

Education and Training Committee, 9 June 2016

Reforming healthcare education funding

Executive summary and recommendations

Introduction

The Department of Health has published a consultation on proposals to reform healthcare education funding in England. These changes include abolishing the system of bursaries, thereby removing the cap on student numbers for healthcare programmes. A copy of the consultation document is attached.

Much of the consultation is perhaps not directly relevant to our role as a statutory regulator. The section most relevant is section five on 'system architecture' (consultation question 11 onwards; page 23 onwards). Key points to make in our response are likely to include the following.

- A clear description of our role in quality assurance of pre-registration education and training and the role this plays in ensuring that only those who are fit to practise are eligible to register.
- Making it clear that whilst programmes may in future be able to recruit higher numbers, they would need to be able to demonstrate to us that they could do so without comprising quality.
- The importance of effectively managing the availability, capacity and quality of practice education.

The Committee is invited to discuss the consultation document to inform the content of our response. Our response will then be written and submitted by the end of June 2016.

Decision

This paper is for discussion.

Background information

None

Resource implications

Writing consultation response

Financial implications

None

Appendices

None

Date of paper

27 May 2016



Department
of Health

Reforming healthcare education funding: creating a sustainable future workforce

Prepared by the DH Workforce Development Team

April 2016

Title: Reforming healthcare education funding: creating a sustainable future workforce
Author: DH Workforce Development Team
Document Purpose: Consultation
Publication date: 7 April 2016
Target audience:
Contact details SRbursariestoloans@dh.gsi.gov.uk

You may re-use the text of this document (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit www.nationalarchives.gov.uk/doc/open-government-licence/

© Crown copyright

Published to gov.uk, in PDF format only.

www.gov.uk/dh

Reforming healthcare education funding: creating a sustainable future workforce

Prepared by the DH Workforce Development team

Contents

Contents	4
Foreword.....	5
1. Introduction.....	6
2. The case for health education reform	8
3. The Policy	11
4. Social Work	22
5. System Architecture	23

Foreword



Most politicians, regardless of political party, want to widen opportunity even if sometimes we disagree on how to do it. Back in 2010, during the reforms on student finance, the arguments on either side were earnestly made. What we can now see, with the benefit of four years' data, is that those who proposed reform have been proved comprehensively correct.

We are seeing the highest ever application rates to universities and more applications from disadvantaged students than ever before.

By extending our student finance reforms, universities will be able to create up to 10,000 more nursing, midwifery and allied health degree places during this Parliament. This will mean that NHS employers, as well as those in the independent and care sectors, will have a larger pool of highly qualified home-grown staff available. In turn, universities will be able to accept more applicants who get the right grades than they do currently. And we will be able to provide more up front living cost support – typically 25% or more¹ – to full-time students.

The benefits of reform will accrue not just to students but to the NHS. As domestic student numbers increase, we will be able to reduce the reliance on expensive agency or overseas staff, allowing more money to be freed up and put into frontline patient care.

These reforms will widen access to nursing for more students and provide them with more living cost support whilst studying. Changes like this are never easy but we strongly believe that these policies will be good for students, good for patients, good for universities and good for our NHS.

We believe these reforms promise much but to get them right we want to hear from as many individuals and organisations involved in nurse training and education as possible. This consultation has been written with that open request in mind and will run for the maximum period of time to ensure that everyone has the ability to be heard. I sincerely hope that, as many as wish to contribute constructively; so that we can realise the full potential this policy offers nurses and our NHS.

We also want to bring in a new nursing associate role (between care assistants and registered nurses) to give additional support to nurses.

All these reforms, taken together, will help us to widen access to nursing and allied health professions while enhancing the high-quality qualifications we have rightly come to expect. Changes like this are never easy, but we strongly believe that these policies will be good for students, good for health professionals, good for universities and good for our NHS.

Ben Gummer MP

Parliamentary Under Secretary of State for Care Quality

¹ The precise change for individuals will be dependent on their circumstances for example, where they study, the length of the course, income and residency

