


NHSBT Provisional Financial Performance Report 2024/25

March 2025

Preparation of our year end statutory accounts means that the figures that are in this report remain provisional and subject to audit / ARGC review

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Provisional Financial Performance - Exec Summary and Recommendations

Blood and Transplant

Exec Summary

Preparation of our year end statutory accounts means that the figures that are in this report remain provisional and subject to audit / ARGC review. This report will provide the latest update on the financial outturn for the financial year 2024-25.

We finished the financial year with an overall surplus position of c£14m (c£33m favourable movement - details by division on slide 3). This improvement has been predominately driven by the provision of additional funding at the year end from NHS England / Department of Health and Social Care (DHSC), which was provided to mitigate the cost overruns in blood seen through the year and also provided support to winter pressures. It's important to recognise that these are one-off cash improvements, which will improve our balance sheet. As we head into 2025-26 we continue to face a tight budgetary position with the need to control our ongoing costs.

NB – due to the reporting timetable, an addendum to this report covering accounting period month 1 will also be submitted ahead of the board meeting.

Report Recommendations / For Noting

- i) Note that the financial position is provisional and subject to audit and ARGC review.
- ii) Note that the improved year end outturn position has allowed us to further develop an invest to save / contingency (+£14m).
- iii) Note that the closing cash balance at the end of March-25 was £38m (the underlying position is higher at £69m)

Provisional Financial Performance – Income and Expenditure March 25



Full Year Outturn position: The accounts for 2024-25 are reporting a £14m surplus position against our £19m deficit plan, confirming that all divisions have delivered the year within or better than the agreed financial envelope (detail by division provided below).

Throughout the year we have been signalling a £10m pressure on our blood supply chain, driven by the need to increase resilience around stock and the financial impact of Southampton. This has been confirmed within the full year outturn, with Blood, DEX and Comms, reporting a £10m pressure against the budget. In late March we received confirmation from NHS England on additional funding which was provided to mitigate these cost overruns in blood seen through the year.

Table 1 – APM12 financial position:

		Month 12 Financial Performance				
		Period		Year-to-date		
		Budget WTE	Actual WTE	Budget £m	Actual £m	Variance £m
NHSBT	Income			632.9	653.5	20.7
	Expenditure	5,825	5,878	(652.2)	(639.6)	12.6
	Net I&E	5,825	5,878	(19.4)	13.9	33.3

Full Year Outturn by Division: The full year position reports a favourable variance of £33.3m (verses £19.4m deficit budget - table 1 / slide 6). The underlying position at a divisional level is as follows:

- Blood Supply and Marketing (-£10m) response to the amber alert and stock resilience combined with the financial impact of Southampton;
- Clinical Services (+£0.3m) CBC income shortfall, offset by higher Pathology contribution and transformation underspends.
- TES (+£2.2m) higher contribution derived from Serum Eye drops / ocular activity combined with higher stock levels.
- Group Services (+£4.1m) crystalised cost improvement commission across all group service directorates.
- ODT (+£2.2m) non recurrent underspends on matching and offering
- Plasma for Medicine (+£11.1m) better than plan, driven by lower transformation and also higher than plan Plasma for Diagnostics income. Plasma also reported a £4m noncash stock increase which further improved the I&E position
- Investment Portfolio & Future Proofing Blood(+£5.5m & £2.9m) Reprofiled milestones into 2025-26, in principle, this is ringfenced to meet 25/26 plan.
- NHSE and DHSC funding (+£15m)

Cash Flow Profiling The closing cash balance as of March-25 was £38m. While this is lower than the projected outturn (c£69m), this is primarily due to timing issues as we had several significant outstanding invoices at the time, which is reflected in an increased trade debtor's balance. The underlying / working capital cash position (excluding deferred and ring-fenced income) is £34m.

