



Oifig an Phríomhoifigigh Airgeadais

Feidhmeannacht na Seirbhíse Sláinte,
Seomra 125, Ospidéal Dr. Steevens,
BÁC 8, D08 W2A8

Office of Chief Financial Officer

Health Service Executive,
Room 125, Dr Steevens Hospital,
Dublin 8, D08 W2A8

www.hse.ie
[@hselive](https://twitter.com/hselive)

t 01 6352542
e cfo@hse.ie

25th July 2023

Deputy David Cullinane TD,
Dáil Éireann,
Leinster House,
Kildare Street,
Dublin 2.

Re PQ 33903 23: *To ask the Minister for Health the estimated cost of reducing agency spend in the public healthcare system by 5%, 10%, and 20%; and if he will make a statement on the matter.*

Dear Deputy Cullinane,

The Health Service Executive has been requested to reply directly to you in the context of the above Parliamentary Question, which you submitted to the Minister for Health for response. Your PQ above has been referred to me for response.

The estimated cost of reducing the total HSE agency staff costs by 5% would be €30.9m, by 10% would be €61.9m and by 20% would be €123.9m.

All calculations are based on 2022 agency staff cost figures (€619.8m) and are for HSE statutory services only.

In relation to the above response the points below would have to be taken into account in relation to any reduction of agency costs.

The available supply in the labour market for health workforce continues to be a challenge. This is not unique to Ireland, but rather a global health workforce challenge. Recruitment and retention of Clinical, Nursing and other key staff is a constant challenge and impacts adversely on the ability to maintain safe and effective services. Therefore, as part of the HSE's overarching resourcing approach whereby direct employment does not meet the needs of service delivery requirements, agency staff are utilised. This can be for a variety of reasons, including sick absence replacement both long and short term, to replace vacancies currently being actively recruited to, to replace maternity leave etc. More recently, subsequent to the government announcement to reverse the Haddington Road Agreement, this has placed additional resourcing requirements, with the replacement of lost hours in critical services areas, a priority. In advance of the filling of these hours via direct employees, there is a need to prioritise critical services for replacement through agency and overtime. Collectively, these give rise to the utilisation of agency resources however while simultaneously running large scale domestic and international recruitment campaigns to fill through direct employment.

In a number of instances in recent times the HSE have been unable to fill a vacancy even via agency. The agencies have indicated that they are experiencing difficulty in recruiting themselves due to a lack of availability and also accommodation costs.

The majority of agency spend is salary and statutory pay costs such as PRSI, holiday allowance etc. In line with the Protection of Employees (Part -Time Work) Act agency staff have the right to



the same basic employment conditions, this includes basic pay, shift premiums, unsocial hours and Sunday rates.

If you have any queries, please do not hesitate to contact me at sarah.anderson1@hse.ie or tel: 087 9423319.

Yours sincerely

Sarah Anderson

Sarah Anderson
General Manager HSE Corporate Finance
HSE National Finance Division
Email: sarah.anderson1@hse.ie
Tel: 087 9423319