

Agenda Item
3.1.3

Senior Leadership Team Meeting - Formal

NWJCC Budget Delegations 2026-27

Dyddiad y Cyfarfod / Date of Meeting	20/05/2026
Statws Cyhoeddi / Publication Status	Closed / Private
	Choose an item.
Awdur yr Adroddiad / Report Author	Sandy Tallon, Assistant Director of Finance
Cyflwynydd yr Adroddiad / Report Presenter	Stacey Taylor, Director of Finance & Value
Noddwr yr Adroddiad / Report Sponsor	Stacey Taylor, Director of Finance & Value and Deputy Chief Commissioner

Pwrpas yr Adroddiad / Report Purpose	For Approval Choose an item.
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Engagement (internal/external) undertaken to date (including receipt/consideration at Committee/Group)		
Committee / Group / Individuals	Date	Outcome
(Insert Details)	Click or tap to enter a date.	Choose an item.

Acronyms / Glossary of Terms	
DRC	Direct Running Costs

1. SITUATION/BACKGROUND

1.1 Executive Summary

This report sets out budget delegations across the NHS Wales Joint Commissioning Committee (NWJCC), drawing on the current proposed financial plan for 2026/27. It highlights the implementation of delegated budgets, and the financial implications of service developments and savings targets for 2026/27.

It sets out a series of recommendation for approval by the Senior Leadership Team.

1.2 Delegated Budgets and Financial Planning

The 2026/27 JCC Annual Plan was approved by the NWJCC on 23rd March 2026. The associated financial tables include details by individual lines, showing budget decisions approved as part of the Financial Plan.

Principles

The following principles will be applied to ensure delivery against the financial plan:

- Opening budgets will align with the 26/27 Plan baseline with further in-year funding reflected monthly.
- Funds not required immediately for their designated purpose/s will be held centrally as reserves.
- Savings schemes will continue to result in budget amendments to reflect savings delivered.
- Clear accountability of budget management will be formally delegated to budget holders at Director level. This will include commissioning and DRC budgets.
- The accountable budget holder may delegate the management of a budget to a named delegated budget Manager. However, the budget holder remains accountable for the performance of the budget/s under their control.
- There will be a collaborative approach to savings development and delivery which will be led through a Programme Management approach facilitated by the Corporate Planning Directorate.

Baseline Budgets

The baseline using the current NWJCC Plan is shown below by Director.

Budget 2026/27	Director of Ambulance/111	Medical Director	Director of Mental Health	Director of Specialised Services	Director of Finance and Value	DRC	Grand Total
	£000,s	£000,s	£000,s	£000,s	£000,s	£000,s	£000,s
Central funding / approved future commitments					39,901.4		39,901.4
Direct Running Costs						9,444.1	9,444.1
IPFR		25,773.2		33,449.4			59,222.5
Mental Health			44,194.6				44,194.6
NHS Wales	331,478.3	3,345.7	40,152.1	571,153.0			946,129.0
Non Welsh SLA				163,279.0			163,279.0
Renal				3,351.3			3,351.3
Grand Total	331,478.3	29,118.9	84,346.7	771,232.6	39,901.4	9,444.1	1,265,522.0

This provides the high level total. Directors will receive further detail in their formal letters of delegation.

In addition, NWJCC Direct Running Costs (DRC) shown below will be devolved to Director level Budget Holders. Separate schedules will be provided setting out the approved budgets, WTE establishment and vacancy factor targets. Budget Holders will be expected to remain within their delegated budget / WTE establishment and to contribute to the previously agreed NWJCC DRC savings programme through the management of vacancies.

Budget Holder/Directorate	DRC Core Budget 2026/27 (£000s)
Board & Chief Commissioner	234.0
Director of Ambulance Services & 111	535.4
Director of Finance & Value	1498.3
Medical Director	941.2
Director of Mental Health	1170.3
Director of Nursing & Quality	558.4
Director of Specialised Services	1108.5
· Renal Network	708.3
Director of Corporate Planning & Strategy	884.8
· Communication & Engagement team	211.1
· Planning team	692.6
Total NWJCC Core Staff (excl Networks & Projects)	8657.0
Director of Corporate Planning & Strategy	
· NWJCC Core Non Pay (excl Networks & Projects)	901.4
Total NWJCC DRC	9444.1

1.3 Budget delegation of Approved Future Commitments:

Centralisation and Governance

To enhance strategic oversight and ensure alignment with organisational priorities, the budget for approved future commitments 2026/27 will be held centrally under the stewardship of the Director of Finance and Value, as it was in 2025/26. This approach will support more agile and equitable allocation of resources across directorates and programmes, particularly in response to emerging needs and opportunities.

A formal process will be required to release funds from the central development budget into individual budget areas. This process to include:

- Submission of a business case or proposal outlining the intended use, expected outcomes, and alignment with strategic objectives.
- Review and recommendation by the Finance Business Partnering team.
- Approval by the Senior Leadership Team or a designated sub-group.

1.4 Financial Management and Financial Risk

Financial Management

Budget Holders / Managers will be expected to manage expenditure within their delegated budgets. They will be supported by Finance at different levels including Designated Finance Business partners, together with other members of the Finance Directorate. Further guidance and training on the roles and responsibilities of budget Holders / Managers will be provided.

