PROPOSED STUDENT FUNDING CHANGES

Q&A
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WHAT HAS THE GOVERNMENT ANNOUNCED?

In the Comprehensive Spending Review in late November 2015, the government announced changes to student funding which means for the first time, those studying to become midwives, nurses and allied health professionals\(^1\) will take out maintenance and tuition Student Loans rather than getting an NHS grant. The government says this will affect students beginning their study from September 2017. This change will only apply in England; none of the devolved nations have announced they will follow suit.

What the government have done is cut funding for training the future NHS workforce and made the students themselves pay up. This is projected to save the government £1.2 billion a year\(^2\), but there has been no consultation or proper analysis behind this decision. The Royal College of Midwives (RCM) believes the future of the NHS workforce deserves better.

WASN’T THE NHS GIVEN MORE MONEY BY THE GOVERNMENT?

The government has taken money away from other parts of the health system, including student education, to be able to give ‘the NHS’ more money. According to the King’s Fund, spending on health activity that falls outside NHS England’s budget will decrease by more than £3 billion in real terms by 2020/21 – a reduction of more than 20%. ‘It is clear that a large amount of the additional increase in NHS England’s budget has come at the expense of other areas of health spending’\(^3\).

WHAT IS THE DIFFERENCE BETWEEN THE NEW SYSTEM AND THE CURRENT ONE?

Midwives and nurses are not currently charged fees to study like other tertiary students. The government, through an arms-length organisation called Health Education England (HEE), decides how many training places there should be each year, and funds the costs of those places. In recent years HEE has increased student midwife numbers which we warmly welcomed.

Midwives and nurses also receive a combination of a non-means tested bursary, a means-tested bursary and a ‘reduced rate’ student loan to help with their living costs while they study.

Under the new system, student midwives will have to take out student loans to cover their tuition fees, or find £9,000 per year, upfront. If they already have student loans, the government will change the rules so a second loan is available. Students will be able to access more money, but this comes in the form of debt. They will also not receive a bursary.

Like other graduates, midwives would have to start paying back their loans once they starting earning more than £21,000 per year. This means as soon as newly-qualified midwives begin working in the NHS full time\(^4\), they would have to begin paying back their loans at 9% per year. Recently, the government reneged on a promise to raise the minimum amount of money a graduate must earn before they have to start paying loans back.

WHAT IS THE FINANCIAL IMPACT FOR STUDENT MIDWIVES?

The RCM believes that this proposal could see midwifery courses cost students over £63,000, a sum that the first graduates from this system would still be paying back in 2050.

This is because maintenance loans for students to cover their costs of living in London could cost up to £12,054 per year. Course fees could cost £9,000 per year. Over three years student midwives could accrue over £60k of debt.

To make matters worse, this may not be the only student debt they have. Our survey of student midwife members has revealed that a third (32%) are already graduates when they start to train as a midwife, and of those three-quarters (73%) borrowed when they studied for that degree. That means between a fifth and a quarter of RCM student midwives are already graduates with student debt.

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1. This includes students studying radiography, physiotherapy, and occupational therapy.
3. Most midwives begin their careers as a Band 5 Midwife, where the starting salary is £21,692 per year. See Agenda for Change pay bands and points from 1 April 2015 (England).
This means newly qualified midwives may be starting out their careers with debt reaching six figures. Worse, it may mean many prospective midwives decide to not become a midwife to avoid this staggering debt.

Below is a comment from a prospective midwife on the Council of Deans website talking about her study plans and how this announcement has jeopardised her career choice:

…[I am] stressed as will now have two little ones and desperate to start this career but will only find this possible with the help of the bursary/maintenance and childcare costs. Although not ideal I am willing to accept taking on student loans to pay for tuition fees and pay these back via wages at a later date (as a previous undergrad student still paying off previous loan). It’s just the cost of running a household whilst in full time education and the Midwifery course really is FULL time. Hope that I have not missed out on my one and only window to become a midwife⁴.

AREN’T STUDENT LOANS WRITTEN OFF?
Student loans are written off after 30 years. Midwives might have to pay back around £150 a month (based on a Band 6 salary), meaning that after 30 years of service in the NHS, they would still be in debt to the government. The RCM doesn’t believe the government can say the loans system is right for midwives when so much of the debt will be insurmountable.

HOW WILL THIS PROPOSAL CHANGE THE MIDWIFERY WORKFORCE?
The RCM worries that these changes will deter many talented aspiring midwives. Research shows that debt deters poorer students more, and debt particularly deters groups such as lone parents, Black and minority ethnic students and Muslims from entering higher education.

There is no question NHS students need higher levels of support. The NUS Pound in Your Pocket⁵ survey in 2012 found that high-risk debt was more prevalent in higher education amongst student parents, and amongst NHS-funded undergraduates in general. Midwives are especially at risk.

OTHER STUDENTS TAKE OUT LOANS, WHY ARE MIDWIVES SPECIAL?
There are several reasons why midwives aren’t like any other students and so why the change to student loans will be disastrous for them:

• Many midwifery students are older than the average student. They decide to become midwives after having other careers or having children themselves. The RCM knows that up a third of midwifery students already have existing degrees, which they may already be paying off.

