

Medr

Y Comisiwn Addysg Drydyddol ac Ymchwil
Commission for Tertiary Education and Research

Terms and conditions of funding

2024-2025 version

Terms and conditions are reviewed and issued annually.
This version was updated in October 2024 and is valid until the
sector is informed otherwise.

Mae'r ddogfen hon hefyd ar gael yn y Gymraeg |

This document is also available in Welsh

www.medr.cymru



Noddir gan
Lywodraeth Cymru
Sponsored by
Welsh Government

Introduction

1. This document sets out the terms and conditions of funding by Medr. Medr distributes money from the Welsh Government through grant awards. The terms and conditions support Medr's responsibility to ensure that we achieve best value for money, monitor the financial sustainability of the providers we fund and ensure that funds are being used for the purposes for which they were given.
2. These terms and conditions and accompanying Grant award letter tell you what information we need from you to meet our monitoring requirements; alongside your general obligations to Medr.
3. In addition to this document, Institutions will receive a Grant award letter for the year, detailing the funds to be paid to the institution and the education provision or duty the institution/grant recipient is required to make in return for those funds. These terms and conditions must be read in conjunction with and subject to the purposes and targets as set out in the Grant offer Letter.
4. The definitions of terms used within this document are set out within '**Annex A: Glossary**'.

Application of this document

5. This document does not override, where appropriate the requirements of the grant recipients charter, statutes (or equivalent) and the law relating to the institution's charitable status but is intended to complement and reinforce them. Nothing in these terms and conditions shall require the institution to act in a manner which would cause it to lose its charitable status, or which would be inconsistent with its charter and statutes.
6. From time to time, we may within subsequent guidance, attach extra mandatory requirements to the conditions of funding, following appropriate consultation with the sector.
7. This document **does not** supersede the Financial Management Code (FMC) ([W17/16HE](#)), but operates in parallel to the FMC, and regulated institutions must also comply with the requirements set out in the FMC.
8. This document takes effect from 1 August 2024 and covers the period 1 August to 31 July 2025 and covers any new grant award arrangements made in this period. This document **does not** supersede any terms and conditions relating to grants made prior to 1 August. In those cases, rights and obligations under the pre-existing contract have been transferred to Medr.

Purpose and scope of Funding

9. The grant recipient shall only use the Grant for the purposes outlined within the Grant Award letter and in accordance with the terms and conditions set out in this

Agreement. The Grant shall not be used for any other purpose without the prior written agreement of Medr.

10. Funds that are not used for the purpose for which they were granted may be subject to reclaim.
11. Medr makes no commitment to renewing or continuing funding after the term of this Agreement and will not be liable for any additional costs incurred by you either during or after the Funding Period.
12. The grant recipient agrees and accept that you will not apply for duplicate funding in respect of any part of the Funded Activities or any related administration costs that Medr is funding in full as part of the Grant offer.
13. The grant recipient agrees that you will maintain appropriate financial, risk and due diligence systems when utilising any part of the Funding to provide a grant and/or to procure any goods or services from a third party.

Payment of Grant

14. Payment of the Funding is subject to you complying with this Agreement and to such further conditions that we may from time to time specify.
15. The Grant will be paid in accordance with the payment profile outlined within the Grant award letter.
16. Medr will only pay the funding in respect of eligible expenditure incurred by the grant recipient to deliver the funded activities outlined in the Grant award Letter.
17. The grant recipient must promptly repay any money incorrectly paid to you by us, plus interest, either as a result of an administrative error or otherwise.
18. Medr reserves the right to require the institution to repay all or part of any funds paid to it if the Institution fails to comply with any terms and conditions attached by Medr to payment of those funds.
19. Medr also reserves the right to require the institution to pay interest at two per cent over the Bank of England base rate, in respect of any period during which a sum due to Medr under this Terms and Conditions of Funding, or any other condition, remains unpaid.
20. In their role as Accounting Officer, the Chief Executive of Medr (or a senior official so designated by the Chief Executive) may suspend the payment of grant, either in whole or in part and either permanently or temporarily, if in their opinion it is appropriate and reasonable to do so to safeguard public funds.

