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A New Frontier in healthcare education funding: A system in crisis or in flux

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The Department of Health (DH) has now published its response to the Government consultation on the reforms to education funding for nurses, midwives and allied health professionals. Health Education England (HEE) is now strategically contemplating how it will implement the Government's commitment to funding postgraduate programmes and clinical placements for 2017/18 and to working with partners and stakeholders to develop a long term approach to placement funding as part of the wider reforms for the professional groups covered by the reforms.

HEE as a strategic body is responsible for funding clinical placements; the policy is set out in the DH Education and Training Tariffs – Tariff Guidance 2016-17. Placement tariff is paid to providers of clinical placements for the costs of providing clinical education and training in the work place and covers funding for all direct costs. Under the healthcare higher education reforms HEE will continue to be responsible for ensuring the NHS has the workforce it needs and will use its ongoing investment in clinical placements to ensure not only that the NHS has the right geographical and professional range of graduates but that only the best are recruited and trained to care for NHS patients.

The government response to the consultation confirms that there will be no changes to the 2016/17 clinical placement provision arrangements, and similarly the arrangements for clinical placement funding will remain in place for the 2017/18 academic year. HEE local teams will arrange for 2016/17 clinical placement agreements to be extended to cover 2017/18. The funding of placements is fixed. This is not without direct or indirect consequences but pertinently it raises a significant question, if the number of students rises, who pays for the extra placements needed to cover this increase in numbers?

This decision is intended to provide universities and placement providers with an opportunity to develop their approaches to organising and funding additional placements as the anticipated expansion of university students emerges. However, this represents both an immediate challenge and a longer term opportunity for universities in managing this situation. Prior to student recruitment there needs to be confidence within the system that once accepted onto a programme each and every student will have a placement to learn on the job, apply their taught skills and hone

their clinical skills. If this is not the case, then ideally universities should only recruit student numbers to placement opportunities. In the longer term, universities can learn from their experience in managing this situation and become more adept in their capacity management and can be more innovative in programme design. Programme teams may consider supplementing placement gaps with virtual learning, presenting simulated scenarios, and proactively recruiting new placement providers. In essence they are basically being forced to think ahead of the game as opposed to working with traditional placement models.

HEE will be hosting a series of national and local engagement events in the autumn to inform the proposals development of a new system for planning and governing NHS funding of clinical placements, to be implemented for the 2018/19 academic year. This will include consideration of how it invest this placement funding in a way that meets HEE's responsibilities in relation to quality as well as workforce numbers; reflects HEE's 2015 funding settlement and supports the intended expansion of overall numbers of nursing, midwifery and AHP students described in the 2015 Spending Review.

Many of the professions included in the healthcare higher education funding reforms have a range of pre-registration qualifications that lead to registration and are accredited by the relevant regulators. However, these programmes are not eligible for student loans at present; the intention is that, for the 2018/19 academic year, they will be. This has the potential of creating of creating a glut of student applications, creating more pressure on an already overstretched placement system; an undesirable and unnecessary situation.

HEE will commission the post graduate degree courses leading to registration for the academic year 2017/18. It is anticipated that commissions will remain similar to 2016/17 levels but the DH will confirm funding provision for the 2017/18 entry cohort which will determine exact student numbers shortly.

The intention is to maintain this important source of workforce supply until the postgraduate loan system is reformed to accommodate these programmes – which are anticipated for new students in the 2018/19 entry cohort. Students studying on these programmes and who are starting their studies in the 2017/18 academic year will also be eligible for an NHS Bursary to cover their living costs. Similarly, HEE will continue to commission and fund the tuition fees for the 2017/18 entry cohorts for Dental Hygiene and Dental Therapy programmes. Students starting these programmes in the 2017/18 academic year will be eligible to claim an NHS Bursary, to cover living costs, for the 2017/18 academic year intake. This is a transitional arrangement to allow the student loans system

to be aligned with the different institutions delivering these qualifications. We expect that funding provision for the 2017/18 entry cohort will remain similar to the 2016/17 commissions but DoH will confirm the funding position shortly and this will determine exact student numbers. Until then planning is a guessing game.

In addition to the qualifications that lead to registration for the professions HEE also commissions a range of additional programmes for key areas of the workforce. These programmes lie outside the current reforms, although it is the intention that the funding models for these programmes will be reviewed (and stakeholders will be engaged in the review) over the period of this Spending Review. In the meantime HEE will continue to commission the programmes and fund the tuition fees. Numbers will be linked to the annual workforce and investment planning outcomes in the normal way until alternative funding models that will deliver the workforce supply that the health system needs can be identified. These programmes are not eligible for NHS Bursary support.

Consequence, of course, cannot be projected into the future. Experience can, by contrast, all too easily be projected into the future. The funding arrangements are undergoing fundamental change, the nature of these changes will define healthcare for a generation. The stakes could not be higher and the risks could not be greater. The challenges are not insurmountable but their effective management can make the difference between the recruiting and teaching students within a system in flux or a system in crisis. There needs to be possibly a greater degree of reflection upon the potential consequences of the imminent changes in policy and practice.