



**Agenda Item**

4.2

**Joint Commissioning Committee**

**Corporate Governance Report**

<b>Dyddiad y Cyfarfod / Date of Meeting</b>	26/05/2026
<b>Statws Cyhoeddi / Publication Status</b>	Open/ Public
	Not Applicable
<b>Awdur yr Adroddiad / Report Author</b>	Aaron Fowler Committee Secretary, NWJCC
<b>Cyflwynydd yr Adroddiad / Report Presenter</b>	Aaron Fowler Committee Secretary, NWJCC
<b>Noddwr Gweithredol yr Adroddiad / Report Executive Sponsor</b>	Georgina Galletly, Director of Corporate Planning and Strategy, NWJCC

<b>Pwrpas yr Adroddiad / Report Purpose</b>	Endorse for HB Approval, Approve and Note
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<b>Engagement (internal/external) undertaken to date (including receipt /consideration at Committee/Group)</b>		
<b>Committee / Group / Individuals</b>	<b>Date</b>	<b>Outcome</b>
Annual Governance Statement (AGS)- NWJCC Senior Leadership Team	11/03/2026	Noted
AGS - Quality Safety and Outcomes Sub-committee	27/04/2026	Endorsed
AGS - PPF Sub-committee meetings	28/04/2026	Endorsed
Senior Leadership Team NWJCC and HB Director of Corporate Governance Draft Standing Orders and Standing Financial Instructions	13/04/2026	Feedback received and assisted in finalising the documents Noted

<b>Acronyms / Glossary of Terms</b>	
IPFR	Individual Patient Funding Request
JC	Joint Commissioning Committee
NWJCC	NHS Wales Joint Commissioning Committee
WG	Welsh Government
WHC	Welsh Health Circular

## **1. SITUATION/BACKGROUND**

The purpose of this report is to provide an update on corporate governance matters relating to the NHS Wales Joint Commissioning Committee (NWJCC) that have arisen since the previous Joint Committee (JC) meeting.

There are several corporate governance matters that need to be reported as a regular item in-line with the governance and accountability framework for the NWJCC. This report encompasses all such issues as one agenda item.

## **2. SPECIFIC MATTERS FOR CONSIDERATION/APPROVAL**

### **2.1 Welsh Health Circulars (WHCs)**

Welsh Government (WG) issue WHCs to provide official guidance and mandates to health and care organisations in Wales to ensure compliance with new policies, standards, and procedures. Such updates typically communicate important information, such as updates to national programs, new codes of practice, and policy frameworks.

To ensure that NWJCC colleagues remain aware of the changing policies, procedures or standards set out within WHCs the Corporate Governance team share published WHCs with commissioning and clinical leads for action, as necessary.

Since the March 2026 meeting of the JC the following WHCs have been received and shared with relevant commissioning and clinical leads:

- Refreshed Intellectual Property (IP) guidance and policies for NHS Wales organisations. (WHC/2026/004)
- Listening to People: The amended NHS Wales complaints, incidents and redress process (WHC/2026/006)
- Enabling community pharmacies to supply medicines ordered by optometrists as part of providing NHS care in Wales (WHC/2026/017)
- Maternity Reporting Data Set (MR ds) – Data Requirements (WHC/2026/011)
- Population Health Management in Wales (WHC/2026/012)
- Updated `National Supplementary Service Specification for non-routine immunisations for adults and children at risk (WHC/2026/016)

- All Wales General Practice and Health Board Clinical Interface Standards (WHC/2026/015)
- NHS Wales Financial Monitoring Return guidance (WHC/2026/022)

All WHCs are available via the WG website ([Health circulars: 2024 to 2027 | GOV.WALES](#)) for further detail and an overview of the requirements, risks and governance issues associated with each.

## 2.2 NWJCC Internal Audit Programme 2025-26

The internal audit programme for the NWJCC for 2025-26 includes:

- Q3 Individual Patient Funding Requests
  - **Completed with substantial Assurance** – A review of this Audit has previously been shared with the Cwm Taf Morgannwg University Health Board (CTMUHB) Hosted Bodies Audit, Risk and Assurance Committee for assurance.
- Q4 Budget Management – **The fieldwork for this audit has completed.** It is expected that the final report and recommendations will be shared at the June 2026 Audit, Risk and Assurance Committee.
- Q4 High-Cost Drugs – **Fieldwork underway**

The audit into Strategic Planning has been rolled into the programme for 2026-27. Work will continue with NHS Wales Shared Services Partnership's Internal Audit department to complete the audit into High-Cost Drugs and to develop a robust audit plan for 2026-27.

