

Financial Contingency Fund Open University Guidance

Version 1

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Purpose of the funding

1. The purpose of the Financial Contingency Fund (FCF) is to provide financial help to those eligible students whose access to higher education might be inhibited by financial considerations, or who, for whatever reason, including physical or other disability, face financial difficulties.
2. This Guidance takes effect from 1 August 2025 and replaces existing guidance on FCF. Guidance provides information on the purpose of FCF and the administrative arrangements for the funding, and imposes requirements in respect of those arrangements. The Open University must comply with the requirements set out in this document when setting their funding policies; assessing individual student eligibility and need; and making payments.
3. In this Guidance “Institution” refers to the Open University who are in receipt of funding for the purposes of FCF from Medr.
4. Medr may, at any time, revise, revoke or add to the arrangements set out in this Guidance.

Priority Groups

5. The Institution must give priority to students who fall into one or more of the priority groups set out below:
6. Students with dependent children under 18 years of age. The Institution should consider the [Childcare Offer for Wales](#) before making an award.
7. Students with existing essential financial commitments, including priority debts (see the table at paragraph 22 below).
8. Disabled students, in particular those whose Disabled Student' Grant is unable to meet particular costs and neither is the Institution under any obligation to do so.
9. Students who, at any time within the period of 3 years prior to the first day of their course, have been in the care of a local authority.
10. Final year students who are in financial difficulty, including those unable to undertake paid work due to academic pressures.
11. Students who are ineligible for support under the [Education \(Student Support\) \(Wales\) Regulations 2018](#) (2018 Regulations) or under the eligible student's equivalent government funded student support scheme or legislation, though such students must be able to demonstrate that they have made adequate provision in respect of living costs for the duration of their course.
12. Students who are also carers providing unpaid support to someone who could not manage without this help.

13. The Institution is reminded that falling into a priority group is not in itself a basis for making an award from FCF. Nor does falling outside of a priority group mean a student is not eligible for an award.

Eligible Students and courses

14. A student will not be an eligible student unless they fall within one of the eligible student categories in Schedule 2 of the 2018 Regulations, as amended. The Institution will be responsible for ensuring the eligible students meet the residency conditions for support under this guidance.
15. An eligible student is a part-time student:
- whose study at the Institution is administered by the Open University in Wales; and
 - who, in the opinion of the Institution, falls within one of the categories in paragraphs a and b below:
 - a) Undergraduate students: including distance students following a higher education course or any periods of work placement or study on foundation degree courses. Students studying on foundation years which are an integral part of an undergraduate course, and where progression to the higher education part of the course is dependant on completion of that year, are also eligible to apply for support under this guidance.
 - b) Postgraduate students: following a higher education course at a level above first degree that is at least one academic year's duration. This may include, at the Institution's discretion, those who are writing up their thesis for a maximum 6 month period from the date of the end of course registration and are not therefore attending the Institution.
16. Where a student only qualifies for tuition fee support under the 2018 Regulations, they will be an eligible student only for the purposes of support for tuition fees. Where the Institution has decided before 1 August of the academic year that a student is only eligible for support for tuition fees, that student will only be eligible for support for tuition fees for the duration of the course.
17. Eligible students must have explored and applied for all alternative sources of funding, including public funding, before an application can be considered under this guidance.
18. The Institution may accept more than one application for funding from an eligible student but usually only where the eligible student's circumstances have changed or where the eligible student applies for assistance during the summer holidays.

Eligible activity

19. FCF can be used to provide support in the broad categories as outlined in the table at paragraph 22 below.
20. The Institution should note these categories are not exhaustive but are intended to indicate the broad range of support which falls under the scope of FCF funding.

Where a particular type or category of support is not included in the table at paragraph 22, please contact Medr for clarification.

21. The Institution may use 3% of their total funding allocation or £525, whichever is greater, to ensure FCF is effectively publicised and administered.

22.

Type of provision	Description of provision
Assistance with Disability costs	The Institution may make payments for the purpose of helping disabled eligible students and eligible students with disabled dependents. This includes, but is not limited to, payments in respect of reasonable costs associated with the disability which are not met by the Disabled Students' Allowance . For example, in respect of a preliminary diagnostic test or certain equipment. Where the Institution has made a purchase of equipment for a disabled student under this guidance, that equipment should remain the property of the Institution, unless that equipment is tailored to meet the individual needs of that student.
Books	The Institution may purchase essential books for students required for their learning programme. Any materials purchased by an Institution with FCF should usually remain the property of the Institution.
Equipment	<p>Institutions may purchase essential equipment for learners required for their learning programme. This should not be for materials provided to all learners as part of the programme. Any equipment purchased by an Institution with FCF should usually remain the property of the Institution.</p> <p>Large items of equipment bought for the use of individual learners should remain the property of the Institution</p>
Living Costs	These costs can include, but are not limited to, rent, mortgage payments, food, utility bills, clothing and laundry, and may include costs incurred during the summer vacation as well as during term time.
Childcare	The Institution may support students with costs associated with childcare. The Institution should consider the Childcare Offer for Wales before making an award.
Transport (including bulk purchase)	The Institution may use the funding to support students with the costs associated with transport.

