Department of Health Consultation – Reforming healthcare education funding: creating a sustainable future workforce

Our response

The NHS Employers organisation represents views from organisations across the NHS in England on a range of workforce issues, supporting employers to put patients first. This response is submitted collectively on behalf of employers to the Department of Health consultation on reforming healthcare education funding.

In the 2015 Spending Review the Government announced from 1 August 2017 all nursing, midwifery and allied health professional students will receive funding and financial support through the standard student support system rather than through the current NHS bursary scheme. From this date new students will no longer have their course fees paid by Health Education England (nor a bursary provided by the NHS Business Services Authority) but will have access to the standard student support system provided by the Student Loan’s Company to cover the cost of their tuition fees and means tested support for living costs.

The views contained in the consultation response are drawn from our engagement with employers during the consultation period.

Question 1 – After reading the list of impacted undergraduate and post graduate courses, are there further courses which you think 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?

We do not think there should be additional courses included in the scope of the reforms.

Employers are concerned that one of the potential impacts of the reforms could be a reduction in the number of student applications to nursing, midwifery and allied health profession courses and the subsequent impact this will have on future workforce supply.

Employers also have concerns about the geographical spread of training courses and are keen to ensure there is a sustainable workforce supply in their locality. In addition to the geographical spread of pre-registration courses, employers also have concerns about the provision of specialist and less popular courses and how the new structure can ensure there is a sustainable supply of these courses.
Employers also raised questions about high cost courses and whether Higher Education Institutions (HEIs) will run them when the fees they can charge for them will be capped. This again has the potential to have an impact on the supply in to the NHS.

Consideration should be given to monitoring applications to courses during 2016 to assess the impact of the reforms ahead students starting courses in 2017-18.

With employers facing tighter restrictions on recruiting employees from outside the European Economic Area (EEA), the potential to plug any gaps in the workforce within a relatively short timescale will be restricted. The outcome of the referendum on the United Kingdom’s membership of the European Union may also pose a further risk to workforce supply from within the EEA and potentially reduce the number of people that the NHS can employ.

In order to mitigate the risk of the reforms, employers believe the reforms should be piloted or phased in so the impact can be evaluated.

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 loans and to consider the potential support or solutions available?

Employers feel it is important to identify all those postgraduate courses that won’t be eligible for postgraduate loans as these courses provide employers with highly skilled healthcare professionals. These courses help to deliver the workforce the NHS will need to deliver future models of care, e.g. new roles, extended roles and advanced practice. Postgraduate leadership courses are also vital for the service to ensure leaders for the future are developed.

Consideration should be given to changing the eligibility criteria of loans so these courses are included within scope and the individuals undertaking them are able to access loans.

Postgraduate Diplomas have been developed over many years to meet the needs of a workforce that need the academic level of a master’s programme but not necessarily all the elements. To not provide loans for the Postgraduate Diplomas route could force post-graduate students on to a programme of study more extensive than they need which will not benefit the individual or the employer. An alternative would be to provide these students with access to central funding.

There should be flexibility within the reforms so that employers are able to sponsor or provide repayable loans to healthcare students to undertake these courses. The repayment of loans could potentially be linked to the amount of time that staff remained employed in the NHS after graduation.
Question 3 – 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, just like students studying for a first degree. The government think 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, that could be considered?

There should be flexibility within the reforms so that employers are able to directly sponsor or provide repayable loans to healthcare students to undertake these courses and so they can make local arrangements with Higher Education Institutions for the provision of training courses where appropriate. The repayment of loans could potentially be linked to the amount of time that staff remained employed in the NHS after graduation.

Consideration should also be given as to whether accessing a second loan will have an impact on the number of individuals applying for nursing, midwifery or AHP subjects. Employers are concerned that having an existing student loan will make individuals less inclined to apply for these courses. This may have a particular impact on the number of mature students, and those with caring commitments and parents, from entering these professions. This would be a loss, as they bring other life and career experiences that are often beneficial. The government could consider providing reimbursement of expenses or increasing support for carers and those students with dependents.

Question 4 – Are there circumstances 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? The government 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.

Employers believe it is important to provide as much support as is affordable so the widest group of potential applicants are able to apply for healthcare courses.