## 2.3 Hosting Arrangements

In accordance with the Hosting Agreement between the NWJCC and CTMUHB ("the Hosting Agreement"), a review of hosting arrangements between the two organisations is underway.

The basis of this review is being informed by performance over the last year and will be guided by the recent Welsh Government review of the NHS Wales Shared Services Partnership Accountability and Governance Arrangements (<https://www.gov.wales/sites/default/files/publications/2025-12/review-of-the-nhs-wales-shared-services-partnership.pdf>), including recommendations to ensure that there are practical arrangements in place for both organisations to discharge their governance and accountability responsibilities to each other and adjust them as necessary to ensure effective implementation of the Hosting Agreement.

Whilst initial information gathering has taken place work to refine proposed updates have been delayed due to competing work pressures. An update on the outcome of ongoing work between the NWJCC and CTMUHB will be shared with the JC at its July 2026 meeting.

## 2.4 The Governance Framework

The Governance Framework for the NWJCC contains several key components which, when combined, set out the legislative framework, constitution and ways of working for the NWJCC in its operations and handling of business. These documents are an integral part of the wider governance framework of Local Health Boards (LHBs) and have been developed within that context.

The Governance Framework of the JCC contains the following.

Figure 1 – JCC Governance Framework



### 2.4.1 Standing Orders and Standing Financial Instructions

The Seven LHBs approved the NWJCC Standing Orders (SOs) and Standing Financial Instructions (SFIs) in March 2024. These were subsequently adopted by the JC at its inaugural meeting on 9 April 2024 following which they were included as a schedule to each of the Health Boards (HBs) own SOs and have effect as if incorporated within them.

During October 2025, WG issued updated Model Standing Orders for the NWJCC. The purpose of these amendments was to ensure consistency relating to the timescales for the publication of board and committee agendas and papers. Updates to the JCC's Standing Orders to incorporate these changes were approved at the [November 2025](#) Joint Committee meeting.

A further review of the NWJCC Governance Framework commenced during Q3 of 2025-2026. Attached at **Appendix 1** is a table of the proposed amendments to the Standing Orders. The changes are largely administrative in nature and seek to either re-format or re-define the content of each document, or update sections to reflect operational reality. The changes to the Standing Financial Instructions are also mainly administrative. The more substantial updates include the following:

- Section 11 (highlighted in blue) replaced for the updated Procurement Regulations (including Schedule 1) and updated references for NWJCC/JCCT.
- Addition of a debt recovery paragraph in section 9 to reflect current processes.

Attached as **Appendices 2 and 3** are tracked changes versions of the Standing Orders and Standing Financial Instructions for approval.

The SOs and SFIs will also require LHB, Board approval, and the attached drafts have been shared with LHB's for approval at their May 2026 Board meetings, subject to JC approval.

Once approved, both documents will be shared on the NWJCC's website and other relevant platforms, as necessary.

#### **2.4.2 Scheme of delegation and Reservation of Powers**

The NWJCC's Scheme of Reservation and Delegation of Powers form an annex to the NWJCC's SOs, which form a schedule to each Health Board's own SOs and have effect as if incorporated within them. The Scheme of Delegation and Reservation of Powers, sets out the following in respect of the NWJCC's business:

- Those matters reserved for Health Board's;
- Those matters delegated from Health Board's and reserved for the NWJCC; and
- Those matters further delegated from the NWJCC to the Chief Commissioner (and other Officers as appropriate).

The Scheme of Delegation was approved by the JCC in [May 2025](#) and was subsequently approved by Health Boards in July 2025. At present no changes are proposed to these documents.

#### **2.4.3 The Hosting Agreement (HA) and memorandum of Agreement (MoA)**

The Hosting Agreement (HA) and the Memorandum of Agreement (MoA) were endorsed by the Joint Committee on 17 September 2024 and were approved by the seven HBs at their September 2024 Board meetings. The governance arrangements within the Hosting arrangement have been working effectively. There is regular dialogue between the JCC and officers at CTMUHB, complemented by more formal meetings between the two Accountable Officers where the Hosting Arrangements are discussed.

