

## **Finance for student nurses, midwives and allied health professions – Westminster Hall debate, 11 January 2016**

### **Joint briefing from UNISON, National Union of Students, Royal College of Midwives, British Dental Association, Royal College of Nursing, College of Occupational Therapists, Society of Radiographers, Society of Chiropodists and Podiatrists.**

As representatives of health and social care professions including students across a diverse range of specialist services including nursing, midwifery, allied health professionals and other health professionals, we are providing this joint briefing to MPs ahead of the vital debate on healthcare student funding on 11 January. Our organisations have been involved in policy discussions around the bursary for many years, including the most recent previous review of NHS bursaries between 2008 and 2010. Please see the final page of this briefing for further contact details should you wish to discuss further or receive any more information.

#### **Key issues**

- There is currently a significant shortage in many professional roles within the service including allied health professionals. There is currently a severe shortage of registered nurses in England and demand for nursing care is projected to outgrow workforce supply<sup>1</sup>. Many trusts are struggling to recruit sufficient numbers of staff to provide safe staffing levels, leading to many organisations to recruit from abroad or employing agency nurses. There are significant concerns that the proposed change to the student funding model will not deliver a solution to the workforce crisis.
- Announcing such a significant change without any detail or proper assessment of the impact is to put cart before horse, and the government is taking an enormous gamble with the future of the NHS workforce, patient safety and care delivery in all settings, including the independent sector. We have no evidence this will have a positive impact on the numbers of prospective students applying for healthcare professions, or that the unmet demand of suitably qualified individuals is as high as is suggested by Government. Indeed, the evidence suggests that at least in some professions, the risk is greater that demand will decrease. This is a political decision and motivated by short-term financial savings, the impact of which will be felt long after the current Government has left office.
- As healthcare students are the UK's only trained supply route for the NHS, independent and social care sector it deserves more consideration than two lines in the Autumn Statement – proper consultation is needed.
- Government proposals will burden nurses, midwives and allied health professionals with at least £51,600 of debt – almost seven times the present level.
- Repaying the loan will mean an average pay cut of over £900 per year for a nurse, midwife or allied health professional based on current salary levels – given current public sector pay restraint and the freeze in the student loan repayment threshold this will likely get worse.

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<sup>1</sup> [http://royalnursing.3cdn.net/9808b89b8bfd137533\\_krm6b9wz7.pdf](http://royalnursing.3cdn.net/9808b89b8bfd137533_krm6b9wz7.pdf)

- Professional bodies, trade unions and students in the health and social care sector have grave concerns over handing control of NHS workforce planning to university recruiters - the uncoupling of education commissioning and workforce planning is a serious risk to the future ability of the NHS to assess and best plan for workforce requirements, as well as in the longer term acting to undermine the role of service providers in general and the relationship that is established between students and their future employers.
- Ultimately, at worst these proposals seriously threaten patient safety by exacerbating our current recruitment crisis such that we lack the workforce to deliver care; at best it will do little to address the present crisis, burden poorly-paid healthcare graduates with debt and will see England continue to be over-reliant on overseas recruitment.

### **Key questions**

- Has the government conducted a thorough analysis of the characteristics of students in receipt of the NHS bursary, and will they publish the equality impact assessment of these proposals including the interim EIA which was supplied to the Treasury?
- One of the reasons healthcare courses remain popular is that the funding arrangements are different and act as an incentive in comparison with other university programmes. What evidence does the Government have that changing the funding will not de-incentivise applicants to healthcare courses?
- If the government is handing control of the future NHS workforce to universities' marketing departments, how will the government take responsibility for ensuring the future workforce meets public need across all service providers?
- How will clinical placements be funded? Students are deemed to be vocational learners in law, and make a vital contribution to care provision. They are exposed to the same risks and work the same shifts as healthcare professionals – by charging such high fees will students in effect have to pay to go to work? In the event the changes do result in increased numbers of students, will enough placements even be available?
- Can the government assure student nurses, midwives, allied health professionals and the public that neither teaching quality nor patient safety will suffer as a result of dramatically increasing the number of students in clinical settings?
- Can the government confirm that this cut to the health budget will not result in budget cuts to the health education budgets in Northern Ireland, Scotland and Wales given the Barnett Formula? If there will be cuts, can these be quantified? How will this effect cross-border study (for example, an English student wishing to study in Scotland or Wales, or vice-versa)?
- Many students take up healthcare professions as a second degree. The government risks closing off this route as people will be unwilling to shoulder £100,000 of debt for a career in public services. Does this not have the potential to decrease numbers of entrants and jeopardise the recruitment targets?