1. Introduction

- 1.1. These reforms are intended to address a number of issues inherent in the current system. Key elements of the reforms are:
 - a significant increase, typically anticipated to be around 25% or more, in the living cost support available for full-time students. This would increase the money students have available to them while they are studying at university
 - a significant increase in the available supply of trained nurses, midwives and allied health professionals to the NHS and social care sectors. This will create up to 10,000 more training places by the end of this Parliament, allowing more students to study for a health degree, and ensuring there is no longer an unjust situation where two out of three nursing applicants who apply for a place are turned down
 - a sustainable funding system for universities – enabling them to invest in infrastructure to increase the number of places available for nursing, midwifery and allied health professional students, and improve teaching quality through that investment.
- 1.2. For students in particular, the current system fails to provide adequate support for living costs and limits opportunity for those who want to train to become a nurse, midwife or allied health professional.
- 1.3. At present, the number of nursing, midwifery and allied health professional training places is set to meet the future requirements of the NHS and social care system for trained professionals. However, and as seen in recent years, the demand for qualified healthcare professionals can fluctuate during the time students are at university, resulting in too few graduates being available for not only the NHS, but also for care providers outside of the NHS system. A nurse, midwife or allied health professional starting training today will not complete their course and be ready for employment for at least three years. As we have recently seen, the knock-on effect of this is that NHS and social care providers are spending increasing amounts on expensive agency staff and have become reliant on recruitment from overseas. This has resulted in increased costs and therefore pressure on frontline budgets for patient care.

Increasing the supply of nurses and allied health professionals will help adult social care, the wider public health sector and the NHS. Hospital discharge can be delayed if there are insufficient social care services available, which can be limited by the number of nurses available to work (in nursing homes in particular). Improving the supply and availability of nurses and allied health professionals to the wider job market could lead to improvements in more timely discharge of patients from hospital, with all the benefits this brings for patients, their families and the NHS.

Introduction

- 1.4. Universities have been faced with a position where nursing, midwifery and allied health professional courses are very popular with potential students, but they have not been able to meet demand. Nursing is usually about the fifth most popular subject on the University and College Admission Service (UCAS) system. However, with the costs largely being borne by the NHS, universities have generally been unable to increase nursing, midwifery and allied health professional degree places because of financial restrictions.
- 1.5. Rather than denying thousands of applicants a place to study these subjects at university, and seeing the injustice of almost two out of three nursing applicants not being able to get their desired place, we need a long term sustainable funding system. This will ensure that there are enough health professionals for the NHS and social care system, cut the current reliance on expensive agency and overseas staff and give more applicants the chance to be a health professional.

Intended reform

- 1.6. The government announced in the 2015 Spending Review that from 1 August 2017, all new nursing, midwifery and allied health professional students will receive their funding and financial support through the standard student support system, rather than through the current NHS Bursary Scheme.
- 1.7. In the current system, tuition costs for nursing, midwifery and allied health professional students are paid directly to universities by the government via Health Education England (HEE). Students can apply for support for living costs in the form of a bursary (from the NHS Business Services Authority), who administer the Bursary Scheme on behalf of the government and, should additional support be required, a reduced rate loan (paid by the Student Loans Company (SLC) on behalf of the government).
- 1.8. From 2017, new students will no longer have their course fees paid by HEE (nor a bursary provided by the BSA) but will have access to the standard student support system provided by the SLC to cover the cost of their tuition fees, and means tested support for living costs.
- 1.9. The terms of repayment for the loan will be the same as all other graduates who have taken out a student loan when at university, including those who have studied in order to teach; a profession with comparable earnings to healthcare professionals. At present, repayment starts once a graduate is earning £21,000 and the repayments are 9% of income over £21,000.
- 1.10. At present, newly qualified nurses earning £21,700 will pay back around £5.25 a month. If their salary drops below £21,000 a year, then their repayments stop. If they have not paid back their loan after 30 years the balance is written off, as is the case for all other graduates on the Department for Business Innovation and Skills (BIS) student support system.
- 1.11. This consultation focuses on how best to ensure we successfully implement these reforms and achieve our objectives as described above.

2. The case for health education reform

This chapter sets out the case for reforming health higher education funding for nursing, midwifery and allied health students.

The current funding system for health higher education students is not working for patients, the NHS, for students or for the universities that train them.

