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11 January 2024

Dear Accountable Officer

Increase in maximum fundable limits for undergraduate medicine courses

I'm writing to explain the approach we propose to take to allocating additional funding for undergraduate medicine courses from 2025-26 and to invite your feedback about our proposals by **29 February 2024**.

We have additional funding to increase the total maximum fundable limits in the sector by **350** from the 2025-26 academic year and can allocate this to providers registered in the Approved (fee cap) category. We are also therefore asking you to tell us, by the same date, whether you have capacity for growth in student numbers on your medicine courses in the 2025-26 academic year.

Our proposed approach to increasing maximum fundable limits in the short term

We received guidance from government to increase the number of places in 2024-25 on 1 October 2023. Our view was that there were benefits to increasing maximum fundable limits in the short term and took steps to facilitate this as quickly as possible. The outcome of this exercise will shortly be published on our website.[1]

We have now received further guidance from government providing us with sufficient additional funding needed to cover the full costs to the OfS for increasing the maximum fundable limits by 350 from 2025-26. This funding will be reflected within the Strategic Priorities Grant allocations for the 2025-26 academic year and future years.[2]

[1] See Health education funding - Office for Students.
[2] See letter dated 14 December 2023 at www.officeforstudents.org.uk/advice-and-guidance/regulation/guidance-from-government/.

We want to ensure that we can confirm places in a timely manner to give potential students the maximum opportunity to apply to a provider that best suits their needs and requirements. Our proposed approach to allocate places for the 2025-26 academic year takes account of the UCAS medical application cycle, and we're keen to hear providers' views on our proposals.

For OfS-funded providers that are allowed to recruit international students, their maximum fundable limit covers both home and international students. Within that limit, there is a specified target that a provider is expected to adhere to for international recruitment (7.5 per cent of their intake targets pre-2018 expansion of medical places), unless an explicit exemption has been granted by the Department of Health and Social Care (DHSC) to exclude certain students from the maximum fundable limit. While the procedure for reporting international students may change in future years, we would expect providers that currently have limits on international recruitment to continue to adhere to these targets. Numbers and exemptions for international medical students will remain under review as part of the NHS Long Term Workforce Plan (LTWP).

We are keen to hear providers' views on our proposed approach, which we consider offers the most efficient way of delivering the expansion in time for the opening of the application window for 2025 medical places. Providers are also invited to submit a proposal for any changes they would like to make to their maximum fundable limits having considered our proposed approach.

In developing our approach, we have drawn on the information we hold about individual providers' ambitions for future growth in their medical schools. In particular, we have considered information submitted by providers with maximum fundable limits when we engaged with the sector on the expansion of medical numbers for the 2024-25 academic year. We had responses from all but two of the providers with maximum fundable limits. Responses indicated that:

a. These providers all had the ambition to increase their maximum fundable limits in 2025-26 compared with their 2024-25 allocations.

b. Of the potential increase in maximum fundable limits that providers told us they would be interested in:
    i. 5.2 per cent was in London
    ii. 10.0 per cent was in the South East
    iii. 14.0 per cent was in the Midlands
    iv. 11.5 per cent was in the East of England
    v. 21.8 per cent was in the North East and Yorkshire
    vi. 29.0 per cent was in the North West
    vii. 8.5 per cent was in the South West.

c. Providers told us that there may be restrictions on their ability to grow. Reasons were varied but most mentioned either capital, placement capacity or clinical educator numbers.

d. Nearly one in five providers mentioned other factors that would enable growth, most notably clarity and confirmation of future funding for teaching and placements.

Our expectation is that, across England, there are providers with more capacity and interest in growth than we could satisfy with the increase in maximum fundable limits of 350 in 2025-26. We have therefore decided that we should establish a methodology to allow us to appropriately distribute the increase in maximum fundable limits. Our broad approach and criteria for determining the distribution of the increase in the maximum fundable limits for the 2025-26 academic year is outlined in Annex A of this letter, with the proposed methodology outlined in Annex B. We invite providers to respond to both the criteria and methodology through Annexes C and D.

If you have any questions or wish to talk with the OfS team responsible for funding health education, please email medicaldental@officeforstudents.org.uk. This shared email address is monitored throughout the working day.

