

10 February 2023

Pay and Conditions Circular (M&D) 1/2023

Changes to the Terms and Conditions of Service for Consultants – England (2003): Clinical Excellence Awards

Summary

This circular notifies employers of the amendments to the Terms and Conditions of Service for Consultants – England (2003) with effect from 1 April 2022

Agreement

1. The British Medical Association (BMA), The Hospital Consultants and Specialists Association (HCSA) and NHS Employers have approved amendments to Schedule 30 of the Terms and Conditions of Service for Consultants – England (2003) as detailed below.
2. The changes made to the Schedule are detailed in the latest version of the [record of amendments](#).

Action

3. Employers are requested to apply the updated provisions with effect from 1 April 2022.

Clinical Excellence Awards

4. This circular informs employers of a revised Schedule 30 in the Consultant Terms and Conditions of Service about Local Clinical Excellence Awards (LCEAs). The schedule has been updated to remove the redundant terms. A copy of the revised schedule is attached at the Annex.

Enquiries

5. Employees must direct personal enquiries to their employer. NHS Employers cannot advise on individuals' personal circumstances.
6. Employers should direct enquiries to: doctorsanddentists@nhsemployers.org.
7. Copies of this circular can be downloaded from: www.nhsemployers.org.

8. Prior to the establishment of NHS Employers in November 2004, responsibility to inform the NHS of changes to pay and allowances rested with the Department of Health and Social Care. Changes were published in Advance Letters. Copies of Advance Letters going back to 2000 may be obtained from the national archives:

<http://www.webarchive.org.uk/wayback/archive/20060506120000/http://www.dh.gov.uk/PublicationsAndStatistics/LettersAndCirculars/AdvancedLetters/fs/en.html>

9. For Advance Letters prior to 2000, please contact the Department of Health and Social Care: <https://contactus.dhsc.gov.uk/>

Issued by

A handwritten signature in black ink, appearing to read 'Paul Wallace', with a long horizontal stroke extending to the right.

Paul Wallace
Director of Employment Relations and Reward
NHS Employers

Schedule 30 of the national 2003 terms and conditions for NHS consultants in England

1. For the purposes of this schedule the following definitions will apply:
 - Pre-2018 LCEA: Local clinical excellence awards granted prior to 1 April 2018 under local clinical excellence awards schemes in place as of 31 March 2018.
 - LCEA: Local clinical excellence awards granted from 1 April 2022.
 - NCEA: National clinical excellence awards granted under the NCEA scheme.
 - NCEA scheme: The national clinical excellence awards scheme in place until 31 March 2022.
 - NCIA: National clinical impact awards granted under the NCIA scheme¹.
 - NCIA scheme: The national clinical impact awards scheme from 1 April 2022.
 - Employers, employing organisations and employees to which this schedule applies: This schedule applies to all consultants employed under the Terms and Conditions – Consultants (England) 2003 and their employers.
 - Award rounds: An annually run process which considers evidence of an individual's performance prior to 1 April of the award round year.

The following arrangements will apply from 1 April 2022. Contractual provisions covered by this schedule for the period 1 April 2018 – 31 March 2022 can be found in the Terms and Conditions – Consultants (England) 2003 record of amendments documentation.

2. Local variations to any LCEA schemes may be introduced by the employer in consultation with the JLNC. However, the provisions in paragraphs 3 – 14 shall continue to apply and cannot be varied locally.
3. Any LCEA scheme must include an appeals mechanism.
4. LCEAs will be non-consolidated and non-pensionable and will be payable for a period of up to three years, paid annually by lump sum and will not include an uplift for those undertaking additional programmed activities (APA).
5. The minimum amount invested and paid annually in LCEA per eligible full time equivalent (FTE) consultant within each employing organisation will be £7,900 per FTE not including national insurance and employer pension contributions. The minimum amount invested in LCEA per eligible FTE will be published in the relevant pay circular.
6. Costs associated with any additional payments made through employers' local performance pay schemes, as set out in paragraph 19, will be met by reallocation of the previous NCEA funding stream to the LCEA funding stream. These costs will be met in addition to the minimum amount to be invested detailed in paragraph 5.

¹ NCIA reforms introduced by Government on 1 April 2022 were outside of the national collective bargaining arrangements and were not agreed with the trade union side.

7. The level of investment will be subject to uplift in line with recommendations made by the Review Body on Doctors and Dentists Remuneration (DDRB) that are implemented by the Department of Health and Social Care.

8. For these purposes 'eligible' will be defined as substantively employed consultants with at least one year's service (on 1 April of the award year) at consultant level who do not hold an NCEA, NCIA or a distinction award.

9. Spend on local excellence awards from this sum will include monies expended on all of:

i. the continued payment of consolidated Pre-2018 LCEA set out in paragraphs 10 -11

ii. from 1 April 2022, costs associated with the reversion mechanism for NCIA holders as follows:

A requirement that any individual who has been awarded an NCEA (i.e., bronze, silver, gold, or platinum award) and whose renewal application is unsuccessful, will revert to either a Level 7 or 8 Pre-2018 LCEA or will not receive an award as determined by the following NCEA renewal scores.

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

These Level 7 or 8 awards will be in the form of consolidated and pensionable Pre-2018 LCEA. In circumstances where the individual's score is <14, the value of the award will cease to be paid.

This reversion will apply to all consultants who are in receipt of NCEA awarded under the NCEA scheme.

iii. LCEAs awarded under the provisions of this schedule.