- 2.1. Over recent years we have seen strong demand from potential students to study to become nurses, midwives and allied health professionals.
- 2.2. Since the introduction of student tuition fees in the wider higher education system, we have seen an increase in students wishing to go to university, reaching a peak in 2014 and continuing to sustain at these levels through to 2016.
- 2.3. However, for healthcare students, universities have not been able to meet this ambition, nor fulfil this demand from potential students to study. This is due to the way in which places under the bursary system need to be limited in line with NHS workforce planning requirements, and the necessary financial constraints on the system which follow. This has resulted in the unjust situation whereby two out of three nursing applicants are turned down for a place.
- 2.4. The cost of training nurses, midwives and allied health professionals is largely borne by the NHS. In effect there has been an artificial cap on the numbers in training, limited to only those numbers needed as a minimum to meet NHS workforce requirements in line with HEE's annual workforce plan.
- 2.5. The lack of flexibility in training numbers has increased the risk of workforce supply shortages, at a time when there has been high demand for non-medical health staff. We have seen a higher number of nurses from overseas coming to work in England and increased use of high cost temporary staff to cover shifts where it is not possible to fill permanent posts.
- 2.6. We also know that while studying at university, many healthcare students currently report they are struggling financially. Putting more funding into the existing bursary system and tuition funding was not a viable option for the government, if we are to also: increase the supply of places to potential students; live within our budget; and ensure that the NHS can use the extra £10bn worth of additional investment for front line care by the end of the Parliament.
- 2.7. The wider higher education system has required students to make a greater contribution as graduates, enabling student numbers to increase. It is now time to move health students onto this system.

- 2.8. Over the last 30 years, successive governments have been able to extend the transformative opportunity of higher education to more students. To achieve this whilst retaining the world class quality of UK higher education, students have been asked to make a greater contribution to the cost of university. This contribution is only made once they have left the course and earning above a certain income threshold. In the 2013 Autumn Statement, the government took these reforms a significant step further by removing student number controls entirely. This means that higher education courses are available for all those who are qualified by ability and attainment to pursue them, and who wish to do so.
- 2.9. The results have been striking:
- record numbers of students secured university places in 2015/16 – 394,380 acceptances for English domiciled students
 - the proportion of students from disadvantaged backgrounds entering higher education is up from 13.6% in 2009 to 18.5% in 2015 – the highest proportion ever
 - students have begun making more selective choices on what to study, with the number of full-time students choosing to study science, technology, engineering and mathematics (STEM) up since 2010. There were 301,615 entrants to STEM in 2014/15 vs 292,780 in 2010/11
 - total income for the higher education sector has risen in real terms and is forecast to rise to £31bn by 2017/18
 - the independent Organisation for Economic Co-operation and Development (OECD) has praised the English higher education system as being one of the very few countries that has developed a sustainable approach to higher education financing.

Nursing, midwifery and allied health professional students deserve the same opportunities as other students

- 2.10. The NHS, independent care and social care sector, students, universities and wider public sector will all benefit from introducing the same reforms in health education that have taken place across the rest of higher education:
- the NHS and social care sector will have access to a greater supply of domestically trained nurses, midwives and allied health professionals once number controls limiting student places are removed
 - removing the cap on places means more students will be able to realise their ambition, achieve their potential, study a health degree and secure good employment in the NHS or social care sector
 - universities will have a system that enables them to invest in health higher education for the long term, by increasing their income for teaching costs and giving them security on the number of places
 - more broadly, increasing the numbers of domestically trained nurses, midwives and allied health professionals will reduce NHS demand for health professionals trained overseas
 - overall, we will have access to a home grown domestic supply and will not have to rely upon vastly expensive agency staff or nurses from overseas.

2.11. In delivering these reforms, we can expect to see the following benefits:

- the NHS and social care sectors will become more self-sufficient by having access to more home-grown nurses, midwives and allied health professionals to meet fluctuations in demand – driving down temporary staffing costs and reducing reliance on staff trained overseas
- an end to the unfairness in the current system which sees two out of three nursing applicants being turned down for a nurse training place on the basis of funding rather than ability. More students would achieve their aspiration to study healthcare and be available to work for the NHS or social care sector
- increased living cost support for students whilst studying – students will see a gain of typically 25% or more in available support for living expenses
- universities will be enabled to invest for the long term instead of numbers changing every year based on commissioning plans – greater assurance that when investing in facilities they will be able to utilise them to cover the costs
- for the social care sector, these reforms will provide access to a longer term, more stable home-grown workforce supply which is hugely beneficial for both providers and service users in terms of ensuring stability to the sector.

3. The Policy

This chapter focuses on the potential impact on students. It sets out particular aspects of the policy to ensure it is a success and to protect the increase in workforce supply for the NHS and social care. The government is keen to hear thoughts on these specific issues.

The following table compares the funding available at present through the NHS Bursary Scheme and the standard student support system.

