

Digital funding for further education institutions in 2025/26

Date: 26 August 2025 Reference: Medr/2025/12

To: Principals of directly-funded further education institutions

Respond by: 24 October 2025

More information: Rebecca Johnson | <u>digitallearning@medr.cymru</u>

Summary

This document sets out digital capital and revenue funding allocations for further education institutions in the 2025/26 academic year, and provides guidance on eligible and ineligible expenditure.

Funding allocations for each institution are set out in **Annex A**.

Timelines

Timing	Milestone or action
By 24 October 2025	Each institution to outline its intended use of funding (Annex B)
December 2025	Interim capital payment (50% of allocation) will be processed during December
March 2026	The remaining 50% of capital allocation and an interim payment of £15,000 revenue funding) will be processed during March
By 31 July 2026	Expenditure reporting and final claim (Annex C to be added once interim payments have been made. Nominated funding leads will be notified when this form is available.)



Introduction

- 1. During the 2025/26 academic year, Medr will be collating evidence about the impact and benefit of the previous 'call to action' on digital learning for further education (FE) and developing our evidence base on digital learning needs and priorities. We will also work with Jisc on a mid-term refresh for the Digital 2030 strategic framework. These activities will inform planning for Medr's future strategic approach to digital learning in the tertiary sector.
- 2. The Welsh Government's funding settlement to Medr for 2025/26 includes £3 million digital capital funding for FE. This funding is to provide continuity for FE after the call to action; to maintain momentum with progress which has been made over the last three years; and help to address specific funding pressures which have been raised by FE institutions. Each FE institution will also receive a £25,000 digital revenue allocation in 2025/26.

Allocations

3. Our approach to allocating **capital funding** has been informed by the methodology used under the call to action on digital learning for FE.

Step 1	A base amount of £30,000 has been applied to all institutions. This is intended to ensure that the capital funding amounts provided to smaller institutions are of a sufficient size to make a positive impact.
Step 2	The rest of the £3 million was distributed in line with the FE Mainstream Allocations for 2025/26. Further information about the FE Mainstream Allocation methodology was provided in Medr/2025/06 : Medr's funding allocations for academic year 2025/26
Step 3	Due to its smaller physical estate (with significantly lower digital infrastructure implications compared to other FE institutions), the allocation for Addysg Oedolion Cymru Adult Learning Wales has been halved after the first two steps. The capital funding released from Adult Learning Wales' allocation has been distributed between the other FE institutions in line with the FE Mainstream Allocation methodology.

Each FE institution has been allocated £25,000 digital **revenue funding**. Capital and revenue allocations to each institution for the 2025/26 academic year are set out in **Annex A**.

Guidance on the use of capital and revenue funding

4. Guidance on eligible and ineligible expenditure is provided in this section. If you are unsure whether your proposed use of funding is eligible, please contact digitallearning@medr.cymru for advice.

5. The funding allocated by Medr is made available subject to the general conditions for payment of funds set out in Medr's Terms and Conditions of Funding.

Capital funding

- 6. This funding is intended to support FE institutions in addressing priority needs under the following categories:
 - Digital device replacements required in the light of:
 - The unusual volume of digital devices reaching end-of-life at the same point (following previous significant levels of digital inclusion funding from Welsh Government in 2020 and 2021).
 - Microsoft's decision to end support for the Windows 10 operating system, requiring devices which are incompatible with Windows 11 to be replaced.
 - Essential investment in digital equipment and digital infrastructure to support cybersecurity and enhance the institution's digital resilience.
 - Continuing to improve and enhance user experiences in teaching and learning, including access to industry-standard digital equipment.
 - Other high priority capital investment categories which may be identified in Jisc's *State of the Nation* work (which is due to complete before the end of 2024/25).
- 7. Eligible capital expenditure may include:

Digital devices and digital equipment	The purchase and/or upgrading of digital devices and associated digital equipment for use by learners and by staff.
Cybersecurity and digital resilience	Capital costs associated with: ensuring that staff and learners are operating within a safe and secure digital environment (including secure storage of data); improving the speed, stability and experience of digital activities through upgrading WiFi access and network connections.
Teaching and learning experiences	 The purchase and/or upgrading of digital equipment: for individuals with accessibility requirements and/or additional learning needs to meet specialist industry requirements to enhance the learning experience and facilitate use of digital technology in teaching and learning spaces to produce high quality digital learning resources for piloting new technologies and/or new types of digital equipment for use in teaching and learning direct 'one-off' costs for setting up significant changes to digital systems, platforms or technologies.
Other eligible capital expenditure	Fixed, non-refundable fees from an external supplier where the institution is investigating and/or piloting viable digital equipment and infrastructure solutions to feed into longer term planning.

- Developing, testing and implementing ways of using data effectively to benefit learners and support teaching and learning (e.g. chatbots, progress trackers and data dashboards).
- 8. Capital funding **cannot** be used for:
 - Non-capital expenditure outside the scope of accounting standards for fixed assets and your institution's fixed asset policy.
 - Non-capital costs such as staff costs, licensing costs for software or subscriptions to access digital resources.
 - Training or events for staff or learners.