Yours sincerely

John Blake
Director for Fair Access and Participation

Annex A: Approach to distribution of additional maximum fundable limits in 2025-26

Eligibility

We propose to apply the increase in maximum fundable limits for providers registered with the OfS in the Approved (fee cap) category. Providers registered in the Approved category are not eligible to receive OfS funding.[3]

There will be a total of **350** additional places available for the 2025-26 academic year.

Providers already in receipt of funding will be eligible to receive an increase in their maximum fundable limit. Such providers are currently teaching their first cohort of medical students or are on the list of bodies that can approve a primary medical qualification. These providers must consider how any planned increase in student numbers would affect their ability to comply with GMC requirements.

Providers should contact the GMC to discuss their current position, and also to consider the practicalities and potential implications of any future plans for growth. The GMC is keen to welcome early engagement with medical schools regarding expansion plans in line with the roll out of the LTWP in the coming years.

There may be new providers that are interested in a maximum fundable limit for the 2025-26 academic year but are not currently teaching their first cohort of medical students or are not on the list of bodies that can approve a primary medical qualification. In these circumstances, we expect that a provider will have been in discussions with the GMC about becoming a primary medical qualification awarding body. To be eligible for maximum fundable limits in 2025-26, such a provider must provide confirmation from the GMC that it has provided sufficient evidence and received assurance from the GMC that it has plans in place that result in a reasonable prospect of it being able to teach students in the 2025-26 academic year.

Distribution of places

We propose asking providers to indicate the maximum capacity to which they are able to expand in the 2025-26 academic year. In some instances, we expect that this will remain unchanged from the figure that many medical schools indicated to the OfS in October 2023. However, for others it may have changed and therefore we want to make certain that the information we are using is based on the most accurate and up-to-date data available. We are also requesting this figure to ensure that providers are informed of the way in which their data is being used and for what purpose.

We do not propose to make any reductions to existing maximum fundable limits. However, given the information we hold about providers' ambition for growth in 2025-26, we anticipate that provider requests may exceed the total number of additional places available.

[3] See www.officeforstudents.org.uk/advice-and-guidance/regulation/registration-with-the-ofs-a-guide/benefits-of-registration/.

We propose adopting the following factors to support our decision making about how to increase maximum fundable limits.

1. **Geography** – we will seek to address imbalances in the distribution of medical training places compared with need on a regional basis.
2. **Capacity to teach in 2025** – we will prioritise increasing maximum fundable limits for providers that have capacity to deliver in AY 2025-26 without a need for further capital investment.

Having considered our general duties, as set out in the Higher Education and Research Act 2017 (HERA), we have concluded that geography and capacity should be primary factors for our approach to the 2025-26 academic year. In particular, in determining this approach, we have had regard to the need to promote quality, and greater choice and opportunities for students, in the provision of higher education, and the need to promote equality of opportunity in connection with access to, and participation in, higher education provided by English higher education providers.

We have also had regard to statutory guidance from ministers. The guidance that is particularly relevant to this expansion asks us to consider the evidence collated by NHS England (NHSE) when determining our approach.

By increasing the number of places available by 350 for the 2025-26 academic year, choice for prospective students is being extended. By introducing additional places as soon as possible in the application process, the intention is that it has a positive effect on student choice, as all available places are being advertised through UCAS and made available at the beginning of the application window.

Our expectation is that these additional medical training places will be open to all suitably qualified applicants. Our proposed approach – that informs providers of a provisional allocation and invites them to decide whether or not to accept – will allow providers to exercise their autonomy.

Geography

We have considered advice from NHSE which shows that there is a geographical disparity between the number of undergraduate medical training places and the clinical need of the population. This includes evidence that points to a direct correlation between the number of training posts in an area and the health outcomes experienced by patients in that area.[4]

The evidence also suggests that there is a connection between where an individual trains and where they ultimately gain employment. According to data compiled by the GMC, approximately 50 per cent of doctors completing their undergraduate study go on to practise within 50 miles of their

[4] The Lancet (January 2021). The association between physician staff numbers and mortality in English hospitals. See https://www.thelancet.com/journals/eclinm/article/PIIS2589-5370(20)30453-3/fulltext.

university.[5] We are therefore confident that a proposal to increase maximum fundable limits for a provider in a particular geographical area will have a positive effect on the number of doctors employed in that region in the long term.

