



**RCN Policy and International Department
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Student Bursaries, Funding and Finance in England

**An update on the proposed changes to student nurse
bursaries and the RCN position**

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About the RCN

With a membership of around 430,000 registered nurses, midwives, health visitors, nursing students, health care assistants and nurse cadets, the Royal College of Nursing (RCN) is the voice of nursing across the UK and the largest professional union of nursing staff in the world. RCN members work in a variety of hospital and community settings in the NHS and the independent sector. The RCN promotes patient and nursing interests on a wide range of issues by working closely with the Government, the UK parliaments and other national and European political institutions, trade unions, professional bodies and voluntary organisations.

Background

All students in England on university courses in nursing, leading to registration with the Nursing and Midwifery Council (NMC) are currently eligible for financial help from the NHS while studying. Funding is available from the NHS Business Services Authority and the Student Loans Company.

In the 25 November Spending Review and Autumn Statement, the Chancellor announced a transformation of the funding system for health care students by replacing grants with student loans and abolishing the cap on the number of student places for nursing, midwifery and allied health subjects. The changes will affect students starting their courses from 1 August 2017.

The Government believes that this reform will enable universities to provide up to 10,000 additional nursing and other health professional training places this Parliament. It also argues that the move to loans will give health students access to 25% more financial support which would ultimately ensure that there are enough nurses for the NHS. The RCN has significant concerns regarding these claims.

The RCN's Position

- Bursaries are a vital financial support that help many nursing students, from a wide range of social and economic backgrounds, to complete their studies and go on to be the nurses of the future.
- Without this essential support, many of those who are currently studying to enter the nursing profession would have been unable to do so and the RCN is concerned about what this move means for the future of the NHS, our future colleagues and above all, patient care.
- 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.
- Student nurses aren't like other students. 50% of their time is spent in clinical practice working directly with patients and their families and they have a longer academic year.

- These proposals will saddle future generations of student nurses with even more debt and financial pressures and unless nurses pay improves significantly, many graduates will never be in a position to pay their loans back.
- The ring-fence to nursing student funding has been removed and a precious link between the NHS and its nurses is potentially at risk, making it harder to plan for the future workforce.
- There are still significant question marks about how the system will actually work, however, the RCN is certain that anything that makes people worse off or deters them from becoming nurses, would be a big loss to our society.
- The RCN has concerns about how the implications for practice education, placement availability and support will be managed.
- This decision was made with no consultation or evidence gathering and the RCN believes that there has been very little consideration of other options for future nursing students.
- If the political decision is not reversed the design of the new system will be critical if it is to mitigate against the significant risks identified in this paper. In such circumstances the RCN would of course actively engage in the detailed negotiations.
- The RCN will be responding to the proposals in England, as well as seeking to ensure that the Governments for the devolved Countries do not make the same mistake. The RCN is pleased that the Department of Health, Social Services and Public Safety in Northern Ireland has already confirmed that it has no plans to change the financial support which it currently provides to healthcare-related students.

Risks and Challenges

Impact on workforce planning

The Government have claimed that they are aiming to increase the size of the nursing workforce and have committed to self-sufficiency regarding the future supply of the nursing workforce. The Government have a fundamental responsibility to secure the supply of a professional and multi skilled nursing workforce to deliver care to the population. However the current proposals will compromise the Government's ability to plan, and deliver, the health care workforce of the future and represents a significant shift to a free market approach away from a planned one. In addition to ensuring the right numbers of nursing staff, undermining national planning will also weaken the ability to grow the workforce that is required to deliver new services, such as those being developed under the Five Year Forward View and achieve parity of esteem between physical and mental health services.

Impact on clinical placements

It is unclear how the arrangements for funding clinical placements will work in the future if additional places are made available but the budget is not increased. There are also significant questions about whether there will be a sufficient number of placements across a range of clinical settings for more students and if there will be enough mentors to support students in clinical practice. This could mean that the training for some nursing students is limited in terms of the specialisms they experience and the support they receive. In addition there are many settings where students will incur additional travel and subsistence costs and because of the different shift patterns they are required to work to gain experience of care, seven days a week and 24 hours a day, they are severely restricted in terms of seeking secondary part-time employment as other students would be able to.

Pay and impact of debt on future career

The RCN is deeply concerned that there is a risk of people being put off from applying to nursing degrees, because of concerns over debt. The change to a loan based system will leave many nursing students with debts in excess of £50,000. There is no certainty that the changes will increase nursing supply and put more money in the hands of all nursing students.

RCN calculations show that the vast majority of nurses will not have paid their loan off within the 30 year repayment term. Instead, the debt will remain throughout nurses working lives, effectively as a tax on their earnings.

In 2014 the Financial Conduct Authority confirmed that student debts would now be considered by mortgage lenders after the introduction of the Mortgage Market Review. This will also impact on nurses' ability to purchase their own home as well as access other loans in the future.

Student nurses aren't like other students

As part of their training nurses spend 50% of their time in practice within the NHS. This is a key difference between training staff for healthcare and training staff in other sectors such as education. If the risks are not fully considered this could directly impact on the quality of patient care. Bursary funding ensures that nursing students have a link with the NHS from the very start of their studies that lasts until retirement.

Current bursary funding also encourages and supports students from all socio-economic backgrounds to become healthcare professionals. The impact of these changes on access has not been fully considered.

There also remains a possibility that the change to loans may have a disproportionate adverse effect and act as a disincentive for those from lower income backgrounds, women, mature students, people with dependants and BME students.

The changes will also have a potential impact on nurses qualifying through the post graduate route. This requires a relevant first degree, so many students on this programme will already have taken out student loans.

Student hardship

The RCN is unconvinced by the claim that nursing students will be much better off under Student Finance England arrangements while studying. Initial calculations by RCN reveal that the difference has been over-stated, particularly for mature students and those with dependants.

Next Steps

There are still significant question marks about how the system will actually work. Any move towards a loan and fee based system would pose significant risks that has the potential to diminish any likely benefits. The RCN believes that any change must genuinely result in an increased number of entrants from diverse backgrounds.

The design and implementation of a new model must be shaped by full consultation with stakeholders and allow time for concerns to be properly addressed. Post-implementation the programme must also be subject to regular monitoring and systematic evaluation including exploring any unintended consequences of reform. The process for evaluation should be transparent and enable Government as well as stakeholders to quickly identify any falls in the number of applications.

The bursary funding system ensured that nursing students had a link with the NHS from the very start of their studies. Options such as a “loyalty” aspect to any loan related to how long you stay within the NHS must also be explored to preserve this link, whilst ensuring that nurses are not ‘locked in’ and retain freedom of movement between employers. The RCN is also clear that students make an important contribution to clinical care. The RCN does not support a return to employee status however this clinical contribution must be recognised in the financial support given to students. Nursing is a unique profession and arrangements must reflect this to address the length of the course, clinical and academic requirements plus the inability to undertake other paid work.

There are very significant risks associated with this policy change by the Government that has the potential to directly and detrimentally impact on patient care and the provision of comprehensive health services. For this reason the RCN firmly believes that any change should be fully assessed, thoroughly tested and systematically evaluated prior to implementation.

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