A formal review of the Hosting Agreement is scheduled during Q1 of 2026/27 as set out above.

#### **2.4.4 Accountability Map and Guidance on the Handling of Interests**

The Accountability Map outlining the formal accountabilities and relationships between Welsh Government, Local Health Boards, CTMUHB (as the NWJCC Host Body), the JCC and its Team; and the Guidance on the Handling of Interests which sets out the arrangements for the appropriate handling of declarations of interests within the NWJCC's business, were both received by the Joint Committee at its inaugural meeting on 8 April 2024. The Guidance on the Handling of Interests has been updated and minor changes have been proposed in track and attached at **Appendix 4**. No changes are proposed to the Accountability Map.

#### **2.5 The Annual Accountability Report, to support CTMUHB's Annual Report and Accounts preparation 2025/2026**

Chapter 3 of the HM Treasury Financial Reporting Manual (FREM) stipulates that statutory NHS bodies are required to publish, as a single document, a three-part annual report and accounts which includes a Performance Report, an Accountability Report (including an Annual Governance Statement (AGS)) and Financial Statements.

As a hosted body the JC does not have a statutory duty to produce an AGS or an Annual report but will prepare an Accountability Report, as a matter of good governance and to provide assurance to Health Boards, in particular CTMUHB as the host organisation, in relation to the NWJCC's governance and accountability arrangements. Additionally, the NWJCC Standing Orders (SO 9.2) state that the NWJCC shall provide a written, annual report to CTMUHB in support of its Annual Governance Statement.

The AGS is a key feature of an organisation's Annual Report and Accounts and demonstrates publicly the management and control of resources and the extent to which the body complies with its own governance requirements, including how they have monitored and evaluated the effectiveness of their governance arrangements. It is intended that the NWJCC Accountability Report will bring together in one place, all disclosures relating to governance, risk and control.

The NWJCC Accountability Report will:

- provide assurance on the Chief Commissioners Accountable Officer status for the propriety and regularity of public finances delegated to them by Health Boards,
- explain the NWJCC's internal control structures,
- explain the risks the organisation has been exposed to, how the risks were mitigated, the potential impact of the risks on the NWJCC's operating environment,
- the achievements of the organisation during the year; and
- how the organisation coped with the challenges faced.

The Accountability Report was presented to the NWJCC Sub-Committees in April

2026 meetings for Lay Members to provide comments and feedback. A draft was also presented to the CTMUHB Audit & Risk Committee (ARAC) on the 19<sup>th</sup> May 2026. The final draft is attached at **Appendix 5** for approval. This will be presented to ARAC on the 25 June 2026 for recommendation to the CTMUHB Board for Approval on the 29 June 2026 prior to being submitted to Audit Wales and Welsh Government. The final document will be presented to the CTMUHB Annual General Meeting (AGM) on 30 June 2026.

## **2.6 Register of Interest/Related Parties**

The Committee Secretary is required to ensure that a Register of Interests is established and maintained as a formal record of interests declared by all Joint Committee members. Further detail on this is included in the Accountability report 2025-2026 and an updated register will be published on the NWJCC website in June 2026 following the conclusion of the Audit into the NWJCC accounts.

## **2.7 Audit Enquiries Letter 2025-2026**

The Auditor General for Wales, Audit Wales is responsible for obtaining reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or error.

Assurance is sought, in compliance with the International Standard for Auditing (UK and Ireland), in relation to three main areas namely fraud, laws and regulations and related party relationships and transactions that impact on the audit of the financial statements.

The Audit Enquiries Letter details the assurance required, from both the management of the NWJCC and 'those charged with governance' (the Joint Committee), together with the evidence provided, in response to a number of governance areas that impact on the audit of the financial statements. The letter has been prepared and sent to Audit Wales.

## **2.8 NWJCC Annual updates to Health Boards (HBs)**

Section 9.1 of the NWJCC SOs stipulate that the Committee Chair shall report formally, regularly and on a timely basis to the LHB Boards on the Committee's activities. This includes written submission of highlight reports after each Joint Committee meeting to HBs and an attendance at every HB, annually with Board Members. The purpose of these meetings are to bring to the specific attention of Health Boards any significant matters under consideration by the NWJCC.

A schedule of annual updates with HBs is in the process of being agreed for 2026-2027.