Table 1: Comparison of current student support rates (2016/17 academic year, 42 week course)

Student location		NHS Bursary Scheme (16/17)	BIS system (16/17)	Difference (£)
London	Maximum total	£8,750	£12,058	£3,308
	Maximum loan	£3,263	£10,702	
	Maximum long course loan	£0	£1,356	
	Extra weeks allowance	£1,296	£0	
	Maximum grant	£4,191	£0	
Outside London	Maximum total	£6,975	£9,256	£2,281
	Maximum loan	£2,324	£8,200	
	Maximum long course loan	£0	£1,056	
	Extra weeks allowance	£1,008	£0	
	Maximum grant	£3,643	£0	
Living at home	Maximum total	£5,623	£7,588	£1,965
	Maximum loan	£1,744	£6,904	
	Maximum long course loan	£0	£684	
	Extra weeks allowance	£672	£0	
	Maximum grant	£3,207	£0	

- 3.1. The change in policy will not impact on existing students who will continue on the existing bursary system until they graduate. These changes will only come into effect for new students who commence their courses on or after 1 August 2017. This includes students on the following courses.
- 3.2. Students on undergraduate pre-registration programmes in the following subjects:
- nursing – adult
 - nursing – children
 - nursing – mental health
 - nursing – learning and disability
 - midwifery
 - dietetics
 - occupational therapy
 - orthotics
 - orthotics and prosthetics
 - physiotherapy
 - podiatry/chiropractic
 - radiography (diagnostic and therapeutic)
 - speech and language therapy
 - operating department practice
 - dental hygiene
 - dental therapy

Postgraduate students undertaking pre-registration courses

- 3.3. New postgraduate students who commence pre-registration courses in the following subjects from 1 August 2017 will no longer be eligible for an NHS bursary or to have their tuition fees paid by the NHS.
- 3.4. This will impact on students undertaking pre-registration postgraduate courses in the following subjects:
- nursing - adult
 - nursing – children
 - nursing - mental health
 - nursing - learning and disability
 - midwifery
 - dietetics
 - occupational therapy
 - orthotics
 - orthotics & prosthetics
 - physiotherapy
 - podiatry/chiropractic
 - radiography (diagnostic and therapeutic)
 - speech and language therapy
 - operating department practice
 - dental hygiene
 - dental therapy

Question 1:

After reading the list of impacted undergraduate and postgraduate courses, are there further courses which you consider should be included in the scope of the reforms? If yes, what are these courses and why would the current funding and delivery models require their inclusion?

Postgraduate masters loan

- 3.5. Students on full-time pre-registration postgraduate masters' courses which are one or two years in length (or equivalent part-time courses studied at 50% and 3 year part-time courses where there is no full-time equivalent) would be able to apply for a postgraduate masters loan. Students would be able to borrow up to £10,000 over the duration of their course to use towards their fees and living costs. This loan would not be means tested.
- 3.6. Annex 2 of the Government Response to the Consultation on Support for Postgraduate Study provides an overview of the arrangements for the new Postgraduate Masters Loan, this also sets out arrangements for repayment of the loan:
- Repayment terms as set out in the government's response.
 - The loan interest will be calculated at RPI+3% and interest will accrue from the date the first loan instalment is paid by the SLC to the borrower.
 - Repayment of the Master's loan will be contingent upon and commence once the borrower has an annual income of £21,000 or more.
 - The £21,000 annual income threshold will be initially frozen until 2021 and subject to review.
 - Master's loan repayment will be calculated at 6% of income above the income threshold. Repayments will be made concurrently, alongside repayment of any outstanding undergraduate student loan.
 - Loan repayments will be due in the April after course completion, subject to meeting the annual income threshold.
 - There will be a one year delay in loan repayment for courses undertaken in academic year 2016/17, for which repayments will commence from April 2019.
 - Borrowers will be able to make voluntary repayments ahead of April 2019 should they wish.
 - Any outstanding postgraduate Master's loan balance will be written off 30 years after the date the borrower's loan balance becomes due for repayment.
 - The Master's loan will attract better than commercial interest rates; or match commercial interest rates with better terms. The repayment terms will be monitored and be subject review to ensure compliance with the Consumer Credit Directive.

Further detail can be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/479703/bis-15-573-support-postgraduate-study-response.pdf

Reforming healthcare education funding: creating a sustainable future workforce

- 3.7. We acknowledge that under the current system there are currently a potentially small number of postgraduate healthcare courses, such as healthcare postgraduate diplomas and 3 year health care masters degrees, would not be eligible for a Postgraduate Masters loan.
- 3.8. The Department will consider how the provision of these courses impact on NHS workforce supply requirements. We will work with health and education sector stakeholders over the coming period to identify the full set of impacted courses and consider the potential support or solutions available.
- 3.9. Meanwhile the Department welcomes any views and responses that might help inform this work.
- 3.10. As announced in Budget 2016, the government is reviewing the gaps in support for lifetime learning, including for flexible and part-time study. Submissions to the government regarding ineligibility for postgraduate loans will be considered as part of this review:
<https://www.gov.uk/government/publications/budget-2016-documents/budget-2016>

Question 2:

Do you have any views or responses that might help inform the government's proposed work with stakeholders to identify the full set of postgraduate healthcare courses which would not be eligible for a Postgraduate Masters loan and to consider the potential support or solutions available?

