

Health Education Funding in England from 2017/18: University Funding

Summary

From 1 August 2017, new students in England on nursing, midwifery and most AHP pre-registration courses (which lead on to registration with one of the health professional regulators) [will have access to the standard student support package of tuition fee loans and support for living costs, rather than getting an NHS grant.](#)

This briefing sets out some of the detail on the way the funding will work for universities, based on our best information to date.

What funding does this affect for universities?

In the past, the tuition fee income for these courses, known as the benchmark price, was allocated from the Department of Health's (DH) budget, via Health Education England. As a result of a decision taken in the 2015 Comprehensive Spending Review (CSR), from 1 August 2017, the funding will be transferred to the Department of Business, Innovation and Skills (BIS). This means that Health Education England will no longer hold the funding for each student. Instead, funding will be made available to universities in the usual way via tuition fees.

BIS will also transfer additional teaching grant to the Higher Education Funding Council for England (HEFCE) for these courses from 2017/18, recognising the higher cost of delivering health education. However, the allocation methodology and the amount per student, is still to be determined. [HEFCE Grant Letter from BIS 2016/17](#) (paragraph 7 and Annex 1, vi).

The change affects a wide range of courses that lead to professional registration:

- Nursing (all four fields – adult, child, mental health, learning disability)
- Midwifery
- Physiotherapy
- Occupational Therapy
- Speech and Language Therapy
- Podiatry

Health Education Funding in England 2017/18: University Funding

Purpose: From 1 August 2017 there's a new funding system for new students on nursing, midwifery and AHP pre-registration courses in England, with the system moving from NHS grants to student loans.

This briefing sets out information on some of the key elements of the funding system for universities.

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Relevant for: Staff in higher education.

CoDH contact for more information: [Jon Eames](#)

- Diagnostic and Therapeutic Radiography
- Dietetics
- Orthoptics
- Operating Department Practice
- Prosthetics/Orthotics
- Dental hygienists
- Dental therapists

It does not include funding for paramedic courses, which are currently on a mixed funding model (some self-funded, some funded by Ambulance Trusts and some by Health Education England) but are not part of the NHS Bursary system.

Students will also be able to access loans for living costs and are eligible for allowances in the usual way. These include a loan specifically designed to provide additional support for courses that are longer than the standard student year and childcare allowances.

What about subjects where the current funding per student is already above £9k?

We understand that the settlement between the Treasury and BIS includes an allowance for the courses where benchmark price is already above £9k – such a radiography, podiatry, midwifery and dietetics. This will be factored in to the additional teaching grant detailed above. However, the HE sector will still need to make a strong case for the extra costs of delivering these subjects as HEFCE determines the funding allocation.

How tied down is the detail of the new system?

Although the outline of the reform is clear, some important decisions have not yet been made. DH is due to publish a consultation on the implementation of the reforms in March 2016. These consultations are typically 12 weeks long. This then gives Government a matter of months to confirm the rules of the new system so that universities' information and placement agreements can be finalised before September deadlines. Some of the major areas in which decisions are still to be taken are outlined below.

(1) Placement funding

The area of funding where reform is least clear is placement funding. In the CSR, Health Education England retained the funding

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for students' placements within its budget. However, the mechanism for allocating that funding is not yet determined. There is also a strong argument that the Department of Health may need to make some additional placement funding available to grow the capacity that is needed to increase student numbers.

(2) Placement travel and accommodation expenses

Health students spend substantial amounts of time on placements and incur additional travel and accommodation expenses. Under the BIS student support arrangements, students contribute an excess (around £300) towards their placement travel costs before costs are reimbursed. We are expecting the consultation on the implementation of the reform, starting in March, to ask about placement travel and accommodation and will be urging Government to bridge the gap so that students are not disadvantaged in this area under the new system.

