



GIG  
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WALES

Cyd-bwyllgor  
Comisiynu  
Joint Commissioning  
Committee

# NHS Wales Joint Commissioning Committee (JCC)

## Financial Position Report

Financial Year

2025/26



Financial Month

1



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**Executive Lead:** Director of Finance & Information - Stacey Taylor

**Date Produced:** 12 May 2025



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# Background & Introduction

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Annual Budget £'000	Budget to date £'000	Spend to date £'000	Variance to date £'000	Forecast Outturn £'000	Forecast Variance £'000
£1,197,164	£99,764	£99,764	£0	£1,197,164	-

## The reported position is based on the following:

The financial position is reported against the 2025/26 baselines following approval of the Foundation Plan 2025/26 by the Joint Commissioning Committee on the 18th March 2025. The remit of the JCC is to deliver a plan for health boards within an overall financially balanced position. However, the composite individual positions are important and are dealt with in this financial report, together with consideration of corrective actions as the need arises.

- NHS Wales Providers – based on the 2024/25 outturn position with a 1.77% inflationary uplift applied.
- NHS England Providers – based on the 2024/25 outturn position with a 1.77% inflationary uplift applied.
- Mental Health & IPFR – live patient data on agreed placements as at the end of the month, plus funding approvals and purchased block bed capacity.

## Risks to the position (see page 5 for further detail):

A number of risks were identified in the Foundation Plan for 2025/26, in addition to a number of service areas that reported notable overspends in 2024/25.

As detailed within the plan for 2025/26, the agreed plan of 4% does not fully address all service or cost pressures, and some risks will require further mitigation and management within the period.

## Governance & Contracting

Financial variation is distributed back to Health Boards using the established risk sharing framework which was agreed by Joint Committee and implemented from April 2019. This is based predominantly on a 2-year average utilisation calculated on the latest available complete year's data. Due to the nature of highly specialist, high cost and low volume services, a number of areas will continue to be risk shared on a population basis to avoid volatility in individual commissioner's position. Due to COVID and block contracting arrangements the current utilisation shares are based on a 2-year average of 2018/19 and 2019/20 activity. It was agreed to update the risk share during 2025/26.

The Finance Working Group has been re-established under the JCC, and Terms of Reference shared with Directors of Finance, with representatives requested. The first meeting took place on August 2nd, and will continue monthly.

# JCC Finance Summary

Financial Year

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Area	Annual Budget £'000	Budget to date £'000	Spend to date £'000	Variance to date £'000	Forecast Outturn £'000	Forecast Variance £'000
<input type="checkbox"/> <b>NHS Wales</b>	<b>£869,834</b>	<b>£72,486</b>	<b>£72,891</b>	<b>£405</b>	<b>£869,834</b>	-
Cardiff & Vale	£326,342	£27,195	£27,469	£274	£326,342	-
WAST	£280,231	£23,353	£23,353	-	£280,231	-
Swansea Bay	£144,535	£12,045	£12,174	£129	£144,535	-
Betsi Cadwaladr	£52,105	£4,342	£4,342	-	£52,105	-
Velindre	£38,326	£3,194	£3,194	-	£38,326	-
Aneurin Bevan	£13,728	£1,144	£1,146	£2	£13,728	-
Cwm Taf Morgannwg	£12,308	£1,026	£1,026	-	£12,308	-
Hywel Dda	£2,258	£188	£188	-	£2,258	-
<input type="checkbox"/> <b>Non Welsh SLA</b>	<b>£156,942</b>	<b>£13,078</b>	<b>£13,169</b>	<b>£90</b>	<b>£156,942</b>	-
<input type="checkbox"/> <b>IPFR</b>	<b>£72,070</b>	<b>£6,006</b>	<b>£6,189</b>	<b>£183</b>	<b>£72,070</b>	-
<input type="checkbox"/> <b>Mental Health</b>	<b>£44,919</b>	<b>£3,743</b>	<b>£3,572</b>	<b>(£171)</b>	<b>£44,919</b>	-
<input type="checkbox"/> <b>Developments</b>	<b>£44,379</b>	<b>£3,698</b>	<b>£2,252</b>	<b>(£1,447)</b>	<b>£44,379</b>	-
<input type="checkbox"/> <b>Direct Running Costs</b>	<b>£9,932</b>	<b>£828</b>	<b>£828</b>	<b>-</b>	<b>£9,932</b>	-
<input type="checkbox"/> <b>IVF</b>	<b>£5,628</b>	<b>£469</b>	<b>£469</b>	<b>-</b>	<b>£5,628</b>	-
<input type="checkbox"/> <b>Renal</b>	<b>£4,836</b>	<b>£403</b>	<b>£394</b>	<b>(£9)</b>	<b>£4,836</b>	-
<input type="checkbox"/> <b>Savings</b>	<b>(£11,377)</b>	<b>(£948)</b>	<b>-</b>	<b>£948</b>	<b>(£11,377)</b>	-
<b>JCC Total Expenditure</b>	<b>£1,197,164</b>	<b>£99,764</b>	<b>£99,764</b>	<b>£0</b>	<b>£1,197,164</b>	-

