, mandate and core responsibilities can be found in the [Main Estimates \(Part II\)](#) and the [Departmental Plan](#) for the fiscal year ending March 31, 2026.

1.2 Basis of presentation

This quarterly report has been prepared by management using an expenditure basis of accounting and a special-purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities. The accompanying [Table 1 - Statement of authorities \(unaudited\)](#) includes the department's spending authorities granted by Parliament, and those used by the department and are consistent with the Main Estimates and Supplementary Estimates for the current fiscal year.

The authority of Parliament is required before money can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts, or through legislation in the form of statutory spending authority for specific purposes.

When Parliament is dissolved for the purposes of a general election, section 30 of the *Financial Administration Act* authorizes, under certain conditions, the preparation of a special warrant to be signed by the Governor General authorizing payments to be made out of the Consolidated Revenue Fund. Special warrants are deemed to be an appropriation for the fiscal year in which they are issued.

Special warrants issued during the first quarter of the current fiscal year were included in the total appropriations in the 2025 to 2026 Main Estimates.

The department uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

1.3 Public Services and Procurement Canada's financial structure

PSPC provides services to many government departments, agencies and Crown corporations through a variety of funding mechanisms. This includes budgetary authorities that are comprised of voted and statutory authorities, as well as non-budgetary authorities. The voted budgetary authorities include operating expenditures, vote-netted revenues and capital expenditures, while the statutory authorities are mainly composed of revolving funds, employee benefit plans and payments in lieu of taxes (PILT). The non-budgetary authorities consist primarily of the Seized Property Working Capital Account (the description can be found in subsection 1.3.4).

PSPC's complex financial structure may result in significant fluctuations in authorities on a quarterly basis, which are due to timing differences that are resolved by year-end. These are summarized in the next 4 subsections:

1.3.1 Cost-recovery basis

For the most part, PSPC delivers its services on a cost-recovery basis, generating revenues via revolving fund (the Funds) organizations and programs within the operating vote. These organizations and programs are mainly designed to provide services to other government organizations and are expected to recover the cost of their operations through revenues. However, the costs incurred by the Funds are usually disbursed prior to invoicing the client, which generally occurs upon completion of a project or after services are rendered, and thus revenues may be collected in a subsequent quarter.

1.3.2 Project management

PSPC manages a variety of real property projects that progress through phases from planning to funding and from procurement to construction. Historical trends have shown that expenditures against these projects are not incurred evenly throughout the year; thus, quarter-to-quarter fluctuations are normal. Such projects include the Alaska Highway in British Columbia and Yukon, the renewal of the Place du Portage III and the rehabilitation of the Parliamentary Precinct in Ottawa.

1.3.3 Payments in lieu of taxes

PILT issued by PSPC are funded through a statutory vote and paid on behalf of other participating federal departments. Payments are subsequently recovered from the participating departments and are recorded as statutory grants in the Public Accounts of Canada. Timing fluctuations can occur between the payments and the recoveries from the other departments.

1.3.4 Seized property account

PSPC also manages seized property for the Government of Canada pursuant to the *Seized Property Management Act*. The financial management of this activity is undertaken through the non-budgetary Seized Property Working Capital Account. Charged to this account are expenditures and advances made to maintain and manage any seized or restrained property. PSPC recovers its costs from this account once the property owner loses the right to the property and it is disposed of.

2. Highlights of fiscal quarter and fiscal year-to-date results

2.1 Significant changes to authorities

As presented in [Table 1 –Statement of authorities \(unaudited\)](#), **year-to-date PSPC authorities available for use increased by \$1,672.2 million** as compared to the same quarter of the previous year (\$7,351.2 million in the current fiscal year compared to \$5,679.0 million in the previous fiscal year). The items responsible for the overall increase are outlined in the table below, followed by a description for each variance:

Year-over-year variances in authorities available for use (in millions of dollars)

