Medr

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

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Financial Contingency Fund 2026/27 Further education

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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 learners whose access to further 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 the date of publication 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. Further education institutions (FEIs) and Y Ganolfan Dysgu Cymraeg Genedlaethol must comply with the requirements set out in this document when setting their funding policies; assessing individual learner eligibility and need; and making payments.

3. In this Guidance "Institution" refers to an institution within the further education (FE) sector in Wales or Y Ganolfan Dysgu Cymraeg Genedlaethol which is 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. In determining which individual learners to support, Medr expects Institutions to give priority for help to learners who fall into the following priority groups:
   i. Learners who need help with childcare costs, especially lone parents. Institutions should consider the Childcare Offer for Wales before making an award.
   ii. Learners who will reach the age of 20 before they complete their A levels or other FE programmes and who face particular financial difficulties because their families will cease to receive child benefit and dependency additions in Income Support or Universal Credit for these learners as of their 20th birthday.
   iii. Learners who are carers (providing unpaid support to someone who could not manage without this help); looked after children; children who have been in care, on probation or are otherwise considered at risk.
   iv. Learners on low or no incomes, including learners who do not qualify for Income Support or Universal Credit, or learners from low- or no-income families, including those families in receipt of Income Support or Universal Credit and those that have unwaged dependents.
   v. Learners ordinarily resident in an area with an overall ranking of 190 or less according to the latest Welsh Index of Multiple Deprivation.

6. Institutions are 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 learner is not eligible for an award.

Eligible learners and programmes

7. A learner must be aged 16 or over on 31 August leading up to the academic year and undertaking a full or part-time programme at the Institution (including Welsh for Adults programmes).

8. Learners must also meet the residency conditions in the Post-16 Funding Framework

Eligible activity

9. FCF can be used to provide support in the broad categories outlined in the table at paragraph 13 below.

10. Institutions 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 13, please contact Medr for clarification.

11. Institutions may use up to 3% of their total funding allocation or £525, whichever is greater, to ensure FCF is effectively publicised and administered. This may include reasonable costs associated with publicity, administration, payment processing and software systems used to support the operation of the fund.

12. Medr recognises there will be learners who will not reach out to the Institution for support for a range of reasons. As such, Medr will allow institutions to use up to 10% of their budget flexibly for transport and food on top of the individual applications to recognise the difficulties and barriers to accessing support.

13.

Type of provision	Description of provision
Assistance with Disability costs	Institutions may make payments for the purpose of helping disabled eligible learners and eligible learners with disabled dependents. This includes, but is not limited to, payments in respect of reasonable costs associated with the disability. Where the Institution has made a purchase of equipment for an eligible disabled learner, that equipment should remain the property of the Institution, unless that equipment is tailored to meet the individual needs of the learner. The Additional Learning Support fund should be considered before making an award under FCF.
Books	Institutions may purchase essential books for learners required for their learning programme. Any materials purchased by an Institution with FCF should typically remain the property of the Institution.
Equipment	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

Type of provision	Description of provision
	programme. Any equipment purchased by an Institution with FCF should typically remain the property of the Institution. Large items of equipment bought for the use of individual learners should remain the property of the Institution.
Accommodation	Institutions may contribute towards the costs of accommodation fees for eligible learners who must travel to attend college or have a residential requirement as part of their study, for example, contributions towards hostel fees. Institutions may also support eligible learners who are homeless, threatened with homelessness, or unable to remain in their current accommodation and who require support to live independently while the institution assists them to secure suitable accommodation and access relevant benefits and support services.
Childcare	Institutions may support learners with costs associated with childcare. Institutions should consider the Childcare Offer for Wales before making an award.
Transport (including bulk purchase)	Institutions may use the funding to support learners with transport costs associated with accessing their programme of study. This may include support through bulk purchase arrangements and additional assistance for learners with disabilities who face increased travel costs or require specialist transport. Specific conditions for bulk purchase arrangements can be found at paragraphs 24 to 26 below.
Stationery	Institutions may purchase stationery for learners. This should be in addition to any stationery made available to all learners.
Exam Fees	Institutions may use FCF to meet the cost of awarding body examination fees, if these are usually the responsibility of the individual learner on the programme of learning.
Registration Fees	Institutions may use FCF to cover the cost of registration fees, if the fees are usually the responsibility of the individual learner on the programme of learning.
Field Trips	Institutions may use FCF to support learners with the costs of field trips essential to their programme of learning.
Food	Institutions may use FCF to tackle the rising issue of food poverty.
Disclosure Barring Checks	If learners require a Disclosure and Barring Service (DBS) check to undertake or complete their programme of study, institutions may support them with the associated costs.
Tuition fees and course-related costs	FCF must not be used to meet the cost of tuition fees for any learner, except where a part-time eligible learner