The overall year-to-date position and year end forecast position is breakeven.

It should be noted that for most areas, the position is based on one twelfth of the 2024/25 outturn position uplifted for inflation to allow visibility of potential pressures, with actual figures used where available.

The **Welsh SLA** year-to-date overspend of £0.4m reflects the currently unmitigated financial risks following the mid-range 4% uplift applied through the foundation plan for 2025/26, with pressures noted in areas such as NICE/High Cost Drugs, TAVI and HDU.

The **non-Welsh SLA** position includes £8.9m of additional funding to mitigate pressures noted, and funded by WG non-recurrently, in 2024/25. Per the foundation plan for 2025/26, these pressures will be mitigated through the delivery of additional in-year savings. A year-to-date overspend of £0.1m is reported at M1.

Total **savings schemes** of £11.4m are proposed to be delivered in 2025/26, including £8.9m to mitigate non-Welsh SLA pressures.

## RISKS

In developing the 2025/26 Foundation Plan, the Joint Commissioning requested three financial modelling scenarios to be developed:

- a 6% uplift to resolve commissioning risks identified across the system
- a mid-range 4% uplift to mitigate a number of high level risks, with JCC members agreeing to tolerate some other service risks
- a 1.77% uplift.

It should also be noted that these options do not provide for additional growth in activity from 2024/25 levels.

The plan was agreed by the JCC on the 18th March 2025 based on an average 4% uplift. As a result, some risks will require further mitigation and management within the period, and partners will continue to work together to ensure the plan is deliverable.

Specific risks outlined within the 2025/26 Foundation Plan include:

- High cost drugs beyond 25% of the potential increase of £13m (£3.3m), plus additional demand.
- Demand exceeding 2024/25 levels, specifically in NHSE and IPFR areas
- In addition, plans need to be brought together at pace to deliver the £11.4m Savings schemes, including £8.9m relating to NHS England activity.

These will be mitigated through a collaborative efficiency and savings programme to be jointly delivered by NWJCC, health boards and WAST.

Risks & Opportunities		C&V	SB	CTM	AB	HD	Po	BC
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Risks</b>								
Unachievement of NHSE Savings target (24/25 growth)	8,877	309	291	200	317	208	649	6,902
NHSE growth 24/25 - M11+12 - UH Birmingham	500	94	1	29	188	50	115	23
NHSE growth 24/25 - M11+12 - Liverpool Heart & Chest	600	0	0	0	0	0	4	595
NICE growth 25%-50% of original estimate	3,338	529	415	474	626	410	141	744
NHSE growth 25/26	TBC							
IPFR growth 25/26	TBC							
<b>Opportunities</b>								
Clinical Immunology	TBC							
Cardiology - ABUHB	TBC							
<b>Total Risks &amp; Opportunities</b>	<b>13,315</b>	<b>932</b>	<b>706</b>	<b>703</b>	<b>1,131</b>	<b>669</b>	<b>909</b>	<b>8,264</b>

Other areas of risk to be monitored closely in-year are where notable overspends are being reported for 25/26, highlighted below:

Top 10 Forecast Overspends by Provider & Service	EOYF Variance £'000
<b>Total</b>	

## OPPORTUNITIES

Opportunities are being explored across various areas going forward, including product procurement/medicines management.