Initiatives	Operating	Capital	Budgetary statutory authorities	Total variance
Planning and investment in PSPC’s assets portfolio	4.8	1,258.9	2.4	1,266.1
Next Generation Human Resources and Pay Initiative	132.5	-	6.1	138.6
Office Portfolio Reduction Plan	102.0	-	-	102.0
Price and Volume Protection	72.4	-	-	72.4
Accommodation and real property services for the Canada Revenue Agency	36.1	-	-	36.1
Collective bargaining	23.9	-	1.0	24.9
Canada’s 2025 G7 Presidency	19.9	-	-	19.9
Card acceptance and Postage	13.7	-	-	13.7
Other	2.9	-	(4.4)	(1.5)
Cumulative variance in authorities available for use	408.2	1,258.9	5.1	1,672.2

*Groupings can change between quarters due to materiality of initiatives.
 Amounts may not balance with other public documents due to rounding.*

Planning and investment in PSPC’s assets portfolio – increase of \$1,266.1 million

The increase reflects the department’s current funding approval to deliver on its long-term capital funding plan, and to align PSPC’s authorities with its planned expenditures per the Investment Plan (a detailed five-year plan for investments derived from the PSPC’s Asset Long-Term Strategy and Plans) to deliver major projects and enable the implementation of critical infrastructure projects.

Next Generation Human Resources and Pay Initiative – increase of \$138.6 million

The increase is related to finalizing building and testing the new integrated Human Resources (HR) and pay solution and begin carrying out change management activities with departments and agencies, offset by authorities received in the prior year for the Human Capital Management Feasibility Analysis Project.

Office Portfolio Reduction Plan (OPRP) – increase of \$102.0 million

Budget 2024 announced funding for PSPC to reduce its office portfolio by 50%. This funding, which is expected to be recovered through substantial short and long-term cost savings, will help to accelerate

the ending of leases and disposal of underused federal properties. To advance work on the OPRP, PSPC sought access to Vote 1- Operating funding, for building decommissioning, moves, due diligence for disposals, and workplace optimization in retained assets.

Price and Volume Protection – increase of \$72.4 million

The increase is a result of funding received for the protection from inflation and volume variations relating to space requirements for real property elements over which PSPC has very little or no control such as rent, utilities, and payments in lieu of taxes.

Accommodation and real property services for the Canada Revenue Agency (CRA) – increase of \$36.1 million

The increase is for PSPC's provision of accommodation and real property services to the CRA. Adjustments are required every year to reflect changes in costs and in the amount of space occupied.

Collective bargaining – increase of \$24.9 million

The increase is mainly due to a Treasury Board Vote 15 allocation for compensation adjustments, primarily to address insufficient funding for the Commerce and Purchasing group collective agreement.

Canada's 2025 G7 Presidency – increase of \$19.9 million

Canada hosted the G7 Summit in 2025. PSPC supported other government departments for the planning, organization and delivery of the event. PSPC provided accommodation, special events management, procurement, and interpretation services.

Card acceptance and Postage – increase of \$13.7 million

Federal departments and agencies that accept debit or credit card payments for goods and services incur transaction fees. Postage fees are also incurred for mailing cheques. Both types of fees are paid centrally by the Receiver General. As treasurer, PSPC manages these fees on behalf of federal departments and agencies. The increase in funding was mainly due to an increase in estimated revenues to be collected by departments and agencies using payment cards and a projected increase in the fees charged by the card brands.

Other – decrease of \$1.5 million

The decrease is the result of funding variances in miscellaneous projects and activities.

2.2 Significant changes to year-to-date net expenditures

As presented in [Table 2 – Departmental budgetary expenditures by standard object \(unaudited\)](#), **year-to-date total net budgetary expenditures have increased by \$481.5 million** as compared to the same quarter of the previous year (\$4,685.8 million in the current fiscal year compared to \$4,204.3 million in the previous fiscal year).

