

4.3.2.4 - APPENDIX 4

Proposed Strategic Risks Overview – Final Draft

SR1 – Financial Sustainability and Affordability

SLT Owner: [TBC]

There is a risk that the NWJCC is unable to maintain financial balance because the plan is delivered within a no investment settlement, with recurrent underlying cost pressures, high-cost medicines growth and reliance on Commissioner and Provider efficiency savings that may not be fully deliverable, resulting in an inability to deliver financial balance in year and will impact on the planning for a balanced IMTP for the period 2027/28 – 2029/30.

Strategic objectives impacted:

- Maximise Value
- Facilitate Integration

Principal causes:

- 1.11% uplift insufficient to meet unavoidable demand and inflation
- Recurrent underlying deficit and legacy cost pressures
- Dependence on provider CIPs and commissioner contributions
- Growth in high-cost medicines and specialised activity

Key impacts:

- Failure to deliver a balanced plan in-year
- Increased pressure on Health Boards' IMTPs
- Reduced headroom for service sustainability and transformation

Key controls:

- Robust financial planning and MoSCoW prioritisation
- Quality Impact Assessments for investment and disinvestment decisions
- Collaborative savings programmes with providers
- In-year financial monitoring and escalation

Key assurances:

- Joint Committee financial reports
- Planning, Performance & Finance Committee oversight
- External audit and Welsh Government assurance processes

Gaps / residual issues:

- Limited flexibility within no investment framework
- Delivery risk associated with recurrent savings
- Exposure to in year volatility (e.g. medicines, demand surges)

SR2 – Quality, Safety and Outcomes

SLT Owner – [tbc]

There is a risk that patient populations will not have timely access to high quality, safe and effective services within the NWJCC's commissioning portfolio, or within new or emerging service areas, due to the 2026/27 Annual Plan being delivered in a no-investment context, with insufficient inflationary cover, rising demand and service fragility, resulting in poorer access and worse patient outcomes.

Strategic objectives impacted:

- Ensure Quality
- Improve Equity & Population Health
- Maximise Value

Principal causes:

- No-investment planning context
- Insufficient inflationary cover
- Rising demand and complex case mix
- Workforce and provider fragility

Key impacts:

- Reduced access to services and poorer access patient outcomes
- Failure to deliver standards and improvement
- Increased inequity, escalation and reputational risk

Key controls:

- Clinically led prioritisation
- Quality and Equality Impact Assessments
- Duty of Quality and escalation arrangements
- In-year financial and contract monitoring

Key assurances:

- QSO Sub-Committee scrutiny
- PPF Sub-Committee oversight
- Joint Committee performance and risk reporting
- Provider and patient assurance information

Gaps / residual issues:

- Limited in-year flexibility
- Deferred resilience and improvement investment
- Dependence on wider system capacity

SR3 – Service Sustainability, Fragility and Equity of Access

SLT Owner – [TBC]

There is a risk that fragile, highly specialised, nationally commissioned, and locally provided services become unsustainable or are unable to provide equitable access across Wales due to workforce shortages, constrained capacity, geographical variation and limited capital investment, resulting in service disruption, delays to care, unequal access and poorer patient outcomes.

Strategic objectives impacted:

- Ensure Quality
- Improve Equity & Population Health
- Facilitate Integration
- Maximise Value

Principal causes:

- Persistent workforce fragility and reliance on small specialist teams
- Capacity not keeping pace with demand
- Geographical variation in service distribution and resilience
- Constrained estate and capital investment
- Interdependencies with non-NWJCC commissioned pathways

Key impacts:

- Delays to care and increased waiting times
- Unequal access to specialist services across Wales
- Increased reliance on independent sector and cross-border provision
- Poorer patient experience and outcomes

Key controls:

- Fragile services monitoring and escalation
- Strategic service reviews and deep dives
- Population needs-led commissioning and pathway review
- Equity and Quality Impact Assessments
- Provider engagement and contractual levers

Key assurances:

- Quality, Safety & Outcomes Sub-Committee reports
- Provider performance and escalation reports
- Equity analysis and patient experience intelligence
- Joint Committee oversight of fragile services and access risks

Gaps / residual issues:

- Limited ability to invest in resilience
- Capital constraints outside NWJCC control
- System-wide workforce shortages
- Limited capacity to address unwarranted variation quickly

SR4 – Data Quality, Analytical Capacity and Contract Management

There is a risk that poor data quality, inconsistent coding and limited analytical capacity undermines the NWJCC from effectively contract managing commissioned services, resulting in weak oversight, delayed intervention and unmanaged quality, activity and financial risk.