Table 3 – Cash Balance

Division	Closing Cash*	Deferred income	Ring Fenced	Underlying Cash
Blood	40.4	7.4	23.0	10.0
Clinical Services	6.0	1.4	0.0	4.6
ODT	6.4	2.9	0.0	3.6
Plasma	14.5	0.0	0.0	14.5
TES	1.5	0.0	0.0	1.5
NHSBT Total	68.9	11.6	23.0	34.2

Closing Cash Balance £38m
+ £31m outstanding invoices

Blood Ring Fenced/ Committed Spend
£8.4m – Committed in 2025-26 blood and group budget
£14.6m – Invest to save fund / Corporate Contingency

***Note**

- i) that the £69m closing cash reported in this report, includes a £30m working capital adjustment, reflecting outstanding invoices from DHSC and NHSE to be used for planning purposes.
- ii) Deferred income relates to specific funding received for discrete projects – Blood MoD dried plasma project (£6m) and ODT Donor Characterisation (£3m).

Capital The 2024-25 capital spend finished at £17.3m, £0.3m higher than our final draw down figure from DHSC. This was due to unforeseen technical adjustments post the end of the financial year of c£0.3m (details provided on slide 5).

2024/25 Capital Outturn & 2025/26 Indicative Plan - Overview

Exec Summary

2024/25 Outturn

- Total drawdown from DHSC was £17m (vs £21m allocation), which was £1m better than the forecasted amount;
- YTD spend is now looking to be £17.3m, due to unforeseen technical adjustments post the end of the financial year of c£0.3m;
- Carried forward liabilities into 2025-26 are c£0.8m (also being reviewed) – mainly made up of estates projects which will straddle across years;