Year-over-year variances in net budgetary expenditures (presented by standard object) (in millions of dollars)

Standard object	December 31, 2025 Year-to-date used at quarter-end	December 31, 2024 Year-to-date used at quarter-end	Year-over-year variance
Personnel	1,639.4	1,644.3	(4.9)
Transportation and communications	69.6	63.8	5.8
Information	8.3	12.5	(4.2)
Professional and special services	2,096.3	1,884.3	212.0
Rentals	1,047.1	981.9	65.2
Repair and maintenance	756.7	817.9	(61.2)
Utilities, materials and supplies	78.5	55.1	23.4
Acquisition of land, buildings and works	1,086.5	721.4	365.1
Acquisition of machinery and equipment	60.5	65.4	(4.9)
Transfer payments	167.6	141.2	26.4
Public debt charges	65.4	71.3	(5.9)
Other subsidies and payments	310.0	266.8	43.2
Revenues netted against expenditures	(2,700.1)	(2,521.6)	(178.5)
Total net budgetary expenditures	4,685.8	4,204.3	481.5

*Comparative figures have been reclassified to conform to the current year's presentation.
 Amounts may not balance with other public documents due to rounding.*

The year-over-year **net increase of \$481.5 million** is mainly attributable to:

Professional and special services – increase of \$212.0 million

- PSPC's mandate as real property manager includes entering into multi-year projects that require specialized skills and technical expertise which are not always available within the department. The increase in professional and special services is mainly related to construction services due to the momentum of major property and infrastructure projects, including:
 - The continued implementation of the Long Term Vision and Plan (LTVP), a multi-decade strategy to restore and modernize Canada's Parliamentary Precinct, such as the Centre Block Rehabilitation Program which includes the construction of the new Parliament Welcome Centre, as well as the redevelopment of Block 2 (the urban block bound by Metcalfe, Wellington, O'Connor and Sparks streets in Ottawa, Ontario); and
 - Major projects in the National Capital Region (NCR), such as the rehabilitation of Les Terrasses de la Chaudière and the West Memorial building.

- The increase is partially offset by a decrease in expenditures related to the rehabilitation of the Alexandra Bridge boardwalk, which is near completion.
- Although PSPC has noted an increase in construction services, it continues to monitor professional and special services spending and is reducing expenditures on management consulting.

Rentals – increase of \$65.2 million

- The increase is mainly due to:
 - Costs associated with accommodation services for the G7 Summit hosted by Canada in 2025. These services were partially delivered through the Real Property Services Revolving Fund (RPSRF) and subsequently recovered from other government departments as revenues netted against expenditures; and
 - Higher rent for leased real property and additional licensing fees for the new HR and pay solution.

Repair and maintenance – decrease of \$61.2 million

- The decrease is mainly due to substantial progress made on improvements and maintenance across different sections of the Alaska Highway in Pacific region, with most of these projects completed in the previous fiscal year. In addition, PSPC is reducing its investments in assets designated for disposal and shifting its focus toward strengthening priority assets that support the Government of Canada's long-term operational needs.

Acquisition of land, buildings and works – increase of \$365.1 million

- The increase is mostly due to the substantial completion payment made to the contractor related to Energy Services Acquisition Program (ESAP) in the NCR required in the current year according to the payment schedule.
- The increase is partially offset by lower expenditures resulting from:
 - The near completion of projects for other government departments delivered through the RPSRF including the construction of an aircraft hangar facility for Transport Canada in Iqaluit, Nunavut, and the reconstruction of wharves in Atlantic region for Fisheries and Oceans Canada; and
 - The previous year's purchase of the Central Chambers building located at 40 Elgin St. in Ottawa, Ontario, for the purpose of long-term parliamentary accommodation, as well as the near completion of the construction of the new federal building in Shawinigan, Quebec.

Revenues netted against expenditures – increase of \$178.5 million

- The increase is mainly due to:
 - Timing differences of transactions related to pension services; and
 - Higher revenues reported by the RPSRF for services provided to other government departments in support of the G7 Summit; partially offset by a decrease in revenues as a result of the completion of the Sidney Centre for Plant Health laboratory facility in Sidney, British Columbia.

3. Risks and uncertainties

PSPC integrates risk management principles and practices into business planning, decision-making and organizational processes to identify threats and minimize negative impacts, and maximize opportunities across its diverse range of services and operations. Risk management at PSPC is carried out in accordance with the Treasury Board of Canada Secretariat's Framework for the Management of Risk, Risk and Compliance Process, and PSPC's Integrated Risk Management Framework.