Students undertaking nursing, midwifery and allied health subjects at pre-registration level as a second undergraduate degree

- 3.11. A small number of nursing, midwifery and allied health professional students may already have a degree in another discipline. Under the current student support system, these potential students would not be eligible to access student support for a second time.
- 3.12. To support students who are planning to undertake nursing, midwifery and allied health professional subjects as a second degree, the government will put in place an exemption to enable these students to access the standard student support system, as set out in Table 1, page 11, just like students studying for a first degree.
- 3.13. We consider that this measure will address the concern that students who already have a degree, however they are funded, will not be able to undertake a second degree to study nursing, midwifery or an allied health profession.

The Policy

- 3.14. Such students who take on a second undergraduate loan will only be required to make repayments on the second loan once the balance of the first loan has been repaid.
- 3.15. This means that nursing, midwifery and allied health professional courses will, for the first time, be available for all those who are qualified by ability and attainment to pursue them and who wish to do so.

Question 3:

We consider that operating the exemption will support the objectives for encouraging second degree students to undertake nursing, midwifery and allied health courses. Are there any other options, which do not include an NHS bursary, which could be considered?

Widening participation

- 3.16. It is important that the health and care workforce represents the communities they seek to serve. To support this, the government is committed to continue to encourage and support people from a wide range of backgrounds to apply and study to become a nurse, midwife or allied health professional. In the wider higher education system the proportion of students from disadvantaged backgrounds entering higher education is up from 13.6% in 2009 to 18.5% in 2015 – the highest ever.
- 3.17. The proposed reform has two specific elements that will support widening participation in nursing, midwifery and the allied health professions from disadvantaged groups:
- First, as set out above, full-time students will see the maximum living cost support available from Student Finance England, whilst studying, increase typically by around 25% or more when compared with the current NHS bursary living costs package.
 - Second, nursing, midwifery and allied health professional students will be brought, for the first time, within the system of access agreements.
- 3.18. The increasing participation from disadvantaged groups in the wider higher education system has been underpinned by access agreements. Any university that wants to charge tuition fees for a full-time course, above the basic amount (currently £6,000) up to a maximum of £9,000 (in the 2016/17 academic year), must have an access agreement approved. Access agreements are plans which set out how the institution will promote access to higher education by under-represented groups, through measures such as outreach (e.g. summer schools, mentoring, after-school tuition, links with schools and academies in disadvantaged areas) activities to improve retention and success, and financial support such as targeted bursaries and scholarships.

- 3.19. Under this reform, universities would need to include nursing, midwifery and allied health professional students within their outreach, retention and financial support programmes. Some universities already do this voluntarily but in the future it will be compulsory. As nursing, midwifery and allied health professional students have not paid tuition fees, these students have not been part of the access agreement system. Under this reform all nursing, midwifery and allied health professional courses that charge students tuition fees of more than the basic amount (currently £6,000) for any course will come under the access agreement system.
- 3.20. We consider, based on the experience of the higher education system generally, that this combination of an increase of typically around 25% or more in support for living costs and bringing these students under the access agreement system, will support widening participation from disadvantaged groups.
- 3.21. However, under these new arrangements the level of income contingent student loan repayments upon graduation would be expected to increase and this may affect students' participation in such courses if they are averse to taking on student loans. Based on the current system, a student who takes a maximum tuition and maintenance loan for 3 years would graduate with student loan borrowing of between £47,712 and £59,106 depending on the course studied, location and whether or not the student lives in the parental home. The Equality Analysis considers in further detail the impact on specific groups.
- 3.22. To mitigate this there is protection for low earners built into the student support system whereby repayments – set at 9% of earnings over £21,000 – will either reduce, or cease depending on their earnings. If a graduate's working pattern results in their earnings being reduced, then their repayments will also be reduced; if their earnings are reduced below £21,000 their repayments will cease until they once again earn above that threshold.
- 3.23. In addition to this mitigation, evidence shows that increases in fees in the wider higher education system have not had a detrimental impact on the numbers of students applying to university. In fact, statistics show that students on the loan system are now more likely to apply to university than they were in 2012².
- 3.24. Under both the NHS bursary and student support systems, students who have additional financial responsibilities, because they have other adults or children dependent upon them, can apply for additional funding. Table 2 compares the additional funding available through both schemes.