## **2.9 Annual Effectiveness Surveys**

In accordance with section 9.2 of the NWJCC Standing Orders:

*"The Committee Secretary shall oversee a process of regular and thorough self-assessment and evaluation of the Committee's performance and operation on*

behalf of the Joint Committee”.

Whilst a review of JC effectiveness was undertaken during 2024/25, due to the infancy of Sub-Committee arrangements, no such review was undertaken for either the QSOC, or the Performance, Planning and Finance Committee (PPF).

Following a year of operation, it is appropriate to review the performance and effectiveness of the QSOC and PPF Sub-Committees for 2025/26 and effectiveness surveys have been circulated to Sub-Committee members and regular attendees for feedback. In addition, a JC committee effectiveness review was shared with the JCC in March 2026. This questionnaire will enable an efficient yet effective reflection on Committee effectiveness. The full findings will be presented to the July 2026 Joint Committee meeting. The feedback will also be incorporated into discussions to develop the NWJCC development programme.

### 3. ASSESSMENT

<b>Objectives / Strategy</b>	
<b>Dolen I Amcan (au) Strategol CBC</b> <b>Link to JCC Strategic Objectives(s)</b>	Ensure Quality
<b>Dolen i Ddeddf Llesiant Cenedlaetha'r Dyfodol – Nodau Llesiant /</b> <b>Link to Wellbeing of Future Generations Act – Wellbeing Goals</b> <a href="https://www.futuregenerations.wales/150623-guide-to-the-fg-act-en.pdf">150623-guide-to-the-fg-act-en.pdf</a> <a href="https://www.futuregenerations.wales/">(futuregenerations.wales)</a>	A Healthier Wales
<b>Dolen i Hwyluswyr Ansawdd</b> (Canllawiau Statudol Dyletswydd Ansawdd (llyw.cymru)) / <b>Link to Enablers of Quality</b> ( <a href="https://www.gov.wales/guidance/duty-of-quality-statutory-guidance">Duty of Quality Statutory Guidance</a> ( <a href="https://www.gov.wales/">gov.wales</a> ))	Leadership
<b>Dolen i Feysydd Ansawdd</b> (Canllawiau Statudol Dyletswydd Ansawdd (llyw.cymru)) / <b>Link to Domains of Quality</b> ( <a href="https://www.gov.wales/guidance/duty-of-quality-statutory-guidance">Duty of Quality Statutory Guidance</a> ( <a href="https://www.gov.wales/">gov.wales</a> ))	Effective
<b>Effaith Amgylcheddol/ Cynaliadwyedd (5R) / Environmental /Sustainability Impact (5Rs)</b>	No - Not Applicable

<b>Impact Assessment</b>		
<b>Ansawdd</b> <i>Ydych chi wedi ymgymryd â Sgrinio Asesiad o'r Effaith ar Ansawdd? /</i> <b>Quality</b> <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
<b>Cydraddoldeb</b> <i>Ydych chi wedi ymgymryd â Sgrinio Asesiad "r Effaith ar Gydraddoldeb? /</i> <b>Equality</b> <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
<b>Cyfreithiol / Legal</b>	Yes (Include further detail below)	
	<p>The NWJCC's Standing Orders were issued by Welsh Ministers to Local Health Boards (LHBs) using powers of direction provided in section 12 (3) of the National Health Service (Wales) Act 2006. Each Local Health Board in Wales must agree the Standing Orders for the regulation of the NHS Wales Joint Commissioning Committee's proceedings and business to form part of each LHBs Standing Orders.</p>	
<b>Enw da / Reputational</b>	There is no direct impact on the reputation of the Joint Committee as a result of the activity outlined in this report.	
<b>Effaith Adnoddau</b> <i>(Pobl / Ariannol) /</i> <b>Resource Impact</b> <i>(People / Financial)</i>	There is no direct impact on resources as a result of the activity outlined in this report.	
	<p>A sound system of financial control enacts robust financial control, safeguards public funds and the NWJCC's assets and resources. Robust governance arrangements underpinning financial management contribute towards internal control and value for money being achieved.</p>	

#### 4. RECOMMENDATIONS

The members of the Joint Commissioning Committee are asked to:

- **Approve** the Annual Governance Statement
- **Endorse** the SO's, SFI's and The Guidance on the Handling of Interests.
- **Note** the report, and updates shared, acknowledging the assurance provided