The key risks identified as having a potential financial impact on PSPC's operations are:

3.1 Funding mechanism

PSPC may be unable to achieve its departmental investment objectives and targets, due to the variety of funding mechanisms employed by the department and the need to have better tools to effectively implement the OnePSPC concept, which may impede on-going relationships with clients and the efficiency and effectiveness of the department's programs and services. To mitigate this risk, PSPC is taking the following measures, among others:

- Improving PSPC's Investment Management Framework and associated governance, further refining an enterprise-wide prioritization model for all of PSPC's asset portfolios and aligning resources to priorities; and
- Implementing Project Costing Model Modernization initiative, with focus on 4 key deliverables: PSPC Integrated Project Costing Framework, Monte Carlo simulation model, costing guides and tools, and project gating amendments.

3.2 Global supply

PSPC's service delivery may encounter challenges due to the impact of disruptions to trading relationships, the increasing price of commodities, increasing uncertainties in supply chains, and the security of those supply chains caused by geopolitical tensions, which could impact stakeholder trust and our clients' ability to achieve their policy and program objectives, and the public's trust in the Government of Canada. To mitigate this risk, PSPC is taking the following measures, among others:

- Continuing to use the Defence Procurement Strategy and National Shipbuilding Strategy governance to tackle challenges, including early engagement with industry and shipyards;
- Continuing consistent and strong communication with allied partners, and strategic oversight between programs, to ensure effective supply chain management; and
- Continuing to implement the Sustainment Initiative principles for defence procurement by providing procurement professionals with support in the development of sustainment solutions, including engagement, training, best practices and tools, and where possible explore options to have sustainment provided in Canada by Canadian industry.

3.3 Effective delivery

PSPC may encounter delays to achieving full stabilization of pay administration for the Government of Canada (including pay processing and transfer of information to the pension administrator) as a result of the sustained increase in HR and pay events for public servants while facing capacity constraints which could further impede efforts to increase stakeholder trust and lessen liabilities to the Government of Canada. To mitigate this risk, PSPC is taking the following measures, among others:

- Advancing progress on queue management, including maintaining intake service standards while completing all critical backlog cases (that is, backlog cases with the biggest impact on employees either financially or due to age);
- Continuing to implement a multi-year roadmap for MyGCPay future enhancements, robotics process automation projects and further data enhancements and exploring innovative solutions such as leveraging artificial intelligence to help manage workload;
- Seeking resolution of longstanding critical pay (Phoenix) data issues impacting pension; and
- Continuing to seek realignment of pay and pension employment and contribution data by leveraging the Innovation Garage interface solution.

3.4 Compromised assets

The integrity, safety and accessibility of PSPC real property and infrastructure assets could be compromised by climate change, natural disasters, infrastructure deterioration and original design deficiencies, as well as human related actions which may impede the continuity of government operations and the wellbeing of Canadians. To mitigate this risk, PSPC is taking the following measures, among others:

- Continuing to implement adaptation measures that are recommended in the Parliamentary Precinct Climate Change Adaptation Plan, such as designing cooling and ventilation systems for hotter summers and enhancing drainage systems to manage more frequent intense rainfall events; and
- Continuing to deliver various projects to preserve buildings, prevent or reduce ongoing deterioration, address urgent repair needs, resolve health and safety issues and minimize the cost and complexity of future work.

3.5 Supply and delivery

The effective and efficient delivery of major PSPC initiatives may be impeded due to the nature of large-scale and complex work (project scale, complexities, partner dependencies, evolving security requirements) along with current global events (inflation, supply delays and industry capacity limitations) which may affect the department's credibility with stakeholders. To mitigate this risk, PSPC is taking the following measures, among others:

- Continuing early industry engagement throughout the procurement process to ensure industry has advanced awareness of projects to effectively plan and build sufficient capacity to bid on contracts;
- Continuing to implement the Science Portfolio Planning and Operating Framework through enterprise and costing analysis, while exploring strategies and solutions to fund lifecycle costs to advance proposed funding and operating models; and
- Structuring, financing and accelerating fit-up to deliver and optimize real property's portfolio.