10. Pre-2018 LCEA will be retained for Pre-2018 LCEA award holders and these awards shall remain pensionable and consolidated but subject to the review process set out in paragraph 12. Pre-2018 LCEA holders will continue to receive uplifts when undertaking APA. Award values will be subject to uplift in line with recommendations made by the DDRB that are implemented by the DHSC.

11. Where an individual in receipt of a Pre-2018 LCEA moves to another employer to which this schedule applies and continues to work within the speciality for which the award was made, the award will continue to be paid by the new employer, subject to the provisions on change of circumstances as set out in the amended 2012 ACCEA guidance on employer-based awards. If the award holder ceases to work for any employer to which this schedule applies, they will

no longer receive any award value from the date that they leave that employer. With effect from 1 April 2023, a consultant with a pre-2018 LCEA who retires, or partially retires, and returns to the same employer will retain their pre-2018 LCEA.

12. Pre-2018 LCEA will be subject to a process of review, meeting the following key features.

i. For Pre-2018 LCEA 1-8, the first review will take place five years after the date of the award of a consultant's last Pre-2018 LCEA point.

ii. Pre-2018 LCEA will be reviewed by employer-based awards committees or their successor using the Pre-2018 LCEA 10, 6, 2, 0 ratings and according to the pre-existing five scoring domains (service delivery, service development, leadership and management, research and innovation, and teaching and training). The following scoring system will apply:

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 one LCEA point (and its associated cash value) and reviewed again after three years.
≤ 10	Lose two LCEA points (and their associated cash value) and reviewed again after two years.

iii. The duration of any review period will exclude time taken for maternity/paternity/adoption leave or an extended period of absence such as ill-health absence, subject to the arrangements outlined in the amended 2012 ACCEA employer-based award guidance.

13. Level 9 Pre-2018 LCEA will continue to be subject to renewal arrangements. Level 9 Pre-2018 LCEA will be subject to the same scoring mechanism as all other Pre-2018 LCEA, set out in paragraph 12.

14. Reversion to Pre-2018 LCEA for NCEA holders who are unsuccessful in their applications for renewal, as set out in paragraph 9(ii), will continue to apply. NCEA holders who have reverted to a Pre-2018 LCEA will have these awards reviewed three years after the date of the reversion. Following their reversion to a Pre-2018 LCEA, the scoring system set out in paragraph 12 will apply.

15. All local arrangements must comply with the Equality Act 2010. To the extent that any terms are unlawfully discriminatory, and no corrective local variation to the LCEA arrangements can be agreed with the JLNC within six months of the date at which the issue was raised with the JLNC that removes the discriminatory effect, the employer may modify the local

arrangements or delete the term to the minimum extent necessary to remove such discriminatory effect. Any modification to or deletion of a provision or part-provision shall not affect the validity and enforceability of the rest of the LCEA arrangements.

National clinical excellence awards (NCEA) and National clinical impact awards (NCIA)

The provisions below apply solely to the NCEA scheme and the NCIA scheme in England.

16. Consultants will continue to have access to a national reward scheme that recognises excellence at a national or regional level.

17. Apart from the arrangements set out in paragraphs 18 - 20, the Secretary of State for Health and Social Care and the DHSC will have the right, after engaging in consultation, to introduce amendments and changes to the NCEA and NCIA scheme from time to time.

18. Consultants who hold an NCEA at any date up to 31 March 2022 will retain their NCEA and the associated payment will be consolidated and pensionable, subject to the 2018 ACCEA review processes.

Arrangements under the NCIA scheme:

19. The following arrangements will apply to consultants who hold an NCEA and submit their first renewal application or application for an NCIA under the NCIA scheme.

For unsuccessful applicants.

I. if their NCEA is due for renewal and their application for an NCIA has been unsuccessful, the consultant will revert to a Pre-2018 LCEA in line with a reversion process equivalent to that outlined in paragraph 9(ii).

II. if their NCEA is not due for renewal but the consultant has submitted an application for an NCIA which has been unsuccessful, they retain their NCEA until they successfully apply for an NCIA or the NCEA lapses, whichever is sooner.

For successful applicants:

III. the following principles will also apply to those with NCEAs.

a. a consultant who successfully receives an NCIA for an equivalent or higher level of performance but attracting a lower value of award than paid under the NCEA scheme will receive an additional payment so that they are paid no less overall than the cash value of their NCEA.

b. a consultant who receives an NCIA for a lower level of performance will receive an additional payment so that they are paid no less overall than the cash value of the equivalent lower award in the NCEA Scheme.

c. If the additional payment provided for by paragraph 19(iii)a – b is made through an employers' local performance pay scheme, it will be met by reallocation of the previous NCEA funding stream to the LCEA funding stream. In these circumstances, the consultant will revert to a Pre-2018 LCEA of the nearest monetary value to the payment. This will not change the amount of the overall payment received.

d. The Pre-2018 LCEA component will be subject to the review mechanism outlined in paragraph 12 of this schedule. If a consultant loses one or more Pre-2018 LCEA points after a review, the payment will be reduced to the value of the relevant Pre-2018 LCEA.

e. The overall payment for consultants who hold an NCEA will be pensionable up to the value of the consultant's award in the NCEA Scheme.

20. Where a consultant submits an unsuccessful application for an NCIA subsequent to their first application as outlined in paragraph 19 the consultant will revert to a Pre-2018 LCEA in line with a reversion process equivalent to that outlined in paragraph 9(ii). However, any LCEA points that have been removed through the local review process outlined in paragraph 12 will be deducted from the level to which they revert. The timing of the next local review will not be affected by the new reversion.