Please note the following are potential opportunities for information only, and are being worked through for 2025/26:

**Clinical Immunology** - audit of policy adherence. The provider has also been queried around passing through new drugs prices from April - £TBC

**Repatriation of Cardiac devices as per local investment** - ABUHB specifically - £TBC

# Commissioner Overview

Financial Year

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Budgeted Income £'000	ABUHB	BCUHB	CTMUHB	CVUHB	HDUHB	PTHB	SBUHB	Total
Income	£220,653	£267,305	£166,320	£190,625	£144,193	£59,447	£148,620	£1,197,164

Share of Forecast Year-end Variance by Area £'000	ABUHB	BCUHB	CTMUHB	CVUHB	HDUHB	PTHB	SBUHB	Total Forecast Variance
Developments	-	-	-	-	-	-	-	-
Direct Running Costs	-	-	-	-	-	-	-	-
Income	-	-	-	-	-	-	-	-
IPFR	-	-	-	-	-	-	-	-
IVF	-	-	-	-	-	-	-	-
NHS Wales	-	-	-	-	-	-	-	-
Non Welsh SLA	-	-	-	-	-	-	-	-
Savings	-	-	-	-	-	-	-	-
Mental Health	-	-	-	-	-	-	-	-
Renal	-	-	-	-	-	-	-	-
<b>Total Share of Year-End Variance</b>	-	-	-	-	-	-	-	-

2025/26	£220,653	£267,305	£166,320	£190,625	£144,193	£59,447	£148,620	£1,197,164
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Share of Year-to-date Position £'000	ABUHB	BCUHB	CTMUHB	CVUHB	HDUHB	PTHB	SBUHB	Total
2025/26	(£157)	£581	(£100)	(£186)	(£72)	£13	(£78)	£0

This page provides a breakdown of how the JCC budget is funded by the seven Health Boards.

**Any over/under spend is returned to Commissioners based on the risk sharing framework** which was agreed by Joint Committee and implemented from April 2019. This is currently based predominantly on a 2-year average of **2018/19 and 2019/20 activity**. It was agreed to **update these during 2025/26 for use in-year**.

**This table highlights the current trajectory to Commissioner positions, by area, based on current year-end forecasts.**

This table to the left reports the position at the current month.

# Welsh Provider Overview

Financial Year

Financial Month

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Provider	Annual Budget £'000	Budget to date £'000	Spend to date £'000	Variance to date £'000	Forecast Year End Outturn £'000	Forecast Variance £'000
Aneurin Bevan	£13,728	£1,144	£1,146	£2	£13,728	-
Betsi Cadwaladr	£52,105	£4,342	£4,342	-	£52,105	-
Cardiff & Vale	£326,342	£27,195	£27,469	£274	£326,342	-
Cwm Taf Morgannwg	£12,308	£1,026	£1,026	-	£12,308	-
Hywel Dda	£2,258	£188	£188	-	£2,258	-
Swansea Bay	£144,535	£12,045	£12,174	£129	£144,535	-
Velindre	£38,326	£3,194	£3,194	-	£38,326	-
WAST	£280,231	£23,353	£23,353	-	£280,231	-
<b>Welsh Provider Total</b>	<b>£869,834</b>	<b>£72,486</b>	<b>£72,891</b>	<b>£405</b>	<b>£869,834</b>	-

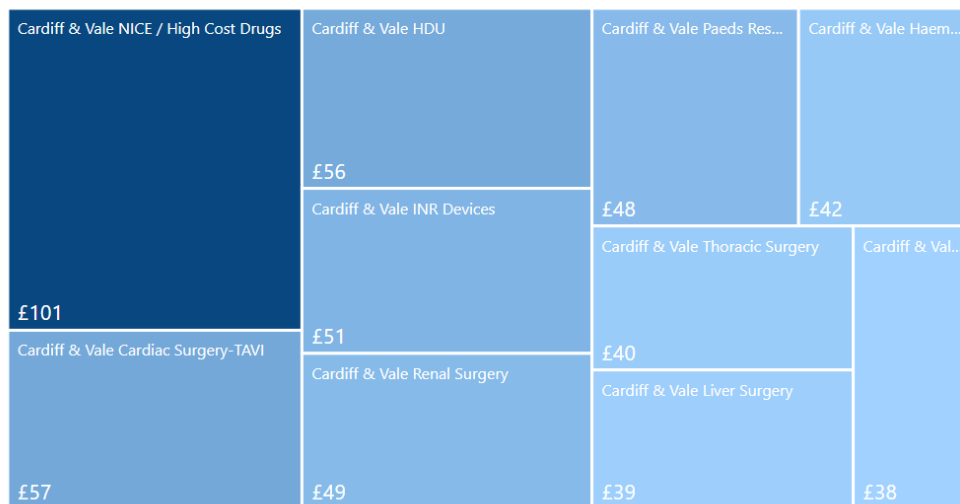
*For ref: Total Welsh Provider prior year outturn (excl. WAST) £862,437*

