THE SCOTTISH OFFICE

National Health Service in Scotland
Management Executive

St. Andrew's House
Edinburgh EH1 3DG

9987

NHS Circular:
PCS(DD)1995/6

15 August 1995

Dear Colleague

CONSULTANTS' DISCRETIONARY POINTS

Summary

1. This circular notifies employers of new arrangements for the payment of Discretionary Points to consultant medical and dental staff, and requests employers to begin consultation with the professions locally to enable the scheme to be implemented with effect from 1 April 1996. These arrangements will replace the C award element of the consultants' distinction awards scheme from that date.

Action

2. Trusts and Health Boards are asked to:

(i) note the new arrangements for payment of Discretionary Points set out in this circular and the guidelines set out in Annexes B and C.

(ii) consult with the professions locally on the implementation of the scheme so as to enable the first Discretionary Points to be decided and put into payment from 1 April 1996. The cash value of Discretionary Points from that date will be subject to the recommendations by the Review Body on Doctors' and Dentists' Remuneration (DDRB) on doctors' and dentists' pay for 1996-97.

(iii) note the need to provide information on Discretionary Points in payment to the Advisory Committee on Distinction Awards (ACDA) Secretariat as part of the annual ACDA nominal roll verification exercise.

Addressees

For action:
Chief Executives,
NHS Trusts

General Managers,
Health Boards

General Manager,
Common Services Agency

General Manager,
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For information:
General Manager,
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3. Details of what is required are set out in the attached Appendix and Annexes.

Yours sincerely

Francis Brewis

for M R SIBBALD
Director of Human Resources

Introduction

1. Discretionary Points are consolidated payments in addition to the maximum of the consultant salary scale which may be paid at the discretion of the employer in the light of professional advice. The Discretionary Point scale will consist of 5 points of equal value, with the maximum of the scale being equivalent to the value of the C award current at 1 April 1995 as uprated from time to time in the light of recommendations made by the Review Body on Doctors' and Dentists' Remuneration (DDRB). The scale is set out at Annex A which shows the rates which would have been payable if the scheme had operated from 1 April 1995. The value of the Points payable on implementation of the scheme from 1 April 1996 will be determined in the light of the recommendations of the DDRB, and promulgated with the rates of doctors' and dentists' pay for 1996-97.

Eligibility

2. These arrangements apply to all consultants on national terms and conditions of service. Trusts may wish to apply the scheme to other consultants to whom national pay scales apply, given the fact that the scheme replaces the C Award element of the distinction awards scheme. All such consultants who have reached the maximum of the consultant salary scale are eligible for payment of Discretionary Points, excepting existing distinction award holders (but see paragraph 9 for the position of current C award holders).

3. Employers have discretion on the numbers of points to be granted in any individual case in any particular year, and on the total numbers of points to be granted in any year within the Trust or Health Board subject to the minimum requirements referred to in paragraphs 10 and 15 below. Employers may wish to use this flexibility to broaden the base of the coverage of payments within the consultant body.

4. Consultants granted Discretionary Point(s) would not normally be considered again for payment of further Point(s) for 2 years, although employers may vary this if there were circumstances warranting this in an individual case. This approach may assist employers in ensuring that full and detailed consideration is given to each consultant's contribution at reasonable intervals, and to maximise the opportunities for individuals to receive appropriate recognition for that contribution, given the limited number of points that may normally be available in any year.

5. The following principles also apply:-

- Maximum part-time and part-time consultants should be paid the appropriate proportion of the full value of the Discretionary Point(s) granted.

- Locum consultants are not eligible for payment of Discretionary Points.

- Academics and research workers with honorary consultant contracts are eligible for payment of Discretionary Points, and should be considered equally with other consultants. The proportion payable is set out in Annex A.

- Consultants working for other employers on a service level agreement or recharge basis will be considered for Discretionary Points by the employer holding the contract but it will clearly be appropriate to consult the other employer(s) for whom the consultant provides services.

- Consultants who are jointly contracted to more than one employer will be considered for Discretionary Points under the arrangements agreed between the employers for determining pay and conditions of service matters or any agreed lead employer responsibilities.

