

# NHSBT

# Financial Performance Report

# 2025/26

Year to Date - December 2025

The approved budget for 2025-26 reflects a planned deficit of £12.8m which provides a good opportunity to release some of our cash reserves in support of increased transformational investment for the organisation. The financial plan is aligned to business plan priorities, many of which will see NHSBT undertaking increased activity on behalf of the NHS and also reducing wider system reliance on the independent sector.

Our Q3 revenue forecast continues with the positive results seen through the year and we would expect these to continue to the year end. We are now reporting a surplus of £10m, which is £23m ahead of budget. A detailed explanation of these movements is presented in slide 4 and broadly categorises these as Operational, Transformational and ODT / Other key movements. Plans and actions for 2025-26 and where applicable 2026-27, are in place for each of these categories.

As part of delivering a sustainable financial position for 2025-26, plans include a challenging cost improvement programme (CIP) of £16.6m. We are pleased to now confirm that this will be fully delivered by March-2026. Work is now also well underway to develop plans which will underpin our 2026-27 CIP, which is likely to be closer to 3% this time around.

We continue to progress with our capital planning during 2025-26, and we now expect to be spending in the region of £17m this year. In broad terms this combines investment in our critical national infrastructure e.g. IT and Estates, and also the replacement and replenishment of our equipment. Planning for future years 2026-30, is also underway with DHSC, key will be a reset transformation programme and progression of a productivity pipeline.

## Report Recommendations: For Noting

- i. **Note;** the much-improved financial position in 2025-26 will be expected to result in **higher cash reserves** going into 2026-27 and these will form part of wider investment led discussions ahead of the March 26 Board.
- ii. **Note;** directorate budgets will be reviewed during February 26 to ensure that all areas are able to work within their **indicative allocations for 2026-27**, with a particular focus being on alignment with business plan prioritises and strategic objectives.
- iii. **Note;** there are ongoing discussions with DHSC to confirm our **capital allocation** requirements over the period 2026-30. Important consideration will be given to the resource requirements needed to achieve deliverability against any stepped increase in capital spend.

# Financial Performance – Income and Expenditure

**2025-26 APM09 Financial Results;** As of APM09, the financial position shows a £15.6m underspend against plan.

The overall position is broadly driven by the following:

- Operational Activity +£2.6m – mainly as a result of increased volumes, leading to an improved contribution.
- Transformation +£5.9m – a revised investment portfolio is under development and will define future year funding requirements.
- ODT / Other +£7.0m – while welcome, this year's favourable position will be needed to underpin ongoing budget build discussions for 2026-27.

**Table 1 – APM09 financial position:**

	Month 09 Financial Performance					
	Year-to-date			Full Year Outturn		
	Budget £m	Actual £m	Variance £m	Budget £m	Q3 Fcst £m	Variance £m
Operational Activity	121.3	124.0	2.6	164.1	163.8	(0.3)
Transformation	(25.1)	(19.2)	5.9	(38.3)	(28.6)	9.7
ODT/Other	(98.0)	(91.0)	7.0	(138.6)	(125.1)	13.5
<b>NHSBT Total</b>	<b>(1.8)</b>	<b>13.8</b>	<b>15.6</b>	<b>(12.8)</b>	<b>10.1</b>	<b>22.9</b>

In preparation for this report there has been a detailed review with each of the directorates to confirm the Q3 forecast outturn. An analysis by line item is provided in slide 4 and outlines the drivers for our positive variance of £22.9m (versus £12.8m deficit plan). The key variances (transformation and ODT/other) will form part of our ongoing business planning for 2026-27 and the years beyond, with these resources being needed to deliver future plans.

