

NHSBT

Financial Performance Report

2025/26

Provisional Full Year Outturn - March 2026

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

Executive Summary



Blood and Transplant

2025/26

Full Year Outturn - the provisional 2025/26 accounts finished at a £25m surplus, reporting a £38m favourable variance against the planned £13m deficit (including the Cost Improvement Programme of £16.6m, which has been fully achieved). Excluding one key movement, the underlying financial position is broadly consistent with the Q3 forecast. The key variance relates to £15m of additional funding secured from the Department of Health and Social Care, agreed close to year-end and therefore not previously included in reported forecasts. This funding was provided to address discrete, unrecovered cost pressures within the Blood and Group position, including reduced Blood and Components income, higher employer pension contributions, and additional cash support for Southampton. This improvement in cash will be ring fenced through the invest to save reserve.

Capital Programme / CDEL – close working across the divisions has resulted in a good performance for the year with the outturn at £19.5m.

2026/27

Fees/Charges - commissioning for Blood/Specialist Services are now nearing completion. In the interim, April billing for Blood Components has been raised at 2025/26 contract levels. Once commissioning is finalised, adjusting invoices will be issued, alongside billing for Specialist Services.

Cost Improvement Programme – work continues to be ongoing to plan against a £25m target - Directors/directorates are committed to these plans.

Funding – current year budget now confirmed: RDEL (£151m) - plans are under review to test deliverability; CDEL (£35m) - over-programmed/prioritised plans in place. Indicative funding for RDEL (2027-29) are now also under discussion, with CDEL (2027-29) plans to be fully developed.

Balance-Sheet / Treasury / Cash Flow – geo-political uncertainties will see a continued focus on stock/inventory management; run rates, with additional 2025/26 headroom from DHSC (£15m) ring-fenced into Invest 2 Save fund (c£30m). Close monitoring will be required through the year.

Report Recommendations

- i. **Note**; performance significantly better than plan in **2025/26, providing a stable platform with which to address ongoing budgetary risks.**
- ii. **Note**; cost improvement programme **2026/27** continues to be developed and will be critical to delivering a sustainable financial plan in the new year. Close monitoring of performance against target will be required through the year.
- iii. **Note**; transformation funds (RDEL/CDEL) / & wider programme (**2026/27 / c£80m**) will be a key focus (execution, delivery and implementation).

NHSBT Provisional Income and Expenditure Position



Blood and Transplant

2025-26 Full Year Outturn Financial Results; The provisional accounts for 2025-26 are reporting a £25m surplus position against our £13m deficit plan (favourable movement of £38m). The overall the full year position is broadly driven by the following:

(£2.0m) Operational Activity - Blood Component demand closed c2% below plan overall across all product groups, with Red Cells and Platelets around 3% below target, reducing customer income by c£10m. This was partially mitigated through the c£4m demand risk reserve. The remaining impact, alongside lower-than-planned CAGT activity, was offset by stronger-than-planned performance in Pathology, Serum Eye Drops and Plasma for Diagnostics, reducing the overall shortfall.

+£12m Transformation - primarily driven by the reprofiling of the Donor Centre, Cyber, and Donor Base Resilience programmes into the next financial year. The associated underspend has been carried forward and reflected in next year's budgets.

+£28m ODT / Other - included within this position is an **additional £15m funding secured from the Department of Health and Social Care (agreed / provided close to the YE and therefore not previously part of the reported forecast).** This funding was provided to meet discrete cost pressures within the Blood and Group position that have not been recovered through pricing, including reduced Blood and Component income, higher pension contributions and additional cash provided for Southampton. This improvement in cash will be ring fenced through the invest to save reserve.

Table 1 – Full Year Outturn Financial Position:

| | Full Year Outturn; Financial Performance | | | | | |
|----------------------|--|---------------|-----------------|-------------------|--------------|----------------|
| | FTE | | | Full Year Outturn | | |
| | Budget FTE | Actual FTE | Variance FTE | Budget £m | Actual £m | Variance £m |
| Operational Activity | 4,175 | 4,061 | (114) | 164.1 | 162.2 | (2.0) |
| Transformation | 35 | 232 | 198 | (37.2) | (25.0) | 12.3 |
| ODT/Other | 1,855 | 1,763 | (92) | (139.7) | (111.9) | 27.8 |
| NHSBT Total | 6,064 | 6,056 | (9) | (12.8) | 25.3 | 38.1 |

