



Department
of Health &
Social Care

Education & Training Tariffs

Tariff guidance and prices for the 2019-20 financial year

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Contents

1. Purpose.....	3
2. Guidance.....	4
Background	4
Powers and requirements.....	4
Changes for 2019-20.....	5
Scope of the 2019-20 tariffs	6
Exclusions	8
Study Leave budgets.....	10
2019-20 placement tariffs	11
Transitional arrangements.....	13
Shadow Currencies	14
Tariff payment mechanism	15
Implementation of the tariffs	15
Queries.....	17
Early planning for 2020-21	17
Annex A	19
Annex B	20
Scope of Undergraduate Medical Tariff for Secondary Care Clinical Placements	20

1. Purpose

1.1 This guidance document provides confirmation of the tariff payments for the 2019-20 financial year, and also includes:

- An overview of the introduction of the tariff payment mechanism for secondary care placements.
- Powers and requirements with regards to the application of the secondary care placement tariffs in 2019-20.
- Confirmation of the changes being introduced to the secondary care placement tariffs from 1st April 2019.
- Further information relating to the scope of the secondary care placement tariffs in 19-20, including the impact of Ministerial commitments to expand the number of centrally funded training placements from 2018.
- An explanation of the calculations underpinning the secondary care placement tariffs for 2019-20.
- The latest position on the transitional arrangements supporting the introduction of the secondary care placement tariffs.
- Latest position on the proposed introduction of new currencies for payment, aimed at providing additional granularity in the payments for placements.
- Further information on the local implementation of the secondary care placement tariffs, including where to direct any queries.
- Early planning for 2020-21.

2. Guidance

Background

2.1 The Department of Health and Social Care (DHSC), previously known as the Department of Health (DH), introduced transitional tariffs for non-medical placements and undergraduate medical placements in secondary care from 1 April 2013. A similar tariff for postgraduate/medical trainees came into effect on 1 April 2014. Prior to the introduction of the placement tariffs, payments for training placements were subject to local arrangements, creating inequities in funding. The placements tariffs aim to ensure that providers are reimbursed consistently for the training placements that they deliver and that placements are high quality and ensure that learners develop the skills and knowledge they require to meet their respective professional competencies.

Powers and requirements

2.2 Powers and requirements with regards to tariffs for E&T placements were set out in legislation, in the Care Act 2014 (<http://www.legislation.gov.uk/ukpga/2014/23/part/3/chapter/1/crossheading/tariffs/enacted>). These powers came into force in April 2015 and are as follows:

- The Secretary of State may specify a tariff setting out approved prices, which may be different for different types of E&T.
- A tariff specified in this way must be published.
- The Secretary of State may specify a tariff setting out approved prices, which may be revised or revoked by the Secretary of State.
- A published tariff or variation procedure may be revised or revoked by the Secretary of State.
- Payments made by HEE or one of its local offices must be made with reference to the approved price, or price as varied under the approved procedure.

2.3 The Secretary of State is publishing the approved prices and the procedure for their variation by publishing this tariff guidance.

2.4 In line with the agreed procedure, HEE will be responsible for publishing details of any price variation.

Changes for 2019-20

2.5 There are a limited number of changes to the tariffs in 2019-20, as follows:

- NHS Improvement have recently communicated information relating to some proposed changes to the Market Forces Factor (MFF) payment indices (at <https://improvement.nhs.uk/resources/national-tariff-1920-consultation/>), which will be phased in over a five-year period. The Education & Training (E&T) tariffs will continue to use the same payment indices as the service tariffs, which means some changes for 2019-20. Further details are available at paragraph 2.29.
- We will increase the non-medical tariff by £158 per FTE, from £3,112 to £3,270. This increase is intended to offset the impact of the changes to MFF at a national level, maintaining the overall tariff funding envelope. It also aims to respond to the outcomes of the cost collection exercises and feedback from stakeholders around the funding of non-medical tariffs. Confirmation of the tariff prices for placements in 2019-20 is available at paragraph 2.31.
- The introduction of, in shadow form, the new payment currencies developed by Health Education England (HEE), with advice from a range of experts including representative from DHSC, NHS Improvement and NHS placement providers, that when fully implemented will enable tariff payments to be made at a more granular level than the existing three tariffs. Further information is available at paragraph 2.49.
- Additional information on what is covered by the funding made available to placement providers through the medical undergraduate tariff. This is being provided to support local negotiations between HEE, Universities and placement providers. Further information is available at Annex B.

