

HEE Pilot Programme: Place Based Models for Allocating and Distributing Placement Funding 2018-2021

POLICY FRAMEWORK

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Policy Statement

1. This is a living document designed to provide a framework for Health Education England's (HEE) implementation of a pilot programme to test place based approaches for allocating and distributing clinical placement funding for 19 tariff funded non-medical programmes.
2. It is intended to serve as a guide to ensure pilot implementation:
 - is underpinned by the five pilot principles agreed by HEE's Placement Funding Policy Oversight Group (PFPOG)
 - delivers the aims and objectives agreed by the PFPOG
 - tests the feasibility of place based approaches for allocating and distributing tariff funding to improve placement capacity and capability
 - demonstrates whether place based models can be scaled up and operationalised at national level to become HEE's delivery mechanism for tariff funding from 2021/22
 - achieves the intended policy outcomes
3. Owing to the experimental nature of the pilot programme, this framework will be updated bi-annually from September 2018 to ensure it reflects learning from each regional pilot.

Policy Context

4. Health Education England (HEE) is responsible for ensuring that the future NHS workforce is available in the right numbers and has the necessary skills, values and behaviours to meet patients' needs and deliver high quality care. The Care Act 2014 sets out HEE's remit and statutory responsibilities in detail, including its duty to ensure an effective system is in place for education and training in the NHS and public health.
5. Government reforms to health education funding announced in the 2015 Spending Review withdrew NHS bursary funding for students enrolled on tariff funded undergraduate pre-registration programmes. From 1 August 2017 all nursing, midwifery and allied health professional students received funding and financial support through student loans.

6. In August 2017, the government committed to fund an additional 10,000 clinical placements by 2020 to support the planned expansion in student numbers and give universities flexibility to deliver extra places for students across a range of roles. The first tranche of this funding was released in August 2017 funding 1,500 places to those HEIs delivering tariff funded pre-registration courses.
7. HEE continues to be responsible for funding clinical placements, based on the tariff set by the Department of Health for Social Care (DHSC). Effectively this will be at a level commensurate with the minimum numbers of registered professionals needed by the NHS. HEE's existing placement funding arrangements should not inhibit the envisaged growth in training places. Where evidence demonstrates growth in placement activity in a pre-registration programme, HEE will draw down funding to support expansion of places.

HEE's Mandate

8. HEE's mandate for 2018/19 requires a continuation of work to lead the development of future delivery models and funding options that can be aligned with the future clinical placement system. This includes working with providers to increase placement capacity and making plans to continue placement expansion into 2018/19 and beyond.

The Statutory Basis for Placement Funding

9. Powers and statutory requirements with regards to tariffs for placements were set out in legislation, in the Care Act 2014. The DHSC set the tariff (price) for all non-medical placements, currently £3,122 + Market Forces Factor.
10. The tariff funds a year's worth of placement and HEE administers placement funding to placement providers, largely secondary care NHS Trusts, who work with HEIs to deliver placements as part of undergraduate pre-registration programmes. HEE's relationship with placement providers is governed through the Learning and Development Agreement (LDA).

Eligibility for Non-Medical Tariff

A placement in England that attracts a tariff payment¹ 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 and the commissioner;
- be quality assured in line with the commissioner's agreed processes;
- 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.

¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/629492/2017-18_ET_tariff_guidance_FINAL_July_v2.pdf

Scope of Pilot Programme

Placed based models in a market led system

11. The term place-based funding is used to describe a spectrum of approaches. At one end of the spectrum, it may be used simply to refer to funding placement activity limited by geography or refer to long-term and multi-faceted collaborative partnerships aiming to achieve significant change. In most cases, it is more than just a term to describe the target location of funding; it also describes a style and philosophy of funding.
12. A series of HEE listening events in 2016 identified place based models as the best option for testing a new funding system for allocating and distributing tariff funding in a market led system where education providers are the recruiters of the future NHS workforce. The option offered the greatest scope for transparency in funding flows to ensure providers and the student could access placement funding.
13. HEE place based approaches in funding clinical placements will need to test whether the model can improve placement capacity and capability to deliver high quality training experiences. A key focus will be to consider whether place based approaches can a) support clinical placement expansion and b) provide stimulating and innovative learning environments which facilitate integration of theory with practice, in the context of integrated care pathways, delivered by multi-disciplinary teams across a range of clinical contexts.
14. The pilot programme will distribute placement funding for the 19 non-medical pre-registration programmes eligible for tariff. These are:

DHSC Tariff per placement	The 19 Pre/First- Registration Programmes eligible for placement tariff	
£3,112 + Market Forces Factor	Adult Nursing Mental Health Nursing L&D Nursing Child Nursing Midwifery Chiropody Podiatry Dietetics Occupational Therapy Operating Department Practice Paramedics	Physiotherapy Speech & Language Therapy Diagnostic Radiography Therapeutic Radiography Dental Hygiene Dental Therapy Orthotists & Prosthetics Orthoptics

15. Subject to DHSC policy and agreement, the scope of the programme may be widened to include other professions.

Purpose

16. The purpose of piloting a place based placement funding model is twofold:

- Piloting for experimentation: Testing ‘workability’ to understand what approaches improve student learning experiences; placement capacity and capability of providers; and what outcomes it can produce to benefit patients and the public
- Piloting for demonstration: Whether place based models can be implemented successfully across HEE’s system architecture and how implementation barriers can be overcome

National and Regional Implementation Approach

17. Based on the mandate from the DHSC, HEE’s priorities are to implement a national pilot programme over three financial years from 2018/19 to 2020/2021. HEE will pilot place based models in each HEE region, taking a staggered approach with a six-month interval between each pilot to ensure an iterative approach is taken to pilot design.