- Consultants employed under separate contracts will be considered for Discretionary Points by each employer under each contract. Employers should ensure that consultants are not disadvantaged as a result of their NHS contribution being carried out under separate contracts.

Payment and Incremental Dates

6. Consultants who will have reached the maximum of the consultant salary scale at 1 April in any particular year are eligible for consideration for payment of one or more Discretionary Points from that date irrespective of their incremental date. Where Point(s) are granted to a consultant, payment should be made from 1 April and not from the consultant's incremental date.

Guidelines on Criteria

7. Guidelines on the criteria for Discretionary Points are attached at Annex B.

Arrangements for Deciding Points and Professional Input

8. Guidelines on the arrangements for deciding Discretionary Points and the mechanism for professional input are attached at Annex C. Employers' attention is drawn to the need to ensure that the mechanism for professional input is determined in consultation with the professions locally and commands their confidence.

Current C Award Holders

9. Current C award holders (and those granted C awards in the current awards round) should be regarded for the purposes of the scheme as being at the maximum of the Discretionary Point scale. Future uplifts in the value of the Discretionary Point scale will thus be applied to all such consultants in the same way as to consultants who, over time, have progressed to the maximum.

Numbers of Points to be Granted

10. Subject to paragraph 15 below for 1996/97, employers shall award a minimum of 0.25 points per eligible consultant employed by the Trust or Health Board as at 1 April in each year. Holders of B, A and A+ awards, those on the maximum of the Discretionary Point Scale (including former C award holders), and those who have not reached the maximum of the consultant salary scale at 1 April should be excluded from the calculation of the numbers of eligible consultants. The calculation should be based on the numbers of eligible consultants, not whole-time equivalents.

11. Where a fraction of a point results, this should normally be rounded up to a whole point. Where a small number of consultants are employed, it is recognised that some flexibility may be necessary in applying this formula. Where this is necessary, the relevant calculations may be aggregated over 2 years. Exceptionally, for example in Trusts with only one consultant, these may be aggregated over 4 years.

12. Only whole points should be granted, accepting that the actual monetary value to the individual of the point in any case will vary according to whether he or she is employed on a whole-time, maximum part-time, or part-time contract.

13. The minimum figure set out in paragraph 10 above is based on an estimate of the numbers of new points that need to be awarded by each employer per eligible consultant to meet a number of requirements, including the maintenance of broadly the existing level of expenditure on C awards nationally. This reflects the estimated monies released as a result of consultants (whether former C award holders or, from 1 April 1996, discretionary point holders) retiring, resigning or being granted a centrally funded B award (see paragraph 21 below) across the NHS as a whole. The effect is to aggregate the estimated monies so released and apportion these to employers on a per capita basis, irrespective of the actual current spend on C awards or the actual monies released within each individual Trust/Health Board. This means there is no requirement that monies freed as a result of retirements, resignations and individuals being granted B awards be recycled back into Discretionary Points at individual employer level. Any such reductions have already been discounted nationally in determining the minimum number of points to be awarded at employer level.

14. This arrangement will be kept under review in light of information collected on the numbers and distribution of points in payment (see paragraphs 18 and 19 below).

Transitional Arrangements

15. For 1996/97 only, employers shall award a minimum of .33 points per eligible consultant employed by the Trust or Health Board as at 1 April 1996. Employers may wish as a transitional arrangement to make a higher number of awards of more than one point than they would expect to do in subsequent years, recognising for example the impact of the cessation of the former C award arrangements in individual cases.

Pensionability and Transferability

16. Discretionary Points will be pensionable. Consultants will retain payment of Discretionary Points granted by one NHS employer on appointment to another NHS employer.

Appeals

17. Any appeals over non-payment of discretionary points or the numbers of points awarded should be dealt with in accordance with the provisions of local procedures for handling differences about individual employees' conditions of service..