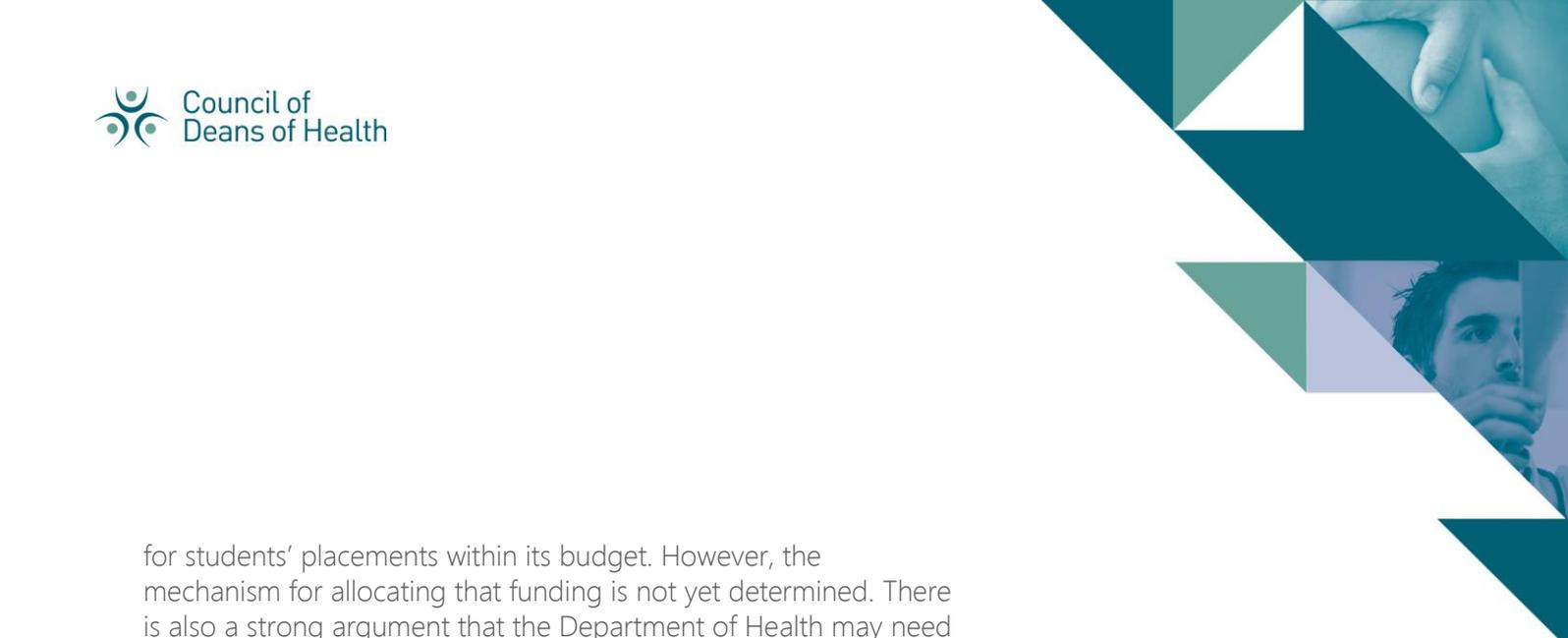
(3) Funding for postgraduate pre-registration courses

Postgraduate pre-registration courses (such as PG Diplomas and Masters) are highly valued by employers and make up a significant portion of higher education output in some professions. There are a number of issues to clarify about the future of these courses. At the moment, rules on loan funding for postgraduate courses exclude PG Diplomas and we will be seeking appropriate exemptions for these courses. It is also unclear whether loan funding for other postgraduate courses will support the continuation of this provision. We will be seeking feedback from members and making this an important theme of our response to the Government consultation.

What about other changes in the HE sector?

In parallel to these changes, BIS's 2016/17 grant letter to HEFCE asks it to carry out a review of its methodology for allocating teaching grant funding.

This is important because this review will coincide with nursing, midwifery and AHP courses and their associated higher cost subject funding transferring to HEFCE. Evidencing the higher cost of these courses and giving input to HEFCE's review will be a vital part of ensuring the success of the 2017/18 reforms.



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What are the key deadlines for this reform?

Getting decisions made at the right time is crucial for ensuring the success of the reforms. This is made more complex as these decisions are being taken by both DH and BIS, interacting with timelines set within universities (for example scheduling of open days) and UCAS deadlines. A timeline showing the key deadlines and dependencies is given as an appendix to this document.

What about other courses that aren't covered in the reform consultation?

