

Written Ministerial Statement

The content of this written ministerial statement is as received at the time from the Minister. It has not been subject to the official reporting (Hansard) process.

Department of Health

WRITTEN STATEMENT TO THE ASSEMBLY BY HEALTH MINISTER MIKE NESBITT MLA – 28 MAY 2025 – HEALTH SERVICE PAY.

Published at 1pm on Wednesday 28 May 2025

Mr Nesbitt (The Minister of Health): I can today confirm to the Assembly that I have decided to make a Ministerial Direction on health service pay.

The documentation is being finalised by my Department for formal submission to the Department of Finance.

This decision has not been taken lightly.

It underlines my commitment to implement the 2025-26 pay uplifts recommended by independent pay bodies as promptly as possible. As Members will be aware, the pay body that advises on pay under the Agenda for Change framework has recommended a 3.6% increase. That covers a large part of the overall health service workforce. The separate pay body for doctors and dentists has recommended a 4% uplift, plus an additional £750 payment for resident doctors.

I said from the beginning I wanted last year to be the last when nurses, Allied Health Professionals, Doctors, Dentists and the HSC workforce had to wait until the 12th and final month of the financial year to hear confirmation they would be paid their 2024-2025 award in full.

On that basis, last week, I informed my Department's Permanent Secretary that I wanted the current recommended increases to be approved without delay.

My Permanent Secretary has advised me that a decision to proceed with the recommended rises would require a Ministerial Direction. That's because of the current significant shortfall in the Health budget.

This shortfall, incorporating the circa £200m costs of the recommended pay uplifts, is now projected at £600m.

That's the scale of the gap between existing funding and what's needed to maintain services.

I fully understand the Permanent Secretary's position. He is properly tasked with advising against actions that could breach the ability to live within budget. There is an undeniable risk that the Department could be on a path towards a potential overspend.

I do not believe that to be an inevitability, for reasons I will set out.

I have also concluded that there are also substantial risks in not proceeding with the pay increases – the biggest risk is failing to deliver on my promise to deliver “better outcomes”. I have been careful to stress that when I talk of better outcomes, I mean for patients, service users, and importantly for the HSC workforce. How can I deliver better outcomes for our workforce if I do not deliver the pay awards the two independent bodies have recommended?

I do not want health service staff to be demoralised by inaction and another year of uncertainty on pay. They deserve better than that. This is about treating with respect the people who keep us healthy, fix us when we are broken and keep us alive when death becomes a potential outcome.

Falling behind pay levels across the water will also exacerbate challenges with recruitment and retention of health service staff.

Members will know that pay parity with England for Agenda for Change staff is a well-established and hard-fought principle. I intend to maintain it.

Failure to do so would undoubtedly lead to industrial action with all the disruption to patient care that will involve. Not to mention the negative impact on the focus to reduce waiting lists, or the overdue need to reform healthcare delivery.

In short, the risk of a potential budget overspend must be balanced against the significant risk to service provision.

As I have stated, I do not believe an overspend should be viewed as inevitable.

The risk can be countered through a combination of factors including in-year additional monies, Executive-wide prioritisation and a sustained drive by the Health and Social Care system to secure savings and efficiencies.

My Permanent Secretary is finalising financial plans that will be unprecedented in their scale and ambition. They will involve an extremely difficult and indeed painful series of savings measures for HSC Trusts.

I can assure the Assembly that I will drive forward savings to reduce the projected shortfall.

I showed last week that I am prepared to take difficult and indeed unpopular decisions. While I intend to ramp up funding for primary care in future years, the immediate £80m demanded by the BMA for GPs was just not feasible.

I suspect some Members who were urging me to give the BMA what they wanted will this week be lecturing me on staying within my budget.

Members of this House cannot have it both ways – telling me to make savings while also demanding on a daily basis that I increase spending in many different areas.

To repeat, I will play my part and do everything I can to achieve a breakeven budget.

But I will need Executive and Assembly support.

The Executive's Programme for Government, endorsed by this Assembly, has prioritised reducing hospital waiting lists.

Industrial action in the health service over pay would be a fundamental threat to this commitment. It would mean repeated cancellation of appointments and operations across Northern Ireland.

It is also the case that my projected £600m budget shortfall is in part due to the way the Executive chose to fund its Programme for Government waiting list investment.

Instead of providing £215m in new money for this commitment, it diverted most of the total from the existing Health budget. This was always going to have consequences.

I therefore believe I am justified in asking for Executive support.

My Ministerial Direction on proceeding without delay with the Health pay uplifts will in the first instance go to the Finance Minister for consideration.

I fully acknowledge the many competing and significant pressures piling up in the Finance Minister's in-tray. I also acknowledge that years of underfunding by the UK Government have greatly limited his options.

I trust he and other Executive colleagues will respond positively to the position I have set out on pay. The only way through our financial challenges is by working collectively together, agreeing strategic priorities that will produce better outcomes.