

The Rt. Hon. Jeremy Hunt MP
Chancellor of the Exchequer
His Majesty's Treasury
Horse Guards Road
London SW1A 2HQ
28 February 2024

By email: action.chancellors@hmtreasury.gov.uk

Dear Chancellor,

Re: Loan forgiveness model for nursing

In your Cabinet and parliamentary roles over the last decade you have taken a close interest in the NHS workforce, including domestic and international supply issues.

It is our belief that there is an excessive level of risk to the future pipeline in registered nursing and that the NHS Long Term Workforce Plan, of which you were proud, is at risk of appearing unviable or irrelevant.

The critical shortfall of nursing staff poses a significant threat to the NHS' ability to navigate forthcoming challenges. While demand for skilled nursing care steadily climbs, the number of domestically educated nurses entering and remaining in the workforce is falling alarmingly short.

It is in this context that you will deliver your Spring Budget next week. The remaining months of this Parliament afford you a unique opportunity to meet the moment and address the ever-worsening workforce crisis in England's NHS. We wish to be of assistance to you in this.

To fulfill the ambitious goals outlined in the NHS Long Term Workforce Plan, the annual intake of nursing students needs to average 29,000 between 2023 and 2031, solely to meet the NHS's staffing requirements. Universities, and in particular modern universities who train around 70% of new nurses, stand ready to meet this challenge. However, the current pipeline, represented by the 2023/24 nursing student cohort, stands at only 22,470, highlighting a significant shortfall. To further complicate matters, current recruitment efforts primarily rely on overseas professionals, posing long-term sustainability challenges for the NHS. Further compounding this critical situation, university admission figures reveal a worrying 26% decline in nursing applications over the past two years, making a bad situation worse.

The burden of student debt coupled with real terms cuts in maintenance grants for nursing students act as significant disincentives for talented individuals to pursue this vital career path. These financial pressures are part of a vicious cycle of understaffing, ultimately jeopardising the quality of care delivered by our NHS.

To address this critical challenge, we urge you to seize the opportunity presented by the Spring Budget and invest in a loan forgiveness model for nursing graduates working in public services. This innovative solution holds the potential to attract and

maintain a diverse and talented workforce. Removing financial barriers will entice more individuals to pursue a long-term career in nursing, bolstering the domestic workforce and ensuring its future resilience.

The loan forgiveness model could prove a potent and cost-effective tool against the recruitment challenges plaguing the nursing field. By alleviating the financial burden that often serves as the primary deterrent for aspiring nurses, this solution directly targets the root cause of the problem and paves the way for a more robust domestic workforce.

Investing in nursing transcends mere financial considerations; it represents an investment in local people and local communities, and the immediate and enduring well-being of our society. By empowering nursing staff to deliver exceptional, personalised care, we not only reduce reliance on expensive agency staff but also cultivate a healthier, more productive population, generating ripple effects throughout society.

Following the substantial changes in higher education fees and funding announced by the Department for Education in 2023/24, MillionPlus, the Association for Modern Universities, commissioned London Economics to update the cost of implementation calculations, based on current 2023-24 prices. While the initial Exchequer cost of a loan forgiveness model is estimated at £235 million annually, this sum pales in comparison to the long-term economic and social benefits.

This forward-thinking solution represents a cost-effective investment in a robust and sustainable health and social care workforce for generations to come.

We stand ready to collaborate and provide further details to support this crucial initiative. We hope to engage with you directly on this in the coming days and weeks.

Yours sincerely,



Prof Pat Cullen, General Secretary and Chief Executive, Royal College of Nursing



Rachel Hewitt, Chief Executive, MillionPlus, the Association for Modern Universities

CC: Rt. Hon. Victoria Atkins MP, Secretary of State for Health and Social Care