### **Our organisations ask that:**

- The government recognises the strength of public feeling on NHS bursaries, and take the opportunity to pause before rushing through significant changes.
- The government commits to a proper consultation on the full proposals, not just a technical consultation on implementation.
- The government addresses the funding crisis for NHS-funded students, but not by increasing their debt burden.

### **What is the government proposing?**

On 25 November the Chancellor announced the government's intention to scrap the direct funding of education for the NHS (and wider health and care) workforce for new students in England from 2017. Nursing, midwifery and allied health professional<sup>2</sup> students will move from the NHS bursary system – where no fees are charged and students are entitled to a combination of a non-means tested bursary, a means-tested bursary and a 'reduced rate' student loan – to the standard undergraduate system, with fees of up to £9,000 and a much larger student loan for maintenance. This would also mean reductions in support for dependants. There will be a consultation on the changes in the New Year, but currently the government intends to consult only on the implementation of the proposals.

### **What levels of debt will be involved?**

Assuming a three-year, 30-week course outside London, £9,000 fees and a £8,200 maintenance loan, a student will have a debt of at least £51,600 on graduation, plus interest and any overdraft and commercial debt. In practice, many healthcare students have courses which last for 48 weeks in the year, which would attract a higher loan rate. In addition, students who live in London and/or those who qualify for certain benefits, such as student parents, will receive even higher loans. Consequently, the total loan debt will be considerably higher for many – probably the majority – of healthcare students.

This is an enormous sum for many in these professions: for example, the current starting salary for a nurse is £21,692. The starting salary for a nurse in 2020 would still only be £22,799 (assuming a year-on-year increase of 1% as per the public sector pay cap). Under current student loan terms and conditions, this means health staff will start repaying their loan virtually from the time they graduate. By the time they are on median staff earnings, loan repayments will mean a nurse will lose over £900 in pay a year. Healthcare students are older than 'traditional' students; the average age of a new student nurse is 28. With the current 30-year repayment cap this would mean healthcare workers paying off their loan almost right up until retirement. In addition many currently take up their profession after a first degree in another subject. The government has stated it intends to make loans accessible to students who already have a degree. This could mean graduates entering the health professions with well over £100,000 of debt, or being deterred from entering in the first place.

### **Why are healthcare students different?**

Students on nursing, midwifery and allied health profession (AHP) courses have different characteristics to the 'typical' student. They are much more likely to be women; they are slightly more likely to be from black and minority ethnic (BME) backgrounds; and they are much more likely to be older than other students. They are also much more likely to have children. We agree that the current bursary system does not provide adequate funding for study for too many students; however a change that relies on the student funding themselves entirely through debts will have a range of negative consequences given the characteristics of healthcare students. We outline these consequences below; even the Council of Deans of Health Education and Universities UK, who support the changes, are nervous about the impact and have suggested the NHS should pay part of the loans of graduates to mitigate these effects. This does not feature in the present proposals – but in any case given many will work outside of the direct NHS workforce this would not provide an adequate solution, even were this seen as the best use of the NHS budget. A wider conversation around healthcare funding is required – but this

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<sup>2</sup> This includes students studying radiography, radiotherapy, physiotherapy, occupational therapy, podiatry, chiropody, speech and language therapy, orthoptics, orthotics and prosthetics, dietetics and nutrition amongst others

cannot be achieved by the government making decisions without reference to those affected and then consulting only on the process not the principle.

