

Degree apprenticeships in Wales: funding allocations for academic year 2026/27

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To: Heads of higher education institutions
Principals of further education institutions and independent training providers

Response by: No response required

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Summary:

This publication sets out Medr's funding allocations to higher education institutions for degree apprenticeships in academic year 2026/27. The document provides guidance on the requirements and administration of the funding.

Introduction

1. This publication provides information on degree apprenticeships investment for the academic year 2026/27, including the allocation of £10.111m total funding to higher education institutions (HEIs) and sets out the criteria HEIs and apprentices will need to meet in order to be eligible for funding. Funding letters will shortly be issued separately to institutions in receipt of funding.
2. Medr's degree apprenticeship funding is provided for the cost of delivery for higher education institutions. Any individual student support funding for which degree apprentices may be eligible is administered by the Welsh Government through the Student Loans Company.
3. The majority of institutions have received extra funding for new starters which is possible due to the increased degree apprenticeship budget for AY 2026/27. It should however be noted that there are some institutions that appear to have a lower overall funding allocation compared to the previous year, however this is due to them having fewer continuing learners in AY 2026/27.
4. Providers are encouraged to advertise the opportunities available to employers, learners and other stakeholders to maximise the number of apprentices who are able to benefit and subsequently enrol on an eligible degree apprenticeship programme.

Funding approach

5. Medr has identified strategic priorities for investment in AY 2026/27 that take account of sector data showing where outcomes could be enhanced, and make best use of available budget.
6. Degree apprenticeship funding priorities for AY 2026/27 are:
 - continuing apprenticeships;
 - new starters and particularly those aged between 18 – 24 (in line with the Young Person's Guarantee);
 - upskilling of existing employees;
 - apprentices with protected characteristics;
 - Welsh language provision;
 - new construction degree pathway - Architectural Technologist.
7. The funding arrangements are as follows:
 - Funding will be allocated on the basis of the number of expected continuing and new apprenticeships starting in 2026/27;
 - Funding will cover degree apprenticeship frameworks in the areas of construction, digital, engineering and advanced manufacturing;
 - The amount of credit value has been calculated using a total of £27,000 for a typical 360 credit value course i.e. £75 per credit value. Therefore an apprentice expected to be studying 120 credits each year on a 3-year course will attract £9,000 funding per year.

8. Funding cannot be claimed for credit awarded through the recognition of prior learning and/or associated costs of this process.

Funding in AY 2026/27

9. Medr receives its budget from Welsh Government on a financial year basis. This is then translated into academic year allocations which assume budget will continue to be available in the following financial year. Allocations to providers are made on an academic year basis.¹
10. The degree apprenticeship budget for FY 2026-27 is £10.111m, the amount available for allocation to institutions in AY 2026/27 is £10.111m, however there is a deduction of £180,183 from this allocation for an adjusted payment to HEIs based on their verified HESA data returns for AY 2024/25. The total allocation to deliver degree apprenticeships in AY 2026/27 is therefore £9,930,967.
11. Institutional allocations take into account an increase in funding for continuing learners in AY 2026/27. The method for allocating funding for new starts for 2026/27 has previously been agreed with degree apprenticeship providers and is based on activity in AY 2025/26 and the HESES data return that HEIs provided in February 2026.

Allocation methodology

12. The methodology used to cap the budgets in line with available funding is based on a number of steps:
 - a) AY 2026/27 continuing students on existing frameworks are based on numbers provided by each institution with funding based on the funding rate according to the expected length of course. This total sector funding required for continuing students is taken from the total budget available for FY 2026-27.
 - b) AY 2026/27 funding for new starters on degree apprenticeship frameworks is distributed based on the method that received most support in our informal consultation with institutions in 2024/25.
13. The funding allocation is based on the following principles:
 - Funding continuing learners as submitted by each institution;
 - All institutions have been allocated a minimum of 5 new starts based on £9,000 per apprentice;
 - Additional new starts allocated proportional to new starts delivered in 2025/26 and the HEI's overall spend data in January 2026 against their original budget based on the HESES return.
14. The maximum sum that can be allocated for the delivery of the requirements for each apprenticeship is £27,000. In previous years, we have allocated a budget of £9,000 per year per apprenticeship, based on the assumption that programme

¹ We use this format, FY 2026-27, to denote the financial year to 31 March 2027, and this format, AY 2026/27, to denote the academic year to 31 July 2027.

duration is 3 years. The maximum allocated budget for new and continuing degree apprenticeships is based on the shortest course duration, however where the course duration is longer, payment will be made based on actual credits completed.

15. A combined maximum budget for both new and continuing apprenticeships in AY 2026/27 has been allocated, so that the degree apprenticeship programme can be managed flexibly within institutions and between frameworks and qualifications to meet employer demand.

