

# Negotiations for a new LCEA scheme:

**Outcome and next steps**

**A webinar for employers  
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# Agenda

- Background
- Why change was needed
- Who was negotiating and what did we want?
- The negotiations: what we did agree
- Trade unions' response
- What next?
- Sch 30: what does it mean for you?
- 2021-22 calculations and payments
- Q&A



# Background

- LCEAs almost as old as the NHS.
- Some recent changes in the 2017 agreement.
- ‘Interim’ arrangements before new scheme introduced (2018-2022).
- Extension and equal distribution for the last two years.

History

# A NEW REWARD SYSTEM FOR NHS CONSULTANTS

There is a great opportunity for employers and consultants to work together to design a system for incentivising 50,000 consultants to lead improvements in medicine and care.

The current local clinical excellence award (LCEA) system doesn't work. It exacerbates inequalities for women, BME colleagues and those who work part time. Workforce confidence in the system is declining, and applications have been dropping for some time.

We want to hear from NHS leaders to help us design a new attractive and effective system of reward for consultants. Find out more and share your ideas on our [website](#).

## £160 Million

is available every year to reward and incentivise consultants in England

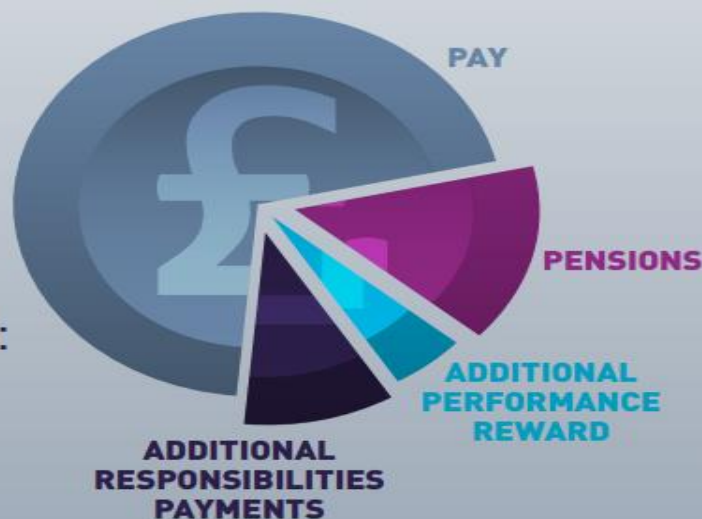
## £316,000

Annual funding pot available to a trust that employs 100 consultants

## £1.5 Million

Annual funding pot available to a trust that employs 500 consultants

In England, the NHS consultants' reward offer is made up of:



## What are the priorities you need to deliver in your organisation?



Leadership



Safe staffing levels



Organisational culture



Consistent incident reporting



Compassionate care



Learning lessons

How can we **think differently** to support the medical leaders of the NHS to contribute to team, division, trust, and NHS system goals through their own individual objectives?



### Employers and doctors want a new system that:

- values **individual contributions**
- demonstrates **transparency**
- drives **fairness and equity** for female doctors, BME doctors, those who work part time
- is **flexible and adaptable**
- is **simple and clear**

## Could the process look like this?



As well as financial reward, could other time limited benefits of equivalent value be offered? **enhanced study leave, additional SPA time, additional annual leave, sabbaticals, others**

# Who was negotiating, and what did we want?

## The aim of the negotiations

To codesign a new scheme, and agree on contractual changes + national guidance

## What would happen if we didn't reach agreement?

'Fall back' on Sch 30 arrangements (as per 2017 agreement)

## The negotiating parties

### Management side:

DHSC (commissioner),  
NHS England and Improvement,  
NHS Employers

### Staff side:

British Medical Association (BMA),  
HCSA



# The negotiations

## What we did agree

### Principles... we all want a scheme which:

- is more inclusive
- encourages and rewards excellence and improvement
- is transparent and fair
- is flexible and future-proof
- underpins the delivery of local or employer priorities
- requires proportionate resource to administer.

# The negotiations: what we did agree

Successor scheme design  
A two-tiered award system

<b>Level 1 (L1)</b>	<p>Aimed to engage the whole consultant workforce via an ‘all eligible are assessed’ process.</p> <p>All eligible consultants would be assessed, and all those meeting entry criteria + L1 standard would receive a (c)£2.5K award.</p>
<b>Level 2 (L2)</b>	<p>would have been a higher value, higher bar, higher resource award (up to £20K).</p> <p>L2 aimed to reward a lower proportion of the workforce, via a ‘by application’ process.</p>

# Areas of Excellence Framework

THEME x5	PATIENTS	PEOPLE	RESOURCES	PARTNERSHIPS	TRANSFORMATION
Areas of Excellence (AoE) x15	1a. Delivering an excellent patient experience.	2a. Sustaining the health and wellbeing of the workforce.	3a. Delivering cost-effective healthcare.	4a. Collaborating with other colleagues, teams, and departments.	5a. Improving healthcare through audit and research.
	1b. Ensuring patient safety.	2b. Educating, developing and teaching the workforce.	3b. Managing and leading in healthcare.	4b. Working collaboratively with NHS partners or across geographical networks.	5b. Modernising health services through innovation.
	1c. Addressing health inequalities.	2c. Supporting clinical excellence.	3c. Progressing the sustainability and environmental agenda.	4c. Working with third party and non-NHS organisations.	5c. Transforming the workforce.



# The trade unions' response

There were still some unresolved concerns that led to rejection of the proposals.

These related to:

- national funding investment levels
- local variability in available funds across trusts: a 'post code lottery'
- lack of prescription on assessment processes and data monitoring requirements.



# What does 'no deal' mean for you?

A reversion to 'Schedule 30' provisions

**From 1 April 2022, trusts must still run annual LCEA rounds.**

You have some flexibility (local variations possible, **in consultation** with the JLNC) but with some set contractual requirements:

- Awards will remain non-consolidated and non-pensionable etc.
- Minimum investment value is set (circa £7.9k per FTE), and will cover:
  - the continued payment of consolidated existing LCEA
  - costs associated with the reversion mechanism for existing and future NCEA holders
  - new LCEAs from 1 April 2022.
- An appeals process must be in place.
- The current reversion mechanism remains in place.



# Schedule 30: Legal hotspots

Local variation in consultation with JLNC

Calculating LCEAs:

- eligible FTE consultants,
- “roll-over”
- and equal distribution

Appeal mechanism

Potential legal claims?



# Schedule 30: opportunities and risks

- Local ownership rather than national prescription.
- Options for how you run the scheme.
- Presents opportunity for engagement and to strengthen incentives to deliver against trust values and priorities.
- Resource commitment to deliver.
- Some risks to be aware of (e.g eligibility and funding, and equality of access).

## 2021-22 LCEA calculations and payments

A briefing that sets out the steps employers need to take to ensure that they have calculated the necessary funds for investment across the four years covered by the interim arrangements from 2018/19 - 2021/22 is available on the NHS Employers website.

<https://www.nhsemployers.org/publications/local-clinical-excellence-awards-2021-2022>

# Next steps

## How we will support you

Guidance and resources at  
[www.nhsemployers.org](http://www.nhsemployers.org)

Questions to  
[doctorsanddentists@nhsemployers.org](mailto:doctorsanddentists@nhsemployers.org)



# Questions and Answers