2.6 The decision to restrict the number of changes in 2019-20 is in response to the provider level impacts of MFF and to ensure that the implications of the Long-Term Plan and the detailed Workforce Implementation Plan are fully understood.

2.7 Work is continuing with HEE and other stakeholders to develop proposed changes for 2020-21. This will include the formal introduction of the new currencies developed by HEE to offer greater granularity in the payments and ahead of introducing these formally in 2020. They will be introduced in shadow form for 2019-20. There will be no changes to the currencies used for payment in 2019-20 and all non-medical currencies will be paid at the non-medical tariff price set out at Annex A. However, setting up the mechanisms in shadow form will enable HEE and NHS trusts to start setting up the payment and reporting mechanisms to support this.

Scope of the 2019-20 tariffs

- 2.8 In 2019-20 the placement tariffs will support the allocation of the existing funding budget made available to HEE, but also the additional funding identified as part of the commitments made by Secretary of State for Health and Social Care to:
- Increase the number of available nurse training placements by 25% each year from September 2018.
 - Increase the number of available midwifery training placements by over 3,000 in the next four years, including an increase of 650 in the 2019 academic year
- 2.9 The placement funding for these commitments will be made available to NHS placement providers via HEE at the agreed non-medical tariff rate.
- 2.10 All payments to placement providers (both existing and as part of any expansion as a result of the commitments above) should be reflective of actual number of placements delivered (not student acceptance of offered places or any other historical data). This will require processes to be in place to ensure that placement data flows from NHS placement providers to local HEE teams to support payments and this is triangulated with student numbers from HEIs.
- 2.11 The placement tariffs are applicable to all placement activity that take place in England at any type of provider organisation (whether NHS funded or not), unless explicitly listed as excluded in this document.
- 2.12 A placement in England that attracts a tariff payment must meet each of the following criteria:
- Be a recognised part of the education/training curriculum for the course and approved by the higher education institute and the relevant regulatory body, as appropriate;
 - Meet the quality standards of the regulator, the commissioner and HEE;
 - Be direct clinical training (including time for clinical exams and study leave) with an agreed programme, being a minimum of one week;
 - Have the appropriate clinical and mentoring support as defined by the relevant regulatory body; and
 - Is not workplace shadowing.

2.13 Any time spent by students and trainees at a provider organisation which does not meet this definition are not covered by the tariff payment mechanism. The funding for this activity should be determined locally by the placement provider and commissioner.

2.14 The E&T placement tariffs cover funding for all direct costs involved in delivering E&T by the placement provider, for example:

- Direct staff teaching time within a clinical placement
- Teaching and student facilities, including access to library services
- Administration costs
- Infrastructure costs
- Education supervisors
- Pastoral and supervisory support
- Trainee study leave and time for clinical exams pending introduction of the changes outlined at paragraphs 2.25 to 2.28 of this document
- Health and well-being (excluding any occupational health assessments that are carried out by the university and funded separately)
- Course fees and expenses (as required to achieve professional registration)
- Student/trainee accommodation costs
- In-course feedback and assessment
- Formal examining
- Staff training and development relating to their educational role

2.15 The tariffs do not cover:

- Tuition costs
- Items funded under Education Support, such as
- Foundation Programme Directors
- Foundation Programme administration support staff

- Heads of Schools
- Programme Directors
- Core Leads
- Relocation costs and exceptional travel costs
- Directors of Medical Education / Associates

2.16 Training placements that take place outside England but are commissioned by HEE and its local offices should be paid for at a locally agreed rate; although it may be appropriate to use the published national tariff as a starting point.

Scope of medical undergraduate tariff

2.17 In response to feedback, we have been working with a range of stakeholders including representatives from a sample of HEIs and NHS placement provider trusts, HEE, the Medical Schools Council and the Office for Students, to develop more specific guidance on the scope of the medical undergraduate tariff. The outputs of this work are included at Annex B of this guidance document and are intended to guide local conversations on responsibilities for funding.

2.18 HEE will play an important facilitative role to ensure locally negotiated proposals support innovation and new delivery models and that discussions are timely, collegiate and transparent. HEIs and NHS placement providers must ensure that all aspects of clinical placement provision are discussed and agreed with HEE to ensure that clinical training is deliverable within the resources available. HEE will ultimately need to review and agree any proposed alternative local funding arrangements to ensure consistency and equity in the access to additional funding across HEE regions.