4. Significant changes to operations, personnel and programs

This section highlights significant changes in operations, personnel, and programs during the third quarter of the current fiscal year.

- On October 2, 2025, the Prime Minister [announced](#) the creation of the [Defence Investment Agency](#) (DIA), which will overhaul and streamline Canada's defence procurement. The DIA will operate as a special operating agency within PSPC and will be led by the Honourable Stephen Fuhr, Secretary of State (Defence Procurement). Additional information will be provided in the upcoming 2026-27 [Departmental Plan](#).
- Effective November 12, 2025, Doug Guzman was appointed as Chief Executive Officer (CEO) and will oversee the DIA's day-to-day operations.

5. Approval by senior officials

Approved by:

The original version was signed by

Arianne Reza
Deputy Minister

Gatineau, Canada
February 25, 2026

The original version was signed by

Lindsay Janota on behalf of
Michael Hammond, CPA
Chief Financial Officer and
Assistant Deputy Minister

Gatineau, Canada
February 16, 2026

Table 1 – STATEMENT OF AUTHORITIES (unaudited)

	Fiscal year ending March 31, 2026			Fiscal year ending March 31, 2025		
	Total available for use for the year ending March 31, 2026 1) 2)	Used during the quarter ended December 31, 2025	Year-to-date used at quarter-end	Total available for use for the year ending March 31, 2025 1) 2)	Used during the quarter ended December 31, 2024	Year-to-date used at quarter-end
<i>(In thousands of dollars)</i>						
Vote 1						
Gross operating expenditures	5,284,200	1,230,362	3,396,227	4,819,511	1,182,173	3,352,942
Vote-netted revenues	(1,461,704)	(425,670)	(1,045,446)	(1,405,199)	(231,840)	(818,236)
Net operating expenditures	3,822,496	804,692	2,350,781	3,414,312	950,333	2,534,706
Vote 5 - Capital expenditures	3,313,905	1,080,920	1,825,827	2,055,000	520,953	1,226,864
Revolving fund authorities						
Real Property Services Revolving Fund						
Gross expenditures	2,687,023	748,953	1,696,332	2,451,434	709,015	1,740,541
Revenues	(2,686,323)	(705,128)	(1,531,378)	(2,430,634)	(680,139)	(1,564,594)
Net expenditures	700	43,825	164,954	20,800	28,876	175,947
Translation Bureau Revolving Fund						
Gross expenditures	172,705	34,554	100,159	183,945	45,722	122,028
Revenues	(166,894)	(24,402)	(96,475)	(178,870)	(50,936)	(118,814)
Net expenditures	5,811	10,152	3,684	5,075	(5,214)	3,214
Optional Services Revolving Fund						
Gross expenditures	32,062	(33,197)	43,089	15,104	18,568	12,039
Revenues	(33,226)	(16,047)	(26,786)	(15,208)	(11,401)	(19,961)
Net expenditures	(1,164)	(49,244)	16,303	(104)	7,167	(7,922)
Total of all revolving funds						
Gross expenditures	2,891,790	750,310	1,839,580	2,650,483	773,305	1,874,608
Revenues	(2,886,443)	(745,577)	(1,654,639)	(2,624,712)	(742,476)	(1,703,369)
Total revolving fund net expenditures	5,347	4,733	184,941	25,771	30,829	171,239

Table 1 – STATEMENT OF AUTHORITIES - CONTINUED (unaudited)