The information received from NHSE included a distribution of need for doctors on a regional basis. This suggested that there was an imbalance between need and the current allocation of maximum fundable limits. The OfS is proposing to allocate a greater number of training places to areas with a higher need, which NHSE evidence suggests arises from increased proportions of older populations or more deprived populations in a region.[6]

The table below shows the proposed modelled allocation by NHSE of additional medical school places for the academic year 2025-26, by NHS region.

Table 1: Modelled allocation of additional medical school places for 2025-26, by NHS region

Medical school places	Current posts	%	Distributional guide (initial)	Distributional guide (new)	2025-26 (new)	
					Expansion	Starts
North East and Yorkshire	1,282	16.50%	15.60%	15.90%	52	1,334
North West	1,008	13.00%	13.50%	13.90%	54	1,062
Midlands	1,648	21.20%	19.30%	19.40%	58	1,706
East of England	621	8.00%	11.30%	11.10%	55	676
South West	644	8.30%	10.30%	10.00%	44	688
London	1,809	23.30%	15.10%	15.00%	10	1,819
South East	764	9.80%	15.00%	14.70%	77	841
Total	**7,776**	**100%**	**100%**	**100%**	**350**	**8,126**

Source: NHSE

We do not have the data to identify the OfS regional breakdown from the NHSE data analytics and we consider that allocating places by NHS region provides no significant detriment to any individual provider nor to student choice. We therefore propose accepting this analysis as the starting point for identifying the variable capacity across the differing regions.

We considered whether it would be appropriate to allocate places using smaller geographic areas. The NHS data on clinical need is broken down to smaller geographic areas than 'region'. However, this data did not readily map to the spread of clinical placements nor to OfS-registered medical school locations. For the purpose of this exercise, we consider that allocation of places by NHS

[5] General Medical Council. Distance between doctors' medical school and their current location. See https://data.gmc-uk.org/gmcdata/home/#/reports/Doctor%20moves/Distance%20dashboard/report.

[6] Regional allocations based on NHSE data analytics.

region is an appropriate method to facilitate the spread of places and providing applicants a choice of providers within each NHS region.

NHSE provided a breakdown of places for each region. As noted above, the data analytics are unique to the NHSE and there is no data held at the OfS that could replace this analysis.

Capacity to teach in the 2025-26 academic year

We propose increasing maximum fundable limits for providers only where there is a reasonable prospect that this increase will result in more doctors being trained. The number of applications for medical courses suggests that there is a very low risk that student demand would not fill the places available. However, our view is that there are restrictions on the ability of providers to supply the necessary places on their courses for teaching in 2025. These all relate to the capacity of providers to deliver additional places:

a. Capital – we expect that for some providers there will be limitations to growth based on the available teaching spaces for 2025.

b. Clinical educator and placement capacity – we expect that some providers will face limitations on their ability to grow because their local health partners may not be able to support growth in placements or because they are not able to access sufficient clinical educators. We will need assurances from providers that they have sufficient placements agreed.

c. GMC regulatory requirements – providers may consider that they are not able to grow and continue to meet the requirements placed on them by the GMC.

d. Strategic direction – providers may consider that they do not wish to grow their medical schools beyond their current capacity for their own strategic reasons. We note that in its recent paper on the expansion of medical training places, the Medical Schools Council commented that it is unlikely that all current medical schools would want to expand to 250 students.[7]

These restrictions may limit growth at a provider even if we increased their maximum fundable limit. We therefore propose to prioritise increases for those providers that are able to demonstrate their capacity to teach. As noted in the 2024-25 exercise, providers were asked for their potential future increases that they would we able to accommodate under the current funding which excludes additional capital monies. We have considered the intelligence gathered by individual providers to underpin our thinking on the approach to future requirements.

We are proposing that there is no minimum number of places to be offered to a single provider. This is because we want to encourage providers to submit proposals only for a level of growth in student numbers that they have the capacity and placements to feasibly accommodate.

[7] See https://www.medschools.ac.uk/media/2899/the-expansion-of-medical-student-numbers-in-the-united-kingdom-msc-position-paper-october-2021.pdf.

If we do not receive sufficient interest at a regional level, we will need to consider how best to address any shortfall in an equitable manner. However, as noted above, we expect that there is sufficient demand from providers to accommodate all of these additional places given the interest expressed by schools in October 2023.

In deciding to propose that capacity to teach is a primary factor, we have had regard to the ability of providers to offer the relevant courses and capacity to deliver different models of medical education.

