

NHS trust chiefs offered £130,000 payout to quit

- Up to a year's pay for any NHS manager who resigns
- Union says better terms are already available

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All health service managers will be offered the lump sum, the first £30,000 of which would be tax-free.
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The chief executives of the health trusts about to be scrapped by [Andrew Lansley](#) are in line for up to a year's pay as a lump sum – averaging £137,500 – if they volunteer to leave the [NHS](#) before they are moved on.

In an unusual move, all health service managers will be offered the cash incentive, the first £30,000 of which would be tax-free, to sacrifice their jobs. According to the Health Service Journal, which has obtained details of the deal, the offer is on the table until the end of October.

The highest-grade NHS officials could be in line for a shade under £100,000, while primary care trust chief executives could pocket an average of £137,500. The money is likely to come from the £1.7bn the NHS chief executive, David Nicholson, ringfenced in June for hospital reconfigurations and redundancies.

Under the coalition government plans, all 10 strategic health authorities and 152 primary care trusts are to be abolished, affecting more than 60,000 managers.

In their place, GPs will be forced to band together into "consortiums" which will be handed responsibility for much of the £105bn health budget, removing the need for a layer of bureaucracy. The health secretary has made it clear he expects the NHS to make 46% management cost savings while avoiding unnecessary compulsory redundancies.

However, unions have cautioned that the proposal remains "unattractive" as the NHS already has generous redundancy terms, equivalent to two years' salary. This means managers could simply wait to see whether they are asked to clear their desks and get double the money. Karen Jennings of Unison said that this alone meant "it is unlikely to create a stampede".

Payouts in the NHS became the focus of patient fury in June after courts awarded the NHS boss at the centre of Britain's worst superbug outbreak £250,000 compensation for being sacked – more than was given to all the families of the 270 victims put together. The government has since emphasised that severance payments worth more than £50,000 will have to be signed off by the Treasury.

Campaigners for leaner government expressed dismay. "Taxpayers and patients will be furious that these managers are getting such large payoffs," said a spokesman for the Taxpayers' Alliance. "Taxpayers want their money spent on high-quality healthcare, not

over-generous payouts for staff.

But the Department of Health said it was working with unions and the NHS to create a "nationally consistent voluntary resignation scheme ... [and a] way of maintaining a stable and flexible workforce, given the requirement for them to significantly reduce management costs. It is ultimately for organisations to decide locally whether to implement such a scheme."

Meanwhile, John Watkinson, the former chief executive of Royal Cornwall Hospitals trust, has been awarded £1.2m in compensation for unfair dismissal over whistleblowing. The former NHS boss was removed from his post in 2009, claiming he was dismissed for raising concerns about the shifting of cancer services from Truro to Plymouth without a full public inquiry.