	Fiscal year ending March 31, 2026			Fiscal year ending March 31, 2025		
	Total available for use for the year ending March 31, 2026 1) 2)	Used during the quarter ended December 31, 2025	Year-to-date used at quarter-end	Total available for use for the year ending March 31, 2025 1) 2)	Used during the quarter ended December 31, 2024	Year-to-date used at quarter-end
<i>(In thousands of dollars)</i>						
Other budgetary statutory authorities						
Contributions to employee benefit plans	208,751	52,187	156,563	182,732	43,396	130,186
Minister of Public Services and Procurement - Salary and motor car allowance	102	45	121	99	24	74
Refunds of amounts credited to revenues in previous years	-	-	-	-	-	-
Spending of proceeds from the disposal of surplus Crown assets	558	1	2	1,099	1	6
Collection agency fees	1	-	-	2	2	2
Payment in lieu of taxes to municipalities and other taxing authorities ²⁾	-	(34,433)	167,562	-	(13,568)	141,223
Total other budgetary statutory authorities	209,412	17,800	324,248	183,932	29,855	271,491
Total budgetary authorities	7,351,160	1,908,145	4,685,797	5,679,015	1,531,970	4,204,300
Non-budgetary authorities	-	-	-	-	-	-
Total authorities	7,351,160	1,908,145	4,685,797	5,679,015	1,531,970	4,204,300

Net increase of \$1,672.2 million

Notes:

1) Includes only Authorities available for use and approved by Parliament at quarter-end. Amounts may not balance with other public documents due to rounding.

2) Consistent with the presentation in the Main Estimates, "Total available for use for the year", for both fiscal years ending March 31, 2026 and March 31, 2025, under "PILT", is presented net of planned PILT made to municipalities and the equivalent planned recoveries from other government departments. A description of PILT is provided in Section 1.3 of this report.

Table 2 – DEPARTMENTAL BUDGETARY EXPENDITURES BY STANDARD OBJECT (unaudited)

	Fiscal year ending March 31, 2026			Fiscal year ending March 31, 2025		
	Planned expenditures for the year ending March 31, 2026 1) 2)	Expended during the quarter ended December 31, 2025	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2025 1) 2)	Expended during the quarter ended December 31, 2024	Year-to-date used at quarter-end
<i>(In thousands of dollars)</i>						
Expenditures						
Personnel	2,253,651	552,185	1,639,407	2,127,827	597,826	1,644,335
Transportation and communications	114,358	32,279	69,624	72,403	26,161	63,760
Information	38,523	3,404	8,278	34,932	4,354	12,542
Professional and special services	3,642,724	941,285	2,096,325	2,501,508	783,701	1,884,292
Rentals	1,420,996	369,197	1,047,080	1,344,325	335,786	981,924
Repair and maintenance	1,722,749	308,421	756,679	1,530,312	312,654	817,893
Utilities, materials and supplies	164,501	(25,731)	78,510	175,835	32,417	55,057
Acquisition of land, buildings and works	1,574,735	763,498	1,086,451	1,190,793	314,967	721,362
Acquisition of machinery and equipment	160,545	33,949	60,539	171,650	26,217	65,377
Transfer payments ²⁾	288	(34,433)	167,562	-	(13,568)	141,223
Public debt charges	120,441	21,470	65,409	119,632	23,296	71,300
Other subsidies and payments	485,796	113,868	310,018	439,709	62,475	266,840
Total gross budgetary expenditures	11,699,307	3,079,392	7,385,882	9,708,926	2,506,286	6,725,905
Less revenues netted against expenditures						
Revolving funds revenues	(2,886,443)	(745,577)	(1,654,639)	(2,624,712)	(742,476)	(1,703,369)
Vote-netted revenues	(1,461,704)	(425,670)	(1,045,446)	(1,405,199)	(231,840)	(818,236)
Total revenues netted against expenditures	(4,348,147)	(1,171,247)	(2,700,085)	(4,029,911)	(974,316)	(2,521,605)
Total net budgetary expenditures	7,351,160	1,908,145	4,685,797	5,679,015	1,531,970	4,204,300

Net increase of \$481.5 million

Notes:

1) Includes only Authorities available for use and approved by Parliament at quarter-end. Amounts may not balance with other public documents due to rounding.

2) Consistent with the presentation in the Main Estimates, "Planned expenditures for the year" for both fiscal years ending March 31, 2026 and March 31, 2025, under "Transfer payments", are presented net of planned PILT made to municipalities and the equivalent planned recoveries from other government departments. A description of PILT is provided in Section 1.3 of this report.