Type of provision	Description of provision
	undertakes a higher education taster module representing between 10% and 50% of a full-time higher education course. Institutions also have discretion to provide funding to eligible learners undertaking higher education taster modules representing less than 10% of a full-time higher education course, or fewer than 12 credits, where they otherwise meet the institution's eligibility criteria for taster module support.

Additional Provisions for Higher Education Students and Open University Learners

14. The Financial Contingency Fund (FCF) is intended to operate as a single discretionary hardship fund across further education and higher education provision. While the core principles, administration arrangements, assessment processes, appeals arrangements and monitoring requirements apply to all learners, institutions supporting higher education students, including students studying through the Open University in Wales, should have regard to the additional provisions set out below.

Eligibility

15. In addition to the requirements set out elsewhere in this guidance, higher education students must normally fall within an eligible student category under the Education (Student Support) (Wales) Regulations 2018 (as amended) and satisfy the relevant residency requirements.

16. Eligible higher education students may include undergraduate and postgraduate students studying on full-time or part-time programmes, including foundation degrees and foundation years that form an integral part of a higher education course.

17. Institutions should ensure that all applicants are assessed in accordance with the overarching principles of the Financial Contingency Fund, including consideration of financial hardship, individual circumstances and alternative sources of support.

Priority Groups

18. When assessing applications from higher education students, institutions should give particular consideration to students with dependent children, disabled students whose costs are not fully met through other support arrangements, care-experienced students, students with significant financial commitments or priority debts, student carers, final-year students experiencing financial hardship, and students who are not eligible for statutory student support but can demonstrate a genuine financial need. As with all FCF awards, membership of a priority group does not automatically confer entitlement to funding, and each application should be assessed on its individual merits.

Living Costs and Exceptional Hardship

19. In addition to the categories of support available through this guidance, institutions may provide assistance to higher education students facing hardship associated with essential living costs. These may include rent, housing costs, food, utilities, clothing, laundry and other unavoidable household expenditure. Support may also be provided in exceptional circumstances, including emergency situations, family bereavement, household crises, essential repairs or priority debts where non-payment could result in the loss of accommodation or essential services.

Tuition Fee Support

20. As a general principle, FCF must not be used to meet the cost of tuition fees.

21. Institutions may provide support in respect of eligible higher education taster modules in accordance with the provisions set out elsewhere in this guidance and any applicable student support regulations.

Alternative Sources of Support

22. Before making an award, institutions should satisfy themselves that the student has explored, and where appropriate applied for, all alternative sources of financial support available to them. This may include statutory student support, welfare benefits and other forms of public funding.

23. FCF is a discretionary hardship fund intended to support learners whose financial needs cannot reasonably be met through existing support arrangements. Institutions should consider the availability of alternative support when assessing applications.

Period Dignity

24. Ensuring access to period products, free of charge and in a way that is practical, inclusive, and dignified, is central to the purpose of this grant funding.

25. This Guidance takes effect from date of publication and replaces all previous Period Dignity guidance. Period Dignity funding will be incorporated within the Financial Contingency Fund (FCF) guidance for 2026/27.