Exclusions

2.19 The Department and HEE annually review the list of professions eligible for tariff and consider the evidence for including new professions against the criteria listed at paragraph 2.12 and available DHSC/HEE E&T budget. For the avoidance of doubt, placements for the following categories of trainee are not covered by the tariff (although this is not an exhaustive list), and a local arrangement must be agreed. It may be appropriate to use the published national tariff for some of these areas, detailed in the subsections below:

Non-medical placement exclusions

2.20 The national non-medical tariff is not applicable to:

- Community nursing (health visitor, district nurse, school nurse, occupational health nurse, practice nurse, community psychiatric nurse, community mental health nurse, specialist community health nurse)
- Dental nurses
- HCS Higher Specialist Scientific Training (HSST)
- HCS Scientist Training Programme (STP)
- Paramedic
- Pharmacy degree
- Pharmacist pre-registration year
- Pharmacy Technician
- Physician's Assistant
- Dental Technicians
- Improving Access to Psychological Therapies (IAPT) - Psychological Wellbeing Practitioner (Low intensity)
- IAPT - high intensity practitioner
- Child Psychotherapy

Medical undergraduate placement exclusions

2.21 The national medical undergraduate tariff is not applicable to:

- Dental students
- Dental students on a medical placement ("medical for dental")
- Medical placements in GP practices which remain subject to local arrangements
- Placements in hospices

Medical postgraduate placement exclusions

2.22 The national medical postgraduate tariff is not applicable to:

- Dental trainees
- Placements in GP practices (although hospital placements for GP specialist registrars are covered by the tariff)
- Placements in hospices
- Placements in Public Health
- National Institute of Health Research (NIHR) trainees
- Less than Full Time (LTFT) trainees
- Trust funded posts
- Nationally introduced one-cycle posts (for example any remaining Hewitt and Johnson posts), which remain out of tariff until the end of the individual's training cycle
- Out of Programme Experiences, where individuals temporarily step off the standard training programme
- Doctors in Difficulty
- Ministry of Defence training posts

2.23 Where a category of trainee is not covered by a tariff, placement funding must be agreed locally between the commissioner and placement provider. It may be appropriate to use the published national tariff as a starting point for these discussions.

2.24 Placements commissioned by private universities and self-funded Non-EU students should not be subsidised by HEE placement funding budget.

Study Leave budgets

2.25 Up until March 2018, funding for a post graduate doctor's study leave has been included in the postgraduate tariff placement fee paid directly to NHS Trusts. This has led to local inconsistencies in the access to, and levels of available funding for

Junior Doctors. This has been a real issue of contention for both doctors and the BMA.

- 2.26 The proposal from the Improving Quality of Training for Junior Doctors Working Group – set up as part of the resolution to the Junior Doctor contract dispute – was to introduce a central process, managed by HEE and its local offices, to ensure transparency and consistency in funding.
- 2.27 In 2018-19 the post-graduate placement tariff was reduced by the study leave funding component to create study leave payment budgets managed by HEE’s local teams. This will continue into 2019-20 and is cost neutral for NHS Trusts, with both the funding and costs removed from the tariff funding.
- 2.28 As part of the approvals process, requests to attend overseas study courses will only be considered in very exceptional circumstances. Examples of these exceptional circumstances include where the training course is not available in the UK, where the course or activity is part of the college curriculum or guidelines on required training, or where the course is set out as a mandatory requirement of college training to reach the required qualification to practice. Such courses will need the prior written approval of the HEE Post Graduate Dean and sufficient timescales should be built

2019-20 placement tariffs

- 2.29 The 2019-20 tariff prices are included in table 1 below. In line with previous years, the tariffs are adjusted by the Market Forces Factor (MFF) to compensate for the cost differences of providing training placements in different parts of the country.
- 2.30 For simplicity, the MFFs that are used for payment remain the same as those applicable to the service tariffs. Further information on the MFF, including current rates, is published by NHS Improvement at <https://improvement.nhs.uk/resources/national-tariff/> under “A guidance to the market forces factor - 2019-20”.
- 2.31 Please note that the salary contribution is based on the salary for the post rather than the salary of the individual filling the post and is not multiplied by MFF.

Table 1: 2019-20 tariff prices

Type of placement	Tariff for placement activity 2019-20
Non-medical	£3,270 + MFF
Medical undergraduate	£33,286 + MFF
Medical postgraduate	£11,418 + MFF plus a contribution to basic salary costs as per Annex A plus a study leave budget of £734 per student

2.32 Specific information relating to local payment of the placement tariffs is set out in the sub sections below.

Non-medical placements

2.33 As per paragraph 2.8 funding for the additional non-medical placements covered by the ministerial commitments will be paid to placement providers by HEE.