² BIS (2015) Student Finance Equality Analysis, 25 November, 2015

Table 2: Comparison of additional allowances available (2016/17 academic year)

Allowance		NHS Bursary Scheme (16-17)	BIS full-time funding system (16-17)
Dependents Allowance – to students who have somebody dependent on them	First dependent	Up to £2,448 (adult or child)	Up to £2,757 (adult only ³)
	Any other child under 19 (per child)	Up to £549	-
Parent Learning Allowance – to students with children under 19		Up to £1,204	Up to £1,573
Childcare Allowance – to contribute to childcare costs for children under 15	First child	85% of costs up to £128.78 per week	85% of costs up to £155.24 per week
	Two or more children	85% of costs up to £191.45 per week	85% of costs up to £266.15 per week ⁴

3.25. Students with a disability can apply for additional grant funding, to help pay the extra essential costs they may have whilst studying on a higher education course as a direct result of their disability, through Disabled Students' Allowances (DSAs). The government recently announced reforms to DSAs to ensure that the limited public funding available for DSAs, is targeted in the best way and to achieve value for money, whilst ensuring those disabled students most in need continue to get the help they require. Further detail can be found at <https://www.gov.uk/disabled-students-allowances-dsas/how-to-claim>. The changes also aim to ensure that higher education providers properly adhere to their Equality Act 2010 duties, for the benefit of all disabled students.

3.26. We consider that increasing the living cost support available will mean that new students typically gain around 25% or more, along with the additional allowances available, would continue to ensure that students from diverse backgrounds consider applying to train as a nurse, midwife or allied health professional.

³ Known as the Adult Dependents Grant under BIS funding where a student has one adult dependant (including their partner).

⁴ Known as the Childcare Grant under the BIS funding system

Principles of fair access

- 3.27. The reforms that we are proposing to the way that health education is funded from 2017 onwards, will typically give students more support with living costs while they are studying. For this reason we do not consider there to be a case for any general supplementary means tested funding above what would be available under the standard student support system.
- 3.28. We propose to retain an ability to provide discretionary funding for exceptional cases, which are not otherwise covered by the rules of eligibility, for funding under the standard student support system. In these circumstances, each case would be considered on its merits.
- 3.29. We are considering by way of this consultation whether there are any specific sets of circumstances that arise which could warrant additional funding above what would be available under the standard student support system.
- 3.30. We recognise that those aspiring to work in the nursing, midwifery and allied health profession come from a diverse range of backgrounds and it is considered critical that this diversity is reflected in the health student population. For example, nursing, midwifery and allied health professional students have, to date, been predominantly female, older than some other students and are more likely to have dependents.
- 3.31. We know that mature students are over-represented in the nursing, midwifery and allied health. However, looking at what happened following the introduction of the maximum £9,000 per annum tuition fees in 2012, the latest UCAS data (2015) shows that full-time mature student numbers have now significantly exceeded previous levels. For this reason, we do not see a case for any additional general support for mature students per se.
- 3.32. Childcare costs could be a significant influence on participation. We know that mature students on nursing, midwifery and allied health profession courses have, to date, been more likely than the rest of the wider student population to have dependents. The current Department for Business Innovation and Skills (BIS) non-repayable allowances (childcare allowance, dependant's allowances, and parent's learning allowance) are generally higher than those under the current NHS bursary scheme. For this reason, we do not consider that there is a case for generally providing additional financial support beyond what has been provided for in the standard system, as moving nursing, midwifery and allied health profession students onto the student support system brings these students in line with the wider general student population.