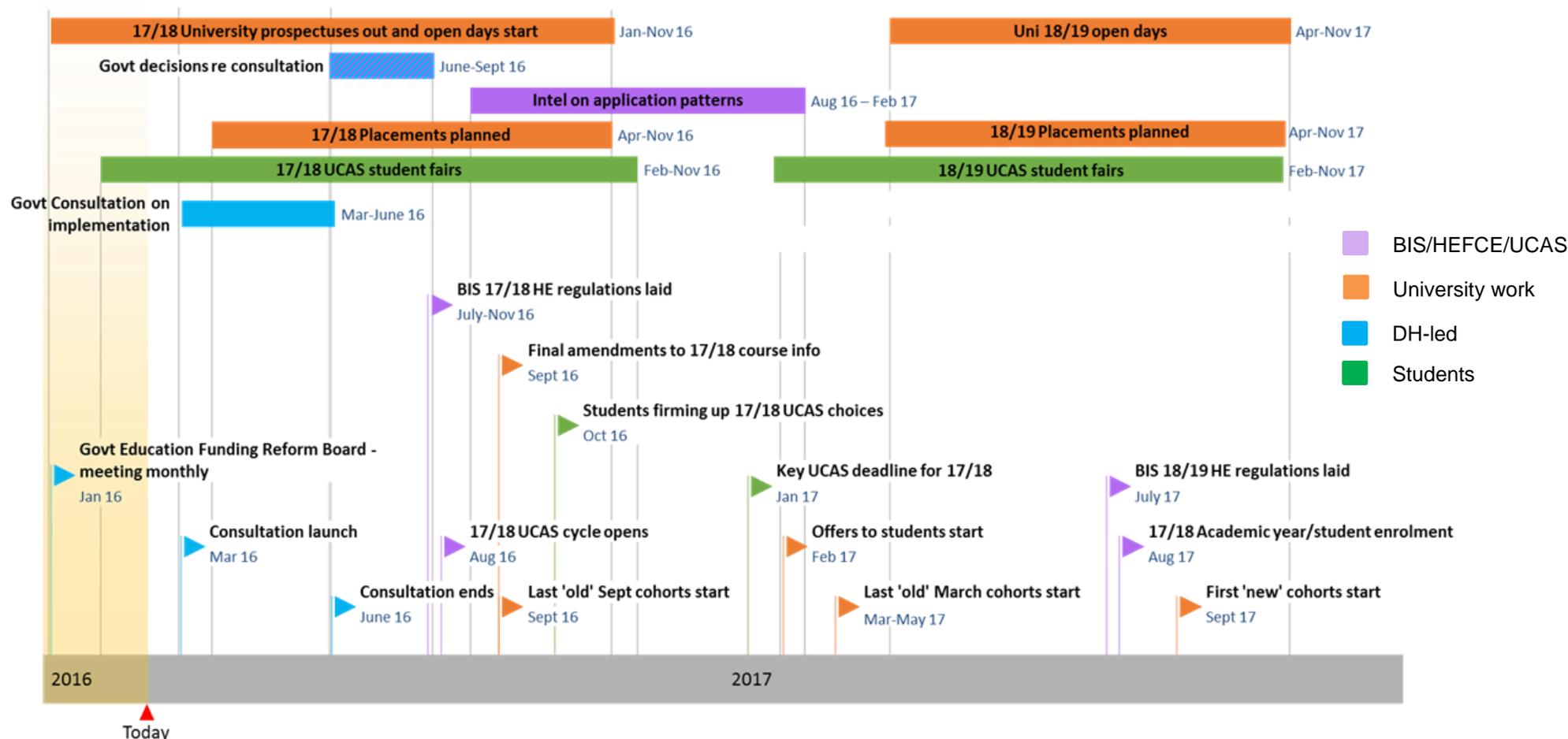
Health Education England has responsibility for a range of higher education funding outside of the benchmark price professions. This includes funding for clinical psychology, physicians' associates and post-registration education such as Health Visiting and District Nursing.

Although these areas are not expected to be included in the consultation on reform, there has been no confirmation yet on the funding arrangements beyond 2016/17. This remains therefore a significant area of concern where clarification is needed.

[Links to other briefings](#)

2017/18 Education Funding Reform

Nursing, Midwifery and AHP Pre-registration Education in England - Timeline



In November 2015 the Government announced [major changes](#) to funding for initial (pre-registration) education for nursing, midwifery and the allied health professions in England from 1 August 2017. This timeline shows key dates and activities for implementation, based on our best intelligence to date.