18. HEE North has been identified as the region to pilot a place based model first, from September 2018; followed by HEE London & South East from March 2019; HEE South in September 2019 and Midlands and East from March 2020. The duration of each pilot will be no longer than two financial years, with successive pilots expected to complete duration over a shorter period as the implementation model matures over time.

19. The pilot programme will complete implementation in October 2020 at which point HEE will review and assess whether place based models are a viable delivery and funding mechanism to allocate and distribute clinical placement funding.

20. The design and operation of each pilot will be led and owned by each regional office to ensure flexible and tailored place based approaches are developed to meet the needs of each geography. Design must be informed by reliable and robust data to ensure stability in the local health economy and a clear, defensible rationale for decisions on allocation and distributing with a lead provider or a coalition of providers.

21. The legal arrangements for governing placement funding in a place based model must also be clear and transparent and protect HEE’s investment and intellectual capital. The number of “places”, size and scale of the pilot will also be at the discretion of the regional office.

WORKING DOCUMENT

22. The following table summarises the role of HEE National and HEE Regional Offices.

HEE National Office ROLE	HEE Regional Office ROLE
Steward national pilot implementation	Identify the “place” and size and scale of pilot
Ensure strong governance	Design and deliver operational model for pilot
Enable regional offices to respond to regional variations	Adapt or configure existing financial, educational quality and contractual systems to ensure strong governance of pilot and transparent funding flows
Identify and resolve strategic issues and risks	Identify and establish appropriate partnership forum and communication channels with external partners involved in pilot delivery
Ensure allocation and distribution of placement funding responds effectively to levels of placement activity	Programme manage regional pilot delivery and report progress through HEE National Office governance structure
Maximise HEE placement investment in each region to support sufficiency and growth in supply of high quality placements	Develop innovative and flexible approaches to funding clinical placements which support multi-disciplinary learning in integrated care models

Principles, Aim and Objectives

23. Piloting place based funding models in each HEE region requires a deep understanding of the infrastructure and operational framework required to develop an effective and efficient funding mechanism to deliver high quality clinical placements. In the absence of HEE commissioning levers, the following five principles will underpin the design and operation of all four regional pilots:

- a. **Transparency** in funding flows and placement commissioning decisions. Pilot sites must identify explicit lines of accountability and responsibility and enable clear lines of sight to be maintained.
- b. **Equity** placement commissioning arrangements must be fair and consistent, ensuring that students have equal access to placements and no profession is disadvantaged
- c. **Flexibility** a nationally consistent placement commissioning framework that stewards the system but enables HEE regions to operationalise pilots to reflect and respond to the needs of their “place”, recognising local variations in student flow, growth, market behaviour and local health population needs. The national role is in defining the ‘what’, the local function is delivering the ‘how’.
- d. **Quality** a model which achieves value for money and ensures HEE’s quality standards are met whilst supporting and promoting innovative learning models
- e. **Sufficiency** a model which supports a stable supply of placements against market supply of pre-registration programmes and encourages growth and expansion of placements

Aim

24. To consider whether a place based model is an effective delivery mechanism to improve placement capacity and capability.

Objectives

25. The pilot programme has five objectives; these are:

- to understand how a place based model can address supporting areas of greatest need and use tariff as a way to mitigate against impact of market
- to understand how placement budgets can be 'flexed' to respond to levels of placement activity, market behaviour and student flows
- to identify the barriers, risks and issues to implementing place based placement funding model and how these may be overcome
- to understand what type of collaboration and joint working approaches are required to inform place based placement commissioning decisions locally
- to define the 'unit' for place and the criteria that should be used to inform HEE's definition of place based'

Outcomes of Pilot

26. The intended outcomes of the pilot exercise are:

- an equitable and agile methodology for allocating tariff and non-tariff funding which promotes stability and security in the supply of the non-medical workforce
- closer alignment of placement funding with local health population need through improved allocation formulae
- developing place-based placement allocations to support holistic collaborative local commissioning where this benefits patients
- stronger long-term collaboration between commissioners and providers

Identifying the "place"

27. A scoping process will be required to decide where to undertake piloting. This will need to assess the local health economy, placement activity and capacity, infrastructure, opportunities and need. Regional offices will have discretion in deciding which "place" should be identified as a suitable site for piloting.

Practical Considerations

28. The precise approach taken to place-based funding will vary according to a number of factors, including:

- **Number of areas in the region:** focus in depth on one area or fund a place-based approach in a number of areas across the HEE geography; or work in a series of areas over time.
- **Intensity:** Target funding at particular areas, with little additional involvement; or engage in a funding plus strategy, offering additional support to providers; or employ a complex process of community development and partnership working.
- **Programme management and support:** Depending on the blueprint for the pilot and resources available, a number of different approaches to the practical delivery of place-based funding in each region can be considered.
 - Set up its own team in an area to develop an approach
 - Employ a Programme Manager with knowledge of the area
 - Work through the lead provider in the "place partnership
 - Designate a member of HEE local staff to an area and set up a local Steering Group
- **Learning from the pilot:** Building learning in from the start will be important to understand success, failures, risks and issues. Investment in research and evaluation will therefore need to take place alongside delivery of the pilot.

Evaluation

29. HEE National Office will procure an evaluation partner to evaluate the pilot programme as it is implemented to support iterative learning. Procurement of an evaluation partner will commence in 2018/19, with a contract awarded to the most competitive bidder by March 2019.

Governance

30. A strong framework for cooperation and joint working between the HEE national and regional offices is being developed to ensure robust implementation of the placement funding pilot programme.