The Policy

- 3.33. We do recognise that there are a number of specific cases where the BIS allowance is not higher, or at the same level than that available under the NHS Bursary Scheme. Where a student is means tested to receive maximum amounts, and claims for childcare, there are a small number of exceptional and specific cases where they may receive lower allowances under the standard student support system at current rates. For example, if the student has one child dependant but no adult dependent, or if they have large numbers of children (five or more) then they may receive lower allowances so we seek views on how to address this and ensure there is no unfair disadvantage. In addition, students may have increased childcare costs because they are required to undertake clinical placements.
- 3.34. The student support system for full time courses includes a discretionary element to continue providing living costs support in cases where students suspend their studies for a range of reasons including, but not limited to, pregnancy or adoption. If a student has suspended their studies due to illness, which lasts less than 60 days, those students will continue to receive living costs support. Discretionary provision of living costs support for suspension due to illness starts at the 60th day of absence from the course. In all other cases where a student suspends their studies, discretionary payments of support for living costs apply from the first day of absence from the course. Whilst this provision is discretionary and, in the case of maternity, less than the current 12 month support available under the NHS Bursary Scheme, we do not consider there to be a case for additional financial support beyond what has been provided for in the student support system. This is because moving nursing, midwifery and allied health profession students onto the student support system brings these students in line with the wider general student population.
- 3.35. These students are typically required to undertake learning in clinical settings by the appropriate regulatory body and they often have limited opportunity to influence, or change these arrangements. These clinical placements at healthcare providers could be some distance from their university or their home.
- 3.36. Students would be entitled to receive financial support with the costs associated with travel to and from clinical placements under the standard student support system. Under the BIS student support arrangements students contribute an excess (around £300) towards their placement travel costs before costs are reimbursed.
- 3.37. We would welcome views as to whether there are defined, specific circumstances such as those set out above, or otherwise, where a case could be made for supplementary funding above that offered by the student support system.

Question 4:

Are there circumstances, as set out above or otherwise, in which the standard student support system which would be available for nursing, midwifery and allied health students would be inadequate or limit participation? Why is this? We are specifically interested in cases where an individual's circumstances mean that they would not fully benefit from the increase in living cost support, or to the same extent as other students.

Question 5:

Do you agree that increasing the available support for living costs typically by around 25% or more, and enabling these students to apply for additional funding through the allowances on offer from the Student Loans Company, would ensure that we continue to have a diverse population of students?

Yes / No

Question 6:

Are there specific factors relating to healthcare students which you consider we need to take account of in relation to the discretionary maternity support provided by the student support system?

Question 7:

Are there any other measures which could be considered to support our principles of fair access?

Part time students

3.38. Currently around 1% of the total nursing, midwifery and allied health professional students study part-time at pre-registration level. Under the current student support system rules, only full-time students are eligible for living cost support set out in Table 2. However, the rules will change from 2018/19 so that for the first time living costs will be available for part-time students. However, this will mean that in 2017/18, part time students will only have access to tuition fee loans and will not be eligible to apply for support for living costs through the SLC. The government will wish to ensure no unfair disadvantage and one option the government is considering, for this transitional period, is to allow new students on part-time courses commencing in 2017/18 to have access to the NHS Bursary Scheme for living costs only. Should this be an option progressed by the government? This would apply to students commencing courses in the 2017/18 cohort only.

Question 8:

Do you consider that the potential options for those new part-time students, commencing courses in 2017/18, will support students in continuing to undertake these courses in this transitional period?

Yes / No

Question 9:

Do you consider that moving all new part-time students onto the student support system for both tuition and living cost support, through the Student Loans Company from 2018/19, will continue to encourage part-time students to undertake these healthcare courses on a part-time basis?

Yes / No

If No – please set out details of further supporting action you consider may be necessary by the government for students commencing courses from 2018/19 onwards. (Any options including the ongoing use of an NHS bursary, or changes to the student support system will not be considered.)

Deferment and suspension of studies

- 3.39. The new policy will come into force for students who take up their place on or after 1 August 2017.
- 3.40. Students who accept a place for 2016, but defer and commence their courses after 1 August 2017, will be funded on the standard student support system which is in line with wider changes in higher education introduced in 2012. Those existing students that have started before 1 August 2017, that subsequently temporarily suspends their studies, will remain on the NHS Bursary Scheme for the full duration of their course and not be transferred onto the student support system part way through their course.
- 3.41. Over the coming months, we will explore the options and the detail of the rules for such circumstances and provide further detail in due course.

Funding arrangements and the devolved administrations

- 3.42. NHS bursary and tuition fee funding is available currently to any eligible UK or EU student studying a nursing, midwifery or allied health professional course in England.
- 3.43. In the future, as is the case for mainstream higher education students, under the BIS Education (Student Support) Regulations 2011, living cost support and tuition fee loans will be available only to those nursing, midwifery and allied health professional students who are ordinarily resident in England. English nursing, midwifery and allied health professional students who study in any of the other UK countries will need to apply to Student Finance England for tuition and living cost support.
- 3.44. Similarly, students ordinarily resident in any of the other UK countries and who study a nursing, midwifery and allied health professional course in England, will need to apply to the student funding body within the country they ordinarily reside for both tuition and living cost support.

Question 10:

Do you have any general comments on the content of Chapter 2 which you think the government should consider?