Employers want to recruit and retain a diverse and talented workforce that reflects the populations that they serve. The impact of the reforms should be carefully monitored to assess the impact on applications for courses from different sections of the population.

Consideration needs to be given to the fact that nursing, midwifery and AHP students will be studying for 48 weeks of the year yet will receive the same access to loans as traditional students and without the opportunity to hold a regular part time job. In particular mature students may have family and caring responsibilities and employers would not want to see them discouraged from applying for courses due to the reform of the student support system. The government could consider providing reimbursement of expenses or increasing support for carers and those students with dependents.
Consideration should be given to the fact expenses claimed during placements are less favourable under the new system. The expenses claimed under the new systems should be equal to that of the previous student support system and should not act as disincentive to applying for courses.

In order to mitigate the risk of the reforms, employers believe that the reforms should be piloted or phased in so the impact can be evaluated.

**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?

There is currently no evidence to be able to answer this question.

**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?

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Employers want to recruit and retain a diverse and talented workforce that reflects the populations that they serve. The impact of the reforms should be carefully monitored to assess the impact on applications for courses from different sections of the population.

**Question 7 –** Are there any other measures which could be considered to support the principles of fair access?

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Employers want to recruit and retain a diverse and talented workforce that reflects the populations that they serve. The impact of the reforms should be carefully monitored to assess the impact on applications for courses from different sections of the population.

Consideration need to be given to the fact that nursing, midwifery and AHP students will be studying for 48 weeks of the year yet will receive the same access to loans as traditional students and without the opportunity to hold a regular part time job. In particular mature students may have family and caring responsibilities and employers would not want to see them discouraged from applying for courses due to the reform of the student support system. The government could consider providing reimbursement of expenses or increasing support for carers and those students with dependents.
The government may also wish to consider students who have to pay for additional accommodation during their practice placements. The number of students this affects may be small but additional support may be required to ensure that placements which are delivered a considerable distance away from the higher education institution continue to be attractive.

Consideration should be given to the fact expenses claimed during placements are less favourable under the new system. The expense claimed under the new systems should be equal to that of the previous student support system and should not act as disincentive to applying for courses.

Employers have raised the question of whether Higher Education Institutions will be less inclined to fail students who have taken a loan to pay for their course. A potential implication of this is that students may be more likely to challenge the outcomes of their assessments.

Employers are keen that the reforms do not reduce the standard of student that is trained. Some employers feel that as students may have a higher expectation of their placement then this may drive standards up.

Employers also keen to ensure that while Higher Education Institutions may wish to drive down the costs of training courses, the quality of the courses is maintained.

In order to mitigate the risk of the reforms, employers believe that the reforms should be piloted or phased in so the impact can be evaluated.

**Question 8 – Do you think 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?**

NHS Employers did not respond to this question as we currently don’t have the evidence to be able to answer it.

**Question 9 - Do you think that moving all new part-time students onto the Department for Business, Innovation & Skills (BIS) 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? 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)**

Employers are not able to answer whether moving all new part-time students onto the Department for Business, Innovation & Skills (BIS) 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 as the information is
not currently available. There are concerns about part time staff but more information is needed.

In general employers believe it is important to provide as much support as possible so the widest group of potential applicants are able to apply for healthcare courses.

Employers want to recruit and retain a diverse and talented workforce that reflects the populations that they serve. The impact of the reforms should be carefully monitored to assess the impact on applications for courses from different sections of the population (including part time students).

Consideration should be given to the fact expenses claimed during placements are less favourable under the new system. The expenses claimed under the new systems should be equal to that of the previous student support system. Some employers fear that the travel distance for placements could have an impact on their ability to attract students under the new system and therefore limit their potential recruitment going forward.

In order to mitigate the risk of the reforms, employers believe that the reforms should be piloted or phased in so the impact can be evaluated.

**Question 10 – NHS bursary and tuition fee funding is currently available to any eligible UK or EU student studying a nursing, midwifery or allied health professional course in England. In the future, as is the case for mainstream higher education students, 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. Do you have any general comments on the content of this section that you think the government should consider?**

The impact of the reforms on the number of applications to pre-registration nurse, midwifery and allied health student training courses is not certain but employers are concerned the reforms may deter students from other UK countries and the EU from studying in England if there’s a perception that training in other countries is financially favourable. Employers believe this potential reduction in the number of students could impact on future supply workforce supply in to the NHS.

