



NHS MANAGEMENT EXECUTIVE

Department of Health

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From the Chief Executive

D.K. Nichol, C.B.E.

General Managers in Regions
Districts, Units, SHAs and
FPS Administrators

Warrington Health Authority	
- 8 AUG 1989	
D. G. M.	
D. P. H.	4 August 1989
C. N. O.	
L. P. A.	GN.
D. S.	
D. F.	
D. E. A.	

EL(89)MB/140

Dear Colleague

A&C PAY AND GRADE RESTRUCTURE

The Advance Letter giving details of the new A&C agreement was issued on 24 July. Since assimilation to the new pay spine is automatic, this should ensure that most staff are paid on their new rates for the month of August and receive their back pay at the end of September.

This agreement is a watershed in NHS pay arrangements. Like a number of recent Whitley agreements for other groups it provides simplified and more flexible grading and pay systems in the interests of better use of staff. What is new is the facility which it gives to vary pay substantially above the agreed minimum national rates in order to meet local market pressures. Our intention is to negotiate deals on these lines for as many non-Review Body groups as possible over the next year or two, and to seek also to spread the same concept to the Review Body groups.

Peter Wormald will be writing to you within the next few days with more details of the management objectives which the deal is designed to serve and the parameters within which the pay flexibility should be exercised. My purpose in writing to you is to emphasise the need for full management involvement in the implementation and use of the agreement. Personnel and Finance expertise will of course be essential, but we shall not fully realise the potential benefits of this and other new style pay agreements unless they are clearly seen as the responsibility of general and line managers.

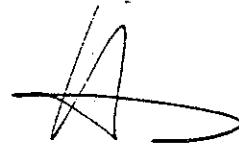
Putting it shortly, every authority should develop a pay policy as an integral part of its staffing and management policies, designed to make full use of the freedoms which are now becoming available. And pay should become a regular part of each manager's armoury, to be used positively to help secure managerial goals.

E.R.

We are developing an education package and workshop programme on the uses of flexible pay. This will be available at the end of September and will enable you to organise your own staff training programmes. I urge you to take full advantage of this opportunity.

It will take time to put in place the full range of national agreements and to develop the new managerial culture and skills which are needed. But it is important to make an early start, and to begin to use the agreements as they come on stream. Please give this your personal attention.

Yours sincerely

A handwritten signature in black ink, appearing to be 'K G CARPENTER', written in a cursive style with a long horizontal stroke at the end.

K G CARPENTER
Private Secretary
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