Type of provision	Description of provision
Disabled Transport	The Institution may use the funding to support students who incur increased costs due to requiring specialist transport due to their disability.
Field Trips	The Institution may use FCF to support students with the costs of field trips essential to their programme of learning.
Grants and Loans	<p>The Institution may provide funding in the form of grants or short-term loans. It is for the Institution to determine the amount of grant or short-term loan to be awarded to eligible students.</p> <p>The Institution may provide funding to eligible students in the form of short-term loans. Eligible students may receive an emergency short-term loan under this guidance where their first loan payment has been delayed beyond the start of the term in question. It is for the Institution to determine the amount of short-term loan to be awarded to an eligible student, though it is recommended that this should not exceed the equivalent of four weeks of loan payment. There may also be other circumstances where the Institution wishes to assess the benefit of offering a short-term loan.</p>
Tuition fees and course-related costs	<p>The Institution must not provide funding in respect of an eligible student's tuition fees in any circumstances other than the following:</p> <ul style="list-style-type: none"> • The Institution may provide additional fee support for low-income eligible students whose other fee support is insufficient to meet the full tuition fee, particularly in circumstances where the resulting financial hardship will prevent a student from accessing and remaining in higher education. • The Institution may offer support under this guidance in respect of the fees charged for one undergraduate taster module or one academic year of an undergraduate taster module, whichever is shorter. Limited assistance could also be made available for course-related costs, such as books or travel. • Where an eligible student undertakes an undergraduate taster module and, within the same academic year, transfers credits accrued from that module to

Type of provision	Description of provision
	<p>the first year of a part-time higher education course, the Institution must take care to manage tuition fee support appropriately. The Institution must ensure any tuition fee support the eligible student receives during that academic year – under this guidance or through any statutory fee support – does not exceed the tuition fee charged to students who enrol directly onto that part-time higher education course.</p>
Exceptional costs	<p>Such costs include, but are not limited to, repairs to essential household equipment, emergency situations (including travel costs for family illness or bereavement, and hardship due to burglary or fire) and assistance with priority debts.</p> <p>Priority debts are those where non-payment would result in the creditor having the right to deprive the debtor of their home, or essential goods or services, and therefore do not include those incurred in the form of bank overdrafts or credit cards.</p>

Ineligible activity

23. FCF must not be used to meet the cost of tuition fees, except in accordance with the table at paragraph 22 above.
24. Institutions must not use FCF to support means-tested entitlement schemes (e.g. entitlement grant/bursary schemes).
25. FCF must not be used to provide group or communal facilities, or to make adaptations to buildings.
26. Institutions may use the funding to provide transport services, however, such services must not involve capital costs, such as the purchase of a vehicle.
27. Fines and deposits fall outside the scope of the funding. Examples include fines for the late return of library books or other disciplinary fines; deposits on lockers, ID cards, keys, library cards and equipment which are fully refundable except in cases of damage or theft.

Determination of payments

28. The Institution must determine its own eligibility criteria and procedures for considering applications and making payments to eligible students, subject to this and any other guidance from Medr.
29. The Institution is required to have a written policy for the allocation of payments to eligible students. The written policy must be clear and published (together with the appeals procedure) in such a manner as the Institution considers appropriate, provided it is easily accessible to students and those who advise them. The written policy, and any other materials or advertisements published in relation to the guidance, must refer to the guidance as the “Financial Contingency Fund Open University Guidance”. These should be made widely available to all stakeholders.
30. Applications for FCF must be evaluated by the Institution on a case-by-case basis in accordance with their written policies for the allocation of funding. In each case, the Institution must assess a student’s application based on the evidence provided by the student and their individual circumstances. A student should be notified of whether their application for funding has been successful or not within four weeks of receipt of that application by the Institution.
31. When considering applications, Institutions must take account of the student’s financial circumstances and the availability of support from other sources, such as; Government funded schemes; the Welsh Government’s [Childcare Offer for Wales](#); or Welfare Benefits including; Income Support, Universal Credit, and support provided by the student’s local authority. Some students may not qualify for the support from the list above, however, may still face financial hardship and would therefore be eligible for support through FCF.
32. The Institution should consider whether it is appropriate to take into account any discretionary bursaries it has previously awarded a student, either attainment based or means-tested, when assessing their eligibility under this guidance. Also, whether

the student is in receipt of any bursaries or monetary training incentives from other sources which are connected to specific courses, for example, those associated with the NHS and teacher training.

33. The Institution should be mindful of the fact that parental or partner contributions, for a variety of reasons including estrangement and financial difficulties within the family, may not always be as much as expected.
34. In determining and making payments to students, the Institution should have regard to any Code of Practice issued from time to time by the [Equality and Human Rights Commission](#) in respect of requirements imposed by Chapter 2 of Part 6 of the [Equality Act 2010](#).