• Midwives are more likely to work part time. Like other professionals which are predominantly female, the midwifery workforce has a lot of part time workers. They balance their caring responsibilities with their jobs. They therefore earn less money and will take much longer to pay off loans than most other graduates.

• Midwives work for the NHS. Unlike other students who can take their qualifications and work for many different organisations, the vast majority of midwives will work for one employer - the NHS - for the rest of their careers. Their earning potential at graduation is fixed, and for the last few years they’ve been subject to pay freezes too.

• Student midwives don’t live the typical ‘university experience’. Student midwives, especially those in their third year of study, will be working nights and weekends, and have periods of being on call 24/7. Midwifery students must complete a minimum of 2,300 hours in clinical practice over the course of their studies before they can graduate. There isn’t a lot of time for taking part time jobs like many other students do – they’re already working in the NHS as they study. Consequently, they rely on the bursary to pay for living costs through this intense training programme.

The government has acknowledged that midwives are different than other students, but the only solution they can think of is to change the rules allowing midwives to get a second student loan. We don’t believe that getting midwives into even more debt is a solution!


WON’T THIS PROPOSAL MEAN ENGLAND WILL GET MORE MIDWIVES?

We wish it would, because we desperately need more midwives right now. Our latest report on the state of the workforce shows we are short of 2,600 midwives in the NHS. The government argue that more student places will become available if this proposal is enacted, as anyone who wants to become a midwife will take up the cost of paying for it. They believe universities will provide up to 10,000 additional midwifery, nursing, and allied health training places. Sadly, we think the government are being naïve and they need to think again.

• There has been no assessment of how prospective midwives will feel about taking up midwifery if it could cost them £60,000. Remember: many midwives already have student debt, are balancing caring responsibilities and are coming to midwifery later in life.

• Midwives learn not just in universities, but in hospitals and birth centres in the NHS. The government has said nothing about increasing capacity of these places to train midwives and the RCM doubts that the NHS can cope with any influx of students. They are already struggling to ensure that each student attends to at least 40 births during their training and each student has adequate support in practice.

• Currently, universities pay these NHS centres for the clinical placements they provide for students. At this stage it is unclear what the £9k tuition fees will cover. Will universities have to pay NHS providers out of this money or will student midwives have to fork out themselves? We simply don’t know.

• Repayments for student loans begin once a graduate earns at least £21k per annum. To avoid this repayment threshold, midwives may think it best to work part time, which is already a popular choice. The result is that the taxpayer doesn’t get its loans paid back, and the midwifery workforce is under-utilised. No one wins.

WHAT DOES THE ROYAL COLLEGE OF MIDWIVES WANT?

The government has a record of not listening to midwives, and that’s why the RCM went on strike last year. We hope that again, they will eventually see sense and not implement this change to student funding.

Firstly, the RCM would like the government to recognise the strength of public feeling on NHS bursaries and tuition fees, and take the opportunity to pause before rushing through significant changes. We also want them to commit to a proper consultation on the full proposals, not just a technical consultation on implementation.

Secondly, we and others are calling for some decent analysis of the proposals. We are concerned that so much about this announcement is unknown. We have some key questions we want answered.

• 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?

• 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 NHS workforce meets public need?

• How will clinical placements be funded? Will universities have to pay or will the bill be landed on students? Will enough placements and mentors even be available if more students enrol?

• Can the government assure midwives 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, because of devolution funding formulas, will not result in budget cuts to the health education budgets in Northern Ireland, Scotland and Wales?

We cannot offer support to these proposals until these questions are answered satisfactorily. So the RCM is opposing this proposal at every stage.

HOW CAN I GET INVOLVED?

We are encouraging midwives, student midwives and prospective midwives to show their opposition to the government’s plans. So much is at stake so we need to mobilise quickly.

Join the digital debate

In partnership with @WeNurses and London South Bank University there will be a digital debate on the NHS Bursary on Twitter on Wednesday 6 January from 6-8pm. This will be a chance to share your thoughts, feelings and experiences on this subject. This chat will feed into the Westminster Hall debate on 11 January.

Please also retweet/share messages from the RCM, about the student funding changes. The Twitter handle for the RCM is @MidwivesRCM and the Facebook group is called ‘The Royal College of Midwives’.

King’s College London are also using the hashtag ‘bursuryorbust’, which you can include in your messages.

Take to the streets

The nursing and midwifery students of King’s College London are marching on Saturday 9 January at noon, from County Hall to Westminster. Details are on Facebook at https://www.facebook.com/events/440660962797762/

Sign the petition

Join more than 100,000 people have shown their opposition to the government’s plans by signing this petition on the parliament website: https://petition.parliament.uk/petitions/113491

Write to and tweet your MP

MPs will debate the proposals in the House of Commons on Monday 11 January. Tell your MP how you feel and ask them to speak out on your behalf. You’ll be able to watch online at parliamentlive.tv. You can find out who your MP is using http://www.theyworkforyou.com

WHERE CAN I GET MORE INFORMATION?

The Council of Deans website has a short briefing on the proposals and is promising more information as it comes to hand. This can be found on https://www.gov.uk/government/publications/nhs-bursary-reform

The government announcement of the proposal is on https://www.gov.uk/government/publications/nhs-bursary-reform

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