With employers facing tighter restrictions on recruiting employees from outside the European Economic Area (EEA), the potential to plug any gaps in the workforce within a relatively short timescale are restricted. The outcome of the referendum on the United Kingdom’s membership of the European Union may also pose a further risk to workforce supply from with the EEA and reduce the number of people that the NHS can employ.

Employers may also need to address this potential supply risk through workforce redesign and the introduction of new roles.
Consideration could be given to monitoring applications to courses during 2016 to assess the impact of the reforms ahead students starting the courses in 2017-18.

In order to mitigate the risk of the reforms, employers believe that the reforms should be piloted or phased in so the impact can be evaluated.

In the longer term, the reforms should be monitored to assess the impact upon applications.

Question 11 – The government would welcome 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.

The availability of high quality placements is one of the key elements of the reforms. Managing and co-ordinating placements to ensure that students are supported can be challenging.

Employers believe there will need to be an expansion in the range of settings where placements can be delivered (e.g. in social care, in primary care) and consideration given to different ways of delivering placements e.g. in simulated settings. There will need to be a focus on systems based placements.

However creating innovative and different types of placements will take time and resources to develop. Employers who wish to be an employer of choice may see creating excellent placements as an opportunity to recruit their future workforce.

Delivering extra clinical placements will place additional pressures on providers in terms of additional costs and their ability to deliver services. The reforms need to set out how this will be managed. Employers have concerns about their ability to deliver the practice based elements of training courses if the number of courses increase. Employers believe that the expectations students have of their placements will rise with the introduction of loans.

Employers believe that placements are a crucial part of healthcare students’ education. While there may be a need to increase simulation in certain circumstances, employers value the time that students spend with patients on placement and the experience they gain from being in the workplace. Employers would not want to see this diluted.

The reforms should allow flexibility for employers and HEIs to come to local agreements around the delivery of placements. The management of placements could be considered across Sustainability and Transformation Plan (STP) footprints and hosted by a provider organisation.

We have engaged with independent sector providers through the NHS Employers Policy Board and they would be keen to support clinical placements for students on courses aligned to the services they provide.
The reforms need to consider the impact of other workforce policies and how they interact with the student support reforms. The need for additional placement capacity will also coincide with the introduction of the new nursing associate role and the need to deliver additional apprenticeships in the NHS. Specifically, with regard to apprenticeships, the option to ‘earn while you learn’ via a degree-based higher apprenticeship in nursing may be particularly attractive proposition to individuals keen to study nursing but reluctant to take out a student loan.

If more students wanted to train via the apprenticeship route, this would have consequences for employers in terms of needing to provide additional mentorship capacity. As such, it will be important to consider how the different routes in to nursing are marketed to individuals and how this fits with the needs of employers to train sufficient numbers of individuals and their ability to support students during their training.

Employers would like to see the funding for placements being managed by employers as the providers of placements. The funding of placements could be considered across Sustainability and Transformation Plan (STP) footprints and hosted by a provider organisation. The placement fees could be agreed nationally in order to ensure equity in the system.

Employers are keen to understand in more detail the role of Health Education England in managing placement capacity and who would have the responsibility for engaging with other providers of services to develop additional capacity.

The NHS will need to look at how mentoring can be delivered in different ways to increase capacity. Engagement and discussions with professional regulators will be key. For example, different approaches to mentoring were used during the Health Visitor Call to Action.

**Question 12** – the Higher Education Funding Council for England (HEFCE) will take an overview of courses that are small and have low demand to safeguard their viability. It will lead with delivery organisations and other stakeholders, on work to safeguard the availability of these subjects and student demand. What more needs to be done to ensure small and specialist subject provision continues to be adequately provided?

Employers have identified podiatry, learning disability nursing and mental health nursing as courses where supply might be threatened. Employers have requested more detail on how the reforms will work in practice.

Employers are concerned that Higher Education Institutions will be reluctant to run courses where they may not be able to fill all the places. Employers are also worried that they will have to work around what universities are prepared to deliver and not what the needs of employers are.
The new system should include flexibility for local employers to come to arrangements with Higher Education Institutions to commission additional training programmes where appropriate. This could be managed on a regional basis.