# Detailed Income and Expenditure Statement

## 2025-26 NHSBT Financial Position

Category	Directorate	Year to date: Actuals			Full Year Outturn: Forecast			Commentary
		Budget	Actuals	Variance	Budget	Fcst.	Variance	
		£m	£m	£m	£m	£m	£m	
Operational Activity (Volume Driven)	Blood (I&E)	95.8	95.2	(0.6)	128.2	125.9	(2.3)	Blood and component demand is 2.9% lower than plan (demand reduction risk share of £3.8m now not rebatable).
	CAGT (I&E)	8.7	6.6	(2.0)	13.1	9.5	(3.6)	Driven by CBC and CMT. Future commercialisation opportunities for these services being considered.
	Plasma for Medicine (I&E)	7.9	9.7	1.8	10.4	12.1	1.7	x2 additional / unplanned shipments of plasma for diagnostics. Potential for improved contribution in 2026-27.
	Tissue and Eye Services (I&E)	5.2	7.1	1.9	7.3	9.1	1.8	Activity higher than plan being seen for Serum Eye Drops. Expect to be recurrent within the 2026-27 plans.
	Pathology (I&E)	3.8	5.4	1.6	5.1	7.2	2.1	Higher than planned activity across RCI and H&I. Expected to be mostly recurrent in 2026-27.
Operational Activity Total		121.3	124.0	2.6	164.1	163.8	(0.3)	
Transformation Investment Portfolio	Blood and Group	(12.8)	(10.2)	2.7	(19.0)	(14.7)	4.3	Investment Portfolio; subject to formal review to restate 5 year pipeline - to include productivity led schemes.
	Organ Donation and Transplantation	(6.9)	(5.5)	1.4	(11.5)	(8.9)	2.7	ARCs programme mobilised - milestones reset which require funding in 2026-27 (OBC under dev., expected Jan-27)
	Plasma for Medicine	(3.3)	(2.0)	1.3	(4.8)	(3.0)	1.8	Plans for service expansion, through donor centre footprint / funding and plans carried forward into 2026-27
	Clinical Services	(2.0)	(1.5)	0.5	(3.0)	(2.0)	1.0	Combination of smaller projects in support of service strategies - funding still required and reprofiled into 2026-27
Transformation Total		(25.1)	(19.2)	5.9	(38.3)	(28.6)	9.7	
Baseline Operational Funding	Organ Donation and Transplantation (I&E)	32.2	33.9	1.7	39.2	46.6	7.5	Programme funding for 2025-26 fully required to underpin SR25 phase two flat cash funding over the next 3 years.
Corporate Services: Underspend	Net of Directorates	(131.8)	(126.5)	5.3	(175.9)	(171.8)	4.1	Mainly being driven by vacancies (£3.7m / 57 wte), baseline resources for 2026-27 subject to ongoing discussions.
Non Cash Adjustments	Stock and Cap Charges	1.6	1.6	(0.0)	1.4	0.0	(1.4)	Non cash accounting adjustments in the I&E position - these are non recurrent for 2025-26.
Contingencies	Corporate	0.0	0.0	0.0	(3.3)	0.0	3.3	Equivalent to 1/2% (turnover). In year risks and issues have been managed through other favourable variances.
ODT & Other Material Movements Total		(98.0)	(91.0)	7.0	(138.6)	(125.1)	13.5	
NHSBT Total		(1.8)	13.8	15.6	(12.8)	10.1	22.9	

This table provides a breakdown of the latest income and expenditure position, categorised by operational activity, transformation, and ODT / other material areas. The full-year outturn forecast will continue to inform the development of the 2026-27 planning and budgets.

# Financial Performance – Cash

**Cash Flow Profiling** The closing cash balance as of December was £62m. This cash position remains stable, and we continue to meet all planned commitments as we enter quarter 4.

There are number of funding streams which have been confirmed with the DHSC, however we are just waiting on billing arrangements; e.g.

- National Insurance Contribution (£6.2m)
- Capital Allocation (£25m)
- Agenda for change top slice (£3.0m), but we are confident there is limited risk around these.