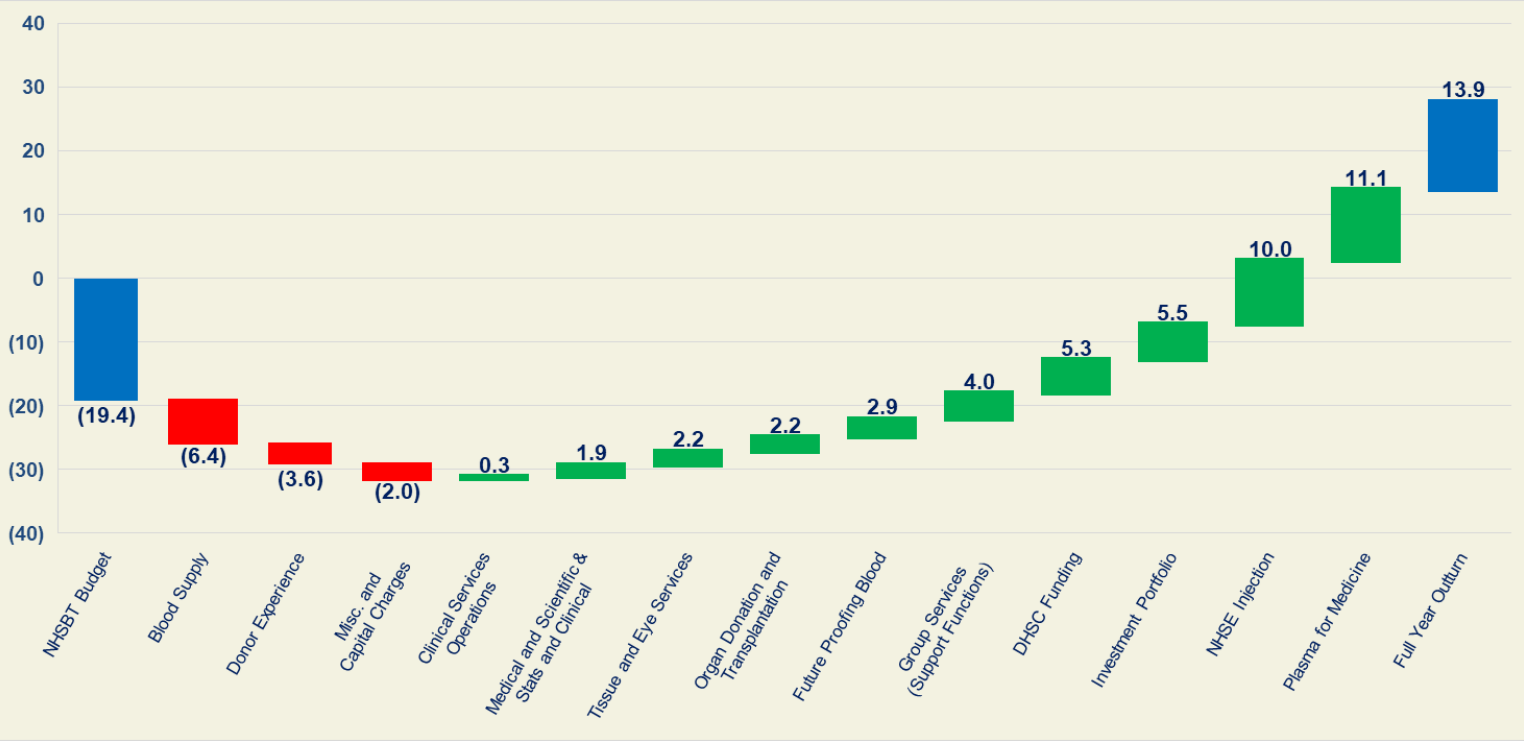
2025/26 Plan

- DHSC confirmed the CDEL allocation for 2025/26 of £25m, and 2nd cut of the plan has been over programmed to account for slippages;
- There will be routine reviews of the plan as part of a quarterly ET discussion e.g. Investment Portfolio incl. related CDEL / Supergroup oversight;

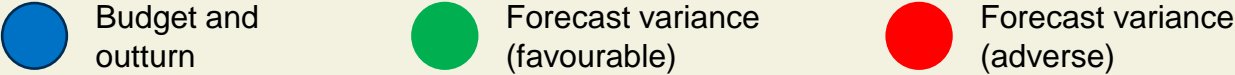
Breakdown of Capital Allocation 2025/26

£m	Plan
	£m
Equipment – replenishment / replacement / service growth	5.0
BAU Projects – includes Filton Chillers / Liverpool ventilation works / combination of IT projects x 3	3.5
Transformation Projects – as included within the Investment Portfolio (BTM / Colindale Investment Programme / Donor Centre Fit Out costs x 6/ PfM Donor Centre Fit Out costs x 2 etc)	22.7
Total	31.2
Over Programmed	(6.2)
Funding Allocation	25.0

NHS Blood and Transplant Full Year outturn



NB Blood, Plasma, TES, ODT and Clinical Services are stated as net income and expenditure



NHSBT full year outturn is £33m favourable to plan driven by:

Blood Supply (I&E) (-£6.4m) pressures driven through stock resilience and Southampton impact.

Donor Experience (-£3.6m) includes additional expenditure in response to the amber alert and blood resilience.

Misc. and Corporate (-£2.0m) technical financial adjustments reflecting capital charges changes (non-cash)

Clinical Services (+£0.3m) CBC income shortfall crystallised, offset by higher than plan contribution in Pathology and transformation underspends.

ODT (£2.2m) lower transformation expenditure specifically matching and offering

TES (+£2.2m) predominately Serum Eye drops / Ocular, with the balance from higher stock levels (£0.6m noncash).

Investment Portfolio & Future Proofing Blood (+£5.5m & £2.9m) Reprofiled milestones into 2025-26 (ring fenced).

Plasma for Medicine (+£11.1m) better than plan, driven by lower transformation and also higher than plan Plasma for Diagnostics income. A £4m noncash improvement to stock was also included in the plasma position.

2024/25 YTD Income and Expenditure: Contribution Report M12



Blood and Transplant

March 2025 M12 - Year to date Actual £m	Blood & Components inc. R&D	Plasma	Pathology & CAGT	TES	ODT	NHSBT
Total Income/Funding	395.5	25.9	96.5	24.2	111.5	653.5
Expenditure						
Variable Costs	(42.1)	(7.2)	(17.3)	(3.7)	(3.6)	(73.9)
Variable Contribution	353.4	18.7	79.2	20.5	107.9	579.7
Direct Costs	(142.6)	(8.0)	(50.3)	(12.3)	(81.9)	(295.2)
Direct Contribution	210.8	10.7	28.9	8.1	26.0	284.4
Direct Support Costs	(137.6)	(1.7)	(19.8)	(3.5)	(12.7)	(175.2)
Total Allocated Costs	(322.3)	(16.8)	(87.4)	(19.6)	(98.2)	(544.3)
Total Unallocated Costs	(43.3)	(2.6)	(11.7)	(2.6)	(13.5)	(73.8)
Operating Net Surplus / (Deficit)	29.8	6.4	(2.6)	2.1	(0.2)	35.5
Transformation	(10.2)	(3.0)	(2.7)	-	(5.7)	(21.6)
Net Surplus / (Deficit) Inc Transformation	19.6	3.5	(5.3)	2.1	(5.9)	13.9
Budget	0.1	(7.8)	(4.7)	0.0	(7.0)	(19.4)
Adjustment for Unallocated Capital charges	1.2	0.6	(0.6)	(0.2)	(1.1)	-
Revised Budget	1.3	(7.2)	(5.3)	(0.1)	(8.0)	(19.4)
Variance	18.3	10.7	0.0	2.2	2.1	33.3
RAG	G	G	G	G	G	G

Year-to-date I&E position at M12 £33.3m favourable variance

- Year-to-date income and expenditure position after 12 months is c£33.3m favourable overall for NHSBT – as shown in slide 9.
- Post-ABC allocations, all supply chains are green and reporting in line with or ahead of plan indicating they each are contributing to their planned level of expected overheads in addition to their operational and transformation costs.
- Planned post-ABC positions for 2024/25 have been updated to reflect the budget adjustment made in M07 which changes the underlying positions for ODT and Blood following the re-alignment of funding for overhead costs (£10.7m increase in DHSC programme funding / £10.7m decrease in Blood Prices) and are now reported as ODT (-£2m) and Pathology & CAGT (-£2m), off-set (funded by) surplus in Blood (+£4m).

Appendices

Provisional Full Year Outturn 2024/25



Blood and Transplant

		Month 12 Financial Performance				
		Period		Year-to-date		
		Budget WTE	Actual WTE	Budget £m	Actual £m	Variance £m
Blood Supply	Income			359.5	358.8	(0.7)
	Cost of Sales			0.0	(0.1)	(0.1)
	Expenditure	2,597	2,666	(195.2)	(200.9)	(5.7)
	Future Proofing Blood	155	43	(5.5)	(2.7)	2.9
	Net I&E	2,752	2,708	158.8	155.2	(3.6)
Plasma for Medicine	Income			20.6	25.1	4.5
	Expenditure	107	113	(14.8)	(11.2)	3.6
	Change Programme	0	38	(6.0)	(3.0)	3.0
	Net I&E	107	151	(0.2)	11.0	11.1
Organ Donation and Transplantation	Funding			106.3	107.6	1.3
	Expenditure	492	490	(89.3)	(88.4)	0.9
	Net I&E	492	490	17.0	19.2	2.2
Clinical Services	Operations Income			96.5	93.3	(3.2)
	Expenditure	874	831	(81.2)	(78.3)	3.0
	Change Programme	0	34	(3.3)	(2.7)	0.6
	Net I&E	874	864	12.0	12.3	0.3
Tissue and Eye Services	Operations Income			21.8	23.5	1.7
	Expenditure	156	161	(15.7)	(15.2)	0.5
	Net I&E	156	161	6.1	8.3	2.2
Group Services	Income			28.1	45.3	17.1
	Expenditure	1,445	1,416	(225.6)	(227.1)	(1.5)
	Blood and Group Investment	0	87	(15.7)	(10.2)	5.5
	Net I&E	1,445	1,503	(213.1)	(192.0)	21.1
NHSBT	Income			632.9	653.5	20.7
	Expenditure	5,825	5,878	(652.2)	(639.6)	12.6
	Net I&E	5,825	5,878	(19.4)	13.9	33.3

Blood Supply Chain (and DEX / Comms)

Throughout the year we have been signalling a £10m pressure on our blood supply chain, driven by the need to increase stock resilience and the impact of Southampton. This has been confirmed within the full year outturn, with Blood, DEX and Comms, reporting a £10m pressure against the budget. Notionally, this has now been met through additional NHSE £10m income, agreed towards the end of the year.