Strategic objectives impacted:

- Maximise Value
- Ensure Quality
- Reduce Duplication
- Facilitate Integration

Principal causes:

- Inconsistent provider data submissions and variable data quality
- Inconsistent clinical coding and limited dataset standardisation
- Insufficient analytical capacity and performance intelligence
- Limited ability to triangulate quality, activity, outcome and finance data

Key impacts:

- Reduced ability to identify, challenge and manage provider underperformance
- Weak contract management and limited leverage over activity, quality and cost
- Poorer commissioning decisions, forecasting and prioritisation
- Unmanaged quality, performance and financial risk

Key controls:

- Minimum Data Set development and standardised reporting requirements
- Performance dashboards, exception reporting and deep dives
- Data quality requirements embedded in contracting and provider review meetings
- Strengthened analytical support for contract and performance management

Key assurances:

- Provider performance and contract monitoring reports
- Planning, Performance and Finance Sub-Committee scrutiny
- Audit and assurance reviews of data quality and reporting

Gaps / residual issues:

- Time lag to improved data maturity and consistency
- Dependence on provider systems, coding and reporting discipline
- Residual gap in analytical capacity and specialist intelligence

SR5 – Commissioning Boundaries and Accountability

SLT Lead – [TBC]

There is a risk that unclear commissioning boundaries between NWJCC and Health Boards will lead to gaps in accountability and unmanaged system risk, resulting in duplication, omission of services or delayed mitigation of pressures.

Strategic objectives impacted:

- Maximise Value
- Reduce Duplication
- Facilitate Integration

Principal causes:

- Evolving role of NWJCC
- Services not formally delegated but interdependent
- Inconsistent understanding across the system

Key impacts:

- Increased system risk
- Delayed decision-making
- Inefficient use of resources

Key controls:

- Clear articulation of inclusions and exclusions
- Governance and accountability frameworks
- Engagement with Health Boards

Key assurances:

- Joint Committee decisions and records
- Health Board feedback and alignment

Gaps / residual issues:

- Ongoing system complexity
- Emerging services and technologies

SR6 – Ambulance Commissioning Model

SLT Lead – [TBC]

Without NHS Wales system wide improvements across service areas, including, but not limited to Ambulance Handover, delivery of preventative care in the community and other areas to increase ambulance availability, there is a risk that the NWJCC's commissioned ambulance service capacity will not deliver its intended outcomes resulting in the requirement for additional and/or alternative commissioning models that may create recurrent cost pressures for Health Boards and reduce the ability to fund other commissioning priorities.

Strategic objectives impacted:

- Ensure Quality
- Maximise Value
- Facilitate Integration
- Improve Equity & Population Health

Principal causes:

- Persistent handover delays and poor system flow
- Insufficient whole-system progress on urgent and emergency care improvement
- Constrained NHS Wales funding and limited Health Board affordability

Key impacts:

- Requirement to revise the ambulance commissioning model
- Potential requirement for significant additional ambulance workforce capacity
- Additional recurrent funding pressure on Health Boards
- Reduced affordability for other commissioning priorities
- Continued performance, quality and public confidence risk

Key controls:

- National handover improvement oversight and escalation
- Joint planning with WAST and Health Boards on demand and capacity
- Scenario modelling for ambulance workforce and funding implications
- Financial escalation through NWJCC and NHS Wales planning processes

Key assurances:

- Joint Committee performance, finance and risk reports
- Planning, Performance and Finance Sub-Committee scrutiny
- Urgent and emergency care performance reporting
- WAST and Health Board assurance reporting on improvement delivery

Gaps / residual issues:

- Limited leverage over whole-system flow drivers outside NWJCC control
- Uncertain affordability of any recurrent paramedic expansion
- Risk of cost shunting to Health Boards without resolving root causes