

## Additional higher education capital funding 2024-25

**Date:** 11 March 2025

**Reference:** Medr/2025/01

**To:** Heads of higher education institutions in Wales

**More information:** [investmentandperformance@medr.cymru](mailto:investmentandperformance@medr.cymru)

This publication provides details of the basis on which additional capital will be allocated to higher education institutions in Wales in 2024-25, the information required from institutions and our approach to monitoring.



## Background

1. The Welsh Government has announced an additional £18.5m capital funding will be made available for allocation within the 2024-25 financial year. This funding will be allocated to support strategic priorities including Net Zero/Decarbonisation, improving facilities and progressing the digitalisation agenda.

## Basis of capital funding allocations

2. The capital funding will be allocated based on a formulaic approach. As the funding is to be used, at least in part, to support learning and teaching, the student experience and student facing infrastructure, the allocations have been determined based on student numbers. The number of students at an institution represents a reasonable proxy for the amount of estate and facilities required. This method is consistent with previous allocations of capital administered by HEFCW.
3. The student numbers used for the initial allocation are the HESA Student Record Full-Time Equivalent (FTEs) for all modes, levels and domiciles based on the 2022/23 academic year. This is the same basis on which the previous round of Capital funding was allocated.

## Application of a minimum funding allocation

4. In order to provide capital funding that will allow all institutions to invest in projects that will make a sustainable impact, a minimum allocation of £1,387,500 has been applied. Given its limited estate in Wales, the OU will have a minimum threshold set at 50% (£693,750) to contribute to projects that will benefit Welsh students.
5. The funding for institutions where the original allocation based on their student FTEs fell below this value has been increased to this amount and the FTEs for those institutions then removed from the calculation. The remaining balance of available funding has been apportioned between the other institutions based upon the remaining FTEs in the calculation.
6. The resulting allocations for each institution are provided in **Annex A**.

## Confirmation of ability to spend

7. Given the limited timeframe to distribute this funding, in lieu of fully scoped plans we instead require institutions to confirm via email to [investmentandperformance@medr.cymru](mailto:investmentandperformance@medr.cymru) that they are able to utilise their allocation against relevant projects in the 2024-25 financial year. Please note that these must be developments within Wales (or in the case of digital, projects that will directly benefit Welsh students).
8. Should an institution foresee being unable to use their full allocation, they should notify Medr at the earliest opportunity and any residual funds will be reallocated to other institutions via the formulaic approach described previously.

## **Annual monitoring**

9. A monitoring exercise will be undertaken in 2025 at a suitable date (likely autumn) to ensure that the funding has been used as intended and to provide an update on the impact that the investment has had.
10. Institutions will be expected to provide a breakdown of the capital spend and detail any projects that the funding has contributed to.
11. Institutions will be requested to provide a qualitative summary of the positive impacts this funding has had/is having on WG priorities and the criteria noted above.

## **Timetable**

12. Providers will be requested to confirm their ability to spend their full allocation by **19 March 2025**.
13. Medr will schedule payment of the allocated funds to institutions upon receipt of the above confirmation and on 20 March 2025.
14. The annual monitoring process will take place in 2025 at a suitable date.

## **Further information**

15. For further information, contact [investmentandperformance@medr.cymru](mailto:investmentandperformance@medr.cymru).

Threshold £1,387,500

## All Students

Institution	2022/23 Student Numbers and FTE		Allocations pro rata to (£):	Percentage allocated to each institution
	Number	FTE	FTE	FTE
University of South Wales		17,855	2,638,895	14%
Aberystwyth University			1,387,500	8%
Bangor University			1,387,500	8%
Cardiff University		28,015	4,140,325	22%
University of Wales Trinity Saint David		12,600	1,861,787	10%
Swansea University		18,640	2,754,551	15%
Cardiff Metropolitan University		11,950	1,765,875	10%
Wrexham University			1,387,500	8%
Open University		7,960	1,176,067	6%
<b>Total</b>		<b>97,015</b>	<b>18,500,000</b>	<b>100%</b>

Source: HESA student record 2022/23

Student Numbers not used in calculation: HESA standard registration population, all modes, levels and domiciles.

FTE's used in calculation: HESA Session Population, all modes, levels and domiciles.

*Please note that rounding has been applied to FTE values following use in calculations.*

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[www.medr.cymru](http://www.medr.cymru)

2 Cwr y Ddinas  
Stryd Tyndall  
Caerdydd  
CF10 4BZ

2 Capital Quarter  
Tyndall Street  
Cardiff  
CF10 4BZ



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