26. Medr reserves the right to revise, revoke, or amend these arrangements at any time.

27. FEIs are required to make period products available to:
    - **All learners** within the institution; and
    - **Individuals within the wider college community** who require access, with priority given to those from low-income households.

28. Funding should be used primarily for the provision of period products. FEIs are therefore expected to allocate most of the funding to the purchase and distribution of these products.

29. In line with Welsh Government sustainability objectives, FEIs must prioritise the use of **eco-friendly period products**. For the purposes of this guidance, eco-friendly products are defined as:
    - **Reusable products** (e.g. period pants, reusable pads, menstrual cups); and/or
    - **Plastic free or reduced-plastic disposable products**, manufactured using sustainable or responsibly sourced materials.

30. FEIs should ensure that the selection of products supports **environmental sustainability, user choice and accessibility**.

Eligible costs and activities

31. Medr is committed to tackling all forms of plastic pollution. FEIs are required to spend **a minimum of 80% of grant funding on eco-friendly period products**, defined as reusable and/or plastic free options.

32. This requirement supports a shift away from single use plastic products by prioritising sustainable alternatives, while maintaining accessibility, choice, and dignity for users.

33. Grant funding may be used for the following:
    - Period product provision
    - Period products, including period pants
    - Sanitary disposal bags
    - Storage purses or wet bags for reusable products
    - Period product dispensers

34. Supporting items (where there is clear need)
    - Clothing, where a learner requires a change due to menstrual bleeding (limited to underwear, trousers, skirts, and tights)
    - Washing powder or liquid, for on-site cleaning of reusable products or soiled clothing where no alternative is available
    - Wet wipes, only where required for immediate hygiene purposes when away from home

Distribution

35. Costs associated with distributing products to users, including postage to home addresses when needed

Training and education

36. Up to **20% of the total grant** may be used for training and educational activity

37. Activity should:
    - Provide information on menstrual health and product options
    - Include opportunities to try or take-home reusable products
    - Align with existing institutional practices and available resources

38. FEIs are encouraged to make use of existing resources, including those available via Hwb and Bloody Brilliant Wales.

Communications and engagement

39. Targeted communications and marketing activity where not centrally provided.

40. Activities must:
    - Support awareness and accessibility of provision
    - Minimise printed materials where possible
    - Significant communications expenditure outside normal institutional activity must be agreed in advance with Medr.

General requirements

41. All expenditure must:
    - Directly support access to period products and period dignity objectives
    - Demonstrate value for money and proportionality
    - Be supported by appropriate evidence for audit purposes

Procurement of Period Products

42. Medr does not endorse any specific products, brands or suppliers. Institutions should ensure period products are procured through appropriate procurement routes and represent value for money.

43. Institutions are encouraged to utilise collaborative procurement arrangements and relevant Welsh Government Commercial Delivery (WGCD) frameworks where available. Procurement approaches should support compliance with public procurement requirements, enable access to suitable products and promote efficient purchasing and distribution arrangements.

44. When selecting products, institutions should support learner choice while meeting the sustainability requirements set out in this guidance, including the prioritisation of reusable and plastic-free products where appropriate.

45. Institutions should seek advice from their procurement teams regarding available framework agreements, collaborative purchasing opportunities and supply arrangements.

Welsh Government Commercial Delivery (WGCD) Procurement Arrangements

46. Welsh Government procurement arrangements are now managed through **Welsh Government Commercial Delivery (WGCD)**, which has taken on the functions previously delivered by the National Procurement Service (NPS).

47. WGCD, working with partners across the public sector, provides access to collaborative procurement frameworks for goods and services, including cleaning, janitorial, and washroom-related products that may include period products.