The **Welsh SLA** provider position at month 1 is an overspend of £0.405m, with a forecast year end variance of nil.

The reported position is based on one twelfth of the 2024/25 outturn position and uplifted for inflation, to allow visibility of potential in-year pressures. The agreed Foundation Plan for 2025/26 has also been reflected across all areas.

## Top 10 Drivers of Variance to date by Provider & Service £'000

- Cardiff & Vale NICE / High Cost Drugs
- Cardiff & Vale Cardiac Surgery-TAVI
- Cardiff & Vale HDU
- Cardiff & Vale INR Devices
- Cardiff & Vale Renal Surgery
- Cardiff & Vale Paeds Respiratory Equip...
- Cardiff & Vale Haemophilia - Blood pr...
- Cardiff & Vale Thoracic Surgery
- Cardiff & Vale Liver Surgery
- Cardiff & Vale Home TPN



The visual to the left highlights the **main drivers of the reported overspends** to date by Provider and Service. This is based on one twelfth of the 2024/25 outturn and adjusted for inflation, as set out above.

Notable areas of additional funding allocations within the 2025/26 foundation plan are set out below:

- TAVI: CVUHB (£1.7m) and SBUHB (£2.7m).
- ALAS: CVUHB (£1.6m).
- Clinical Immunology: CVUHB (£0.7m).
- ALAC: SBUHB (£0.2m).

# Provider Overview: Other

Financial Year

Financial Month

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Area	Annual Budget £'000	Budget to date £'000	Spend to date £'000	Variance to date £'000	Forecast Outturn £'000	Forecast Variance £'000
⊕ Non Welsh SLA	£156,942	£13,078	£13,169	£90	£156,942	-
⊕ IPFR	£72,070	£6,006	£6,189	£183	£72,070	-
⊕ Mental Health	£44,919	£3,743	£3,572	(£171)	£44,919	-
⊕ Developments	£44,379	£3,698	£2,252	(£1,447)	£44,379	-
⊕ Direct Running Costs	£9,932	£828	£828	-	£9,932	-
⊕ IVF	£5,628	£469	£469	-	£5,628	-
⊕ Renal	£4,836	£403	£394	(£9)	£4,836	-
⊕ Savings	(£11,377)	(£948)	-	£948	(£11,377)	-
<b>Total Other Providers</b>	<b>£327,330</b>	<b>£27,277</b>	<b>£26,872</b>	<b>(£405)</b>	<b>£327,330</b>	-

## Direct Running Costs:

The **DRC position** for the NWJCC team at month 1 reports a breakeven year-to-date and year-end forecast position.

The NWJCC is currently restructuring, with ongoing costings against a new proposed joint structure of the previous entities.

## Non Welsh SLAs:

The **Non Welsh SLA** provider position at month 1 is an **overspend of £0.090m**. The reported position is based on 1/12th of the 2024/25 outturn position uplifted for inflation, with actual figures used where possible.

Included in the 2025/26 position is additional funding of £8.9m to cover emerging NHS England pressures from 2024/25. This was funded non-recurrently by WG in 2024/25. Funding has been assumed for 2025/26, to be mitigated by a collaborative savings programme, with an £8.9m savings target included within the Foundation Plan for 2025/26.

## Mental Health:

The **Mental Health** position at month 1 is a year-to-date **underspend of £0.171m**, with a breakeven full-year forecast.

The reported position is based on actual data available to M1.

The JCC finance team have worked extensively on the enhanced observation approvals and processes, leading to a reduced level of spend.

## Individual Patient Funding Requests (IPFR):

The **IPFR position** at month 1 reports a **year-to-date overspend of £0.183m**, with a breakeven full-year forecast. The reported position is based on actual data available to M1.

