

Frequently asked questions on the reform of local clinical excellence awards (LCEA)

The British Medical Association (BMA) and NHS Employers have reached a collective agreement on changes to the local clinical excellence awards (CEA) scheme, which has been endorsed by the Department of Health and Social Care (DHSC).

This agreement provides stability and clarity for consultants and employers on the availability of awards for quality and excellence, acknowledging exceptional personal contributions to the design and delivery of NHS care. The national terms and conditions of service have been amended to ensure that all parties will have a clear understanding of the contractual status of the scheme.

Q1. What is the settlement agreement for CEA?

The settlement can best be described in two stages: first, for a period from April 2018 to April 2021, and second, from April 2021 onwards. It remains the intention of both parties that there will be a new nationally agreed performance pay scheme prior to 2021. However, the settlement sets out provisions that would apply if a successor scheme is not agreed by that time.

From April 2018 – March 2021

- Trusts must run annual awards rounds.
- The investment ratio of new awards will be 0.3 per eligible consultant.
- Awards rounds must be conducted in line with existing frameworks ie the 2004 LCEA framework and the Advisory Committee on Clinical Excellence Awards (ACCEA) 2012 guidance on employer-based awards. The relevant details have been rationalised into a new guidance document *2018 Revised BMA and NHS Employers LCEA Guidance* which will be published shortly.
- Existing LCEA awards (those granted before April 2018) will be retained and will remain pensionable and consolidated.
- New CEA awards (those granted after April 2018) will be non-pensionable and non-consolidated.
- Where national awards are withdrawn, there will be a mechanism based on current scoring allowing reversion to a local level award.

From April 2021 onwards (in no successor award scheme agreed)

If there is no successor scheme agreed before April 2021, employers will be able to introduce changes to the structure of the LCEA scheme following engagement with local

negotiating committees (LNC). There will be a number of protections in place for consultants which have been agreed as part of the settlement. The protections stipulate:

- existing awards (those granted before 2018) will continue to be protected (but they will be subject to a review process)
- the overall value of the scheme will be maintained (at least £7,739 per eligible consultant)
- awards rounds will continue to be run
- the national award reversion mechanism (described above) will remain
- there will continue to be an appeals process.

Q2. What does the agreement mean for consultants who already hold a local award?

Existing award holders will continue to retain their awards, including their pensionability. Nothing will change for the three years from April 2018. It is the intention of both parties to agree a new local performance pay scheme within that time which continues to encourage and fairly reward excellence as part of a broader contract.

However, if nothing is agreed before April 2021, employers will be able to make variations or introduce new schemes locally, subject to certain restrictions and consultation with LNC. The biggest change is that, after April 2021, all levels of LCEA awarded before April 2018 will be subject to a review process. This mechanism is based on the existing domains and scoring process:

Score	Outcome
≥ 20	Retain award(s) at current level and will not be reviewed again for five years.
16 – 19	Retain award(s) at current level and will not be reviewed again for three years.
11 – 15	Lose 1 point and reviewed again after three years.
≤ 10	Lose 2 points and reviewed again after two years.

Other than this review process, nothing will change for existing (pre-April 2018) award holders.

Q3. What does the agreement mean for consultants who don't currently have an award?

Provided a consultant has one year's experience as a substantive consultant (as is currently the case), they will be entitled to apply for a CEA as part of their employer's awards round. These rounds are now guaranteed and an employer will be contractually obliged to run them. From April 2018 – March 2021, they will be structured in the same way as awards rounds are currently, using the same scoring domains, considered by employer-based awards committees (EBAC) etc.

There are two differences. The first is that there will be a minimum of 0.3 awards per eligible consultant as a result of this agreement, as compared to the 0.2 that has been more generally offered since 2010, thus increasing the likelihood of a consultant receiving an award. The second difference is that, during this period, LCEA will be awarded as single annual lump sum payments for between one and three years only. After that point, if a successor award scheme has not been agreed before April 2021, employers will be able to make certain variations to the scheme, or introduce new schemes locally, subject to certain restrictions and consultation with LNC.

Q4. How does the agreement affect consultants who used to have an employer-based CEA but now hold a national award?

Since 2014, when ACCEA removed pay protection for national awards, the BMA has continued to emphasise the impact that the loss of an award can have on individuals and the wider effect on how the CEA scheme is viewed among consultants. The BMA has also highlighted the impact this change could have on the numbers of consultants who are willing to spend time engaged in national work.

Both parties recognise the detrimental impact of the ‘cliff-edge’ effect on consultants, both financially and in terms of their trust in the awards scheme. As part of the negotiated settlement, there will now be a mechanism allowing for individuals to revert to an employer-based award in situations where they have unsuccessfully applied for a renewal of their national award. They would revert to either a level 7 or 8 of the LCEA scheme as determined by their renewal score based on the following:

Score	Outcome
≥ 27	Revert to level 8 LCEA
14 - 26	Revert to level 7 LCEA
< 14	Full loss of award payment

Q5. The agreement provides a degree of protection for those consultants who lose a national CEA; will this protection be afforded to those consultants who have already lost such an award?

