

Board Meeting in Public

Tuesday, 24 March 2026

Title of Paper	NHSBT Financial Performance Report	Agenda No.	3.3
Nature of Paper	<input checked="" type="checkbox"/> Official <input type="checkbox"/> Official Sensitive		
Author(s)	Mark Taylor – Assistant Finance Director Planning and Performance		
Lead Executive	Carl Vincent – Chief Finance Officer		
Non-Executive Director Sponsor			
Presenter(s) at Meeting	Mark Taylor – Assistant Finance Director Planning and Performance		
Presented for	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Assurance <input checked="" type="checkbox"/> Update		
Is there a plan to communicate this to the organisation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yet to be determined		
Executive Summary			
<p><u>2025/26 Budget</u> – The 2025/26 plan includes a £12.8m planned deficit, enabling the release of cash reserves to support increased transformational investment. The budget aligns with business priorities, including enabling additional NHS activity and reducing reliance on the independent sector.</p> <p><u>2025/26 Quarter 3 (Q3) Forecast</u> - At Q3, NHSBT reported a £10m surplus, £23m ahead of budget, driven by a mix of operational activity levels, transformational underspends, and lower spend across ODT and corporate areas. Following the February reporting cycle, lower-than-expected Blood and Component demand has reduced the income forecast by £1m - £2m, with the year-end outturn now forecasting a c£8m - £9m surplus.</p> <p><u>Cost Improvement Programme (CIP)</u> - The £16.6m 2025/26 CIP target will be fully delivered by March 2026, though c£4m is non-recurrent and will be a carry forward into next years planning. Progress continues on the 2026/27 CIP, expected to now be around 3%.</p> <p><u>Capital Programme</u> We have drawn down £18m cash from DHSC, this could rise by a further £1m by the year end depending on completion of the respective plans. Our spend profile for 2025/26 is higher than the previous year and likely to continue with an upward trajectory into 2026/27.</p> <p><u>Balance Sheet Working Capital</u> This month's report includes additional analysis which looks at cash flow profile, stock levels and also Blood Supply Chain run rate. In overall terms, NHSBT continues to present a sustainable financial position.</p>			
Previously Considered by			
Executive Team – 17 th March 2026			
Recommendation			
<p>i. Note; all operating divisions including relevant Group Services costs are forecast to finish the current financial year at equal or better than plan. This includes the achievement of a cost improvement programme in full.</p>			

- ii. **Note**; the cash flow forecast for the remainder of this year and through to 2026/27, continues to provide assurance that NHSBT can meet its commitments, e.g. payroll and supplier payments. This position will continue to be closely monitored as part of wider treasury management.
- iii. **Note**; good progress continues to be made against the capital programme for 2025/26. Any carry forward commitments for year end will be prioritised against the following years allocation once confirmed.

Risk(s) identified (Link to Board Assurance Framework Risks)

BAF-05 The proposals set out in the paper aim to balance financial resilience, the need to deliver resilient services, and external expectations of price increases. If we are unable to secure sufficient increases in funding there is a risk that we overspend and further undermine our long term financial resilience, or that we decide to cut costs in a way that undermines our ability to meet expectations of the volume and quality of our services. Although our proposed price increases are lower than in the last two years we continue to make the deliberate choice, to ensure that our services maintain service resilience, which matches the Board's low risk appetite for service resilience relative to financial risks.

Strategic Objective(s) this paper relates to:

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|---|---|--|
| <input checked="" type="checkbox"/> Collaborate with partners | <input checked="" type="checkbox"/> Invest in people and culture | <input checked="" type="checkbox"/> Drive innovation |
| <input checked="" type="checkbox"/> Modernise our operations | <input checked="" type="checkbox"/> Grow and diversify our donor base | |

Appendices:

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