

SECTION 1. WHAT ACTION IS THE WELSH GOVERNMENT CONSIDERING AND WHY?

The current contract for resident doctors and dentists in Wales is over 20 years old and does not reflect safe and modern working practices, educational and training needs and optimal service delivery. Previous scoping work for talks in 2021 and 2022 identified that the current contract in Wales is no longer fit for purpose.

In 2023/24 as part of the pay award, the Welsh Government made a commitment to re-enter contract negotiations. A formal mandate issued in March 2025, commissioned NHS Wales employers and BMA Cymru, to enter into talks and to agree a proposal for contract reform, using previous contract negotiations undertaken in 2022 with a focus on improving areas that require changes, to gain the support of resident doctors and dentists.

The Mandate sets out that the overarching aim of reform, is to agree a joint proposal for revised terms and conditions, pay scales and additional revisions to the working and training conditions of resident doctors and dentists with the aim of making NHS Wales the employer of choice.

The parties reached agreement on proposals for a multi-year transition covering the period August 2026 to August 2028. The key change includes:

- A new pay and progression system
- Supporting health and wellbeing through safe working hours
- Maintaining high training and working conditions
- Modernisation of terms and conditions

Long term

This proposal will have many long-term benefits relating to a modernised contract including:

- The reform addresses long-standing challenges in recruitment, retention, and workforce sustainability.
- mitigates risks associated with burnout, poor morale, and workforce attrition,
- ensures a resilient healthcare system for future generations.

Prevention

This policy ensures that resident doctors are on a new modernised contract which aligns with the Welsh Government's duty of quality as set out in the Health and Social Care (Quality and Engagement) (Wales) Act 2020. This duty requires all NHS bodies to exercise their functions with a view to securing improvement in the quality of health services. The agreement supports this by embedding safeguards for safe working hours, mandating structured job planning, and introducing the Guardian of Safe and Flexible Working role to monitor compliance and promote well-being and reducing risks of medical errors and improving patient safety.

Integration

Implementing this modernised contract in Wales will contribute to broader public policy agendas including workforce planning, health equality, and economic development. It also complements the Programme for Government's goals on fair work, mental health, and sustainable public services.

Collaboration

Negotiations were conducted in social partnership with NHS Wales Employers and BMA Cymru Wales. The process involved multiple stakeholders including HEIW, finance teams, workforce teams and legal advisors, ensuring a balanced and inclusive approach. Once the negotiations came to a conclusion the Welsh Resident Doctors Committee confirmed they wished to put forward the proposed new contract to members. A referendum was held in the autumn, and the membership agreed the new contract.

Involvement

Prior to formal negotiations Resident doctors through the BMA were actively engaged through listening events, workshops, and feedback sessions. The feedback through the well-being and satisfaction surveys helped shape the priorities of the reform, particularly around pay fairness and working hours.

Employers were consulted widely through a series of meetings with Workforce Directors, Finance Directors, Medical Directors, and medical workforce teams.

Impact

Contract reform is expected to have an impact against approximately 4236 resident doctors and dentists, which is 50% of the medical and dental workforce within NHS Wales, a relatively small amount of people when compared against the population of Wales. The reform is expected to :

- Improve recruitment, retention, motivation and engagement among resident doctors and dentists.
- Ensure high-quality care for patients, through better working conditions.
- Strengthen NHS Wales' reputation by developing an equitable and progressive pay structure aligned with skills and experience.
- Address inequalities within pay and progression systems.

Costs and Savings

The purpose of the reform is to ensure resident doctors and dentists in Wales will be on a modernised contract which contributes towards the goal of long-term savings through reduced turnover, improved productivity, and better health outcomes, and with the aim of making NHS Wales the employer of choice. The cost of negotiation and implementing the new contract will be met from an agreed level of investment with a funding envelop of 4% set aside from the existing Welsh Government health budget. Implementation and costs for reformed will be over a three-year period from August 26 to August 28.

Mechanism

- ♦ No legislation is required for this proposal.

SECTION 8. CONCLUSION

8.1 How have people most likely to be affected by the proposal been involved in developing it?

Resident doctors and dentists were actively engaged with BMA Cymru throughout the development of the proposal via listening events, workshops, and feedback sessions. Their input directly shaped the reform priorities, particularly around pay fairness, safe working hours, and wellbeing safeguards. The BMA Cymru Wales also consulted the Welsh Resident Doctors Committee before finalising the proposed contract.

8.2 What are the most significant impacts, positive and negative?

Positive impacts:

- Improved recruitment and retention of resident doctors
- Enhanced patient safety and service quality
- Greater fairness and transparency in pay and progression
- Better alignment with well-being goals: health, equality, cohesive communities, and fair work

Negative impacts:

- Potential short-term financial pressures on NHS budgets
- Transitional challenges in implementing new systems

8.3 In light of the impacts identified, how will the proposal:

- **maximise contribution to our well-being objectives and the seven well-being goals; and/or,**
- **avoid, reduce or mitigate any negative impacts?**

To maximise contribution:

- Promote the reform as part of NHS Wales' fair work strategy
- Monitor implementation to ensure equitable outcomes
- Provide training and guidance to support transition

To mitigate negative impacts:

- Phase implementation to manage financial pressures
- Engage stakeholders continuously to address concerns during implementation

8.4 How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?

Impact will be monitored through:

- Workforce data (recruitment, retention, sickness absence)
- Feedback from resident doctors and stakeholders
- Evaluation reports at key milestones (e.g. post-August 2026 implementation)
- Annual review of contractual outcomes and adjustments as needed