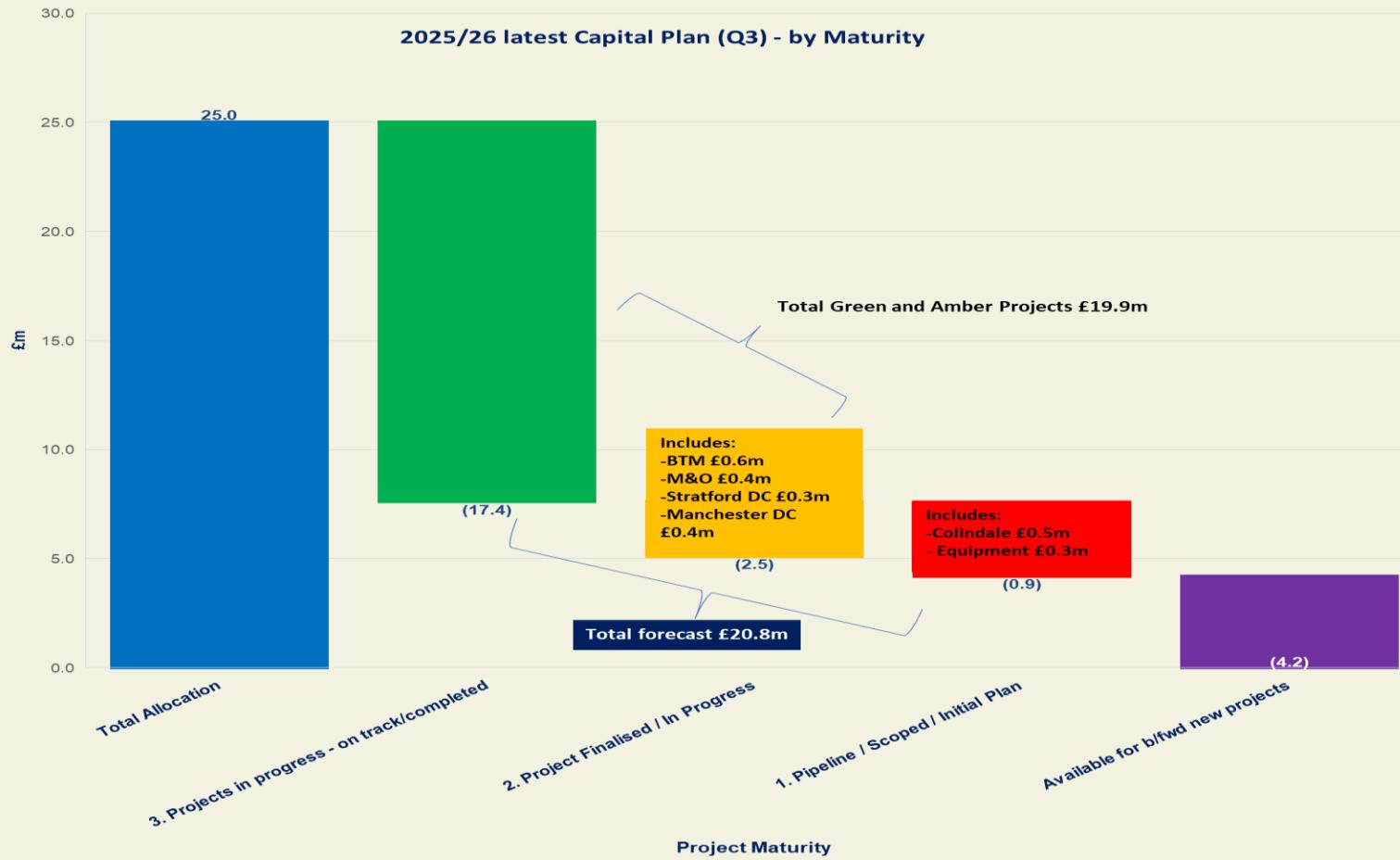
**Table 3 – Cash Profiling**

£m	Actual		Forecast	
	December	January	February	March
<b>Opening Bank Balance</b>	<b>72</b>	<b>62</b>	<b>55</b>	<b>82</b>
Total Receipts	48	50	83	115
Total Payments	-58	-57	-56	-116
<b>Closing bank balance</b>	<b>62</b>	<b>55</b>	<b>82</b>	<b>81</b>

Based on the quarter 3 forecast, the **cash projection for the end of March 26 is now up to £81m** (table 3), which reflects the latest positive position. It is important to note, that we would expect this to come back down to more normal levels (c£40m - £50m) once we've finalised our investment portfolio along with the underpinning of transformation resources required. These investments remain pivotal to the maintenance and development of NHSBTs critical national infrastructure.

# Capital Plan 2025/26 - Overview

2025/26 latest Capital Plan (Q3) - by Maturity



## Blood and Transplant

### Overview

- The latest analysis is suggesting a spend of £17m, albeit there is a possibility that this could be higher (up to £21m);
- For info YTD Spend at APM09 is £11.5m – the majority of the spend continues to be on Transformation Portfolio projects (£10.3m) - mainly BTM, Donor Centres;
- c£2m of the Amber / Red projects have become 'Green' i.e. not carrying forward into 2026/27;
- The remaining spend continues to be backloaded into Q4 (which is in line with previous years) c£9m.