Detailed Income and Expenditure Statement



Blood and Transplant

Table 2 2025/26 NHSBT Financial Position

| Category | Directorate | Provisional Full Year Outturn | | | | | | Commentary |
|---|--|-------------------------------|--------------|--------------|----------------|----------------|--------------|---|
| | | Budget | Actuals | Variance | Budget | Actuals | Variance | |
| | | FTE | FTE | FTE | £m | £m | £m | |
| Operational Activity (Volume Driven) | Blood (I&E) - incl. DEX | 3,011 | 2,935 | (77) | 128.2 | 123.9 | (4.3) | Red Cell demand finished 2.6% lower than plan, with the demand reduction reserve not rebated to Trusts. |
| | CAGT (I&E) | 390 | 378 | (13) | 13.1 | 9.6 | (3.5) | Driven by CBC and CMT. Future commercialisation opportunities for these services being considered. |
| | Plasma for Medicine (I&E) | 108 | 108 | (0) | 10.4 | 12.5 | 2.1 | x2 additional / unplanned shipments of plasma for diagnostics. Potential for improved contribution in 2026-27. |
| | Tissue and Eye Services (I&E) | 172 | 162 | (9) | 7.3 | 9.2 | 1.9 | Activity higher than plan being seen for Serum Eye Drops. Expect to be recurrent within the 2026-27 plans. |
| | Pathology (I&E) | 494 | 478 | (15) | 5.1 | 7.1 | 2.0 | Higher than planned activity across RCI and H&I. Expected to be mostly recurrent in 2026-27. |
| Operational Activity Total | | 4,175 | 4,061 | (114) | 164.1 | 162.2 | (2.0) | |
| Transformation Investment Portfolio | Blood and Group | 3 | 151 | 148 | (19.0) | (13.5) | 5.5 | Investment Portfolio; subject to formal review to restate 5 year pipeline - to include productivity led schemes. |
| | Organ Donation and Transplantation | 32 | 36 | 4 | (10.4) | (6.9) | 3.5 | ARCs programme mobilised - milestones reset which require funding in 2026-27 (OBC under dev., expected Jan-27) |
| | Plasma for Medicine | 0 | 27 | 27 | (4.8) | (2.7) | 2.1 | Plans for service expansion, through donor centre footprint / funding and plans carried forward into 2026-27 |
| | Clinical Services | 0 | 19 | 19 | (3.0) | (1.9) | 1.1 | Combination of smaller projects in support of service strategies - funding still required and reprofiled into 2026-27 |
| Transformation Total | | 35 | 232 | 198 | (37.2) | (25.0) | 12.3 | |
| Baseline Operational Funding | Organ Donation and Transplantation (I&E) | 457 | 436 | (21) | 38.1 | 45.1 | 7.0 | Programme funding for 2025-26 fully required to underpin future years. |
| Corporate Services: Underspend | Net of Directorates | 1,398 | 1,327 | (71) | (175.9) | (171.1) | 4.8 | Mainly being driven by vacancies (£5m / 71 wte), baseline resources for 2026-27 subject to ongoing discussions. |
| Non Cash Adjustments | Stock and Cap Charges | 0.0 | 0.0 | 0 | 1.4 | (0.8) | (2.3) | Non cash accounting adjustments in the I&E position - these are non recurrent for 2025-26. |
| Contingencies | Corporate | 0.0 | 0.0 | 0 | (3.3) | 15.0 | 18.3 | £15m DHSC headroom to meet unfunded pressures within 2025/26. Including lower blood demand / pensions / Southampton |
| ODT & Other Material Movements Total | | 1,855 | 1,763 | (92) | (139.7) | (111.9) | 27.8 | |
| NHSBT Total | | 6,064 | 6,056 | (9) | (12.8) | 25.3 | 38.1 | |

Note; While we prepare the statutory annual accounts, the figures set out in this report remain provisional and are subject to audit and ARGC review.

Balance Sheet - Cash Flow: Forecast – Fwd. Look



Blood and Transplant

Table 3 – 2025/26 Final Cash Flow

| | NHSBT £m |
|-----------------------------|--------------|
| Opening Bank Balance | 38 |
| Receipts | 566 |
| DHSC Revenue Draw Down | 166 |
| DHSC Capital Draw Down | 20 |
| Total Receipts | 752 |
| Staff Expenses | (352) |
| Payments | (329) |
| Capital Charges to DHSC | (21) |
| Capital Payments | (20) |
| Total Payments | (722) |
| Closing Bank Balance | 68 |

Table 4 – 2026/27 Budget Cash Flow

| | NHSBT £m |
|--|-------------|
| 2025/27 Closing Bank Balance | 68 |
| DHSC Headroom | 15 |
| Early April Receipts | 13 |
| 2026/27 Restated Opening Bank Balance | 95 |
| 2026/27 Budget Deficit | (14) |
| 2026/27 Closing Bank Balance | 81 |
| Deferred Income | 10 |
| Invest to Save | 30 |
| Working Capital | 40 |

Closing Cash Balance

The closing cash balance at the end of March was £68m. This is lower than the forecasted outturn (c£81m), mainly due to timing differences, as a number of key invoices were received in early April.