### **Grants, debt and participation**

Most of the evidence on debt and its impact on students has not looked at NHS-funded or healthcare students specifically. Nevertheless, the availability of non-repayable grants and the prospect of debt is linked to participation and with the characteristics more prominent amongst healthcare students. For example, research shows that debt deters poorer students more, and debt particularly deters groups such as lone parents, BME students and Muslims from entering higher education. By contrast, grants have been shown to increase participation. Part-time higher education student numbers have plummeted since fees rose in 2012; part-time students are overwhelmingly mature – there is currently inadequate access to part-time healthcare courses as matters stand. In further education, the introduction of advanced learning loans has been cited as the cause of a drop in adult learner numbers in recent years. Meanwhile, the recruitment crisis in teaching has seen bursaries of up to £30,000 being provided by the Department of Education. Funding has links to participation and we fear that the government is making a reckless change that threatens rather than expands participation in healthcare courses.

### **Debt, the student experience**

Students in the NHS are already under intense pressure: a pre-registration degree requires significant time spent in clinical practice, including early, late, night and weekend shifts as a normal part of their studies. For example, nursing students must complete a minimum of 2,300 hours in clinical practice over the course of their studies. These changes effectively charge students for working in the NHS.

The Department of Health has evidence that more healthcare students undertake term time working than students generally, to pay for essentials such as accommodation, travel and childcare costs and/or to avoid debt. There is no question NHS students need higher levels of support: the NUS *Pound in Your Pocket* survey in 2012 found that high-risk debt was more prevalent in higher education amongst student parents, and amongst NHS-funded undergraduates in general. It also found that over £1,000 of commercial debt was associated with significantly poorer wellbeing indicators, such as worrying about having enough money to meet essential bills. NHS students were much more likely to report poor financial wellbeing than non-NHS students. Moving to a debt-only model will likely increase the extent that healthcare students work part-time and the hours they work, as they will seek to reduce their exposure to debt – government research shows that older and BME students already work more than their younger and non-BME peers, with the desire to avoid debt being a key factor in this behaviour. Working over 16 hours per week is associated with poorer attainment, and this will be all the more acute given the intensity of healthcare courses.

### **Debt and graduate/study leaver choices and behaviour**

Debt can also influence graduate or study leaver choices and behaviour, an impact which will be made more acute by the government's intended freeze in the student loan repayment threshold. The HEFCE *Intentions After Graduation Survey 2014* showed that when looking at the undergraduates who intended to go into postgraduate study, those who defined as BME, disabled and mature were less likely to actually enrol in such study. Fear of debt and other financial considerations were cited as the principal reasons individuals were deterred from study in the previous year's research on this topic. The NUS *Debt in the First Degree* survey of English-domiciled 2015 graduates found that those in receipt of maintenance grants were much more likely to consider postgraduate study than those not in receipt. Increasing student debt has been shown to delay the chances of a graduate buying their own home.

The government has also said it will freeze the repayment threshold for student loans until at least 2021. Due to their earning profiles, certain groups including women and BME students are much more likely to be affected by such a freeze – and healthcare professionals will fall squarely into this category too.

