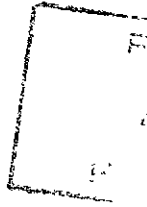


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Our Ref DERALCS01A70/AP29/US57/99  
Your Ref

Friday, 16 July 1999

Dear Heather

**DR DAVID KELLY – PAY ISSUES**

- 1 I have been engaged in a long-running series of discussions with Ted Payne and latterly with Ted Hadrill, trying to resolve pay issues relating to Dr David Kelly. These discussions have been complicated by the fact that David is rarely in the country due to the nature of his work and therefore information is rarely available at short notice.
- 2 The situation seems to be as follows. David Kelly was originally employed at DERA Porton Down and then seconded to PACS in April 1997; largely as a financial 'fix'. He received a grade integration pay correction in Jan 1997 (taking his pay to £51,071). I passed an ARA and APA to Ted Payne in June 97 which I believed had been processed. A further APA was sent in June '98 and copied to Ted by fax in Feb 99 when it became apparent that the system had not reacted appropriately.
- 3 In April – May of this year, there was some discussion as to whether Dr Kelly's status might have caused his pay awards to fall into a black hole – was he a substantive Grade 5, or not. Ted Payne and Ted Hadrill assure me that, despite a letter given to Dr Kelly in 1996 that seems to say he is a substantive Grade 5 and thus a member of the Senior Civil Service, he is not.
- 4 I last spoke with Ted P back in June and promised I would send a copy of David's APA for 1997/1998 to you for action and, in the absence of any input from PACS, provide an APA for 1998/1999. Unfortunately, I also have been on detached duty and this is my first opportunity to react to that proposal.
- 5 Please find attached copies of the APA's that were raised in 1997, 1998 and the new one for 1999. Please could I ask for your help in resolving this issue as the poor chap hasn't had a pay rise for 3 years. Please call me if I can provide further assistance.

April 99

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