2.34 All payments to placement providers (both existing and as part of any expansion as a result of the commitments above) should be reflective of actual activity. This will require processes to be in place to ensure that placement data flows from NHS providers to local HEE teams to support payments and this is validated by relevant HEIs.

2.35 Payment of salary support to employers for pre-registration trainees covered by the non-medical placement tariff is at HEE's discretion. Payment rates will be reviewed annually to consider whether such professions should be included in the E&T Tariff. Salary support funding will be linked to priorities set out in the NHS Long-Term Plan.

Medical undergraduate placements

2.36 The placement tariff is only applicable to students who are included within the Office for Students (OfS) intake control target of medical school places. Placements for students who are not within the OfS intake controls are subject to locally agreed funding arrangements.

- 2.37 The Ministerial commitment to increase medical undergraduate training by creating an additional 1,500 domestic undergraduate medical school places by 2020-21 -- with 630 new medical undergraduate training places in September 2018 and 690 places in September 2019 (with a further 180 places in September 2020) -- will have minimal impact on tariff funding for 2019-20. We expect that the major financial impacts of this commitment will be from 2020-21, with funding made available to NHS Trusts for these additional placements via HEE in line with existing tariff arrangements for actual undergraduate placement activity delivered.

Medical postgraduate placements

- 2.38 For medical postgraduate placements, tariff funding is on the basis of training posts. Investment specific to individuals will usually be excluded from the tariff, as set out above. The local office of HEE may agree to maintain the salary element to support a locum appointment; however, the placement tariff payment could be withheld for long term vacant posts. Prior to any changes to existing tariff payments, this should be discussed and agreed between the HEE local office and placement provider.
- 2.39 HEE will continue to make a contribution to the basic salary costs of all postgraduate medical students. The amounts payable from HEE for postgraduate salaries are included in Annex A and vary to reflect national, fringe and London pay scales.
- 2.40 As indicated in the NHS Operational Planning and Contracting guidance 2017-19, there will be no change to the salary contributions from HEE in 2019-20 and the amounts will remain consistent with the salary contributions in 2016-17.
- 2.41 We are aware that there are some local arrangements in place for the payment of salaries, including commissioning on the basis of weighted average pay costs. Where it is agreed locally to commission on the basis of weighted average pay costs for a whole rotation of staff at different grades then the existing price being paid in 2017-18 can be maintained.
- 2.42 Where no agreement can be reached locally around payment of a weighted average, the payments made to a placement provider should reflect the payments included in Annex A of this document.

Transitional arrangements

- 2.43 To ensure that NHS providers were not destabilised through the introduction of the tariffs, the payments for placements have been subject to transitional arrangements. This means that provider gains and losses under tariff have been

limited on a year by year basis, compared to the funding previously received for E&T through local arrangements.

- 2.44 These transitional arrangements will continue in 2019-20 with the initial assessment of annual losses of £2m or 0.25% of income and the rate at which gains can be made continuing to apply.
- 2.45 Questions about the implementation of these transitional arrangements should be directed to your local HEE team in the first instance.

Changes in activity

- 2.46 The transitional arrangements associated with the move to tariff accounted for the impact of pricing changes on the levels of activity at the time of transition. To reflect any changes in volume since the point of transition, HEE will adjust the income to a placement provider to reflect any increase or reduction in activity for 2019-20.
- 2.47 Any changes in income to reflect changes in activity should be agreed locally between HEE and the relevant NHS placement provider. HEE will share details of the activity underpinning the proposed adjustment with the relevant NHS placement provider for agreement. Where there is no initial agreement of the activity, the NHS placement provider should share additional information with HEE to determine the requirement for further local discussions and negotiation.
- 2.48 Changes in activity should be deducted from Trust income at the full tariff rate, including payments for any activity transferred to Primary Care and/or the independent sector. Where reducing activity at full tariff from a placement provider who is currently paid below tariff would result in a negative payment, the local office should agree the appropriate amount to remove. It should be noted that where an amount below tariff is taken from a placement provider, this may limit the amount that can be paid to the new placement provider.

