

*From the Office of Sir David Nicholson KCB CBE
Chief Executive of the NHS in England*



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To: Chairs of Strategic Health Authorities
Chairs of Primary Care Trusts

Cc: Chief Executives of Strategic Health Authorities
Chief Executives of Primary Care Trusts
Chairs and Chief Executives of Arms Length Bodies

Gateway reference: 18874

14 March 2013

Dear Chair,

Redundancy and re-employment post 31 March 2013

I know that you have been working hard with us and trade unions over the period of transition to ensure we avoid unnecessary redundancies, and as a result we are expecting fewer redundancies than we had originally predicted.

However, I am also aware that there will still be those leaving us in April 2013 who have been unable to find suitable alternative employment. PCT Chief Executives and SHA Chief Executives and Directors are likely to receive substantial redundancy benefits from their employers under the existing rules, however public interest in their payments will be high and I would like you to ensure that this group are individually prepared for the eventuality that information on their packages may come into the public domain.

I understand the entitlements of such individuals under the rules; however, I would ask you to remind this group of individuals whose redundancy benefits are likely to be significant, of the wider NHS and public sector financial climate. I would ask these individuals to be mindful of this and of the possible reputational damage to themselves and to the NHS should they seek to gain paid employment or consultancy work in the NHS soon after they receive their redundancy payments and after their 4 week statutory break of employment.

It is my expectation that staff who receive substantial redundancy payments should voluntarily consider not returning to paid work for the NHS for a minimum period of 6 months from leaving or sooner where the redundancy compensation period is less than 6 months. Each case of course must be decided locally on its individual merits taking account of local business needs; the field of candidates available and the circumstances of individuals. We would expect employers to ensure selection processes be transparent and legally compliant in all cases.

I would like to convey my personal thanks to all staff who have worked so hard to deliver the challenging transition programme, and to those who do leave the NHS, my best wishes for the future.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D Nicholson', with a long horizontal flourish extending to the right.

Sir David Nicholson KCB CBE
NHS Chief Executive