The NHS Long Term Workforce Plan

The Long Term Workforce Plan (LTWP) sets out NHS England's vision for increasing the number of staff working in the NHS.[8] It sets proposed trajectories for growth in the number of doctors, dentists, nurses and other health professionals through to 2035. This increase will only be deliverable through increasing the training places at higher education providers. Most training courses for these professions are delivered by providers registered with the Office for Students (OfS), and such courses, notably in medicine and dentistry, attract among the highest levels of OfS funding through our Strategic Priorities Grant. We control the amount of funding provided to the sector through the use of maximum fundable limits (previously called intake targets).

Growth in maximum fundable limits (and intake targets) has historically been predicated on when additional funding has been available and when government has asked us to help deliver an increase in the number of training places available.

The LTWP also sets out the government's aspirations for developing shorter medical courses as the undergraduate route to medical qualification. This reduces the lead time to recruit graduates into service. We note that there are longer term aspirations to rework the pedagogy to open up other entry routes or course delivery models. This would enable a shorter four-year course to be available for undergraduate students alongside other teaching innovations; this would shorten the time for a variety of students to enter the profession, as well as offering options to train via internship and degree apprenticeship courses.

Currently, four-year courses are offered to graduates who have studied a relevant first degree. A separate NHSE programme to establish medical doctor degree apprenticeship pilots is progressing and may be considered under the reform for the delivery of medical education and desirable delivery models in later years of the LTWP. It is not intended that such reforms will necessarily be ready for the 2025-26 academic year intake. We note the government wishes to encourage providers to consider what opportunities they could develop.

Within the long-term allocations process for the expansion of medical places, the government has asked the OfS to consider the ways in which providers might be able to deliver the reform objectives that have been set out in the LTWP. We will consider how changes to the delivery of medical programmes might evolve to support the purpose and scope of LTWP objectives from

[8] See www.england.nhs.uk/publication/nhs-long-term-workforce-plan/.

2026-27 onwards. In particular, the government has expressed an interest in the following areas (as identified in the letter to the OfS of 14 December 2023):

a. Applying innovation in course delivery (e.g. blended learning, simulation).

b. Focusing on equality, diversity and inclusion – widening participation in and improving access to medical education so that the medical workforce is more representative of the population it serves and attracts doctors from a wider pool of people in local communities, including through the delivery of the new medical degree apprenticeship.

c. Supporting general practice and other shortage specialties so that the NHS can deliver services required to meet patient need, as per NHSE workforce requirements set out separately.

d. Increasing provision of graduate entry programmes.

e. Developing four-year undergraduate medical degree programmes that meet the same established standards set by the GMC, so that doctors are able to enter service more quickly.

f. Delivering accreditation of prior experiential learning programmes which shorten the degree programmes for graduates with appropriate prior learning and experience to less than the current four years for graduate entry medicine programmes.

g. Subject to the outcome of a pilot that NHSE intends to deliver in 2024-25, delivering an internship model for newly qualified doctors to shorten the length of training, with a view to improving preparedness for practice.

h. Delivering medical education programmes that deliver training in generalist skills to help ensure that future doctors have broader generalist and core skills to manage multi-morbidities, alongside single conditions.

We will engage with the sector about ways to deliver a settled approach once we have received confirmation from government of the availability of funding for this in the medium term.

We expect to adopt an approach that is based around a long-term expansion and multi-year allocation. Providers are encouraged to consider how they could contribute to the reform objectives identified by NHS England in the LTWP as part of any future expansion.

In making decisions about our approach, we may seek relevant advice from GMC, NHSE and other expert bodies, as appropriate.

Annex B: How we propose to implement this approach for the 2025-26 academic year

We have set out two approaches for consideration, with capacity and geography as the main criteria for determining the allocation of places.

Methodology 1: Allocations are made to those providers with the greatest capacity for growth

This method would consider the capacity for growth as the primary factor for determining the distribution of medical places within a region and would be based on the number that providers indicate they have capacity to grow by from the 2025-26 academic year.

A provider should only submit a bid for an increase in medical places that reasonably reflects their capacity to deliver manageable growth in medical provision for the 2025-26 academic year. In the event that we receive requests for more places than are available for each NHS region, we will initially target those that have the greatest capacity for growth.

Providers will be ranked within their region based on their capacity for growth. The provider with the greatest interest would receive their full allocation up to their capacity, followed by the next highest, until the allocation for the region is exhausted.