Accountability

21. The Accountable Officer is responsible for ensuring the Grant is spent in a manner which complies with the terms and conditions of the Grant Agreement.
22. The Accountable Officer must safeguard, control and ensure the efficient, economical and effective management of the Grant.
23. The Accountable Officer must notify Medr of any serious weakness, such as a significant and immediate threat to the institution's financial position, significant fraud or major accounting breakdown and the action being taken by the institution to address this weakness. 'Serious weakness' is defined as one which has resulted in, or could result in, a significant loss of funds or a significant risk to an institution's property, work, data, beneficiaries or reputation.
24. The Accountable Officer must inform Medr of any breach or non-compliance with UK legislation and regulatory requirements.
25. The Accountable Officer should seek to ensure that financial considerations, including any issues of propriety, regularity and value for money are considered at all stages in relation to the Grant.
26. The Accountable Officer must ensure that the grant recipient complies with the Terms and Conditions of Funding and compliance rests with the governing body of the Institution.
27. The Accountable Officer is responsible for ensuring that funds from Medr are used only in accordance with this Agreement and any other conditions prescribed by Medr from time to time. Funds should be managed in line with the principles set out in [Managing Welsh Public Money](#).
28. Where appropriate, the Accountable Officer must advise the governing body immediately if, at any time, any action or policy under consideration by the governing body appears to the accountable officer to be incompatible with the terms of this document. If the governing body decides nevertheless to proceed, the accountable officer must immediately inform the Chief Executive of Medr in writing.
29. As a Welsh Government Sponsored Body, Medr must be confident that the bodies it funds have adequate and effective risk management, control and governance arrangements to protect the investment of public funding and arrangements for delivering value for money from public funds.

Quality provision of education

30. Estyn will undertake regular inspection of educational institutions and will report on the outcomes, including recommendations.

31. Where Medr identifies concerns regarding the quality of provision, we reserve the right to withdraw funding.

Notification Events and their Consequences

32. You must notify us immediately via email ([Investment and Performance](#)) if a Notification Event (Annex B) has occurred or is likely to occur, but we also reserve the right to notify you where we believe a Notification Event has occurred or is likely to occur.
33. We will either:
- notify you that we, at our absolute discretion, consider the Notification Event is not capable of remedy; or
 - if we consider, at our absolute discretion, that the Notification Event is capable of being remedied, seek to discuss the Notification Event with you with a view to agreeing a course of action to be taken to address the Notification Event.

Monitoring and reporting

34. The grant recipient shall closely monitor the expenditure of the Grant funding throughout the Grant period to ensure that terms and conditions of the award are being adhered to.
35. You must provide Medr with such information, explanations and documents as Medr may reasonably require, including any specific monitoring or reporting requirements set out in the Grant award letter, for us to establish that the Grant has been used properly in accordance with this agreement.
36. You must comply with (and facilitate our compliance with) all statutory requirements as regards accounts, audit or examination of accounts, annual reports and annual returns applicable.
37. You must co-operate fully with the Medr Official and with any other employee of Medr or consultant appointed by us to monitor your use of the Funding and your compliance with the Conditions.
38. If Medr is not satisfied with your delivery of the funded activities and achievement of the agreed outcomes, we reserve the right to withhold, suspend or cancel payment of the funding.
39. Where a grant award extends beyond the period of a year, the Grant will be reviewed annually, and the review will take into account your delivery of the objectives against agreed purposes and targets as outlined within the Grant award letter.

Audit requirements

40. The Institution must maintain complete, accurate and valid accounting records identifying all income and expenditure in relation to the purposes.
41. The Institution must provide Medr, HESA or other organisations as required by Medr, with data required whether for calculating funding or for other reporting and analysis purposes.
42. The Auditor General for Wales, head of Audit Wales, is the external auditor of both the Welsh Government and Medr. The Auditor General for Wales has the right to inspect the accounts of any grant recipient that receives a grant from Medr or Welsh Government funding and to carry out value for money investigations.
43. You must retain this letter and all original documents relating to the Funding for either six or ten years from the date of the last payment of funding, as outlined within the [Welsh Government's retention and disposal schedule](#).

Information

44. You acknowledge that we are subject to the requirements of the Freedom of Information Act 2000 (the "FOIA"), the Environmental Information Regulations 2004 (the "EIR"), the Data Protection Act 2018 (the "DPA") and the retained EU law version of the General Data Protection Regulation ((EU 2016/679) (the "UK GDPR").
45. You acknowledge that we are responsible for determining in our absolute discretion whether:
 - a. to disclose any information which we have obtained under or in connection with the Funding to the extent that we are required to disclose such information to a person making a disclosure request under the FOIA or the EIR; and/or
 - b. any information is exempt from disclosure under the FOIA or the EIR. For clarity, we will not normally disclose sensitive information on provider finances, other than for reasonable briefing purposes, in view of the confidential basis on which this information is shared with Medr by providers and the potential for harm caused by disclosure.
46. You acknowledge that we may share any data you provide to us with fraud prevention agencies and third parties for the purposes of preventing and detecting fraud. Any personal data we collect will be managed in accordance with our Privacy Notice which is available to view here: [Medr Privacy Notice](#).
47. Nothing in the Conditions transfers to us any rights in any intellectual property created by you as a result of the Purposes.
48. You agree that from the date of this letter until five years from the date of the final payment of Funding we may include details about your organisation and

business, the Funding and the Purposes in Medr promotional materials and you further agree to cooperate with our reasonable requests to achieve the production of such materials.