Shadow Currencies

- 2.49 In 2019-20 HEE will be introducing in shadow form a new payment currencies system for E&T tariffs. When fully implemented this will enable tariff payments to be made at a more granular level than currently.
- 2.50 "Currency" is the unit of activity for which a payment is made. For NHS acute services the unit of currency is the Healthcare Resource Group or HRG. It is proposed that each student's or trainee's placement is an activity and these activities are allocated to an 'education resource group' (ERG). Each grouping of

educationally similar training or education activity which consumes a similar level of resource will be known as an ERG

- 2.51 HEE used input from its Currency Development Group and data from E&T cost collections to develop proposals that were the subject of stakeholder engagement in Autumn 2018 to finalise proposals for specific E&T currencies that were approved by its Board at a meeting in December 2018. Further detail can be found at <https://www.hee.nhs.uk/our-work/education-training-placement-funding>.

Tariff payment mechanism

- 2.52 The tariffs in 2019-20, will continue to be paid based on a year's worth of placement, for example, the tariffs fund a year's worth of placement at a provider, if a placement provider took two students for half a year each, they would receive the full tariff, whereas if they took only one student for half a year, they would only receive 50% of the tariff rate.
- 2.53 Where HEE make payments on the basis of "student weeks", we are aware that the rate will vary to reflect local placement practice. The length of the placement will be determined by the time the student/trainee spends receiving the direct clinical training as defined within the outcome standards of the regulatory body.

Implementation of the tariffs

- 2.54 DHSC expects HEIs, NHS placement providers and HEE work together to enable data sharing and activity assurance takes place to ensure correct payment of any tariff or other funding.

Lead employer models

- 2.55 Lead employers provide an outsourced HR and payroll system for a number of postgraduate trainees. Providers hosting the post will receive the tariff payment and should refund the salary costs to the lead employer. Where there is agreement between lead employer and host, arrangements can be put in place via HEE for appropriate salary payments to be made direct to the lead employer.

Host providers/pooled support

- 2.56 Where a provider hosts particular services, such as library services, HEE may agree the basis for any recharges that the host provider wishes to make. If all the organisations within a local area agree to a pooled support system they may agree

that HEE, or another named organisation manage a proportion of the placement fee on their behalf.

Local prices

2.57 Appropriate local prices for any placements that fall outside the scope of the national tariff should be agreed between placement providers and commissioners. It may be appropriate to agree to use the published national tariff for some of this activity. Placement providers and commissioners should engage constructively to agree transparent local prices which are in the best interests of students/trainees.

Flexibilities

2.58 Placement providers and HEE can agree to adjust tariff prices and/or currencies in exceptional circumstances. This may be appropriate, for example;

- Where commissioners and providers agree on an innovative way of delivering placements; or
- Where provision of training is necessary in a given location or type of placement provider.

2.59 In order to determine whether the provision of training is not economically viable, the provider must be able to demonstrate that:

- Their average cost of the training placement is higher than the national tariff;
- The placement provider's average costs are higher than the national tariff price as a result of structural issues that are:
 - Specific to that placement provider, i.e. not nationally applicable;
 - Identifiable, i.e. the provider must be able to identify how the structural issues it faces affect the cost of the services;
 - Non-controllable, i.e. beyond the direct control of the provider, either currently or in the past (this means that higher costs as a result of previous investment decisions or antiquated estate are unlikely to be grounds for justifying that the provision of training is uneconomic at the national price); and
- Not reasonably reflected elsewhere in the calculation of national tariffs, rules or flexibilities.

- The placement provider is reasonably efficient when measured against an appropriately defined group of comparable placement providers, given the structural issues that it faces (if a provider is not reasonably efficient when measured against an appropriately defined group of comparable placement providers, it would have to demonstrate that its costs would still be higher than the national price, even if it were reasonably efficient); and
- The placement provider has tried to engage constructively with its commissioners to consider alternative training delivery models, and it is not feasible to deliver the training required at the national tariff.

2.60 Any tariffs that are varied from the national tariffs according to the flexibilities set out above will be published by HEE for transparency. Prices that are not equal to the national prices due to the provider's transition plan do not need to be published by HEE as tariff variations.

2.61 Where a small amount of placement activity is commissioned from a placement provider and the burden of administering the payment system to the placement provider would be disproportionately high compared to the appropriate tariff payment, then the commissioner and placement provider may agree to local support arrangements. This could see the continuation of existing local support arrangements, possibly on a payment in kind basis, equivalent to tariff value.

Queries

2.62 Any policy queries associated with the current and future development of the placement tariffs should be directed to the team at the DHSC mailbox at Educationandtraining@dhsc.gov.uk.