### Key actions are as follows:

- To monitor projects and ensure there are identified plans /milestones /deliveries in place to maximise spend in year;
- To continue to progress opportunities for further projects which can commence in year and complete in year across the services.

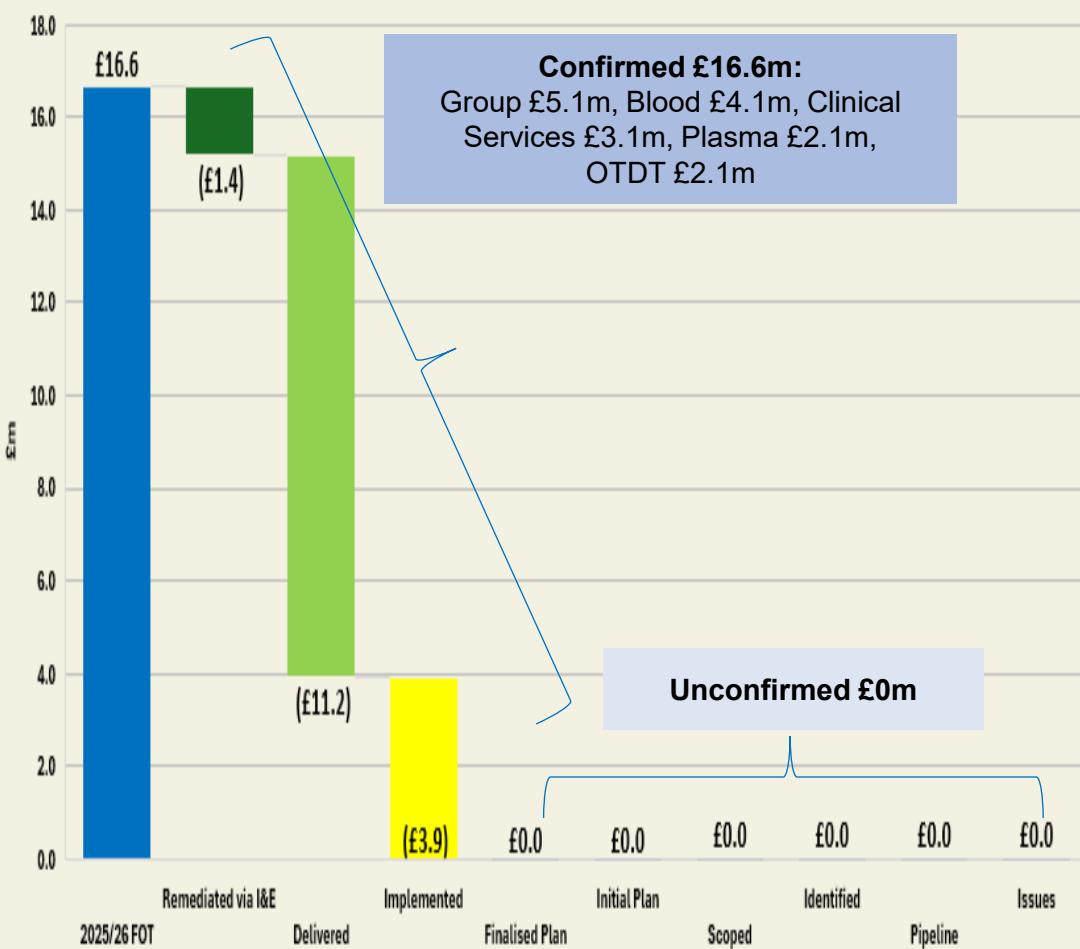
# Cost Improvement Programme: APM09 Divisional Performance



Blood and Transplant

Annual Plan	Issues for Mitigation	“Risks”	Non-Recurrent
£16.6m	£0.1m	£1m	£3.6m

2025/26 Cost Savings Forecast by Scheme Maturity £m



## 2025/26 Forecast

All schemes are now confirmed, with 68% (£11.2m) delivered. The forecast remains in-line with the plan, with high confidence the remediated via the I&E and remaining implemented schemes will be achieved. The **non-recurrent carry-forward is c£3.6m** which will be finalised during the 2026/27 budget build.