Returns of Information on Discretionary Points

18. Information on the numbers and value of discretionary points in payment under the scheme will be required for 3 purposes:-

(i) to verify that, nationally, at least the equivalent of the existing level of expenditure on C awards is being maintained;

(ii) to provide the information that will be required by the DDRB on the numbers and overall expenditure on Discretionary Points;

(iii) to facilitate consideration by the Advisory Committee on Distinction Awards (ACDA) of consultants' potential case for consideration for a B award.

19. Information will be collected by the ACDA Secretariat as part of its annual nominal roll verification exercise. The ACDA Secretariat will add the numbers of Discretionary Points paid to the existing items of data held on individual consultants, and seek verification/updating of this information as appropriate during the verification exercise. Employers are asked to note that it will remain necessary for the ACDA to hold information on all consultants, and to ensure that any information requested is returned promptly.

Changes to the Consultants' Distinction Awards Scheme

20. The current C distinction award arrangements, including the 5 yearly review arrangements for C award holders, will cease to operate once decisions have been made by the ACDA on the C awards to be granted for 1995 at its meeting in October 1995. Details of the revised arrangements for the B, A and A+ awards, which will include greater employer input and central funding for all existing and new awards from 1 April 1996 will be notified as soon as possible in a separate circular.

21. When a consultant in receipt of discretionary points is granted a B award, the central funding of the B award will cover the full cost of the B award (£20,975 at 1 April 1995 rates as uprated from time to time in the light of recommendations made by the DDRB).

Amendments to Terms and Conditions of Service Handbooks

22. Amendments to the terms and conditions of service of hospital medical and dental staff (Scotland) and of doctors in public health and the community health service (Scotland) have been agreed following discussion in the Joint Negotiating Committee for Hospital Medical and Dental Staff and the Joint Negotiating Body for Doctors in Public Health Medicine and the Community Health Service. These will be incorporated in the relevant staff handbooks in 1996 following determination of the value of the discretionary points payable in the light of the recommendations of the DDRB, and promulgated with the rates of doctors' and dentists' pay for 1996/7. An important change to note in advance of the amendments is that discretionary points will be taken into account when calculating the rate for temporary additional notional half days (additional sessions).

CONSULTANTS' DISCRETIONARY POINTS

1. Consultants may be given Discretionary Points beyond the maximum of the consultant salary scale under the terms of NHS Circular PCS(DD)1995/6 from 1 April 1996.

2. For illustrative purposes the rates set out below are those which would have applied if the scheme had been introduced at 1 April 1995.

Consultants discretionary points

Point 1	£54,538
Point 2	£56,636
Point 3	£58,734
Point 4	£60,832
Point 5	£62,930

3. The cash values of the Discretionary Points to be introduced from 1 April 1996 will be for consideration by the DDRB.

Maximum Part-Time and Part-Time Consultants

4. Maximum part-time and part-time consultants should be paid the appropriate proportion of the full value of the Discretionary Point(s) granted.

Honorary Contract Holders

Whole-Time Practitioners

5. Whole-time clinical teachers and research workers shall receive a proportion of any Discretionary Points granted to them according to the average time per week for which they are engaged in clinical or public health medicine or dental public health work, as follows:

Average number of hours of clinical or public health medicine or dental public health work per week	**Proportion of Point payable**
21 or more	The full amount
17½ or more but less than 21	80%
14 or more but less than 17½	65%

Average number of hours of clinical or public health medicine or dental public health work per week	**Proportion of Point payable**
10½ or more but less than 14	50%
7 or more but less than 10½	35%
3½ or more but less than 7	25%
an assessable amount of clinical work but less than 3½ hours	15%

Practitioners engaged in private practice

6. Whole-time clinical teachers who are, exceptionally, permitted to engage in private practice and to retain the fees therefrom, or to receive a consolidated sum in return for handing these fees to their employer, shall, for the purpose of determining the amount of any Discretionary Point payable, be treated as part-time clinical teachers and the provisions of paragraph 7 below shall apply to them.

Part-Time Practitioners

7. Part-time clinical teachers and research workers shall be paid fractions of any Discretionary Points granted to them on the same basis as part-time clinicians according to the amount of time spent in clinical work, subject to a maximum of that appropriate for 9 notional half-days.