### **Clinical placements**

Combining excellent care, patient safety and a great clinical teaching environment for health students is not without challenges. It is vital student placements are well planned and well supervised. Government figures show that in 2015/16 there were 20,153 nurse training places available for entry in England and around 6,500 midwifery places, to say nothing of the places available in other professions. Government proposals to introduce another 10,000 places would represent a dramatic increase: over 3,000 more students working in clinical settings per year between 2017 and 2020. Although universities seem to believe they have the capacity to teach and house these extra students, it is not clear there is currently the capacity to accommodate them in the relevant part of the service, including hospital departments and community settings. Especially in the case of health professions where the training is very specific, for example radiotherapy or specialist occupational therapy services, students already may travel significant distances for placements; over 50 miles each way is not unusual, and some students require temporary accommodation for their placements given the distances involved. In every setting where students have placements there is a need to have access to highly qualified mentors for support and supervision. At the end of their placements their mentors are required by the university to provide documentary evidence on the student's performance, competence and conduct. In other words, providing suitable placement opportunities has significant resource implications, and adequate funding is essential to ensure public protection. Mentors must be adequately resourced and their numbers increased to manage this assumed increase. A lack of available mentors must not be used as an excuse to limit clinical placements.

### **Department of Health workforce planning**

Through the Health Education England (HEE) planning process, in conjunction with Local Education and Training Boards (LETB), there is currently a close relationship between workforce planning and the commissioning of health education places. Although HEE is a relatively new body, and the system is not perfect, we believe that on the whole it provides a foundation that can be built upon and for the most part the system is starting to produce a more consistent supply of labour for the NHS – there is confidence the system can work. This progress is at risk by removing the commissioning role from HEE to universities. Shortages in workforce supply in the past have been due to cuts to education and training budgets, rather than inherent flaws in this system.

### **Understanding and sustaining application rates**

Anyone wishing to become a healthcare professional has to go through a very vigorous application process. During this individuals can make more than one application to different universities; if shortlisted they will be called for an interview between the university and other healthcare professionals from part of the service e.g. a senior physiotherapist, midwife or nurse from the service. Post the Mid-Staffordshire inquiry HEE introduced a further assessment to ensure we recruited future health and social care professionals with the right values and attributes into the service. Finally many also have to undertake written and numeracy assessments in addition to gaining occupational health clearance and obtaining an appropriate disclosure and barring certificate. Whilst someone may wish to become a future professional, they may not be the right person for this course. Public protection and confidence must always be paramount in our recruitment processes.

The government has stated that half of all applicants to nursing courses are turned away. However, no evidence has been presented on at what stage applicants were

unsuccessful. As outlined above, there are a wide variety of reasons an applicant might not be accepted to a place on a healthcare degree. Applications are considered against a range of factors, such as suitable levels of academic qualification, practical experience in care-giving settings, and commitment to and vocation for the profession; and certain criminal convictions would prevent a person taking up a course. If the government aims to use a single statistic as the basis for scrapping the NHS bursary, it should be clear on what the data really shows, including the breakdown of reasons why applicants were ultimately unsuccessful.

For example, figures we have received from HEE based on UCAS data demonstrate that 31,180 individuals applied to at least one adult nursing course in 2014/15. Universities made 21,360 offers of places, but some individuals may have received offers from more than one university. Some 12,895 offers were accepted by students. This data alone cannot tell us the reasons the remaining applicants did not receive a place, but it does clearly show that the government have not been transparent. Ministers must provide the numbers of suitably qualified applicants who are turned down rather than using misleading figures that do not take this factor into account.

Furthermore, the government has presented no evidence that removing the NHS bursary will increase the number of successful applicants to healthcare courses.

### **Conclusion**

We believe that all would recognise that the best asset of the NHS – and other health and care providers – is their workforce. The best way to make the most of this asset is to invest in the future workforce as well as in professionals once they are in the service. The government needs to reconsider these proposals and discuss how best we invest in and support students, our future workforce, rather than making a reckless decision driven by the desire to achieve deficit targets, not what is best for patient care and safety. In his report on the Mid-Staffordshire inquiry, Sir Robert Francis said, “if there is one thing I can be certain of, it is this: people should come before money.” We urge MPs to ensure the government is held to this standard.

### **About our organisations**

For more information about this briefing, or about any of the organisations listed on page one of the briefing, in the first instance please get in contact with:

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