Revenue funding

- 9. £25,000 has been allocated to each FE institution as a contribution towards inhouses costs (e.g. to provide dedicated time and capacity from key individuals) and/or to bring in external expertise and capacity to support the following purposes.
- 10. Eligible revenue expenditure **may include**:

Evaluation, monitoring and reporting	 This might include: collecting, measuring and analysing quantitative data and qualitative feedback from learners and staff preparing information for wider dissemination and sharing costs directly associated with call to action end-of-initiative reporting on impact and benefit during autumn 2025
Embedding strategic and collaborative approaches to digital learning	 Continuing to embed strategic and collaborative approaches to digital learning. This might include: facilitating engagement with learners and staff as part of usercentred design and institutional decision-making processes innovation, exploration and piloting of new technologies and tools (including artificial intelligence) integrating new technologies, tools and/or approaches following previous piloting (within your institution, or drawing on experience from other learning providers) sharing learning and experiences in the wider tertiary sector (i.e. outside your institution) facilitating collaborative activities with external partners (e.g. other learning providers, employers, community partners) time and capacity from key individuals to engage in collaborative activities and/or research co-ordinated by Jisc on behalf of Medr

- 11. Revenue funding **cannot** be used for:
 - Costs for promotional material and merchandise; and/or rewards to individuals for participation in activities or for providing feedback

- Staff travel and subsistence costs
- Costs outside this funding period (i.e. after 31 July 2026)
 Your institution must not have any expectation that Medr will provide further funding in future years and any supported costs during this period must not create a future funding dependency (for example; for ongoing licence agreements).

Your institution is responsible for ensuring that any ongoing or recurrent costs will be sustainable in future.

 General training and professional learning for staff (i.e. costs for staff to attend training or obtain certifications)
 FE institutions already have access to Professional Learning Funding from Medr, which is our primary channel for supporting professional learning activities in the sector.

Accepting the funding

- 12. Each institution is required to complete and return a signed copy of the form at **Annex B** to:
 - Nominate an appropriate individual in your institution as the lead contact in relation to this funding.
 - Briefly outline your intentions for use of this funding.

Forms should be returned to <u>digitallearning@medr.cymru</u> by 24 October 2025. This return is required before payments will be processed by Medr.

13. Please notify Medr at the earliest opportunity if you foresee that you will not be able to spend your full allocation. If funding is released by individual institutions, Medr will consider if it is feasible to re-allocate this funding.

Monitoring and payment of funding

14. Subject to the return of **Annex B**, payments will be scheduled for:

Timing	Capital funding	Revenue funding
December 2025	50% of your institution's capital allocation (interim)	-
March 2026	50% of your institution's capital allocation (interim)	£15,000 (interim)
August 2026	-	£10,000 (final)

15. You will be required to provide expenditure information by 31 July 2026 to release final payment. You should only claim against actual expenditure incurred by 31 July 2026. The amount of this final revenue payment will be adjusted in line with the

- actual expenditure incurred, up to the total value of your institution's revenue allocation.
- 16. Once interim payments have been made, the form for use when making your institution's final claim and providing end-of-year expenditure information will be added as **Annex C**. Nominated funding leads will be notified when this form is available.
- 17. If your expenditure information confirms unspent capital funding, Medr officers will contact your institution's Finance Director to reclaim this amount.

Further information

18. Any queries regarding this publication should be directed to Rebecca Johnson (digitallearning@medr.cymru).

Medr/2025/12: Annex A

Digital Funding for Further Education Institutions in 2025/26

Further Education Institution	Digital capital allocation 2025/26	Digital revenue allocation 2025/26
Addysg Oedolion Cymru Adult Learning Wales	£40,000	£25,000
Bridgend College	£162,000	£25,000
Cardiff and Vale College	£352,000	£25,000
Coleg Cambria	£352,000	£25,000
Coleg Gwent	£400,000	£25,000
Coleg Sir Gâr	£210,000	£25,000
Coleg y Cymoedd	£305,000	£25,000
Gower College Swansea	£255,000	£25,000
Grŵp Llandrillo Menai	£344,000	£25,000
Grŵp NPTC Group	£241,000	£25,000
The College Merthyr Tydfil	£114,000	£25,000
Pembrokeshire College	£135,000	£25,000
St David's Catholic Sixth Form College	£90,000	£25,000
Total	£3,000,000	£325,000

Medr/2025/12: Annex B

Digital Funding for Further Education Institutions in 2025/26

Completed forms must be returned to digitallearning@medr.cymru by 24 October 2025.

Section 1: Acceptance of funding

Funding recipient details:		
Institution:		
Nominated lead contact for this funding:		
Email address:		
Capital		Revenue
£		£
Please add the relevant allocation amounts for your institution; from Annex A		

Section 2: Intended use of funding

Referring to our guidance on eligible and ineligible expenditure, please indicate how you intend to use this funding.

At this stage, you may indicate an estimated amount or estimated percentage of funding against each category. Itemised expenditure details will be requested at the end of the grant period, as part of your institution's final claim.

If no expenditure is anticipated against a category, please mark it as 'N/A'.

2.1 Capital funding		
Expenditure category:	Intended type of expenditure and/or key purchases:	Estimated amount or percentage of capital funding:
Digital devices and digital equipment		
Cybersecurity and digital resilience		
Teaching and learning experiences		
Other eligible capital expenditure (please specify)		

2.2 Revenue funding		
Expenditure category:	Intended type of expenditure:	Estimated amount or percentage of revenue funding:
Evaluation, monitoring and reporting		
Embedding strategic and collaborative approaches to digital learning		

If you are not able to utilise your full allocation for any reason, please notify Medr as soon as possible (via: digitallearning@medr.cymru).

Medr/2025/12: Annex C

Digital funding for Further Education Institutions in 2025/26

This annex will be added once interim payments have been made.





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**