Funding allocations 2026/27

16. Total funding available for allocation is £10.111m minus £180,183 (adjustments of funding from AY 2024/2025 to be paid to HEIs in FY 2026-27 based on verified data).

Provider	Total funding (£)
Bangor University	911,939
Cardiff Metropolitan University	1,037,938
Cardiff University	243,460
Open University	182,750
Swansea University	1,194,842
University of South Wales	2,114,570
University of Wales Trinity Saint David	2,599,512
Wrexham University	1,645,956
Total	9,930,967

Payment of grant

17. HEIs should expect two payments for degree apprenticeships in AY 2026/27. 60% of an institution's overall funding allocation will be paid in October 2026 and the remaining up to 40% will be paid in March 2027. Adjustments to the second payment will be calculated as outlined in paragraphs 22-25.
18. Should there be budget changes or cash management constraints (e.g. Medr's carry forward limit from one FY to the next), we may require a profile to be adjusted in-year. Prior written notification will be given should this occur.

Degree Apprenticeship requirements

19. To be eligible for funding, an apprentice must be enrolled on an approved apprenticeship framework and provision must comply with the following requirements:
 - Apprentices will spend 51% or more of their time working in Wales;

- An apprenticeship agreement must be in place and signed by the learner, employer and provider;
 - An initial assessment is undertaken with the apprentice, to ensure that previous experience and learning will be recognised where appropriate and additional learning support requirements will be identified and supported; apprentices may have equivalent level qualifications to enable them to access the framework which could be outside of the chosen sector;
 - Apprentices are supported in the workplace with at least 20% off-the-job learning or six hours of off-the-job training per week for a full-time equivalent (an individual working 30 hours or more) and/or meet notional guided hours regarding the credit undertaken;
 - Apprentices receive on and off the job work-based learning;
 - Apprentices have their progress frequently reviewed involving the Medr-funded institution and/or delivery provider, the apprentice and the employer;
 - Apprentices have access to the full range of student services offered by the provider, and its student union;
 - Data is submitted as required by Medr;
 - An apprentice can exit the qualification with accreditation or certification of learning achieved. This will not constitute successful achievement of a full apprenticeship.
20. Meeting the degree apprenticeship requirements and funding priorities will provide assurances to Medr that there is close alignment to the broader apprenticeship programme in Wales and that the relevant legislative requirements are met. Medr expects funded institutions to document evidence that they are meeting the requirements and reserves the right to audit that information.

Change of circumstances

21. A change in circumstances may result in an apprentice ceasing to be eligible for the apprenticeship or for Medr funding during a period of study. Where such a case arises, the provider must inform Medr to consider continuation of apprenticeship funding.

Monitoring and reclaim of funds

22. Funding awarded for 2026/27 will be monitored using the HESES 2026/27 recruitment data collected for new starters up to 1 March 2027 and continuing learners from previous years. HESES 2026/27 data will be collected and verified in February 2027.
23. Funding will be based on the number of completed credit values submitted. Funding could be adjusted downwards based on modules not completed, withdrawals or if the number of credits for the whole course is less than 360 credits due to recognition of prior learning (RPL).
24. The Medr Apprenticeship Team will contact institutions in October and December 2026 to confirm their spend to date and identify any forecast underspend for return and redistribution.

25. Adjustments of funding will be calculated towards the end of the financial year using HESES data, which will be verified by institutions as part of the degree apprenticeship data collection process. Further information is available from Hannah Falvey, HEStats@medr.cymru.

Conditions of grant

26. The funding allocated by Medr is made available subject to the general conditions for payment of funds by Medr to the Governing Body of an institution. These are set out in the Medr Terms and Conditions of Funding 2026/27.

Promoting degree apprenticeships

27. We expect providers to promote degree apprenticeship opportunities to a range of learners, particularly those from under-represented groups in tertiary education and in the workforce in Wales in the relevant sectors.
28. There is an expectation that degree apprenticeship providers will participate in:
- Medr and Welsh Government marketing activities and national campaigns;
 - Skills competitions such as World Skills. These competitions provide apprentices with additional experiences and challenges that will serve them well in their careers. Additionally they provide opportunities to demonstrate the strength of Wales's tertiary education sector through national and international competitions. Further information is available from [Frequently asked questions - WorldSkills UK](#).

Assessing the impact of our policies

29. We carry out an impact assessment screening to help safeguard against discrimination and promote equality. We also considered the impact of policies on the Welsh language and Welsh language provision within the HE sector in Wales and potential impacts towards the goals set out in the Well-Being of Future Generations (Wales) Act 2015 including our Well-Being Objectives. Contact wa.incusion@medr.cymru for more information about impact assessments. Providers are responsible for reviewing their own impact assessments in relation to degree apprenticeships.
30. For all enquiries please contact Simon Phelps (simon.phelps@medr.cymru) and/or Kelly Hillard (kelly.hillard@medr.cymru).

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