Blood and Transplant

Board Meeting in Public
Tuesday, 21 July 2026

Title of Paper	NHSBT Financial Performance Report	**Agenda No.**	3.3
Nature of Paper	☒ Official	☐ Official Sensitive	
Author(s)	Mark Taylor – Assistant Finance Director Planning and Performance		
Lead Executive	Carl Vincent – Chief Financial Officer		
Non-Executive Director Sponsor	-		
Presenter(s) at Meeting	Carl Vincent – Chief Financial Officer		
Presented for	☒ Approval ☒ Assurance	☒ Information ☒ Update	
Is there a plan to communicate this to the organisation?	☐ Yes	☐ No	☐ Yet to be determined

Executive Summary

2026/27 Budget & Financial Position
- A balanced and sustainable £720m funding envelope has been set, aligning income and expenditure to support operational delivery and recurrent transformation.
- Included in the financial position, there is also up to £81m of funding available for our prioritised investment portfolio, which comprises of +£39m revenue, +£27m capital, +£15m invest-to-save. The starting plan for the year is £71m (v £81m available funds).

Year-to-Date Performance
- £3m favourable variance to plan, with most divisions operating at or above target. This continues with the favourable performance seen through last year.

Key Risks & Emerging Pressures
- **Income risk:** Lower blood and component demand is now forecast to reduce income by at least £4m for the full year (with a risk this could increase further).
- **CIP delivery risk:** The £25m target incorporates c.£15m of savings which are unidentified/unconfirmed (Quarter 1 reviews will now need to crystallise plans).
- **Commissioning:** the delay to finalising 2026/27 Blood and Specialist Services pricing is impacting cashflow/ working capital; interim billing is at 2025/26 prices.

Capital Position
- £35m DHSC allocation confirmed; plan over-programmed to £41.7m as a mitigation to unforeseen delivery risk and slippage (full reforecast at Quarter 1).

Budget Update
- Post approval of the budget in March 2026, we've now seen a number of material updates. The Board is requested to approve the updated 2026/27 budget position versus the previously approved £14.2m deficit budget**.**

Forward Look
The organisation remains financially stable and delivering the business plan within the agreed financial envelope; however, the following will continue to require close monitoring through the year **i) impact of lower demand on Blood & Component income and operational performance in-year; ii) CIP's fully achieved recurrently and iii) delivery of all the transformation plans vs agreed funding.**
Previously Considered by
Executive Team – May 2026
Recommendation
i. To Note – Blood and Component demand significantly lower than plan (22k red cells) creating an unforeseen pressure on income and expenditure. ii. To Note – Close monitoring of the planned investments is being routinely undertaken with the expectation of a formal quarter 1 review vs £81m funds. iii. To Note – Engagement on the cost improvement programme remains positive, albeit there continues to be an over-reliance on budget cost cutting. iv. To Approve – The updated 2026/27 budget position, reflecting a number of material updates from the previously approved £14.2m deficit budget
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:
☒ Collaborate with partners ☒ Invest in people and culture ☒ Drive innovation ☒ Modernise our operations ☒ Grow and diversify our donor base
Appendices: