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Joint Commissioning  
Committee

# NHS Wales Joint Commissioning Committee (JCC)

## Financial Position Report

Financial Year

2025/26



Financial Month

6



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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
£1,216,416	£608,208	£610,866	£2,658	£1,224,130	£7,714

## The reported position is based on the following:

The overall year-to-date JCC position at month 6 is an overspend of £2.7m, with a forecast year end overspend of £7.7m. 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 month 5 data received from providers.
- NHS England Providers – based on month 5 data received from providers.
- 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. All High/Medium risks have been fully reported within the financial position, with the following risks being classified as Low:

- NICE growth - the final agreed Plan included 25% of the total £13.5m NICE drugs growth calculations. **Noting that the original plan used a 50% estimate of £6.7m, the difference of £1m is being reported as a risk** until later in the year, when this can be re-evaluated with more in-year data.
- Reduction of the UH Bristol NHS Trust position from a straight extrapolation of the activity to date (M5 data), whilst more analysis is examined on the Neonatal / Paeds ICU positions - **£1m risk**
- **Winter pressures risks have been quantified as £4m, based on the additional activity seen during these months last year. However, there remains £2.5m in Reserves earmarked against this risk.**

**There has been a focus on reducing the level of risk reported, which has resulted in only Low risks being excluded from the financial position this month. This includes identification and delivery of savings as a key priority, with actions being taken through formal NWJCC Board meetings and strategy sessions. A separate paper around Risks was taken to the JCC for discussion in September, with the key points being discussed at the following Directors of Finance forum.**

## Finance Working Group

The Finance Working Group was re-established under the JCC in 2024/25, and meets monthly. Membership includes senior members of the JCC and Health Board Finance teams, with other colleagues as required. Terms of Reference have been re-evaluated in August 2025, given the inception of various newer JCC sub-committees and groups. This group oversees various financial analysis and discussions, including the coming revision to the Risk share percentages and Transfers of Services. The September meeting was focussed on the financial risks, and received details for discussion.

Area	Annual Budget £'000	Budget to date £'000	Spend to date £'000	Variance to date £'000	Forecast Outturn £'000	Forecast Variance £'000
<b>NHS Wales</b>	<b>£916,299</b>	<b>£458,149</b>	<b>£459,367</b>	<b>£1,218</b>	<b>£919,251</b>	<b>£2,952</b>
Cardiff & Vale	£343,466	£171,733	£172,005	£272	£345,713	£2,247
WAST	£292,221	£146,110	£146,110	-	£292,221	-
Swansea Bay	£155,134	£77,567	£78,518	£951	£156,053	£919
Betsi Cadwaladr	£54,564	£27,282	£27,365	£83	£54,738	£175
Velindre	£40,877	£20,439	£20,551	£112	£40,890	£13
Aneurin Bevan	£13,978	£6,989	£6,861	(£128)	£13,722	(£256)
Cwm Taf Morgannwg	£13,710	£6,855	£6,782	(£73)	£13,564	(£146)
Hywel Dda	£2,348	£1,174	£1,174	-	£2,348	-
<b>Non Welsh SLA</b>	<b>£160,456</b>	<b>£80,228</b>	<b>£81,036</b>	<b>£809</b>	<b>£162,281</b>	<b>£1,825</b>
<b>IPFR</b>	<b>£63,515</b>	<b>£31,757</b>	<b>£34,864</b>	<b>£3,107</b>	<b>£69,918</b>	<b>£6,404</b>
<b>Mental Health</b>	<b>£45,287</b>	<b>£22,644</b>	<b>£22,007</b>	<b>(£637)</b>	<b>£43,563</b>	<b>(£1,724)</b>
<b>CIAG &amp; Prior Year Commitments</b>	<b>£28,259</b>	<b>£14,129</b>	<b>£8,501</b>	<b>(£5,628)</b>	<b>£19,923</b>	<b>(£8,335)</b>
<b>Direct Running Costs</b>	<b>£10,663</b>	<b>£5,332</b>	<b>£5,315</b>	<b>(£17)</b>	<b>£10,630</b>	<b>(£33)</b>
<b>Renal</b>	<b>£3,315</b>	<b>£1,657</b>	<b>£1,450</b>	<b>(£207)</b>	<b>£3,163</b>	<b>(£151)</b>
<b>Releases</b>	-	-	-	-	<b>(£1,250)</b>	<b>(£1,250)</b>
<b>Savings</b>	<b>(£11,377)</b>	<b>(£5,689)</b>	<b>(£1,675)</b>	<b>£4,014</b>	<b>(£3,350)</b>	<b>£8,027</b>
<b>JCC Total Expenditure</b>	<b>£1,216,416</b>	<b>£608,208</b>	<b>£610,866</b>	<b>£2,658</b>	<b>£1,224,130</b>	<b>£7,714</b>

The overall year-to-date position at month 6 is **an overspend of £2.658m**, with a forecast **year end overspend of £7.714m**. This is mainly driven by pressures within Welsh providers, NHS England, and IPFR.

For **NHS Wales contracts**, the reported position is based on M5 contract monitoring data. The overspend noted 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:

- NICU/PICU - pressures experienced across both CVUHB and SBUHB. NICU activity in CVUHB of 4,373 to Month 5, versus 4,181 in the same period in 2024/25, driving a £0.5m YTD overspend, with SBUHB reporting 2,723 cot days to M5, versus 2,570 in the same period in 2024/25, driving a £0.3m YTD overspend. Additionally, CVUHB PICU activity of 899 bed-days to Month 5 versus 656 in the same period in 2024/25, is driving a £0.4m YTD overspend.
- Haemophilia Blood Products - increased blood product costs, particularly Veyvondi, Idelvion and Hemlibra.
- Clinical Immunology - YTD spend currently in line with baseline but an increase in costs anticipated during the second half of the year.

For the **non-Welsh SLA**, a forecast overspend of £1.8m is reported, which is based on month 5 data. This is largely driven by PICU/NICU pressures noted in our contract with UH Bristol & Weston due to a number of high cost patients, with total length of stay up vs the same period in 2024/25. This position includes £8.9m of additional funding to mitigate recurring activity pressures from last year, which was funded by WG non-recurrently in 2024/25, and through Savings plans for 2025/26. Please note that the financial position includes the full effect of the 2.83% NHSE tariff uplift for this year, and the additional Non-elective price increases of around 15% on the relevant activity.

Total **savings schemes** of £11.4m were proposed to be delivered in 2025/26, including £8.9m to mitigate non-Welsh SLA pressures. Firm plans are in place to deliver £11.8m of Savings, which includes not spending £6.2m of prior committed funds, and £2.2m of provisions.

The overall **IPFR** full-year forecast position is driven by £1.9m in relation to HPN, and £0.8m on ERT. There is a further overspend on general IPFR approvals of £3.3m, partially covered by NICE drugs funding cover of £2m.

This reported position of a year-end forecast overspend of £7.7m includes:

- All unachieved Savings schemes have been reported fully. This has been mitigated by the reporting of activity underperformances to date on NHSE contracts, including Alderhey, Christies and Liverpool Heart & Chest. The NHSE position includes all tariff increases, including the CUF and non-elective increases.
- Full extrapolation of the general IPFR position to date.
- Full release of all prior Commitments and uncommitted expenditure slippages for 25/26.

## 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 require further mitigation and management within the period, and work is continuing at pace in order to deliver. All High/Medium risks have been fully reported within the financial position, with the remaining risks being classified as Low.

**A separate paper around Risks was taken to the JCC for discussion in September, with the key points being discussed at the following Directors of Finance forum. This has informed the resulting reported financial position.**

Known financial risks with Low risk include:

- NICE growth - the final agreed Plan included 25% of the total £13.5m NICE drugs growth calculations. **Noting that the original plan used a 50% estimate of £6.7m, the difference of £1m is being reported as a risk** until later in the year, when this can be re-evaluated with more in-year data.
- Reduction of the UH Bristol NHS Trust position from a straight extrapolation of the activity to date (M5 data), whilst more analysis is examined on the Neonatal / Paeds ICU positions - **£1m risk**
- **Winter pressures risks have been quantified as £4m, based on the additional activity seen during these months last year. However, there remains £2.5m in Reserves earmarked against this risk.**

**Successful mitigation of these risks requires collaborative efficiency and savings programmes to be jointly delivered by NWJCC, Health Boards and WAST.**

## 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:

**Reserves** - £2.5m

Budgeted Income £'000	ABUHB	BCUHB	CTMUHB	CVUHB	HDUHB	PTHB	SBUHB	Total
Income	£223,700	£269,776	£169,503	£193,348	£147,571	£60,412	£152,105	£1,216,416

Share of Forecast Year-end Variance by Area £'000	ABUHB	BCUHB	CTMUHB	CVUHB	HDUHB	PTHB	SBUHB	Total Forecast Variance
Savings	£45	£6,933	£46	£148	£98	£620	£136	£8,027
IPFR	£1,554	£1,129	£925	£1,278	£488	£399	£631	£6,404
NHS Wales	£114	£270	£277	£454	£812	£78	£947	£2,952
Non Welsh SLA	£942	(£1,388)	£432	£601	£388	£298	£552	£1,825
Direct Running Costs	(£6)	(£8)	(£5)	(£6)	(£4)	(£2)	(£4)	(£33)
Renal	(£28)	(£35)	(£21)	(£23)	(£19)	(£7)	(£18)	(£151)
Releases	(£234)	(£279)	(£178)	(£198)	(£154)	(£53)	(£155)	(£1,250)
Mental Health	(£488)	(£328)	(£162)	(£149)	(£140)	(£188)	(£267)	(£1,724)
CIAG & Prior Year Commitments	(£1,698)	(£1,155)	(£1,216)	(£1,883)	(£977)	(£288)	(£1,117)	(£8,335)
<b>Total Share of Year-End Variance</b>	<b>£201</b>	<b>£5,140</b>	<b>£98</b>	<b>£222</b>	<b>£492</b>	<b>£858</b>	<b>£704</b>	<b>£7,714</b>

2025/26	£223,901	£274,916	£169,600	£193,570	£148,063	£61,270	£152,809	£1,224,130
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Share of Year-to-date Position £'000	ABUHB	BCUHB	CTMUHB	CVUHB	HDUHB	PTHB	SBUHB	Total
2025/26	(£216)	£2,402	(£162)	(£278)	£140	£525	£248	£2,658

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.**

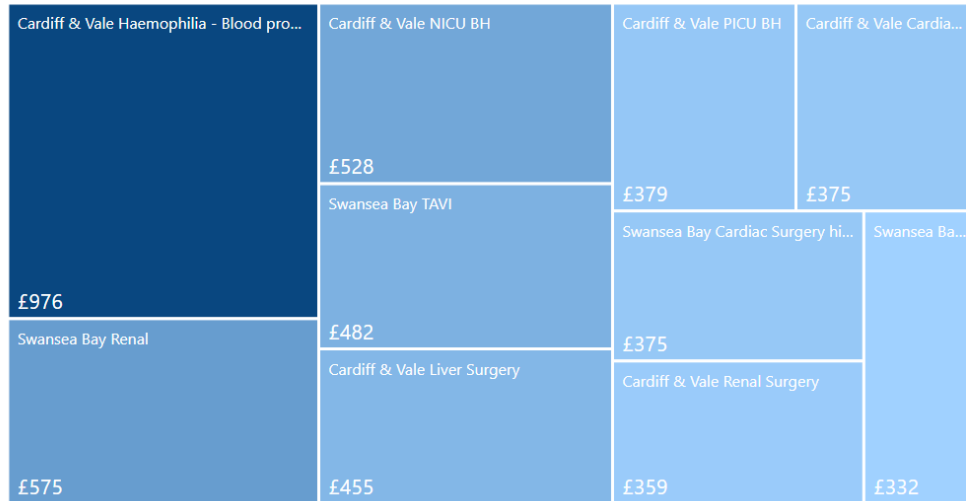
This table to the left reports the position at the current month.

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	£13,978	£6,989	£6,861	(£128)	£13,722	(£256)
Betsi Cadwaladr	£54,564	£27,282	£27,365	£83	£54,738	£175
Cardiff & Vale	£343,466	£171,733	£172,005	£272	£345,713	£2,247
Cwm Taf Morgannwg	£13,710	£6,855	£6,782	(£73)	£13,564	(£146)
Hywel Dda	£2,348	£1,174	£1,174	-	£2,348	-
Swansea Bay	£155,134	£77,567	£78,518	£951	£156,053	£919
Velindre	£40,877	£20,439	£20,551	£112	£40,890	£13
WAST	£292,221	£146,110	£146,110	-	£292,221	-
<b>Welsh Provider Total</b>	<b>£916,299</b>	<b>£458,149</b>	<b>£459,367</b>	<b>£1,218</b>	<b>£919,251</b>	<b>£2,952</b>

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

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

- Cardiff & Vale Haemophilia - Blood pr...
- Swansea Bay Renal
- Cardiff & Vale NICU BH
- Swansea Bay TAVI
- Cardiff & Vale Liver Surgery
- Cardiff & Vale PICU BH
- Cardiff & Vale Cardiac Surgery historic...
- Swansea Bay Cardiac Surgery historic r...
- Cardiff & Vale Renal Surgery
- Swansea Bay Neonatal Care - NICU/H...



The **Welsh SLA** provider position at month 5 is an **overspend of £1.2m**, with a forecast year end variance of **£3m**.

For all Welsh contracts, the reported position is based on M5 data.

## LTA Agreements:

Baseline contract values have been agreed across all Welsh providers. However, there is work to follow in-year around contract rebasing, currencies, performance monitoring and Referral Management. A large part of the areas overspending relate to Drugs costs (e.g. Haemophilia Blood Products, Clinical Immunology).

The visual to the left highlights the **main drivers of the reported overspends** to date by Provider and Service. This is based on data to month 5 and will be continually reviewed to assess the risk to the position.

Background to some of the overspends include:

- Cardiff & Vale/Haemophilia - pressures driven mainly by Veyvondi and Idelvion when compared to 2024/25.
- Cardiff & Vale/NICU BH - Driven by both ICU/HDU bed days.
- Cardiff & Vale/PICU BH - Bed days above baseline YTD.
- Cardiff & Vale/BMT - Increased activity of the more expensive Allogenic Matched Unrelated Donor procedure. Health board anticipate this will not be sustained.
- Cardiff & Swansea - TAVI (Cardiology) overperformance
- Swansea Renal inpatient activity - driven by activity

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	£160,456	£80,228	£81,036	£809	£162,281	£1,825
⊕ IPFR	£63,515	£31,757	£34,864	£3,107	£69,918	£6,404
⊕ Mental Health	£45,287	£22,644	£22,007	(£637)	£43,563	(£1,724)
⊕ CIAG & Prior Year Commitments	£28,259	£14,129	£8,501	(£5,628)	£19,923	(£8,335)
⊕ Direct Running Costs	£10,663	£5,332	£5,315	(£17)	£10,630	(£33)
⊕ Renal	£3,315	£1,657	£1,450	(£207)	£3,163	(£151)
⊕ Releases	-	-	-	-	(£1,250)	(£1,250)
⊕ Savings	(£11,377)	(£5,689)	(£1,675)	£4,014	(£3,350)	£8,027
<b>Total Other Providers</b>	<b>£300,117</b>	<b>£150,059</b>	<b>£151,499</b>	<b>£1,441</b>	<b>£304,879</b>	<b>£4,762</b>

## Non Welsh SLAs:

The **Non Welsh SLA** provider position at month 6 is an **overspend of £0.8m**, with a forecast **year-end overspend of £1.8m**. The reported position is based on month 4 data where received from providers.

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 was reported through an £8.9m savings target included within the Foundation Plan for 2025/26.