Employers also have concerns over the supply of mental health nurses and the potential for Higher Education Institutions to deliver one rather than two training cohorts per year if the places on two cohorts cannot be filled. Moving to one cohort per year has the potential to place additional pressures on services which will have to train the students in one tranche when the capacity of nurse mentors is limited.

Only having one cohort of newly qualified students coming in to the workforce may also cause service pressures for employers if they are not able to fill posts.

With employers facing tighter restrictions on recruiting employees from outside the European Economic Area (EEA), the potential to plug any gaps in the workforce within a relatively short timescale will be restricted. The outcome of the referendum on the United Kingdom’s membership of the European Union may also pose a further risk to workforce supply from within the EEA and reduce the number of people that the NHS can employ.

In order to mitigate the risk of the reforms, employers believe that the reforms should be piloted or phased in so the impact can be evaluated.

Employers are also keen that the values of the NHS Constitution continue to be applied in the recruitment of applicants to training courses and would like to see this built in to the reforms.

**Question 13** – The government 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. The government believe the reforms will provide more flexibility to respond to these geographical variations. Do you have any general comments which you think the government should consider?

Employers have concerns about the geographical spread of training courses and whether they will have a sustainable workforce supply in their locality. Employers would like reassurance that courses were provided within a certain distance of their trust. There needs to be a process to assure the geographical spread of courses. There should also be flexibility so employers and Higher Education Institutions work together in their regions to provide a sustainable supply.

Employers are concerned that courses with high attrition rates might prove less popular for HEIs to deliver, or ideally provide an incentive to improve retention.
Employers are also anxious about the impact the reforms will have on some of their ‘grow their own’ nurse schemes. Employers around the country have informed us of local schemes where individuals are undertaking 18 month nurse training courses after receiving APEL for up to 50% of the course or alternatively have undertaken Foundation Degrees while working in trusts.

Employers fear that the withdrawal of funding for the 18 month nurse training will deter staff from taking up these alternative routes in to the registered nursing workforce. This has the potential to impact on the supply of registered professionals in the workforce. Employers would like to see these routes protected as they help plug workforce shortages and provide career progression for the existing workforce. These individuals are more likely to remain with the employer in the longer term due to the sense of belonging they have with the trust. Employers may not the finances to fund the nurse training once the student support reforms have taken place and central funding is removed.

A potential way to protect these routes is to allow employers to use the apprenticeship levy to pay for the 18 month nurse training courses. For this to happen there needs to be rapid action on establishing an apprenticeship standard which allows individuals with a Foundation Degree or APEL to receive the additional training to enter the registered nursing workforce. A great deal of focus needs to be given to protect these routes which employers have worked hard to establish and are cheaper to the taxpayer than a traditional 3 year nursing degree.

Employers also have concerns over the supply of staff if Higher Education Institutions decide to deliver one rather than two training cohorts per year if one cohort is more cost effective for the Higher Education Institution. Moving to one cohort per year has the potential to place additional pressures on services which will have to train the students in one tranche when the capacity of nurse mentors is limited.

Only having one cohort of newly qualified students coming in to the workforce may also cause service pressures for employers if they are not able to fill posts.

With employers facing tighter restrictions on recruiting employees from outside the European Economic Area (EEA), the potential to plug any gaps in the workforce within a relatively short timescale will be restricted. The outcome of the referendum on the United Kingdom’s membership of the European Union may also pose a further risk to workforce supply from with the EEA and reduce the number of people that the NHS can employ.

Employers have raised the question of whether Higher Education Institutions will be less inclined to fail students who have taken a loan to pay for their course. A potential implication of this is that students may be more likely to challenge the outcomes of their assessments. Employers are keen that the reforms do not reduce the standard of student that is trained.
Employers also keen to ensure that while Higher Education Institutions may wish to drive down the costs of training courses, the quality of the courses is maintained. Employers are also concerned that if the £9000 cap for course fees is lifted then this may deter students from applying for these courses. They may then make decisions on where to train based on the cost of the course rather than the quality.

In order to mitigate the risk of the reforms, employers believe that the reforms should be piloted or phased in so the impact can be evaluated.