Savings

The delivery of planned savings remains the most significant risk to achieving financial balance in 2026/27 and while the current baseline position includes embedded savings assumptions, the delivery of these savings is not yet assured and will be actively monitored. To take this forward the Value, efficiency and sustainability Programme has been established.

Value, efficiency and Sustainability Programme

The Sustainability & Efficiency Programme supports the Joint Commissioning Committee (JCC) in responding to increasing financial pressures, rising delivery expectations, and the requirement to improve long-term financial sustainability across commissioned services. The programme will provide a coordinated and structured approach to identifying, prioritising, tracking, and delivering efficiency and savings opportunities across both the JCC and provider organisations. It will bring together financial, commissioning, operational, and service considerations to ensure opportunities are assessed transparently, aligned to strategic priorities, and delivered in a sustainable way without compromising service quality or

outcomes. The programme will also act as a key mechanism for supporting delivery of the Annual Plan and addressing the identified financial gap through both in-year and future-year efficiency opportunities.

The monitoring of savings delivery will continue to be a key element of the main Finance reporting pack for 2026/27, and this will be developed shortly.

Commissioner Contribution

The financial plan includes £16m of additional Commissioner contribution. As part of the plan there is formal commitment to work collaboratively to identify how this can be reduced. In approving this plan, Members acknowledged both the scale of the challenge and the collective responsibility to mitigate this risk through strengthened delivery of the priorities, provider efficiency requirements, and commissioning-led savings & efficiency opportunities.

To address this there is a clear focus for the NWJCC to work collaboratively with Health Boards to urgently develop the 2026/27 priorities to maximise cost improvement efficiencies and savings to improve the additional financial requirement of £16.2m in year

Financial Risks

Key risks include:

- **Savings Delivery Risk:** The most significant financial risk is the non-delivery of embedded savings targets.
- **NHSE Over-performance:** A recurring risk is the over-performance of NHS England contracts, which has previously contributed to material in-year pressures.
- **Commissioning Volatility:** Fluctuations in activity and cost within high-cost specialties (e.g. advanced therapies, transplant services) pose a risk to financial stability.
- **Unfunded Service Developments:** Emerging service needs or policy shifts (e.g. advanced therapies, JC accreditation) may require investment without corresponding funding.
- **Data and System Limitations:** Delays in data and implementing systems around performance management, risk tracking and assurance reporting limit the ability to monitor and respond more proactively.

These risks are monitored and reported on regularly and are routinely presented for discussion at NWJCC alongside the Financial report. Further the NWJCC is in

the process of adopting a formalised Risk Management Strategy and Assurance Framework.

2. RECOMMENDATIONS

1. Each Director to receive their delegated commissioning and DRC budgets for formal acceptance by May 31st 2026.
2. The budget for approved future commitments 2026/27 to be held centrally under the stewardship of the Director of Finance and Value with governance arrangements put in place as described above.
3. Each Budget holder will nominate a representative to sit as a member of the Value, efficiency and Sustainability Programme.
4. Financial risks will be monitored and reported.

3. ASSESSMENT

Objectives / Strategy	
Dolen i Amcan (au) Strategol CBC / Link to JCC Strategic Objectives(s)	Maximise Value
Dolen i Ddeddf Llesiant Cenedlaethau'r Dyfodol – Nodau Llesiant / Link to Wellbeing of Future Generations Act – Wellbeing Goals 150623-guide-to-the-fg-act-en.pdf (futuregenerations.wales)	Not Applicable
	If more than one applies please list below:
Dolen i Hwyluswyr Ansawdd <i>(Canllawiau Statudol Dyletswydd Ansawdd (llyw.cymru)) / Link to Enablers of Quality</i> (Duty of Quality Statutory Guidance (gov.wales))	Not Applicable
	If more than one applies please list below:

Dolen i Feysydd Ansawdd <i>(Canllawiau Statudol Dyletswydd Ansawdd (llyw.cymru)) /</i> Link to Domains of Quality <i>(Duty of Quality Statutory Guidance (gov.wales))</i>	Not Applicable
	If more than one applies please list below:
Effaith Amgylcheddol/ Cynaliadwyedd (5R) / Environmental /Sustainability Impact (5Rs)	No - Not Applicable
	If more than one applies please list below:

Impact Assessment		
Ansawdd <i>Ydych chi wedi ymgymryd â Sgrinio Asesiad o'r Effaith ar Ansawdd? /</i> Quality <i>Have you undertaken a Quality Impact Assessment Screening?</i>	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
	Outcome:	If no, please include rationale below: N/A
Cydraddoldeb <i>Ydych chi wedi ymgymryd â Sgrinio Asesiad o'r Effaith ar Gydraddoldeb? /</i> Equality <i>Have you undertaken an Equality Impact Assessment Screening?</i>	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
	Outcome:	If no, please include rationale below: N/A
Cyfreithiol / Legal	There are no specific legal implications related to the activity outlined in this report.	
Enw da / Reputational	There is no direct impact on the reputation of the Joint Committee as a result of the activity outlined in this report.	
Effaith Adnoddau	Yes (Include further detail below)	

(Pobl /Ariannol) /
Resource Impact
(People / Financial)

Please see the body of the report for details