## Mental Health:

The **Mental Health** position at month 6 is a year-to-date **underspend of (£0.6m)**, with a forecast year end **underspend of (£1.7m)**.

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

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

## Direct Running Costs:

The **DRC position** for the NWJCC team at month 6 reports a breakeven year-to-date and year-end forecast position. This includes £200k of Savings reported as achieved.

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

## Individual Patient Funding Requests (IPFR):

The **IPFR position** at month 6 reports a **year-to-date overspend of £3.1m**, with a **full-year forecast overspend of £6.4m**. The reported position is based on actual data available to date.

The year-end forecast includes £1.9m on HPN and £3.6m on general IPFR approvals, with £0.8m in relation to Enzyme Replacement Therapy (ERT). This is mitigated by a portion of the NICE drug funding from the 2025/26 ICP.

Heading	Annual Budget £'000	Budget to date £'000	Savings reported to date £'000	Variance to date £'000	Forecast Outturn £'000	Forecast Variance £'000
<input type="checkbox"/> Savings	(£11,377)	(£5,689)	(£1,675)	£4,014	(£3,350)	£8,027
<input checked="" type="checkbox"/> NHSE 24/25 issues	(£8,877)	(£4,439)	-	£4,439	-	£8,877
<input type="checkbox"/> Additional schemes	(£2,500)	(£1,250)	(£1,675)	(£425)	(£3,350)	(£850)
Additional schemes to be worked through	(£2,500)	(£1,250)	-	£1,250	-	£2,500
Cystic Fibrosis funding		-	(£275)	(£275)	(£550)	(£550)
High Secure Ashworth - contract saving		-	(£300)	(£300)	(£600)	(£600)
High Secure Rampton - contract saving		-	(£500)	(£500)	(£1,000)	(£1,000)
JCC DRC savings		-	(£100)	(£100)	(£200)	(£200)
UH Bristol - contract saving		-	(£500)	(£500)	(£1,000)	(£1,000)
<b>Total Savings as per ICP</b>	<b>(£11,377)</b>	<b>(£5,689)</b>	<b>(£1,675)</b>	<b>£4,014</b>	<b>(£3,350)</b>	<b>£8,027</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. Savings achieved represent £3.3m across the areas listed in the table.

In addition, £8.9m of savings to fund NHS England pressures from 2024/25 was included in this year's Foundation Plan.

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. A pipeline of schemes has been developed.

**The savings position at M6 reports savings delivery of £3.35m across various schemes. Unachieved Savings schemes total £8m, which has been mitigated through CIAG and Prior Year Commitments which have not yet started.**

**This reflects the discussions at the JCC, Finance Working Group and Directors of Finance around fully reporting Savings which have not been delivered financially, and to pause any further expenditure this year, which has not already been committed.**

Further work is ongoing around additional schemes and Savings potential.

## 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 Q2 2025/26 WHSSC had achieved **99.5% compliance for NHS invoices paid within 30 days by value and 94.6% by number.**

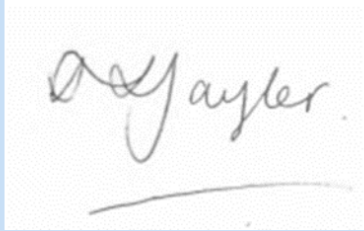
For non-NHS invoices WHSSC had achieved 97% in value for invoices paid within 30 days and 96.8% by number.

This data is updated on a quarterly basis; the next update will be provided following the end of Q3.

## 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



**Stacey Taylor**  
Deputy Chief Commissioner



**Huw George**  
Interim Chief Commissioner

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  
HPN - Home Parenteral Nutrition  
ICD - Interventional Cardiac Devices  
ICP - Integrated Commissioning Plan  
IPC/IPFR - Individual Patient Commissioning / Funding Request  
IVF - In Vitro Fertilisation  
NICU - Neonatal Intensive Care  
NCCU - National Collaborative Commissioning Unit  
NHSE - NHS England  
OOA - Out of Area  
PETIC - Positron Emission Tomography Imaging Centre  
PICU - Paediatric Intensive Care  
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