Underlying Cash position and working capital

Following the year end results, which included £15m of additional headroom secured from DHSC to reflect the adverse impact of lower blood demand and pension costs not recovered through prices, our restated cash position is £95m once the £15m is received.

This discrete cash will be ring fenced as part of the invest 2 save reserve. It is important to note, that we would expect our working capital to come back down to more normal levels (c£40m), based on next years proposed budget and planning (table 4).

In addition to the examination of cash availability to NHSBT, the following two slides extrapolate the working capital forecasted cash flow (c£40m) and stress test this against uncertainties across stock levels and also planned run-rate for the Blood Supply Chain. While we continue to retain a level of one-off resilience these are finite and any in-year shocks would need to be remediated to repair the Balance sheet ahead of 2027/28.

Balance Sheet - Stock: Working Capital Resilience – Fwd. Look



Blood and Transplant

Table 5 – 2025/26 Non-Pay Expenditure Budget

| Expenditure Type | 2025/26 Budget £m |
|-----------------------------------|-------------------|
| Consumables | 38 |
| Test Kits | 18 |
| Blood Bags | 11 |
| Harnesses | 10 |
| Organ Retrieval & Reimbursement | 29 |
| Marketing | 16 |
| Donor Venues | 5 |
| Transport Costs | 31 |
| Rent and Rates | 8 |
| Equipment & Equipment Maintenance | 9 |
| Premises Maintenance | 9 |
| Utilities | 9 |
| Cleaning Contract | 5 |
| Waste Disposal | 2 |
| Catering Contract | 1 |
| Travel & Expenses | 9 |
| Training and Conferences | 3 |
| External Services | 11 |
| Professional Fees | 4 |
| IT & Telephony | 22 |
| Office Consumables | 2 |
| Capital Charges | 29 |
| Contingency | 8 |
| Pension Contribution | 22 |
| Development Funds | 37 |
| Cost Releasing Efficiencies | -2 |
| Other | 3 |
| Total | 348 |

Consumables
Budget: £77m

Transport
Budget: £31m

Energy
Budget: £9m

Geopolitical instability is creating external volatility that could impact both the availability and pricing of critical consumables. This slide provides a high-level overview of our working-capital resilience and sets out how we are positioned to manage potential challenges should they arise.

Current State

Our consumables budget is **c£77m for 2025/26, (c£90m 2026/27)**. Based on current run-rate and inventory levels, we would expect to hold approx. **4-6 weeks of stock in our warehouses**.

Overall, the supply chain impact remains stable, with around 70% of suppliers having alternative sourcing routes available if required. We do remain concerned about the risk of input cost pressures increasing, particularly for fuel. Close working with our suppliers will continue.

Resilience / Stress Test

Were there to be a stepped uplift in stock levels and or to strengthen resilience against in-year price shocks, we would need to reconsider our approach to cash mgmt.

Based on our proposed **2026/27 budgets**, there is conservatively divisional working-capital reserves of £40m. In-year up to **£20m** of this reserve could be utilised to;

- increase stock holding beyond the current 4-6 week level,
- absorb significant price shocks on key contracts or energy costs,
- ensure continued security in meeting commitments (payroll / supplier payments).

While it's possible to manage an in-year shock, these could not be sustained recurrently.

Expenditure - Run Rate Analysis 2025/26: Blood Supply Chain

The **Blood Supply Chain** (responsible for the collection, manufacturing, testing and distribution of all Blood Components) accounts for **53%** of NHSBT's turnover. Akin to all the other divisions within NHSBT, it is critical that this key operational area is able to operate within agreed financial envelope(s).

- The latest moving average run rate for the **Blood Supply Chain (including Donor Experience)** is **£19.7m per month (outturn with budget)**.
- Next year's expenditure budget includes a recurring uplift of £7m (inflation / cost pressures / resilience). Average monthly budget will rise to **£20.6m for 2026/27. The uplift does not materially increase the overall level of resilience / capacity – with demand levels only marginally lower than forecasted for 2025/26.**
- **Business plan assumptions** – e.g. number of available appointments, fill rates, donor attendance, overall conversion required, have been adjusted to reflect the latest assumptions on performance, but in aggregate remain broadly consistent across the two years.
- **In summary**, while overall resources can support planned level of demand in 2026/27, there is limited additional financial headroom in the event of there being unplanned supply / demand side shocks. The geo-political situation is a further risk, driving the need for close monitoring next year.