GUIDELINES ON CRITERIA FOR CONSULTANTS' DISCRETIONARY POINTS

The following principles should underpin the local implementation of the scheme:

1. Discretionary Points are *not* seniority payments, or automatic annual increments.

2. Consultants in all specialties and all types of post are equally eligible and should be treated as such.

3. To warrant payment of a discretionary point, consultants will be expected to demonstrate an above average contribution in respect of service to patients, teaching, research and the management and development of the service.

4. Progression at each step up the discretionary point scale will reflect the increasing quality and range of the contribution made by the consultant. To attain the maximum of the discretionary point scale, consultants will be expected to have demonstrated an outstanding contribution to services.

5. The criteria for payment of discretionary points should allow for contributions made in the following areas to be taken into account:-

   i. professional excellence, including

      - quality of clinical care of patients
      - service development
      - professional leadership
      - improvements in public health

   ii. contribution to professional and multidisciplinary teamworking

   iii. research, innovation and improvement in the service

   iv. clinical audit

   v. administrative or NHS management contributions

   vi. teaching and training, including

      - training of junior staff
      - involvement in undergraduate or postgraduate teaching
      - public education and health promotion
      - contribution to training of other staff

   vii. wider contribution to the work of the NHS nationally.

6. The differing opportunities and normal expectations associated with consultants in different fields will need to be taken into account in assessing the level of performance required in individual cases. For example, there will be a different

expectation in terms of the research content of many honorary contract holders compared with consultants whose duties result in limited opportunities for research work. There would similarly be a different expectation in terms of the management and service development contribution of a consultant in public health medicine or dental public health compared with more clinically based specialties.

7. The resources available to a consultant, including supporting staff and facilities, and any particular difficulties that he or she may have had to overcome, should also be taken into account in judging the service contribution expected and provided.

8. In deciding payments, employing bodies should ensure that consultants are treated equally regardless of their colour, race, sex, religion, politics, marital status, sexual orientation, membership or non-membership of trade unions or associations, or ethnic origin, or age.

GUIDELINES ON THE ARRANGEMENTS FOR DECIDING CONSULTANTS' DISCRETIONARY POINTS AND MECHANISM FOR PROFESSIONAL INPUT

The arrangements for deciding payment and final decisions on payment in individual cases are a matter for the employer, but the following principles should underpin the local implementation of the scheme:-

1. There should be a mechanism for ensuring professional input to advise the employer before decisions are taken.

2. The arrangements for professional input, including the profession's views on the prioritisation of individual consultants, and the nature of any role medical and clinical directors may play in this mechanism, should be determined in consultation with the profession locally eg medical staff committees, and command their confidence.

3. The mechanism should ensure that the employer will receive the appropriate range of specialty advice.

4. Where the necessary professional input is not available from within the Trust or Health Board, the mechanism should allow for this to be sought from outside the Trust or Health Board. This will be especially important in the case of a single specialty employing Trust or Health Board eg, in public health medicine, community health or dental public health.

5. Employers should ensure that any views put forward by Royal Colleges, Faculties or other professional bodies on the professional skills of the consultant should be fully considered and taken into account.

6. The arrangements for deciding payment and the mechanism for professional input should be considered and approved by the NHS employing body's Board. Consultants should be informed of these arrangements. The Board should satisfy itself that the arrangements will enable decisions on payments to be made on an equitable and fair basis in all cases, with the appropriate degree of professional input necessary to support judgements on the professional aspects of a consultant's work.

7. The Board should monitor the operation of the scheme on an ongoing basis to ensure that the scheme continues to operate on an equitable and fair basis.

8. In discharging this function, the attention of Boards is drawn to paragraph 8 of the guidelines on criteria and the need for equal treatment for all staff. The position of female consultants and consultants from ethnic minorities has been of particular concern in the past, and Boards are asked to pay special attention to the need to ensure that no consultant is discriminated against, directly or indirectly, on the grounds of sex or ethnic origin. Boards are also asked to ensure that consultants are not afforded differential treatment according to the specialty in which they work, or according to whether they are employed in a whole-time or other basis.