2.63 Queries on the implementation and/or payment of the tariffs should be directed to your HEE local office in the first instance, and escalated to the HEE central team where necessary, using the HEE tariff mailbox at Tariffs@HEE.nhs.uk.

Early planning for 2020-21

2.64 As part of early planning for 2020-21, we are exploring with stakeholders a number of options, including:

- More granular currencies from 2020-21 to enable the setting of different prices for different courses, running in shadow from in 2019-20 (as at paragraph 2.49).

- Potential for price changes within the existing funding quantum.
- Potential expansion of the tariff mechanism into additional areas.

2.65 Further information will be made available in due course.

Annex A

Below are the salary contributions that HEE will pay for each post graduate placement. There will be no increase to the salary contributions from HEE and the amounts will remain consistent with the salary contributions in 2019-20.

Hospital & Community health services (HCHS) salaries

Grade	Spine point	HEE Salary Contribution		
		National £	Fringe £	London £
F1	Minimum Point of the FHO1 scale	14,415	14,590	15,791
F2	Minimum Point of the FHO2 scale	17,879	17,974	19,256
F1D	Minimum Point of the FHO1 scale	14,415	14,590	15,791
F2D	Minimum Point of the FHO2 scale	17,879	17,974	19,256
F1 Community	Minimum Point of the FHO1 scale	14,415	14,590	15,791
F2 Community	Minimum Point of the FHO2 scale	17,879	17,974	19,256
ST1/CT1	Minimum Point of the StR scale	19,105	19,200	20,482
ST2/CT2	Point 1 of StR scale	20,274	20,369	21,651
ST3/CT3	Point 2 of StR scale	21,907	22,002	23,284
ST4	Point 3 of StR scale	22,894	22,989	24,271
ST5	Point 4 of StR scale	24,085	24,180	25,462
ST6	Point 5 of StR scale	25,277	25,371	26,653
ST7	Point 6 of StR scale	26,468	26,563	27,845
GPST1 Hospital	Point 1 of StR scale	20,274	20,369	21,651
GPST2 Hospital	Point 2 of StR scale	21,907	22,002	23,284
GPST3 Hospital	Point 3 of StR scale	22,894	22,989	24,271
GPST Hospital placement (point not specified)	Point 2 of StR scale	21,907	22,002	23,284

Annex B

Scope of Undergraduate Medical Tariff for Secondary Care Clinical Placements

1. Guidance material includes a principles section, followed by four tables identifying the source of funding for clinical placement components.

Principles

2. Undergraduate medical education in the UK has a defined set of outcomes set by the General Medical Council, which can be delivered through a variety of models. Funding arrangements for the clinical training should be based on the following standard set of principles that govern how the source of funding for medical education should be agreed.
3. These principles and accompanying source of funding table are a component of the Education and Training Tariff Guidance 2019-20, setting out what is covered by the tariff funding for secondary care clinical placements in undergraduate medicine.
4. Stakeholders are expected to adhere to these principles. However, where there are demonstrable benefits to education and training outcomes, arrangements should also try to facilitate flexibility, innovation, patient and public involvement and exposure to the full spectrum of clinical interactions and environments, in all years of the programme. It is expected that all local and national arrangements can only exist in the context of delivery of innovative or new models of educational delivery and learning experiences, and must be tripartite, between higher education institutes (HEIs), NHS placement providers and Health Education England (HEE).
5. Selection and assessment of medical students should involve NHS staff and general practitioners, as well as patients and carers, in order to reflect the diversity of the population served by the HEI.
6. Clinical placement funding to support publicly funded students should not be used to subsidise the costs of placement provision for students required to meet the full costs of their clinical placements. All medical students, regardless of how their education is funded, will have equal access high-quality clinical placements providing them with opportunities to progress and succeed in their higher education.
7. A clinical placement is any arrangement in which a student spends a block of time engaged in clinical learning in an environment that provides healthcare or related service to patients or the public.

