

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](#).

The Government has now published its [response to the consultation](#) on the implementation of the changes, which gives more information on the detail of the new system.

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 for Education (DfE). 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.

DfE 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

The reforms do not include post-registration education, including salary-supported programmes such as Health Visiting, District Nursing, clinical psychology and child psychotherapy.

Following the consultation the Government has decided that Dental Therapy and Dental Hygiene will be funded under the current system on a transitional basis in 2017/18 with the intention that they transition to the standard student funding system in the long-term.


Although the consultation asked respondents to highlight any other professions that should be included, paramedic courses will remain outside the scope of these reforms. These courses are currently on a mixed funding model (some students are already on the loans system, some are funded by Ambulance Trusts and some are supported by Health Education England).

Students will 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.

The Government has also committed to providing the excess on placement travel costs as a non-refundable grant and reimbursing costs for extra accommodation whilst on clinical placement if the placement is a long way from their usual place of study.

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 as 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.



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Is there anything we don't know yet?

The Government will issue a second response in Autumn 2016 focused on the system-level issues, such as the future administration of placements and protection of small and vulnerable subjects.

(1) Placement funding

The consultation response states a commitment to stability and that HEE will retain the responsibility for 'commissioning the minimum number of placements for 2017/18'. It also states the universities will have their HEE-funded placements maintained at existing levels. This should provide some measure of stability and allow institutions to plan. However, it does not address some of the fundamental questions about placement tariff in a market-led system. The need for 'more comprehensive work' is acknowledged and more detail on the proposed options is promised for the Autumn.

(2) 'Small and specialist' subjects

The response notes the concerns raised on the impact of funding reform on small and specialist subjects, specifically naming podiatry, SLT and orthoptics. The Government 'will develop proposals to mitigate these risks' with more detail in the second response in the Autumn.

(3) Funding for postgraduate pre-registration courses

The Government received extensive feedback on the importance of adequate financial provision for postgraduate pre-registration courses. It is considering the possibility of making loans available for postgraduate pre-registration courses on a similar basis to undergraduate loans, something we and a number of other stakeholders had argued for (similar to PGCEs).

However, the decision on this has not yet been taken and so for 2017/18 postgraduate pre-registration courses will be commissioned based on 2016/17 numbers. Further details are promised in due course.

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.

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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.

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

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 have not been 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.

For more information on the new system read our other briefings:

[The System Explained](#)

[All Change?](#)