We believe that this method facilitates institutional autonomy by allowing for providers to apply for new medical places within their regional allocation.

Table B1: A worked example, in which providers have bid for a greater number than is available

Region A – the region has 50 new places	New 'home fee'[9] places as at 2023-24 academic year	Capacity for growth in 2025-26 academic year	Provider request for 2025-26 academic year	Initial new allocation (whole FTE)
Provider one	500	10	10	0
Provider two	250	20	15	10
Provider three	50	40	40	40
Totals	800	70	65	**50**

Under this method:

- Provider three has a capacity of 50 FTE but only wants to expand by 40 FTE. This method would respect a provider's institutional autonomy by only allocating numbers to their stated maximum capacity.

[9] See Guide to funding 2023-24 - Office for Students.

- Provider two has requested 15 places. However, as region A only has 50 places in total available, it would only receive 10 FTE.
- Provider one will receive no places, as the region's allocation has been exhausted.

Issues and risks associated with this approach

This method skews towards providers that have the greatest capacity for growth within each region. This could mean that a single provider is given all the region's full allocation if its initial capacity matches or exceeds the total allocation for that region; it is likely to favour the smaller and newer providers that have greater capacity for growth.

The spread of places and the growth of medical provision for new and emerging medical schools is uneven across the regions. We need to share the numbers across those providers who wish to grow.

The method noted above does not allow a provider to gauge what their indicative allocation might be from the outset as they would need to know the capacity of growth for all other providers in the relevant NHS region. Though each provider knows their own allocation, this remains confidential between providers until published.

Methodology 2: Refined to allocate numbers pro rata on a provider's capacity for growth

To avoid some of these issues for methodology 1, we could modify the approach and choose to apply a simple pro rata reduction to providers based on their capacity for growth and the numbers of places available in the region.

This method would still skew numbers to the provider with the largest capacity for growth but would also allocate places on a pro rata basis to all providers that have capacity to grow based on the provider's own requested numbers. In the worked example in Table B2, we pro rata the 50 FTEs across providers in region A that have requested 65 places.

Table B2: A worked example in which we pro rata the 50 FTEs across providers in region A that have requested 65 places

Region A – the region has 50 new places	New 'home fee' places as at 2023-24 academic year	Capacity for growth in 2025-26 academic year	Provider request for 2025-26 academic year	Initial new allocation (Whole FTE – pro rata 50/6 multiplied by the number requested)
Provider one	500	10	10	8
Provider two	250	20	15	12
Provider three	50	40	40	30
Totals	800	70	65	**50**

This method distributes the numbers across the providers with capacity to grow and the absolute numbers will be skewed to those that indicate the largest numbers. By adopting a pro rata calculation, we can allocate the numbers more equitably and fairly.

Recommendation

By following either of the methods proposed we allow those providers that want to increase their numbers to achieve that outcome to the maximum of their capacity.

Either method allows for institutional autonomy, while maintaining greater student choice in increased numbers across a range of medical providers within a region. Both approaches would allow for a broad allocation across the NHS regions and in line with detailed NHSE analysis of the 'need' for provision by NHS region.

The method that has a single provider receiving the total regional allocation is likely to be of greater risk to that provider and to disadvantage other providers that are equally keen to expand.

There would also be an allocation issue where two providers have the highest capacity for growth.

We propose using the second methodology to distribute numbers by geographical region and pro rata by a provider's capacity for growth. We consider that this method allows for a range of providers in each region to obtain some numbers while being within their maximum capacity.

Timetable for delivery

To ensure that medical schools are given sufficient time to advertise all available places within the recruitment cycle, we expect to be able to announce the final outcome of this process in April 2024 which provides both medical schools and prospective students appropriate time to make informed decisions through the UCAS cycle.

We are keen to hear the views of providers regarding the proposal and the eligibility criteria that has been outlined above. Please comment and respond using Annex C, which has been sent alongside this letter.

Given the need to have these additional medical places open for the next recruitment cycle, we are asking for the number of additional medical places that your provider considers that it would be able accommodate for the 2025-26 academic year, using Annex D, which has been sent alongside this letter.

Please send your response to Annexes C and D of this letter to medicaldental@officeforstudents.org.uk by 29 February 2024.

If you have any questions or wish to talk with the OfS team responsible for funding health education, please email medicaldental@officeforstudents.org.uk. This shared email address is monitored throughout the working day.