Table 6 – Moving Average Trend; Blood Supply (incl. Donor Experience) Expenditure

| £m | 2025/2026 | | | | | | | | | | | |
|-------------------|-----------|--------|--------|--------|--------|-----------|---------|----------|----------|---------|----------|--------|
| | April | May | June | July | August | September | October | November | December | January | February | March |
| Blood Supply | (17.0) | (17.1) | (17.2) | (17.3) | (17.4) | (17.5) | (17.3) | (17.3) | (17.4) | (17.5) | (17.6) | (17.6) |
| Donor Experience | (2.1) | (2.1) | (2.1) | (2.2) | (2.1) | (2.1) | (2.2) | (2.1) | (2.1) | (2.1) | (2.1) | (2.0) |
| Total Expenditure | (19.1) | (19.2) | (19.3) | (19.4) | (19.5) | (19.6) | (19.4) | (19.5) | (19.5) | (19.6) | (19.7) | (19.7) |

Budget and Pricing Assumption (millions)

| Assumption (m units) | 2025/26 | 2026/27 | Change |
|-------------------------|---------|---------|---------|
| Red Cell Issues | 1.355 | 1.339 | (0.016) |
| Platelet Issues | 0.254 | 0.253 | (0.001) |
| FFP, Cryo Products | 0.390 | 0.380 | (0.010) |
| Whole Blood Collections | 1.438 | 1.421 | (0.017) |

Capital Plan 2025/26 & Fwd Look 2026-29: Progress Report (March 2026)



Blood and Transplant

Key points to note are as follows:

2025/26:

- The year ended with £19.5m drawn down from DHSC which was fully utilised in year (vs £18m-£19m forecast reported at APM11);

2026/27:

- DHSC have now confirmed an **allocation** of **£35m** – we are currently over programmed at c£40m to mitigate any slippage;

Future years:

- DHSC indicative funding for future years has been advised to be £44m for 2027/28 and £54m for 2028/29;
- Work is ongoing to develop a long-term capital plan to be presented in parallel with the update 5-year plan to be submitted to the July Board

Breakdown of Capital Plan 2026/27

| Description | 2026/27 Plan (£m) |
|---|-------------------|
| Investment Portfolio - Prioritised Projects | 27 |
| Estates Projects (Solar Panels, Colindale Switch Panel & Minor Works) | 7 |
| Equipment (Replacement / Replenishment) | 6 |
| Contingencies | 1 |
| Over-profiled Plan | 41 |
| Balancing Items / Timing of Projects | (6) |
| Total DHSC Allocation | 35 |

2025/26 YTD Income and Expenditure: Contribution Report M12



Blood and Transplant

| March 2026 M12 - Year to date Actual £m | Blood & Components inc. R&D | Plasma | Pathology & CAGT | TES | ODT | NHSBT |
|---|-----------------------------|------------|------------------|------------|-------------|-------------|
| Total Income/Funding | 409 | 27 | 104 | 27 | 134 | 701 |
| Expenditure | | | | | | |
| Variable Costs | -41 | -6 | -18 | -4 | -4 | -73 |
| Variable Contribution | 367 | 21 | 85 | 23 | 130 | 628 |
| Direct Costs | -142 | -13 | -54 | -14 | -82 | -306 |
| Direct Contribution | 225 | 8 | 31 | 9 | 48 | 322 |
| Direct Support Costs | -152 | -2 | -21 | -3 | -16 | -194 |
| Total Allocated Costs | -335 | -21 | -94 | -21 | -102 | -573 |
| Total Unallocated Costs | -43 | -3 | -12 | -3 | -14 | -74 |
| Operating Net Surplus / (Deficit) | 31 | 3 | -2 | 3 | 19 | 54 |
| Transformation | -15 | -3 | -2 | 0 | -8 | -28 |
| Net Surplus / (Deficit) Inc Transformation | 15 | 0 | -4 | 3 | 11 | 26 |
| Budget | -8 | -3 | -3 | 1 | 0 | -13 |
| Variance | 23 | 3 | 0 | 2 | 11 | 38 |
| RAG | G | G | G | G | G | G |

Year-to-date I&E position at M12 £38m favourable variance.

- The year-to-date income and expenditure outturn position for 2025/26 is c£38m 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.
- We are in the process of reviewing some outdated support cost allocations that we plan to include in the 2026/27 Contribution report, once reviewed and signed off, for quarter 1.