Payments to students

35. The Institution must deal with students' payments promptly bearing in mind the purpose of FCF and circumstances which give rise to financial hardship.
36. The Institution must not commit to any year-on-year awards to students.
37. Whilst payments from FCF can be agreed in principle prior to the start of the academic year, they should **not** be paid until the student has started their course.
38. The Institution may make payments to eligible students either in a lump sum or by instalments.

Payments other than directly to the student / debt owed to the Institution

39. Subject to the exception which follows, the Institution may use FCF to reimburse itself for amounts owed to it by the student, provided the student first consents to the using of the funding for that purpose. The exception is that the Institution may not use FCF to directly reimburse itself in respect of unpaid tuition fees (other than a debt which has arisen in respect of a payment made under paragraph 22 of this guidance).
40. The Institution must not make payments under this guidance, conditional on a student first settling any debt owed by that student to the Institution, nor require a student to use any payment under this guidance to settle such debt.

Payments during periods where study is suspended

41. The Institution may make payments to eligible students who have suspended their studies due to health, caring reasons, pregnancy, or for any other circumstances the Institution deems appropriate, provided the Institution is satisfied the student has not withdrawn from or abandoned the course and the student to return to the course.

Appeals

42. The Institution must have a published appeals procedure in place for cases where students have applied unsuccessfully for FCF support. This procedure should be

clear, published, and students must be informed of their right to appeal. Decisions on eligibility and awards rest with the Institution responsible for administering FCF. It is for the Institution to consider each case and resolve appeals in accordance with their published procedure.

43. The Institution should consider including student representation in their decision-making process.

Advice to students

General

44. The provision of financial advice to a student is a key part of ensuring the effective use of FCF.
45. The Institution should be aware it may be a concern for some Muslim students to be required to exercise their entitlement to a student loan. In these cases administrators may find it helpful to advise students to visit the [Federation of Student Islamic Societies](#) (FOSIS) for information and advice. Administrators of this guidance will also no doubt be aware that several banks in the UK offer personal bank accounts that conduct banking according to Sharia law.
46. Institutions should ensure students seeking help from FCF are advised any payments received could have implications for their entitlement to benefits, particularly Income Support and Universal Credit.

The Childcare Offer for Wales

47. The Childcare Offer for Wales provides 30 hours of government-funded early education and childcare to eligible parents of 3 and 4 year-olds for 48 weeks in a 52 week period.
48. During school terms this is comprised of a minimum of 10 hours early education (delivered through Foundation Learning) and additional hours of funded childcare. For the holiday weeks available under the Offer, parents can access 30 hours of funded childcare.
49. From September 2022, the Childcare Offer for Wales has been extended to parents in education and training.
50. Parents in education must be enrolled on a course of at least 10 weeks in duration to be eligible for the Childcare Offer for Wales as well as meeting other eligibility requirements.
51. The Childcare Offer for Wales does not take precedence over other support, including FCF. Parents should be given advice and guidance to help them make informed choices about their options.
52. As the Childcare Offer for Wales only provides 30 hours of childcare per week, FCF may be used to cover additional hours parents may need along with other childcare-related costs not covered by the Offer.

53. Whilst the risk of dual funding is low, checks should be put in place to ensure hours covered by the Childcare Offer for Wales are not included in any claims made by parents for FCF support.
54. Learners who may be eligible for the Childcare Offer for Wales, or who are interested in finding out more should be referred to the [Family Information Service](#). They will be able to advise parents about the Childcare Offer for Wales, their eligibility and other support that may be available to them.

Payments to the Institution

55. Funding will be paid to the Institution in three instalments in August, December and April.

Monitoring Requirements

56. Institutions in receipt of FCF must submit an end of year report by the last Friday in November after the end of the academic year. Report templates will be issued by Medr for completion ahead of the submission deadline.
57. Any unspent FCF, including any interest accrued by the Institution, identified in the end of year report will be reclaimed in full by Medr.
58. The Institution must use the repayments made by students in respect of short-term loans made under paragraph 22 for the purposes set out in this guidance, or for further payments, which must be documented in the same way as the original payments.

Accountability

59. The Director (or equivalent) of the Institution is responsible for:
 - i. Advising the Governing Body of the Institution of its responsibilities under FCF.
 - ii. Ensuring the uses to which the Institution puts its funding allocation are consistent with the purpose of FCF and the terms and conditions of this guidance are complied with.
 - iii. Taking those measures which Medr may from time to time require to ensure a system of financial controls and managements are in place to enable the Institution to fulfil its financial obligations.
60. The Institution must also make information in respect of their audited accounts available to Medr upon their request.

Contact Details

61. For any queries relating to the content of this Guidance, please contact Medr at InvestmentandPerformance@medr.cymru.

Medr

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