The year-to-date position includes a £0.204m within HPN, £0.176m within PRT and £0.102m within Proton Beam Therapy.

# Savings

Financial Year

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Financial Month

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Heading	Annual Budget £'000	Budget to date £'000	Savings reported to date £'000	Variance to date £'000	Forecast Outturn £'000	Forecast Variance £'000
<input checked="" type="checkbox"/> <b>Savings</b>	<b>(£11,377)</b>	<b>(£948)</b>	-	<b>£948</b>	<b>(£11,377)</b>	-
Savings / Referral Management to support NHSE pressures	(£8,877)	(£740)	-	£740	(£8,877)	-
Additional schemes to be worked through	(£2,500)	(£208)	-	£208	(£2,500)	-
<b>Total Savings as per ICP</b>	<b>(£11,377)</b>	<b>(£948)</b>	-	<b>£948</b>	<b>(£11,377)</b>	-

*For ref: Prior year savings delivery*      **(£6,296)**

The foundation plan for 2025/26 includes a £2.5m savings target, representing 2% set against non-Welsh provider expenditure. This will be delivered across medicines management, non-Welsh contracts and NWJCC direct running costs.

In addition, £8.9m of savings to fund NHS England pressures from 2024/25 has been included.

The plan therefore reflects an overall savings and efficiency target of £11.4m. In addition, the plan is net of circa £8.5m of savings within the WAST financial plan which supports equivalent cost pressures, together with £8-10m of efficiencies within mental health services that offset additional cost.

A collaborative efficiency and savings programme is to be jointly delivered by the NWJCC, health boards and WAST, both through commissioner and provider actions, with system wide plans being developed.

The month 1 position forecasts full delivery of the proposed savings target of £11.4m.

## INCOME/EXPENDITURE ASSUMPTIONS

There are no notified disputes regarding the income assumptions related to the JCC IMTP. Invoices over 11 weeks in age detailed to aid LHB's in clearing them before arbitration dates:

- none

## PUBLIC SECTOR PAYMENT COMPLIANCE

As at the end of Q4 2024/25 WHSSC had achieved **98.7% compliance for NHS invoices paid within 30 days by value and 95.8% by number.**

For non-NHS invoices WHSSC had achieved 97.9% in value for invoices paid within 30 days and 99.5% by number.

This data is updated on a quarterly basis; the next update will be provided following the end of Q1.

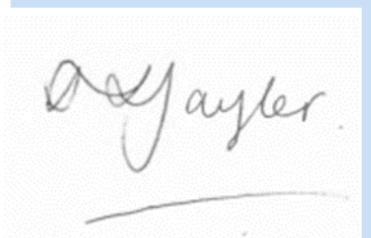
## RESPONSES TO ACTION NOTES FROM WG MMR RESPONSES

Responses to the points raised within the WG MMR responses letter has been covered within a separate correspondence.

## CONFIRMATION OF REPORT



**Huw George**  
Interim Chief Commissioner



**Stacey Taylor**  
Director of Finance & Value

NWJCC / JCC - NHS Wales Joint Commissioning Committee  
ALAS - Artificial Limbs and Appliances Services  
CAMHS - Child and Adolescent Mental Health Services  
CUF - Commissioning Uplift Factor  
DDRC - Diving Diseases Research Centre  
DRC - Direct Running Costs  
EASC - Emergency Ambulance Services Committee (now part of NWJCC)  
ED - Eating Disorders  
EMRTS - Emergency Medical Retrieval & Transfer Service  
ICD - Interventional Cardiac Devices  
ICP - Integrated Commissioning Plan  
IPC/IPFR - Individual Patient Commissioning / Funding Request  
IVF - In Vitro Fertilisation  
NCCU - National Collaborative Commissioning Unit  
NHSE - NHS England  
OOA - Out of Area  
PETIC - Positron Emission Tomography Imaging Centre  
PSPP - Public Sector Payment Compliance  
SLA - Service Level Agreement  
TAVI - Trans Aortic Valve Implant (Cardiology)  
WAST - Welsh Ambulance Services Trust  
WHSSC - Welsh Health Specialised Services Committee (now part of NWJCC)  
WG - Welsh Government