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Road to NHS ConfedExpo 2026



HSJ Information is delighted to be participating in the NHS ConfedExpo on 10-11 June. This year's agenda is centered around [8 core themes](#).

In anticipation of the event, we are providing insight and predictions into each of eight themes with our *Road to NHS ConfedExpo 2026* series, featuring expert input from across the HSJ Information portfolio.

This week's entry takes a close look at **Finance and Productivity**.

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Finance and Productivity: A marathon, not a sprint

Featuring contributions from



Oli Hudson
Content Director
HSJ Information



Henry Anderson
Senior Correspondent,
Health Service Journal (HSJ)
HSJ Information



Zoe Tidman
Senior Correspondent,
Health Service Journal (HSJ)
HSJ Information

Finance and Productivity: A marathon, not a sprint



Oli Hudson
Content Director
HSJ Information

The NHS is navigating a period of intense financial pressure and structural reform, with significant deficits at the local provider level.

While national leaders managed to stabilise the overall in-year financial position through underspends in central budgets, individual trusts and integrated care systems (ICSs) continue to struggle with unprecedented savings targets and a new, more rigorous productivity measurement regime.

Capital funding remains severely constrained, with increasing use of capital-to-revenue transfers to support in-year financial balance. This is contributing to a growing maintenance backlog and slowing progress on digital and estate modernisation.

New Productivity Metrics and Performance Trends

In February 2026, NHS England began publishing a monthly dataset that compares cost-weighted activity growth against real-terms resource growth to provide a "productivity growth estimate" for every trust. This measure is used to track the health service's commitment to a 2 per cent year-on-year productivity improvement.

The inaugural data release revealed headline estimates that suggested higher apparent gains in mental health and ambulance services, though these are widely believed to reflect measurement effects as much as genuine efficiency improvement.

Experts and some trust leaders have warned that the data is "experimental" and may be skewed by one-off events, such as the implementation of new electronic patient record (EPR) systems, which often cause a temporary drop in productivity.

Financial Challenges and Deficit Management

The financial landscape remains strained, with multi-billion-pound underlying deficits across a significant proportion of systems.

- **Withheld Funding:**

- For the first time, receipt of "deficit support funding" (DSF) is contingent on financial performance. As of February 2026, 13 systems had approximately £460 million in funding withheld due to missing financial targets. The Cheshire and Merseyside ICS was the hardest hit, with £133 million withheld. DSF is increasingly being used as a performance lever rather than a guaranteed safety net.

- **Efficiency Targets:**

- Trusts are attempting to deliver "unprecedented" levels of savings. The average cost improvement plan (CIP) for 2025-26 stands at 5.7 per cent, with some trusts, such as Northern Lincolnshire and Goole FT, setting targets as high as 9.2 per cent.

- **Workforce Reductions:**

- To cut deficits, the long-term expansion of non-clinical staff has begun to reverse. Between November 2024 and November 2025, central function roles (HR, finance, IT) dropped by 2.6 per cent, and management roles fell by 1.6 per cent, alongside tighter controls on agency usage.



Zoe Tidman

Senior Correspondent, Health Service Journal (HSJ)

HSJ Information

The NHS is facing increasing pressure to improve its finances.

Deficits must reduce each year as national support tapers away, with financial consequences for those who fail to hit their targets.

Organisations will continue to require significant savings, which will not be easy - nor without backlash - given large cuts have already been made.

Capital pressures remain as trust backlog maintenance continues to grow - but challenging cash levels will make carrying out estates improvements at the pace required even trickier.

Turnaround Regimes and "Special Measures"

In March 2026, NHS England confirmed the first nine trusts to be placed into the new [National Provider Improvement Programme \(NPIP\)](#).

This regime replaces the old recovery support programme for trusts judged to have both severe performance issues and poor "capability" to improve.

According to HSJ's article [Exclusive: Nine trusts put in NHSE turnaround regime](#):

"NPIP will begin with a new assessment process to 'determine whether the [trusts] have the necessary conditions in place to deliver sustainable improvement, supported by a deliverable integrated improvement plan!'"

The trusts entered into this regime include University Hospitals Sussex FT, Queen Elizabeth Hospital King's Lynn FT, and Blackpool Teaching Hospitals FT, among others.



Henry Anderson
Senior Correspondent, Health Service Journal (HSJ)
HSJ Information

Trusts face challenges on many fronts: Deficit support funding being withdrawn, contract values overhauled and a tight funding settlement.

"At the same time NHS England is taking an increasingly close interest in just how 'real' efficiency plans are and whether they are delivering genuine cash savings, while ranking trusts on efforts to boost productivity.

"All of these will increase pressure on trusts as they look to begin implementing the first steps of the 10-Year Health Plan, which promises a fundamental reset of how money flows through the NHS.

Driving this is less tolerance for “permanent support”, reflecting a wider policy shift towards intervention based not just on performance, but organisational capability and leadership capacity.

Elective Recovery and the "Activity Sprint"

To meet the government's priority target of 65 per cent of elective pathways within 18 weeks by March 2026, NHS England launched a £120 million "activity sprint" in early 2026. This funding primarily supports additional outpatient work to generate as many "clock stops" as possible before the end of the financial year.

While internal data suggests the NHS is on track to reach approximately 64 per cent, experts warn that this focus may come at the expense of complex surgeries and long-waiting patients – and there are concerns about short-term optimisation of reported performance over clinically meaningful backlog reduction.

In NHS Finance circles, the mood music is this: the service is just about being held together, but the underlying model is under serious strain.

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FURTHER READING ON FINANCE & PRODUCTIVITY FROM THE HSJ INFORMATION PORTFOLIO

[Saving money is possible for the NHS but only under six conditions](#)



Andi Orlowski
Health economist and Director
The Health Foundation

Andy Orlowski discusses the difference between value and money in the NHS, and asks if the service is asking the wrong questions when attempting transformations required by the three Streetering shifts.

[Breakeven trusts to get last-minute cash boost](#)



Zoe Tidman
Senior Correspondent, Health
Service Journal (HSJ)
HSJ Information



Henry Anderson
Senior Correspondent, Health
Service Journal (HSJ)
HSJ Information

HSJ has learned that deficit support funding worth nearly £500m, which has been withheld from trusts that missed their financial plans, is now being redistributed elsewhere. Zoe Tidman and Henry Anderson cover the anger among some trusts claiming the cash is dependent on being in a balanced system.

[Finance and efficiency Revealed: Seven systems now forecasting £400m overspend](#)



Zoe Tidman
Senior Correspondent, Health
Service Journal (HSJ)
HSJ Information

Zoe Tidman at the financial coalface, where seven integrated care systems are now forecasting a combined overspend of £400m, according to an HSJ analysis of the latest official data.

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