In addition to this, group services and investment portfolio are reporting a favourable outturn versus budget of £14m (+£5.6m Investment Portfolio, +£5m DHSC funding as per NCG +£4m Group Service underspend). As a result, this increase the invest to save/cash contingency going into 2025-26.

Tissue and Eye Services

The full year income and expenditure position is reporting broadly £2.2m ahead of plan, mainly driven through higher income activity. TES are also reporting an increased stock level, versus opening balance, providing a £0.6m noncash benefit to their position. TES will carry forward a cash balance of £1.5m which provides a contingency / investment opportunities going into next year.

Organ Donation and Transplantation

ODT finished the year, £2.2m ahead of plan, predominately driven by a combination of 1) increased funding from the Devolved Nations 2) reduced change programme expenditure for matching and offering. ODT will carry forward an underlying cash balance of £3.6m into next year, providing a working capital / contingency against activity increases. There is also a further £2.9m of NHSE deferred income included in closing cash reserves

Clinical Services

Clinical Services has finished the year £0.3m ahead of plan, however, a £0.6m underspend on transformation is masking an I&E operational deficit of £0.3m.

Plasma for Medicine

Plasma for Medicine has finished the year £11m ahead of plan, driven by higher PfD activity £4m, increased stock levels £4m and lower transformation £3m. Plasma will carry forward £14.5m cash reserves into 2025-26 which will be used to fund next year's transformational deficit.

2024-25 previous reporting timeline / headlines



Blood and Transplant

Meeting	Headline
March 2024 Board	The 2024-25 budget of £25m was approved, subject to ODT and Stem cell funding confirmation from the Department of Health and Social Care (DHSC).
April 2024 ET	<p>Funding envelope confirmed by Department of Health and Social Care (DHSC). The ODT budget was updated reflecting a £5.4m improvement, bringing the overall budget deficit down to £19.6m (from £25m approved at March Board).</p> <p>We also advised that the National Commissioning Group (NCG) process for 2024-25 was still to be finalised, and as a result continued to bill at 2023-24 pricing. Discussions are ongoing with DHSC and NHS England (NHSE), which expect that this will result in further changes to our budget, although, we wouldn't expect there to be an adverse impact on the current deficit position of £19.6m</p>
June 2024 Board	The updated 2024-25 budget reflecting ODT's agreed funding position was approved at the June Board. No further updates from the National Commissioning Group (other than that described above at the April ET).
July 2024 Board	The first formal reforecast for 2024-25 was presented and described a shortfall of £3.0m in Blood.
August 2024 ET	In addition to the financial performance report, a mid-month paper was submitted, which summarised an increased level of risk to the position. The APM04 report describes a c£13m funding gap, with a commensurate impact on cash flow.
September 2024 ET	The ET discuss and reviewed options for maintaining a breakeven financial position for 2024-25 (versus the approved budget / June Board). These will be discussed again as part of Q2 forecast, with a view to confirming an agreed approach.
October 2024 ET	The ET agreed to implement option (1) of the mitigating levers to restore the 2024-25 financial position.
November 2024 Board	Latest budget approved by the Board, reflecting the AfC pay deal and associated income updates.
December 2024 ET	Recognised that further mitigations to restore the financial position will need to be considered as part of report Q3 forecast.
January 2025 ET	On restoring the 2024-25 position, the ET agreed no further commitments should be made against those options RAG'd green and amber. A final decision on which mitigating actions will be utilised towards the year end.
April 2025 ET (Draft)	The provisional 2024-25 outturn will be presented at the meeting and highlight an improved outturn versus budget (+£14m surplus versus -£19m deficit). As part of our overall position, the blood and DEX overspend of £10m will be fully mitigated and the position restored.