8. Clinical placements take place primarily in a primary, secondary, or social care setting, but may also take place in charities, and other non-NHS organisations. Clinical placements often encompass active involvement in patient care, but they can also be classroom based to enable the clinical placement learning, or observing health or social care processes.
9. It is the type of activity, rather than the location of training or who is delivering it, that is relevant in deciding on the most appropriate funding source. For example, a component of clinical placement training would be tariff-funded even if it is delivered by an NHS clinician on university premises – and conversely, an academic component of medical education would be HEI-funded even if it is delivered by a clinician on NHS trust premises. Establishing and agreeing the source of funding is expected to be part of tri-partite discussions and agreement between the HEI, the NHS trust and HEE, and will need to be timely, collegiate and transparent.
10. Learning activity based in a clinical environment should generally be funded through tariff at a common rate, with a clear link between funding and the quality of the placements.
11. The facilitation and delivery of teaching and learning will inevitably make greater use of technology in future. Funding models should not militate against such developments which will blur the boundaries between university and clinical environments and prevent duplication of effort, such as centrally provided webinars. HEIs must ensure that such developments that affect clinical placement providers are discussed and agreed with HEE and the placement provider to ensure that it is deliverable within the resources available.
12. The funding sources based on an undergraduate placement can be found in Table 1; these are:
 - academic funding (funded by HEIs through a combination of tuition fee loans and supplementary funding from the Office for Students)
 - Clinical placement tariff funding (funded by clinical placement providers, from tariff funding received via HEE)
 - Out of scope of the tariff (funded by HEE)
 - Dependent on locally negotiated arrangements
13. The table gives a clear distinction to guide the source of funding between:
 - requirements and activities of the academic curriculum

- activities as part of clinical placements
 - activities and resource which include all healthcare learners (e.g. libraries)
14. HEE will be responsible for identifying and implementing the most appropriate funding routes for payments to placement providers. Avoiding a ‘one-size fits all approach’ allows HEE to implement differing mechanisms for payments where appropriate. For example, activity covered by Learning & Development Agreements and involving a single placement provider will be able to be paid differently to activity where there are potentially multiple smaller placement providers involved. Such flexibility would be expected to deliver innovation in the delivery of the learning environment.
15. All clinical placements should be agreed and signed off by placement providers with consideration of the associated cost in clinical placement provision. Placement providers must demonstrate that such funding for clinical placements is being utilised for the delivery of such learning. HEIs must ensure they involve the NHS placement provider budget holder in discussions on the provision of clinical placements, who must be able to identify, manage and control the costs of the placement. Transparency of usage of placement funding will be monitored by HEE. It is expected that there will be regular discussion between the placement provider, HEI and HEE on the quality of the placement learning environment and the achievement by learners of the required outcomes.
16. There should be a tripartite agreement between HEIs, placement providers and HEE, that ensures:
- any agreed variations in funding arrangements; this may include but not limited to adjustments to reflect additional:
 - costs to trusts where they provide activity on behalf of other trusts across a region
 - services provided for undergraduate education, eg Objective Structural Clinical Examinations (OSCEs);
 - HEIs have defined student learning outcomes for each placement, and educational providers must be able to facilitate students meeting those objectives;
 - any changes to the delivery of curricula or assessment which have an impact on clinical placement capacity and delivery must be discussed and agreed with HEE and the placement provider to ensure that it is deliverable within the resources available; and

- all members of the tripartite agreement have access to information on arrangements governed by the agreement, and in particular, on the funding allocated to placement providers.

Table 1: Source of Funding - Corporate Functions

ALL funding arrangements need tripartite discussion between HEIs, NHS providers and HEE, and agreement by HEE.

ACTIVITY	EXPLANATION OF TERM	RESPONSIBILITY FOR FUNDING	COMMENTS
HR / Recruitment	Job description, advertisement, interview, appointment & Induction of Academic Staff and Defined Academic Lead Roles	HEI	
Finance	Relates to University funding and administration. Funding and payments to Clinical Teachers outside the Trusts are generated by Locality Teams.	HEI	
Staff Development - Academic	Essential activity which includes induction of staff, training and developing clinical teachers. Although this is mainly a College activity, because of the large number of NHS teachers, there needs to be some provision for this activity, if only to recognise their time. Ideally it should also facilitate some NHS staff who wish to undertake additional training.	HEI	
Staff Development - Clinical	Clinical teaching CPD e.g. Academy of Medical Educators	HEI and NHS (Tariff)	
Marketing & PR	Self-Explanatory	HEI	
Selection of medical students	Self-Explanatory	HEI	
Quality & Standards of education	Internal & External (GMC/Universities/QAA) quality assurance function. Mostly University but for clinical teaching, there is an element of peer review/observation which takes up Clinical Teacher time.	HEI	