Prudent Management of the estate

49. The grant recipient should be considering Net Zero in delivering against the purposes of the grant awarded.
50. Where appropriate institutions must keep their holdings of land and buildings under review, with the objective of rationalising and disposing of those which institutions consider to be no longer needed.

Buying goods and services

51. If you decide to buy any goods and/or services to deliver the Purposes within the Grant Award letter, they must be purchased in a competitive and sustainable way so as to demonstrate that you have (i) achieved best value in the use of public funds, (ii) complied with your conflict of interest policy at the same time, and (iii) ensured compliance with your procurement policy in place at the relevant time.
52. We may from time-to-time request evidence from you to demonstrate your compliance with this condition. Such evidence may take the form of evidence of your:
 - a. Compliance with any procurement regulations, legislation or guidance in place from time to time which you, or any person carrying out a business or function of the same or similar nature to you, is subject; or
 - b. compliance with your procurement policy in place at the relevant time; or
 - c. obtaining a minimum of three written quotations for the relevant goods and/or services.
53. You must supply such evidence to us promptly following our written request for such evidence

Annex A: Glossary

In this Terms and Conditions of Funding, the following definitions apply:

Accountable Officer	Head of an institution/organisation responsible and accountable to Medr (and ultimately to the Senedd Cymru) for ensuring that the institution/organisation uses Medr funds in ways that are consistent with the purposes for which those funds were given and complies with the conditions attached to them.
FMC	Financial Management Code
Governing body	The institution's/organisation's council, board of governors or other body ultimately responsible for the management and administration of the institution's/organisation's revenue and property, and the conduct of its affairs.
Institution / Organisation	A Higher education institution or Further education institution.
The institution	Name of institution.

Annex B: Notification Events

The Notification Events are listed below:

1. repayment of any part of the Funding is required in accordance with any relevant legislation;
2. you fail to comply with any of the Conditions;
3. the Funding, in full or in part, is not being used for the Purposes;
4. you fail to achieve any or all of the Targets;
5. there is unsatisfactory progress towards completing the Purposes, including meeting the Targets;
6. you fail to provide information about the Purposes requested by us or any UK subsidy enforcement body or any of its auditors, agents or representatives;
7. we have reason to believe that you and/or any of your Personnel are involved in fraudulent activity or have been involved in fraudulent activity whether or not it relates to or is any way connected to the Funding;
8. we have made an overpayment of Funding to you;
9. there is a duplication of funding in respect of any part of the Purposes;
10. there has been a modification (qualification, adverse or disclaimer) to the auditor's opinion on your financial statements;
11. an event or circumstance has occurred and is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination thereof, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on you or to which any of your assets is subject;
12. a moratorium in respect of all or any of your debts or assets or a composition or an agreement with your creditors is agreed, applied for, ordered or declared;
13. you stop or suspend payment of any debts or are unable, or admit in writing your inability, to pay your debts as they fall due;
14. the value of your assets is less than your liabilities (taking into account contingent and prospective liabilities);
15. you commence negotiations, or enter into any composition, compromise, assignment or arrangement, with one or more of your creditors with a view to rescheduling any of your indebtedness (because of actual or anticipated financial difficulties);

16. any action, proceedings, procedure or step is taken in relation to you in relation to:
 - the suspension of payments, a moratorium in respect of any indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise); or
 - a composition, compromise, assignment or arrangement with any of your creditors; or
17. the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of you or any of your assets;
18. a statutory demand is issued against you;
19. you cease, or threaten to suspend or cease, to carry on all or a material part of your business;
20. there is a change in your constitution, status, control or ownership and/or your external auditors resign;
21. you fail to comply with any statutory reporting obligations which are applicable to you (including, but not limited to, filing requirements at Companies House, the Charity Commission, the Financial Conduct Authority);
22. there is any change, whether permanent or temporary, in your shareholders, directors, trustees or partners and/or Personnel which may affect your ability to deliver the Purposes;
23. any event occurs or circumstances arise which in our opinion gives reasonable grounds for believing that providing the Funding and/or the continuation of the arrangements contemplated by this letter could bring us into disrepute;
24. any event occurs or circumstances arise which in our opinion gives reasonable grounds for believing that you may not, or may be unable, to perform or comply with any of your obligations under the Conditions.

Medr

Y Comisiwn Addysg Drydyddol ac Ymchwil
Commission for Tertiary Education and Research

www.medr.cymru

2 Cwr y Ddinas
Stryd Tyndall
Caerdydd
CF10 4BZ

2 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ



Noddir gan
Lywodraeth Cymru
Sponsored by
Welsh Government