48. Institutions are encouraged to access current frameworks via:

- Sell2Wales
- Their internal procurement teams
- WGCD category contacts via Welsh Government

49. Previous frameworks (e.g. **NPS-CFM-0099-19**) may have expired or been replaced. Institutions should ensure they are using the **current live framework or its successor** when procuring period products.

50. Use of national or collaborative frameworks:
    - Supports compliance with public procurement regulations
    - Enables access to pre-approved suppliers
    - May provide better value and administrative efficiency

51. Feedback from the sector has highlighted that storage of large volumes of products can be a challenge. Framework suppliers may offer:
    - Regular delivery schedules
    - Smaller batch ordering
    - Direct-to-site or multi-site supply

52. Institutions are encouraged to explore collaborative or joint procurement approaches where appropriate.

Bulk purchase arrangements

53. Institutions may make bulk purchase arrangements with local transport companies and provide equipment or services at a lower cost for eligible learners who would otherwise need support from FCF.

54. FCF may be used to subsidise existing bulk purchase arrangements financed by the Institutions own funds. However, this should not be considered the main source of funding for these arrangements. Individual learner needs must be considered in the first instance for the expenditure of FCF.

55. Where an Institution enters a bulk purchase arrangement, a clear audit trail must be maintained which clearly identifies the learner beneficiaries and the amount of FCF allocated. The records must also demonstrate most learners facing financial hardship and who, without such support, would have difficulty accessing learning.

Ineligible activity

56. FCF must not be used to meet the cost of tuition fees, except in accordance with the table at paragraph 13 above.

57. Institutions must not use FCF to support means-tested entitlement schemes (e.g. entitlement grant/bursary schemes).

58. FCF must not be used to provide group or communal facilities, or to make adaptations to buildings.

59. Institutions may use the funding to provide transport services, however, such services must not involve capital costs, such as the purchase of a vehicle.

60. 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

61. Institutions must determine their own eligibility criteria and procedures for considering applications and making payments to eligible learners, subject to this and any other guidance from Medr.

62. Institutions must have written policies explaining their operational arrangements for awarding FCF. These should be made widely available to all stakeholders.

63. Applications for FCF must be evaluated by Institutions on a case-by-case basis in accordance with their written policies for the allocation of funding. In each case, Institutions must assess a learner's application based on the evidence provided by the learner and their individual circumstances. A learner 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.

64. When considering applications, Institutions must take account of the learner's financial circumstances and the availability of support from other sources, such as; the Education Maintenance Allowance; Welsh Government Learning Grant Further Education Scheme or other equivalent Government funded schemes; the Welsh Government's Childcare Offer for Wales; or Welfare Benefits including; Income Support, Universal Credit, and support provided by the learner's local authority. Some learners 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.

65. Institutions are reminded FCF is intended to provide support for individual learners in cases where a need is established and should not be used as a marketing tool. Institutions should be mindful of the support offered by local authorities and neighbouring institutions and should ensure FCF is not used to offer incentives intended to attract learners from other institutions.

66. In determining and making payments to learners, Institutions 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 learners

67. Institutions must deal with learners' payments promptly bearing in mind the purpose of FCF and circumstances which give rise to financial hardship.

68. Institutions must not commit to any year-on-year awards to learners.

69. Whilst payments from FCF can be agreed in principle prior to the start of the academic year, they should **not** be paid until the learner has started their programme of study.

70. Institutions may make payments to eligible learners either in a lump sum or by instalments.

Payments to learners in respect of equipment and materials

71. An eligible learner may make an application for funding in respect of essential equipment and/or materials they have purchased to participate in course-related activities. If the learner's application is successful, an Institution may reimburse the costs incurred by the learner in purchasing the equipment and/or materials in full or in part.

72. Medr advises Institutions should purchase the equipment on behalf of learners and provide them with the equipment as this does not influence other benefits.

Payments during periods where study is suspended

73. An Institution may make payments to eligible learners 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 learner has not withdrawn from or abandoned the course and the learner intends to return to the course.