Education & Training tariff guidance and prices for the 2019-20 financial year

ACTIVITY	EXPLANATION OF TERM	RESPONSIBILITY FOR FUNDING	COMMENTS
Registry Services	Enrolment and documentation of students' progress towards graduation. Clinical elements include investigation of complaints and Fitness to Practice procedures (mostly dealt with by Sub Deans & Associate Deans)	HEI	
Staff DBS checks (previously CRB)	Associated with recruitment but removes need for NHS duplication.	HEI	
Assessment	Collation and review of assessment results	HEI	
Widening Participation	Process of expanding access to Medicine to suitable candidates who would not otherwise apply due to socio-economic reasons	HEI	
IT Services	University IT systems including email and other infrastructure systems	HEI	
E-learning	Technology-assisted learning, encompassing current methods such as telematics and virtual learning, as well as emergent related technologies that facilitate learning.	HEI and Locally negotiated arrangements	In cases of significant NHS support in relation to CPs
Library - University	Libraries are maintained at each campus.	HEI	
Library - Hospital	Libraries are maintained at all hospital sites - contributions to cover medical student use.	NHS (Tariff)	
Accommodation and Travel Committee Management	Detailed breakdown of relative contributions available. Room bookings, note taking, typing up minutes and following through actions. For some roles this will impact on Clinical Staff who are actively involved in Curriculum development etc.	NHS (Tariff) HEI	

Table 2: Source of Funding - Student Services

ALL funding arrangements need tripartite discussion between HEIs, NHS providers and HEE, and agreement by HEE.

ACTIVITY	EXPLANATION OF TERM	RESPONSIBILITY FOR FUNDING	COMMENTS
Student Support, including DBS	Dealing with student disabilities, financial hardship etc. Also, pastoral support of students.	HEI and Locally negotiated arrangements	In cases of significant NHS support in relation to CPs
Student Counselling	Mostly available through University services, the students also have access to NHS counselling and Chaplaincy services. Therapeutic Counselling is provided for a limited period for some students and access is restricted to those referred to it by Occupational Health	HEI and Locally negotiated arrangements	In cases of significant NHS support in relation to CPs
Prizes & Awards	Includes prizes but also limited support for students to undertake approved activities	HEI and Locally negotiated arrangements	In cases of significant NHS support in relation to CPs
Student Occupational Health	Complex issue but essentially all clinical staff working with patients need to be vaccinated and checked for Blood Borne Viruses e.g. HIV, Hepatitis B before they are involved with invasive procedures to patients. Also provides specialised advice as to whether students with health problems are a risk to patients or themselves.	HEI and Locally negotiated arrangements	In cases of significant NHS support in relation to CPs
Careers Advice	Provided in close contact with HEE/Deanery, this service helps students find the right speciality. A requirement of the GMC, it also helps reduce problems later in their training and working lives.	HEI and Locally negotiated arrangements	In cases of significant NHS support in relation to CPs

Table 3: Source of Funding - Teaching and Learning

ALL funding arrangements need tripartite discussion between HEIs, NHS providers and HEE, and agreement by HEE.

ACTIVITY	EXPLANATION OF TERM	RESPONSIBILITY FOR FUNDING	COMMENTS
Academic teaching	Academic content to be funded by HEIs	HEI	
Clinical Training in clinical setting	Clinical practice content that needs to be undertaken in clinical environment	NHS (Tariff)	
Equipment	Funding for equipment required to deliver education & training.	Locally negotiated arrangements	
OSCEs	Objective Structural Clinical Examinations. Examiners are largely NHS Clinicians. All examiners require training beforehand to maintain a fair and reasonable quality standard. Exams may take place in HEIs, NHS Trusts or on neutral territory e.g. hired conference facility.	Locally negotiated arrangements	
Electives	The Elective period is another student selected period of training. Some students go abroad (self- funded). Currently a proportion arrange local electives in the NHS but there is currently no payment to providers for this. There is a small number of medical students who go to other medical schools in the UK or abroad. The advisers who ensure that students have an adequate learning plan and risk assessment may be NHS Clinicians.	Locally negotiated arrangements	MSC Education Leads to explore alternative options for students to broaden their experience

Table 4: Source of Funding - Roles and Posts

ALL funding arrangements need tripartite discussion between HEIs, NHS providers and HEE, and agreement by HEE.

ACTIVITY	EXPLANATION OF TERM	RESPONSIBILITY FOR FUNDING	COMMENTS
Clinical Roles	Clinical placement leadership teaching and administrative roles.	NHS (Tariff)	
Academic Roles	All other roles	HEI	

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