No. While it is unfortunate that not all consultants will benefit from this part of the agreement, it is important to appreciate that the terms of this agreement only come into force from April 2018. Trusts that have previously agreed a form of partial protection for this small group of doctors may continue to use this for those affected before April 2018, but for those affected from April 2018, only the agreed arrangements can be used.

Please note that responsibility for running local schemes (including the reversion mechanism) lies with trusts, and ACCEA will not be able to advise on the LCEA settlement agreement. ACCEA is considering how to update its communications to trusts so that they have the information they need to make awards to consultants whose national CEA renewal applications have been unsuccessful.

Q6. Does this agreement mean that employers can review CEA levels 1-8? This never used to be the case.

As part of the settlement, the structure of the current local CEA schemes will remain as it has been in recent years – as part of this, only level 9 awards will be subject to a five-yearly review process, as is currently the case.

After April 2021, all levels of LCEA will be subject to a review process (see above).

Rather than employers setting their own review processes, on a trust-by-trust basis, the parties have agreed a scoring system that we believe to be a fair and reasonable measure of a consultant's ongoing contributions to clinical excellence. It will also ensure more equal treatment between trusts and a wider standardisation of the process, which will assist in monitoring outcomes.

It is worth saying that review of awards has always been a feature of local clinical excellence awards schemes that could have been used, dating back to the original framework.

Q7. Will all CEA be reviewed immediately?

No. LCEA that were held prior to April 2018 will only be subject to review from April 2021 onwards. The first review will take place five years after the anniversary of the award of a consultant's last consolidated LCEA point (but no earlier than April 2021).

Level 9 LCEA awarded before 1 April 2018 will continue to be subject to existing renewal arrangements, including their anticipated five-yearly review, until April 2021. From April 2021 onwards, level 9 LCEA will be subject to the same scoring mechanism as all other LCEA, set out in the table above.

Q8. What happens if a consultant loses an award?

If at renewal a consultant has scored sufficiently highly, in line with the scoring set out in the table above, they will retain the award and it will be reviewed again in either three or five years, depending on the score they achieved.

If, however, they fail to meet the standards required to retain an existing award, they will lose either one point (equivalent to one LCEA level) and the award will be reviewed again in three years, or you will lose two points and your award will be reviewed again in two years. If, for example, you held a level 4 LCEA but scored between 11 and 15 at renewal, you would move down to a level 3 LCEA and be subject to review again three years later. If you scored 10 or less at renewal, you would move down to a level 2 LCEA and be subject to review again two years later.

If, for example, you held a level 2 LCEA but scored 10 or less at renewal, you would lose your level 2 LCEA and the monetary value of that award would be withdrawn from the start of the award year in question. You would be entitled to reapply for a new award in subsequent

years' awards rounds, though may find that it would take longer to gather sufficient evidence to again demonstrate clinical excellence.

Q9. The BMA made a legal challenge on the contractual nature of the scheme - why wasn't this pursued?

While both parties involved in the legal proceedings (BMA and DHSC) were confident in the strength of their respective legal cases, there are always risks involved in bringing legal action to court, however small, as it leaves determination of the issue in the hands of a third party. In the light of the respective legal opinions, both parties, and including NHS Employers, have worked hard to try and reach a mutually acceptable agreement on the future of local CEA.

The BMA's legal action has now been resolved by reaching a collective agreement with NHS Employers that introduces a new schedule into the 2003 Terms and Conditions of Service for Consultants (England), providing clarity on awards going forward.

Q10. What about the rest of the consultants' contract reform?

All parties want to secure the best possible deal for consultants, employers and patients. Talks have taken longer than expected and, while they have been constructive, there is still work to do.

We expect discussions to recommence shortly and to be informed by the conclusion of the annual Review Body on Doctors' and Dentists' Remuneration (DDRB) process. For the 2018/19 pay round, the DDRB was asked by the government to consider the negotiations progress as part of its remit.

Q11. How does this agreement affect consultant academics?

The LCEA agreement is currently being discussed with both the Universities and Colleges Employers Association (UCEA) and the BMA Medical Academics Staff Committee (MASC), concerning the manner of implementation for consultant academics.

It is our expectation that, should MASC and UCEA agree, schedule 23 of the 2003 consultant terms and conditions will be amended to include the new schedule on CEA in the list of schedules from the consultant contract which apply to academics. If this agreement is reached, all relevant stakeholders, including consultant academics, will be contacted to explain the implications of these changes.