Appeals

74. Institutions must have a published appeals procedure in place for cases where learners have applied unsuccessfully for FCF support. This procedure should be clear, and learners must be informed of their right to appeal. Decisions on eligibility and awards rest with the Institution responsible for administering FCF. It is for Institutions to consider each case and resolve appeals in accordance with their published procedure.

75. Institutions should consider how learner voice can inform their decision-making processes in relation to the administration of FCF.

Advice to learners

General

76. The provision of financial advice to a learner is a key part of ensuring the effective use of FCF.

77. Institutions should ensure learners seeking help from FCF are advised any payments received could have implications for their entitlement to benefits,

particularly Income Support and Universal Credit. Institutions should advise learners who are asylum seekers to make the Home Office aware of any funding to be received to ensure asylum financial support is unaffected.

The Childcare Offer for Wales

78. 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.

79. During school terms this is comprised of a minimum of 10 hours early education (delivered though Foundation Learning) and additional hours of funded childcare. For the holiday weeks available under the Offer, parents can access 30 hours of funded childcare.

80. From September 2022, the Childcare Offer for Wales has been extended to parents in education and training.

81. 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.

82. 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.

83. 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.

84. 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.

85. 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.

Asylum Seekers

86. Asylum seekers have no recourse to a specified list of “public funds”. However, FCF is not considered to be a “public fund”. The Welsh Government produces guidance for organisations in Wales to better understand the concept of Public Funds. Asylum seekers who are destitute can apply to the Home Office for suitable housing and money for essentials, but they are not eligible for statutory student support or support from other sources such as the Education Maintenance Allowance or Welsh Government Learning Grant Schemes.

87. Provided an asylum seeker meets the eligibility conditions referred in the paragraph above, Institutions may provide in-kind support such as books, equipment, childcare or a travel pass.

88. The provision of equipment should be accompanied by a letter explaining it has been provided by the Institution.

89. Institutions should avoid giving large payments into bank accounts to an asylum seeker unless they are an unaccompanied asylum-seeking child.

90. Unaccompanied asylum-seeking children do not receive cash support from the Home Office and are the responsibility of the local authority. They are treated as looked-after children and would fall into the priority groups at paragraph 5, above, where they have a financial need.

91. When asylum-seeking children reach legal adulthood at age 18, Institutions must consider their immigration status. Where the asylum claim is decided in their favour, the local authority must provide them with the same support and services as they do care leavers. As such, they continue to be eligible for support.

92. Asylum seekers refused asylum or determined to have an inadmissible claim but granted support under Section 4 of the Immigration and Asylum Act 1999 remain eligible for FCF support. Where a learner is in receipt of Section 4 support, the Institution should satisfy itself the learner is not due to be removed from the UK in the near future. Institutions should not make enquiries to the Home Office to establish their view.

Ukrainian nationals

93. Ukrainian nationals supported through one of the UK Government Ukraine Visa Schemes will be immediately eligible for post-16 funding and will be exempt from the normal three-year residency requirements. This eligibility extends to FCF support. Other immigration categories are also exempt in meeting the three-year residency requirements, please see the list included in the Post-16 Funding Framework.

Payments to Institutions

94. Funding will be paid to Institutions in three instalments in August, December and April.

Monitoring Requirements

95. 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.

96. From 2026/27, FCF is one of five funding streams that form part of Medr's 'Support and Wellbeing Fund'. The Support and Wellbeing Fund allows providers flexibility to move funding between each of its components.

97. Following the return of the required monitoring expectations for each component funding stream, any underspend below 100% of a provider's total Support and Wellbeing Fund allocation will be reclaimed in full. There will be no option of carrying forward this allocation to future years.

Accountability

98. Institutions must have regard to Medr's Regulatory Framework and any associated conditions, guidance, requirements or directions issued from time to time. Institutions must ensure appropriate arrangements are in place to support effective governance, financial management, accountability and audit in relation to the administration of FCF.

Contact Details

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

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