- **Group Services in aggregate (Target - £5.1m)**
  - In Summary - £5.1m Confirmed, with £4m Delivered.
  - Donor Experience have addressed the £0.2m of “issues” through further reviews of recurrent budget opportunities.
- **Blood Supply (Target - £4m)**
  - In Summary - £4m Delivered (100%).
  - The issue for mitigation (£0.2m) has been resolved, but non-recurrent schemes have increased from £0.3m to £1.2m.
- **Clinical Services (Target - £3.1m)**
  - In Summary - £3.1m Confirmed, with c£0.5m Delivered.
  - The risks on CBC/ATU contribution growth scheme (£0.3m) and the TAS income (£0.1m); are being mitigated through the Clinical Services I&E position.
- **Organ and Tissue Donation and Transplantation (Target - £2.3m)**
  - In Summary - £2.3m Confirmed, with £0.5m Delivered
  - ODT, have increased the planned mitigation plan by £0.1m with now c£1m being remediated via the I&E and will be carried forward to 2026/27.
- **Plasma for Medicine (Target - £2.1m)**
  - In Summary – £2.1m delivered (100%).
  - The £0.2m slippage on the ambient tube procurement has been mitigated through additional plasma for diagnostics income.

# 2025/26 YTD Income and Expenditure: Contribution Report M09



Blood and Transplant

December 2025 M09 - Year to date Actual £m	Blood & Components inc. R&D	Plasma	Pathology & CAGT	TES	ODT	NHSBT
<b>Total Income/Funding</b>	<b>294.9</b>	<b>20.9</b>	<b>77.6</b>	<b>20.1</b>	<b>100.7</b>	<b>514.2</b>
<b>Expenditure</b>						
Variable Costs	(31.2)	(4.7)	(13.9)	(2.8)	(2.8)	(55.3)
<b>Variable Contribution</b>	<b>263.7</b>	<b>16.2</b>	<b>63.6</b>	<b>17.3</b>	<b>97.9</b>	<b>458.8</b>
Direct Costs	(103.8)	(11.0)	(40.6)	(10.4)	(62.3)	(228.0)
<b>Direct Contribution</b>	<b>160.0</b>	<b>5.2</b>	<b>23.0</b>	<b>7.0</b>	<b>35.6</b>	<b>230.8</b>
Direct Support Costs	(112.4)	(1.4)	(15.6)	(2.5)	(11.8)	(143.8)
<b>Total Allocated Costs</b>	<b>(247.4)</b>	<b>(17.1)</b>	<b>(70.1)</b>	<b>(15.6)</b>	<b>(77.0)</b>	<b>(427.2)</b>
<b>Total Unallocated Costs</b>	<b>(31.2)</b>	<b>(2.3)</b>	<b>(8.7)</b>	<b>(1.9)</b>	<b>(10.0)</b>	<b>(54.0)</b>
<b>Operating Net Surplus / (Deficit)</b>	<b>16.4</b>	<b>1.5</b>	<b>(1.2)</b>	<b>2.6</b>	<b>13.8</b>	<b>33.0</b>
Transformation	(10.2)	(2.0)	(1.5)	-	(5.5)	(19.2)
<b>Net Surplus / (Deficit) Inc Transformation</b>	<b>6.2</b>	<b>(0.5)</b>	<b>(2.7)</b>	<b>2.6</b>	<b>8.3</b>	<b>13.8</b>
<b>Budget</b>	<b>(1.8)</b>	<b>(1.9)</b>	<b>(3.5)</b>	<b>0.5</b>	<b>4.9</b>	<b>(1.8)</b>
<b>Variance</b>	<b>8.0</b>	<b>1.4</b>	<b>0.8</b>	<b>2.1</b>	<b>3.4</b>	<b>15.6</b>
<b>RAG</b>	<b>G</b>	<b>G</b>	<b>G</b>	<b>G</b>	<b>G</b>	<b>G</b>

- The year-to-date income and expenditure position after 9 months is c£15.6m favourable variance against plan overall for NHSBT – as shown in slide 4.
- Post-ABC allocations, all supply chains are green and reporting ahead of plan indicating they each are contributing to their planned level of expected overheads in addition to their operational and transformation costs.
- This position includes a refresh to the Estates cost allocations to reflect updated space and site information (broadly a minimal impact across the supply chains) with further updates currently being worked on for inclusion in the 2026/27 Contribution report.

Year-to-date  
I&E position at  
M09 £15.6m  
favourable  
variance.