Yes / No

4. Social work

- 4.1. Entry to social work is different to entry to NHS professions. We know from recent reviews of social work education that there is room for standards of training, and the quality of intake, to be improved. There are several alternative streams of funding that social work students can currently access to fund their university education, including the student support system as well as bursaries.
- 4.2. The government therefore intends to consult separately on the future funding of social work education in order to ensure that there will be an adequate future supply of social workers with the right skills and training. Further information on the social work consultation will be published in due course.

5. System Architecture

This chapter sets out a number of high-level questions which the Department and its delivery partners will focus on over the coming months in preparation for implementation of the policy, subject to the outcome of the consultation exercise. In the government response, we will set out in further detail the work we have taken to date, and what we have heard from stakeholders on how the system needs to respond most effectively to ensure that it delivers these healthcare funding reforms.

- 5.1. The Department and Health Education England (HEE) have statutory responsibilities to ensure there is an effective system for the planning and delivery of education, and training for current and future health care workers in the NHS. As part of this duty, HEE must ensure there are a sufficient number of persons with the skills and training to work as NHS health care workers.
- 5.2. There are a number of government departments and delivery organisations that will work together to deliver the reforms and introduce the move to student loans from August 2017.

Government departments:

Department of Health
Department for Business Innovation and Skills
Department for Education

Delivery organisations

Health Education England
NHS Business Services Authority
Higher Education Funding Council for England
Student Loans Company

- 5.3. These lead organisations, whilst accountable to their sponsor government departments, will work closely with wider health and education partners to lead on transition arrangements and wider implementation of the reforms. To inform this, we would welcome views on what stakeholders consider to be the key issues in these areas.

Putting university funding on a sustainable footing

- 5.4. For universities, the combination of tuition fees and additional teaching grant funding, that the government has allocated to the Higher Education Funding Council for England, will increase the resources available for teaching. In addition, universities can now increase their student numbers, making their provision more sustainable. It is now up to universities to recruit more students.

Commissioning for clinical placements

- 5.5. The government, through HEE, will retain the responsibility for commissioning and funding the minimum numbers of clinical placements assessed as required to produce sufficient healthcare graduates. There will be extra clinical placement capacity required for the additional numbers of students that are able to take up places because of this reform. We will need to consider in detail the arrangements for the commissioning of clinical placements, and work with delivery partners to ensure that there is sufficient placement capacity across the system to match the expanded number of training places. Any arrangements to deliver additional places will need to strike the right balance, and have appropriate mechanisms in place to take appropriate account of: capacity in the NHS, primary care and social care sectors, HEE workforce planning requirements, and the opportunity for growth in the university sector. Alongside, we must ensure that all students have access to high quality placements and receive an outstanding placement experience.

Question 11:

We would welcome respondents' views on how, in delivering these reforms, we look at the widest possible solutions to ensuring high quality clinical placements. These views will actively inform further stakeholder engagement prior to the government response.

Smaller and specialist health subjects

- 5.6. We need to ensure that we have a stable and secure supply of professionals across all workforce groups. We believe that the position of smaller and specialist subjects should improve as we increase the resources available for teaching students. However, we will not lose sight of these subjects and want to ensure that the number of university and placements available is responsive to the needs of the NHS, wider health system and social care sectors. We are working with delivery partners to ensure that there are appropriate arrangements in place for these courses. We will issue further details of precisely how that will work in due course. The Higher Education Funding Council for England will take an overview of courses that are small and have low demand. It will lead with delivery organisations and other stakeholders, on work to safeguard the viability of these subjects and student demand.

Question 12:

What more needs to be done to ensure small and specialist subject provision continues to be adequately provided?

Geographical variations

- 5.7. We know that the popularity of courses, the capacity of the NHS to provide placements, and the demand for newly qualified healthcare graduates varies across the country. We believe the reforms will provide more flexibility to respond to these geographical variations. However, it is important that all areas of the country can benefit from the reforms and there are arrangements to support any areas that are experiencing difficulties meeting their workforce demands. We are working with delivery partners to ensure that there are appropriate arrangements in place to take account of geographic variations. We will issue further details of precisely how that will work in due course.

Question 13:

Do you have any general comments on the content of Chapter 4 which you think the government should consider?

Yes / No

Question 14:

Do you have any further comments on this consultation which you think the government should consider?

Yes / No

Consultation responses:

Please submit all responses via the online response portal at:

<https://consultations.dh.gov.uk/workforce/healthcare-education-funding>

Alternatively, additional responses can be sent to: SRbursariestoloans@dh.gsi.gov.uk